

# Memo

To: Karen Selman, Finance Committee  
From: Rosemary N. Ryba, Treasurer  
CC: Board of Trustees, Village President  
Date: December 16, 2013  
Re: Monthly Summary – **DECEMBER**

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- Agenda Item 2.4 includes the Series 2003 General Obligation Bond payment, due by January 1, 2014 and will be wired upon approval at the regular Board Meeting on December 19, 2013, in the amount of \$227,765.00. The next interest payment of \$24,615 is due July 1, 2014. The final payment will be due in 2020.
- Property and Casualty Insurance premiums for FY 2014 are also included under Agenda Item 2.4 totaling \$113,297 as compared to \$91,600 for FY 2013, which reflects a \$21,697 increase. Worker's Compensation insurance premiums for FY 2014 total \$112,641 (payable in equal monthly installments) vs. \$102,218 for FY 2013, which reflects a \$10,423 increase.
- See attached copy of news article regarding School District 220 residents that may qualify for rebates due to over taxation with regard to Cook County. I have contacted BETA (Barrington Enlightened Taxpayers Association) to inquire on how the Village of Barrington Hills' residents may file similar rebates. I will keep you apprised of the progress.
- In preparation of the fiscal year 2013 audit:
  - Preliminary audit fieldwork by Baker Tilly Virchow Krause will commence on Monday, January 27, 2014.
  - All journal activities have been recorded to disc each month [stored in PD archives] as recommended in the 2009 internal audit control, and have continued as a practice each fiscal year.
  - Appraisal report will be available for the auditors.
  - A restoral exercise of the accounting software is completed annually to test the reliability of the data.
- The mileage reimbursement rate for 2014 has been set by the Internal Revenue Service at 56 cents per mile.
- Treasurer's Report 2.1 is available to the Board of Trustees in the e-Packet with other December Agenda materials. Archive records can be found online at [www.barringtonhills-il.gov/treasurer](http://www.barringtonhills-il.gov/treasurer).



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Article updated: 11/28/2013 5:25 AM

# Resident miss millions in quirky Dist. 220 tax rebates

## Dist. 220 residents in Lake County could get rebates — if they apply

By Jake Griffin

For decades, some Lake County taxpayers have unwittingly been picking up a share of Barrington Unit District 220's property tax levy for their Cook County neighbors.

The issue arises because Cook County is allowed to assess property differently than the other 100 counties in Illinois, according to tax law professionals. And though the legislature and courts devised a rebate plan that required Cook County property owners in District 220 to pay more than \$2 million back to Lake County property owners last year alone, it will never fully close the gap.

That's mainly because the majority of Lake County taxpayers in the school district are unaware they're due the rebate. And those who are aware of the taxation quirk have to pay a third of the rebate to a lawyer, who has to go to court every year to fight for the money.

"It's something that government, or whoever put this in, could take care of by writing rules correctly instead of people having to go through what I would call unnecessary actions," said Carl Koenemann, a North Barrington homeowner who has been receiving the rebate since it was ordered by the courts more than a decade ago.

Koenemann is due to receive nearly \$1,500 to recover excess taxes he paid in 2008, according to Lake County court records.

"And then you have to pay taxes on the money you get back," Koenemann added.

According to tax records, there are almost 7,200 residential properties in the Lake County portion of District 220. But only about 2,600 District 220 Lake County property owners — most of them residential — will receive the rebate because they filed a "tax objection" last year. Most rebate checks are a few hundred dollars, but plenty more top \$1,000 and one homeowner is due \$4,167. But millions of dollars more are being left on the table.

"That sounds crazy," said North Barrington Republican state Sen. Dan Duffy, who lives in the Lake County portion of District 220 and doesn't receive the rebate. "I'm extremely active in the political process and if I didn't know about this, I can't imagine my neighbors do."

This saga began in 1969. An attorney named Minard Hulse filed suit after discovering Lake County residents were paying higher taxes than property owners in Cook County.

"There was an unequal allocation of the tax burden," Hulse, now 75 and semiretired, said.

After Hulse initially lost in circuit court, a 1974 Supreme Court decision ordered that legislation be drafted to fix the problem. The legislative action failed, and in 1990 Hulse was back in court armed with tax bills from the Fox Point subdivision in Barrington. Because the neighborhood straddles the border between Cook and Lake counties, Hulse could show drastically disparate tax bills for similarly constructed homes on opposite sides of Lake-Cook Road.

After a decade of legal battles, an appeals court eventually sided with Hulse. He began rounding up residents with the help of the Barrington Enlightened Taxpayers Association and filed objections, a process that now occurs annually.

Hulse and association officials urge Lake County property owners to visit the BETA website at [betaonline.us](http://betaonline.us) to learn how to file the objection. Once those objections are submitted, the state's Department of Revenue determines how much the objecting Lake County property owners — and only those objecting — were overtaxed and sets a rate to apply to all of the Cook County property owners within the district to repay them.

By 2003, District 220 residents on the Cook County side started seeing something called “Lake County Tax Objection” on their property tax bills and the rebate checks to Lake County taxpayers soon followed. While Hulse claims the rebate amounts are “winding down,” they may never fully go away.

John Kopecky lives on the Cook County side of District 220 in Barrington. After paying \$100 to the objectors in 2003, the annual objection amounts he paid dipped well below \$100 until 2009. That's when he started seeing his bill begin ratcheting up. In 2012, he paid an additional \$156, the most ever.

“I was told that it was going to end one day, but it's just going up and up,” Kopecky said.

Because the rebates are several years in arrears, Kopecky's 2012 payment covers the tax year 2008. Hulse said this time gap between billing and rebating is why Kopecky is seeing a spike now.

While the thrust of the problem is created by Cook County assessing residential property at 10 percent of its market value and every other county in the state including Lake County assessing at 33.3 percent, Hulse said the District 220 tax disparity was exacerbated by an additional homeowner's exemption granted only to Cook County residents in the 2000s. The benefits of that exemption peaked in 2008 and began declining as the housing market crashed. That exemption has since expired.

“This is a bubble,” Hulse said. “If people are going to get excited and think they're entitled to these gigantic rebates in the future, I don't think that's going to happen.”

Meanwhile, Duffy said the rebate process should be more transparent to those entitled and more accessible than having to hire a lawyer every year to fight for it.

“This shouldn't be about making the lawyers rich,” he said. “There has to be a better way to find out about this other than you know a guy who knows a guy who knows Minard.”

Got a tip?

Contact Jake at [jgriffin@dailyherald.com](mailto:jgriffin@dailyherald.com) or (847) 427-4602. Follow him at [facebook.com/jakegriffin.dailyherald](https://facebook.com/jakegriffin.dailyherald) and at [twitter.com/DHJakeGriffin](https://twitter.com/DHJakeGriffin).