



Madison County chairman addresses referendum to set maximum tax rate

April 26 2016 3:02 PM

(The views in this release are those of Madison County Chairman Alan J. Dunstan)

EDWARDSVILLE – Madison County Chairman Alan J. Dunstan today addressed the attempt to place a referendum on the November ballot that would limit the maximum tax rate for the county's general fund to .20 cents.

Dunstan said Madison County Government has been addressing property taxes for county government over the past few years. The county has cut its portion of the property tax bill, but has done so in a careful and deliberate manner that does not jeopardize public safety and criminal justice programs.

Pledging his total support for the men and women of law enforcement, Dunstan said he



W
ill do everything he can to support strong law enforcement for a safe community but will not be supporting any effort that reduces law enforcement or puts the public's safety at risk.

“I support true property tax reform, which would provide tax relief for people throughout the State of Illinois, not a selective tax restriction that hinders public safety and other services provided to the people of Madison County,” the chairman stated.

Dunstan cited the need to address education funding at the state level to reduce property taxes at the local level, the elimination of unfunded mandates on school districts and local government, and the need to look at the consolidation, sharing and streamlining of government services at all levels.

Dunstan said a group is circulating petitions to lower the county's the maximum general fund tax rate from 0.25 to 0.20. The county does not levy to the maximum rate in the general fund, having averaged 0.22 over the past 10 years. Any tax savings to property owners would be modest.

In response to the campaign of misinformation by those circulating the petition, Dunstan is releasing a fact sheet with details of the actual savings to the taxpayer, as well as the potential negative impact on public safety and criminal justice programs that protect the public.

"Because the majority of the general fund pays for public safety and criminal justice programs, lowering the maximum general fund tax rate would have a negative impact on these services," Dunstan stated.

"There would be an immediate loss of revenue if the reduction is approved by the voters. Lowering the maximum rate will require immediate cuts, make it difficult for Madison County to deal with future state revenue shortfalls, handle the effects of an economic downturn, and address inflationary increases. Most importantly, programs to protect the public would be impacted," the chairman added.

Madison County has operated each year with a balanced budget. It does not hold excessive fund balances, operating the general fund with six months of operating reserves. The county's outside auditor, Scheffel Boyle, CPA has stated as part of its annual audit report that it does not consider this level to be excessive, and is consistent with other counties.

Some of the people promoting this referendum are misinformed on this and are passing along incorrect information to the public, in an attempt to solicit them to sign the petition.

"There are serious problems with taxes that need to be addressed, but hampering Madison County government's ability to keep the county safe by reducing a homeowner's property tax bill by less than \$6 a year on a \$100,000 house isn't the answer," Dunstan continued.

Dunstan's Summary About The Truth about the County General Fund Tax Rate Cut Petition

Yearly Taxes paid by a Madison County Homeowner with a \$100,000 Home that receives a \$6,000 Homestead Exemption:

Madison County Ten Year Average General Fund Tax Rate: 0.0022

Average Taxes paid by a \$100,000 Home to the General Fund: \$ 59.98 Per Year

Petition to lower maximum General Fund Tax Rate: 0.0020

Maximum Taxes paid by a \$100,000 Home to the General Fund: \$ 54.60 Per Year

Total Yearly Savings to Tax Payer if Referendum Passes: \$ 5.38

What impact will a revenue reduction have on the County's General Fund?:

Amount of Current Maximum Allowable Taxes to be collected: \$ 11,668,190

Amount of Maximum Allowable taxes to be collected: \$ 9,334,552

(if referendum passes)

Reduction in Maximum Revenue (20% reduction) \$ 2,333,638

Amount of Actual 2015 Taxes Collected: \$ 10,716,065

Amount of Maximum Allowable taxes to be collected: \$ 9,334,552

(if referendum passes)

Reduction in Actual Revenue (13% reduction): \$ 1,381,513

What impact will a revenue reduction have on personnel in the General Fund:

A reduction of 28 to 47 positions would be needed to make up for the deficit created by the rate reduction.

With over 50% of the General Fund supporting Public Safety and Criminal Justice Services, is it worth \$5.38 per year to preserve public safety funding?