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# THE CIVIC FEDERATION

## FY2022 RESEARCH WORK PLAN



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## **INTRODUCTION**

This Research Work Plan is an overview of the major research projects planned for the Civic Federation's fiscal year 2022 from October 1, 2021 to September 30, 2022. The summary of completed research from fiscal year 2021 is available in a separate report and annual projects have been prioritized.

## **SCOPE**

This work plan does not include efforts related to involvement in outside committees and working groups, most research for weekly blog posts, or responses to current events that are addressed as they emerge. A significant amount of research staff time is spent preparing answers to media questions, providing content for public presentations by the President, researching and reviewing the work of outside task forces on which the President or Vice President sit, writing blog posts, preparing committee meeting materials, training new staff and compiling data related to Board member requests. The work plan also does not include the time necessary for the Vice President to run the Governmental Research Association as its President.

## **STAFF**

The staff members responsible for research are Senior Research Associate for Criminal Justice Annie McGowan and Senior Research Associate Alana Warren. Project Manager Roland Calia and Vice President and Director of Research Sarah Wetmore conduct research as well as provide guidance and quality control. All projects completed by research staff are edited and publicized by Civic Federation Communications Director Katy Broom. President Laurence Msall provides final oversight and presents research findings to policymakers and the media.

## PRIORITY RESEARCH TOPICS FY2022

Two specific areas of research will be prioritized in FY2022.

### CORONAVIRUS PANDEMIC: FINANCIAL, BUDGETARY AND ECONOMIC RECOVERY

Staff will continue to provide analysis of how the governments the Civic Federation studies are recovering from the pandemic. In addition to the Federation's traditional focus on the state and major local governments, staff will continue to monitor federal coronavirus relief funding and Federal Reserve Bank Municipal Liquidity Fund policies. See the 2021 Completed Projects report for more information about the Civic Federation's voluminous COVID-related work to date.

### GOVERNMENT CONSOLIDATION, PENSION REFORM AND HIGHER EDUCATION

The need for government consolidation and cooperation will continue to be one of the priority areas for the Civic Federation's research this year—having the largest number of local governments and second largest number of pensions in the United States is inefficient and costly and ripe for reform. The Federation will also be moving forward with work it does with outside groups related to pension reform and a potential project on higher education funding in Illinois.

## ADDITIONAL PROJECTS FY2022

The following projects are either already underway or planned to begin in FY2022.

### TASK FORCE ON THE COOK COUNTY SOUTH SUBURBS: PART 1

Objectives:

- Compose a white paper on financial issues in the south suburbs with some preliminary recommendations; and
- Conduct research on the interconnecting economic and fiscal issues the south suburbs of Cook County face, including the loss of industrial jobs, collapse of property values, pension funding shortfalls and high property tax rates.

Intended Audience: State and local government elected and appointed officials, government employees, councils of governments (COGs), taxpayers, media and the general public.

Lead Researchers: Sarah Wetmore, Roland Calia, Annie McGowan

Tentative Timeframe: December 2020-May 2022

This staff-proposed project was inspired by the Civic Federation's work on the Chicago Regional Competitiveness Project and its work on the Local Government Protection Authority, along with the media attention given to ongoing fiscal challenges the City of Harvey and many other south suburban Cook County municipalities face.

Part 1 of the project will include a staff-produced white paper that will define the study area and include an analysis of the fiscal health of selected municipalities and their pension funds. The first white paper will conclude with a list of preliminary recommendations related to the future sustainability of the region.

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Part 2 will involve convening a task force that will guide staff on the production of a second white paper that will incorporate and expand upon the research findings from the first white paper, provide an overview of the economic base, demographics and governance structure of local governments in the south suburbs. The second white paper will conclude with a list of additional recommendations and an advocacy plan approved by the Task Force to improve to the sustainability of the region.

## GRANT-FUNDED CRIMINAL JUSTICE RESEARCH

The Senior Research Associate for Criminal Justice Annie McGowan, whose work is generously funded by the Elizabeth Morse Charitable Trust, will continue to pursue research on topics related to government finance, public safety and the criminal justice system. In FY2022 she will continue to serve, along with Criminal Justice Committee co-chair Carol Thompson, on the Illinois Supreme Court's Pretrial Implementation Task Force, as well as a Pretrial Data Oversight Board newly formed in August 2021 as part of the Illinois criminal justice reform law. Her work on several research projects started in FY2021, including an in-depth analysis of the Chicago Police Department Budget and progress reports monitoring the new Cook County Circuit Court Clerk's implementation of recommendations contained in a FY2020 report, will be ongoing. She will additionally examine the public safety portions of the Cook County, Chicago and State budgets, monitor local government meetings related to criminal justice issues, track public safety legislation in Springfield and write blog series on topics related to criminal justice.

## PROPERTY TAX PRIMER UPDATE

### Objectives:

- Update the Civic Federation's influential series of primers on the Cook County property tax system with the most recent data and information.
- Add a primer on the delinquent property tax sale process.
- Update the Civic Federation's comprehensive position and recommendations on the Cook County property tax system.
- Maintain the Federation's position as a preeminent expert on property tax issues.

Intended Audience: State and local government elected and appointed officials, government employees, taxpayers, media and the general public.

Lead Researchers: Sarah Wetmore

Tentative Timeframe: September 2019-May 2022

In 2009 and 2010 the Civic Federation issued a series of primers explaining the convoluted Cook County property tax system. The reports were well-received and remain an important tool for educating the public and public officials about property taxes. However, the data in the reports was from before the housing market crash and the Great Recession and there have been important new developments in the property tax system that are now not represented in the reports. This project will update the data and analysis in the reports to include new insights gained during the crash of the housing market and updates to property tax policies. A new volume to the series will be added about the property tax delinquency and sale process.

## ANNUAL PROJECTS FY2022

The majority of the Civic Federation's research consists of projects that are done every year, including our analyses of three local government budgets, the State of Illinois' budget, annual reports on property taxes and other consumer taxes and a conference co-hosted with the Federal Reserve Bank of Chicago.

## ILLINOIS GOVERNOR’S RECOMMENDED STATE OF ILLINOIS BUDGET ANALYSIS AND RECOMMENDATIONS

### Objectives:

- Identify major financial challenges facing the State of Illinois.
- Evaluate the Governor’s budget proposal using financial trend analysis.
- Make actionable recommendations to the General Assembly and Governor regarding the budget.
- Promote cost effective government services and fiscal responsibility in state government.
- Maintain the Civic Federation’s role as a premier source of independent state government financial analysis.

Intended Audience: State of Illinois Governor, General Assembly, taxpayers, media and the general public.

Lead Researchers: Alana Warren, Roland Calia, Sarah Wetmore

Tentative Timeframe: February-May 2022

The state budget analysis identifies major fiscal issues and shows trends in expenditures, revenues, debt and pension obligations. It also makes recommendations for short- and long-term budgetary actions, transparency and planning improvements.

## CITY OF CHICAGO BUDGET ANALYSIS AND RECOMMENDATIONS

### Objectives:

- Identify major financial challenges facing the City of Chicago.
- Evaluate the Mayor’s budget proposal using financial trend analysis.
- Make actionable recommendations to City Council and the Mayor regarding the annual budget.
- Promote cost effective government services and fiscal responsibility in the Chicago region.
- Maintain the Civic Federation’s role as a premier source of independent local government financial analysis.

Intended Audience: City of Chicago Mayor, City Council, budget staff, taxpayers, media and the general public.

Lead Researchers: Annie McGowan, Alana Warren, Roland Calia, Sarah Wetmore

Tentative Timeframe: October-November 2022

## COOK COUNTY BUDGET ANALYSIS AND RECOMMENDATIONS

### Objectives:

- Identify major financial challenges facing Cook County.
- Evaluate the President’s budget proposal using financial trend analysis.
- Add a section analyzing the budget’s public safety aspects.
- Make actionable recommendations to Cook County Commissioners and President regarding the annual budget.
- Promote cost effective government services and fiscal responsibility in Cook County.
- Maintain the Civic Federation’s role as a premier source of independent local government financial analysis.

Intended Audience: Cook County Board President, Board of Commissioners, budget staff, taxpayers, media and the general public.

Lead Researchers: Annie McGowan, Alana Warren, Roland Calia, Sarah Wetmore

Tentative Timeframe: October 2022

## **CHICAGO PUBLIC SCHOOLS BUDGET ANALYSIS AND RECOMMENDATIONS**

Objectives:

- Identify major financial challenges facing the Chicago Public Schools.
- Evaluate CPS CEO's budget proposal using financial trend analysis.
- Make actionable recommendations to Board of Education and CEO regarding the annual budget.
- Promote cost effective government services and fiscal responsibility in the Chicago region.
- Maintain the Civic Federation's role as a premier source of independent local government financial analysis.

Intended Audience: Chicago Public Schools CEO, Board of Education, budget staff, taxpayers, media and the general public.

Lead Researchers: Annie McGowan, Alana Warren, Roland Calia, Sarah Wetmore

Tentative Timeframe: July-August 2022

## **ENACTED STATE BUDGET BLOG SERIES**

Objectives:

- Evaluate the enacted state budget and
- Maintain the Civic Federation's role as a premier source of independent state government financial analysis.

Intended Audience: State of Illinois Governor, General Assembly, taxpayers, media and the general public.

Lead Researchers: Alana Warren, Roland Calia, Sarah Wetmore

Tentative Timeframe: June-September 2022

After the General Assembly and Governor have enacted the annual State budget, the Civic Federation will publish a series of blog posts analyzing different aspects of the budget.

## **OTHER LOCAL GOVERNMENTS**

Staff will not cease monitoring the following local governments' policy proposals but will no longer produce full in-depth reviews of their annual budgets. Staff may blog about interesting aspects of their budgets and policies and will generate research projects if warranted by current events. Staff will also continue to collect comprehensive data about these governments' property tax levies and pensions.

- Chicago Transit Authority
- Metropolitan Water Reclamation District
- Chicago Park District
- City Colleges of Chicago
- Forest Preserve District of Cook County

## VIRTUAL FORUM: THE FIRST YEAR OF THE AMERICAN RESCUE PLAN ACT

***The Civic Federation's usual partner for its annual half-day policy forum, the Federal Reserve Bank of Chicago will not be participating in or hosting in-person events until fall 2022.*** The Civic Federation is in discussion with Rick Mattoon and Leslie McGranahan, our contacts at the Bank, to schedule a virtual conference for spring 2022 and an in-person conference for spring 2023. The proposed virtual spring conference will:

- Convene panelists to discuss how states and municipalities in the Midwest have used ARPA funds since they started to be distributed in spring 2021 and how they plan to use the funds in the future.

Intended Audience: Civic Federation members, state and local government officials, academics, and professionals in government-related industries

Lead Staffers: Sarah Wetmore, Karina Manzo

Tentative Timeframe: April 2022

## TAX PROJECTS

The Civic Federation annually releases projects on property taxes and consumer taxes in Chicago. These projects are generally well-read, cited in the media and relied upon by local government officials. They are additionally not extraordinarily time-intensive to produce so they have been retained in the work plan.

## ESTIMATED FULL VALUE OF REAL PROPERTY IN COOK COUNTY

Objectives:

- Analyze data from the Illinois Department of Revenue 2019 Assessment/Sales Ratio Study results for Cook County and the Cook County Assessor's Final Abstract of Assessment for tax year 2019.
- Estimate total market value of real estate and show the distribution within Cook County.
- Analyze ten-year trends in estimated full market value by location and class of property.

Intended Audience: Local government executives and legislative bodies, local government CFOs, taxpayers, media and the general public.

Lead Researchers: Sarah Wetmore

Tentative Timeframe: November 2021

The report estimates total market value of property in Cook County and shows how property value is spread among the City of Chicago, northern suburbs and southern suburbs. The Civic Federation's calculations are included in the local governments' annual Comprehensive Annual Financial Reports.

## ESTIMATED EFFECTIVE PROPERTY TAX RATES 2010-2019: SELECTED MUNICIPALITIES IN NORTHEASTERN ILLINOIS

Objectives:

- Analyze data from the Illinois Department of Revenue 2019 Assessment/Sales Ratio Study and 2019 tax rates obtained from the county clerks of Cook, DuPage, Lake, Will, Kane and McHenry counties.



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- Calculate real estate taxes as a percent of the estimated full market value of properties in selected municipalities in the six-county region.
- Analyze ten-year trends in effective property tax rates by location and type of property.

Intended Audience: Local government executives and legislative bodies, taxpayers, media and the general public.

Lead Researchers: Sarah Wetmore

Tentative Timeframe: November 2021

The report estimates the effective property tax rate of a typical home or business in 32 sample communities in the six-county region. For Cook County, which classifies property for property tax purposes, separate computations for residential, commercial and industrial properties are made.

## SELECTED CONSUMER TAXES IN THE CITY OF CHICAGO

Objectives:

- Provide a user-friendly list of major consumer tax types and rates in the City of Chicago.
- Describe recent changes to major consumer taxes and cite relevant ordinance and statutes.

Intended Audience: Local government executives and legislative bodies, taxpayers, media and the general public.

Lead Researchers: Annie McGowan, Sarah Wetmore

Tentative Timeframe: December 2021

This brief provides an updated compilation of selected consumer taxes, including rates and descriptions, in effect in the City of Chicago as of January 1, 2022. It includes such taxes as the sales tax, gas tax, amusement tax, lease tax, hotel tax, liquor tax, restaurant tax, soft drink tax, wheel tax and parking tax.

## ESTIMATED FULL VALUE OF REAL PROPERTY IN COOK COUNTY

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- Analyze ten-year trends in estimated full market value by location and class of property.

Intended Audience: Local government executives and legislative bodies, local government CFOs, taxpayers, media and the general public.

Lead Researchers: Sarah Wetmore

Tentative Timeframe: August 2022

The report estimates total market value of property in Cook County and shows how property value is spread among the City of Chicago, northern suburbs and southern suburbs. The Civic Federation's calculations are included in the local governments' annual Comprehensive Annual Financial Reports.

## EFFECTIVE PROPERTY TAX RATES: SELECTED MUNICIPALITIES IN NORTHEASTERN ILLINOIS

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