



STATE OF ILLINOIS  
**OFFICE OF THE  
AUDITOR GENERAL**

William G. Holland, Auditor General

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**SUMMARY REPORT DIGEST**

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**PROPERTY TAX APPEAL BOARD**

**COMPLIANCE EXAMINATION  
For the Two Years Ended: June 30, 2012**

**Release Date: February 14, 2013**

**Summary of Findings:**

<b>Total this audit:</b>	<b>1</b>
<b>Total last audit:</b>	<b>1</b>
<b>Repeated from last audit:</b>	<b>1</b>

**SYNOPSIS**

- The Board did not allow for the speedy hearing of all appeals.

{Expenditures and Activity Measures are summarized on the reverse page.}

**PROPERTY TAX APPEAL BOARD  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2012**

<b>EXPENDITURE STATISTICS</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Total Expenditures.....</b>	<b>\$ 3,602,995</b>	<b>\$ 2,954,866</b>	<b>\$ 2,536,427</b>
Personal Services.....	\$ 1,964,018	\$ 1,669,976	\$ 1,454,812
% of Expenditures.....	54.5%	56.5%	57.4%
Average Number of Employees.....	39	33	26
Average Salary Per Employee.....	\$ 50,359	\$ 50,605	\$ 55,954
Other Payroll Costs (FICA, Retirement).....	\$ 1,290,394	\$ 971,235	\$ 830,131
% of Total Expenditures.....	35.8%	32.8%	32.7%
Reestablish Cook County Office.....	\$ 170,865	\$ 138,142	\$ 57,824
% of Total Expenditures.....	4.7%	4.7%	2.3%
Contractual Services.....	\$ 46,334	\$ 46,869	\$ 52,843
% of Total Expenditures.....	1.3%	1.6%	2.1%
Electronic Data Processing.....	\$ 42,011	\$ 41,835	\$ 41,912
% of Total Expenditures.....	1.2%	1.4%	1.6%
Telecommunication Services.....	\$ 28,445	\$ 28,798	\$ 43,299
% of Total Expenditures.....	0.8%	1.0%	1.7%
All Other Operations Items.....	\$ 60,928	\$ 58,011	\$ 55,606
	1.7%	2.0%	2.2%
<b>SELECTED ACTIVITY MEASURES (Not Examined)</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Total New Property Appeals Filed.....	42,871	37,960	31,554
Downstate.....	5,490	9,239	10,355
Cook County.....	37,381	28,721	21,199
Total Property Appeals Closed.....	21,994	28,977	20,675
Downstate.....	9,020	9,385	6,440
Cook County.....	12,974	19,592	14,235
Total Property Appeals Pending at June 30,.....	85,705	64,828	55,845
Downstate.....	10,253	13,783	13,929
Cook County.....	75,452	51,045	41,916
<b>AGENCY DIRECTOR</b>			
During Examination Period: Mr. Louis Apostol			
Currently: Mr. Louis Apostol			

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**NEED TO IMPROVE UPON THE TIMELINESS  
FOR HEARING APPEALS**

The Property Tax Appeal Board (Board) did not allow for the speedy hearing of all appeals.

The Board's mission is to provide an informal public forum for the speedy hearings of contested appeals, resolve appeals in a timely fashion by impartial decisions based upon equity and the weight of the evidence as set forth in the Board's findings, to establish clear, concise, accurate, and timely communications with the public, and to maintain a workforce that demonstrates the highest standards of integrity, efficiency, and performance.

We tested 25 case files during our examination and noted the following:

**Delays in closing cases**

- Seven of 25 (28%) cases tested were closed during the examination period; however it took between 506 and 1,093 days for the Board to process the appeals. None of the cases were closed within one year.

**Some cases pending for more than one year**

- Fifteen of 25 (60%) cases tested were pending as of June 30, 2012. These cases had been received by the Board between 108 to 4,125 days earlier. Twelve (48%) of the cases have been pending for greater than one year.

**Appeals pending at June 30th**

Total appeals pending at year end were:

- June 30, 2010 - 55,845
- June 30, 2011 - 64,828
- June 30, 2012 - 85,705

Based upon the number of cases pending and the amount processed during fiscal year 2012, it would require more than two years for the Board to process the current pending cases as of June 30, 2012.

**Four new Administrative Law Judges hired in FY 12**

In fiscal year 2012, the Board received approval to hire additional Administrative Law Judges and clerical staff. The Board was successful in recruiting and hiring four

new Administrative Law Judges.

**Budget increased 6% for FY13 and five additional clerical staff were hired**

In fiscal year 2013, the Board requested and received a budget increase of 6% to bring its full-time headcount to 36. The addition of staff will assist in addressing the growing number of appeals filed before the Board and significantly improve the timeliness of hearings and related decisions to best serve the taxpayers. As of October 31, 2012, the Board has hired 5 additional clerical staff. (Finding 1, page 9-10) **This finding was first reported in 2004.**

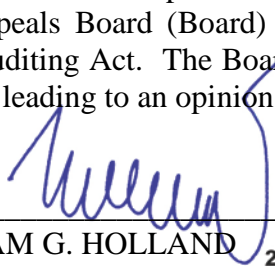
We recommended that the Board continue its efforts to obtain the resources necessary to adequately address its responsibilities for the timely processing of all appeals.

**Board agrees with auditors**

Board management accepted our finding and recommendation. (*For the previous Board response, see Digest Footnote #1.*)

**AUDITORS' OPINION**

We conducted a compliance examination of the Property Tax Appeals Board (Board) as required by the Illinois State Auditing Act. The Board has no funds that require an audit leading to an opinion of financial statements.



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WILLIAM G. HOLLAND<sub>2</sub>  
Auditor General

WGH:LM:rt

**SPECIAL ASSISTANT AUDITORS**

DeRaimo Motto & Associates were our special assistant auditors for this State Compliance Examination.

**DIGEST FOOTNOTE**

**#1 – Need to Improve Upon Timeliness for Hearing Appeals - Previous Board Response**

2010: The Board will continue to seek additional resources to provide for timely processing and hearings. In FY 2012, the proposed Board budget provides for the addition of 11 full-time staff that includes 4 clerical and 7 hearing officers. The addition of staff will assist in addressing the current backlog of appeals and provide for more timely hearings.