DELIVERING EFFICIENT, EFFECTIVE, AND STREAMLINED GOVERNMENT TO ILLINOIS TAXPAYERS

Final report submitted by:

Task Force on Local Government Consolidation and Unfunded Mandates

In consultation with:

Office of the Lieutenant Governor, Evelyn Sanguinetti

and

Northern Illinois University, Center for Governmental Studies

Approved by the Task Force on December 17, 2015

EVELYN SANGUINETTI
LIEUTENANT GOVERNOR
STATE OF ILLINOIS

December 15, 2015

Honorable Bruce Rauner
Governor, State of Illinois
207 State House
Springfield, IL 62706

Dear Governor Bruce Rauner:

I am pleased to present to you the final report of the Local Government Consolidation and Unfunded Mandates Task Force. As the chairman of the Task Force, I respectfully ask that you consider our findings and partner with members of the Illinois General Assembly to support reforms in order to provide efficient and effective government to the people of Illinois.

In Executive Order 15-15, you instructed the Task Force to study issues of local government and school district consolidation as well as examine unfunded mandates in order to identify opportunities to streamline government in Illinois and ultimately reduce costs to taxpayers. As you will see throughout this report, our study of these issues has brought further light to the need for greater local control in the state of Illinois.

Our recommendations are designed to empower Illinois citizens and to allow local officials to lead by tackling consolidation, shared services and unfunded mandates on a case by case basis dependent on the needs of each community. The role of the state in these matters is to remove the obstacles that have prevented streamlined government and encourage efforts initiated by local governments, reform groups, and taxpayers around Illinois in their pursuit of more efficient, effective governance.

It is my intention to build upon the dedicated work of so many who contributed to this report by pursuing tangible and meaningful change in these issues. I want to personally thank the Task Force members, Northern Illinois University's Center for Governmental Studies, and all of the Associations that took part in our efforts. This could not have been done without their commitment to the great state of Illinois.

Sincerely,

Evelyn Sanguinetti
Lieutenant Governor

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December 15, 2015

Hon. Evelyn Sanguinetti
Lieutenant Governor, State of Illinois
214 State Capitol
Springfield, IL

Dear Lt. Governor Sanguinetti:

Illinois has long been recognized as having the largest number of governmental units and relatively high effective property tax rates. Much of the existing governmental structure was created under very different conditions that determined how public services are delivered. Concern about the large number of governmental units in Illinois, compared with other states, has triggered several attempts in the past to update or modernize the current delivery system.

Closely related to the costs of delivering local public services are mandates imposed by state government, often without input from local officials or funding sources. While the State of Illinois has a State Mandates Act, frequently the costs imposed on local governments are not calculated or disclosed.

In February, 2015, Governor Bruce Rauner, through Executive Order 15-15, created the Government Consolidation and Unfunded Mandates Task Force which you chair. The Center for Governmental Studies at Northern Illinois University is pleased to have worked with the Task Force in data-gathering activities to inform analyses and recommendations to the Governor. We hope that our analyses provide a basis for useful implementation activities as well.

Many agencies and individuals contributed to the data collection and analyses. Professional associations representing local governments surveyed their members and their contributions were substantial. Personnel in several state agencies helped us understand the mandates and ways to address them. Finally, Brian Colgan and Brian Costin of your staff provided valuable guidance and direction during the course of the project. We appreciate all of these efforts. As usual, nothing in this report necessarily reflects the views of the Center for Governmental Studies nor those of the Board of Trustees of Northern Illinois University.

Thank you for providing an opportunity for us to help with this important project.

Norman Walzer

Norman Walzer, Ph.D.
Senior Research Scholar and
Project Director

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ACKNOWLEDGEMENTS

The Task Force thanks the following individuals and their respective organizations for making invaluable contributions to this report:

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EXECUTIVE SUMMARY

This final report is a product of collaboration between the Task Force on Local Government Consolidation and Unfunded Mandates, the Office of the Lieutenant Governor, and Northern Illinois University's Center for Governmental Studies.

On February 13, 2015, Governor Bruce Rauner issued Executive Order 15-15 creating a Task Force comprised of bipartisan members appointed by the Governor representing public and private organizations with an interest in strengthening the efficiency and accountability of government and education services throughout the State of Illinois. Chaired by Illinois Lieutenant Governor Evelyn Sanguinetti, the Task Force's purpose and responsibilities as outlined in Executive Order 15-15 include:

"The purpose of the Task Force shall be to study issues of local government and school district consolidation and redundancy, and to make recommendations that will ensure accountable and efficient government and education in the State of Illinois. The Task Force shall:

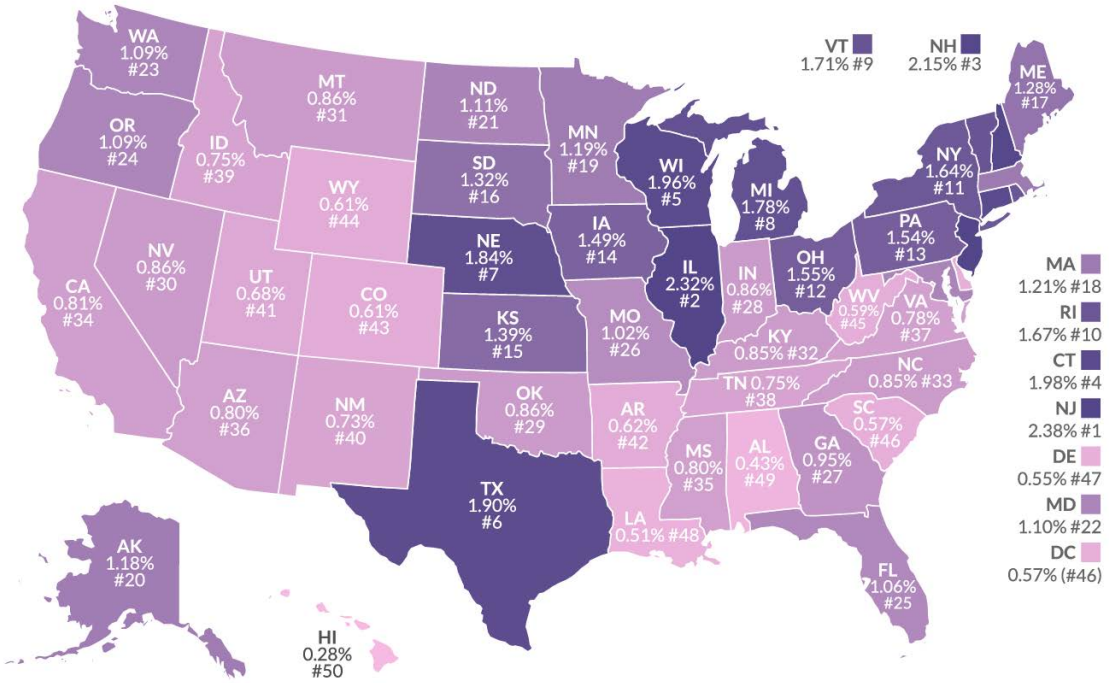
- Conduct a comprehensive review of State laws relating to local government and school district consolidation;
- Conduct a comprehensive review of State laws relating to unfunded mandates on local government bodies and school districts;
- Identify opportunities to consolidate, streamline, or eliminate duplicative governmental bodies, school districts, and taxing authorities;
- Identify opportunities to replace, revise, or repeal unfunded mandates placed on local governments and school districts;
- Discuss solutions and impediments to consolidation of local governments and school districts;
- Analyze the success of programs and legislation with similar goals implemented in Illinois and other states; and
- Prepare a final report to the Governor and the General Assembly making specific recommendations to consolidate local governments and school districts with the goal of improving the delivery of government and education services at a lower cost to State taxpayers."

The Task Force held 16 meetings across the state and has heard testimony from 33 experts representing government associations, nonprofit think tanks, researchers and state agencies. In addition, the Task Force received more than 85 proposals and has endorsed 27 recommendations on topics relating to local government consolidation and unfunded mandates.

BACKGROUND

With the highest count of local governments in the nation - 6,963 units - Illinois citizens pay some of the top local tax rates in the country. This is especially true when it comes to the primary source of revenue for most local governments in Illinois – property tax (Figure 1).

Figure 1. How High Are Property Taxes in Illinois?



Notes: The figures in this table are mean effective property tax rates on owner-occupied housing (total real taxes paid divided by total home value). As a result, the data exclude property taxes paid by businesses, renters, and others. D.C.'s rank does not affect other states' rankings, but the figure in parentheses indicates where it would rank if included.
Source: U.S. Census Bureau; Tax Foundation.

According to the U.S. Census of Governments, property taxes represented 28.4% of all state and local tax revenue in Illinois, or approximately $25.5 billion in 2013. Property taxes are the largest own source revenue in the state and exceed even intergovernmental revenue received from the federal government, which amounted to $20.1 billion in 2013.[1] Property taxes account for 61.3% of all local government revenue in the State of Illinois.

In 2005, the Tax Foundation ranked Illinois as seventh highest in effective property tax rates in the nation. Today, at 2.32% of market home value per year, Illinois residents pay the 2nd highest median effective property tax rate in the country.[2]

PROPERTY TAXES

By far, the largest amount and percentage of property taxes are used by school districts (Figure 2). As recent fiscal pressure on state government has increased, state aid for schools has decreased, thereby placing more burden on local property taxes to finance services - especially those involving groups of students requiring special services.

Illinois school districts represented 64%, or nearly two-thirds, of the property tax collections in 2012, an increase in the past decade from 62.2%. Without question, unfunded mandates contributed to some of this growth.

In addition to the high rates, Illinois is also the only state in the United States where a majority of its residents pay property taxes to three layers of general purpose local government: county, township, and municipal.[3] This can lead to duplication of services and unnecessary layers of bureaucracy. Overall, these general purpose governments collect 25% of property tax collections in the state.

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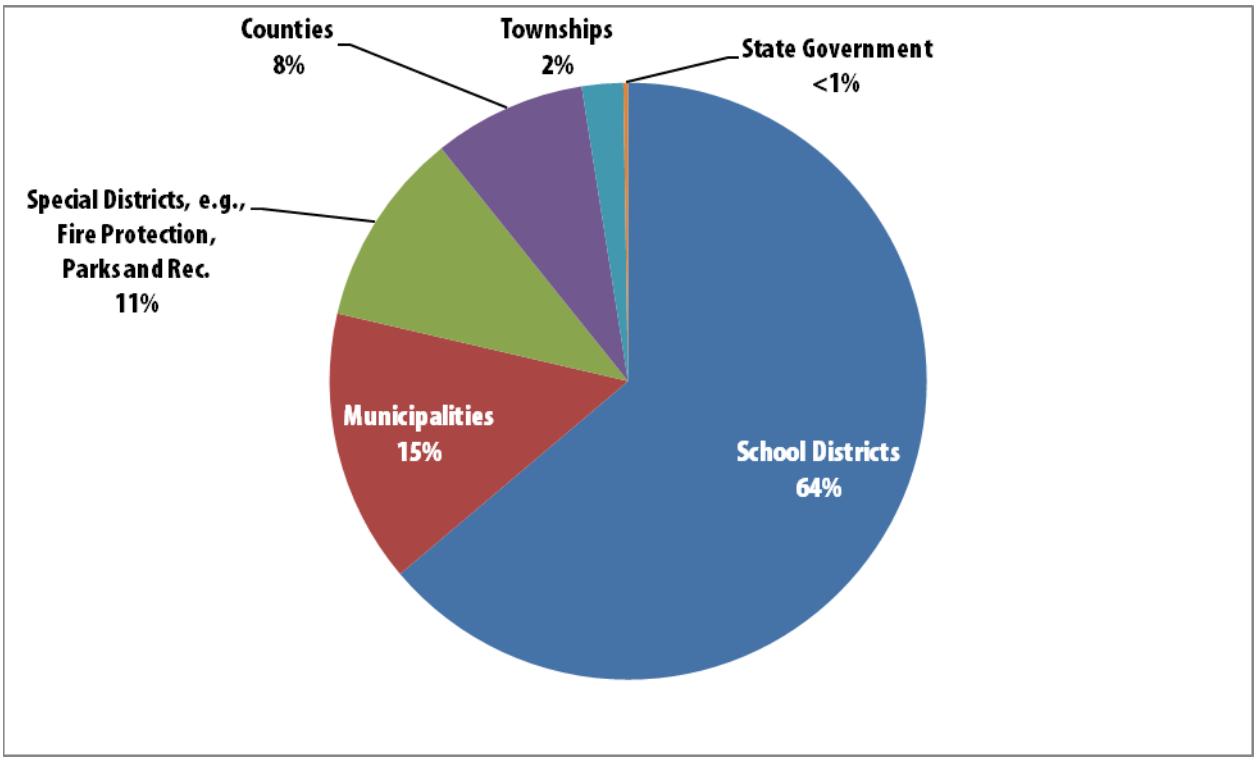
1 2013 State & Local Government, State & Local Summary Tables by Level of Government, U.S. Census of Governments, February 3, 2015. Retrieved from http://www.census.gov/govs/local/.

2 Illinois Now Has the Second Highest Property Taxes in the Nation, Chicago Magazine, January 2, 2014. Retrieved from http://www.chicagomag.com/real-estate/January-2014/Illinois-Now-Has-the-Second-Highest-Property-Taxes-in-the-Nation/.

3 Boyd, Donald, Layering of Local Government & City-County Mergers, Nelson A. Rockefeller Institute for Government, March 21, 2008, Pg. 5. Retrieved from http://www.rockinst.org/pdf/nys_government/2008-03-21-layering_of_local_governments_and_city-county_mergers.pdf.

Figure 2. Distribution of Property Tax Revenue in Illinois, By Type of Government



Source: U.S. Bureau of the Census, 2012 Census of Governments.

In comparing tax collections by type of government, it is important to recognize the number and size of governments included. For instance, the City of Chicago is a major player in municipal comparisons. Reliance on property taxes in a specific government depends on other revenue-raising powers. Municipalities have a broader assortment of revenue options than do counties and townships. In addition, home rule municipalities have more powers to adjust their revenue structure and use a variety of other local sources than non-home rule municipalities.

In some states, services such as parks and recreation, fire protection, and libraries, are often provided as municipal or county functions. However, in Illinois, the Comptroller's Office lists 38 separate types of special service districts which represent 11% of property tax collections. Many of these special districts provide services to a small group of residents for specific purposes and usually have few other revenue sources. Thus they rely more on charges for services (e.g., park districts charge fees for sport teams) than on a general property tax. However, in other cases, the special districts must rely on property tax collection.

In addition to high property taxes, several metrics indicate that Illinois residents routinely pay high taxes to fund the multiple layers of state and local government. Illinois consistently ranks in the top quartile when it comes to key local government tax statistics:[4]

- 2nd highest effective property tax rate[5]
- 4th highest state and local wireless tax rate[6]
- 5th highest combined state and local gasoline excise tax rate, and 1 of only 7 states that charge a general sales tax in addition to the gasoline excise tax rate.7
- 8th highest local tax collections per capita.
- 10th highest combined state and local sales tax rate.[8]
- 13th highest state and local tax as a percentage of personal income.

A large part of the reason why taxes are so high in Illinois is the result of an extraordinarily high number of local governments coupled with financially burdensome unfunded mandates. The recommendations in this report are designed to help reduce property taxes as well as modernize the delivery of local public services.

LOCAL GOVERNMENT CONSOLIDATION

While individual local governments may take only a small percentage of the overall taxes, when considered altogether the total is significant. Shortly after Governor Rauner issued the Executive Order creating the Task Force, its Chair Lt. Governor Sanguinetti discussed with Task Force members the number of local governments representing residents in her neighborhood in Wheaton, Illinois. The list that developed accounts for those receiving a portion of property tax as well as other revenue sources like sales tax and user fees, including:

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4 Source: Tax Foundation, Facts and Figures, 2015; U.S. Census Bureau, Census of Government Finances, 2012.

5 Source: Tax Foundation, Facts and Figures, 2015; U.S. Census Bureau, Census of Government Finances, 2012.

6 State Gasoline Tax Rates as of January 1, 2013, Tax Foundation. Retrieved from http://taxfoundation.org/article/record-high-taxes-and-fees-wireless-consumers-2015.

7 Tax Foundation, 2013. Retrieved from http://taxfoundation.org/article/state-gasoline-tax-rates-2009-2013.

8 Tax Foundation http://taxfoundation.org/article/state-and-local-sales-tax-rates-midyear-2015.

1. DuPage County
2. DuPage County Forest Preserve District
3. DuPage County Airport Authority
4. Milton Township
5. Milton Township Road District
6. City of Wheaton
7. Wheaton Park District
8. Wheaton Mosquito Abatement District
9. Wheaton Sanitary District
10. Wheaton-Warrenville Unit School District 200
11. College of DuPage
12. DuPage Housing Authority
13. DuPage Water Commission
14. Regional Transportation Authority
15. Metra
16. Pace

Besides increasing costs for residents, when living in an area with too many layers of government, one's ability to participate in the democratic process is increasingly difficult. It is next to impossible for residents to remember all of their officials' names, let alone engage in meaningful dialog about what services the agencies representing them perform.

In summary, a large part of the reason that Illinois is a high tax state is due to the high number and many layers of local government. This is best exemplified by the primary source of revenue for local governments in Illinois - the property tax. Thus, any efforts to address Illinois' high tax problems must include an examination of the numerous layers of local government.

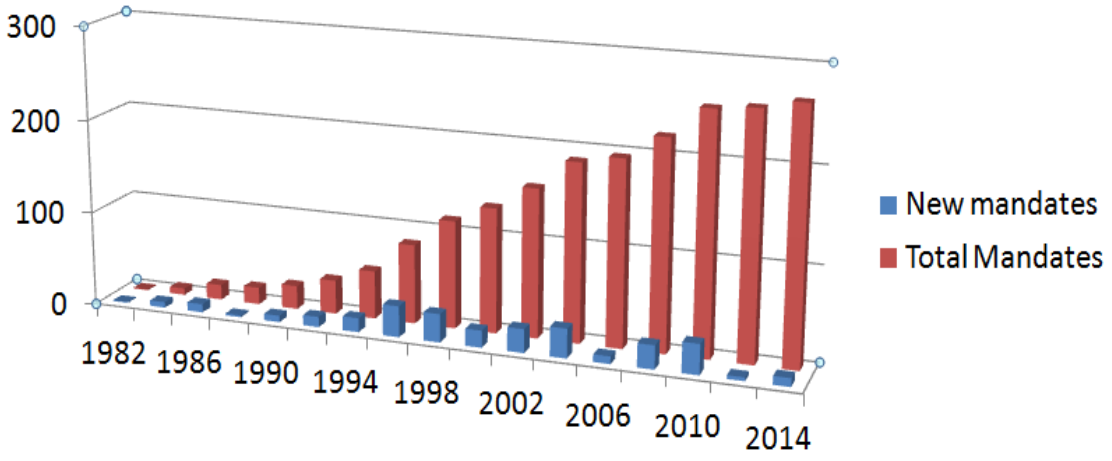
UNFUNDED MANDATES

The other main driver of high property taxes and other local taxes in Illinois is unfunded mandates, primarily imposed by the state. Local governments must determine how to pay for these unfunded mandates, leaving fewer resources available for local governments to perform their core missions. Unfunded mandates often force local governments to engage in more costly activities and consequently they pass those costs to residents in the form of higher taxes or fees.

The number of new unfunded mandates has skyrocketed over the last few decades. Local government associations, including the Illinois Municipal League and the Illinois Association of School Boards, have documented substantial growth in the number of unfunded state mandates restricting local control of local government activities.

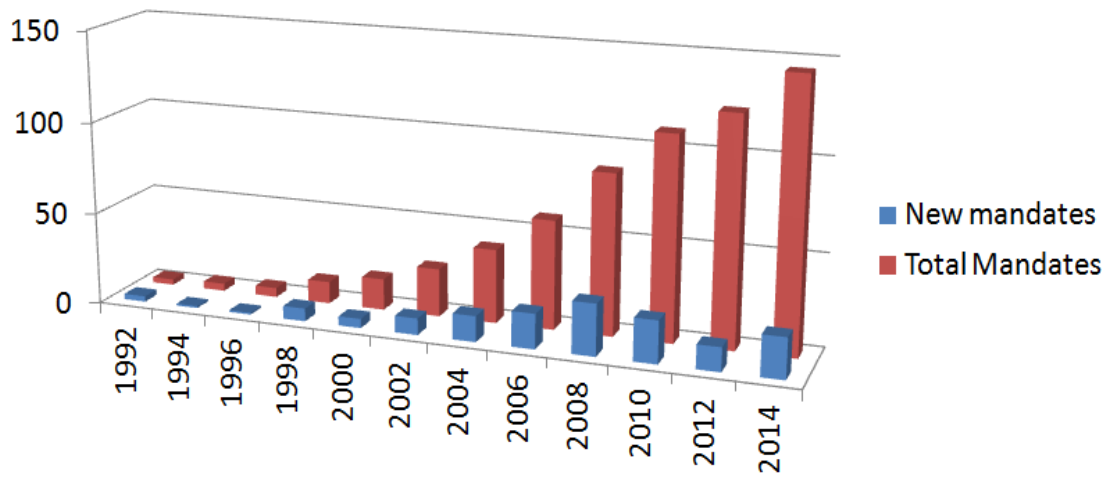
The Illinois Municipal League identified 266 new unfunded state mandates imposed on their members since 1982, an average of rate of 8 new unfunded mandates per year (Figure 3). And the Illinois Association of School Boards documented the enactment of 145 state mandates imposed on schools since 1992, more than 6 new unfunded mandates per year (Figure 4).

Figure 3. Municipal Unfunded Mandates, 1982-Present



Source: Illinois Municipal League, Report to the Local Government Consolidation and Unfunded Mandates Task Force.

Figure 4. School District Unfunded Mandates, 1992 - present



Source: Illinois Association of School Board Officials, Mandates Enacted since 1992.

These unfunded mandates often come with large price tags (Tables 1A through 1E). Local governments report some of the most burdensome, costly unfunded mandates to be:

Table 1A. Unfunded Mandates Cost Range Estimates – Public Pension

Government Type	Average Annual Cost Range
Municipality	$100,000 - $250,000
County	$250,000 - $500,000
Township	$25,000 - $50,000
Fire Protection District	$50,000 - $100,000

Table 1B. Unfunded Mandates Cost Range Estimates – Collective Bargaining & Interest Arbitration

Government Type	Average Annual Cost Range
Municipality	$50,000 - $250,000
County	$250,000 - $1,000,000
Fire Protection District	$250,000 - $500,000

Table 1C. Unfunded Mandates Cost Range Estimates – Worker's Compensation

Government Type	Average Annual Cost Range
Municipality	$50,000 - $100,000
Township	$25,000 - $50,000
Fire Protection District	$25,000 - $50,000
School District	$50,000 - $150,000
Community College	$50,000 - $150,000

Table 1D. Unfunded Mandates Cost Range Estimates – Health Insurance

Government Type	Average Annual Cost Range
Municipality	$50,000 - $250,000
County	$500,000 - $1,000,000
Township	$25,000 - $50,000
Fire Protection District	$50,000 - $250,000

Table 1E. Unfunded Mandates Cost Range Estimates – Prevailing Wage

Government Type	Average Annual Cost Range
Municipality	$50,000 - $100,000
County	$50,000 - $100,000
Township	$10,000 - $25,000
Fire Protection District	$10,000 - $25,000
School District	$250,000 - $500,000
Community College	$150,000 - $250,000

Note: All cost ranges are based on Northern Illinois University-Center for Governmental Studies' Survey Results and confirmed by the relevant government association. For more information, see the Unfunded Mandates section of this report.

As the number of unfunded mandates on Illinois local governments increased, so did the cost of government, measured as total expenditures per resident. After adjusting for inflation using the Consumer Price Index, expenditures per capita increased 23.8% during the past 20 years (Table 2). In constant dollars, Illinois local governments spent $1,119 more per resident in 2012 than in 1992 on average.

Table 2. Figure Local Expenditures Per Capita in Illinois, 1992-2012

	Operating Expenditures Per Capita	
Year	**Nominal**	**Constant***
1992	$2,191	$3,594
1997	$2,638	$3,773
2002	$3,452	$4,418
2007	$4,290	$4,762
2012	$4,713	$4,713
% Change (1992-2012)	**53.5%**	**23.8%**

*** 2012 dollar terms—adjusted for Consumer Price Index.**
Source: U.S. Census Bureau, Census of Government Finances, 1992-2012.

Expenditures per capita decreased slightly since 2007 because of the Great Recession and the slow recovery. Other revenue sources such as sales tax receipts also were relatively stagnant in this period which reinforces the concern about the impact of unfunded mandates. Unfunded mandates added to the burden on local governments and the cost of government in Illinois increased since 1992, at a rate that clearly outpaced inflation.

The extensive testimony heard by the Task Force in conjunction with the results of the survey on unfunded mandates indicated that taken together, Illinois' many layers of local government and the soaring number of costly unfunded mandates imposed on local governments by the state are two major drivers of the high cost of local government in the state. Developing a plan to alleviate some of the major tax burdens on Illinois residents and businesses must focus on these two problems. Addressing local government consolidation in conjunction with costly unfunded mandates will alleviate the strain placed on taxpayers and help improve service delivery of essential public services.

RECOMMENDATIONS

The Task Force was created not only to document problems relating to consolidation and unfunded mandates, but also to propose government reform recommendations to the Governor and the Illinois General Assembly. In the 16 meetings since its creation, the Task Force voted to endorse 27 recommendations. A short summary of each recommendation is provided below. The entire text of each recommendation, as approved by the Task Force, is in the Proposals and Recommendations section at the end of this report.

Consolidation-Related Recommendations:

1. Enact a 4-year moratorium on creating new local governments. (Considered on June 24, 2015; Proposal Passed: 21-1-0)
    - Enact a four-year moratorium on creating new local governments, unless this new government is a result of the consolidation of two or more existing local governments.[9]
2. Empower Illinois citizens to consolidate or dissolve local governments via referendum. (Considered on June 24, 2015; Proposal Passed: 21-1-0)
    - Set a maximum petition signature requirement of 5 percent of votes cast in the last general election to bring forward a referendum relating to the consolidation or dissolution of a local unit of government.
3. Expand DuPage County's pilot consolidation program to all 102 counties. (Considered on June 24, 2015; Proposal Passed: 21-0-1)
    - Extend to all 102 counties in Illinois the authority to dissolve or consolidate government units whose boards are appointed by the county. (Public Act 098-0126)
4. Allow all townships in the state to consolidate with coterminous municipalities via referendum. (Considered on October 19, 2015; Proposal Passed: 14-0-1)

[9] This recommendation was enacted in law as PA 99-0353 and will be made effective January 1, 2016.

- Extend to the 19 other coterminous municipalities/townships in Illinois the same authority that was granted to voters in Evanston Township to hold a referendum to consolidate the township into the city of Evanston. (Public Act 98-0127)

5. Remove the limitation capping a township size of 126 square miles. (Considered on October 19, 2015; Proposal Passed: 14-0-1)

   - Remove the 126-square mile cap on townships to allow larger consolidation of two or more townships into one.

6. Allow counties to retain their existing form of government following a successful referendum to dissolve townships into the county. (Considered on October 19, 2015; Proposal Passed: 14-0-1)

   - Current law requires any county that dissolves its townships into the county to change its structure to commission form of government and cap the number of county board members to five. This proposal allows counties to retain their current form of government.

7. Hold taxpayers harmless from township consolidation. (Considered on October 19, 2015; Proposal Passed: 14-0-1)

   - Allow a county board or citizen-initiated township consolidation referendum to peg the year one local tax rate to the lowest rate among consolidating townships.

8. Allow counties with fewer than 15,000 parcels and $1 billion in Equalized Assessed Value (EAV) to dissolve all of the elected township assessors and multi-township assessment districts into one, newly-elected county assessor position and office - by majority vote of the county board or via citizen-led referendum. (Considered on October 19, 2015; Proposal Passed: 14-0-1)

   - Consolidation of the township assessor position in the aforementioned circumstances would provide standardized services and a reduced occurrence of unequal assessment practices.

9. Protect the Intergovernmental Cooperation Act. (Considered on November 19, 2015; Proposal Passed: 15-0-1)

   - Encourages local governments to continue to coordinate service offerings through intergovernmental agreements.

10. School District Consolidation: Provide the Illinois State Board of Education (ISBE) flexibility to incentivize outcomes of school district consolidation. (Considered on November 19, 2015; Proposal Passed: 14-0-2)
    - School district consolidation can lead to enhanced academic offerings, K-12 curriculum alignment, and improved administrative efficiencies. Incentivizing these outcomes through ISBE could lead to school district consolidation without the application of a one-size-fits-all consolidation model.
11. Encourage state agencies – when allocating discretional state and federal funds to local governments – to encourage regional sharing of public equipment, facilities, training, resources, and administrative functions. (Considered on November 19, 2015; Proposal Passed: 16-0-0)
    - Local units of government can achieve significant savings through the consolidation and sharing of services, assets, personnel and function. State agencies should be empowered to incentivize good government, intergovernmental cooperation.
12. Allow merger of general township road and bridge districts that maintain less than 25 miles of road. (Considered on November 19, 2015; Proposal Passed: 12-0-4)
    - Current law requires township road and bridge districts with less than 5 miles of road to consolidate into the general township. This proposal would allow consolidation at fewer than 25 miles.

Unfunded Mandate-Related Recommendations:

1. Modernize newspaper public notice mandates. (Considered on June 24, 2015; Proposal Passed: 20-0-0)
    - Expand public notice mandate requirements to allow local units of government the option to post online public notices and other public information.
    - Expand public document retention requirements to allow local units of government the option to store public documents digitally.

2. Repeal or reform Prevailing Wage. (Considered on June 24, 2015; Proposal Passed: 14-5-2)

    - The repeal or reform of prevailing wages would provide units of government and school districts more local control over contracting.

3. Provide third-party contracting mandate relief for school districts. (Considered on June 24, 2015; Proposal Passed: 18-1-1)

    - Allow schools to contract out non-instructional services like those relating to building maintenance, transportation and food preparation, among others, in a more competitive manner.

4. Implement physical education mandate relief for school districts. (Considered on June 24, 2015; Proposal Passed: 19-1-0)

    - Provide local school districts the flexibility to allow physical education exemptions to children for certain academic reasons or to children who are involved in other qualified physical activities.

5. Provide driver education mandate relief for school districts. (Considered on June 24, 2015; Proposal Passed: 17-2-1)

    - Provide local school districts the authority to contract with a qualified commercial driver training school to provide driver education to students.

6. Make collective bargaining permissive, instead of mandatory. (Considered on November 19, 2015; Proposal Passed: 15-1-0)

    - Allow locally-elected municipal boards and councils, counties and school districts the authority to decide whether employment issues should be mandatory or permissive subjects of collective bargaining.

7. Eliminate minimum manning from collective bargaining. (Considered on November 19, 2015; Proposal Passed: 14-1-1)

    - Restore the authority of a municipality and fire protection district to determine staffing needs – thus revoking PA 98-1151.

8. PSEBA: Use the federal definition for catastrophic injury. (Considered on November 19, 2015; Proposal Passed: 13-0-2)

   - Modernize the Public Safety Employee Benefit Act, by adding the federal definition of 'catastrophic injury' to ensure personnel, their spouses, and children receive support when the individual is injured on the job and is unable to secure gainful employment.

9. Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration. (Considered on November 19, 2015; Proposal Passed: 13-0-2).

   - Currently only provided to Chicago Public Schools, this proposal requires arbitrators to make existing revenues the primary consideration during interest arbitration.

10. Require an annual state review of unfunded mandates on local government. (Considered on November 19, 2015; Proposal Passed: 15-0-0)

    - In 1987, the Department of Commerce and Economic Opportunity was required (PA 84-1438) to conduct a one-time review of unfunded mandates. This proposal requires an annual review of unfunded mandates on local governments.

11. Merge downstate and suburban public safety pension funds into a single pension investment authority, as amended. (Considered on November 19, 2015; Proposal Passed: 15-0-1)

    - With 656 funds, Illinois has more than 16 percent of the nation's 3,992 public pension funds, but only 4 percent of the nation's population. The proposal would merge downstate and suburban public safety pension funds into a single pension investment authority.

12. Pass a constitutional amendment on unfunded state mandates. (Considered on December 1, 2015; Proposal Passed: 13-2-0)

    - The amendment should require the state to reimburse local governments school districts for increased expenses relating to future state mandates.

    - Future unfunded mandates need to be characterized as "not reimbursable" and must pass each chamber by a three-fourths majority.

13. Requests the Governor use his amendatory veto power to insert "if economically feasible" language into any legislation authorizing new unfunded mandates on local governments and school districts. (Considered on December 1, 2015; Proposal Passed: 14-1-0)

    - By tying economic feasibility to compliance with unfunded mandates the Governor can end future costly unfunded mandates.

14. Economic Feasibility Exemption for local units of government, school districts, community colleges and institutions of higher education. (Considered on December 8, 2015; Proposal Passed: 14-0-1)

    - Provides a process for certain government bodies to exempt themselves from compliance with unfunded mandates when they determine it is not economically feasible to do so.

15. Give control of employee retirement benefit packages back to local governments for new employees. (Considered on December 8, 2015; Proposal Passed: 13-1-1)

    - Provide local governments the authority to provide blended Social Security and 401k plans to new non-public safety employees and blended defined contribution / defined benefit plans for new public safety employees.

NEXT STEPS

Following the submission of this report, the Task Force will be dissolved per statute. Members will be invited to join Lt. Governor Sanguinetti to promote the aforementioned recommendations as legislation in the next session of the Illinois General Assembly.

While legislation is important in driving most of unfunded mandates changes, significant progress can be made on the topic of consolidation through the promotion of shared services and intergovernmental agreements. Local units of government around the state are identifying opportunities to streamline service offerings. Northern Illinois University's Center for Governmental Studies and the Office of the Lt. Governor plan to collaborate on an annual Illinois Journal of Shared Service Best Practices to promote good government partnerships in Illinois and encourage replication.

INTRODUCTION

Building on previous efforts by the Local Government Consolidation Commission and on-going work by several counties, including DuPage and Sangamon, Governor Bruce Rauner created the Task Force on Local Government Consolidation and Unfunded Mandates, chaired by Lieutenant Governor Evelyn Sanguinetti, in February, 2015.

The Task Force, comprised of 28 members representing current and past elected officials, public and private organizations, state agencies, and members of the Illinois General Assembly, was instructed to study issues of local government and school district consolidation and redundancy, and make recommendations to ensure the accountability and efficiency of government and education in the State of Illinois. The Task Force held 16 meetings across the state and heard testimony from 33 experts from government associations, nonprofit think tanks, researchers, and state agencies.

As Chair of the Task Force, Lt. Governor Sanguinetti met with local government officials in all 102 counties in Illinois to collect local input and best practices relating to shared services, consolidation and unfunded mandates. She also launched a public portal to collect public input and suggestions via her website. Lastly, the Office of the Lieutenant Governor collaborated with Northern Illinois University's Center for Governmental Studies (NIU-CGS) to gather and help identify unfunded mandates and their costs; examine opportunities to modernize the structure of local governments; and report best practices in states that had previously worked with streamlining initiatives.

The Task Force, Lieutenant Governor Sanguinetti, and NIU-CGS and have received more than 85 proposal recommendations relating to unfunded mandates, consolidation, as well as streamlining from more than 500 units of government, elected officials, Illinois residents and government associations. The Task Force voted to endorse 27 specific proposal recommendations. All recommendations, endorsed or submitted, are included in this report to the Governor and Illinois General Assembly.

LOCAL GOVERNMENT CONSOLIDATION

According to the U.S. Census of Governments, Illinois has more units of local government than any other state in the nation. As the 5th most populous state and the 25th largest by area, the number of local governments is dramatically out of proportion with the rest of the nation. This high count of governmental units creates inefficiencies and increased bureaucracy whose cost is ultimately borne by the taxpayer. The extraordinarily large number of governments demonstrates that consolidation of local governments in Illinois is necessary to improve efficiency and reduce taxes.

I. COUNT OF GOVERNMENTS

Number of Governments

Disagreement exists within Illinois regarding the exact number of governments, partly because reporting requirements differ among the three agencies recording the data: the Illinois Office of the Comptroller, the Illinois Department of Revenue and the U.S. Census Bureau. These sources use different criteria for including governments, such as legal requirements to report and autonomy in local decisions.

While the U.S. Census Bureau, Census of Governments (COG) lists 6,963 units of government in Illinois, the Illinois Office of the Comptroller (IOC) lists 8,480 units of government, and the Illinois Department of Revenue (ILDR) lists 6,027 taxing districts (Table 1). The conflicting numbers add to the confusion about governmental structure and complicate comparisons with other states. It also may indicate that local government in Illinois is so complex and numerous that the problems are even bigger than generally understood.

A more complete examination of the differences between the various sources of local government counts can be found in the Detailed Comparison of Counts of Government in Appendix C at the end of this report.

Table 1. Comparison of Government Counts

Government Type	IOC Address Listing	COG Listing	IDOR Taxing Districts
Total	**8,480**	**6,963**	**6,027**
Total, Excl. Road/Bridge and Multi-Twp. Assessment	6,777	6,963	6,027
Township	1,430	1,431	1,431
Road and Bridge Districts	1,391	-	-
Municipality	1,297	1,298	1,295
School District (Including Community Colleges)	896	905	899
Drainage / Flood Control	852	905	5
Fire Protection	825	837	-
Library	351	345	350
Parks and Recreation	347	397	370
Soil/Water Conservation, Sewerage, Water Supply	328	341	56
Soil/Water Conservation	124	111	33
Water Supply	96	101	23
Sewerage	108	102	-
Water Conservation and Supply	-	1	-
Sewerage and Water Supply	-	26	-
Multi-Twp. Assessment Districts	312	-	327
Housing and Community Development	114	114	-
County	102	102	102
Highways (Incl. Street Lighting)	81	25	-
Cemeteries	27	69	33
Health (Non-Hospital)	29	30	-
Air Transportation	27	33	28
Hospitals	19	19	16
Other Utilities (e.g., Transit)	18	30	6
Other Natural Resources	11	10	-
Other Single Function Districts (e.g. Planning Agencies)	10	25	-
Other Transportation (e.g. Port Districts)	10	7	-
Solid Waste	3	11	5
Multipurpose Districts	-	27	-

Local Government Trends in Illinois and Other States

In preparing this section, NIU-CGS identified the 2012 COG as having the most recent data for interstate comparisons. Because the Task Force is charged with identifying ways to modernize local governments and comparing Illinois with other states, subsequent analyses in this report use COG data, although as noted previously, this data source has fewer governments than the IOC estimates.

In 2012, Illinois reported 1,816 more governments than the next highest state, with Texas at 5,147 and Pennsylvania following with 4,897. The total alone is eye-opening, and a further examination of trends in Illinois makes it clear that the state and taxpayers are served by many duplicative units. In fact, Illinois is the only state where a majority of its residents have three layers of general purpose government (municipal, township and county).

More specifically, Illinois has:

- 1,298 municipalities (the most in the nation),
- 3,227 special district governments (the most in the nation),
- 1,431 township governments (3rd most in the nation),
- 905 school and community college districts (3rd most in the nation), and
- 102 county governments (6th most in the nation).

The structure of governments varies with population density since basic services must be provided to residents in even small communities. However, in 2012, Illinois had an average of 3.3 local governments per 10,000 residents in metro counties and 21.2 per 10,000 residents in non-metro counties. Governments per 10,000 residents are negatively correlated with county population, meaning the larger number of governments per resident in non-metro counties reflects smaller populations served. Thus, comparisons by states are limited by the population differences.

On a per resident basis, Illinois ranks 14th among states for most governments in metro counties and 5th highest for most governments in non-metro counties. Thus, compared with other states, Illinois has a relatively high concentration of local governments in metro areas but even more so in non-metro areas. Some services provided by governments such as municipalities, counties, school districts and others, must be delivered regardless of population size so that smaller areas have higher average ratios of government

units to population. Likewise, special districts in more populous areas operate on larger scales, which help explain the proportionally fewer governments in highly populated counties. This comparison suggests that opportunities may exist in both metro and rural areas to change responsibilities for delivering services to reduce overall expenditures and make the delivery system more transparent.

One factor is that 85 counties in Illinois have the township form of government, which is more common in the agricultural Midwest than in other areas. While no state with townships ranks in the top 10 states for lowest government density, some comparable states also with townships have proportionally fewer governments than Illinois, including New York[10], Michigan and Wisconsin.

The number of governments, by COG records, has changed and the number in Illinois decreased 31 units between 2007 and 2012, with most of the reduction involving special districts, such as sewer districts and public building commissions. Likewise, 22 other states lost governments since 2007, with Indiana (reduction of 522), Kansas (reduction of 105), and Nebraska (reduction of 78) reporting the sharpest decreases. In Indiana and Nebraska, a majority of the reductions were in metro counties and further study of these trends is warranted. At the other extreme, Texas, California, and New York all increased in number of governments since 2007, although the growth was proportional to population increases, i.e., governments per 10,000 residents did not change significantly in these states.

Compared with other states, the number and concentration of government units in Illinois is out of proportion with the state's size and population. The large number of taxing bodies is inefficient and may be a significant driver of the higher property taxes levied on Illinois residents. This perception is supported by efforts of several counties in Illinois to reorganize delivery of local public services and reduce the overall number of governments involved. These efforts will be discussed in more detail later.

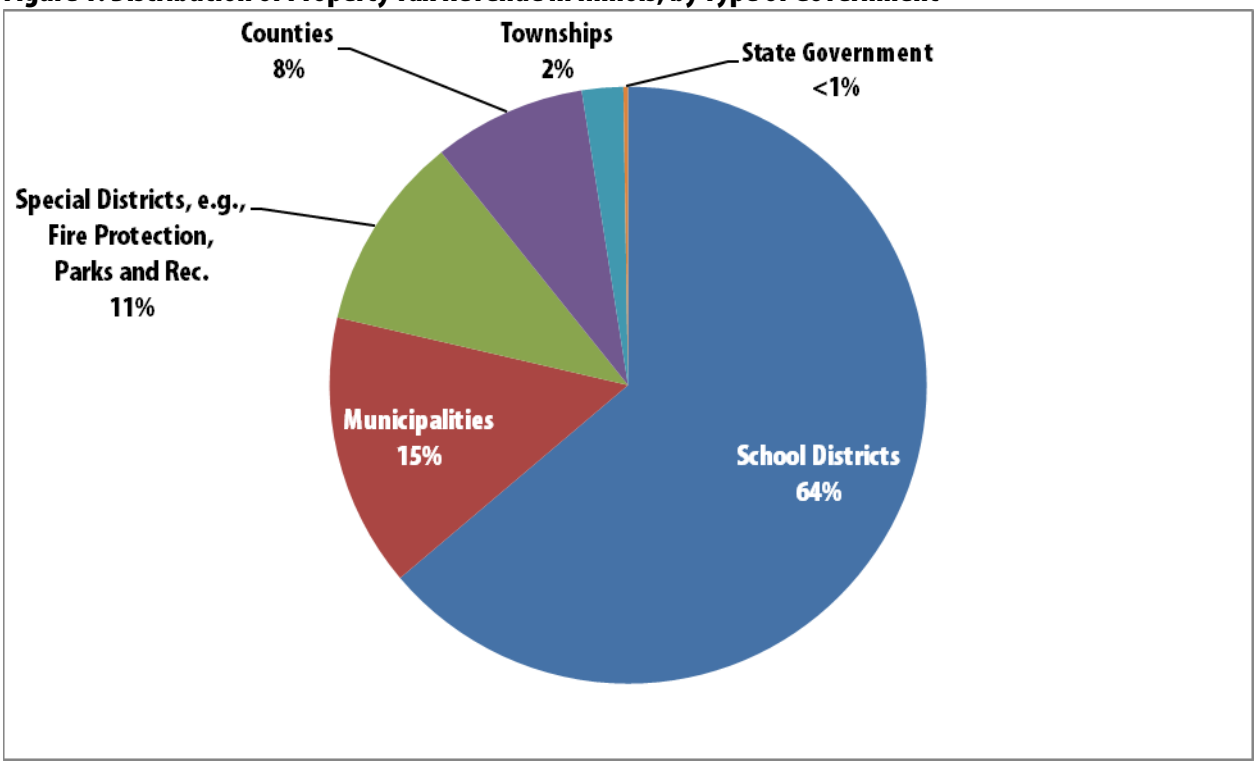
Distribution of Property Taxes

After examining the count of governments in Illinois in comparison with other states, the number of units of government likely contributes to the fact that Illinois has the second highest effective property tax rates (property taxes divided by median property values) for residential property in the nation.

[10] New York has sub-county governments referred to as towns, which the U.S. Census Bureau functionally classifies as townships.

By far, the largest amount and percentage of property taxes are used by school districts (Figure 1). The amount of taxes collected is affected by access to other revenue sources such as state aid. With the recent fiscal setbacks in state government, school aid has decreased which places more pressure on local property taxes to finance services especially those involving groups of students requiring special services. Statewide, in 2012, school districts represented nearly two-thirds (64%) of the property tax collections in Illinois; this percentage has increased from 62.2% in 2002. Without question, unfunded mandates contributed substantially to this growth.

Figure 1. Distribution of Property Tax Revenue in Illinois, by Type of Government



Source: U.S. Bureau of the Census, 2012 Census of Governments.

Municipalities collect the second largest share (15%) of property tax collections in Illinois. The number and size of governments must be included in comparing tax collections. For instance, the City of Chicago is a major player in municipal comparisons. Reliance on property taxes depends on other revenue-raising powers. For example, municipalities have a broader assortment of revenue options than counties; home rule municipalities have more powers than non-home rule municipalities to adjust their revenue structure and take advantage of local sources.

Collectively, special districts including fire protection, parks and recreation, and other governments, represent 11% of property tax collections. Many of these agencies serve a small group of residents for specific purposes and usually have relatively few other revenue sources. Thus, they rely more on charges for services rather than a general property tax, such as when park districts charge fees to teams for participating in sports.

Another trend contributing to Illinois' high property tax rates is the steep decline in property values, and a lack of recovery, from the housing price collapse beginning in 2007. Illinois has not yet recovered from the housing collapse. Average home values peaked in the first quarter 2007 with an average home value of $265,174. Eight years later home prices still haven't recovered with an average home value of $244,432 in the first quarter 2015, nearly 8% lower than the peak.[11]

The drop in home values contributes significantly to increased effective property tax rates. In some cases the effective property tax rates have become exorbitant. For example, the community of Ford Heights in southwestern Cook County has an effective property tax rate of 12.8% per year. This means every eight years taxpayers in Ford Heights are paying more in property taxes to local governments than their house is worth. This leads to tax foreclosures and flight from a community. If property tax rates continue to rise in Illinois, more families will be faced with the difficult decision of moving or foreclosing their homes.

In Summary: At times, creating governments may seem to be the simplest and fastest way to raise revenues to serve specific populations, given state requirements and other restrictions. But this has caused Illinois to become weighed down by the overwhelming number of taxing bodies and bureaucratic deficiencies.

While the number of local governments in Illinois is large and confusing, a careful analysis can provide options to at least reduce Illinois' position relative to other states. This report offers insights into ways for local governments to reorganize and create more efficiency and cost-savings.

Efforts to encourage modernization and improve efficiencies at the local level will require, in some cases, a review of state legislation and administrative requirements affecting revenue-raising powers. At a minimum, decisions regarding the structure for delivering public services are local, so improving the ability and flexibility of local decision-makers to adjust this structure is essential in modernization efforts.

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[11] Land Prices by State, Land Prices by State Dataset, Lincoln Institute of Land Policy. From https://www.lincolninst.edu/subcenters/land-values/land-prices-by-state.asp.

II. OBSTACLES TO CONSOLIDATION AND COLLABORATION

The Local Government Consolidation and Unfunded Mandates Task Force found significant obstacles to local government consolidation in Illinois. It is simpler to create a new unit of local government than it is to eliminate or merge one. This leads to duplication of services, lack of public oversight and higher costs to the taxpayers. Issues with existing Illinois laws, hurdles facing citizens when mobilizing consolidation efforts, and cultural, political and technical obstacles all contribute to an environment that makes it difficult to consolidate government in Illinois.

Illinois State Law Makes Consolidation Difficult

Existing state law is the greatest obstacle to local government consolidation in Illinois. Historically, consolidation-related legislation has been crafted narrowly to apply only in specific circumstances, rather than to the entire state.

For example, as of 2014, Evanston Township in Cook County was one of 20 townships in Illinois that was coterminous with a municipality. Both municipalities and townships are considered general purpose governments and often perform the same types of services, such as road and bridge maintenance.

After an advisory referendum was held to show support for consolidating Evanston Township into the City of Evanston, a state law was introduced and passed in the Illinois General Assembly. However, instead of the law applying to all 20 coterminous townships, this narrow law applied only to Evanston Township.

While narrow legislation is easier to move through the legislature, specifying the scope of consolidation requirements to apply only to a single township or other governmental unit in Illinois excludes similar units from proactively taking efficient and tax-saving measures. In light of this, The Task Force has made the recommendation to allow all townships coterminous with municipalities in Illinois to merge together via a binding referendum.

An additional example is the consolidation powers given in Senate Bill 494 (PA 98-0126), which allowed only DuPage County to begin the process of consolidating local government units whose boards were appointed by the county.

Task Force Member Chairman Dan Cronin of DuPage County testified that since the passage of SB 494 (PA 98-0126), DuPage County has successfully eliminated 3 of the 13 eligible local governments and is working on merging more. The pilot project has earned many accolades and endorsements from newspapers and good government organizations across the state. However, the legislation was narrowly crafted to apply to only DuPage County.

There have been attempts to expand this pilot project to the other 101 counties in Illinois, but those efforts have been resisted by the General Assembly. For example, HB 229 aimed to expand those consolidation powers to just two more counties, McHenry and Lake, but stalled in the state Senate after passing in the House with bipartisan support. The Task Force has made the recommendation to extend the consolidation authority granted to DuPage County to all 102 counties in the state.

Statutes or regulations that have become outdated as part of population and technological changes can pose obstacles in locally initiated efforts to modernize government structure and delivery. This is illustrated in the case of McHenry County, where existing state statutes raised obstacles when consolidation was allowed. Residents urged county board members to consolidate 17 townships into 4. In researching the issue, the citizens group found that an outdated state law caps township size at a maximum of 126 square miles. Residents were instead forced to pursue a consolidation to 8 townships, where township size would be less than 126 square miles. Understanding this arbitrary hurdle, Task Force members voted to eliminate the 126 square mile cap.

The square mile cap was not the only state-induced hurdle for these McHenry County residents. Under state law, when two or more townships consolidate with different tax levies and rates, law dictates a formula for tax harmonization. The formula often results in one township paying a higher tax rate following consolidation, which creates difficult political hurdles for a referendum because it would require residents to vote for what appears to be a tax increase. The problems with this law are not simply political. The formula fails to recognize savings associated with consolidation of township administration and service offerings when determining the new tax rate. Task Force members addressed this issue by allowing a county or citizen-initiated consolidation referendum to set the property tax rate equal to the lowest rate among the consolidating townships, in order to prevent a tax hike from consolidation.

The lack of legal avenues available to local units of government that wish to undertake streamlining and consolidation efforts is a major hurdle preventing efficiency in Illinois and is keeping the number of governments at unmanageably high levels.

Illinois Citizens Not Empowered to Consolidate

In many instances, Illinois citizens have no effective power to consolidate local government, even if there is strong local support to do so. For example, if Illinois residents wanted to consolidate townships into the county they would find it has never been successfully accomplished in the state via citizen-initiated referendum because of the unduly burdensome requirements in some cases and the absence of a process in others.

Illinois state law technically allows citizens to initiate a referendum to consolidate townships into the county structure, but the requirements are so burdensome it is virtually impossible to do so. State law requires citizens to collect signatures from 10% of registered voters in every township to be merged in only 90 days to place a referendum on the ballot. If they do not meet the requirement in every single township in the county, the measure can be thrown off the ballot in its entirety. This is an extremely high threshold.

By comparison, to place a state constitutional referendum on the ballot citizens are only required to collect 8% of the total votes cast statewide (effectively about 4% of registered voters) in the previous gubernatorial election; they have 540 days to collect the signatures; and there is no such requirement mandating signature levels in any sub-jurisdictions.[12] Illinois' signature requirements for a citizen-initiated constitutional amendment referendum are higher than many other states, making the referendum requirements for township consolidation seem even more unrealistic.

As difficult as it is for citizens to initiate a referendum to merge townships into a county, there exists no process in the statutes that allows the consolidation of many other types of local government in Illinois. There is no method in Illinois to merge municipalities and their powers into a townships structure, as has

[12] Costin, Brian, Too Much Government: Illinois' Thousands of Local Governments, Illinois Policy Institute, November 2013. Retrieved from https://www.illinoispolicy.org/reports/too-much-government-illinois-thousands-of-local-governments/.

been done in nine states (Maine, Massachusetts, New Hampshire, New Jersey, North Dakota, Pennsylvania, Rhode Island, South Dakota and Wisconsin). [13]

There is no method for citizens to initiate referendums to merge special purpose districts into a general purpose government. In other states, fire protection, parks and recreation, and library services are often performed within a department of a municipality or county government. In Illinois, they are separate special purpose local governments. Often the only type of consolidation option available is to merge into a similar type of local government that shares a border, such as two adjoining park districts.

To address these obstacles, the Task Force made the recommendation to standardize consolidation-related referendum requirements and apply these rules to allow the consolidation of all types of local units of government in Illinois. The endorsed requirements would require citizens to secure, within 180 days, signatures totaling 5% of the votes cast in the last general election for each of the consolidating units of government. The recommendation also allows for different types of local government to be merged together through a consolidation referendum, such as merging a library or park district into a municipality.

After extensive testimony, the Task Force came to the conclusion that there can be no one size fits all approach to consolidation in Illinois. Units of government mean different things to different communities in different parts of this diverse state. Effective consolidation must begin at the local level with the support of the taxpayers being served. Major changes must be made to state laws governing the consolidation process in order to enable local control, with a priority on empowering citizens to determine the form and function of their local governments.

Cultural, Political and Technical Obstacles to Consolidation

Challenges relating to state law and local control aren't the only barriers to consolidation. Significant cultural, political, and technical challenges influence consolidation efforts as well.

The perceived loss of local identity or control in providing a service is a problem for many communities considering consolidation, especially when it comes to school districts. Consolidating schools often means

[13] Population of Interest-Municipalities and Townships, U.S. Census Bureau. Retrieved on 12/9/2015 from https://www.census.gov/govs/go/municipal_township_govs.html.

the transfer of services and teachers from at least one community to another. This represents not only a loss of local income but also means changes to an institution, and its athletics department, with which many residents closely identify.

Thus, unless the cost-savings are immediate and substantial, there may be considerable local resistance to a consolidation. The community losing a school may also feel the loss of a highly visible local institution, thereby contributing to population and economic declines.

Additionally, local leaders may be reluctant to relinquish direct control over the provision of a local service. This may be for fear that poor quality, or other issues, will reflect negatively on their administration without an ability to remedy the situation. Furthermore, the elimination or consolidation of units of government means some local elected/appointed officials will lose their position. Downsizing is never an easy decision for a board. In the spirit of government consolidation, this applies not only to elected and appointed officials, but to local service personnel as well. Politically, this can be an unattractive situation even if it decreases long-term costs for taxpayers.

Somewhat similarly, a joint purchasing arrangement managed by a state agency can reduce costs to local governments. But the cost-savings can come with a loss of local spending which may adversely affect the local economy. Joint purchasing almost always involves some standardization of the items purchased which may meet with resistance from public employees engaged in delivering the service.[14]

Reaching general agreement on the level and types of services that will be provided under a cooperative agreement can also raise local opposition. Unless both groups agree on both the services to be provided and responsibility division for various tasks, collaborations can be difficult to implement, especially when the cost-savings are not materialized immediately.

In testimony given to the Task Force on E911 consolidation efforts, Brent Reynolds, Director of the Glenview Public Safety Support Services Department, described incompatible technology as one of the technical challenges to E911 consolidation. While communities across Illinois have benefited from the

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[14] Johnson, R.A. & Walzer, N. (2000). Local Government Innovation: Issues and Trends in Privatization and Managed Competition. *Privatization and managed competition: Management fad or long-term systematic change for cities* (Chapter 9). Westport, CT.

consolidation of dispatch services there are often increased startup costs involving technological upgrades to ensure compatibility of communication equipment between dispatchers for police and fire departments.

Additional technical obstacles exist due to state regulations and/or requirements, making collaborative relationships more difficult. In the case of consolidations of two agencies, one of which has considerable debt, the recipient government may be unwilling to take on additional debt. Likewise consolidation of two groups may mean that employees must enter another retirement system or have their employee status or benefits affected in the merger.

A major technical obstacle to school consolidation is harmonization of salaries between teachers in two different districts. It is customary in Illinois when consolidating school districts to blend together the teacher salary schedules to the highest levels of either contract. While the State of Illinois has a grant program to pay for this, it is only available for the first four years after a consolidation commences. After four years the new school district may be in a worse financial position than prior to the merger, due to increases in teacher salaries surpassing the savings realized from administrative or resource consolidation.

Another concern involves access to comparable data among governmental units. Different accounting systems and difficulties in accessing information make a serious evaluation of cost-saving potential or other considerations difficult. When two local governments are considering consolidation they may face difficulties from misaligned budget years, a small but meaningful consideration.

The issues raised in testimony and discussions during Task Force meetings resulted in numerous recommendations issued later in this report. In some cases, the most suitable strategies involve publicizing best practices and training programs so that local leaders can learn how other governmental agencies successfully addressed cultural, political and technical issues when consolidation was the best option at the local level.

In Summary: Solutions to most of these obstacles to consolidation are legislative and will require actions by the General Assembly. Modifying state law to accommodate and encourage consolidation efforts and providing guidance on additional challenges is vital to reduce the number of governments throughout the state in order to achieve an effective and efficient local government structure in Illinois.

III. LOCAL CONSOLIDATION AND RESOURCE SHARING EXAMPLES

As in many states, a new norm exists where scarce resources and significant budget cuts are affecting how, and if, government organizations are able to provide adequate services to constituents. It has become essential for governments at every level to seek out efficiencies and innovative ways to do more with less, as well as determine priorities for services within the context of their own communities and regions. The need to address specific public policy issues on a regional versus individual community basis is not new, and regional delivery of services has gained momentum in the past decade at all levels of government due to tightening budgets and demographic changes.

This section examines strategies and promising practices in resource sharing as ways to streamline or improve service delivery arrangements, both in Illinois and other states. Common practices include working with new technology and reducing costs associated with paperwork and other administrative activities. An effort was made to focus on several themes identified as challenges in Illinois by the agencies participating in the unfunded mandates survey.

Consolidation and Shared Service Delivery Momentum in Illinois

While the trend in Illinois over time has been to grow the number of local governments, there have been some promising consolidation success stories. The following programs and initiatives can serve as examples for other communities, and build momentum for additional legislative changes on the state level.

Local Government Consolidation Efforts

DuPage County ACT Initiative (Accountability/Consolidation/Transparency)

The DuPage ACT Initiative is a comprehensive county reform program designed to improve efficiency, reduce duplication and encourage resource-sharing across all county government departments and independently administered (county appointed) agencies. DuPage County has nearly 400 taxing districts and residents support between 12 and 16 taxing bodies on a property tax bill that averages $8,000 to $12,000 annually.

Entities Involved

In 2011, the county board undertook a systematic examination of its appointed agencies that provide a wide array of important community services including, but not limited to, fire suppression, sanitary and water services, mosquito abatement, airport administration, housing assistance, election management and street lighting. To aid in the analysis, the county partnered with a reputable, local accounting firm to highlight challenges while pinpointing areas for optimization and intergovernmental cooperation among regional service providers.

Actions

The two dozen independent agencies that were the subject of this assessment employ nearly 900 people and account for more than $300 million in public funds annually. A nine-month study was started in fall 2011 and the accounting firm worked with each agency to evaluate financial results and operations. The independent accountants were charged with evaluating existing business practices and identifying alternative service options. In spring 2012, the independent assessment was completed and the accountants provided DuPage County with an outline for a comprehensive action plan.

When the County Board and chair launched the ACT Initiative in May 2012, the county asked its appointed agencies to adopt strong procurement and ethics policies that emulate county policies, restrict the use of credit cards, disclose compensation information, and ensure that staff salary and benefits were comparable with market standards. The county also worked with the appointed bodies to explore functional consolidation where feasible in order to improve efficiency and reduce costs of essential services such as IT, human resources, procurement and financial applications.

In addition, a transparency portal was created on the DuPage County website to increase public access to important information for each agency, as most had received very little public attention. The county's transparency portal provides the names of current appointees, terms of service, statutory responsibilities, qualifications for service, annual financial reports, agency contact information and links to agency websites, meeting agendas and minutes. At the county's urging, many smaller agencies took action to create websites or post important meeting documentation on the county's website working through a staff-appointed liaison.

To further advance the communication between these agencies and the county, a manual was created for appointed officials. This manual provided county level staff assistance to the agencies in a variety of key areas including policy, procurement, information technology and human resources. DuPage County also created a centralized ethics administration for appointed bodies whereby an external agency could adopt the county's ethics ordinance and enter into an intergovernmental agreement for shared management, reducing the need for redundant stand-alone ethics commissions and ethics officers.

Results/Outcomes

After making significant strides under the ACT Initiative, the county successfully pursued legislation in 2013 authorizing it to thoughtfully examine the potential consolidation of appointed governmental bodies that exist entirely within the boundaries of the county and have a majority of their governing boards appointed by the County Board. In August 2013, the county's landmark consolidation bill (Public Act 98-0126) became law, providing a new mechanism for full-scale consolidation by county ordinance. This new tool has allowed the County Board to expand its ACT Initiative, merging service functions and decreasing the overall number of governmental units when found to be in the best interest of taxpayers.

More importantly, the ACT Initiative has changed the conversation and culture of local governments in DuPage County. Before acting on something alone, agencies now stop to think…is another agency doing this that we could collaborate with to create efficiencies and savings?

Cost-Savings

In only three years, DuPage County has increased accountability and transparency and can demonstrate a projected $116 million in taxpayer savings through shared services, cooperative joint purchasing agreements, employee benefit reforms and modifications to procurement policies and practices.

Examples include:

- Overhaul of employee benefits for county workers – $20 million in savings.
- Closure of the county's youth home and partnering with Kane County to provide youth detention services – $6.9 million in savings.
- Procurement reforms and enhanced shared services with the DuPage County election commission – $3 million in savings.

- Reforms by the water commission to control labor costs, implement efficiencies and retire loans early – more than $10 million in savings.
- Consolidation of the county's 9-1-1 dispatch centers from 20 to 8 facilities (since 2008) – $4.5 million in savings.
- Elimination of 45 full-time county staff positions since 2011 and an overall reduction in the county's annual budget of $33 million.

Beyond anticipated cost-savings and enhanced service delivery, DuPage County leaders are actively demonstrating incremental but meaningful success in consolidating units of government at the local level. To date, three county agencies have been eliminated: Timberlake estates sanitary district, Fairview fire protection district and the DuPage fair and exposition authority. On the horizon are three more potential consolidations – a lighting district, fire district and sanitary district. As county leaders demonstrate consistent, incremental success in peeling back local taxing districts, if expanded statewide, Illinois can eventually relinquish the distinction as the state with the most units of government.

Citizen's Efficiency Commission for Sangamon County

A major downstate effort to re-examine the roles played by various governments in delivering services is shown by the Citizen's Efficiency Commission (CEC) for Sangamon County. This commission, started in November 2010 after passage of a referendum in the general election, included 23 citizen members and worked for two and one-half years to "take an objective, comprehensive, and multi-jurisdictional look at how local governments in an entire region could operate more economically, efficiently, and effectively." The thrust of the CEC was not just to rearrange the governmental structure in the region but to help local governments become as efficient as they could be in delivering services through collaboration and rearranging responsibility for service delivery.

The CEC faced may many challenges in conducting its assessment and analyses. First, the absence of basic data and information that could accurately inform decisions was troublesome. Having more than one government analyzing data and recommending solutions complicated matters because existing mechanisms did not exist to address or resolve these issues. Even within the jurisdictions, bureaucratic arrangements sometimes prevented agencies from working together in a straightforward manner. In some

cases, legal and jurisdictional issues, sometimes outside the control of these agencies, complicated both identifying solutions as well as implementing them.

Second, the CEC was among the first group to launch such a regional restructuring initiative and therefore did not have many best practices to replicate. In many ways, this was a pioneering effort that had to learn while it was doing. In many cases, the political environment was entrenched which made trying new approaches more difficult even when public officials had the best intentions of trying to improve the quality of services, reduce costs, or implement other objectives.

The impact of long-standing arrangements that for many years had functioned and resisted change cannot be over-emphasized. Launching new initiatives that pay off in the long-term but do not show an immediate return is often difficult.

Essential to the success of the CEC efforts is that it was able to formulate a shared vision for the region. In this case, the vision was "to become and be seen as the most efficient and effective local governments in Central Illinois, if not in the state as a whole." Along these, lines, the CEC focused on the obstacles, internal and external to the region, preventing local governments in the region from achieving their potential. In practice, the CEC used a bottom-up approach where participating governments could reach a higher level of performance through collaboration and cooperation.

Entities Involved

- 23 appointed citizen members to guide the overall process.
- Springfield-Sangamon County Regional Planning Commission provided assistance.

Actions

- Created a shared vision for the project so that governments in the region could see ways in which they could improve delivery of services by participating in and implementing the process.
- Maintained a sense of transparency by conducting public meetings to elicit public views and input.
- Inventoried equipment and promoted equipment-sharing efforts among governments.

Results/Outcomes (selected examples)

The outcomes of the CEC efforts included 23 specific recommendations along with eight white papers, as well as two supporting reports that addressed possible opportunities for efficiencies. The four broad areas

of governmental function addressed consist of: Administration, management and budget; community development; public safety; and public works. The CEC made recommendations for each of these areas along with white papers further delineating ways in which the improvements could be operationalized.

- Several townships vacated their role as tax collectors.
- A regional leadership council has been formed.
- Several townships formed intergovernmental agreements to process general assistance cases.
- Eligible voters in 15 municipalities and unincorporated Sangamon County passed referenda for electric aggregation. Three communities undertook a group aggregation effort.

Cost-Savings

The estimated tax-savings reaches more than one-half million dollars from electric aggregation effort. While the full results from the CEC are still unknown, many groups are currently discussing ways to collaborate and/or improve efficiencies. The CEC undertaking provides an excellent model for a county-wide efficiency approach and can be replicated in other areas.

Reorganization of School Districts: Arthur, Illinois

The Arthur CUSD #305 reorganized its school district in 2011 and then again in 2013. These two reorganizations combined three separate school districts into one. The goal was to improve the quality of education, reduce expenses, and continue to maintain a lower tax rate for property owners within the districts. Eighty percent of funding comes from local taxes and taxpayers are invested in the schools.

The original size of each district before annexation was Lovington (275 students), Atwood-Hammond (425 students) and Arthur (450 students). The district now includes 1,250 students and covers 252 square miles. The square miles have tripled and students now come from five counties.

Entities Involved

The first reorganization involved the annexation of Lovington School District into the Arthur CUSD #305 School District with a referendum on the ballot in April 2011 for both districts. Upon successful passing of the referendum, the two school districts spent one school calendar year planning curriculum, classrooms, etc. and preparing for the first day of the newly-formed district on July 1, 2012.

The second reorganization annexed Atwood-Hammond school District into the newly-formed Arthur-Lovington CUSD #305. There was a referendum on the ballot in April 2013 in both districts (both district include the newly formed Arthur-Lovington and the Atwood-Hammond). Upon successful passing of the referendum, the two school districts spent one school calendar year planning curriculum, classrooms, etc. and preparing for the first day of the newly-formed CUSD #305 district on July 1, 2014.

Actions

The annexation allowed the newly-formed high school (combining three previous high schools) to increase the depth and variety of courses offered, including more college credit courses, fine arts courses and a larger variety of extra-curricular courses. The reorganization also provided more resources and collaboration for teachers since there were no longer any departments with only one teacher. The administration worked to find the best placements for each faculty and staff and reduced overage as needed. Finally, the reorganization reduced expenses by reducing administration and building maintenance costs.

Results/Outcomes

Examples of expanded course offerings include photography, computer programming, drafting, agriculture, and so on. Other areas that expanded include college prep courses such as Spanish III and IV, calculus, environmental studies, chemistry II, journalism, etc. Prior to the reorganization, the annexed schools had to cut many of these offerings.

Overall, the reorganization has had great success and it should be shared with other districts that may be considering it. Improvements to the quality of education and the benefits for taxpayers, students and teachers have been tremendous. Prior to each referendum, months were spent talking to communities and discussing that this had the support of state agencies. The financial incentives promised by the state were essential in the successful transitions.

Cost-Savings

The savings realized from annexing the districts are significant. In the first year of each reorganization, a combined savings of $450,000 resulted from eliminating two superintendent salaries, two principals,

demolishing two buildings (reducing maintenance and utility) and reducing from three bus service contracts to one. These savings continued since the positions and services were not reinstated.

During the 2014-2015 school year, the district saved an additional $340,000 through attrition and reorganization of classrooms. The focus for these cuts was to not adversely impact the students and programs. When combining the savings over five years, the three districts have saved well over $1 million, while improving the quality of education and course offerings for the more than 1,200 students. Looking to the future, the district continually evaluates ways to improve curriculum, align the three PreK-8 buildings that feed into one high school, and monitor how to trim expenses.

Due to state budgetary constraints in FY 2016, the State of Illinois has not yet provided the district with the incentive money promised as of December 11, 2015, and announced the incentive money would only be funded at 75%. The district has also not received their payment for transportation from the state, forcing them to utilize education fund money to pay for it. These delays and underpayments may deter other school districts from pursuing reorganization efforts, and make it more difficult for districts consolidating already.

Evanston Township Consolidation into City of Evanston

In 2014, Evanston Township in Cook County was consolidated into the City of Evanston. The Task Force heard testimony from Evanston Alderman Jane Grover, about the process of how Evanston Township was merged into the city and how the city assumed responsibility of its functions.

The successful 2014 referendum was only the third time in Illinois history that voters had decided to dissolve a township, and the first time since 1932.

Entities Involved

- General Assembly
- City of Evanston
- Evanston Township

Actions

- Advisory referendum was held to show support for consolidating Evanston Township into the City of Evanston, approved by 66% of Evanston voters.
- A special state law was passed to allow consolidation of Evanston Township by binding referendum, Public Act 98-0127.
- Binding referendum was passed by 64% of voters to consolidate Evanston Township into the City of Evanston.

Results/Outcomes

- The administration of General Assistance was taken over by the City of Evanston, and so was the Township's $1.5 million annual budget.
- The city significantly reduced costs of administration of general assistance, reducing staffing from 8.5 to 5.0 FTE's.

Cost-Savings

- Estimated cost-savings of $1,089,442 for FY 2015 in reduced payroll and administrative costs (Table 2).

In light of these successes, the Task Force made a recommendation to allow all townships coterminous with municipalities in Illinois (19 total) to merge via a binding referendum, just like in Evanston.

Table 2. Evanston Township Consolidation Savings

General Assistance Fund Cost Savings	
Client Medical Expenses: Medications and Medical Expenses	$ 500,000
General Assistance Payroll and Administrative Expenses	$ 336,381
Total General Assistance Fund Expense Reductions	$ 836,381

Town Fund Cost Savings	
Assessor Expenses	$ 168,459
Supervisor Expenses	$ 84,602
Town Fund Expense Reductions	$ 253,061

Total Township Dissolution Cost Savings	
General Assistance Fund Expense Reductions	$ 836,381
Town Fund Expense Reductions	$ 253,061
Total Expense Reductions	$ 1,089,442

Source: City of Evanston, August 24, 2015 Task Force Presentation.

Collaborative Purchasing Arrangements

GovIT Consortium

In 2012, a collaborative of 14 communities in northern suburban Chicago hired a consultant to perform a joint IT assessment to understand the condition of their current environments and identify opportunities for improvement. One recommendation was to examine a shared services environment for cost-savings and improved services. Several cities from the joint IT assessment, as well as additional communities, decided to move forward with a Request for Information/Request for Proposals (RFI/RFP) process. The RFI/RFP was based on the consultant's recommendation to find a common service vendor that could leverage efficiencies of a shared staffing model, plan and budget for shared equipment and infrastructure, and create a collaborative environment to strategically plan for information technology needs.

Entities Involved

The initial IT assessment evaluated 14 communities: Buffalo Grove, Des Plaines, Downers Grove, Glenview, Highland Park, Kenilworth, Lake Bluff, Lake Forest, Lincolnshire, Lincolnwood, Northbrook,

Skokie, Wilmette and Winnetka. The RFP was released with five core municipalities (Glenview, Buffalo Grove, Lincolnshire, Lake Bluff, and Kenilworth) as well as additional municipalities interested in participating. A vendor was selected, InterDev, and the five core communities began to transition their IT services in early 2014.

Since transitioning service to a common provider, those five communities have worked together and created an IT Consortium (referred to as GovITC) with formal bylaws and membership agreements adopted in fall 2015. The five communities continue to work on next steps to transform their environments to facilitate the shared service model and consider growth as additional communities may be added in the future.

Actions

- An RFI was issued first to learn ideas from vendors of how they would propose to structure a shared services model.
- An RFP was then issued for services to be provided and a vendor selected (InterDev).
- Each community has approved its own contract with the vendor based on specific resources and needs.
- The consortium has approved intergovernmental agreements and developed bylaws creating a separate entity. The next step is to obtain a FEIN number so the association can own assets.
- The consortium examined data from the beginning of the vendor relationship and developed expectations for services from the vendor, including the acceptable time frame for a response depending on the priority level of the issue. The vendor reports actual response times per issue to ensure performance measures are met.
- Upgrading systems, working towards common IT hardware/software standards, and obtaining common equipment have been a priority for the consortium.
- As the communities have IT needs, the vendor helps them select appropriate solutions that will eventually be used in the other participating communities. For example, when several communities had to upgrade firewalls, the vendor helped select the specific product, and deploy the same product in the communities.

- This cooperative environment has allowed communities to have backups stored at other consortium communities, eliminating the need for offsite backup.

Results/Outcomes

- The five communities are transitioning to common equipment and updating systems.
- Buffalo Grove has been able to upgrade equipment using the savings achieved from no longer maintaining in-house staff.
- A structure has been developed to incorporate responses to high priority issues, as well as standard maintenance.
- The shared environment has provided access to specialists that would have been unaffordable for individual communities, such as cyber security specialists.
- As the consortium moves to standardize equipment, savings should begin to accrue for all communities or provide opportunity to reinvest resources.
- As a legal entity, the consortium can begin to make joint purchases and have asset ownership for the consortium.
- Because of the shared environment, all of the communities have pooled knowledge to develop best practices.
- The consortium provides a foundation to identify and pursue additional opportunities, including improved service, disaster recovery and network security, increased system dependability, and a collaborative environment to innovate.

Cost-Savings

- Initial cost-savings with the vendor contracts depend on the individual community's prior IT service arrangement and environment. For example:
    - There were immediate cost-savings in some cases from previous vendor contracts or a gain of additional resources and value at the same cost, as well as, cost containment with a zero-percent (0%) annual increase secured for the first three years.
    - Buffalo Grove saved $240,000 per year (40%) by no longer having in-house IT staff. They reinvested the money into updating IT systems.

- Several communities realized a cost-savings but viewed it as important to properly invest in IT and upgrade their systems.

- There will be additional cost-savings once a plan is developed to jointly purchase, share, and own hardware and equipment and by leveraging economies of scale to purchase software licensing and agreements.
- All five communities expect long-term cost-savings once systems and equipment are standardized.

Fuel Sharing Contracts

In response to the desire to eliminate underground storage tanks during the mid-90's several organizations in Beecher, Illinois, looked at alternatives for fuel storage. Five organizations entered into an intergovernmental agreement to purchase equipment for two shared above ground storage tanks and fuel dispensing equipment. In addition, they started to bid annually for gas at a fixed cost for a 12-month period, which includes the delivery of diesel and unleaded gas twice a week.

Entities Involved

- The village of Beecher
- Beecher school district
- Washington township highway department
- Beecher fire district
- Washington township dial-a-ride bus program

Actions

- A governing board was established, with each organization having one vote.
- The Village of Beecher was designated as the lead agency and holds the contract.
- Above ground tanks were installed at the Washington Township Highway Department. Video surveillance capabilities and a power back up were also installed.
- A fob system is in place to allow only authorized vehicles to dispense gas. A user enters his/her employee ID number, the vehicle number, and the vehicle mileage when s/he fuel vehicles.

- The board agreed that the Village of Beecher would charge approximately $.06 per gallon in addition to the contract price to account for maintenance costs, administrative costs, and to account for shrinkage within the tanks.
- Annual fuel consumption per organization was estimated for the first year. In retrospect, the agencies feel they should have obtained fuel on the open market for the first year rather than contracting for a specific amount of gas for 12 months in order to accurately track usage.
- A Request for Proposals (RFP) is created each year to buy a fixed quantity of diesel and a fixed quantity of unleaded for a 12-month period.
- All organizations must agree to get gas through the contract, even if prices on the open market dip lower for a period of time.

Results/Outcomes

- The fob system allows all organizations to track their gas usage, as well as miles per gallon for individual vehicles, and the data allows them to track trends in usage.
- The organizations are able to accurately estimate how much gas will be needed for each year. If they fall short they have to buy on the open market, but their estimates have been very accurate and little has to be purchased outside of the contract.
- The board meets twice per year; in December to prepare the RFP and February to approve the bid.
- The organizations have used the same supplier for several years, Gilman FS, a co-op which usually sells fuel to farmers in 12 month contracts.
- Budgeting for all organizations is enhanced as they have a fixed price for gas for 12 months, an expense that otherwise can have substantial fluctuations.

Cost-Savings

- The price of unleaded gas is $2.19 per gallon for the 2015-2016 contract.
- Prices for fuel have historically averaged $0.25 less than open market purchasing.
- Estimated cost-savings have been at least $100,000 since 1998.

Municipal Partnering Initiative in DuPage Region

The public works departments for Lombard, Downers Grove, and Woodridge began discussing the development of a joint bid process for public works projects in an effort to control costs. The effort later expanded to include multiple organizations throughout DuPage County.

Entities Involved

Public works staff for 14 organizations within DuPage County are currently in the DuPage Region Municipal Partnering Initiative (MPI). Three communities initially began the process, and then nine communities met in September 2013 to discuss a limited number of contracts. The number of communities within DuPage County has since been expanded, with communities having the option (but not the obligation) of participating. In addition to municipalities, other districts, such as the Glenbard Waste Water Authority participate in the MPI.

Actions

- The initial communities (Lombard, Woodridge, and Downers Grove) invited nearby, similar-size communities to participate in discussions for a joint purchasing initiative.
- A survey was distributed through the DuPage Mayors and Managers Conference to determine interest from within the county.
- The DuPage Region MPI was formed, with 14 entities participating and six communities leading bids.
- The MPI looked to utilize existing MPI contracts, state and county purchase options and other existing alternatives when possible.
- Bid documents were standardized to address needs in participating communities. One bid document, which had a significant number of participants, became the standard document used as a template for other bidding documents.
- Timelines were established with participating communities, with further participation in the individual bid process being allowed only if timelines were met. For some organizations with smaller staffs, meeting these timelines was difficult, but the process for all communities was slower without firm deadlines being enforced.
- At the end of each contract period there is an evaluation of the process to make sure individual projects have been and are anticipated to continue to be good opportunities for joint procurement.

- Bids for services generally are multi-year contracts.
- The MPI evaluates the process at the end of each contract to determine how to develop a better bid document or further level the playing field.
- The MPI also specifically looks to use other government agencies if possible in an effort to not rely solely on private sector contractors.
- 2014 projects included cold patch, concrete flatwork/paving, contractor assistance, crack sealing, hauling and delivery, hydrant painting, leak detection/survey, resurfacing/patching, sewer lining, sewer TV/cleaning, tree applications, tree maintenance and water meter testing.

Results/Outcomes

- Small communities have been able to leverage economies of scale.
- There has been a reduction in staff efforts and costs related to duplicate bidding processes within each individual organization.
- Bids have had improved technical specifications.
- Staff in participating organizations have learned about alternative project methods.
- Some vendors refused to take part because they did not like the process, even though they had contracts with the individual communities; however overall the MPI has not had a problem finding vendors willing to give competitive bids for services.
- As a result of the success of the program, other projects, such as shared fleet facilities or shared specialized equipment are now being discussed.
- Most contracts have reduced costs for participating communities. While other contracts have not lowered costs for all communities, they did allow costs to be fixed for a longer period of time, eliminating annual increases. Additionally, decreased staff time has resulted from the procurement process versus bidding for these contracts individually.
- Budgeting for projects has become easier for participating communities.

Cost-Savings

- The sewer lining contract for four communities in 2014 saved $89,193 over 2013 costs.
- Water meter testing in 2014 through MPI saved $19,832 for four communities over 2013 costs.

- Concrete flatwork/paving contracts through MPI saved $9,487 for 11 communities over their 2013 costs.
- Under the MPI, hydrant painting costs were $61.50 per hydrant. One nearby community which did not purchase through the MPI paid $74.00 per hydrant and would have saved $6,912.50 through the MPI. Another paid $80.75 per hydrant and would have saved $3,368.75 through the MPI.

Village of Wadsworth and Newport Township Services Agreement

The Village of Wadsworth and the Newport Township Highway Department are both located in Lake County, Illinois, and recognized that both organizations have responsibilities to their residents to provide services including snow and ice removal, tree pruning and cutting, and right-of-way mowing, on roads shared by both organizations. Additionally they noted that in many instances, their taxpayers are one and the same. In 2013 they executed an intergovernmental agreement to cover services including roadway maintenance and repair; right-of-way mowing, maintenance and repair; tree pruning and cutting; snow/ice removal and plowing; and salt purchase and storage.

Entities Involved

- The Village of Wadsworth
- Newport Township Highway Department

Actions

- The Village of Wadsworth and the Newport Township Highway Department searched for cost-saving opportunities by reviewing situations where they provided duplicate services to residents, where contracting government to government might save costs rather than contracting with private firms.
- The two organizations executed a blanket agreement allowing each organization to provide services to the other as needed.
- The agreement was specifically created to allow for flexibility in services provided, and was broad enough to accommodate last minute projects.
- Under this agreement, Wadsworth has used the Highway Department to plow a portion of their roads since 2013. Previously, Wadsworth had a private contractor plow all 32 miles of road; now the Highway Department plows approximately 9 miles.

- Each organization buys and stores its salt. The Highway Department reports how much salt is used, and Wadsworth replenishes that amount of salt. Snow-plowing services are billed separately.

Results/Outcomes

- The Highway Department has done snow plowing for two years and has not had to increase staff to accommodate the additional roads plowed in Wadsworth.
- Snow plowing services generate additional revenues for the Highway Department, using funds that Wadsworth had previously paid to a private contractor.
- Cost of services has decreased for Wadsworth, while quality of services for residents has remained high.
- The agreement has also allowed them to share other services when practical. When the Highway Department was spreading gravel on a two-mile road shared by both organizations, they laid gravel for the entire length, alleviating the need for Wadsworth to have staff and equipment go to the same site to provide identical services. This saved both staff time and transportation costs for Wadsworth.
- The agreement allows them to share capital assets, avoiding duplication to serve the same taxpayers.

Cost-Savings

- For 2013-2014 a private contractor plowed 24.65 miles of Wadsworth roadways, at an average hourly cost of $151.17. The Highway Department plowed 7.25 miles of Wadsworth roadways at an average hourly cost of $77.82. Total cost-savings to Wadsworth for the 7.25 miles was $13,918.
- In 2014-2015, a private contractor plowed 23 miles of Wadsworth roadways at an average hourly cost of $147.39, and the Highway Department plowed 8.9 miles of Wadsworth roadways at an average hourly cost of $79.64. Total cost-savings for Wadsworth by using the Highway Department to plow the roads was $9,332.

Public Safety Dispatch:

Illinois Law Enforcement Alarm System (ILEAS)

Law enforcement agencies periodically encounter situations where they need additional staff or equipment in excess of what their department has available. ILEAS is a mutual aid system created in 2002 that allows communities to obtain additional resources in emergency situations without depleting the

resources in neighboring departments. In addition, specialized equipment such as bomb sniffing dogs or helicopters are available through this mutual aid system.

Entities Involved

Approximately 98% of law enforcement agencies in Illinois participate in ILEAS which is a statewide organization with dispatch centers in Arlington Heights and Peoria. The state is divided into eight regions, and the governing board is elected by members of the regions, and also includes the state police and Chicago police department.

Actions

- In response to the September 11th attacks, an umbrella organization (ILEAS) was created to facilitate mutual aid response during emergencies. Initially, the organization only had a few agencies as members, but today it is a consortium of over 900 local governments.
- One master mutual aid contract was created for use by all agencies. The contract specifies law enforcement powers for responding officers outside of their home jurisdictional boundaries. Costs for deploying resources, including overtime if necessary, are paid by the responding agency, and participating agencies agree to respond if possible. The requesting agency is not required to reimburse other departments, except that they will provide resources to other departments when requested.
- Data was collected regarding resources available from all participating agencies including staff, equipment and specialized services, and then was organized so that participating agencies could easily find resources. Requesting agencies can ask for assistance and, depending on the type of emergency, a pre-planned response is generated that brings in needed resources from nearby agencies.
- Data was also collected regarding secondary equipment and resources, including public works equipment, helicopters, and other equipment. This information is available to requesting agencies so that they can quickly ascertain the location of needed resources and they have accurate contact information in order to request those resources.
- A governing plan was provided detailing the command structure at the incident. The requesting agency is in charge of overall response within its community, but can request assistance from regional ILEAS coordinators in managing the response. The agency can also request supervisors from other departments as part of the response.

- In 2014 ILEAS expanded to incorporate county corrections officers into the resources available for response.

Results/Outcomes

- A comprehensive list of area resources has been prepared for law enforcement agencies, eliminating the need for departments to purchase resources they may rarely use. While departments are not obligated to respond, usually they do as long as the equipment and staff are available. Resources and additional staffing are effectively 'pooled' by participating communities.
- Response cards were created to handle a multitude of emergencies, dictating how many and what types of resources are required depending on the type of crisis. The response cards designate how many officers should respond per department from neighboring communities, allowing the stricken community to have additional personnel without impacting staffing levels and public safety for residents in responding (neighboring) communities. All requests are evaluated according to zip code to assist in getting needed resources to the scene quickly, even in large communities.
- Standardized training allows for responding officers from all over the state to go to an emergency and immediately respond without time wasted in clarifying how tasks should be accomplished.
- ILEAS equips and oversees several multi-jurisdictional regional special teams throughout Illinois. There are two main teams – Weapons of Mass Destruction Special Response Teams (WMD SRT) and Mobile Field Force teams. It would be nearly impossible for any single agency to assemble and support this type of specialty team.
    - The WMD SRT teams are locally-employed SWAT (Special Weapons and Tactics) teams that are specially trained and funded by ILEAS to deal with the human threat in a hazardous materials environment. They often also act as regional tactical assets for local agencies.
    - The Mobile Field Force teams are multi-jurisdictional teams of locally-employed officers equipped and trained to deal with civil disorder. The Mobile Field Force teams are also known as Law Enforcement Patrol Strike teams that can be used to provide large support to local agencies that have significant or long term patrol needs they cannot fill.

- ILEAS has provided support for local law enforcement during many emergencies, including the tornados in Washington, Illinois, and Coal City, Illinois, as well as emergencies throughout the U.S. including Hurricane Katrina.

Cost-Savings

ILEAS is funded by a Homeland Security grant and small dues from members. It acts as an insurance policy for communities in case of emergencies. While specific cost-savings numbers are not available, ILEAS allows communities to save money and staff for normal policing needs, rather than the big emergency events when they have much bigger needs.

MABAS-Illinois

The Mutual Aid Box Alarm System (MABAS) is nationally recognized as a leader in emergency rapid response system for fire, EMS and specialized incident operational teams. It has been a model of success for statewide standardization and inter-operability and serves as a one-stop shop for emergency response resources.

Entities Involved

MABAS-Illinois is a statewide mutual aid system which has existed since the late 1960's. MABAS-Illinois serves:

- Local fire agencies – 1, 175 of the state's 1,246 fire departments
- 69 MABAS divisions statewide (regionally organized)
- State of Illinois departments
- Cook County UASI-DHSEM

Actions

MABAS, in partnership with IEMA (Illinois Emergency Management Agency), has established a statewide, non-discriminatory mutual aid response system for fire, EMS and specialized incident operational teams. Sharing the effort are representatives from the Office of the State Fire Marshal, Department of Public Health - EMS Division and Illinois Fire Chiefs Association. The system defines a resource response plan to any location within the state when the Governor orders a Declaration of

Disaster. In short, MABAS is how local emergency response agencies coordinate and share services in response to emergencies and disasters across jurisdictional boundaries. By coordinating multiple emergency response agencies in a time of crisis, MABAS serves as a force multiplier for local governments.

MABAS requires local fire chiefs to "assess and identify the local risks within their service area and then design a planned and programmed sequential response through their customized extra alarm 'running' box card."

The box alarm system's 'extra alarms' that quickly allows local governments to coordinate response to incidents in a pre-planned and often seamless manner between agencies.

The MABAS-Illinois network includes:

- 69 operating divisions
- 1,180+ fire agencies
- 38,000 firefighters/EMT
- 2,700+ front-line engines
- 500+ front-line ladder trucks
- 960+ water tenders
- 1,200 transport ambulances

Results/Outcomes

Often a community's involvement in MABAS leads to other types of coordinated or consolidated activities with other communities. As MABAS is to fire and EMS, ILEAS is to law enforcement. ILEAS, which was formed in 2003, drew from the successes of MABAS which began in the 1960's. The successes of MABAS has led to other cooperative efforts and consolidation such as consolidated dispatch centers and 911 services and even full consolidation of fire protection districts and EMS services between communities.

MABAS provides:

- 800 MABAS locally controlled extra alarm incidents per year in Illinois.
- Rapid response to declaration of disaster by Illinois Governor or IEMA.
- Immediate response resources at no cost or fee under daily operations to member agencies.
- Coverage for communities in response to specialized disaster scenarios (hazardous materials teams, search and rescue, disaster simulations (New Madrid fault line) and other special operations).

Cost-Savings

- Allows communities access to highly-trained and specialized personnel they wouldn't otherwise be able to afford.
- MABAS works as a low-cost 'insurance plan' for communities for severe, prolonged disaster response efforts, such as floods and tornados.
- MABAS divisions provide joint purchasing between opportunities for communities for fire engines, ambulances, and other equipment.

Tri City Ambulance Service

Prior to 1982, ambulance services for the 'Tri-Cities' area of St. Charles, Geneva, and Batavia, were provided by ambulances connected with two local hospitals. In 1982, Tri-City Ambulance was created to bring emergency medical services closer to the communities served. In 1985, the governance structure was changed to a board system, with two representatives each from St. Charles, Geneva, and Batavia, and one representative each from Batavia and Countryside Fire District and Geneva Township. Fire chiefs from each of the three municipalities serve as staff and technical advisors.

Entities Involved

The municipalities of St. Charles (population of 33,264); Geneva (population of 21,694), Batavia (population of 26,394) are the main participants with Batavia and Countryside Fire Protection District and Geneva Township also part of the organization. The three municipalities are located in close proximity along the Fox River in Kane County, Illinois.

Actions

- Tri-City Ambulance (TCA) contracts with Paramedic Services of Illinois (PSI) to provide licensed paramedics to staff ambulances owned by TCA.
- Two ambulances are located in St. Charles, one in Geneva, and two in Batavia. The closest available ambulance responds to medical calls, depending on which community the patient is in.
- All three municipalities hire only licensed paramedics as firefighters, and all fire trucks are equipped with the same medical equipment as in ambulances. Even if ambulances are already away from the closest station on other calls, firefighter/paramedics from each fire department can respond immediately to calls using medical equipment on the fire truck.
- There were concerns about maintaining quality of service when using contractors rather than civil service employees, so a secondary interview process was instituted. Paramedics who work for PSI are interviewed and approved by TCA before they begin work for TCA.
- Unions in the three municipalities all have separate contracts, which has some minimal impact on the secondary responsibilities for the paramedics, depending on which fire station they are stationed. Primary responsibilities are identical regardless of community.
- The fire chief in the lead community (St. Charles) has responsibility for budgetary and administrative responsibilities with assistance from a part-time coordinator.

Results/Outcomes

- TCA contracts for slots to be filled including two paramedics per ambulance per shift and PSI fills those slots. No costs are incurred by PSI for overtime or training but PSI is responsible for all costs beyond the contract.
- The paramedics are not employees of TCA, so there is no employer/employee relationship. For a sworn paramedic who works for a community, due process rights and union contracts can impact how discipline is handled. Because all of the paramedics work for PSI, if there is an issue with an employee, s/he is either disciplined or no longer allowed to work for TCA, significantly decreasing the amount of time that TCA spends on personnel matters.
- Because each municipality hires only firefighter/paramedics in its community, the response time to have trained medical personnel on the scene is very fast, even if there are multiple calls. Also, they

can provide additional staffing immediately for larger incidents, such as motor vehicle accidents with multiple victims. Sixty percent of calls to St. Charles Fire Department have a medical component to the call.

- Each participating community has local control through the TCA governing board. Consequently, the arrangement is mutually agreeable to all organizations because all have a voice in decision-making.

Cost-Savings

- Overall cost-savings are significant. The cost to fill a slot with a PSI paramedic is approximately $70,000, while a new employee costs $100,000 (including insurance, pension, and other benefits). In addition, no training or overtime costs are incurred by TCA.
- The cost to St. Charles for 2016 is $361,000 to have two paramedics manning each of two ambulances at the St. Charles Fire Department 24 hours a day, 7 days a week.

Out of State Consolidation and Shared Service Delivery Examples

Periodic Review of Legislation in Ohio

Overarching all of the shared services best practices is the need to encourage a legislative environment that is conducive to government collaboration. While there are many examples of states that have evaluated this concept, one in particular was the state of Ohio. The Ohio State Auditor understands that communities often worry about consolidation and loss of local control and identity when shared services are discussed. Their way to overcome some of the apprehension is to periodically review the legislation and codes that regulate how, when, and why local governments collaborate. A document entitled, *Building a Better Ohio,* includes many recommendations to this end:

> "…that incentives be available for all governmental entities, including but not limited to counties, townships, villages, municipalities, school districts, sewer/water districts, library districts, health departments, and regional agencies, to form collaborative agreements for service and/or joint purchasing. The General Assembly should have responsibility for establishing the incentive structure. The incentives should be based upon metrics that identify a clear return on investment."

In response to the need for shared services and the demand or more effective legislation, the state of Ohio revised its codes in order to decrease the ambiguity for governmental units. The revisions clarified what is necessary for collaboration and shared service efforts and gave more authority to local governments to make decisions about interagency contracting with less red tape and without creating new agencies. One outgrowth of the more streamlined legislative environment was a website launched in 2011 designed to be a one-stop shop for local communities seeking best practices aimed at streamlining resources and reducing costs through collaboration. These include staff and facility planning, vehicle fleet operations and maintenance, financial forecasting, energy management and technology, and several others. The website is a way to connect local governments with limited resources and facilitate sharing services, staff, equipment and much more.

Digital Information and Technology Collaboratives

A Connected Michigan

In order to improve collaboration and cut down costs, Michigan's approach was to use technology to infuse efficiency within state government and usher in a 21st century approach to managing resources. In partnership with the Michigan Public Service Commission, Connect Michigan supports reinvention and technological transformation through innovation, job creation, and entrepreneurship via the expansion of broadband technology and increased usage by Michigan residents. After review of the digital environment in state government, several recommendations were made including:

- State and municipal employees needed collaboration tools like real-time online meetings to cut down on travel time and cost.
- A plan for streamlined and secure shared services.
- A forum where citizens have an immediate voice in an open and energetic public square.

Michigan is examining ways to deliver 'A Connected Michigan' and has six priority areas for Michigan's Information Technology (IT) Strategic Plan: Education, economic, hometown security, health and human services, better government and the environment.

Entities Involved

- State government
- Local government officials
- Citizens
- Technology consultants

Actions

One of efforts to use technology has been G2G Cloud Solutions, developed by Oakland County, Michigan to improve government services by sharing technology with other government agencies at little or no cost. The 'cloud' represents the next generation of sharing applications and technology. By using cloud computing, technology is available to other government agencies regardless of size, budget or the resources available to them.

Results/Outcomes

Cloud computing has helped local governments by:

- Creating an opportunity to use technology that may not otherwise be within reach.
- Providing government-managed technology solutions that increase reliability, security and privacy protection for government data.
- Eliminating infrastructure requirements or upfront costs.
- Providing a centrally managed information system that reduces redundancy.

Over time, Oakland County has provided shared computing services to 62 local jurisdictions and because it is a 'government-to-government cloud' it could be replicated in Illinois.

Cost-Savings

- By one source, Michigan's consolidation efforts generated savings of about $100 million over the first six years of implementation.
- Access Oakland included 50 products and services and generated $17 million in gross revenue as of 2012, with $750,000 in net revenue reinvested into the technology, according to Oakland County CIO and Deputy County Executive Phil Bertolini.

Connecticut IT Services Cooperative

The Capitol Region Council of Governments (CRCOG) established an IT Services Cooperative for Connecticut municipalities, boards of education, libraries and other public entities in 2014. This effort stemmed from the desire to fully leverage local government connections to the Nutmeg Network, Connecticut's public broadband fiber network. The Nutmeg Network is comprised of two sub-entities: the Connecticut Education Network (CEN) and the Public Safety Data Network (PSDN) with CET governing the Network. The Nutmeg Network has been legislatively mandated to expand the CEN network to municipalities and regional council of governments (COGs), thereby expanding its mission of providing high speed networks to non-educational institution users.

Entities Involved

The CRCOG is the largest of Connecticut's nine regional planning organizations established under the Connecticut General Statutes in 1968 as a voluntary association of municipal governments. It currently serves the City of Hartford and 37 surrounding suburban and rural communities.

- CRCOG is governed by the chief elected officials from the 38 suburban and rural communities.
- CRCOG IT Services Cooperative is a combined effort of the CRCOG Service Sharing Initiative, the Capitol Region Purchasing Council and the Connecticut Council of Small Towns (COST).
- In an effort to reach some of the most small and rural communities in Connecticut, CRCOG is partnering with COST to advertise and gain trust with a known and respected entity already engaging the communities.
- CRCOG staff reach out to fellow COGs in the state to provide their members with access to the services of CRCOG at discounted costs.

Actions

Through the Connecticut Office of Policy and Management, Regional Performance Incentive Grants were offered for entities meeting one of the following criteria:

- Joint provision of a service or services currently provided by individual municipalities but not presently provided on a regional basis.

- A planning study regarding the joint provision of any service on a regional basis.
- Shared information technology services, and connection and use of the Nutmeg Network.

Results/Outcomes

CRCOG has been able to increase efficiencies through contracted services and sharing staff and resources with their communities. This arrangement includes flexibility and responsiveness which is a better model to promote growth in service delivery. Another way to ensure growth in service delivery and quality staff, both in-house and consulting, is to diversify the sources of funding to which a planning agency has access. CRCOG uses the following sources of funding (not limited to):

- Federal transportation dollars
- State grant aid – highly fluctuating
- Grants ($4.2 million Sustainable Community Grants)
- Membership dues ($500,000 approximately)
- Fee for service

The outcome is that all agencies work within the confines of their home state, region or local government—these are the structures of reality and local context. While the tools used have to be appropriate to the setting in each agency, many can be adapted or modified to work elsewhere.

Elm Grove, Wisconsin Shared IT Services

Like many small communities, Elm Grove, Wisconsin wanted a cost effective way to maintain its existing 911 service, but did not want to lose the autonomous dispatch center. They needed to update equipment, most of which was from the 1980's, and had looked for cost effective solutions for several years. It became a critical issue in 2014 because the village could no longer obtain repair parts on the outdated equipment. Several options were examined - including giving up the dispatch center or having a third party answer and route 911 calls - before Elm Grove ultimately decided to partner with the City of Muskego and the Village of Mukwonago to purchase new equipment (these Wisconsin communities are within 25 miles of each other). While the cost-savings were higher without their own dispatch center from an economic standpoint, it did not allow for the personal connection that was a priority for the community.

Entities Involved

- Village of Elm Grove (population 5,949)
- Village of Mukwonago (population 7,494)
- City of Muskego (population 24,555)

Actions

- The community evaluated four options, and associated costs.
  - Option 1 was to migrate to the county system, giving up their dispatch center, at an estimated annualized cost of $11,778 per year over seven years.
  - Option 2 was having a third party answer and route 911 calls to Elm Grove dispatch at an estimated annualized cost of $9,643 per year over seven years. The costs were a rough estimate as it was unclear who would answer the 911 calls and the actual costs of that service.
  - Option 3 was to partner with other agencies for the purchase of new equipment, at an annualized cost of $24,643 per year over seven years.
  - Option 4 was to purchase new equipment at an annualized cost of $27,143 per year for seven years.
- While options 1 and 2 meant that the cost-savings were higher without their own dispatch center from an economic standpoint, neither allowed for the personal connection that was a priority for the community. Therefore, the community decided to go with option 3 since it provided the most flexibility going forward, and a reliable back-up in case of emergency, or potentially even in the event of a staff shortage.
- One set of hardware was purchased for the three communities, and installed at Muskego. 911 calls are automatically transferred by the system to the correct community.
- The shared server was configured to allow users to log in from alternate locations if needed. In case of equipment failure or emergency that prohibited use of the Elm Grove dispatch center, dispatchers can use one of the other departments and dispatch public safety units from an alternate location using an identical system.

Results/Outcomes

- 911 calls for the community can easily be taken from alternate dispatch centers if needed by simply logging into a console at another department using their standard user name and password. This enhances public safety because the down time in case of emergency at the dispatch time is minimal.
- The dispatchers will use the same equipment, minimizing the disruption to dispatchers, the community, and responding public safety units.
- Response times are faster than they would have been if the dispatch services were moved to the county.
- The dispatch center remains an integral part of the community, which was a priority for Elm Grove.
- Service levels are anticipated to increase as a result of the faster processing capabilities of the new equipment.

Cost-Savings

Elm Grove made a capital investment of $85,000 for the new shared equipment, a savings of $20,000 from the cost had they purchased the equipment alone. They calculated the cost over 7 years, and the cost per 911 call dropped from $151 per call to $137 per call by using a shared system. Options 1 and 2 would have had a larger potential cost-savings, bringing the per call cost down to $65 and $54 respectively. However, that would have been at the cost of the personal connection to the Village for option 1, and increased response time for emergency units to emergencies for option 2, neither of which was acceptable to Elm Grove.

In Summary: There is much the State of Illinois and its local units of government and school districts can do to deliver more efficient, effective and streamlined services. The Task Force encourages the Illinois General Assembly and the Governor's Office to consider the aforementioned opportunities and best practices. In some instances, we can stand on the shoulders of our neighbors and apply an Illinois-adapted version of what works in another state. Locally, we can develop innovative strategies that encourage shared services and intergovernmental cooperation.

UNFUNDED MANDATES

In recent decades, the use of unfunded state mandates has proliferated in Illinois, driving up the service delivery cost for local governments resulting in higher taxes for the people of Illinois.

Throughout the year, the Task Force invited representatives of local units of government, school districts, institutions of higher education and related associations to testify on unfunded mandate trends and cost. While varying in scope, testimony and support documentation consistently signaled a dramatic increase in costly unfunded mandates from both the Illinois General Assembly and the federal government.

Local governments are left in a difficult position to figure out how to pay for these unfunded mandates. Complying with unfunded mandates results in fewer resources being available to perform their core missions. To assist in evaluating unfunded mandates, the Task Force and the Office of the Lt. Governor announced a first-of-its-kind, independent study to comprehensively survey local governments to determine the most burdensome unfunded mandates imposed by the State of Illinois.

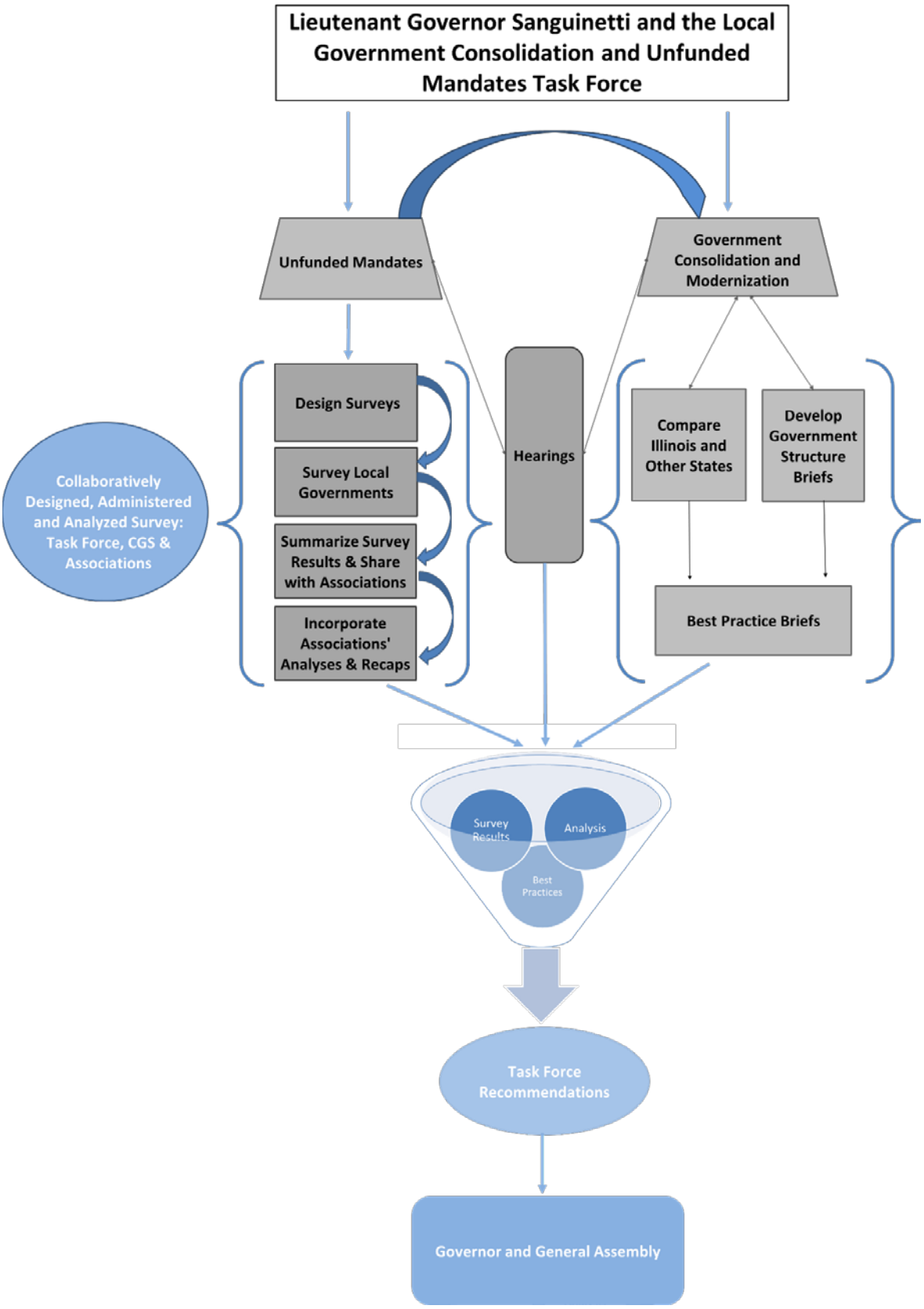
I. UNFUNDED MANDATES SURVEY

State-imposed unfunded mandates are regularly discussed in the Illinois General Assembly, but rarely acted upon due to differences in opinion on what constitutes an unfunded mandate and the politics surrounding an unfunded mandate's authorization. Understanding the political sensitivity of this topic, the Office of the Lt. Governor determined it best to solicit the assistance of an independent third party to ensure an accurate accounting of cost and scope of unfunded mandates would be provided to the Illinois General Assembly and Governor.

In order to compile comprehensive data, Lt. Governor Sanguinetti collaborated with NIU-CGS to spearhead an unfunded mandate survey to identify the most costly unfunded mandates for local units of government and school districts. This section outlines the findings of the NIU-CGS survey.

In summary, the NIU-CGS Survey solicited more than 500 local governmental units including municipalities, counties, townships, fire protection districts, park districts, community college districts and school districts to paint a comprehensive picture of the burden of unfunded mandates in Illinois. A bottom-up approach, the research process gathered basic information through a survey on unfunded mandates perceived as costly and burdensome by a large group of local government leaders and asked them to prioritize the mandates. These units of government then worked with their respective professional associations to create a list of mandates for the Task Force to review (Figure 2).

Figure 2. Project Flowchart



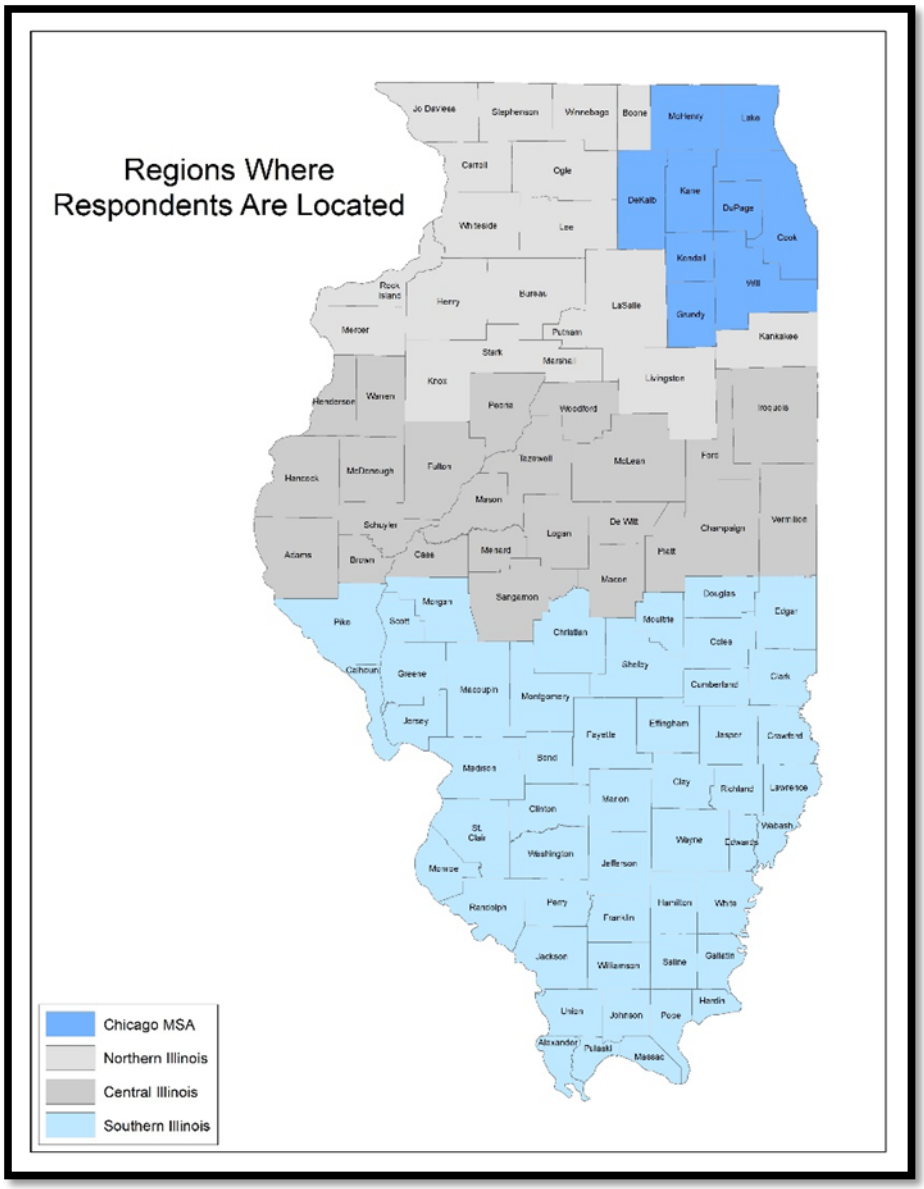
While it is relatively straightforward to identify burdensome state mandates imposed, extrapolating these costs statewide and per type of governmental unit is often challenging due to the diverse scenarios in which unfunded mandates function. By pulling from the experience of a diverse sampling of local governments, along with the expertise of professional associations, a comprehensive view of the most costly and burdensome mandates was crafted and a cost range associated with compliance was estimated.

Special care was taken to monitor responses to the mandates survey to make sure that all sizes of governments and regions in the state are represented. The map in Figure 3 shows the regions used to monitor and categorize survey response summaries. Survey responses are grouped by the regions accordingly: Northern, Southern, Central or Chicago MSA. The map is for reference purposes and should be used in conjunction with reviewing the survey response summaries.

As a first step in the data collection process, NIU-CGS prepared an electronic questionnaire, which the professional associations then sent to their members during September and October, 2015. The questionnaire asked local governments to identify and rank the most burdensome unfunded mandates, as well as estimate associated costs. They also were asked to recommend how to provide similar services in less expensive ways.

In the second step, NIU-CGS tabulated and categorized the responses and then provided them to the local government associations asking them to identify and verify the most important mandates for the Task Force to review. They were asked to summarize the costs associated with the mandates, when possible, and offer suggestions for making adjustments.

Figure 3. Survey Respondents in Categorized Regions



Municipalities and Municipal Survey Summary

The most burdensome mandates reported by municipalities were public pensions, collective bargaining/interest arbitration, and workers' compensation (Table 3). Although not all survey respondents specified what aspects of each mandate were most burdensome, five municipalities commented that pensions for police and fire were the most expensive, costing more than $1 million per year each. Four other municipalities commented that being unable to negotiate with state government on

pensions has led to expenses of $500,000 to $1 million annually. Of the 36 municipalities that provided an estimated cost range for pensions, the majority (58%) reported costs exceeding $1 million annually. No municipality provided a cost estimate below $50,000 per year.

Of the 15 municipalities that provided cost estimates for collective bargaining and interest arbitration, 33% estimated costs between $50,001 and $100,000, and 27% estimated costs between $100,001 and $250,000. Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

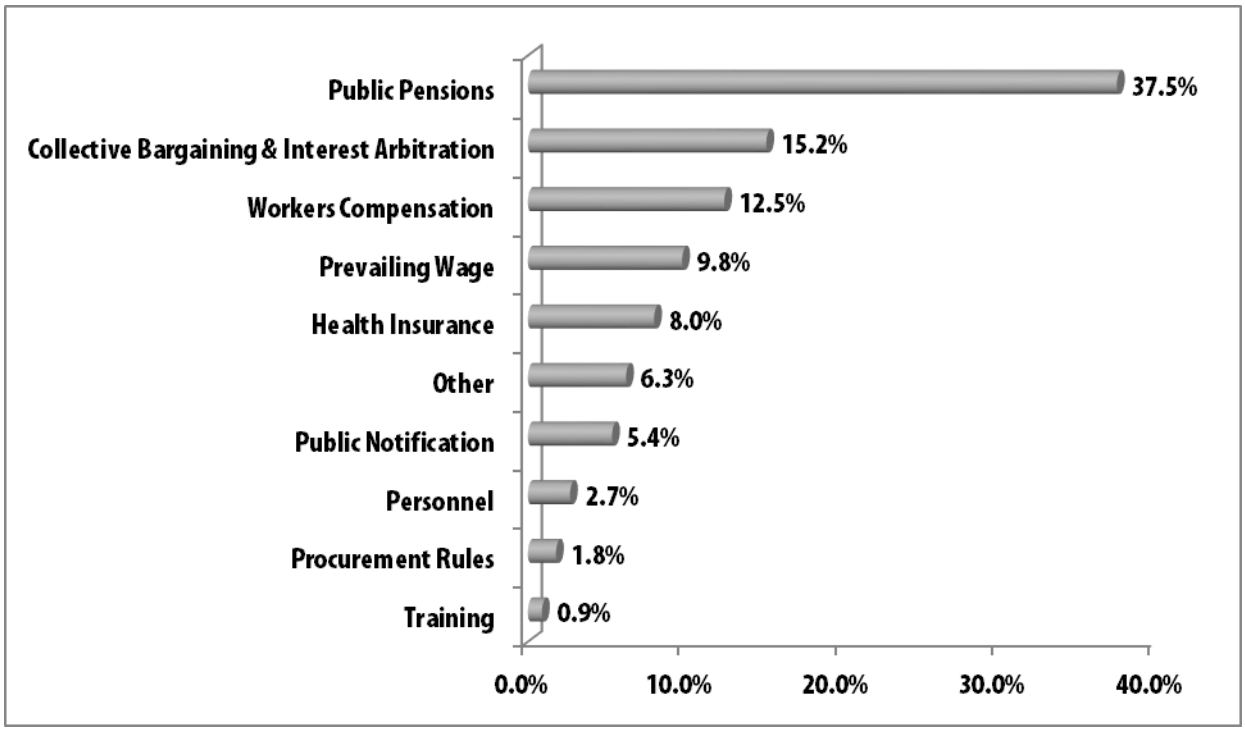
Public notification requirements were another area where costs could be reduced for local governments. Of six municipalities in the survey providing cost estimates for publication requirements, 67% estimated annual costs up to $10,000 each year.

Table 3. Prioritization of Mandates by Illinois Municipalities

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Public Pensions	2.0	$100,000-$250,000
Collective Bargaining and Interest Arbitration	3.7	$50,000-$250,000
Workers Compensation	3.9	$50,000-$100,000
Health Insurance	4.2	$50,000-$250,000
Prevailing Wage	4.6	$50,000-$100,000
Procurement Rules	6.0	$50,000-$100,000
Personnel	6.2	$100,000-$250,000
Public Notification	6.7	$50,000-$100,000
Training	7.7	<$10,000

*Cost ranges are based on survey results and were produced in consultation with the Illinois Municipal League (IML).

Figure 4. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- NPDES permit fees on municipal sewer systems.
- Environmental.
- Revenue.
- Road construction regulation.
- Cost of infrastructure repair/replacement.

Table 4. Other Unfunded Mandates with Annual Costs to Municipalities

Environmental	< $10,000 per year
EPA Regulations (Environmental)	$183,000
Additional Cost of Construction 30%, Engineering 3-5%, Right of Way Acquisition 2%	> $1 million per year

Additional mandates listed include:

- Freedom of Information Act (FOIA) requests.
- Tax exemptions (sales), tax exemptions (property).
- Public Safety Employee Benefits Act (PSEBA), Public Employee Disability Act (PEDA), restrictions on non-home rule municipalities.
- IEPA (e.g., wastewater and storm water discharge permits), IDNR, MWRD, IDOT (e.g., road construction regulations) imposed mandates.
- Home rule exemptions and revenue restrictions.
- Legal expenses related to mandates.
- Reporting burden.
- Clean Water Act.

Table 5. Respondents by Region and Population Stratification

Population	Chicago MSA	North	Central	South	Total Responses	Percent of Response Totals	State Totals	Percent of State Totals
<2,000	0	1	0	0	1	1%	807	62%
2,000-4,999	5	0	0	2	7	7%	154	12%
5,000-9,999	11	1	4	3	19	19%	118	9%
10,000-24,999	22	5	2	9	38	38%	129	10%
25,000-49,999	15	3	1	3	22	22%	61	5%
50,000+	8	1	5	0	14	14%	29	2%
Overall	**61**	**11**	**12**	**17**	**100**	**100%**	**1,298**	**100%**

Note: Percent differences due to rounding.

Counties and County Survey Summary

The most burdensome mandates identified by counties included health insurance, public pensions, and prevailing wage (Table 6). Two counties provided cost estimates for health insurance, of which one estimated costs between $25,000 and 50,000, and the other estimated costs exceeding $1 million. The most troublesome aspect of health insurance mentioned was continuation of benefits for former employees.

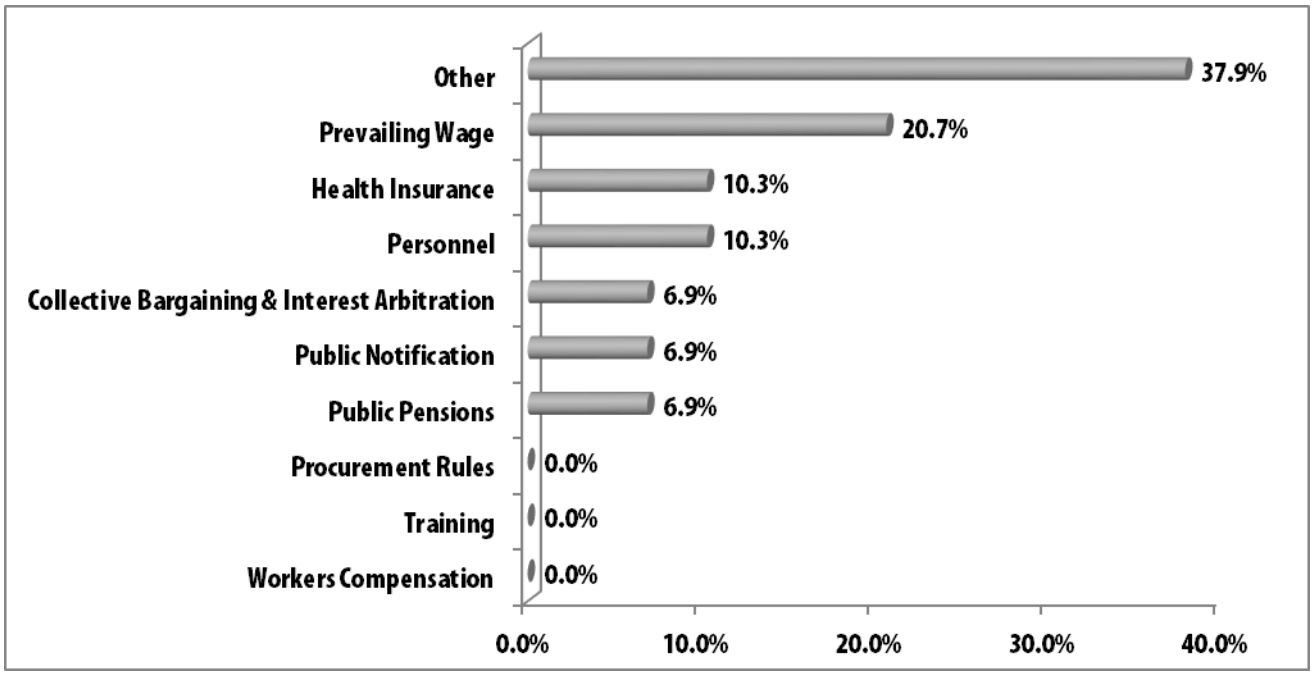
Two counties provided cost estimates for public pensions, of which one estimated costs of $100,000 to $250,000 and the other estimated costs of $500,000 to $1 million. Five counties provided cost estimates for prevailing wage, of which two estimated costs between $10,000 and $25,000, one between $50,000 and $100,000, and two between $100,000 and $250,000. The two most burdensome aspects of prevailing wage identified by counties involved conflicts with local market wages and the type of work covered.

Table 6. Prioritization of Mandates by Illinois Counties

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Health Insurance	3.7	$500,000-$1,000,000
Public Pensions	4.1	$250,000-$500,000
Prevailing Wage	4.2	$50,000-$100,000
Workers Compensation	4.4	N/A
Collective Bargaining and Interest Arbitration	4.5	$250,000-$1,000,000
Personnel	5.6	$1,000-$10,000
Procurement Rules	5.7	N/A
Public Notification	5.8	$10,000-$50,000
Training	6.8	N/A

*Cost ranges are based on survey results and were produced in consultation with the Illinois Association of County Board Members.

Figure 5. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- Disadvantaged business treatment requirements.
- Elections.
- Election law changes.
- MFT Funding shortfalls.
- Legislation that increased the maximum weight limit without a permit to 80,000 lbs. on all highways. Prior to this act, the local highway system had a maximum weight limit of 73,000 lbs.
- State reimbursement to the probation office salaries seems to be in jeopardy. It is an annual dilemma on the amount probation offices will be reimbursed.
- MS-4 clean water requirements.
- Applying 'complete streets' treatment on the rural local road system.

Table 7. Other Unfunded Mandates with Annual Costs to Counties

Disadvantaged Business Goals	Between $25,001 to $50,000 per year
Elections	Between $50,001 to $100,000 per year
MFT Funding	Between $250,001 to $500,000 per year

Additional mandates listed include:

- Road funding not distributed based on vehicle miles traveled. Local roads carry 40% of the traffic and used to get 38% of the funding. Local roads still carry 40% of the traffic but now get 22% of the funding. Universal access (80,000 lb. weight limits), bridge inspections, MS 4 requirements, ADA compliance on resurfacing projects, applying complete street treatment on rural roads.
- Disadvantaged businesses requirements, withholding of motor fuel tax funds, inadequacy of motor fuel tax keeping up with purchasing power, bridge inspections, noxious weed law, truck load limit laws (universal access).
- Special elections.
- Election costs and mandates with same day registration and expanded early voting.
- Environmental studies/approvals on simple and straightforward items, required IDOT oversight on simple and straightforward items.
- Discourage FOIA requests for clearly political purposes. This diverts monies intended for community services toward political agendas instead.
- FOIA requests from large commercial companies.
- Juror pay is now set by the state. Formerly, this was a local decision.

Table 8. Respondents by Region and Population Stratification

Population	Chicago MSA	North	Central	South	Total Responses	Percent of Response Totals	State Totals	Percent of State Totals
<15,000	0	0	8	5	13	25%	28	27%
15,000-24,999	0	3	1	4	8	15%	23	23%
25,000-49,999	1	2	1	5	9	17%	20	20%
50,000-99,999	3	0	0	1	4	8%	11	11%
100,000+	8	1	7	1	17	33%	20	20%
Unknown	0	0	1	0	1	2%	0	0%
Overall	**12**	**6**	**18**	**16**	**52**	**100%**	**102**	**100%**

Note: Percent differences due to rounding.

Townships and Township Survey Summary

The most burdensome mandates reported by townships were prevailing wage, public notification requirements, and health insurance (Table 9). The most troublesome aspect of prevailing wage requirements is what township respondents perceive as a difference between the wage they are required to offer by statute and the local market wage. Several townships commented that local vendors typically offer services for lower than the prevailing wage, yet townships are unable to accept the lower price.

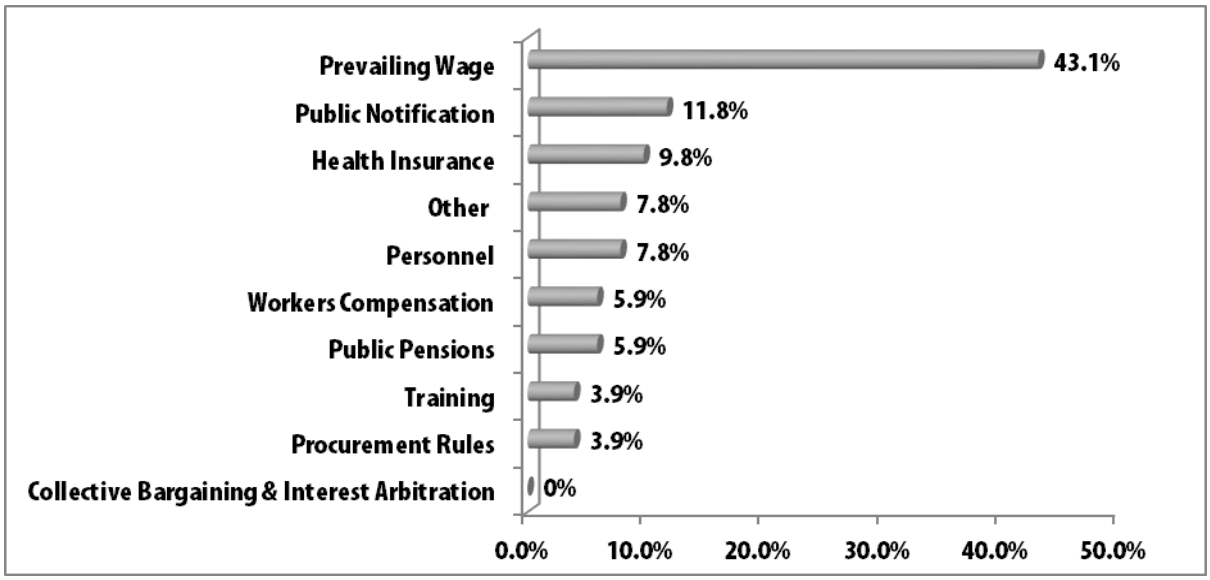
Sixteen townships provided cost estimates for prevailing wage mandates, of which half estimated costs below $10,000 per year and 31% estimated costs above $50,000. Five townships provided cost estimates for health insurance mandates, of which 60% estimated costs between $50,000 and $100,000 per year. Six townships provided cost estimates for public notification requirements, of which half reported costs below $1,000 per year and half reported costs between $1,000 and $10,000. The most burdensome aspect of public notification requirements mentioned was the requirement to post hearing or meeting notifications in newspapers.

Table 9. Prioritization of Mandates for Illinois Townships

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Prevailing Wage	3.1	$10,000-$25,000
Public Notification	4.1	<$1,000
Health Insurance	4.5	$25,000-$50,000
Procurement Rules	4.5	<$1,000
Public Pensions	5.1	$25,000-$50,000
Workers Compensation	5.1	$25,000-$50,000
Personnel	5.7	$50,000-$100,000
Training	6.1	$10,000-$25,000
Collective Bargaining and Interest Arbitration	6.8	N/A

*Cost ranges are based on survey results and were produced in consultation with Township Officials of Illinois (TOI).

Figure 6. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- General Assistance.
- General assistance for refugees
- Multiple annual financial reports
- Increased general assistance spending in a PTELLL tax cap county

Table 10. Other Unfunded Mandates with Annual Cost to Townships

General Assistance	Between $100,000 to $250,000 per year
General Assistance	$31,800
The GA spending in a PTELL tax capped county	Between $10,001 to $25,000 per year
Multiple annual financial reports	<$1,000

Additional mandates listed include:

- General assistance.
- PTELL tax caps.
- FOIA requirements.
- General assistance to refugees.
- Financial reporting requirements.
- Cemetery maintenance.

Table 11. Respondents by Region and Population Stratification

Population	Chicago MSA	North	Central	South	Total Responses	Percent of Response Totals	State Totals	Percent of State Totals
<2,000	4	21	13	15	53	54%	964	67%
2,000-4,999	4	3	5	3	15	16%	205	14%
5,000-9,999	2	1	4	4	11	11%	91	7%
10,000-24,999	2	1	2	2	7	7%	73	5%
25,000-49,999	5	1	0	1	7	7%	43	3%
50,000+	4	0	0	1	5	5%	55	4%
Overall	**21**	**27**	**24**	**26**	**98**	**100%**	**1,431**	**100%**

Note: Percent differences due to rounding.

Fire Protection Districts and Fire Protection District Survey Summary

The most burdensome mandates identified by fire protection districts were workers' compensation, training, and personnel (Table 12). Eighteen fire protection districts provided cost estimates for workers' compensation, of which 39% estimated annual costs ranging from $50,000 to $100,000. The most burdensome aspect of prevailing wage includes conflicts with local market wages.

Ten fire protection districts provided cost estimates for training mandates, of which half estimated costs between $1,000 and $10,000 per year. The most burdensome aspect was training for firefighters and emergency medical services providers.

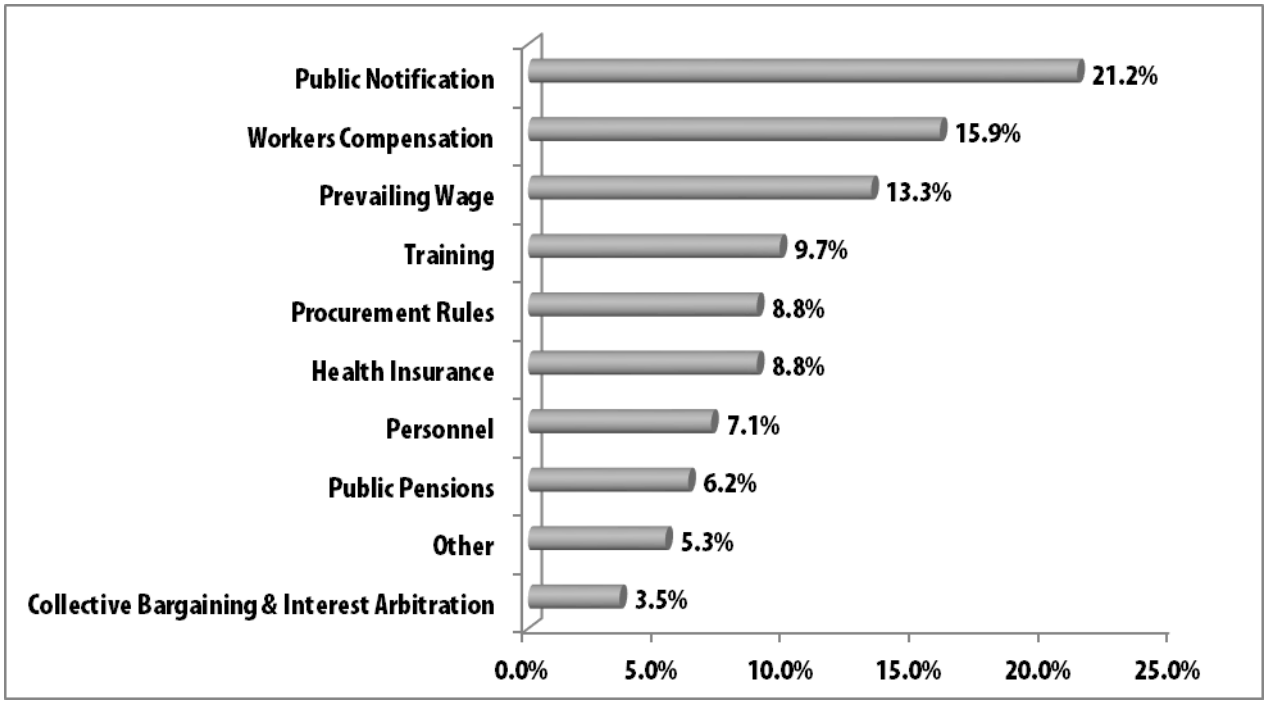
Eight fire protection districts provided cost estimates for personnel mandates, and responses were evenly distributed among cost ranges as low as $1,000 to costs as high as $500,000. The most bothersome aspects of personnel mandates were issues with retention and recruitment. In some instances, costs are imposed by the private market rather than the state, including cases where fire protection districts reported having to create full-time positions because qualified workers could not be found on a volunteer or part-time basis. Regardless, some fire protection districts consider these personnel costs as beyond local control.

Table 12. Prioritization of Mandates by Illinois Fire Protection Districts

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Workers Compensation	3.7	$25,000-$50,000
Training	4.0	$10,000-$25,000
Personnel	4.2	$25,000-$50,000
Public Notification	4.4	$1,000-$10,000
Prevailing Wage	4.6	$10,000-$25,000
Procurement Rules	4.8	$1,000-$10,000
Health Insurance	5.5	$50,000-$250,000
Public Pensions	6.8	$50,000-$100,000
Collective Bargaining and Interest Arbitration	7.1	$250,00-$500,000

*Cost ranges are based on survey results and were produced in consultation with the Illinois Association of Fire Protection Districts.

Figure 7. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- Annual testing requirements by OSHA.
- Fire cause investigation and fire prevention inspections.
- Paying unemployment.
- Required equipment replacement.

Table 13. Other Unfunded Mandates with Annual Costs to Fire Protection Districts

Required Equipment Replacement	Between $10,001 to $25,000 per year
Paying Unemployment	Between $50,001 to $100,000 per year
Paying Unemployment	Between $1,000 to $10,000 per year
Annual Testing Requirements by OSHA	Between $10,001 to $25,000 per year
Fire Cause Investigation and Fire Prevention Inspections	Between $10,001 to $25,000 per year
Duplicative Financial Reporting	Between $1,000 to $10,000 per year

Additional mandates listed include:

- Budget accounting and reporting.
- Duplicative financial reporting requirements (13).
- Mandated equipment replacement.
- Excessive and disconnected financial reporting requirements.
- Fire cause investigation and fire prevention inspections.
- Firefighting equipment.
- Required new equipment.
- Vehicle equipment loan(s).
- FOIA.
- Illinois department of public health mandates for EMS/ambulance service and the primary hospital's equipment requirements.
- Multiple financial reporting requirements. Filing an AFR plus additional file audits with three counties and the AFR.New building construction requirements for a small district needs to be a threshold and not require an architect.

- NFPA standards on apparatus and PPE.
- Pension trustee training.
- The number of hours required for initial pension training (32) and then annual continuing education (16).

Table 14. Respondents by Regions

Region	Responses	Percent of Response Totals	State Totals	Percent of State Totals
Chicago MSA	51	40%	154	18%
North	17	13%	186	22%
Central	32	25%	246	29%
South	26	21%	253	30%
Overall	**126**	**100%**	**839**	**100%**

Note: Percent differences due to rounding.

School Districts and School District Survey Summary

The three most burdensome mandates identified by school districts were special education, instructional mandates, and prevailing wage (Table 15 - more detailed information available in Appendix B). Fifteen school districts provided cost estimates for compliance with various instructional related mandates, with costs ranging from less than $50,000 per year to as high as $1 million per year.

In addition, 13% of respondents estimated annual costs exceeding $5 million. The most burdensome aspects of instructional mandates were student assessments and their connection to the evaluations of instructors and administrators. Two specific student assessments mentioned most frequently in the survey were the Kindergarten Individual Development Survey (KIDS) and the Partnership for Assessment of Readiness for College Careers (PARCC) for students in grades three through eight.

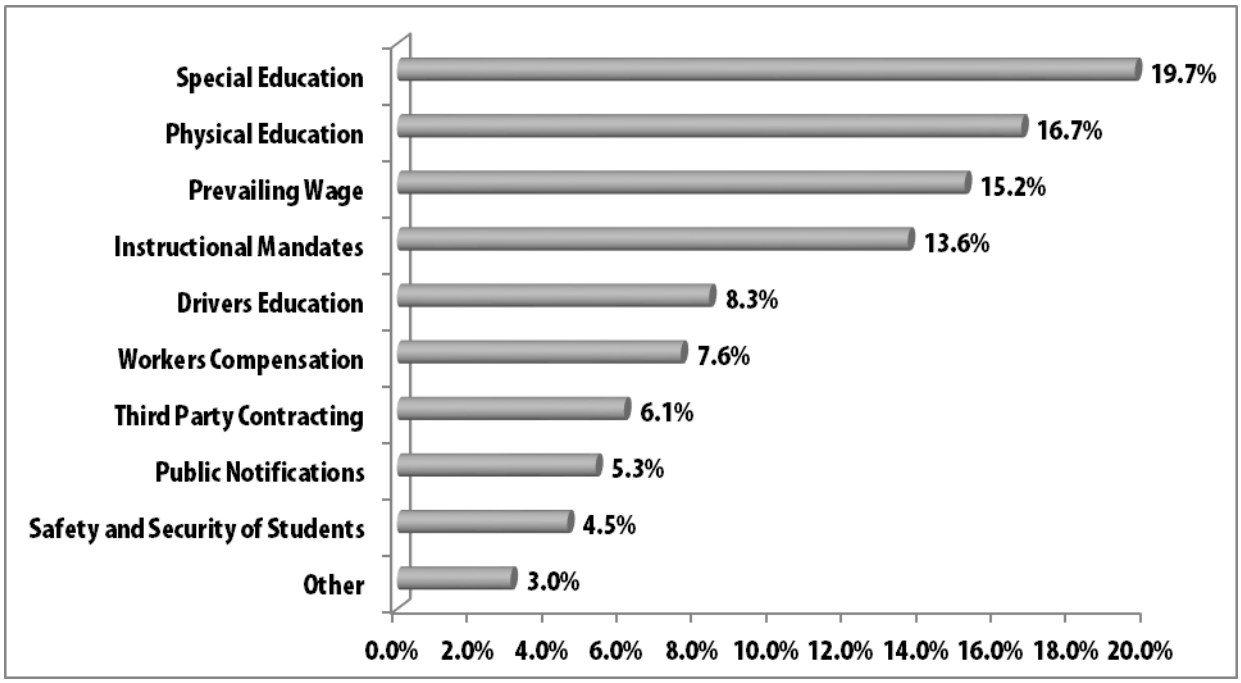
Twenty-four survey respondents provided cost estimates for special education, of which 25% of school districts estimated costs between $2 million and $5 million, and 17% estimated costs exceeding $5 million. The most burdensome aspects of special education mandates identified in the survey were underfunding from state government and class sizes, especially concerning the required ratio of students with special needs to those without.

Table 15. Prioritization of Mandates for Illinois School Districts

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Special Education	2.3	$500,000-$1,000,000
Instructional Mandates	3.5	$150,000-$250,000
Prevailing Wage	4.5	$250,000-$500,000
Workers Compensation	4.8	$50,000-$150,000
Physical Education	4.9	$500,000-$1,000,000
Safety and Security of Students	5.8	$500,000-$1,000,000
Third Party Contracting	5.8	$250,000-$500,000
Drivers Education	6.7	$250,000-$500,000
Public Notifications	6.8	<$50,000

*Cost ranges are based on survey results and were produced in consultation with the Illinois Association of School Business Officials, Illinois Association of Regional Schools. Superintendents, Illinois Association of School Boards, and Illinois Association of School Administrators.

Figure 8. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- Unfunded mandated training for professional staff.
- Building system - carbon monoxide monitoring/detecting.
- Capital improvement.
- State testing.

Table 16. Other Unfunded Mandates with Annual Costs to School Districts

Green Building School Construction Grant Requirement	Between $500,001 to $1 million per year
Building Mandates	Less than $50,000 per year
Mandated Trainings for Educational Staff	Between $50,001 to $150,000 per year
State Testing	Between $50,001 to $150,000 per year

Additional mandates listed include:

- Homeless and student transportation cost.
- Mandates for annual training of education staff.
- Graduation requirements such as civics law.
- Entire ROE 5 year audit procedures.
- Treasurer bond.
- Compliance with local jurisdictions.
- Building system mandates.
- Multi-jurisdictional construction issues.
- PARRC testing and other testing mandates.
- Life safety requirements.
- Standardized testing, teacher evaluations, reporting requirements.
- Requirements/expectations for online state testing. Transportation requirements (range for mandatory busing).
- Property tax extension limitation law, regular transportation, special education transportation.

Table 17. Respondents by Region and Population Stratification [15]

Population	Chicago MSA	North	Central	South	Total Responses	Percent of Response Totals	State Totals	Percent of State Totals
<500	6	0	4	2	12	10%	273	32%
500 to 1,500	12	4	11	3	30	26%	316	37%
1,501 to 3,000	15	2	6	1	24	20%	137	16%
3,001 to 7,500	23	0	2	1	26	22%	105	12%
7,501 to 15,000	4	0	0	3	7	6%	22	2%
15,001 to 35,000	5	2	4	1	12	10%	8	1%
>35,000	3	0	0	0	3	3%	2	0%
Unknown	2	0	0	0	3	3%	0	0%
Overall	**70**	**8**	**27**	**11**	**117**	**100%**	**863**	**100%**

Note: Percent differences due to rounding.

Community College Districts and Community College Survey Summary

The three most burdensome mandates reported by community colleges were instructional mandates, prevailing wage, and workers compensation (Table 18). Twenty-two community colleges provided cost estimates for instructional mandates, of which 32% estimated costs below $50,000 per year and 32% estimated costs between $50,000 and $150,000. The most burdensome aspect of instructional mandates was tuition waivers for veterans and National Guard service members.

Two community colleges provided cost estimates for prevailing wage, of which one estimated costs below $50,000 years and the other estimated costs between $500,000 and $1 million. Three community colleges provided cost estimates for workers compensation, of which two estimated costs between $50,000 and $100,000, and one estimated costs between $150,000 and $250,000. The most burdensome aspect of this mandate was the scope of coverage, in that community colleges felt that the mandate favors labor and provides little protection from management against growing costs.

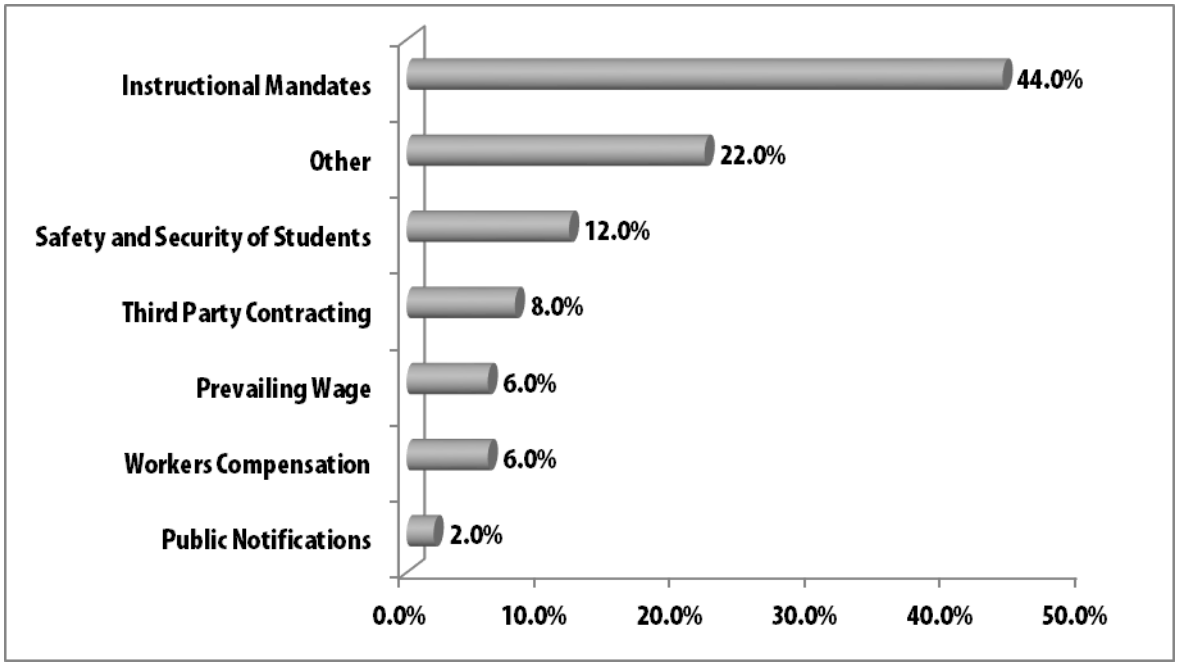
[15] The majority of student population information are from IASBO 2013-14 District Summary. A few student populations came from survey responses such as a special education cooperative and some regional offices of education.

Table 18. Prioritization of Mandates for Illinois Community Colleges

Mandate Type	Average Burden Ranking (1-9; 1 is most burdensome)	Average Annual Cost Range*
Instructional Mandates	2.5	$150,000-$250,000
Prevailing Wage	3.3	$150,000-$250,000
Workers Compensation	3.5	$50,000-$150,000
Safety and Security of Students	3.7	$50,000-$150,000
Public Notifications	4.0	$50,000-$150,000
Third Party Contracting	4.0	$150,000-$250,000

*Cost ranges are based on survey results and were produced in consultation with the Illinois Community College Board.

Figure 9. Frequency of Mandates Discussed - By Category



The 'Other' category includes:

- Veteran's scholarships is a program that is not funded. Colleges all just waive the tuition.
- Service mandates.
- Illinois veterans grant.
- Employee retirement benefits.
- Required state reporting.

- Reporting requirements.
- Department of labor regulations.
- Response to public inquiry, transparency.

Table 19. Other Unfunded Mandates with Annual Costs to Community Colleges

Illinois Veterans Grant	$140,000 per year
Illinois Veteran's, Illinois National Guard Tuition Benefits	Between $50,001 to $150,000 per year
State of Illinois Veterans Program	Between $150,001 to $250,000 per year
The Illinois Veterans Grant	Between $250,001 to $500,000 per year
Freedom of Information Act	Between $50,001 to $150,000 per year
SURS 6% cap	Between $50,001 to $150,000 per year
IDOL Wage Payment and Collections Act	Between $50,001 to $150,000 per year
Annual State Reporting - C3, Bilingual/Hispanic/African-American	Less than $50,000 per year
Illinois Wage Payment Collection Act Amendment	Between $50,001 to $150,000 annually

Additional mandates listed include:

- Mandated tuition and fee waivers, mandated position/student service.
- Provide developmental education, gainful employment, distance education regulation, clear disclosure, credit hour documentation.
- Human resources, veteran's related - student related.
- FOIA ranks as very burdensome.
- Gainful employment reporting, increasing demand for data by state and federal agencies.
- Affordable care act.
- SURS annuitants tracking and reporting, SURS 6% tracking and reporting, ACA tracking and reporting, mandated reporter tracking, sexual harassment tracking, campus violence tracking, alcohol and substance abuse tracking, multiple ICCB reports and growing, Cleary crime reporting, IPEDS, FMLA tracking, I-9 tracking, FLSA tracking, OSHA recordables, UI tracking and claim defense.
- FOIA compliance.
- FOIA requests, Illinois National Guard tuition entitlements.
- Illinois veterans grant.

Table 20. Respondents by Region and by Community Colleges' Student Population Sizes[16]

Population	Chicago MSA	North	Central	South	Total Responses	Percent of Response Totals	State Totals	Percent of State Totals
<5,000	0	3	3	2	8	35%	16	37%
5,000 to 10,000	1	0	2	1	4	17%	13	33%
10,001 to 20,000	1	1	1	2	5	22%	10	25%
>20,000	3	0	1	1	6	26%	2	1%
Overall	**5**	**4**	**7**	**6**	**23**	**100%**	**41**	**100%**

Park Districts[17]

The most burdensome mandates for park districts include public notification requirements, personnel issues, and facility safety/accessibility regulations. The Illinois Association of Park Districts (IAPD) identified several types of publications that park districts are mandated to provide without funding, including: legal notices submitted to newspapers, FOIA requests, and financial reports.

Costs varied depending on the mandated publication, with newspaper announcements costing less than $5,000 per year, FOIA requests cost as much as $9,999 for mid-size districts, and annual financial reports cost an average of $25,000 to $50,000 for larger and midsize districts (i.e., population greater than 10,000). Park districts surveyed do not oppose publication requirements in principle, and recognize that the materials published are essential to maintaining public accountability, but believe the requirements can be streamlined to reduce cost. They offered several recommendations on each notification mandate that are listed later in this report.

Park districts identified three burdensome mandates regarding compensation of employees and contractors: prevailing wage, minimum wage for workers under age 18, and competitive bidding. Minimum wages for workers under age 18 affect park districts more than most other types of government because much of their workforce involves youth working temporarily or seasonally, often as one of their first job experiences. Costs varied with each mandate. Competitive bidding costs scaled with park district

[16] Three survey responses did not provide region information nor student population figures.

[17] The Illinois Association of Park Districts conducted an alternate survey customized for their park district members. All information has been verified by the Illinois Association of Park Districts prior to inclusion in this report. There are no tables accompanying this section.

size, costing between $25,000 and $50,000 for larger districts and less than $5,000 for smaller districts. Prevailing wage also costs larger park districts (i.e., population greater than 25,000) between $25,000 and $50,000 a year. Conversely, minimum wages for workers under age 18 were most expensive for park districts with a population less than 25,000, costing between $25,000 and $50,000.

Even though collective bargaining and interest arbitration mandates were frequently mentioned in surveys for other types of local governments, park districts did not rate this mandate a priority for reform. Park districts face relatively minor influence from collective bargaining and interest arbitration because most employees do not belong to public sector unions.

The IAPD in its report states that care must be taken when consolidating functions of some units of government with others that do not have collective bargaining because any savings that may result from consolidation may be offset by higher labor wage rates.

Park districts also identified two burdensome mandates related to personnel but not compensation: the Affordable Care Act (ACA) mandating health insurance coverage for full- time employees and background checks for new employees. Costs of health insurance mandates vary widely by park district, based on the number of full-time employees, ranging from $50,000 to $1.5 million for larger districts with minimal cost to districts with minimal staff. Background checks cost no more than $10,000 per park district.

Finally, park districts identified several mandates concerning the safety and accessibility of facilities: the Americans with Disabilities Act (ADA), the Swimming Facilities Act, and requirements to have Automated External Defibrillators (AED's) available at facilities. The ADA costs more than $50,000 for the average park district with a population greater than 10,000. The Swimming Facilities Act has no average cost because the IAPD has no average park district for swimming facilities; some districts have multiple pools and some have none. AED requirements cost less than $10,000 per year for the average park district.

Although not classifiable as a state mandate, in the interest of promoting government efficiency, the IAPD raised the issue of local permit/license fees sometimes imposed on some park districts by municipalities, counties, or townships. In many cases, other local governments waive permitting/licensing fees for park districts, but some park districts face annual costs of up to $25,000 as a result of one local government

collecting revenues from another. The IAPD states, "Transferring tax dollars from one public body through the assessment of fees on another would seem inefficient."

In Summary: Results of the unfunded mandates survey illustrate the distinct problems local governments in Illinois face concerning unfunded state mandates. These responses come directly from over 500 local government officials who are responsible for complying with them. The unfunded mandates survey results helped informed the Task Force, and led to the formulation of many of the Task Force's final recommendations in efforts to allow local government officials to regain local control of their operations and create relief for the burdened taxpayers of Illinois. It can also help guide the General Assembly on which unfunded mandate are the most important to address immediately.

II. UNFUNDED MANDATE COMPARISONS

Northern Illinois University's Center for Governmental Studies reviewed how other states are addressing certain unfunded mandates. The goal of this research is to help the Illinois General Assembly and Governor identify emerging trends on these subjects for potential implementation in Illinois in the future.

Workers' Compensation

The high costs of workers' compensation have plagued Illinois at least since the 1970s[18] and are often raised as an impediment in attracting business investment. In comparisons with other states, Illinois typically ranks high in insurance costs depending on the industries considered. A benchmark study prepared by Oregon's Department of Commerce and Business Services compares premium rates by states every two years. While the weighting system for the rates is tied to the distribution of industry in Oregon, these comparisons are commonly used in tracking how the relative position of each state has changed.

For instance, in 2014, according to the Oregon national premium rate comparison, the workers' compensation premiums in Illinois ranked 7th highest among states down from 4th in 2012.[19] In 2011, Illinois made changes in the worker's compensation program to address a variety of benefits and procedures (HB 1698, 97th Illinois General Assembly). These changes reduced rates but such change was relatively minor compared to actions in other states. Specifically, even with the changes, the premiums in Illinois were 127% of the median premium of states included in the study as of January 1, 2014.

States differ widely with respect to workers' compensation rates and, in recent years, some have actively tried to lower rates. Nevada and North Dakota, for instance, limit the amount of payroll used to determine workers' compensation premiums. South Dakota excludes holidays, sick days, and vacation days. Arkansas, Georgia, Michigan, New Mexico, North Carolina, Virginia, and Wisconsin exempt businesses with fewer than three employees. Some states do not provide coverage for casual employees, farm laborers or those with fewer than five employees.

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[18] Walzer, N. (1979). Municipal Problems Commission Report to the Illinois General Assembly. *Worker's Compensation Insurance and Reimbursements for State Mandates* (pp. 27-80). Springfield, IL.

[19] Oregon Department of Commerce and Business Services. (2015). *Oregon Workers' Compensation Premium Rate Ranking.* Eugene, OR.

Texas has taken the most aggressive action and allows employers (nonsubscribers) to make a voluntary, contractual commitment to benefit payments.[20] However, to make sure of benefit adequacy, the employer discretion has been coupled with negligence liability exposure. Employers who do not provide adequate benefits face punitive damages and lose legal immunity for most lawsuits. The nonsubscribers mainly include employers with fewer than 50 employees. Common reasons for opting out of the workers' compensation system include high rates, small number of employees, few injuries, and high medical costs in the workers' compensation system.

Pension Alternatives

The following are several alternative pension programs that have been considered in other states, the results of which are not yet known. Thus, they are not considered to be 'best practices' yet, and are included only to provide insights into approaches under consideration or being initiated in other states. Some of the concepts may be of use in evaluating alternatives in Illinois. These are **not** included as recommendations for implementation in Illinois at this time.

Pennsylvania Municipal League (June 2015)

After exploring municipal pension issues with the Coalition for Sustainable Communities (CSC), the Pennsylvania Municipal League (PML) backed two legislative proposals that offer solutions to the municipal pension problems affecting communities in Pennsylvania. The two options are briefly described below.

The Municipal Cash Balance Pension Plan

House Bill 316 (PN 1752) is called the Municipal Sustainability Act. The proposal:

- Shifts only new hires into a cash-balance hybrid pension plan integrating a defined benefit with a defined contribution element;
- Authorizes a 457 plan as an additional employee retirement tool;
- Removes pension benefits from the collective bargaining process;
- Establishes pension portability by placing all new, public-safety hires in the same plan;
- Calculates final average salary on base pay and 10% of overtime;

[20] A more complete discussion of options facing both employers and employees is available at: http://www.tdi.texas.gov/wc/employer/cb007.html.

- Increases retirement age to 55 and 25 years of service;
- Freezes current benefit levels for existing personnel;
- Requires each cash balance account to be comprised of mandatory employer and employee contributions plus a specified employer guaranteed interest credit; and
- Provides a revenue stream to pay down current unfunded liability.

Municipal Public Safety Defined Contribution Pension Plan

Senate Bill 755 (PN 1017) is an alternative to the municipal cash balance pension proposal. SB 755 provides an option to municipalities to provide a defined contribution pension plan to *new* police and fire personnel. If approved at the local level, the bill provides that:

- All current municipal public safety employee pensions remain at existing benefit levels;
- All new public safety employees in full service municipalities will receive a defined contribution pension plan which is more fiscally sustainable, and is made optional for other employees;
- All pensions, for current and future employees, are removed from the binding arbitration process so that municipal employers can predict costs based on sound actuarial data while slowly paying down their existing pension liability;
- Salary 'spiking' (which occurs when final salary calculations include targeted overtime hours for senior officers) is ended;
- Authorizes an optional 457 investment plan as an additional employee retirement tool;
- New public safety employees will enjoy full portability of a defined contribution pension plan and be able to move to any other full-service municipality;
- Under a defined contribution plan, all employees contribute a percent of their earnings. Non-Social Security employees must contribute a higher percent of their increased net income (due to lack of Social Security withholdings) to ensure their retirement security; and
- Full vesting is reached at 10 years (reduced from 12 years in current statute). Vesting options are further enhanced to include 25 percent at four years and 50 percent at six years and 75 percent at eight years.

Affected employees would be required to contribute 6 percent of their salary for retirement, half in the defined contribution plan matched by 2.59 percent of pay for teachers and 4 percent for state employees.

- The other three percent of salary would go into a cash balance plan with no additional employer contribution, but earning interest tied to yields on 30-year U.S. treasury bonds, but capped at 4 percent.
- Retirement system gains in excess of that guarantee would be retained by the funds, and go toward paying off their mounting liabilities, a provision union leaders have derided as 'inter-generational theft' as new hires see investments on their contributions used to pick up the tab for the mistakes of the last 15 years.
- Approximately 20 percent of the state's current workforce, mostly law enforcement staff like state troopers and corrections officers, would remain in the current defined-benefit plan, under the House amendment.
- The attractiveness of this plan, according to supporters, is that it shifts the risk of future downturns in investment returns earned by the retirement systems - and there have been two big ones in the years since the benefits increase - away from taxpayers.

Massachusetts Pension Plan

In 2011, public employees in Massachusetts who served for more than ten years were eligible to receive a pension. The pension amount was computed by multiplying the highest compensation level that the employee received (three-year average) by a factor that works out to 80% for a full career of service. Public employees, as in many other states, contribute to a fund to cover their future pension benefits. According to legislative briefs on the subject, there were four fundamental issues in the state-local pension system:

1. Complexity and resulting lack of transparency.
2. High investment risk borne by taxpayers.
3. Disparity of benefits between public employees and private taxpayers.
4. Unfairness across groups of public employees, and recurring abuse.

One of the initial proposals included eliminating the defined-benefit pension plan all together. In Massachusetts, this would leave public employees without a basic retirement income guarantee because they are *not* eligible for Social Security. An alternative plan was developed and represented a simplified defined-benefit pension plan for new public employees. The following section draws heavily from the proposed legislation.

Currently, state and local pensions in Massachusetts are administered through 106 separate systems. They are all under the supervision of a single oversight board which makes it difficult to evaluate the overall condition of the system. The proposed reform would enroll all new public employees (at all levels) in a single new system and all existing pension boards would be consolidated into that system as their population under management dwindles naturally. Benefits of a consolidated system, in addition to increasing transparency and strengthening administration, include:

- The opportunity to implement other pension reforms and have new rules administered consistently by a new statewide board.
- Removal of pension liabilities from the books of cities and towns (making them agents of collecting contributions and forwarding them to the state).
- Segregation of liability for a new system maintained permanently at full funding — a good bank/bad bank approach that isolates existing funding deficiencies.

In late 2011, Governor Deval Patrick signed comprehensive pension reform legislation, S. 2065, "An Act Providing For Pension Reform and Benefit Modernization." Criticism of the plan from a study by the Urban Institute found that it needed to increase the funding ratios, offered little incentive for older workers to stay on the job instead of retiring, and required young workers to be employed by the state for 10 years before earning pension benefits beyond their own contributions and modest interest on those savings.

Pennsylvania Legislative Initiative

SB 755 introduced in June 2015 provides an alternative municipal pension reform proposal that would allow the creation of portable Defined Contribution (DC) pension plans for all newly-hired municipal public safety and other employees. The bill was endorsed by the Coalition for Sustainable Communities, which previously endorsed similar legislation (HB 316), as a viable path toward stemming the growing pension crisis.

Under HB 755, current and retired employees retain all existing rights and benefits. Future employees are shifted to a more affordable DC plan and are no longer permitted to spike their final average salary.

The costs of DC pension plans will be much more predictable; the risk of underfunding is less likely because the contributions to the plan are shared by the employer and employee, and the investment returns are market-driven.

Highlights of SB 755:

- All current municipal public safety employee pensions remain at existing benefit levels;
- New public safety employees in full service municipalities will receive a DC pension plan, along the lines of what most Americans currently receive and one which is more fiscally sustainable, and is made optional for other employees;
- All pensions, for current and future employees, are removed from the binding arbitration process so that municipal employers can predict costs based on sound actuarial data while slowly paying down their existing pension liability;
- The unaffordable and unfair practice of salary 'spiking' (which occurs when final salary calculations include targeted overtime hours for senior officers) is ended;
- Authorizes an optional 457 investment plan as an additional employee retirement tool;
- New public safety employees will enjoy full portability of a DC pension plan and be able to move to any other full-service municipality;
- Under a DC plan, all employees contribute a percent of their earnings. Non-Social Security employees must contribute a higher percent of their increased net income (due to lack of Social Security withholdings) to ensure their retirement security;
- Full vesting is reached at 10 years (reduced from 12 years in current statute). Vesting options are further enhanced to include 25% at four years and 50% at six years and 75% at eight years; and
- Improves job and pension security for current and future municipal uniformed union employees.

Comparing Prevailing Wage

A common complaint in the NIU-CGS Unfunded Mandates Study submitted by local governments to the Task Force was that the Prevailing Wage Act imposes unnecessary, and often exorbitant, costs on certain projects. These costs have led states, most recently Indiana, to repeal prevailing wage altogether. Local governments surveyed do not think the State of Illinois should dictate wages on contracts for smaller projects Many local governments suggested providing exemptions to the Prevailing Wage Act, although

the suggested exemptions varied by government type. Some municipalities, for example, suggested a cost threshold of $1 million per project. While some states like Iowa have no prevailing wage, most states with a prevailing wage provide for exemptions.

Another complaint among local governments surveyed is that the Prevailing Wage Act often requires them to pay contractors wages that are inconsistent with those typically offered locally in the private sector. Practices in other states that might be considered in Illinois include:

- Provide greater clarity regarding how the prevailing wage is calculated so that local governments better understand why they must pay more than the private sector.
- Enhance local control by making it easier for governments to conduct local wage surveys in order to identify prevailing wage levels appropriate for local labor markets.
- Replace with a competitive bidding system, allowing local governments to choose the most qualified contractors for the lowest cost.

A final common complaint is that the Prevailing Wage Act discriminates against small local businesses that want to contract with local governments, but they are unable to meet personnel and administrative costs associated with the mandate. This mandate can be addressed by providing exemptions for small businesses, e.g., those with five employees or fewer.

Procurement and Higher Education

While few industries have managed to weather the financial crisis unharmed, for higher education, the impact of the downturn has been especially serious. Tuition increases, budget shortfalls, and rising costs for everything from labor to supplies threaten to make a higher education inaccessible for many residents. Procurement has become a priority for higher education's leaders, including those in Illinois.

A 2010 report to the Illinois General Assembly, 'Higher Education Procurement Study Committee,' identified several issues that had arisen since the legislation passed and begun to be implemented at the nine public universities in Illinois. Two major areas were addressed in the report:

- Certain core functions of public universities (e.g. sponsored research, libraries, student health centers and public healthcare) often require specialized equipment and expertise available only from one source and the sole source vendors are often not willing to complete the expanding certifications and documentation required by the revised code.

- A reduction in number of businesses willing or able to participate in the purchasing process. The increasing certification and documentation requirements being placed on potential vendors are troubling, especially for the smaller vendors.

The report also acknowledged the unique needs of public universities and suggested that procurement policies should be shaped with this premise in mind. One recommendation was to allow public universities to develop their procurement code for an initial period of five years that would be subject to legislative review and approval at the end of this time period.

An example of a procurement analysis and documented cost-savings is from the privately-funded University of Pennsylvania which began the Procure-to-Pay (P2P) Enhancement Project in 2006. Several components of its process are replicable and could respond to both concerns expressed and the recommendations made in the report to the Illinois General Assembly.

Entities Involved

- Purchasing services.
- Office of the comptroller.
- Information Systems and Computing (ISC), and financial training.
- The project identifies opportunities to increase process efficiencies, provide new and enhanced training and support tools for system users, maximize strategic supplier relationships, and identify new cost containment opportunities.

Actions

The P2P project team has five specific business objectives:

- Training: Enhance end user training to improve the quality of purchasing data entered into the purchasing system, leading to a reduction of process exceptions and administrative rework across the campus community and in central administration offices.
- Process Improvements: Further streamline the entire procure-to-pay process, leading to a reduction of administrative time and effort related to the requisition creation and supplier payment processes.

- Compliance: Collaborate with school and center senior administrators to ensure compliance with internal requisitioning requirements, supplier invoice payment responsibilities, and utilization of preferred contract suppliers.
- Supplier Payment: Ensure payment of supplier invoices according to agreed-upon buyer/seller terms and conditions by accounts payable. In addition to increasing productivity and providing new cost containment opportunities, timely payment enhances supplier relationships and enables the P2P team to investigate new electronic invoicing and payment technologies that will lead to additional opportunities in the future.
- Cost Containment: University-wide, and school and center specific, cost containment initiatives resulting in new cost containment opportunities for the institution.

Results/Outcomes

In June 2006, Penn Purchasing Services started a cost containment initiative to further leverage the institution's buying power and achieve $50 million in documented cost containment over a four year period ending on June 30, 2010 (Table 21).

Cost-Savings

- Purchasing Services identifies and tracks legitimate cost-savings through supply chain business strategies aimed at achieving 'least total cost pricing' that takes into account not only price, but factors such as quality, service, delivery and all other aspects to assess the total value of the products and services required in support of the education and research mission of the institution.
- The pursuit of cost-savings cannot be the sole determining factor in the selection of a product, supplier, or work method to meet the university's need.
- During the first four years of measuring cost-savings, University of Pennsylvania surpassed its goal and reported savings of nearly $70 million dollars.

Table 21. Outcomes of the Penn Purchasing Services Cost Containment Initiative

Documented Cost Containment by Fiscal Year	Reported Results
Four Year Goal	$50,000,000
Results Achieved to Date	$67,543,614
FY2010 Cost Containment (YTD)	$18,894,396
FY2009 Cost Containment	$19,437,486
FY2008 Cost Containment	$17,339,860
FY2007 Cost Containment	$11,871,872

PROPOSALS SUBMITTED TO LT. GOVERNOR SANGUINETTI AND THE TASK FORCE

I. PROPOSALS SUBMITTED TO & CONSIDERED BY THE TASK FORCE

The following proposals were considered by the Task Force on June 24, 2015:

Proposal No. 1: Enact a 4-year moratorium on creating new local governments. (Proposal Passed: 21-1-0)

- No new local government agencies to be created by the General Assembly for a period of 4-years.
- Exemption if creation of new local government is from consolidation of two or more local governments.

Rationale provided:

As of March 2015, the Illinois Comptroller's Office reports the state has 8,480 units of local government, by far the most in the nation. Illinois has added a net of 19 new units since their last tally in July 2014. Between 1998 and 2015, there has been a net increase of 148 units.

The State of Illinois should be consolidating, streamlining and eliminating unnecessary units of local government instead of creating new ones.

Too many layers of local government leads to duplication of services, inefficiencies and higher costs. Illinois has some of the highest local government taxes in the nation, with the 10th highest sales tax and the 2nd highest property taxes. Public corruption is aided when there are too many units of local government for state and federal authorities to adequately police.

Consolidation or dissolving units of local government has been happening in Illinois, but not nearly at a fast enough rate to keep up with the creation of new units of government. In order to adequately address the issue of excessive layers of local government in Illinois, the state needs to hit the 'pause' button on creating new units of local government.

According to information reported to the Illinois comptroller, 384 new local governments have been created while 236 were dissolved since 1998 (Tables 22 and 23). The net increase was 148 units of local government. More than 96% of the newly created local governments in Illinois during this time period were special purpose governments, 370 of 384 local governments.

Table 22. Growers of local government in Illinois between 1998 and 2015, by type

UNIT LEVEL	CREATED	DISSOLVED	NET +/-
Public Library District	62	4	+58
Drainage District	65	18	+47
Fire Protection District	42	15	+27
Water Service District	33	6	+27
Park District	24	5	+19
Public Building Commission	13		+13
Public Water District	12	1	+11
Village	14	3	+11
Mass Transit District	7		+7
Water Commission	6		+6
Joint Action Water Agency	4		+4
Museum District	3		+3
Port District	3		+3
Exposition and Auditorium Authority	3	1	+2
Mosquito Abatement District	2		+2
Natural Gas Agency	2		+2
Solid Waste Agency	2		+2
Water Authority	2		+2
Electric Agency	1		+1
Planning Agency	1		+1
Public Health District	2	1	+1
Rescue Squad District	1		+1
River Conservancy District	2	1	+1
Special Recreation	1		+1
Water Reclamation District	2	1	+1
Total	**309**	**56**	**+253**

Table 23. Consolidators of local government in Illinois between 1998 and 2015, by type

UNIT LEVEL	CREATED	DISSOLVED	NET +/-
Soil and Water Conservation District	1	2	-1
City		1	-1
Forest Preserve		1	-1
Surface Water District		1	-1
T.B. Sanitarium District		1	-1
Township		2	-2
Street Lighting District	1	4	-3
Hospital District		5	-5
Road and Bridge		5	-5
Community College		8	-8
Road District	1	10	-9
Sanitary District	7	25	-18
Multi-Township Tax Assessment District	36	59	-23
School District	17	44	-27
Total	**63**	**168**	**-105**

Proposal No. 2: Expand DuPage County's pilot consolidation program to all 102 counties. (Proposal Passed: 21-0-1)

- Expand DuPage County's local government consolidation and dissolving powers to all other 102 counties in the state.

Rationale provided:

In many counties across Illinois, there are a number of local government agencies where a majority, or all, of the board members are appointed by the county. Without a connection to voters, the agencies often lack transparency and escape public accountability. These agencies often provide duplicative services which can be absorbed by other government agencies, or are 'paper' agencies contracting all service provision out to other local governments or private businesses.

A bipartisan bill, Senate Bill 494, was signed into law in 2013 giving DuPage County the ability to dissolve or consolidate 13 different government units within the county.

As a part of the ACT Initiative by DuPage County Chairman Dan Cronin, the county has successfully eliminated two units of local government in two years under powers given to it by SB 494. Preliminary results from this law show the consolidation process can increase transparency and accountability of local government agencies while saving taxpayers money.

This process of consolidating or dissolving local governments whose boards are appointed rather than elected, should be expanded to all counties across the state.

Proposal No. 3: Empower Illinois citizens to consolidate or dissolve local governments via referendum. (Proposal Passed: 21-1-0)

- Maximum petition signature requirement of 5 percent of the votes cast in the last general election, with a minimum of 180 days to collect petition signatures.
- Require either three-fifths of those voting on the amendment or a majority of those voting in the election from both the dissolving and receiving unit of local government for referendum approval. Same as amending the Illinois Constitution.
- Require simple, understandable referendum language on ballot; "Shall the [dissolving unit of local government] be dissolved on [date of dissolution] with all of its property, assets, personnel, obligations and liabilities being transferred to [receiving unit of local government]?"
- Provide for the timely transfer of all assets, liabilities, property, personnel and contractual obligations from dissolving unit to receiving unit of local government.
- Transfer rights and duties to receiving unit.
- Allow different types of local government to be consolidated or combined (general purpose into general purpose, special purpose into general purpose, special purpose into special purpose).
- Maintain other citizen-initiated consolidation laws with lower petitioning and voting requirements.

Rationale provided:

The citizens of Illinois deserve a fair process to determine the form and function of their local governments, including consolidating or dissolving units of local government. The Illinois General Assembly should empower Illinois citizens by strengthening their ability to consolidate local governments by creating a universal citizen-initiated referendum process to consolidate or dissolve units of local government.

The State of Illinois has 6,963 units of local government, according to the 2012 Census of Governments, the highest number in the United States by more than 1,800 units. Illinois also has more general purpose and special purpose units than any other state. This layering of local government creates inefficiencies, duplication and increases the chances for local government corruption.

We cannot rely on elected officials to be the sole party to initiate consolidation of local government. Many elected officials are risk averse and resistant to changes. Others are determined to protect political fiefdoms from consolidation which could result in the loss of jobs for themselves and their political allies.

It is much easier for citizens to create new units of government than it is to consolidate or dissolve them. In many instances citizen-initiated consolidation rules are extremely difficult or even non-existent.

For example, there is no citizen-initiated method to consolidate a special purpose government -such as a library, park, or fire protection district - into a municipality. In many states most municipalities provide library, park and fire protection services for their residents under a single efficient municipal structure instead of fragmenting services across multiple local governments.

Another example is consolidating townships into a county. Illinois is the only state where more than 50 percent of its residents have three layers of general purpose government - county, municipal and township. Forty states only have two layers. To consolidate townships into a county government, consolidation groups must collect signatures from 10 percent of registered voters in each township in only 90 days. These unreasonably high thresholds disenfranchise the citizens of Illinois from participating in the democratic process at the local level in a meaningful way.

The proposed petition signature requirement of 5 percent of votes cast for governor requirement is much higher than the petition requirements to run for U.S. Senate or other statewide offices in Illinois. The petition levels are in line with statutory initiative signature requirements in many other states.

- California: 5% of votes cast for governor
- Colorado: 5% of votes cast for governor
- Massachusetts: 3% of votes cast for governor
- Missouri: 5% of votes cast for governor
- North Dakota: 2% of resident population
- Oregon: 6% of votes cast for governor
- South Dakota: 5% of votes cast for governor
- Illinois (consolidation signature proposal): 5% of votes cast for governor

The citizens of Illinois should be empowered to consolidate or dissolve local government in effort to control costs, improve service delivery and reduce corruption. They deserve a fair process to determine the form and function of local governments.

Proposal No. 4: Create a Board of Legislative Repealers to review unfunded state mandates on local government. (Proposal Tabled by unanimous consent)

- Creation of a board to systematically review Illinois laws, including unfunded mandates that are older than 15 years.

  Board will be comprised of an equal number of nominees (must be members of the Illinois General Assembly) from the House and the Senate leadership:

  - ✓ 4 Nominees from Speaker,
  - ✓ 4 Nominees from Senate President,
  - ✓ 4 Nominees from Minority Leader of House,
  - ✓ 4 Nominees from Minority Leader of Senate, and
  - ✓ Chaired by the Lt. Governor.

- Automatic trigger for floor consideration. If 3/5ths of the board recommend a repeal of an unfunded mandate older than 15 years, each General Assembly chamber has to take a vote on the proposal.
- Creation of a website where citizens and local government officials can submit suggestions for state laws, regulations and unfunded mandates to be reviewed by the board.
- With the support of state agencies, the board shall issue an annual report recommending to revise, repeal or replace outdated laws, regulations and unfunded mandates.
- All recommendations will be referred to the General Assembly, Governor and to the appropriate state agencies for action.

Rationale provided:

The number of unfunded mandates placed on local governments and school districts in Illinois has grown significantly in the past few decades. According to the Illinois Municipal League, the General Assembly has passed 266 new unfunded mandates on municipalities since 1982. According to the Illinois Association of School Boards the General Assembly has passed 145 new unfunded mandates on to school districts.

Illinois does not have a process in place to systematically review the burdens of unfunded mandates placed on local governments. The state needs to create a formal process to review unfunded mandates and make specific recommendations to the legislature to revise, repeal or replace unfunded mandates.

These unfunded mandates set a wide range of rules for how local governments operate including issues such as prevailing wage, pensions, contracting and personnel. Mandates can come with a very high cost. Unfunded mandates can make it harder for local governments to achieve their core missions and/or force them to increase local taxes.

Proposal No. 5: Repeal or reform the Prevailing Wage Act. (Proposal Passed: 14-5-2)

- Repeal the Illinois Prevailing Wage Act.
- Reduce the categories of jobs covered by prevailing wage to only cover highly-skilled positions.

- Take into account average market wages instead of only wages on 'public works' when calculating prevailing wage rates, as is done on the federal level and most other states.
- Increase the dollar threshold for projects subject to prevailing wage rates to $250,000.

Rationale provided:

Public officials have a duty to provide high-quality core government services at the best possible price to taxpayers. Prevailing wage laws are anti-competitive and prevent state and local governments from obtaining services at a fair price to the taxpayers.

Prevailing wage laws create a special, higher minimum wage and fringe benefit rules which only apply to laborers, workers and mechanics on public works projects. Special-interest backed prevailing wage laws can increase the costs of public works projects by 20 percent or more. Increased costs results in higher taxes, less public projects being completed or a combination of both.

Illinois prevailing wage rates are spiraling out of control. One example was cited in an appeal in the case Beary Landscaping, Inc. v. Costigan, Judge James Zagel noted, "To take just one example, on Federal and private landscaping projects undertaken in Cook County, the going rate for a "landscape helper" in June 2010 was $11.50 per hour in total compensation. The same person working a state-funded project would receive a total hourly compensation package of $52.70 - that is, 458% of the comparable federal or private rate."

Another reason why Illinois prevailing wage rates are much higher than other states is due to the unique 'public works' provision on how the rates are calculated. Instead of looking at the entire marketplace, prevailing wage rates in Illinois are based on only 'public works' projects. The federal level Davis-Bacon Act requires construction contractors to pay at least the prevailing private-sector wage in the same locality.

Many scholars believe the Davis-Bacon Act and state prevailing wage began as an act of blatant racial discrimination, including David Bernstein of George Mason University who wrote, "The primary purpose of enacting the state prevailing wage laws was to ensure that white union workers received government contracts; the laws undercut the incentive to hire minorities who underbid them."

Prevailing wage laws create a stark inequity between certain special interest groups and taxpayers who pay the bills.

Prevailing wage laws also place huge paperwork burdens on contractors, the state and local governments. This is especially burdensome for small projects. Currently, all public projects are subject to prevailing wage laws in Illinois no matter how small. Indiana's prevailing wage law only applies to projects over $150,000[21], Kentucky $250,000, and in Maryland the number is $500,000.

State and local government officials deserve the opportunity to negotiate fair, competitive agreements with contractors. The only way this will happen is if the State of Illinois dramatically reforms or repeals costly state prevailing wage mandates.

Proposal No. 6: Modernize newspaper public notice mandates. (Proposal Passed: 20-0-0)

- Local governments who post public notices on their website should be exempted from having to also publish in newspapers, saving taxpayer dollars and increasing transparency and accountability.
- When local governments are forced to mail notices to residents and businesses, such as property tax assessments, and the information is also online they shouldn't be forced to publish the same information in newspapers.
- Mandates to maintain public documents in antiquated and costly formats, such as microfilm or microfiche, should be updated to allow digital storage of documents.
- Using the Illinois transparency and accountability portal and the comptroller's 'warehouse' website, the State of Illinois should help local governments who can't afford websites to publish more information online.

Rationale provided:

With the third-highest public corruption rate in the country, improving government transparency is a critically important issue for the State of Illinois. State law requires local governments to disseminate public information by various means to create a more transparent and accountable local government in Illinois.

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[21] Indiana repealed their prevailing wage law effective July 1, 2015.

Unfortunately, public notice mandates are not in line with advancements in technology. Modernizing public notice laws to embrace new technologies will reduce costs for local governments while increasing government transparency and accountability.

Citizens' preference in how they consume information is shifting rapidly. As newer technologies are adopted by more people, local governments need to change the way they communicate with the public.

In 2013, twice as many homes had internet access (74 percent) than had newspaper subscriptions (37 percent). Home internet access is growing, while newspaper subscriptions are falling to all-time lows.

The cost of storing and transmitting digital information is dropping rapidly, while the cost of printing and mailing documents is increasing. If the State of Illinois fails to update public posting laws to reflect modern technologies, fewer people will have the opportunity to access public documents and the cost to taxpayers will continue to rise.

Microfilm, microfiche and paper documents only allow one person in one place at one time to review them, but digital documents posted online can be accessed and distributed by anyone with internet access at any time at a very low cost.

Public information laws are badly out of date and need to be revised. Digital storage and transmission of documents is the optimal transparency method for modern times both in terms of public access and cost.

Proposal No. 7: Provide third-party contracting mandate relief for school districts. (Proposal Passed: 18-1-1)

- A board of education may enter into a contract with a third party for non-instructional services that are currently provided by any employee or bargaining unit member.
- Reduce notice requirement from 90 days to 30 days.
- Eliminate anti-competitive regulations on contractors requiring them to provide a benefits package comparable to the existing public employee contract.

Rationale provided:

School districts have a duty to provide high quality educational services at the best possible price to taxpayers.

Anti-competitive rules prevent school districts from competitively contracting non-instructional services such as building maintenance, transportation and food preparation out to qualified bidders. This increases costs to taxpayers and jeopardizes funding for important in-classroom educational needs and extra-curricular activities.

Local school districts should have the ability to access financial and service quality gains through third-party contracting and run high quality schools at a lower cost to taxpayers.

Proposal No. 8: Implement physical education mandate relief for school districts. (Proposal Passed: 19-1-0)

- Allow districts to adopt policies that provide for more flexible exemptions for children who are involved in other physical activities in school or out of school, but in a manner that ensures that each student engages in appropriate fitness activities. For purposes of this recommendation, 'appropriate fitness activities' are activities that, as determined by the district, provide a comparable educational and fitness benefit to students compared to a district offered physical education course.
- Expand existing statutory provisions for students to be exempted from physical education on a case by case basis for academic reasons and at additional grade levels, as determined by district policy.
- In order to gauge citizen sentiment and support, the school district shall hold a public hearing on the issue at a regular or special board meeting prior to adopting a policy allowing for such flexibility.
- Recommendations with respect to physical education flexibility shall not include changes or modifications to the requirements of the Critical Health Problems and Comprehensive Health Education Act [105 ILCS 110] or other health education curricular provisions adopted at the state or district level.

Rationale provided:

Illinois is one of only six states that require physical education at every grade level in K-12, and the only state to require all K-12 students to participate in daily classes. Illinois has the strictest standards in the nation.

Physical education mandates can impose burdensome costs on school districts struggling to save other aspects of a well-rounded educational curriculum for our children.

Increasing the number and type of individual student exemptions from physical education could have the effect of decreasing district costs associated with physical education while still allowing students who wish to take a physical education course the ability to do so.

Physical education mandates force school districts to place physical education needs over other equally important priorities such as music, art, foreign-language, job skills development and extra-curricular activities.

Physical education policies should be set in line with the needs of each school district. Excessive curriculum mandates destroys the ability of school districts and parents to develop the best curriculum and learning experience for each individual child.

Physical education policies are best left to the parents and academic professionals on the local level who are closest to the students affected.

Proposal No. 9: Provide driver education mandate relief for school districts. (Proposal Passed: 17-2-1)

- School districts may offer a driver education course by contracting with qualified commercial driver training schools.
- In order to gauge citizen sentiment and support, the school district shall hold a public hearing on the issue at a regular or special board meeting prior to entering into a contract with a commercial driving school.

Rationale provided:

Driver education mandates in Illinois impose significant costs on school districts, and the state only provides a small partial reimbursement. Local school districts should be free to contract driver education services out to qualified commercial driver training schools to preserve limited education resources.

The following proposals were considered by the Task Force on October 19, 2015:

Proposal No. 1: Allow all townships in the state to consolidate with coterminous municipalities via referendum. (Proposal Passed: 14-0-1)

- The Illinois General Assembly passed a bill that allowed voters in Evanston township to hold a referendum to consolidate the township into the city of Evanston, but it didn't apply those powers to the 18 other coterminous municipalities/townships in Illinois. The bill should be expanded to cover all such townships in Illinois.

Proposal No. 2: Remove the limitation capping of a townships size of 126 square miles. (Proposal Passed: 14-0-1)

- The current 126 square mile restriction is antiquated and dates back to the 1800's. A McHenry County citizens group wanted to pursue a consolidation plan of reducing the number of townships from 17 townships to 4, but was unable to because of the 126 square mile state restriction.

Proposal No. 3: Allow counties with fewer than 15,000 parcels and $1 billion in Equalized Assessed Value to dissolve all of the elected township assessors and multi-township assessment districts into one newly-elected county assessor position and office. By majority vote of the county board or via citizen-led referendum. (Proposal Passed: 14-0-1)

- Consolidation up to the county level would result in increased professionalization of assessment services and a reduced occurrence of unequal assessment practices from township to township. The 15,000 parcels and $1 billion EAV level is based on best practice recommendations from surrounding states.
- If enacted in all the counties eligible, this measure would lead to the elimination of 310 of the 312 multi-township assessment districts in Illinois.

Proposal No. 4: Allow counties to retain their existing form of government following a successful referendum to dissolve townships into the county. Create a new elected county assessor position and office. (Proposal Passed: 14-0-1)

- Current law allows counties to initiate referendums to dissolve townships into counties and absorb their functions. However, a disincentive exists that forces the county into a commission form of government, capping the number of county board members to 5 who are elected on an at-large basis instead of in equal sized districts.

Proposal No. 5: Hold taxpayers harmless from township consolidation. (Proposal Passed: 14-0-1)

- For a county board or citizen initiated township consolidation referendum, the referendum language may contain a new first-year township levy that is calculated using the lowest property tax rate of the consolidating townships from the year immediately preceding the consolidation referendum, but no lower. The current method which combines the existing levies from each township could also be used. The choice is up to those pursuing the consolidation referendum.
- Currently, when two or more townships consolidate with different tax levies and rates taxpayers in one or more townships may see significantly higher property taxes after the consolidation. This creates a significant barrier to township consolidation, because each township's voters must each approve the referendum for it to pass.
- Example of optional method of determining new proposed tax levy: Township A has a property tax levy of $1 million and a tax rate of .90 percent and Township B has a property tax levy of $2 million and a tax rate of 1 percent prior to the consolidation referendum. Using the lower .90 percent rate, the property tax levy for the consolidated township could be set as low as $2.8 million instead of the automatic $3 million under current law.

<u>The following proposals were considered by the Task Force on November 19, 2015</u>:

Proposal No. 1: School District Consolidation: Provide the ISBE flexibility to incentivize outcomes of school district consolidation. (Proposal Passed: 14-0-2)

- Provide ISBE the flexibility to direct discretionary funding to:
  - Promote K-12 curriculum alignment.
  - Promote administration consolidation (by reducing per student administrative costs).

- Improve academic offerings (not limited to honors/AP, foreign language, vocational, etc.).
- Consolidate services among schools and districts (HR, IT, etc.).

Proposal No. 2: Encourage state agencies – when allocating discretionary state and federal funds to local governments – to encourage regional sharing of public safety equipment, facilities, training resources, and administrative functions, as amended. (Proposal Passed: 16-0-0)

- Directing grants towards regional shared services and purchases facilitates cooperation, improved service delivery and taxpayer-savings. It also encourages cooperation and consolidation of local public safety organizations.
- Opportunities include, but are not limited to:
  - Sharing of reserved equipment.
  - Sharing of vehicle repair facilities.
  - Sharing of incident command staff during emergencies.
  - Regional entrance level testing.
  - Joint equipment purchasing.
  - Joint training:
    - Mobile training.
    - Shared facilities.
    - Joint instructors.
  - Joint jailing.
  - Joint shooting ranges.
  - Joint emergency vehicle driving training and sites.
  - Shared IT services and personnel.

- Shared administrative functions.
- Consolidation of operational and/or functional departments as an additional way to share services.

Proposal No. 3: Merge downstate and suburban public safety pension funds into a single pension investment authority, as amended. (Proposal Passed: 15-0-1)

- With 656 funds, Illinois has more than 16 percent of the nation's 3,992 total public pension funds but only 4 percent of the nation's population. This excessive number of pension funds results in increased management fees, less public oversight and reduced investment returns. This ultimately results in higher costs for the taxpayers of Illinois.
  - Merge downstate and suburban public safety pension funds into a single pension investment authority.
  - Each community's assets and pension funding obligations will be segregated and be unique to each community, similar to the way the Illinois Municipal Retirement Fund structures assets and obligations for other local government employee pensions.

Proposal No. 4: Allow merger of general township road and bridge districts that maintain less than 25 miles of road. (Proposal Passed: 12-0-4)

- Current law requires township road and bridge districts with less than 5 miles of road to consolidate into the general township.
- Allow merger of township road and bridge districts, with less than 25 miles of township roads, into general townships.
- Via resolution supported by three-fifths of township board or by public referendum.
- Highway supervisor staff position to be retained at the discretion of the township board and supervisor.

Proposal No. 5: Protect the Intergovernmental Cooperation Act. (Proposal Passed: 15-0-1)

- Local governments in Illinois currently have strong constitutional powers to facilitate intergovernmental cooperation and have legislative authority to accomplish jointly what would be difficult under other more power limiting circumstances.
- This legal framework serves as a foundation which has driven a wide array of successful functional and operational services delivery programs in the Chicago region and across the state dating back to the 1960s.
- The state needs to preserve the ability of local government to coordinate to provide effective and efficient local government for the people of Illinois.

Proposal No. 6: Constitutional Amendment to end all future unfunded state mandates. (Proposal Tabled by unanimous consent)

- Requires the State to reimburse units of local government for increased expenses resulting from activities mandated by the General Assembly or State executive action.
- Exempts mandates requested by a local government or predating the effective date.
- Exemption for health and safety mandates.

Proposal No. 7: Make collective bargaining permissive, instead of mandatory, as amended. (Proposal Passed: 15-1-0)

- Allow locally-elected municipal boards and councils, counties and school districts to decide whether employment issues should be mandatory or permissive subjects of collective bargaining.

Proposal No. 8: Eliminate minimum manning from collective bargaining, as amended. (Proposal Passed: 14-1-1)

- In December 2014, PA-98-1151 was signed into law, allowing arbitrators to impose 'minimum manning requirements' on municipalities and fire protection districts for firefighters and paramedics.
- Improvements in building materials fire safety properties has led to large shifts in the types of emergency response calls received by local governments.

- Democratically-elected local officials should retain decision-making authority over manning issues so they can allocate their limited resources in the most efficient manner possible.
- Unfunded minimum manning rules strip local control from local governments.
- Minimum manning requirements don't take into account the existence of financial resource or intergovernmental cooperation agreements that allows communities to share fire protection resources.

Proposal No. 9: PSEBA: Use federal definition for catastrophic injury. (Proposal Passed: 13-0-2)

- One of the major problems facing Public Safety Employee Benefit Act, or PSEBA, in Illinois is the lack of legislative definition of a 'catastrophic injury'. As a result the courts have imposed a 'standard' for PSEBA benefits, which differs substantially from the federal rules. As a result, lifetime total health insurance benefits have been mandated for non-catastrophic injuries such as a bad knee, back pain, or shoulder impingement where there is the ability to find gainful employment.
- The State of Illinois should pass clear and reasonable standards consistent with the federal definition for what is considered a 'catastrophic injury'.

Proposal No. 10: Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration. (Proposal Passed: 13-0-2)

- Require arbitrators to use a local government's actual existing revenues as the primary consideration when making wage and benefit determinations during interest arbitration.
- Extends provision extended to Chicago Public Schools via Senate Bill 7.

The following proposals were considered by the Task Force on December 1, 2015:

Proposal No. 1: Economic Feasibility Exemption for Local Units of Government, School Districts, Community Colleges, and Institutions of Higher Education. (Proposal Tabled by unanimous consent)

- Proposal tabled. It was reconsidered and passed at the meeting on December 8, 2015.

Proposal No. 2: Request the Governor use his amendatory veto power to insert "if economically feasible" language into legislation authorizing new unfunded mandates on local government and school districts, as amended. (Proposal Passed: 14-1-0)

- For purposes of Proposal No. 2, use the State Mandates Act definition of an unfunded mandate.

Proposal No. 3: Constitutional Amendment on Unfunded State Mandates, as amended. (Proposal Passed: 13-2-0)

- For purposes of Proposal #3, use the State Mandates Act definition of an unfunded mandate.
- Requires the state to reimburse units of local government and school districts for increased expenses resulting from activities mandated by the General Assembly or State executive action.
- Exempts mandates requested by a local government or predating the effective date.
- Makes unfunded mandates unenforceable unless passed by three-fourths of the members elected to each house of the General Assembly and specifically characterized as non-reimbursable.

Proposal No. 4: Require an annual state review of Unfunded Mandates on local government. (Proposal Passed: 15-0-0)

Per 30 ILCS 805/7 and P.A. 84-1438, the DCEO was required to do a onetime review of state mandates of all of the mandates enacted prior to the bill being signed. LRU also assisted in research of unfunded mandates. This was a onetime review done in 1987.

A review of unfunded mandates should be done annually by a state agency, and an annual report should be submitted to the Governor and General Assembly.

The report shall include for each mandate:

- The factual information about the mandate.
- Extent to which the enactment of the mandate was requested, supported, encouraged or opposed by local governments or their respective organization.
- Whether the mandate continues to meet a statewide policy objective or has achieved the initial policy intent in whole or in part.

- Amendments if any are required to make the mandate more effective.
- Whether the mandate should be retained or rescinded.
- Whether State financial participation in helping meet the identifiable increased local costs arising from the mandate should be initiated, and if so, recommended ratios and phasing-in schedules.
- Any other information or recommendations which the Department considers pertinent.

The appropriate committee of each house of the General Assembly shall review the report and shall initiate such legislation or other action as it deems necessary.

Proposal No. 5: Give control of employee retirement benefit packages back to local governments for new employees. (Proposal Tabled by unanimous consent)

- Proposal tabled. It was reconsidered and passed at the meeting on December 8, 2015.

The following proposals were considered by the Task Force on December 8, 2015:

Proposal No. 1: Economic feasibility exemption for local units of government, school districts, community colleges and institutions of higher education, as amended. [22] (Proposal Passed: 14-0-1)

Provide local units of government, school districts, community colleges and institutions of higher education the authority to annually exempt themselves from compliance with a state unfunded mandate(s) in the following circumstances:

1. The elected or appointed board of jurisdiction determines it is 'not economically feasible' to comply with the unfunded mandate(s).
    a. Requires public hearing.
    b. Requires the board to estimate the cost of compliance with the mandate(s).
    c. Requires the board to explain how cost of compliance with this mandate(s) significantly hinders their ability to deliver on the authorized mission of the unit of government, school district, community college or institution of higher education.

22 Originally considered and tabled at the December 1, 2015 meeting.

d. Requires the board to certify the mandate(s) is:

   i. Not a federally required mandate; and

   ii. Not a law or rule pertaining to health and public safety; and

   iii. Not a law or rule pertaining to local, state and federal civil rights laws; and

   iv. Not an instructional mandate for school district.

e. Requires three-fifths (3/5) majority vote.

2. Upon successful passage, applicable support documentation must be provided, in writing, to the Office of the Governor, Office of the Senate President, Office of the Senate Minority Leader, Office of the Speaker, Office of the Minority Leader, and State Agency of jurisdiction within 10 business days of passage.

3. State Agency Director (Agency Head) of jurisdiction can appeal to the Joint Committee on Administrative Rules (JCAR) to require compliance with said unfunded mandate(s) if the agency determines compliance is economically feasible under the following circumstances:

   a. The state provides adequate, direct funding to meet the full cost of compliance with the mandate(s); or

   b. Compliance with the mandate(s) is found to be inherent in the mission of the unit of government, school district, community college, or institution of higher Education; or

   c. The mandate(s) is determined to be federally required; or

   d. The mandate(s) is determined to be a law or rule pertaining to health and public safety; or

   e. The mandate(s) is determined to be a law or rule pertaining to civil rights and protections; or

   f. It is an instructional mandate for school district.

4. If the Joint Committee on Administrative Rules (JCAR) agrees with the Agency Director (Agency Head), by majority vote, that the unfunded mandate is not eligible for a waiver, it is sent to the Governor for final review.

5. If the Governor agrees with JCAR, the waiver is rejected.

6. If the Governor disagrees with JCAR and believes the mandate is eligible under the aforementioned conditions, JCAR, by 2/3 vote, can override the Governor's objection – therefore enforcing compliance with the mandate.

Proposal No. 2: Give control of employee retirement benefit packages back to local governments for new employees, as amended.[23] (Proposal Passed: 13-1-1)

Local governments have been stressed financially by unpredictable and uncontrollable pension plans they have been forced to participate in by the State of Illinois. Costs for these pension plans have increased dramatically over recent years, sometimes due to pension sweeteners passed by the state without the corresponding funding necessary to pay for them.

Giving control of public employee pension plans back to local government officials would help relieve the intense financial pain from skyrocketing pension contribution requirements on local governments and taxpayers, which are often two to four times higher than Social Security tax rates.

- Local governments would be able to opt-out of existing pension plans for new employees.
- Create blended pension plan of Social Security and 401(k) for non-public safety employees.
- Create blended defined contribution/defined benefit pension plan for public safety employees.
- Local governments may give employees investment control of 401(k) style contributions, such as choice of mutual funds, stocks or bonds.
- Would not be a mandatory subject of collective bargaining.

[23] Originally considered and tabled at the December 1, 2015 meeting.

II. PROPOSALS SUBMITTED TO THE TASK FORCE, BY TOPIC

Publication Requirements, Reporting Requirements, Data Accuracy and Transparency

1. **Proposal:** Enforce the requirement that all governmental units with legal standing report to the Illinois Office of the Comptroller (IOC). Where there are no financial transactions, a minimal reporting of legal status, including official name, names of officers, boundary changes, changes in name or any other change impacting legal status should be reported. Enforce reporting where it currently exists.

   Submitted by: Northern Illinois University - Center for Governmental Studies.

   Reasoning: Requiring would generate a more accurate count of the governments as well as a record of their location, officers, and other pertinent characteristics. Discrepancies in the number of units of government are found when comparing the Census of Governments, the (IOC) and association-reported numbers. This proposal would also lead to improved transparency.

2. **Proposal:** Encourage small, local governments to report through general purpose governments.

   Submitted by: Northern Illinois University - Center for Governmental Studies.

   Reasoning:

   - NIU–CGS believes this is warranted, not only to reduce the number of governments from a reporting perspective, but to take advantage of opportunities to coordinate service delivery, share costs and resources, and in other ways reduce the costs of services.
   - Comparisons among states, by necessity, involve adjustments by Census of Governments (COG) to the data submitted by the Illinois Office of the Comptroller. An important issue is whether a government unit is considered independent in decision-making authority and how finances are reported.
   - As noted, township road districts in Illinois are not considered independent units by the COG because their budgets are approved by another government – the township board. In other instances, even smaller governments are considered autonomous and counted separately.

3. **Proposal:** Change budgetary reporting requirements for small units of government that operate within a single county.

Submitted by: Northern Illinois University - Center for Governmental Studies.

Reasoning:

- Just as an example, in exchange for technical management assistance or minimal financial support, perhaps small governments could submit their budgets for review by the county board. This approach could offer opportunities for management upgrades, better coordination, and economies of scale in some instances but not interfere with how the districts operate.
- Another possibility could be to classify some small single-function districts as special service areas. There would be minimal, if any, changes in operating procedures and even possible opportunities for better coordination because of knowledge-sharing among districts.

4. **Proposal:** Provide exemptions for printing annual treasurer's reports for units of government that publish the reports on their websites.

Submitted by: Municipalities that participated in the NIU-CGS Survey and Park Districts that participated in the NIU-CGS Survey.

Reasoning: Of six municipalities in the survey providing cost estimates for publication requirements, 67% estimated annual costs below $10,000 each year.

5. **Proposal:** (Similar to previous) Instead of publishing a treasurer's reports, allow units of governments with budgets below a certain amount to publish notifications when their annual financial reports are available.

Submitted by: Park Districts that participated in the NIU-CGS Survey.

Reasoning: Publication mandates are cited as one mandate where taxpayer-savings could be realized. The specific dollar amount cited for this exemption was $850,000.

6. **Proposal:** Repeal mandate to retain records in paper and on microfiche when they can be maintained electronically.

Submitted by: Lake County Board Chairman Aaron Lawlor.

Reasoning: Technology provides endless opportunities to comply with the intent of this mandate, without current costs associated with outdated record retention policies. Changing this mandate would save Lake County approximately $185,000 annually.

7. **Proposal:** Exempt local governments from publishing notifications in newspapers if they notify the public through their website or via direct mail.

Submitted by: Lake County Board Chairman Aaron Lawlor, Townships that participated in the NIU-CGS Survey and Park Districts that participated in the NIU-CGS Survey.

Reasoning:

- Lake County spends $100,000 annually publishing assessment notices in the newspaper, and spends $230,000 in general assessment years. Lake County spends $8,000 a year to publish bids and RFPs in newspapers, despite the fact that any vendor can register on the website and receive more detailed information electronically.
- Six townships provided cost estimates for public notification requirements, of which half reported costs below $1,000 per year and half reported costs between $1,000 and $10,000. The most burdensome aspect of public notification requirements mentioned was the requirement to post hearing or meeting notifications in newspapers.
- Costs varied depending on the mandated publication, with newspaper announcements costing less than $5,000 per year for Park Districts.

8. **Proposal:** Begin adopting data standards and digital reporting mechanisms.

Submitted by: Northern Illinois University – Center for Governmental Studies.

Reasoning: Financial reporting, for example, would become much more reliable and efficient for consumers and producers of information when data is standardized and made re-usable; decision-making would be strengthened with increased capacity to run comparisons and identify best practices (i.e., assessing levels of reserves, capital investments, debt ratios, etc.); transparency and accountability as well as confidence with lenders, investors and bond rating agencies would

be greatly enhanced; FOIA requests would be made more efficient with access to centralized and downloadable data; and assessments of consolidations and unfunded mandates would be feasible to conduct on a more regular basis.

9. **Proposal:** Raise the cost threshold for projects requiring competitive bidding from $20,000 to $25,000, which would, by extension, reduce the number of competitive bidding announcements that would need to be published.

   Submitted by: Park Districts that participated in the NIU-CGS Survey.

   Reasoning: Park Districts cite competitive bidding notices among their most costly publication notices.

Shared Services, Intergovernmental Agreements, and Improved Efficiencies

10. **Proposal:** The state should identify an agency or organization that could provide training, technical assistance, management, and budgetary services to local units of government – similar to what previously existed in the Department of Local Government Affairs and, later, the Department of Commerce and Community Affairs. This entity can also assist units of government in identifying opportunities for shared services. The Office of the Comptroller is a logical place to house such an agency. It also could collaborate with institutions of higher education with specialties in public administration, local finance, or other issues for training or technical assistance on an as needed basis in various parts of the state. Likewise, providing training materials or best practices over the internet could be cost-effective.

    Submitted by: Northern Illinois University – Center for Governmental Studies.

    Reasoning: Small units of government often do not have the expertise on specific fiscal management issues. Services such as determining water rates, budget forecasting, and other techniques are often beyond the capacity of small communities with minimal staffs. Additional focus is needed in the area of shared service contracts, intergovernmental agreements and joint purchasing.

11. **Proposal**: An internet web site should be created to highlight best practices used by local governments in Illinois for sharing services and other cost-saving activities. This interactive site

should be readily available so that interested users can provide and obtain information regarding which agencies participate, the results or outcomes obtained, cost-savings, and a contact. Efforts should be made to promote these examples with possible preference given to collaborative efforts in grant applications and other venues.

Submitted by: Northern Illinois University – Center for Governmental Studies.

Reasoning: Many examples exist of cost-sharing, collaboration among governments, and more efficient delivery of public services. However, these examples are not widely-known so should be promoted by state agencies and other professional associations. Training materials could be developed to assist in publicizing the efforts. Units that collaborate and provide more efficient delivery of services should be recognized and rewarded.

- **Note**: Lt. Governor Sanguinetti has accepted this proposal and intends to work with NIU-CGS to provide this service through her website. Furthermore, Lt. Governor Sanguinetti plans to produce an annual journal on local government shared service best practices so units of government throughout Illinois can learn from each other.

Consolidation

12. **Proposal:** Modify outdated barriers to consolidation that thwart local consolidation efforts.

Submitted by: Northern Illinois University – Center for Governmental Studies.

Reasoning: Limitations on size of government, such as in the case of townships, or requirements regarding absorption of debt when governments consolidate can make consolidation of small governments less attractive or more difficult. Providing financial or regulatory incentives that encourage local actions to review and combine services could increase efficiencies and/or transparency and local conditions change. Technical assistance by state agencies could be provided to local governments interested in considering new forms of delivering services on a regional basis.

Unfunded Mandates – Pension

13. **Proposal:** Pension benefit levels should be adjusted to local financial capacity rather than setting requirements statewide by giving local governments control over the pension benefit levels set for their employees.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: Public pension costs were identified as the most costly and burdensome unfunded mandate placed on municipalities by the State of Illinois.

14. **Proposal:** Pension benefit levels should be adjusted to local financial capacity rather than setting requirements statewide by forming an independent, state-level commission that determines local benefit levels, similar to the procedures used by the Illinois Municipal Retirement Fund (IMRF).

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: Public pension costs were identified as the most costly and burdensome unfunded mandate placed on municipalities by the State of Illinois.

15. **Proposal:** Reduce pension costs by moving toward a defined-contribution pension model (e.g., 401(K)), possibly under a two-tiered model where current employees remain on their current defined-benefit plans.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: Public pension costs were identified as the most costly and burdensome unfunded mandate placed on municipalities by the State of Illinois.

16. **Proposal:** Consolidate public safety pension funds in the suburbs of Chicago and the rest of the state into a single fund such as the IMRF.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: Public pension costs were identified as the most costly and burdensome unfunded mandate placed on municipalities by the State of Illinois.

Unfunded Mandates – Collective Bargaining

17. **Proposal:** Limit the mandatory subjects of bargaining to wages and benefit time, and allow counties to exercise efficiencies such as changes of hours to meet demand.

    Submitted by: Lake County Chairman Aaron Lawlor (testimony).

    Reasoning: This would add flexibility to be able to schedule to meet work demands, e.g., the ability schedule weekend shifts for 24/7 operations.

18. **Proposal:** Eliminate mandatory bargaining and arbitration for non-economic issues such as promotions, hiring, minimum manning, and termination.

    Submitted by: Municipalities that participated in the NIU-CGS Survey and the Illinois Municipal League.

    Reasoning: From NIU-CGS Survey: The collective bargaining process is burdensome, with rules and processes unduly favoring labor over management, and interest arbitration has prevented meaningful dialogue. Of the 15 municipalities that provided cost estimates for collective bargaining and interest arbitration, 33% estimated costs between $50,001 and $100,000, and 27% estimated costs between $100,001 and $250,000.

19. **Proposal:** When determining wages and benefits in interest arbitration, require arbitrators to use the local government's actual revenues as the primary consideration.

    Submitted by: Municipalities who participated in the NIU-CGS Survey, Illinois Municipal League and Lake County Chairman Aaron Lawlor.

    Reasoning:

    - From NIU-CGS Survey: The collective bargaining process is burdensome, with rules and processes unduly favoring labor over management and interest arbitration has prevented meaningful dialogue. Of the 15 municipalities that provided cost estimates for collective bargaining and interest arbitration, 33% estimated costs between $50,001 and $100,000, and 27% estimated costs between $100,001 and $250,000.

- From Lawlor testimony: "Cutting vital services should not be viewed as a way to satisfy the ability to pay question."

Unfunded Mandates – Workers' Compensation

20. **Proposal:** Clarify the scope of covered conditions and define 'what is an injury that occurs due to the worker's employment'. (Causation) Restore original intent of the law to cover only work-related exposures and conditions.

Submitted by: Lake County Chairman Aaron Lawlor (testimony).

Reasoning: Lake County has experienced losses in excess of $500,000 related to claims made in parking lots prior to work or following work that are considered part of workers' compensation because the County directs employees where to park.

21. **Proposal:** Establish a primary causation standard. Reduce or remove coverage for cases of employee injuries that existed before the employee was hired, but were aggravated by work.

Submitted by: Lake County Chairman Aaron Lawlor (testimony).

Reasoning: This drives up costs for taxpayers when the injury did not occur at work.

22. **Proposal:** Adopt limitations on settlements as has been done in other states.

Submitted by: Lake County Chairman Aaron Lawlor (testimony).

Reasoning: Out of state best practices should be considered by the Illinois General Assembly.

23. **Proposal:** Some municipalities suggested reforming this mandate by raising eligibility requirements. For example, one respondent recommended changing the definition of a catastrophic injury so that it no longer includes people who remain able to work.

Submitted by: Municipalities that participated in the NIU-CGS Survey.

Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

24. **Proposal:** Reduce the number of weeks used to calculate permanent partial disability benefits.

Submitted by: Municipalities that participated in the NIU-CGS Survey.

Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

25. **Proposal:** Reduce the number of weeks that benefits are paid for shoulder injuries by clarifying that they are not necessarily 'man as a whole' injuries.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

26. **Proposal:** Require arbitrators and the Illinois Workers' Compensation Commission to strictly adhere to the American Medical Association guidelines when determining injury permanency ratings.

    Submitted by: Municipalities that participated in the NIU-CGS Survey; supported by Lake County Chairman Aaron Lawlor (testimony).

    Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

27. **Proposal:** Remove workers' compensation coverage for employees working secondary jobs and implementing stronger return-to-work programs.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

28. **Proposal:** Under the Public Safety Employee Benefits Act (PSEBA), limit catastrophic injury cases to those where the injured employee becomes unable to engage in gainful employment.

    Submitted by: Municipalities that participated in the NIU-CGS Survey.

    Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

29. **Proposal:** Repeal the Public Employee Disability Act (PEDA) leaving the Workers' Compensation Act as the appropriate determinant of benefits for injured employees.

Submitted by: Municipalities that participated in the NIU-CGS Survey.

Reasoning: From NIU-CGS Survey: Twelve municipalities provided cost estimates for workers' compensation, of which 42% estimated annual costs of $500,000 to $1 million.

Unfunded Mandates – Prevailing Wage

30. **Proposal:** Provide exemptions from the Prevailing Wage Act for projects below a specified cost threshold involving non-hazardous work.

Submitted by: Lake County Board Chairman Aaron Lawlor and Park Districts that participated in the NIU-CGS Survey.

Reasoning:

- Current laws require the payment of prevailing wage for all public projects involving laborers, workers or mechanics. Flexibility should be provided for low cost projects. For example, prevailing wage for painters is $34 per hour for small jobs like painting an office. Counties should be given flexibility for certain projects.
- Park Districts suggest setting the threshold at $50,000 which would reduce the administrative burden relative to overall project costs.

31. **Proposal:** Allow counties to conduct local wage surveys as a basis for prevailing wages instead of state-imposed requirements.

Submitted by: Counties that participated in the NIU-CGS Survey, Townships that participated in the NIU-CGS Survey, Lake County Chairman Lawlor, Park Districts that participated in the NIU-CGS Survey, Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and Education Association members who participated in the NIU-CGS survey.

Reasoning:

- From survey comments: Current prevailing wage rates are appropriate for the Chicago MSA, but not necessarily for nonmetropolitan downstate communities with lower living expenses.
- Four counties provided cost estimates for prevailing wage, of which two estimated costs between $10,000 and $25,000, and two between $100,000 and $250,000. The two most burdensome aspects of prevailing wage identified by counties involved conflicts with local market wages and the type of work covered.

32. **Proposal:** Shift burden of prevailing wage compliance monitoring and recordkeeping from local governments to the Department of Labor or the contractors themselves.

    Submitted by: Park Districts that participated in the NIU-CGS Survey.

    Reasoning: This would reduce local government costs for Freedom of Information Act requests concerning prevailing wage on past projects.

33. **Proposal:** Provide clearer definitions from the Department of Labor concerning the types of work and occupations subject to the Prevailing Wage Act, thus reducing staff time lost consulting with attorneys or the Department of Labor before beginning construction projects.

    Submitted by: Park Districts that participated in the NIU-CGS Survey.

    Reasoning: Would reduce local cost of compliance.

34. **Proposal:** Allow counties to hire non-union contractors for construction projects.

    Submitted by: Counties that participated in the NIU-CGS Survey.

    Reasoning: Four counties provided cost estimates for prevailing wage, of which two estimated costs between $10,000 and $25,000, and two between $100,000 and $250,000. The two most burdensome aspects of prevailing wage identified by counties involved conflicts with local market wages and the type of work covered.

Unfunded Mandates – Juror Pay

35. **Proposal:** Reform the juror pay calculation to allow for local customization.

Submitted by: Counties that participated in the NIU-CGS Survey and Lake County Chairman Aaron Lawlor (testimony).

Reasoning:

- New law increases payments to jurors to $25 for first day and $50 for each additional day. Old law was $5 for first 3 days and $10 each additional day. This has an annual impact of $400,000 additional cost to Lake County.
- According to Lake County: Data shows 80% of jurors do not lose pay as a result of service.

Unfunded Mandates – Minimum Wage

36. **Proposal:** Exempt minors (under 18 years) from the Minimum Wage Act, or lower the minimum wage for them in comparison to adults.

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: The IAPD commented that raising the current exemption for minors from $0.50 to at least $1 less per hour than the minimum wage for adults would help offset some of the financial impact.

Unfunded Mandates – Health Insurance

37. **Proposal:** Units of government should be exempt from continuing to provide health insurance for former employees removed for just cause or for illegal activity.

Submitted by: County respondent to the NIU-CGS Survey.

Reasoning:

- Survey respondents identified the continuation of benefits for former employees as one of the most troublesome aspects of the health insurance mandate.

- Two counties provided cost estimates for health insurance (not just continuation), of which one estimated costs between $25,000 and $50,000, and the other estimated costs exceeding $1 million.

38. **Proposal:** State government should take a more active role in providing local government relief from federal regulations. Particularly, the minimum weekly hours worked for employees to receive mandatory health insurance should be raised from 30 hours to 40 hours which would yield substantial cost-savings for park districts. (Affordable Care Act.)

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: Park districts identified the Affordable Care Act mandating health insurance coverage for full-time employees as a costly unfunded mandate. Costs of health insurance mandates varied widely by park district, based on the number of full-time employees, ranging from $50,000 to $1.5 million for larger districts.

39. **Proposal:** Expand the mandate exemption to include employers with less than 100 employees, rather than 50. (Affordable Care Act.)

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: Park districts identified the Affordable Care Act mandating health insurance coverage for full-time employees as a costly unfunded mandate. Costs of health insurance mandates varied widely by park district, based on the number of full-time employees, ranging from $50,000 to $1.5 million for larger districts.

40. **Proposal:** State should host low-cost seminars and provide technical assistance for compliance with the Affordable Care Act.

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: Some park districts in the survey have spent thousands of dollars simply trying to understand the law and how to comply with it. Park districts identified the Affordable Care Act

mandating health insurance coverage for full-time employees as a costly unfunded mandate. Costs of health insurance mandates varied widely by park district, based on the number of full-time employees, ranging from $50,000 to $1.5 million for larger districts.

Unfunded Mandates – New Employee Background Checks

41. **Proposal:** Waive the fee for job applicants under the age of 18, given that many park district employees are youths.

Submitted by: Park Districts that participated in the NIU-CGS survey and Illinois Association of Park Districts.

Reasoning: Background checks cost up to $10,000 per park district.

42. **Proposal:** Waive fees for the initial screening and name check, while maintaining fees for the more expensive fingerprint check that not all job applicants go through.

Submitted by: Park Districts that participated in the NIU-CGS survey and Illinois Association of Park Districts.

Reasoning: Background checks cost up to $10,000 per park district.

43. **Proposal:** The state should review fee structures to ensure that charges remain consistent with the actual cost of performing background checks.

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: Background checks cost up to $10,000 per park district.

Unfunded Mandates – Elections

44. **Proposal:** Allow counties flexibility when determining the number of ballots they are required to print.

Submitted by: Lake County Chairman Aaron Lawlor (testimony) and counties that participated in the NIU-CGS Survey.

Reasoning: Lake County is required to print 110% of ballots for every precinct, when past voter turnout is in the low 70% in a presidential year and low 50% in a gubernatorial year.

Unfunded Mandates – Freedom of Information Act (FOIA)

45. **Proposal:** Place restrictions on the types of information requested by businesses under the Freedom of Information Act (FOIA). Restricting those that have no connection to government transparency.

    Submitted by: Townships that participated in the NIU-CGS Survey.

    Reasoning: FOIA compliance costs are significant for small units of government. Often the requests have no connection to government transparency.

46. **Proposal:** Revise the fee structure for non-resident requests to reflect increased administrative costs and reimburse staff time spent and/or limit the time frame for which information can be requested from non-residents (e.g., information no older than ten years), thus reducing the volume of data to retrieve.

    Submitted by: Illinois Association of Park Districts.

    Reasoning: Freedom of Information Act requests cost as much as $9,999 for mid-size Park Districts and often these costs are for non-resident requests.

47. **Proposal:** Reform the Freedom of Information Act (FOIA) in order to focus on the original intent of the authorizing legislation – transparency.

    Submitted by: Municipalities, counties, townships and community colleges that participated in the NIU-CGS Survey.

    Reasoning: Numerous units of government referenced FOIA abuse as driving up the cost of compliance with the unfunded mandate. FOIA abuse exists when the sole purpose of a request is for political, personal or financial gain. Reform was requested.

Unfunded Mandates - Procurement/Competitive Bidding

48. **Proposal:** Provide inflation adjustments for the minimum value of projects requiring competitive bidding. The cost threshold was last determined in 2004. Suggested increases:

- Commodities – raise to $50,000 (currently $30,000).
- Professional Services – raise to $100,000 (currently $50,000).
- IT Services – raise to $100,000 (currently $35,000).

Submitted by: Lake County Chairman Aaron Lawlor.

Reasoning: Each RFP/bid requires extensive time on the party of the unit of government and the vendor, and can add months to the purchasing process.

49. **Proposal:** Raise the cost limit for projects requiring a competitive bid from $20,000 to $25,000.

Submitted by: Park Districts that participated in the NIU-CGS Survey and Illinois Association of Park Districts.

Reasoning: The cost limit was last set in 2004, and raising the limit from $20,000 to $25,000 is consistent with inflation since 2004. Providing exemptions for projects that cost more than $20,000, but less than $25,000, would reduce administrative costs for park districts on smaller projects.

Unfunded Mandates – School Instructional Mandates

50. **Proposal:** Allow local boards of education to make decisions in regard to statewide curricular mandates.

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning: Provide local control over instruction. Fifteen school districts provided cost estimates for compliance with instructional mandates, with costs evenly distributed among ranges from less than $50,000 per year to as high as $1 million per year.

51. **Proposal:** Repeal all state-level special education requirements that go beyond federal government requirements (as was done in Indiana).

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning:

- Twenty-four survey respondents provided cost estimates for special education, of which 25% of school districts estimated costs between $2 million and $5 million, and 17% estimated costs exceeding $5 million.
- The most burdensome aspects of special education mandates identified in the survey were underfunding from state government and class sizes, especially the required ratio of students with special needs to those without.

52. **Proposal:** Provide an exemption from the Property Tax Extension Limitation Law (PTELL) for special education costs.

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning: Tax caps have limited the ability of school districts to meet growing costs in this area.

53. **Proposal:** Eliminate the 70/30 rule regarding the ratio in regular classroom of student without special needs to those with special needs.

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning: Cited as being a burdensome mandate in the NIU-CGS Survey.

54. **Proposal:** Repeal mandates regarding the use of the Kindergarten Individual Development Survey (KIDS).

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning:

- From survey comments: Should be repealed on the grounds that kindergarten is not compulsory, the assessment is redundant in districts that already use research-based measures of kindergarten student development, and the KIDS assessment involves a strict and burdensome timeline for training instructors and administrators.
- Fifteen school districts provided cost estimates for compliance with instructional mandates, with costs evenly distributed among ranges from less than $50,000 per year, to as high as $1 million per year.

55. **Proposal:** Provide school districts physical education (PE) mandate flexibility by allowing them to offer fewer PE course offering each week as well as provide exemptions for students that get regular exercise from extracurricular activities.

Submitted by: Illinois Association of School Board Officials (IASBO), Illinois Association of School Administrators (IASA), Illinois Association of Regional Superintendents of Schools (IARSS) and their members who participated in the NIU-CGS Survey.

Reasoning: Fifteen school districts provided cost estimates for compliance with instructional mandates, with costs evenly distributed among ranges from less than $50,000 per year, to as high as $1 million per year.

Unfunded Mandates – Fire Mandates

56. **Proposal:** Reduce the number of training hours required for EMT's, firefighters and paramedics, and revise training requirements for fire protection districts. Recommend working with legislators from the fire caucus. (No specific solution recommended.)

Submitted by: Fire Protection Districts that participated in the NIU-CGS Survey.

Reasoning: Ten fire protection districts provided cost estimates for training mandates, of which half estimated costs between $1,000 and $10,000 per year. The most burdensome aspect was training for firefighters and emergency medical services providers. Although training for these types of employees and volunteers is needed to ensure the quality of public safety, several survey respondents offered recommendations for ways to offer the training at lower cost.

57. **Proposal:** Revise personnel mandates for fire protection districts. The most bothersome aspects of personnel mandates were issues with retention and recruitment.

Submitted by: Fire Protection Districts that participated in the NIU-CGS Survey.

Reasoning:

- Eight fire protection districts provided cost estimates for personnel mandates, and responses were evenly distributed among cost ranges as low as $1,000 to costs as high as $500,000.
- In some instances, costs are imposed by the private market rather than the state, including cases where fire protection districts reported having to create full-time positions because qualified workers could not be found on a volunteer or part-time basis. Regardless, some fire protection districts consider these personnel costs as beyond local control.

58. **Proposal**: State or federal government should support fire protection districts as they recruit volunteers or part time employees in order to meet growing personnel costs – possibly as an allocation of property tax.

Submitted by: One respondent in the NIU-CGS survey comments.

Reasoning: In some instances, costs are imposed by the private market rather than the state, including cases where fire protection districts reported having to create full-time positions because qualified workers could not be found on a volunteer or part-time basis. Regardless, some fire protection districts consider these personnel costs as beyond local control.

Unfunded Mandates – Americans with Disabilities Act (ADA)

59. **Proposal:** State and federal government should provide funding assistance for construction/ renovation projects relating to Americans with Disabilities Act (ADA) compliance.

Submitted by: Illinois Association of Park Districts.

Reasoning: The ADA costs more than $50,000 for the average park district with a population greater than 10,000.

60. **Proposal:** Collaboration with other local governments to reduce costs. Several special recreation associations have been formed via intergovernmental agreements as a means of meeting Americans with Disabilities Act (ADA) requirements to provide recreational opportunities for people with special needs.

Submitted by: Illinois Association of Park Districts.

Reasoning: The ADA costs more than $50,000 for the average park district with a population greater than 10,000.

61. **Proposal:** Improve coordination between state and federal government agencies when developing future health and safety regulations in order to prevent unnecessary costs. The Swimming Facilities Act caused a considerable loss of staff time in park districts and added expenses due to changes in the federal Virginia Graeme Baker Act, which also provides guidelines for swimming facilities.

- Revise the Act's requirements for splash pads (water play areas with no standing water, but with fountains or nozzles spraying water from the ground), which are currently treated the same as swimming pools.
- Bundle fees for facilities, so that multiple pools in the same facility are not charged separately.

Submitted by: Illinois Association of Park Districts.

Reasoning: Confusion or disparity between federal and state governance was cited as a reason for this recommendation.

Unfunded Mandates - Automated External Defibrillator Mandates

62. **Proposal:** Continue to provide state matching grant funding to partially reimburse training and supply costs associated with the Automated External Defibrillator Mandate

Submitted by: Illinois Association of Park Districts.

Reasoning: The mandate is costly.

NOTE: Numerous additional proposals and suggestions were submitted through a web portal provided by the Office of the Lieutenant Governor. These proposals can be found in Appendix D.

CONCLUSION AND NEXT STEPS

The diverse needs, local resources, and powers available in Illinois offer excellent opportunities for providing high quality local public services at acceptable tax rates. The current governmental structure was determined in the Constitutional Conventions of 1818, 1870, and 1970 and in subsequent statutes. However, population changes, combined with relative ease in creating units of government, have generated a patchwork quilt of governmental bodies that overlook opportunities to provide higher quality services at a lower cost.

The recent improvements in telecommunication access, the Great Recession, pension liabilities, population changes, and the stagnant recovery have mounted significant pressures on local public officials to find new ways to collaborate or reassign (or rearrange) responsibility for service delivery. Ultimately, any decisions regarding realignment of responsibility for services must meet local needs rather than a "one size fits all" approach that might be more appropriate in states with more similarity in needs and resources.

In many ways, Illinois includes three sub-state areas. The Chicago Metropolitan Area, especially the collar counties, grew in population to include many formerly unincorporated areas served by separate units of government better suited for lower population densities. Annexations and other boundary changes have reduced, or eliminated, the need for governments in the past.

Downstate contains metro counties with large cities and the capacity to work with surrounding unincorporated areas through intergovernmental agreements, contracts, or other collaborative agreements. Technological advances and better transportation systems have removed the relative isolation of smaller governments in the hinterland so that some services can now be offered more efficiently through collaborative relationships.

In remote, rural downstate counties, population declines have undermined and threatened the ability especially of small communities to provide even basic services necessary to attract and retain residents. Demographic changes in these communities with an aging elderly population will produce additional strain. Collaboration with larger governments or those in neighboring regions can make part-time services in small communities more viable.

The motivations for rearranging responsibilities for service delivery, then, differ by region within Illinois and reinforce the Task Force approach that these decisions must be local. The roles of the General Assembly and state agencies are to reduce barriers and obstacles to mergers, collaborations, and even consolidation, if warranted, in some areas. Definitely, the approaches will differ by region in Illinois because both the need and ability to deliver services vary.

Collaboration is well underway across the state and should be promoted. Examples of equipment sharing in the Chicago suburbs are illustrated earlier in this report. Numerous other examples exist in downstate whether by joint purchasing, sharing of personnel and equipment, or collaborating in other ways. The outcomes have been lower costs, faster response times, and an overall better quality of services. These arrangements and documentation should be promoted so that other areas can take advantage of what has been learned. The information should be documented by function, size of government, and region.

Important in promoting collaboration is understanding overlaps in responsibility or capacity for providing services. When multiple types of government have authority or responsibility to provide the same, or closely related, services in the same region, they should be encouraged to actively examine possibilities for cooperation that either reduces or increases the quality and speed of service delivery.

While each unit of government was formed with a specific purpose in mind, even a brief review of special districts reveals potential overlaps. It is important for local officials to collectively review possibilities for collaboration, and for the General Assembly to provide incentives, or remove obstacles to these local efforts. This is not to single out specific districts for elimination or consolidation; rather, it is to suggest that a serious review of opportunities for collaboration may be needed.

Legislative Recommendations: Enclosed in this report are 27 recommendations that have been endorsed by the Task Force, along with additional proposals that have been submitted but not formally considered. Lt. Governor Sanguinetti and members of the Task Force look forward to working with the Governor and General Assembly on these consolidation and unfunded mandate-related items.

State Agencies: More can be done to incentivize local government efficiency through our state agencies. Incentivizing shared services and intergovernmental cooperation when disbursing grants and discretionary fund could induce many of the changes supported by this Task Force.

Illinois Journal of Shared Services: Units of government throughout Illinois have effectively crafted intergovernmental agreements and shared service partnerships to deliver more efficient services to Illinois residents. Many of these shared services could be replicated throughout Illinois. Therefore, the Office of the Lt. Governor plans to produce an annual Illinois Journal of Shared Services. Doing so would provide all units of government an opportunity to submit best practices, and learn innovative strategies to do more with less.

Regional Working Groups to Promote Local Consolidation: Two task forces responsible for examining opportunities for consolidation noted that a one-size-fits-all approach to consolidation will not work in Illinois. There are, however, significant opportunities for local consolidation of governments, functions, and services. To continue the mission of the Task Force, Lt. Governor Sanguinetti plans to form regional working groups to identify opportunities to locally streamline governmental structure and services. As statutory and administrative barriers are identified, the Governor's Office and General Assembly will be asked to remove them.

Examples of local consolidation could include, but are not limited to, the following:

Library services: Several types of government have authority to provide library services including municipalities, counties, townships, and library districts. It makes sense for local officials in a region to determine whether alternative, collaborative and funding arrangements could be found to provide these services at lower overall cost to taxpayers and/or increase the service delivery. The ultimate aim is to provide access to library services throughout the state. Any freed-up resources could then be used for other purposes.

Water services: Currently, some areas have one or more multiple agencies that deliver water related services including water service districts, public water districts, water commission, water authority, water reclamation district, surface water district, joint action water agency, and so on. This is not to say that any one location has all of these agencies but it might serve a useful purpose to ask whether a county, township, and/or a municipality might be able to provide some of the services or to determine whether there would be long term cost-savings or service improvements by combining efforts.

Soil and water conservation: Several types of government have a responsibility to manage soil and water conservation types of activities, including: Conservation Districts, Soil and Water Conservation District,

and Drainage Districts. Can better collaboration lead to improved function? This is only to suggest that in some locations there may be opportunities to pool resources and deliver better quality services with fewer personnel and/or lower costs.

Information technology collaboration: Nearly every unit of government in Illinois has information technology needs. While units of government differ in core function, their IT needs may be similar. Therefore, opportunities to consolidate some of these functions may not only save funds, but could translate into improved IT services through economies of scale. These and other like functions could be explored by local officials to determine the most suitable arrangement for the region.

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APPENDIX A – EXECUTIVE ORDER 15-15

EXECUTIVE ORDER 15-15

EXECUTIVE ORDER INITIATING CONSOLIDATION OF LOCAL GOVERNMENTS AND SCHOOL DISTRICTS, AND ELIMINATING UNFUNDED MANDATES

WHEREAS, local governments and school districts deliver critical public services that attract and retain residents and businesses; and

WHEREAS, the State of Illinois has 6,963 units of local government according to the 2012 Census of Governments, the highest number in the United States by more than 1,800 units; and

WHEREAS, the State of Illinois has 102 county governments, the sixth highest number in the United States; and

WHEREAS, the State of Illinois has 905 school and community college districts, the third highest number in the United States; and

WHEREAS, the State of Illinois has 1,431 township governments, the third highest number in the United States; and

WHEREAS, the State of Illinois has 3,227 special district governments, the highest number in the United States; and

WHEREAS, the State of Illinois has 1,298 municipal governments, the highest number in the United States; and

WHEREAS, efficient provision of government and education services is essential to the prevention of waste; and

WHEREAS, unfunded mandates create burdens upon local governments and school districts, reducing efficiency; and

WHEREAS, Illinois school districts have been saddled with at least 140 unfunded mandates since 2000; and

WHEREAS, local governments and school districts throughout Illinois have successfully consolidated functions to reduce overall costs, increase efficiency and improve delivery of services; and

WHEREAS, state policy should encourage cooperation amongst local governments and school districts to consolidate and streamline functions, and eliminate unfunded mandates;

THEREFORE, I, Bruce Rauner, Governor of the State of Illinois, pursuant to the supreme executive authority vested in me by Article V, Section 8 of the Illinois State Constitution of 1970, hereby order as follows:

I. CREATION

There is hereby created the Local Government Consolidation and Unfunded Mandates Task Force (the "Task Force") having the duties and powers set forth herein. The Task Force shall consist of members appointed by the Governor, and be residents of the State of Illinois representing public and private organizations with an interest in strengthening the efficiency and accountability of government and education services throughout the State.

Membership of the Task Force shall include, but not be limited to, representatives of units of local government, school districts, and the General Assembly.

The Lieutenant-Governor, or her designee, shall serve as the chair of the Task Force. The Task Force members shall serve on the Task Force without compensation for a term of 12 months. The Governor may fill any vacancies when they occur.

II. PURPOSE

The purpose of the Task Force shall be to study issues of local government and school district consolidation and redundancy, and to make recommendations that will ensure accountable and efficient government and education in the State of Illinois. The Task Force shall:

a. Conduct a comprehensive review of State laws relating to local government and school district consolidation;

b. Conduct a comprehensive review of State laws relating to unfunded mandates on local government bodies and school districts;

c. Identify opportunities to consolidate, streamline, or eliminate duplicative governmental bodies, school districts, and taxing authorities;

d. Identify opportunities to replace, revise, or repeal unfunded mandates placed on local government and school districts;

e. Discuss solutions and impediments to consolidation of local governments and school districts;

f. Analyze the success of programs and legislation with similar goals implemented in Illinois and other states; and

g. Prepare a final report to the Governor and the General Assembly making specific recommendations to consolidate local governments and school districts with the goal of improving the delivery of government and education services at a lower cost to State taxpayers.

III. FUNCTION

a. The Illinois Department of Central Management Services shall provide administrative support to the Task Force as needed, including providing an ethics officer, an Open Meetings Act officer, and a Freedom of Information Act officer.

b. The Task Force shall hold at least four meetings throughout the State, but otherwise shall meet at the call of the chair.

c. The Task Force shall submit its final report to the Governor and the General Assembly by December 31, 2015.

d. Upon submission of its final report the Task Force shall be dissolved.

IV. TRANSPARENCY

In addition to whatever policies or procedures it may adopt, all operations of the Task Force will be subject to the provisions of the Illinois Freedom of Information Act (5 ILCS 140/1 et seq.) and the Illinois Open Meetings Act (5 ILCS 120/1 et seq.).

V. SEVERABILITY

If any provision of this Executive Order is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

VI. EFFECTIVE DATE

This Executive Order shall take effect immediately upon filing with the Secretary of State.

_____

Bruce Rauner, Governor

Issued by Governor: February 13, 2015
Filed with Secretary of State: February 17, 2015

APPENDIX B – LEGAL REVIEW OF CONSOLIDATION AND UNFUNDED MANDATES

Units of Government- Authorizing Statutes

Municipalities

Powers (Ill. Const. 1979 Art. VII Sec. 6a);(65 ILCS 5)

- The corporate authorities of each municipality may provide for the taking of a municipal census, not more than once each year provided such census is conducted by the Federal Government.
- *Home Rule Units*: Municipalities with a population of at least 25,000 automatically have home rule powers. These powers give local governments the ability to act autonomously.
- Smaller municipalities can achieve home rule status by the majority vote of their citizens at a local referendum.
    - In the referendum there must be the following: the officials can point to some specific reason why the increased powers would be beneficial to the community; the public trusts its government; and residents have been educated and informed about the reasons why their leaders seek home rule powers.
- Home rule units may exercise their powers in relation to public health, safety, morals and welfare for their community.
    - For example home rule units may adopt regulations relating to contracts between landlord and tenant law.
- Home rule units in municipalities may regulate zoning and subdivisions.
    - Home rule units may zone landfill sites as well as they use standards similar to state environmental law.
    - They may plan and make procedural changes to subdivision zoning and planning, as long as these changes meet the equal protection laws set forth in the constitution.
- Home rule units may regulate personnel; enforce zoning, buildings and related codes on other governmental bodies.
- Home rule units may regulate taxation, elections, finances, debt and internal organization by adopting, altering or repealing forms of government provided by law.
    - Home rule municipalities have a broad and general power to tax. Except where restricted by statute, a home rule municipality may impose any kind of tax it wishes- property tax, certain sales tax, motel/hotel tax, motor vehicle tax, tobacco products tax, wheel tax, gasoline tax and amusement tax.
- *Powers of Non-Home Rule Units*: Non-home rule units will continue to be governed by authority that they are given in the state statutes. Some of those powers include:
    - The power to make local improvements by special assessment, which may be exercised jointly with other local governments authorized by statute.

- The power to adopt, alter or repeal their forms of government from among those forms provided by statute, if their citizens approve the change by referendum.
- The power to conduct a referendum regarding officers who are central to its form of government. To set the salary of its officers and to determine the manner of their selection and terms.
- The power to incur debt in any amount and in any manner allowed by the legislature. Municipalities are also able to extend debt payments for debt from property taxes over a 40-year period.

Counties

Powers of Non-Home Rule Units 55 ILCS 5

- Counties (other than home rule units), can exercise only those powers expressly granted to them by the legislature.
- Or those which arise therefrom by necessary implication and counties are under no duty to perform acts not specifically authorized by statute or necessarily arising by implication from a statute.
- Counties have the power to furnish special services and improvements to limited areas within their geographic boundaries and to impose taxes only on those areas that benefit from the service furnished or improvement received.

Powers of Home Rule Units (IL Const. Art. VII. § 6 Illinois Constitution)

- A county with a chief executive officer elected by the electors of the county and any municipality which has a population of more than 25,000 are home rule units.
- Other municipalities may elect by referendum to become home rule units
- Except as limited by this Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; to license; to tax; and to incur debt.

Townships

Powers (60 ILCS 1/85-10 to 60 ILCS 1/85-20)

- By statute, Illinois townships are charged with three mandated functions: 1) general assistance for the indigent; 2) the assessment of real property for the basis of local taxation; and 3) maintenance of all roads and bridges outside federal, state, and other local jurisdiction
- A township may sue and be sued.
- A township may acquire (by purchase, gift, or legacy) and hold property, both real and personal, for the use of its inhabitants and may sell and convey that property.

- A township may finance the purchase of any real estate or personal property for public purpose under finance contracts providing for payment in installments over a period of time of not more than 20 years in the case of real estate and not more than 10 years in the case of personal property.
- A township may make all contracts necessary in the exercise of the township's powers.
- A township may establish reasonable fees for recreation and instructional programs sponsored by the township.
- The township board may either expend funds directly or may enter into any cooperative agreement or contract with any other governmental entity, not-for-profit Corporation, non-profit community service association, or any for-profit business entity as provided in subsection.
- A special district may be merged into a township as provided in Section 3.6 of the Intergovernmental Cooperation Act.
- Public safety (including law enforcement, fire protection, and building code enforcement).
- A township may enact upon referendum environmental protection (including sewage disposal, sanitation, and pollution abatement).
- Public transportation (including transit systems, paratransit systems, and streets and roads).
- A township may provide library services.
- A township may provide social services for the poor and aged.
- A township is permitted to have development and retention of business, industrial, manufacturing, and tourist facilities within the township.

Fire Protection Districts

Powers (70 ILCS 705/6, 705/9 to 705/11e, 705/16 to 16.18)

- These districts may take the necessary steps to provide fire protection and rescue services.
- Districts may provide ambulance and emergency services.
- The trustees shall constitute a board of trustees for the district for which they are appointed, which board of trustees is declared to be the corporate authority of the fire protection district, and shall exercise all of the powers and control all the affairs and property of such district.
- The Board of Trustees may levy and collect other taxes for all corporate purposes.
- The Board of Trustees of any fire protection district incorporated under this Act has the power to acquire private property by gift, grant, lease, purchase, condemnation or otherwise, within the boundaries of said district, or within one mile beyond the boundaries of said district, for the purposes herein specified and to adopt and enforce ordinances for the necessary protection of sources of the water supply and also has power to build houses for care of fire protection apparatus.
- The board of trustees of any fire protection district is authorized to plan, adopt, implement and maintain an addressing system within the district for the purpose of enabling the district to provide fast delivery of firefighting and emergency medical care services. Such addressing system may include, but shall not be limited to, mapping to identify property locations, numbering

property locations, designation of directional systems for reaching specific locations quickly and installation of property markers at specific locations on property within the district

Park Districts

Powers (70 ILCS 1205/8-1)

- To adopt a corporate seal.
- To sue and be sued.
- To contract in furtherance of any of its corporate purposes.
- To acquire by gift, legacy, grant or purchase, or by condemnation in the manner provided for the exercise of the power of eminent domain under the Eminent Domain Act, any and all real estate, or rights therein necessary for building, laying out, extending, adorning and maintaining any such parks, boulevards and driveways.
- To prescribe such fines and penalties for the violation of ordinances as it shall deem proper not exceeding $1,000 for any one offense, which fines and penalties may be recovered by an action in the name of such district in the circuit court for the county in which such violation occurred.
- To manage and control all officers and property of such districts and to provide for joint ownership with one or more cities, villages or incorporated towns of real and personal property used for park purposes by one or more park districts.
- To secure grants and loans, or either, from the United States Government, or any agency or agencies thereof, for financing the acquisition or purchase of any and all real estate, or rights therein, or for affecting any of the powers or purposes granted under this Code as its Board may deem proper.
- To establish fees for the use of facilities and recreational programs of the districts and to derive revenue from non-resident fees from their operations.
- Fees charged non-residents of such district need not be the same as fees charged to residents of the district.
- To make contracts for a term exceeding one year, but not to exceed 3 years, notwithstanding any provision of this Code to the contrary, relating to: (1) the employment of a park director, superintendent, administrator, engineer, health officer, land planner, finance director, attorney, police chief, or other officer who requires technical training or knowledge.
- To make contracts of employment for the employment of outside professional consultants such as engineers, doctors, land planners, auditors, attorneys, or other professional consultants who require technical training or knowledge.
- To enable park commissioners or park authorities to take, regulate, control, improve, repair and maintain public streets and to provide a method of securing funds for the improvement, repair, maintenance, regulation and control.
- All park districts shall acquire or provide sites for armories for the National Guard and to acquire or establish and to maintain landing fields for aircraft.
- Any park district, when requested by its treasurer, may transfer the interest earned on any of the moneys of the district into the fund of the district that is most in need of the interest.

Soil and Water Conservation Districts

Powers (70 ILCS 405/22 to 405/22.12)

The district may initiate and conduct surveys, investigations and research and develop comprehensive plans for the conservation of soil and water resources and for the control and prevention of soil erosion, floodwater and sediment damages in the district. It may carry out preventative and control measures including engineering operations, methods of cultivation, and the growing of vegetation. The district may cooperate with any owner or occupier of lands within the district in carrying out erosion-control and flood prevention operations. It may require any property necessary for the purpose of the district and maintain, administer, and improve it. The district has the power of eminent domain. It may construct, improve, operate, and maintain any structures necessary for the performance of any of the operations.

Community College Districts

Powers (110 ILCS 805/3-31/1 to 110 ILCS 805/3-33.1)

- To provide, for students and employees, support services related to the adequate operation of the college.
- To distribute to every manufacturer doing business within the community, by June 15th of each year, a technical and vocational skills directory of graduating vocational and technical school students.
- To establish tenure policies for the employment of teachers and administrative personnel, and the cause for removal.
- To borrow money and issue or cause to be issued bonds for the purposes and in the manner provided in this Act.
- The board may, by resolution, establish a fund to be known as a "working cash fund" which shall be maintained and administered for the purpose of enabling the board to have in its treasury at all times sufficient money to meet demands thereon for ordinary and necessary expenditures for all community college purposes.

Hospital Districts

Powers (70 ILCS 910/15)

- Hospital districts may establish, construct, acquire, expand, improve and maintain hospital or hospital facilities inside or outside corporate limits.
- Districts have the power of eminent domain, to take private property for public or governmental use.
- Districts may establish and administer a program for post-secondary education students pursuing degrees in accredited public health – related educational programs at public institutions, provided they agree to accept employment in the district after graduation.

- Districts may fix, charge and collect reasonable fees and compensation for the use or occupancy of such hospital or any part thereof, or any hospital facility, and for nursing care, medicine, attendance, or other services furnished by such hospital or hospital facilities, according to the rules and regulations prescribed by the board from time to time.
- To borrow money and to issue general obligation bonds, revenue bonds, notes, certificates, or other evidences of indebtedness for the purpose of accomplishing any of its corporate purposes, subject to compliance with any conditions or limitations set forth in this Act or the Health Facilities Planning Act or otherwise provided by the constitution of the State of Illinois and to execute, deliver, and perform mortgages and security agreements to secure such borrowing.

Consolidation/Dissolution

Municipalities

Consolidation (65 ILCS5/7-2-1 to 5/7-2-28.5/7-1-16, and 5/7-1-17)

- "Consolidation" means the process by which 2 or more municipalities are simultaneously dissolved and a new municipality is incorporated.
- "Consolidated municipality" means the municipality which is created by consolidation.

  Any 2 or more municipalities, located in one or more counties each with less than 200,000 inhabitants according to the most recent federal census, which are contiguous or which upon consolidation shall be contiguous, may consolidate by compliance with this Division.
- "Consolidation ordinance" means an ordinance to be approved by referendum as provided in this Division which shall define the form of government of the consolidated municipality and provide for the orderly succession of powers, functions, assets, liabilities and personnel of the consolidating municipalities to the consolidated municipality.
- The consolidation ordinance shall provide for the following: (1) the minimum number of municipalities or the specific municipalities in which the approval of the voters shall be necessary to effect the consolidation; (2) procedures for the selection of the permanent name of the consolidated municipality; (3) the compensation of the corporate authorities of the consolidated municipality; (4) the date the consolidation shall be effective; (5) procedures for the orderly succession of powers, functions, assets, liabilities and personnel and the merger of the administrative offices of the consolidating municipalities; (6) the dates for election of the initial corporate authorities and other elected officers of the consolidated municipality; (7) the identity of the members of the transition committee; and (8) a form of government for the consolidated municipality, including: (i) the powers and functions of the various officers; (ii) their terms of office, whether those terms shall be staggered and if so, the procedure for staggering the terms of the initial officers; (iii) the manner of selection of the officers; and (iv) if the form of government is other than a form established by this Code, whether the positions of treasurer and clerk are

elective or appointive. The consolidation ordinance may contain such other matters as are necessary or appropriate for the purposes of implementing the consolidation.

Dissolution (65 ILCS 5/7-6-1 to 5/7-6-8)

- ***Pre-requisite Action***: Dissolution has not been proposed in the last 22 months.
- ***Procedure:*** Voters equal to a majority of all votes cast at the last municipal election.
- ***Action Needed:*** Petition filed with the municipal clerk.
- ***Referendum:*** Yes; majority needed to pass.

Counties

Consolidation (55 ILCS 5/1-4001)

- ***Type of Action***: One county to an adjoining county.
- ***Pre-requisite for Action***: Consolidation has not been proposed in the last 5 years.
- ***Procedure***: At least 200 voters, at least half of whom own or have life tenancies in real estate in county to be annexed.
- ***Action Required***: Petition the county board of each county. The boards must then order the question put to voters at a general election.
- ***Referendum Required***: Yes

Consolidation (55 ILCS 5/1-2001 to 2006)

- ***Type of Action:*** Transfer an area to an adjoining township.
- ***Pre-requisite Action:*** Area to be transferred is at least half a congressional township.
- ***Procedure:*** Majority of the legal voters in the area.
- ***Action Required:*** Petition the county boards of both counties. If petitioned, the boards must order the question put to voters at a referendum.

• An area being absorbed into a county is at least half a congressional township. (55 ILCS 5/1-2001 to 5/1-2006)
•An area being absorbed into a county is less than half a congressional township. (55 ILCS 5/1-2007)

Township

Consolidation of a Township in a Municipality (60 ILCS 1/20-5 to 1/20-15; 60 ILCS 1/5-75)

- ***Type of Action:*** Merger; All townships in a large city merge into one or a couple.
- ***Pre-requisite for Action:*** The city (in a county with township organization) contains all or parts of at least five congressional townships.
- ***Procedure:*** 10% of "legal voters" of the city (based on vote at the last Presidential election).
- ***Action Required:*** Petition the county board. If the required number of voters so petition, it must call a referendum.
- ***Referendum Required:*** Yes, a majority of the votes (in the city) is required to create a single township in it.

- When, in any county under township organization, there is any territory co-extensive with the limits of a city or village situated in the county and not included within any organized township, that territory shall constitute a township by the name of the city or village.
- There is a 126 square mile restriction on consolidating townships (60 ILCS 1/10-25).

Dissolution of a Township in a City (60 ILCS 1/27-5 to 1/27-25)

- ***Type of Action:*** Abolition; dissolution of a township in a described city.
- ***Pre-requisite Action:*** Township is in Cook County; covers at least 7 square miles; and is substantially coterminous with a municipality whose officers already exercise some or all township powers.
- ***Procedure:*** 10% of township's registered voters.
- ***Action Required:*** If 10% of registered voters petition the city council, it must put the question on the ballot. Or it may do so by its own decision.
- ***Referendum Required:*** Yes. A "majority of the votes cast on the question is required to abolish township.

Dissolution of all Townships in a City (60 ILCS 1/25-5 to 1/25-25)

- ***Pre-requisite Action:*** Proposition has not been put to a referendum in last 4 years.
- ***Procedure:*** 10% of the registered voters of each township in the county.
- ***Action Required:*** Petition the county board. If the required number of voters so petition, it must call a referendum.
- ***Referendum Required:*** Yes. A majority of the votes on the question in each of 3/4 of the townships, containing a majority of county's population, is required to abolish township government.

Dissolution of One Township Ill. Const.Art.7, sec.5

- Constitution says: "Townships may be consolidated or merged, and one or more townships may be dissolved or divided, when approved by referendum in each township affected." But no law has procedures for abolishing a single township, or replacing its services and tax levy.

Fire Protection Districts

- ***Type of Action:*** Dissolution 70 ILCS 705/1 and 705/15a
- ***Procedure:*** At least 50 district voters or a majority if it is under 100.
- ***Action Needed***: Petition the circuit court of the county having the largest part of the district.
- ***Referendum:*** Yes, needs to be passed.

Dissolution and Municipality takes over its function

Pre-requisite Action: A majority of the district's territory is within a municipality, which assumes the district's debt and obligations to protect its entire territory.

Action Needed: Petition the circuit court of the county where the district is organized.

Referendum: if 1% of the district's voters petition to block dissolution, the court will order a referendum on dissolution.

Consolidation- Two or more districts combine 70 ILCS 705/14.01 to 705/14.13

Pre-requisite Action: Each district to be combined is contiguous to another- or to a municipality if they are served by the same fire department.

Procedure: at least 50 voters in each district combined vote.

Action: Petition the circuit court of the county containing the greatest part of the proposed district.

Referendum: Yes, a majority of votes is needed to combine districts.

Park Districts

Consolidation (70 ILCS 1205/3-1)

- Any territory adjoining a park district, or separated therefrom only by a river, stream or other body of water, street, alley, roadway, highway, toll road, or railroad, may become a part of the district if a majority of the legal voters residing in and a majority of the property owners of record within the territory proposed to be annexed to the district petition the board of the district to be annexed.
- Whenever the annexation of other districts or additional territory to any park district requires a referendum under the provisions of this Article.
- In case of annexation of an entire park district by another park district under Section 3-4 hereof, any indebtedness, contract or liability of the park district so annexed shall be assumed and paid by the district so annexing.

Dissolution (70 ILCS 1205/ 13-9a to 1205/13-9d)

- ***Pre-requisite Action:*** District board has failed to discharge its functions for the last 5 years.
- Need 1% of district voters.
- Petition the court showing the board has failed to do several things.
- Court determines if the district will be dissolved.

Dissolution (70 ILCS 1205/13-1 to 1205/13-8)

- No pre-requisite action needed.
- Need 20% of the districts legal voters.
- Board must certify request by referendum.
- A 2/3 majority is needed to pass the referendum.

School Districts

Annexation and Dissolution (105 ILCS 5/7-1 and 5/7-2a to 5/7-30)

- ***Action:*** detachment; or division (Cannot be used to create a new school district except on a military base.)

- ***Pre-requisite action:*** All areas involved are in a single educational service region; no area will lack a high school after the action; and each resulting district will have at least 2,000 residents and $6 million of equalized value, and be contiguous and compact (subject to exceptions stated in 105 ILCS 5/7-4).
- ***Procedure:*** In most cases, a majority of registered voters in each district affected (2/3 of registered voters in any area).
- ***Required:*** Petition the regional board of school trustees. The trustees must hold a hearing. Petitioning voters (if more than 10) must name a "Committee of 10" with power to agree to changes in the proposal. The regional superintendent of schools, acting for the regional board of school trustees, is to grant or deny the petition within 30 days after the hearing. If no action is taken within 9 months after petitions are submitted, the Committee of 10 or school boards can petition the State Superintendent of Education.

Soil and Water Conservation Districts

Consolidation (70 ILCS 405/26a)

- A district may be consolidated in a petition signed by 25 or more landowners within the boundaries of the proposed district.
- The petition for consolidation:
  (1) The names of the districts proposed to be consolidated ;
  (2) The proposed name of the consolidated district.
- Within 30 days of the petition being filed, the proposal is sent to the directors of each district proposed to be consolidated.
- The directors of each district have 30 days to approve or disapprove of the consolidation.

Dissolution (70 ILCS 405/28 to 405/30)

- At least 3 years must have passed, before a soil and water conservation district can be dissolved.
- 25 landowners owning 10% of the land are allowed to vote for the dissolution.
- The majority must be in favor of dissolution for it to pass.

Community College Districts

Consolidation (110 ILCS 805/3-7b)

- ICCB decisions concerning approval or disapproval of requested detachments and subsequent annexations are required by Section 6-5.3 of the Act to be based on the criteria of being "in the best interests of the schools in the general area and the educational welfare of the students residing within the territory."
  - Reasonableness of cost to taxpayers of the territory being annexed to an existing community college district or becoming part of a new community college district, i.e., whether the operating tax rate of the community college district exceeds the chargeback levy of the no district territory'

- Finances of the existing or new community college district, i.e., the equalized assessed valuation of the non-district territory is examined to determine how much tax revenue will be generated for the community college district to which the non-district territory could annex;
- Enrollments of the existing district, i) which community college the non-district territory students have been attending; and ii) effect of additional enrollments when the non-district territory is annexed to a community college district.
- Physical access of students to the campus(es) of the existing or new community college district, i.e., what is the distance and time which the students must travel to attend?
- And participation by students in their normal economic, cultural and social activities, i.e., where do potential students shop, work, and attend religious and cultural events?

- The State Board of Elections shall adjust census tract boundaries, municipal and township annexations, and natural boundaries to make compact and contiguous community college districts.
- ***Type of Action:*** Dissolution 110 ILCS 805/2-15
- ***Pre-requisite Action:*** District fails to meet state standards for recognition and has other deficiencies described in the law.
- ***Action Needed:*** Develop and implement a plan to dissolve or reorganize the district if, in ICCB's judgment, that is justified.
- ***Type of Action:*** Annexation from an area of another Community College District 110 ILCS 805/6-5.
- ***Pre-requisite Action:*** The area is on the border of the district losing it; its loss will not destroy that district's contiguity or reduce its population or assessed value below legal minimums; and the change will make community college opportunities more available to the area's residents.
- ***Action Needed:*** Petition the regional superintendent of schools for the region containing the area. The regional superintendent forwards the petition to the Illinois Community College Board (ICCB), which publishes notice to have a hearing. Then ICCB decided whether to approve the changes.

Hospital Districts

Annexation (70 ILCS 910/10)

- Annexation may be proposed in a petition filed by 10% or 50 legal voters of the district, whichever is less.
- A hearing is held in circuit court.
- If a majority of the votes cast on the proposition in the district and in the territory described in the petition respectively, are in favor of annexation the court will declare the territory annexed and shall describe the altered boundaries of the District.

Dissolution (70 ILCS 910/25)

- Upon finding that a district is no longer needed, the board may draft a dissolution ordinance.
- The ordinance is sent to the State Comprehensive Health Planning Agency for review and a hearing is held in circuit court.

- The dissolution must be approved by a referendum.
- If a majority of the ballots cast on the proposition are marked "yes" the district shall be dissolved. But if a majority of the ballots cast on the proposition are marked "no", the corporate authorities shall proceed with the affairs of the district as though the dissolution ordinance had never been adopted, and, in such case, the proposition shall not be again considered for a period of 2 years.

Unfunded Mandate Statutes

Pensions, trainings and healthcare benefits were some of the top state mandates identified by local governments.

Pensions:

Firemen pension 40 ILCS 5/4

Police officer pension 40 ILCS 5/3
State workers' pension 40 ILCS 5/7

Trainings:

Police training and correctional officer training 50 ILCS 705

Fire protection training 50 ILCS 740

Mandatory yearly 20 hour sheriff training 55 ILCS 5/3-6007

Illinois Chiefs and Deputy Chiefs yearly 20 hour training 50 ILCS 705 10.7

Illinois Coroners must complete 24 hours of training in a calendar year 55 ILCS 5/3 3001

Mandatory Firearms Training Course. 50 ILCS 710

All law enforcement must requalify with their weapons yearly 50 ILCS 710

All law enforcement agencies must submit to the Board a Roster of Agency each calendar year 50 ILCS 705

Canines used in drug enforcement cases must meet a training standard 50 ILCS 705/10.12

Law enforcement officers who successfully complete the training program may be assigned as lead investigators in death and homicide investigations 50 ILCS 705/10.11

CPR/AED training for high school students 105 ILCS 110/3

Healthcare Benefits:

Alcoholism 215 ILCS 5/367(7)

Amino Acid-Based Elemental Formulas 215 ILCS 125/5-3

Autism Spectrum Disorders 215 ILCS 5/356

Breast Cancer Pain 215 ILCS 125/5-3

Breast Exam 215 ILCS 125/5-3

Cancer Clinical Trial 215 ILCS 5/364.01(c)

Breast Ultrasound Screening 215 ILCS 125/4-6.1

Contraceptives 215 ILCS 125/5-3

Colorectal Cancer Screening 215 ILCS 125/5-3

Dental Adjunctive Services 215 ILCS 5/356z.2

Habilitative Services for children 215 ILCS 165/10

Infertility 215 ILCS 5/356m

Mammograms 215 ILCS 125/4-6.1

Mastectomy – Reconstruction 215 ILCS 125/4-6.1

Maternity – Post Parturition Care 215 ILCS 125/4-6.4

Mental Health – "Serious Mental Illness" 215 ILCS 125/5-3

Organ Transplants 215 ILCS 125/4-5

Pap Smears 215 ILCS 125/4-6.5

Prescription Inhalants 215 ILCS 125/5-3
http://insurance2.illinois.gov/HealthInsurance/Mandated_benefits.asp

Sites for all proposed unfunded mandates this year:

https://www.illinoispolicy.org/illinois-lawmakers-propose-59-new-unfunded-mandates-for-local-governments/

http://legislative.iml.org/file.cfm?key=7665

Consolidating Government Material:

http://www.illinois.gov/ltg/issues/localgovernments/Documents/Annexing-Consolidating-%20Dissolving-Local-Government-in-Illinois.pdf

Illinois Compiled Statutes:

http://ilga.gov/

APPENDIX C – DETAILED COMPARISON OF COUNTS OF GOVERNMENT

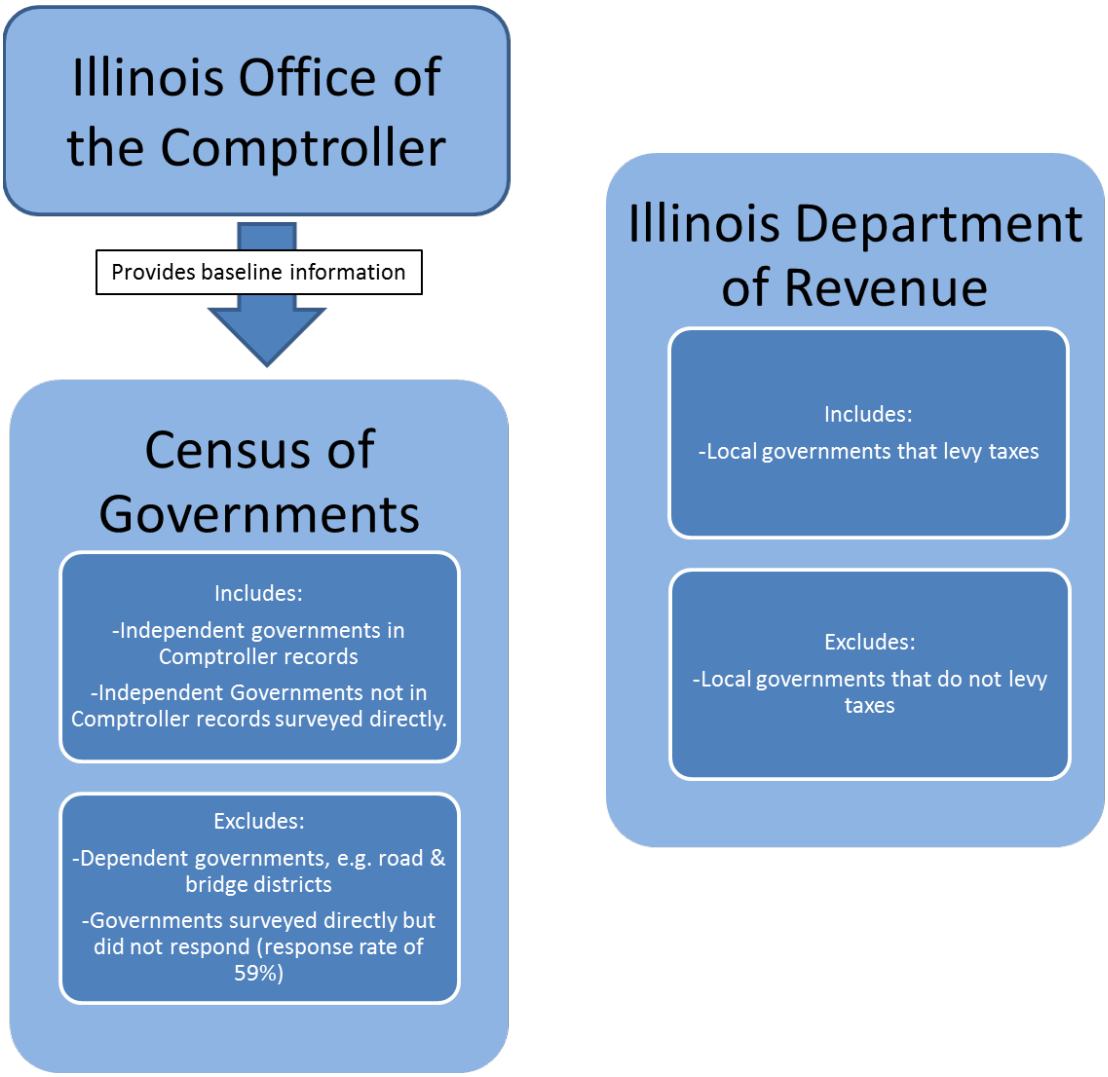
The U.S. Census Bureau, Illinois Office of the Comptroller (IOC) and the Illinois Department of Revenue (IDOR) were the main resources used to collect an accurate count of the number of governments in Illinois. The Census of Governments (COG) lists 6,963 unit of government in Illinois, while the IOC counts 8,480 total units of government, and the IDOR identified 6,027 taxing districts (Table 1). This section examines the disparities in the counts reported and provides a comprehensive overview of the numbers and types of governments within Illinois.

Table 1. Comparison of Government Counts

Government Type	IOC Address Listing	COG Listing	IDOR Taxing Districts
Total	**8,480**	**6,963**	**6,027**
Total, Excluding Road/Bridge and Multi-Twp. Assessment	6,777	6,963	6,027
Township	1,430	1,431	1,431
Road and Bridge Districts	1,391	-	-
Municipality	1,297	1,298	1,295
School District (Including Community Colleges)	896	905	899
Drainage / Flood Control	852	905	5
Fire Protection	825	837	-
Library	351	345	350
Parks and Rec	347	397	370
Soil/Water Conservation, Sewerage, Water Supply	328	341	56
Soil/Water Conservation	124	111	33
Water Supply	96	101	23
Sewerage	108	102	-
Water Conservation and Supply	-	1	-
Sewerage and Water Supply	-	26	-
Multi-Twp. Assessment Districts	312	-	327
Housing and Comm. Dev.	114	114	-
County	102	102	102
Highways (Incl. Street Lighting)	81	25	-
Cemeteries	27	69	33
Health (Non-Hospital)	29	30	-
Air Transportation	27	33	28
Hospitals	19	19	16
Other Utilities (e.g., Transit)	18	30	6
Other Natural Resources	11	10	-
Other Single Function Districts (e.g. Planning Agencies)	10	25	-
Other Transportation (e.g. Port Districts)	10	7	-
Solid Waste	3	11	5
Multipurpose Districts	-	27	-

All units of local government in Illinois must file and, except for certain special districts, must report their finances to the IOC annually, so this source provides a base for comparisons (Figure 1). However, not all local governments comply with this requirement.

Figure 1. Relationships among Sources of Government Counts



According to IOC records, Illinois had 8,480 units of government as of March 2015. Of these governments, 4,755 are special districts (excluding school systems); but 1,461 special districts are not required to report their finances to the comptroller. School districts (including community colleges), housing authorities, and drainage districts are counted by the IOC, but are not required to report their finances. Thus, the numbers in some instances can be understated according to testimony provided by the

Illinois Association of Drainage Districts.[24] In addition, the IOC counts 1,391 road and bridge districts that report finances through the respective township or county financial reports so the IOC counts includes some governments that do not report finances directly to it.

The U.S. Census Bureau provides a count of governments in its five-year COG, based on records initially submitted by the IOC. However, the COG excludes some governments listed in the IOC records while also including other governments not counted by the IOC. Specifically, the COG excludes local governments that do not have fiscal and administrative autonomy[25] even though the IOC includes them. Some fiscally autonomous governments (i.e., can levy taxes or issue debt) are excluded when their budgets must be approved by other governments. For example, road districts are included in the IOC totals but not in the COG totals because they are not considered independent. In addition, the COG surveyed 1,711 governments that do not report to the IOC and collected information about their finances. In this case, the 1,014 (59%) respondents are included in the 2012 COG but not the IOC figures. [26]

A third agency, the IDOR, maintains records on only the number of *taxing districts* in Illinois. Since some units do not have taxing authority, the IDOR figures are not as complete as the other two sources. The IDOR listed 6,027 *taxing districts* for FY2013, compared to a total of 6,963 governments (COG) and 8,480 (IOC). The IDOR taxing districts represent 71.1% of all governments counted in the IOC's records and 86.6% of those in the COG.

The IDOR government counts are shown separately from the IOC and COG counts because they only include the units that levy taxes and are therefore not comparable. In the current analysis, the IOC data are the starting point and are most complete for Illinois. But they are less useful in comparing Illinois with other states due to differences in reporting procedures.

Although the total counts of governments by the IOC and COG differ by 21.8%, nearly all of this difference is explained by multi-township assessment districts and road/bridge districts that represent 1,709 local governments excluded in the COG. Neither type of government meets the COG criteria for independence to be included in its counts.

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[24] The association representing drainage districts in Illinois testified before the Task Force that hundreds of drainage districts are not counted in the IOC figure.

[25] An example of a government without administrative and fiscal autonomy is one that cannot determine its budget without approval of local officials from another government, and one that does not have an elected governing body.

[26] Based on a phone conversation with Laurie Clements, U.S. Bureau of the Census, Governments Division, on 7/20/15.

Multi-township assessment districts are designated by township boards of trustees and road/bridge districts report through townships or commission counties. Excluding these two government types, the COG and IOC counts are within 2.7% and the numbers are consistent across most government types (Table 2).

Table 2. Government Types Counted Consistently Between IOC and COG

Government Type	IOC Address Listing	COG Listing	IDOR Taxing Districts
Total In Consistently-Counted Categories	6,144	6,199	5,121
Township	1,430	1,431	1,432
Municipality (City, Town, or Village)	1,297	1,298	1,295
School District (Incl. Community Colleges)	898	905	899
Drainage and Flood Control	858	905	5
Fire Protection	828	837	838
Library	354	345	350
Water Supply	96	101	23
Sewerage	108	102	116
Housing and Community Development	114	114	-
County	102	102	102
Health (Excl. Hospitals; e.g., Rescue Squad, Mosquito)	29	30	31
Hospitals	19	19	16
Other Natural Resources	11	10	14

Agencies providing most major governmental functions such as education, health, and public safety are consistent in both sources. Governments in consistently-counted function areas represent nearly 90% of all governments counted.

The COG also provides information on relatively inactive local governments in Illinois, with 565 local governments in Illinois spending a total of less than $5,000 each in 2012. The majority of these jurisdictions are drainage and flood control districts financed mainly by benefit assessments or user fees rather than general property taxes. Street lighting districts (classified in highway maintenance in the COG), cemetery, and sanitation (sewerage) districts also include governments with small expenditures. In some cases, these local governments rely mostly on volunteers with some administrative expenses (Table 3).

Table 3. Government Types Counted Inconsistently Between IOC and COG

Government Type	IOC Address Listing	COG Listing	IDOR Taxing Districts
Total In Inconsistently Counted Categories	651	708	579
Parks and Rec (Includes Museums and Auditoriums)	348	397	370
Soil/Water Conservation	124	111	33
Highways (Includes Street Lighting)	81	25	104
Cemeteries	29	69	33
Air Transportation	27	33	28
Other Utility Districts (Includes Mass Transit)	19	30	6
Other Single Function Districts (e.g., Planning Agencies;	10	25	-
Other Transportation (e.g., Port Districts)	10	7	-
Solid Waste	3	11	5

Because the Task Force is charged with identifying ways to modernize local governments by comparing Illinois with other states, analyses in this report use COG data. Of special importance is to recognize whether government units are counted as dependent or independent in other states because that status directly affects comparisons. The operational definition of a government used in this report is that it is legally recognized and is independent in fiscal/administrative decision-making consistent with COG procedures. Therefore, road/bridge districts and multi-township assessment districts are recognized as local governments in *Illinois Compiled Statutes*, but are excluded in the current COG counts.

More detailed comparisons of differences in number of governments require additional information on government units listed in the IOC, but not in the COG. A preliminary examination of the COG's master list of governments for Illinois includes 453 local governments without IOC identification numbers. The number of governments in the COG files without IOC identification numbers are listed by type of government (Table 4).

Table 4. Governments without IOC Identification Numbers

Type of Government	Number of Units
Total	453
Miscellaneous Education	145
Drainage	91
Parks and Recreation	50
Cemetery	34
Fire District	30
Water Utility	27
Multi-Purpose	20
Solid Waste	16
Sewerage	7
Health (Non-Hospital)	4
Highways	4
Misc. Hospitals	4
Sewerage and Water Supply	4
Airport	3
Flood Control	3
Village	3
Police Protection	2
Correctional Institution	1
Electric Utility	1
Industrial Development	1
Library	1
Reclamation	1
Water Transport	1

The two most common types of government without IOC identification numbers were miscellaneous education agencies and drainage districts. The education agencies listed only in the COG provide special education or vocational education services, rather than conventional school districts or community

college districts. Cemetery districts also are commonly not listed in IOC records. These governments are important in comparisons since the COG currently counts them even if the IOC does not.

Thus, most of the differences between the IOC and COG can be identified and explained. An important feature is whether the government has independent status on budget issues. If that status were changed, the comparisons between Illinois and other states would change. Another important point is that not all the local governments report to the IOC, including community colleges, drainage districts, housing authorities and school districts.[27]

27 A preliminary list of governments in the U.S. Census of Governments records, without Comptroller-assigned identification numbers, is available from the authors on request.

APPENDIX D – PROPOSALS AND SUGGESTIONS SUBMITTED ONLINE

Name:

Consolidation Idea: I have more of a question than an idea. In suburban DuPage county, where I live, we have city government, township, county and of course state. It appears that the township system in such a dense area leads to a redundancy of services. I'd be interested to know how this appears to those at the state level.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

1. Prevailing wage
2. Responsible Bidder compliance
3. Universal Access (80,000 lb weight limits)
4. Road funding not distributed based on vehicle miles traveled. Local roads carry 40% of the traffic and used to get 38% of the funding.

   Local Roads still carry 40% of the traffic but now get 22% of the funding.
5. ADA compliance on resurfacing projects
6. Complete Streets on Rural Roads
7. Bridge Inspections
8. Storm Water Management on construction projects
9. Illinois Business preference

10. Road Name Sign replacements

11. Noxious Weed officer requirements

12. No more standard bridge plans, thereby increasing engineering costs for bridge plan development.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

1. Prevailing wage

2. Responsible Bidder compliance

3. Universal Access (80,000 lb weight limits)

4. Road funding not distributed based on vehicle miles traveled. Local roads carry 40% of the traffic and used to get 38% of the funding. Local Roads still carry 40% of the traffic but now get 22% of the funding.

5. ADA compliance on resurfacing projects

6. Complete Streets on Rural Roads

7. Bridge Inspections

8. Storm Water Management on construction projects

9. Illinois Business preference

10. Road Name Sign replacements

11. Noxious Weed officer requirements

12. No more standard bridge plans, thereby increasing engineering costs for bridge plan development.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

1. Motor Fuel Tax Revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue for critical infrastructure maintenance.

2. Motor Fuel Tax revenue not keeping up with inflation. The revenues being sent to our County in 2015 are essentially the same as they were in the year 2000. However, the cost of materials (road patch, road oil, aggregates) have increased by approximate 250%.

3. IDOT Standard bridge plans have been phased out and can no longer be used by local agencies. This has doubled the cost of bridge plans, but we get no more money to pay for them.

4. HB 0255 was passed to allow uniform 80,000 pound access on all roads in the state including county and township roads. However, very little money was allocated to local agencies to upgrade their roads or fix the damage caused by the extra weights allowed.

5. Revise the Emergency Telephone Systems Act to include funding solely for the repair and replacement of Rural Reference Signs on all roads which are required by the Act.

6. Bridge inspections are required but no extra funds are available to pay for them.

7. Eliminate NPDES fees associated with the Illinois EPA for local governments that are building projects to improve roads, schools, or bridges or other structures where over 1 acre of ground is disturbed.

8. Recent MUTCD changes requires that high intensity sheeting be used on all road signs in the County which has increase the cost of a road sign by 50%. I realize this is a federal requirement but it should still be noted that local agencies have to deal with these issues too.

9. Repeal (505 ILCS 100/) Illinois Noxious Weed Law or revise to provide funding for the salary of a weed commissioner and chemical to spray noxious weeds. The funding stream for this law was repealed many years ago.

Story:

Name:

Consolidation Idea: When new Governors take office they should not be allowed to hire their friends, their constituents, their supporters, their financial supporters into high paying positions. Any position that needs to be filled should be filled from within the department if possible.

Unfunded Mandate Idea: Stop interfering. If it's working, why try and fix it. Whether it's elections, transportation programs, and such.

Story: The Transportation program in Warren County. Has worked for years and years and now, the County "has to be more involved" which then takes funds from the transportation program. I'm ok with being "more transparent" but we can be more transparent without having to completely change everything.

Name:

Consolidation Idea: Remove the state requirement for use of federal funds that the feds don't require. Splitting bridge vs roads funds in federal dollars.

Unfunded Mandate Idea: NPDES fees associated with the Illinois EPA should be eliminated for local governments that are building projects to improve roads, schools, bridges, etc. over 1 acre of ground is disturbed.

Revise the Emergency Telephone Systems Act to include funding for repair and replacement of Rural Reference Signs on all roads which are required by the Act

Story: HB 0255 allows 80,000 pound access on all roads. Very few of warren county's roads are actually design and built for this and no additional funded was provided by the bill.

Motor Fuel Tax revenue is not keeping up with inflation. Currently the county has lost up to 70% of its purchasing power.

Additionally Motor Fuel Tax revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue.

Bridge inspections are required but no extra funds are available to pay for them

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Name:

Consolidation Idea: Consolidate the counties highway maintenance by eliminating the county highway and township systems, and mandate all counties have a county unit system. This would streamline the county highway department by ending duplicate procedures for county and county unit. Would end the need for resolutions by the county which slows the process.

Change the rules to allow for 3 funds for each county. (1) MFT (2) County (3) Federal Aid Matching Allow use of the 3 funds for illegible items regardless of county or county unit, or whether bridge or a roadway.

Consolidate school superintendents based on a certain number of students per super. A superintendent and another employee (due to larger work loader) is cheaper than 2 superintendents.

Unfunded Mandate Idea:

1. Repeal (505 ILCS 100/) Illinois Noxious Weed Law or revise to provide funding for the salary of a weed technician and chemical to spray noxious weeds. The funding stream for this law was repealed many years ago.

2. Revise the Emergency Telephone Systems Act to include funding solely for the repair and replacement of Rural Reference Signs on all roads which are required by the Act.

3. Eliminate NPDES fees associated with the Illinois EPA for local governments that are building projects to improve roads, schools, or bridges or other structures where over 1 acre of ground is disturbed.

Story:

1. Motor Fuel Tax Revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue for critical infrastructure maintenance.

2. Motor Fuel Tax revenue not keeping up with inflation. The revenues being sent to White County in 2015 are essentially the same as they were in the year 2000. However, the cost of materials (road patch, road oil, aggregates) have increased by approximate 250%.

3. Bridge inspections are required but no extra funds are available to pay for them

4. IDOT Standard bridge plans have been phased out and can no longer be used by local agencies. This has doubled the cost of bridge plans, but we get no more money to pay for them.

5. Recent MUTCD changes requires that high intensity sheeting be used on all road signs in the County which has increase the cost of a road sign by 50%. I realize this is a federal requirement but it should still be noted that local agencies have to deal with these issues too.

6. HB 0255 was passed to allow uniform 80,000 pound access on all roads in the state including county and township roads. However, very little money was allocated to local agencies to upgrade their roads or fix the damage caused by the extra weights allowed.

Name:

Consolidation Idea: I would look at consolidating(not eliminating) townships . From a road maintenance perspective the Road Commissioner is the most effective way to maintain the roads but many townships have such a small tax base that the funds they receive for road maintenance has not kept up with the rising costs. Combining some of the smaller road districts into a larger district would help reduce costs while still operating as a road district. This would include eliminating duplicate equipment needs as one example.

Unfunded Mandate Idea:

1. Eliminate NPDES fees associated with the Illinois EPA for local governments that are building projects to improve roads, schools, or bridges or other structures where over 1 acre of ground is disturbed.

2. Motor Fuel Tax Revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue for critical infrastructure maintenance.

3. Motor Fuel Tax revenue not keeping up with inflation. The revenues being sent to Sangamon County in 2015 are essentially the same as they were in the year 2000. However, the cost of materials (road patch, road oil, aggregates) have increased by approximate 250%.

4. HB 0255 was passed to allow uniform 80,000 pound access on all roads in the state including county and township roads. However, very little money was allocated to local agencies to upgrade their roads or fix the damage caused by the extra weights allowed.

Story: County highway departments and township road commissioners historically have operated side by side on various projects and have found efficiency in those joint efforts. This would be a good role model when looking to combine efforts in other areas.

The biggest unfunded mandate we have faced in recent years was the passage of the 80,000 pound truck bill. This bill did not provide the funding needed to address these extra loads and as a result many township and county roads are deteriorating rapidly. We are seeing oil and chip surfaced roads reverting back to gravel. Add to this the recent stoppage of MFT distributions to local governments and many small townships and counties cannot keep up with the maintenance of the roads.

Name:

Consolidation Idea:

Unfunded Mandate Idea:

1. Eliminate NPDES fees associated with the Illinois EPA for local governments that are building projects to improve roads, schools, or bridges or other structures where over 1 acre of ground is disturbed.

2. Motor Fuel Tax Revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue for critical infrastructure maintenance.

3. Motor Fuel Tax revenue not keeping up with inflation. The revenues being sent to White County in 2015 are essentially the same as they were in the year 2000. However, the cost of materials (road patch, road oil, aggregates) have increased by approximate 250%.

4. IDOT Standard bridge plans have been phased out and can no longer be used by local agencies. This has doubled the cost of bridge plans, but we get no more money to pay for them.

5. HB 0255 was passed to allow uniform 80,000 pound access on all roads in the state including county and township roads. However, very little money was allocated to local agencies to upgrade their roads or fix the damage caused by the extra weights allowed.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea: Eliminate NPDES fees associated with Illinois EPA requirements for local government construction projects.

HB 255 was passed to allow 80,000 lb. loads on ALL roads in the state. County and township are forced to accept these loads without additional funding to upgrade roads.

Release MFT funds which are currently being collected but not distributed.

Story: NPDES Fees for local governments-$500 per project (areas over 1 acre of disturbed dirt.)

No MFT allotments since June 2015. Needy Township and Consolidated County monies have not been distributed. No Township bridge funds have been distributed.

Name:

Consolidation Idea:

Unfunded Mandate Idea:

Story:

1. In 2010, the legal weight limit for all roads in the State became 80,000 pounds. While great for the trucking industry, the agencies that maintain the lower volume roads know the roads were never designed to handle 80,000 pounds. A fraction of the money needed to upgrade roads to 80,000 pounds is available through IDOT.

2. The Federal Government requires the State to inspect all bridges, State and local, and the State has mandated that the locals inspect bridges at their expense. Unfunded mandate. Might be more efficient to have the State inspect all bridges, local and State.

3. Recently, fees have been imposed by IEPA for NPDES permits (where construction disturbs an acre or more of land.)

4. The cost to implement erosion control for construction projects continues to grow. Requirements should vary depending on the area of the State you live in. For instance, in rural farming areas, we spend thousands of dollars trying to keep silt from entering a stream on a 1 or 2 acre construction site while next to the site are thousands of acres of bare cultivated land that is dumping a hundred times more silt into streams than our small projects.

5. Just in general wetland mitigation requirements, endangered species requirements, historic preservation requirements as related to construction projects has gotten out of hand and delays projects and adds expenses to projects.

Name:

Consolidation Idea:

Unfunded Mandate Idea:

1. Repeal (505 ILCS 100/) Illinois Noxious Weed Law or provide funding for the salary of the weed commissioner and chemical to spray noxious weeds. The funding stream for this law was repealed many years ago.

2. Revise the Emergency Telephone Systems Act to include funding solely for the repair and replacement of Rural Reference Signs on all roads which are required by the Act.

3. Eliminate NPDES fees associated with the Illinois EPA for local governments that are building projects to improve roads, schools, or bridges or other structures where over 1 acre of ground is disturbed.

4. Motor Fuel Tax Revenue is being withheld. These funds are still being collected but not being sent to Local Governments who rely on this revenue for critical infrastructure maintenance.

5. Motor Fuel Tax revenue not keeping up with inflation. The revenues being sent to White County in 2015 are essentially the same as they were in the year 2000. However, the cost of materials (road patch, road oil, aggregates) have increased by approximate 250%.

6. Bridge inspections are now required on every bridge owned by Counties. IDOT used to help the counties perform this work, now they do not causing significant inspection costs.

7. IDOT Standard bridge plans have been phased out and can no longer be used by local agencies. This has doubled the cost of bridge plans, but we get no more money to pay for them.

8. Recent MUTCD changes requires that high intensity sheeting be used on all road signs in the County which has increase the cost of a road sign by 50%. I realize this is a federal requirement but it should still be noted that local agencies have to deal with these issues too.

9 HB 0255 was passed to allow uniform 80,000 pound access on all roads in the state including county and township roads. However, very little money was allocated to local agencies to upgrade their roads or fix the damage caused by the extra weights allowed.

Story:

Name:

Consolidation Idea: Libraries and park districts should be combined with their associated Villages as is done in Wisconsin. So much elimination of administration and governing bodies and the associated payroll/benefits expenses could be eliminated. Can't understand why these public services were ever separated in the first place.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: There should be a consolidation of Park districts, Library districts and possibly fire protection districts. Many of these are not necessary. The are duplicative of the Area also covered by City limits. Evanston is a good example. Elk Grove , another. Even in small towns such as Genoa, Crystal lake etc... The each have a separate body politic for services that could be run by the City. The costs incurred by each of these entities duplicate many costs, especially audit fees, legal, administration, and facicilty costs. There are also many hidden costs such as the collection and administration by the County Treasurers and clerks offices.

Unfunded Mandate Idea: There simply should not be any. If the Mandate is unfunded, the govermental unit should be able to opt out. Authority starats local and goes up. Unless its mandated by our state constitution, any laws passed should provide funding.

Story:

Name:

Consolidation Idea: Can Illinois please remove the 4 tear mandate for Physical Education for high schools? CPS doesn't follow, private schools don't follow it and no other state has it. Our students have so many required courses they either do not have enough time to take all the classes they desire to best prepare themselves for a highly selective college, or no time in their schedule to pursue an arts or vocal curriculum that might be there passion. PE can always be an elective in high school for those that desire this but please do not MANDATE it beyond 2 years. It is the state's most requested waiver.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Cairo seems to be in a unique situation regarding Police and Fire Pensions. I can't seem to get anybody to address this problem. As you may be aware municipalities are mandated to do Police and Fire Pension when they have a population of 5000 or above. The City of Cairo has not had over 5000 population since 1980 when the census showed 5931. The 1990 census showed a population of 4846. Our population as of the 2010 census is 2831. According to the State Statute there is no "opt out" if your population falls below 5000. Therefore we are still levying taxes for these pensions. Because of our continued decrease in population we no longer have a tax base to fund the mandate. It appears that in 2016 we will have State revenues intercepted and sent to the pension funds when the funding is less then the payment required by an actuary with the Department of Insurance. Frankly, the City of Cairo cannot afford to lose one penny of our State revenues for any reason. We are struggling to pay of bills and make payrolls now. I don't know the answer for the State of Illinois, but for Cairo to lose State funds could be a death knoll for us being able to provide services to the community. Any help or suggestions you could offer for this unique situation. I have contacted our State elected officials multiple times with no reply.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: It may be advisable to look at the New England town system. In short, the townships are municipal corporations. One could combine the township, municipalities, school districts, & special use districts into a single entity. In addition, because it would cover the entire county, things like building permits & zoning could be concentrated at the township level rather & reduce the county's workload. I would have it at the township level because there can be significant variation between communities within a county & allowing different parts of the county to live under different governments can avoid a one-size-fits-all approach for the whole county. There may also be something to say for dealing with how municipal police departments have an overlapping jurisdiction with the county sheriff's office. In those cases, perhaps the sheriff could take care of things like the county jail & the township

police departments could have sole jurisdiction over normal cop-on-the-street duties rather than having two local police departments trying to perform many of the same functions. I know there are many municipalities around the state that do not have a police officer, primarily due to low population. In those cases, the township could pay either the county sheriff or a nearby township for the performance of police functions to the degree the township needs.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Glen Ellyn - there should be a consolidation of district 41 and 89 within Glen Ellyn. The community is too small to have two elementary school districts. The city of Wheaton with over 100,000 people has one district.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Dear Gov. Rauner and Lt. Gov. Sanguinetti,

Please consider consolidating Oak Brook's Butler 53 School District with Hinsdale School District 181. These neighboring towns are very similar socioeconomically and already share a high school in Hinsdale Central D86. Yet, while Butler only has 442 students, Hinsdale D181 has almost 4,000 students. Both districts could save a significant amount of administrative salaries and facilities expenses if they were to combine.

Butler 53 only has about 442 students at 1 elementary school and 1 middle school. They spent approximately $16,000 /yr per student. Tax revenue from the mall and corporations like McDonalds have

benefitted Oak Brook with much funding. However residents from Hinsdale also work in Oak Brook and help support the Mall by shopping there. All students from Butler 53 funnel into Hinsdale Central High School in D86. While many children who live in Oak Brook are welcomed to schools in Hinsdale 181, no children from Hinsdale are allowed to attend Butler. Butler 53 is known for its excellent schools and have a relatively high socioeconomic status. Only 4% qualify for free lunch.

Hinsdale D181 neighbors Oak Brook. Hinsdale D181 has 3,982 students. Almost 4000 children. They spend abouit $11, 400/ student per yeaar. Only 4% free lunches, so very similar to Butler. Despite the extremely large difference in student enrollment between the two districts, there are only 2 middle schools in Hinsdale D181. Butler Middle School only has 167 students. Their student/teacher ratio is only 9/1. Clarendon Hills (CHMS) has an enrollment of almost 660 students, and a 15/1 student/teacher ratio. Hinsdale (HMS) is bursting at the seams at almost 800 students and has a 13/1 student teacher ratio. Considering that all of these children will attend the same competitive high school, it seems unfair that the children from Butler not only have the benefit of a small schools, more teachers, and much more per pupil spending, Oak Brook 53 has the added benefit of lower property taxes than Hinsdale 181. In fact, their taxes are some of the lowest in DuPage County. No wonder Butler Middle School is ranked as one of the best middle schools in the state. It seems strange that in a neighboring town like ours,

3 elementary schools feed into one of our middle schools, Clarendon Hills Middle School, and 4 elementary schools currently feed into Hinsdale Middle School. Our elementary school, The Lane, used to feed into CHMS until about 5 years ago, but was switched to HMS due to overcrowding there. If HMS is not renovated or rebuilt, the Lane may face being transferred back to CHMS, yet that school already has quite a large population.

Hinsdale District 181 in DuPage & Cook Counties is facing overcrowding in certain grades. We have had severe mold and water damage issues for years. Last year, HMS was in the news because years of poor facitlies maintenance resulted in water damage and flooding. HMS had to close for 1 week and the repair expenses went $1 million dollars over budget. The children and teachers at CHMS had to share their school in Clarendon Hills with all of the children from Hinsdale Middle School for over a week.

HMS is currently the topic of conversation in the community and board meetings to decide whether it should be torn down and reconstucted, renovated, or torn down and moved to a less congested part of

town. Because HMS is located only 1 block north of Hinsdale's main Burlington Train Station, parking is a problem for downtown businesses, shoppers, parents and staff. Students and teachers are already housed in portable trailers and, last month, the administration suggested adding more, even though this will make the parking worse, or the fields smaller. An addition is needed, but problematic because of the lack of land and the school's downtown, commercial location.

Butler's only middle school, Butler Middle School, is located on a large, residential plot of land. There is plenty of room not only for an addition, but also for portables. Children from Butler will go to the same high school that children from Hinsdale 181 will go to, Hinsdale Central. Since Hinsdale welcomes children from Oak Brook, it would fair for Butler to share their middle school with Hinsdale.

Both districts are spending large amounts of money on administrative salaries for superintendents, business managers, human resources, special education departments, technology departments, etc. Hinsdale 181 recently had to move its administration headquarters from an elementary school because of overcrowding issues. They were forced to rent a commercial property in neighboring Clarendon Hills because there is no more space available at any of the schools. Since both of these districts are so similar socioeconomically, academically, and are geographically located very near each other, these 2 districts should be consolidated. Children from the Lane Elementary and perhaps Monroe Elementary (both schools are both north of the Hinsdale Train tracks) should be allowed to attend Butler Middle School, which is less than a mile away. Currently, children from the Lane area must walk across the train tracks with all of the morning business commuters and traffic, or take the bus. One of the main entrances for the carpool lane for parents at HMS blocks the town's main thoroughfare, Garfield Ave., and creates too much congestion in the morning. The other carpool lane from Washington St., contributes to more congestion because to funnels back to Garfield Ave., just north of the tracks.

If we could consolidate Butler 53 into Hinsdale 181, HMS would no longer have to have portables or face such a major renovation. The classrooms wouldn't be overcrowded anymore and parents, staff, and downtown shoppers would have more parking available. Although Butler may claim that they cannot bear the expense of renovating their facitlies, they are in a far better financial situation to afford it, and are not as landlocked as HMS.

I recommend that Gov. Rauner or Lt. Gov. Sanguinetti attend the upcoming D181 Facilities & Long Term Future of Hinsdale Middle School meeting next week so they can see the challenges we are currently facing. The 90 minute meetings will be at 7:00 p.m. on Tuesday, May 19 and on Tuesday, May 26. If SB1 passes, as we all fear, D181 stands to lose over $1.8 million each year. Although renovations are greatly needed, the community is very fearful to fund any new construction with this bill hanging over our heads. I think this would be a wonderful opportunity to not only save the state some money, but to improve both school districts.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Illinois has township. All of the functions of townships could be carried out by Counties with just as efficient and less costly manner. All kinds of example: Here is a simple one -- each township has at least on road grader and people to operate them. Counties don't need an extra 5 or 6 road graders and personnel to maintain both county and township roads. This simple point can be extrapolated to all of township's functions.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I am personally for school district consolidation. Some districts are one school!

Unfunded Mandate Idea: I would appreciate if the state could remove the 4 year PE requirement for high school students. With all the required courses needed for college, and students at that age having the desire to better prepare themselves for careers and or colleges, they are often unable to take the classes they need to be competitive because they are forced to take gym instead. This leaves Illinois students less

prepared for college than students from neighboring states and countries. I am not against gym, but it should be offered just as an elective at the junior and senior level.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

Story: After examining the Illinois Municipal League's list of unfunded mandates working their way through the Legislature, I would like to draw your attention to one more that is not on your list. SB 31 would require "Registered Sex Offenders" to report their places of employment to local law enforcement agencies where they work 30 or more days each year. The bill would require that such reporting be done in person.

Like many proposed laws that involve municipalities and the unfunded use of resources, this proposed law is well meaning. However, it is unnecessary, does nothing to improve public safety, and is potentially costly:

a. The employment information of each and every "Registered Sex Offender" is already recorded in two places; the agency where the person lives, and by the Illinois State Police, who receive a copy of the "Sex Offender" registration form. Since law enforcement agencies are already mandated to share this information, the solution to this purported "information gap" can be easily and readily imagined and implemented in the modern information era. In fact, it is rather surprising if it hasn't already been implemented by use of the fax machine or by simply allowing local agencies to access the state's database.

b. While small and well-funded agencies with low crime rates may find this added requirement desirable, larger and/or less well-funded agencies will struggle to deal with the influx of new registration appointments, additional record keeping, and the sending of duplicate information to the Illinois State Police, information which they already possess. Recent headlines highlight the issue, where the City of Chicago had to turn away over 600 "Registered Sex Offenders" because they didn't have the staff to

register all of them. Now imagine Chicago trying to do that on top of registering, in person, all the "Registered Sex Offenders" that work there, but don't live there (again, information already possessed by the Illinois State Police.)

c. Overburdened agencies would then also have to enforce this law. Identifying "Registered Sex Offenders" who may work in a town but not live there, counting how many days they worked there (29? 31?), and then make arrests for those tripping over the arbitrary 'landmines.'

Name:

Consolidation Idea: Currently school districts are responsible for oversight, management, and upkeep or school or district buildings. As an educator I've learned that very few organizations employ experts in the buildings and grounds fields that make upkeep something that truly can be done in house. Instead, district rely on consultants and other outside contractors for planning and preparation, where city groups might already have a housing ad commercial development division.

One suggestion is to divert all responsibilities for school building upkeep to the municipality it resides in so that:

- cross governmental work is required and duplicity is exposed

- already employed experts for housing and commercial development can utilize their on the clock time to community schools

- municipalities where schools reside in, but are associated with a neighboring district might also be forced to consider duplicity or functionality leading to open conversations about consolidation

Unfunded Mandate Idea: Senate Bill 7 requires schools to evaluate teachers, in part, using data. This places a huge burden on schools to functionally do something that is outside their expertise. As a trainer for the Performance Evaluation Reform Act and business owner with a niche for supporting this type of law, I know that schools are going to need to hire more people, rely on consultants, or be provided with supports from a state level. My business provides the possibility of a state data system that does everything

the current system used does, but also allows for customization at the local level to meet the requirements of the law. In addition, the system allows audit capabilities for oversight of the implementation of the law. Currently, the state will need to employ numerous staff to provide oversight of the 900 districts implementation. Our system can limit the need for state money and local money to be used at all.

Story:

Name:

Consolidation Idea: I live in Gurnee and Warren Township. The township government is what I call a golden government as it spends millions on programs that duplicate the programs provided on a local level. It has the largest square footage in government buildings more than Waukegan which is Lake County's largest town. But it is impossible to get the township government abolished. So I would like to see the rules for abolishing township governments more reasonable.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I would like to see the township layer of government in Lake County eliminated, and it's oversight absorbed into currently existing government structure at the county and village/town/city level. I would also like to see our local Wildwood Park District incorporated into the established Lake County Forest Preserve. I believe our tax money is being wasted by these duplicate governing layers.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Townships in many areas of IL seem to pay more in Salaries and other costs than seems efficient for the limited work that is done. The functions could be consolidated with the county.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

Story: It is puzzling and disturbing that park districts do not have a seat at the table to discuss consolidation while other units of government, cities,villages,counties,townships,libraries,schools are all well represented. Please explain, the process of choice or has it been pre-determined that Park Districts are expendable

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Name:

Consolidation Idea: Township government, at least in the 5 county metro Chicago area, is a waste of resources. There are no longer vast areas of undeveloped land and miles of roadways that can't be maintained by neighboring cities and villages or counties. It appears that their only reason for existence is to pay trustees and supervisors a salary, health insurance and pension benefits. While the same argument may be made against park districts, libraries and school boards, the difference is that all of those units are governed by volunteers incurring no direct costs to the taxpayer.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Determine and set a population ceiling (e.g., 5,000 residents) by which all forms of government would consolidate into that city/Village's local government. Any associated entities (e.g., Township, Fire/Police district, Park District, Library district) would have a committee/commission established and appointed by the local Village to service these needs.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Township Governments are basically patronage systems. There are VERY few unincorporated areas in the state where townships provide a useful function. Their elected officials receive payment and in many cases pensions.

Fire Departments should be consolidated. Their pension system is bankrupting municipalities.

Unfunded Mandate Idea: Special needs students are kept in the high school system until their 23 birthday with minimal funding. Our district supports students in out of state facilities that are not being educated--they are being nursed. This should not be on the school district.

Park districts are required to do criminal background checks on employees under 18, but the schools cannot do DRUG TESTS on teachers or support staff

Story:

Name:

Consolidation Idea: Make elementary schools & Park districts have the same boundaries as the city they are in (ie there are too many school districts in Skokie & Arlington Heights). School districts with less than 3 buildings should be combined with an another district. Library districts with small populations should be combined. Professors NOT politicians should make unbiased recommendations.

Unfunded Mandate Idea: Prevailing wage is expensive for park/school districts for smaller projects. I don't want to see a "race to the bottom" or union busting, but some compromise could help.

Story: The Park Ridge Historical Society must remodel a very old building for it's new home that is on the Park District property. Public money will not be used, but they still must pay prevailing wages. That is very expensive for their contributors and their money will not go very far because of this mandate.

Name:

Consolidation Idea: Right now, Libraries can be community (city, village, town) libraries or they can a District library. The advantage to a District Library is that the Library can have boundaries beyond the limits of a city, town, or village. This provides all residents of Illinois the opportunity to have access to a library by paying for the service through their property tax. It also opens the door to allow nearby libraries the ability to work together and merge services if it would be beneficial to their constituents. This type of consolidation can be a sticky wicket as each community has very distinct needs and wishes for the library in their community. The way the law is written, we would need to take steps first to become a district library then expand our boundaries to included unserved/ untaxed areas and finally begin to work with other library districts to merge into one larger district. If State legislature forces consolidation of libraries, we would be dealing with some very expensive unfunded mandates. It is estimated that just to become a District library and expand our boundaries will cost about $20,000 in legal fees. If you want libraries to consider you would need to revise the statutes on libraries 75 ILCS 5 and 75 ILCS 15 to make the process less expensive. You also need to ask the constituents if this is what they really want. I do see value in working with other libraries to consolidate services in order to improve services and strengthen the value of the library for all residents of Illinois. I am not sure that this would save taxpayers money thought it might consolidate the number of government bodies in the state.

Unfunded Mandate Idea: Having areas that are not taxed for library service is an unfunded mandate that directly effects a home owner. You can say that library service for these people is optional, but the reality is that when a person pays their property tax, they anticipate in the State of Illinois, that they will receive certain services for the taxes they do pay. Generally, expected services include schools, libraries, fire and police. If you look at the map created by the Reaching Across Illinois Library System, (https://www.

railslibraries.info/sites/default/files/map_stateofresourcesharinginrails_july_2014.pdf), you will see that there are large areas and populations of people who do not have library service included with their property tax.

Story: We are looking at the pros and cons of becoming a District Library. We are currently a City Library (Still two taxing bodies). Surrounding the City limits, there are just over 2,500 households which can only have access to library services if they pay for a library card annually. We have been told over and over again that these patrons feel disenfranchised and would prefer to have the tax added to their property tax bill.

We recently watched residents of Sycamore and DeKalb Illinois battle it out in newspaper comments about the two park districts working together to provide one new community pool. The public was against it and the residents of Sycamore recently passed a referendum to increase their tax rate so that the Park District could provide improved and additional services.

These two stories begin to imply to me that the problem is not necessarily a feeling that the community doesn't want to pay the property taxes that they are paying, rather that, they want a say in what they are paying for and they want to know that their money is going to things that they find valuable and worthy of their investment.

Any consolidation of local services (libraries, park districts, schools) should be decided on by those paying the taxes, not by the legislature.

Name:

Consolidation Idea: Reference is made to my telephone and email correspondence with Brian Costin of your office regarding the reduction of township government agencies under Public Act 098-0127:

The act provides for the electors of townships with boundaries substantially coterminous with municipalities to decide whether or not to discontinue/abolish the offices of townships and township assessors.

However, the act excludes townships situated in counties with populations less than 3 million. This excludes all townships outside of Cook County. Ref. (60 ILCS 1/27-5 new (2))

We propose to revise the provisions of the act to include all townships in Illinois regardless of county population or territory size.

There are other provisions in the act which do not provide for the likelihood that township duties and activities might be assumed by county departments. For example, the county assessors' offices could assume the duties of the township (municipal coterminous) assessors' offices', and county public health departments or other agencies could assume the public aid duties performed by the township offices in many coterminous municipalities.

There are other provisions in the act that appear to require city council members to be involved with the township board. There are several townships in Illinois with separately elected trustees and no city council members on the township board which should be included under this act.

Thank you for the opportunity to provide for the property taxpayers in all Illinois townships which lie coterminously with municipalities-- that they may be free to decide whether or not to discontinue/abolish their townships' and township assessors' offices.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I suggest that the Consolidation task force evaluates a mechanism to eliminate Soil & Water Conservation Districts. My legal practice is focused on real estate matters- about 50% of that devoted to land development. Under state law, a Land Use Opinion from the applicable SWCD is a requirement of any request for zoning entitlements. Many municipalities don't actively enforce the requirement. Those who do enforce the requirement do absolutely nothing with the report that is ultimately issued. The report is based entirely on public maps and fails to consider site-specific considerations that have usually been investigated by a professional engineer in advance of application to

the SWCD. Reports usually run a couple thousand dollars. It would be much more expedient to simple require this function to be performed by a developer's professional engineer.

Unfunded Mandate Idea:

Story: Report recently issued by a SWCD details the possibility of unsuitable soils for development. The tabular data is entirely inconsistent with body of the report- it appears that the body of report may not have even been updated based on mapped data specific to our development property. More importantly, all of the SWCD data is based on broad maps that provide general detail regarding soil types. Our development team has already performed soil studies of the development site. We will not utilize anything in the SWCD report during discussions with Village and County engineers as the detail provided is inconsistent and insufficient in terms of detail. We will work from 3rd party soil borings that specifically detail the type/condition of soil throughout the property.

Name:

Consolidation Idea: Consolidate ROE offices. The legislative own study shows that smaller schools have higher student achievement, although the recent prorated GSA has taken a toll on smaller, rural, poverty schools and the continued lack of funding that can't be made up locally. Everything is to be research based and there is several studies showing larger schools are not the answer. Look at our neighbors to the East who have already been through this, they are again in financial trouble and struggling schools. Over 50% of the vouchers for charter schools are used for students who have never attended a public school, not for poverty students supposedly stuck in a poor performing school. We recently had a feasibility study and the recommendation was not for a county school district. Smaller schools are forced to be more efficient and provide the relationships needed between teachers, administrators and students in order to be successful. I have several links I would be more then happy to share with you on this particular topic. My teachers have taken pay freezes, pay cuts, everything possible, and the state continues to ignore their obligation to high poverty schools.

Unfunded Mandate Idea: Please stop, look at the list of mandatory coverage topics of discussion at the same time you say it is important to get students college and career ready.

Story: See above and read your own study from the committee that just finished on consolidation. Larger schools are not in the best interest for student achievement and they do not save money, in fact it normally costs much more.

Name:

Consolidation Idea: We need to consolidate the Highway Commissioners and have them report to the County Highway Departments. No real need for 1430 Road Commissioners throughout the state covering an average of 26 square miles per Township.

Consolidation would assist in obtaining the "best price" for road improvement projects since the more that is purchased, the better price the State would get and the best use of taxpayer dollars.

It would eliminate individual Township Road Commissioners in implementing their own agenda when running the Township Roads. One Township lifts Spring Weight Restrictions while the next door Township still has theirs in place. This is corrupt and arrogant running their own agenda.

Unfunded Mandate Idea: If the County would bid for road improvements, they would get could consolidate projects to get a better price saving tax payer dollars.

Maybe a Statewide contract for Road improvements/repairs for a 3 year period to hold costs.

Story: Township Highway Commissioners have no supervisor that they report to and use taxpayer dollars for their own personal gain. The Limestone Township Highway Commissioner uses the Taxpayer purchased pickup truck for his personal use. This costs the taxpayers $4,162 based on government reimbursement rate driving to and from his home. That's 7238 miles to commute to/from his home annually. He opened admits he uses for personal use. This is the type of corrupt spending that would be eliminated if the Township Road Commissioners had a Supervisor they report to. Would this be any different that what Aaron Schock did?

Name:

Consolidation Idea: I would like to see the Fenton High School district consolidated with the feeder elementary schools into a unit school district. This will give students a continuous education, foster teacher collaboration and save on administration costs.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: While I love serving and sending my children to a one-school district, it is wasteful. There is no reason why a one-school district could not be absorbed by it's nearest neighbor (in our case Riverside District 96), This would significantly reduce the administrative costs and open up opportunities for students that might otherwise be cost prohibitive. There are MANY one school districts in Illinois and there really isn't a reason for it except to cite local school district control. If that were the case, a rule could be put in place that requires a certain percentage of board members to be from each town/city/village.

Unfunded Mandate Idea: There should be a law passed (I believe there is one in committee right now) that would allow school districts to pass on mandates that have not been funded. If the state feels strongly about a mandate being implemented, they should send dollars to the school district for implementation. Unfunded mandates are decimating school funding and diverting what little money schools do receive to matters that are at times trivial.

I'm an administrator in School District 45 and much time has been spent trying to deal with the unrecognized problem of the time required to deal with all the unfunded mandates while also educating the students of our district to the best of our ability. Ask any administrator/teacher in the state about the time issue and they feel as if they are drowning on a regular basis. 'Too much to do and not enough time to do it' is heard constantly within the hallways of many schools. I believe the larger problem has to do with non-educators trying to impose their will and belief upon a system in which they are not trained to do so.

Story: Simply look no further then the current teacher evaluation system under PERA. My district has elected to use the Charolotte Danielson Framework this year and it has taken me HOURS (I would say 10 hours per teacher) to complete the evaluations of 10 teachers. Because of the change in the RIF list, our evaluations needed to be completed by March 10th. This put an enormous strain on trying to complete evaluations while dealing with almost my entire school testing with ACCESS in addition to the ridiculous time demands of PARCC. Once student growth is factored into the equation, teacher evaluations will eat up even more countless hours. One administrator in my district put the hours spent on evaluations at 200. That is 200 hours she wasn't able to deal with students, instruction, parents, or school vision. It is no wonder that more and more educators are getting out of education. It is not a fun place to be anymore. This is my 21st year and I can say that I"m pretty much done. A few more years for me and I'll leave the madness behind for a different field.

Name:

Consolidation Idea: Move to K12 districts from elementary and high school districts.

Unfunded Mandate Idea: Provide mandate parity between charter and non-charter schools. Leveling the planning field will likely increase opportunity and innovation across the board. "The law exempts charter schools from nearly all mandates and restrictions applicable to public schools and school districts, except for those that are designed to protect the well-being and privacy of students and staff." http://www.isbe.net/charter/pdf/biennial-rpt-1112-1213.pdf

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea: Please consider repeal the requirement that school construction contractors must pay prevailing wages. This increases our school construction cost substantial, which get passed on to tax payers as part of the bond repayment.

Story:

Name:

Consolidation Idea: Find states who are at the median to low in number of local government entities and the same for tax rates and use them as a benchmark, but keep in mind that the models need to be based on relatively the same population sizes. North and South Dakota and Colorado models do not work for Illinois based on size of population alone.

Unfunded Mandate Idea: One thing I have learned in a short period of time on this job is that county and school districts do not increase staff because of political pressure/costs, but their jobs continue to grow in scope and therefore it is harder to attract quality people who want to be responsible for too many tasks and cannot do them to what they personally feel is an acceptable level of quality.

Story: Legislature continues to add to local curriculums without paying for the curriculum, staff development, or increases the time of a school day or year to properly teach what they continue to add. The recent addition of genocide instruction is a current example. The training requirements for staff for concussion training is another recent additional expense. Great idea- but please pay for it.

Name:

Consolidation Idea: Dimmick is a small rural school district which last year opened its doors to accept the 50+ students from the newly "deactivated" Cherry Grade School District. This process was successful because the merger made sense in our case both financially and academically and both districts were willing to work together to do what was best for students. Combined we are a district of 160 K-8 students comprising 45 square miles of rural north central Illinois. The key to our success is that this was not a forced scenario. Our greatest concern is that those at the State level would seek to mandate and force a "one size fits all" approach in spite of the fact that as every situation is different. Consolidation can be a great thing if it is done voluntarily by both parties.

Unfunded Mandate Idea: Any mandate that is not 100% funded by the State and does not directly impact the health, safety and protected rights of the students should be optional and the decision of local school boards. (HB 3535) Local Boards of Education should decide what is best for the students and communities they are elected to represent. We at the local level know what our schools need and the

barrage of mandates and one size fits all approached by the State need to end. The vast majority of mandates negatively impact student learning by diverting time, attention and resources away from where it is needed most and that is working with students and teachers. This practice must end. Far too much time is wasted in evaluation processes, financial reporting. These two areas can be drastically streamlined saving much needed time all while meeting the intended outcome. The problem, is the General Assembly and ISBE believe that their way is the only way. Again, this one size fits all approach isn't working for many and needs to change. School districts should have greater flexibility in filing waivers. Unfortunately now, there is little ability or opportunity to be creative or efficient in meeting the intended outcomes of most mandates.

Story: Last year, Cherry Grade School deactivated and tuitioned their 50+ students to my District, Dimmick C.C.S.D #175. We are seeking to permanently dissolve Cherry and annex them into Dimmick. Unfortunately, the Bureau County ROE and political leaders have made this process difficult and have attempted to derail our efforts despite both Districts seeing this as the best option in terms of meeting the needs of the students. Our hope is the the State will follow the recommendations of the Classrooms 1st Commission and lift barriers that make mergers difficult, NOT mandate or force consolidations. Dimmick is a flat grant District and will remain so after the permanent merger all while providing a high quality education for all students. What this means is that if successful, the merger will result in a savings to the State of at least $150,000.00 per year. In addition, those additional 50+ students will result in our District's population being around 160+ students in K-8.

I recently was asked to speak at the "Developing Local Talent" seminar hosted by Blouke Carus, a seminar in which you too presented. We were asked to share our story at Dimmick School because of the innovative programs we offer for a small rural school which include a K-8 Spanish Bilingual program, 5th-8th S.T.E.M. classes, a career exploration program all in addition to high quality core programs.

Our District is viewed as an educational leader in our area and discussions of possible forced consolidation raise great concerns among our stakeholders. We receive less than 2.8% of our funding from the State and would rather give up our State aide dollars than to be forces into an unwanted merger that is not what is best for our students or community.

Name:

Consolidation Idea: I would recommend using some of the hard work others completed on the "Streamlining" task force back in 2010. I believe there was merit to these recommendations. Here is the recommendation that I believe made some sense:

Coordinate services in each region: In order to efficiently implement the

State Board's vision for the statewide system of support, ROEs/ISCs will take the lead on

coordinating all educational services in their region, including those provided by EFEs, LTCs

and special education cooperatives. The regional superintendent will serve as the single point of

ISBE contact for each region as well as facilitating the coordination of services and improving

communication about and access to services for parents and the community in the region.

As part of their efforts to coordinate services across the state, the coordinating council and the

regional superintendents in each region shall consider the development of tiered services in

which all regional offices would provide the first tier of core services, such as training for bus

drivers and certification for teachers. In order to deliver this set of core services, ROEs/ISCs may

develop partnerships with other entities. In addition, ROEs/ISCs may form cooperatives or

develop entrepreneurial services beyond the required core, in areas of expertise that are specific

to their agency, which will be available to districts within the region or statewide. This tiered

system will maximize comparative advantage across the state, provide a wide range of high quality

services to support the needs of districts, and supplement the sustainability of the system

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If these entities would come under the umbrella of the ROE's, it could greatly reduce some inefficiencies throughout our State.

Unfunded Mandate Idea:

Story: We, at ROE #26, have a slightly modified model in regards to the Streamlining Task Force recommendation. ROE #26 has the EFE and Spec. Ed. Coop all housed in the same office location where we share personnel, services and space. The ROE is the fiscal agent for all, along with being the fiscal agent for many other entities in our region….County Teen Court, Purchasing Coop, 9th Circuit Family Violence Coordinating Council, etc. I believe our organizational model is an example that exemplifies regional efficiency in the State.

Name:

Consolidation Idea:

Unfunded Mandate Idea: HB 3535 is a great place to start. This year alone, legislators have filed 19 bills that are UNFUNDED mandates. In times where legislators have mismanaged government funds to the tune of over $6 billion, we have had to do with less while still providing a top-notch education for our children. It is time for it to stop and a priority placed on the most important resource Illinois has, its children.

Story:

Name:

Consolidation Idea: Make it easier to share bus drivers across school districts and transportation services.

Unfunded Mandate Idea:

1. Repeal requirements or daily PE at all grade levels.

2. Repeal prevailing wage requirement

3. Eliminate duplicative background checks. We have to do background check on student teacher, then turn around and do it again when we hire them as a teacher, even if its only been a matter of a few

months. In the same way we do background check for someone to be a substitute, but then have to repeat it to hire them. Maybe make it so the background checks are valid for year or something like that.

4. Make it easy for retired teachers to become substitute teachers, or for teachers, administrators from other states to gain certification in Illinois

5. Teacher evaluation systems - we are spending a lot of time and funds to incorporate student growth into teacher evaluations. This has no real basis from research and should not be required until it does.

Story: PARCC testing is a mandate from the state that has taken significant time from all of our school personnel, even just to set up and test the technology, educate our faculty and staff, besides all the normal time spent organizing and scheduling for standardized tests. As with most requirements from the state, something often sounds like its no big imposition, but when you actually start to dig into the process it becomes cumbersome and time consuming, with no real benefit to actual teaching and learning.

Name:

Consolidation Idea: Our school district joint bids the following Diesel Fuel, Bread, Food and milk with our neighboring districts and in the case of fuel with the Pecatonica Township, Pecatonica Fire District, Sumner Park District, and Winnebago School District. By increasing the volume we are able to get a better price.

Unfunded Mandate Idea: Unfunded mandates must be fully funded or not required. The costs for special education are signficant and ultimately affect the overall operational cost of educating students throughout the district. Either fully fund the cost for special education and make reimbursement payments on time or accept the federal standards for special education.

Story: I have a document local superintendents put together I would like to share if you are interested. The document clearly illustrates the costs of special education and the burden placed on local taxpayers.

Name:

Consolidation Idea: Consolidate school districts. For example in Boone county, there are 2 unit school districts. One with 8000 and one with 1600. You could easily combine these districts. Reducing superintendent and other administrative costs. Skokie has 4 different elementary districts. This could easily be 1 district.

Unfunded Mandate Idea: Revise part 226:730 - class size for special eduction. No other state has this mandate. Districts have to hire more special education staff than are needed.

Story: Special ed class size is maxed at 13 students for most classes. These classes could easily be 15-16 students. When a new student moves in, we have pay an overload to create a new section or hire another teacher. 70/30 split also causes districts to section more sections of inclusion classrooms.

Name:

Consolidation Idea: Consolidating the Illinois State Board of Education and giving back power to the local Regional Offices over the systemic functions of local school districts is necessary to provide consistency and efficiency in school function. Consolidating schools under enrollments of 500 with neighboring school districts would save substantial amounts of funding that could go directly to educating students and off-set the loss in GSA appropriations.

Unfunded Mandate Idea: See Vision 20/20's recommendations. They have covered unfunded mandates and have done so with input from several groups of reputable practitioners.

Story:

Name:

Consolidation Idea: Eliminate 23 IAC 226.730(a)

Unfunded Mandate Idea: The practice of continuously calculating the percentage of students with IEPs in every general education classroom is extremely cumbersome for special education administrators and often inhibits their ability to service students with IEPs in general education settings with support. It

restricts the ability of IEP teams to make placement decisions on the basis of student need by imposing an unnecessary restriction on those placements.

Story: N/A

Name:

Consolidation Idea: Physical Education mandate K-12 is a burden on IL schools.

English Language Learner requirements for additional courses and teachers are a burden.

Special Education mandates require additional staffing.

PARCC testing may not benefit high school students in college entrance scores. ACT benefited all students.

Unfunded Mandate Idea: PE as an elective course in 9-12 and not graduation requirement.

ELL graduation required courses in high schools should be reconsidered. Support yes but not exact mandates if courses.

Offer ACT test to juniors.

Reconsider 70/30 mandated co-teaching ratio on general education classes. Requires two teachers instead of one.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea: 105 ILCS 5/2-3.64 State goals and assessment

[23 Illinois Administrative Code - 1.420 - Subtitle A - Subchapter a - Section 3A-3B.

http://www.isbe.net/rules/archive/pdfs/oneark.pdf

Pages 85-86

Story: On behalf of my Kindergarten teachers and Kindergarten teachers from around the region, I want to share my displeasure with the required Illinois Kindergarten Individual Development Survey which will be required annually beginning in the 2015-2016 school year. My teachers were part of the pilot program last year when they were trained to assess 30 separate indicators per Kindergarten child three times per year. Our pilot participation was continue this year; however, the number of assessment indicators increased from 30 to 55. This means my Kindergarten teachers were to obtain three separate pieces/examples of physical evidence per indicator per child three times during the year year. Let's look at this mathematically:

An average Kindergarten class in my school contains 20 students. The teacher must collect three pieces of physical evidence to make a determination about the level of the student's performance on each of 55 indicators. They must do this three times per year. They must then enter all of this data into a database whereby they open the online form and go page by page (over 50 pages) entering the student's performance per indicator. They must do this 20 times as each child must be entered separately.

20 students x 3 physical pieces of evidence x 55 indicators = 3,300 pieces of evidence

3,300 pieces of evidence collected three times per year - 9,900 pieces of evidence.

The teacher must enter 20 students x 55 indicators x 3 = 3,300 performance levels into the computer for their class over the course of the year.

Much of this data is social/emotional/behavioral. A small portion is academic.

In addition to the above work, which, by the way, requires them to stop what they are doing and snap a picture with their iPad or record what the student just did, they must also complete the needed common core aligned standards progress for our report cards 4 times per year. We have over 20 indicators on the standards-aligned report card.

This means that our Kindergarten teacher is collecting 9,900 pieces of KIDS evidence, entering 3,300 performance levels into the KIDS assessment database, and filling out 1,600 indicators on our standards-based report cards throughout the year.

When, we ask, are Kindergarten teachers supposed to teach? This UNFUNDED mandate is placing a SIGNIFICANT burden on districts and teachers in that we must hire substitute teachers to come in and

instruct these kindergarten children while the teachers spend time trying to complete all of these assessments or collect, sort, and input the assessment data.

What about half-day kindergarten programs? There is no way they have time to do this work.

My teachers are working day and night to try to align their curriculum to the New Illinois Learning Standards. They understand and respond appropriately to the social/emotional and behavior needs of children in their classroom, as Kindergarten teachers have always done. They cannot waste the precious little time they have with these children to look for ways to "catch a child pretending to pour coffee for another child" (an actual sample indicator performance level on the rubric).

From one of my Kindergarten teachers who is aware of my position regarding this unnecessary assessment process for Kindergarten children:

"It would almost be impossible to collect all that evidence for all 19-20 students and get it entered in by each deadline. We tried our very best last year and we all said it took at least 8 hours to enter in all the students each testing period. I just feel like with all the common core, KIDS assessment, etc this year we will have zero time to do "kindergarten stuff" such as learning new songs, having circle time, and so on. It makes me sad because these students are still babies and I feel like all we do is test, test, test. If you have any pointers for us to help with the time consuming KIDS Assessment please let us know. Thank you for being so great and always listening to us."

Name:

Consolidation Idea: I live in Naperville Township DuPage County. I firmly believe that eliminating the township & roll unincorporated into either the county and/or nearby town. The township concept is past its useful life & has become welfare for the connected people. A large majority of the "services" can & should be contracted out to the private sector for cents rather than dollars & no continuing retirement costs. I will be happy to demonstrate this idea. G Grant

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Eliminate unfunded mandates for schools. There are layers of additional staff time and other soft costs associated with these mandates. The school code has become bloated in many ways. The PARCC assessment is another example of millions of dollars poured into a company outside of our country. There are countless hours put into getting Illinois schools and their stakeholders ready for the PARCC test with little to no evidence that this test will be worth the dollar and improve the education of our children.

Unfunded Mandate Idea: Everyday PE is an example of a costly mandate.

Story: The PARCC assessment is paid for by Illinois to a company from England. To give this assessment, we have had to pour in countless hours into preparation (infrastructure and staff preparedness), upgrade hardware for the online assessment, and dramatically cut instructional time. It has been mandated to us in terms that are very explicit in bullying schools if they do not comply.

Name:

Consolidation Idea:

Unfunded Mandate Idea: 105ILCS 5/10-17 requires school districts to publish their Annual Statement of Affairs (ASA) in the local newspaper. This is a very large report that takes up a lot of space in the paper, therefore it is very expensive to publish. This requirement should be amended to allow school districts to publish this report on their website as an alternative to publishing in the local newspaper. At an estimated cost of ~$500 annually per district, with more than 800 districts across Illinois, this could save ~$400,000 per year and still provide the same information to the public.

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea: Legislation has often been enacted that has been developed with good intentions, but it has created a profound burden on local school districts. Perhaps an entity could be established that could examine proposed legislation to determine unintended consequences for local governments. The mandates have often resulted in action that takes time away from our real focus.....our students! As you are likely aware, there is a comprehensive listing of such unfunded mandates that have impacted districts throughout our great State. Please consider establishing a mandate relief oversight committee, and allow this entity to review current and pending legislation to lessen the impact of government intrusion in areas that are simply not necessary. Those of us in education who have worked tirelessly to provide the best possible education for our students do not need to be forced to comply with burdensome regulations. A movement needs to begin that honors those districts and local government entities that have a demonstrated solid fiscal management and high quality services. Government cannot legislate excellence, but it can recognize excellence and reward those who are doing well. I appreciate your sincere effort to listen to our concerns and improve a somewhat broken system. If I can serve in any capacity to assist in this process, I would be honored to help in these efforts. Sincerely, Jay K. McCracken, Superintendent, Putnam County C.U.S.D. 535

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Consolidation Idea:

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Story:

Name:

Consolidation Idea: I could give numerous examples of school districts that should be forced to consolidate, but this will never happen voluntarily. It will have to be forced upon by the state.

Unfunded Mandate Idea: Please follow the suggestions of Vision 20/20. The position of superintendents, school boards, and business managers is clearly stated in that document.

Story: Mandated PE that goes above and beyond virtually every other state and other non-core subjects limits student choice in elective offerings and costs school districts millions of dollars. One local 8th grade student will have to quite either language, band, or engineering to take PE. She and her mother were in tears, and there was nothing I could do to help them because our district had no ability to help do what is best for that student and that family. I have seen families who have invested thousands of dollars in travel ball have their children miss varsity competition (mine included) due to injuries in PE, and in our district, due to lack of state funding and lack of the 1% sales tax for facilities, we cannot offer decent PE in the first place. Our students have to run around the halls disrupting classes to do anything during half of the school year.

Name:

Consolidation Idea: Where stand-alone communities have multiple school districts within their community boundary, they should be encouraged to consolidate. For example, Lincoln has 3 elementary districts and one high school district. That seems to me to be an easy reason to consolidate.

Unfunded Mandate Idea: Give school districts flexibility in offering PE - HB1330 (which was sent to rules effectively killing it.)

Story: In my district, we are almost at the end of our ISBE waiver of PE so our students can take Show Choir instead of PE. (Visit www.iacce.org/showchoir to learn more.) Our Show Choir team just won the National competition in Nashville last week. Show Choir is just as physical, and in our district's case, much more so, than the standard PE class. As my niece just said, "we are required to take 3 years of math and 2 years of history but 4 years of PE."

And as our district is one who is deficit spending and faces a large reduction if SB1 passes, requiring our students to have PE instead of allowing our students to take more college/career ready classes means we have to cut classes & programs that can truly benefit their college and career opportunities to keep PE classes.

Name:

Consolidation Idea:

Unfunded Mandate Idea: Currently, there are a number of mandates placed upon school districts in regard to equipment needed at facilities, curriculum to be taught, training for staff members, costs for educational placements, special education class size limitations, reporting procedures (duplicated information). The list is comprehensive. There can be no more additions to the list without funding to handle the training or purchase of equipment or supplies. Allowing local control to determine which mandates (not those that affect health/life/safety) may be waived should take place. Let local communities decide the fate of Driver Education or daily P.E. in their own districts. Districts that are deficit spending need the flexibility to make cost reductions that will make a significant difference. The only real reductions that can be made now increase class sizes to an uncomfortable level especially in elementary schools, i.e. 30 or more in a room. Let local elected officials do their job to represent their constituents.

Story:

Name:

Consolidation Idea: Currently if a school district consolidates there is no savings and actually there is typically a huge cost associated due to the rules governing this action. For example, three elementary schools feed into one high school and they consolidate ALL teachers get put on the highest pay scale of the four districts. Although you may save some administrative costs, the increase in teachers salaries negates this benefit and in fact makes it too large of a cost to be feasible. Rules need to change regarding this...

Unfunded Mandate Idea: Currently we can only integrate up to 30% of students with IEP's into a class and consider it regular education. In many cases this forces the district to reduce the number of students being integrated. We need flexibility in staffing and this arbitrary cut off is pointless. The content being taught should dictate if the class is "regular ed" or "special ed" NOT the percentage of students in the class.

Story:

Name:

Consolidation Idea: I think by creating county-wide initiatives instead of municipality-wide initiatives for Active Transportation, we can eliminate a lot of wasted funds on small-scale research. If counties prioritized the implementation of bike lanes and walking paths whenever roads were being reconstructed/repaved, then we could eliminate hazardous stranding that occurs from the kind of disjointed small-scale planning that ultimately leads to pedestrian and cyclist injuries and deaths.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

1. Eliminate funding of schools through property taxes.

2. Stop forcing childless people to educate other's children. A compromise might be mandating a base contribution paid by everyone, with those with children paying more, directly-based on the number of children they have in the school system. Ideally, the base contribution would not include educating any children. Another compromise would have the base contribution educating include 1-2 children.

3. Develop a process to tie school registration and graduations with increased/decreased contributions owed, respectively.

Unfunded Mandate Idea: Change the constitution, if the IL Supreme Court finds Gov. Rauner's pension ideas unconstitutional, to make mandatory

1. lowered pension payouts in line with industry's, relative to gross amounts and the absence of COL increases

2. use of other forms of retirement vehicles, such as 401Ks instead of taxes

Story:

Name:

Consolidation Idea: School districts should be merged so the high schools do not have to juggle the different guides/requirements from their multitude of feeder school districts -- and would also address the high cost of duplicate administrators.

Unfunded Mandate Idea: School boards address salary issues behind closed doors. When salaries are published, it becomes apparent that administrators receive major bonuses prior to their retirement. This burdens the state (not their school district) to fund their retirement at much higher levels than would have been otherwise. Such retirement "bonuses" should be born by the individual district or severely restricted.

Story: A superintendent in northern Cook County had his salary boosted by 20% for 5 years prior to his retirement adding up to more than 100% increased cost. And he was only responsible for one (1) high school! New Trier, of course, but news articles at the time also indicated that other administrators were similarly benefiting at nearby high school districts.

Name:

Consolidation Idea: School Districts. Indiana consolidated districts years ago in a cost savings move. We hate to many K-5, 6-8 and 9-12 school districts each with its own set of administrative overhead. Which is very expensive and contributed to the Pension Problem in a significant manor, with Superintendents making in the $250,000.00 to $400,000.00 These people are costing taxpayers a fortune. Along with their support staffs.

Huge cost savings here short and long term

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Consolidate township assessors, highway and welfare departments into county government. We need a ballot measure that would enable voters to do this. Sen. Melinda Bush has already proposed this.

Consolidation of school districts should also be studied and introduced as ballot measures.

A constitutional amendment is also needed to impose term limits, end gerrymandering and broaden the tax base.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Eliminate township government (especially in Chicago metro) and turn all functions over to either city or county government. It's really that easy.

Consolidate all these silly grade school districts into one district--that being the high school district they feed into.

What is the regional superintendent of schools, and why? Get rid of it.

Why do we need the ISBE, ISAC, IBHE and ICCB? Why is U of I, ISU, SIU, EIU, NIU all under different governance commissions. Isn't one enough? Wisconsin is a good example of organizing a higher ed system properly and with outstanding results. Never mind that sometimes the WI gov gets his gentle feelings hurt.

Eliminate library districts and turn functions over to the local high school district or municipality.

Consolidate separate elected state executives and have all report to the governor, ala US President's cabinet. One independent auditor general with subpoena power would help legislature keep the governor's nose clean. This person could be appointed for 6 year term with consent of Senate. Do the same for all the silly county executives. Sheriff, state's attorney, auditor, treasurer, clerk and coroner should all be appointed and approved by a county board.

Unfunded Mandate Idea: This is soooo 1988. Let's get over this issue. It's OK with me if local governments need to be in ADA compliance, produce an annual audit, observe the rules of due process of law, or hold an election, each of which is "an unfunded mandate."

Story: Don't bore me with one-off stories. Let's just stick with facts. Illinois has more units of government than any state in the union and its corruption is the but of jokes around the globe.

But if you need some, look at how poorly aligned K-20 education is. Look at the sorry outcomes in math, language, science and history. This is what this many uncoordinated and competing education systems will get you. "Local autonomy" or "parents rights" is the cry. The response is China's economy.

Name:

Consolidation Idea: U46 school district has way too many layers of government! Talk about overspending on management. Please look into this.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Townships are not duplicative governments.

Unfunded Mandate Idea: Fix the state government first.

Story: School districts are the obvious for consolidation.

Township government is the closest to the people.

Name:

Consolidation Idea: SB1430, Amendment #1 - Support this measure. Give people to power to change their government expenditures at a local level where most appropriate and eliminate unnecessary costs. Over $750,000 in taxpayer money is spent annually on local assessors in Lake County alone. In 2014-2015, over $140,000 in legal costs were associated with a budget argument in Avon Township.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

*School district consolidation (e.g. three stellar school districts in Batavia, Geneva and St. Charles merging into a "Tri-Cities" Consolidated School District). This is especially important downstate, where superintendents in tiny towns rack up large paychecks and big pensions.

*Elimination of regional and county offices of education, if not regional, at least eliminate county.

*Consolidate township responsibilities into city

*Consolidate county forest preserve and park districts into one organization.

*Term limits at the local and county levels (i.e. the mayor of Batavia has served for around 34 years).

*Re-evaluation of city codes and laws to make them more business friendly

Unfunded Mandate Idea: Repeal!

Story:

Name:

Consolidation Idea:

1. Consolidate various City Police Departments Into one county wide system

2. Eliminate Township Governments

3. Consolidate County Wide Library Systems

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: ELIMINATE TOWNSHIPS IN FAVOR OF COUNTIES PROVIDING SERVICES, COMBINE FOX LAKE AND VOLO INTO ONE GOVERNMENT. THIS WOULD ELIMINATE DUPLICATION, IMPROVE EFFICIENCY OF SERVICES AND ALLOW FOR PLANNED GROWTH AND GREATER ECONOMIES OF SCALE IN FUNDING SERVICES.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Consolidate highway departments. Just like Wisconsin does.

In Wisconsin Kenosha County public works maintains County roads, State roads, Interstate roads and some town roads.

In Illinois we have State plow trucks, County plow trucks, Tollway plow trucks, Town plow trucks, Township plow trucks. We have ALL see a plow truck driving down the road with the plow OFF the road. Just driving down the road to get to the road they are responsible for. So a township plow truck will drive down a state, county and town road just to get to the township road they need to maintain.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I am concerned about the elimination or lessening of citizen participation in local government. I guess that is contrary to Gov Rauner's efforts, but I think it is a dangerous direction to go. A case in point is the elimination of the Regional Planning Commission in Lake County, IL. That was a group of appointed citizens from all areas of the county and its purpose was to be the first step in "researching" and advising the County Board regarding planning priorities. I was, for a while, a member of that board. That function now falls in the purview of the professional planners for our county. They are the ones who actually did the research for our meetings, which was then presented to the RPC for debate or approval. We tweaked their ideas, then sent our recommendations to the next level. Those of us on that board were essentially volunteers willing to give time and thought to the quality of life in Lake County as seen through the eyes of citizens outside the system. That is of huge value, I believe, to the welfare of this county. What is being suggested may "streamline" the local government in some sense of the word, but it also puts more power into the hands of fewer people. I am opposed to that concept, and

believe that the reducing the number of citizens involved in government discourages input from the citizens not directly involved in making policy.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Consolidate school districts. Many districts have one or two schools within a district that supports both a principal and superintendent that creates a tedious bureaucracy and is very costly.

Eliminate referendums on buildings/land without including the operation/maintenance of these proposals. For example, putting through a bond referendum for a new firehouse, passing it, and then running a separate referendum to equip and man it after it was built. If it doesn't pass, we then have a new building that stands empty.

Cap spending on park/forest preserve (public) land that does not contribute anything to public use other than to take it off the tax roll.

Sell off land/buildings that are not in use or too expensive to operate/maintain based on their use.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea:

-Reduce number of school boards. I recall voting for 4, overlapping, in a recent election.

-Require all Forest Preserve districts to be removed from property tax funded budgets immediately and either become fully self-funded (through user fees and land leases for farming and hunting) or auction the property off to return it to the tax rolls. This is a socialist land-grab that would make Stalin proud.

-Eliminate salaries paid to County Board members. Expenses for meeting attendance can be allowed, but this is allegedly a public service which has become a career for far too many people. This principle should be applied at local and state levels as well.

Unfunded Mandate Idea: Immediately de-fund prescription and OTC drugs for all inmates serving sentences based on conviction. This has long been a GIGANTIC drain on taxpayer funds; and many inmates purposefully commit crimes so as to have access to these medications at taxpayer costs. If you stop and consider that an uninsured violent felon will receive better medical care than his or her uninsured victim under the current system; you will diffuse any misgivings about taking this step.

Story: See the above example. I also recall data from over 10 years ago that one particular drug company's wholesale revenues from the state department of corrections exceeded $15 million dollars. There is a significant difference between cruel and unusual punishment and preferential treatment. Illinois should choose to become a leader in this area.

Name:

Consolidation Idea:

Unfunded Mandate Idea: During the hay-days of our economy local government officials had more money than they knew what to do with, so they lavished themselves with entitlements and the general public took little notice. Now we are in the paayout-days for these un-checked entitlements. you have seen the register of university administrators and tollway "security officers" who have retired in thier fifties and collect 80-100% of their pay in annual retirement benefits, many in the $80K-300K range. Many of them made six figure incomes while they worked and made no contributions to these lavish retirement plans.

Clearly, if we had been paying attention during the sixties, thewe programs would never have taken root. But now that they are thriving and pandemic within Illinois, it will take drastic measures to undo them.

The system needs to be overhauled, especially the pensions and entitlements programs. Nobody should have ever recieved benefits that exceed the mean for private-sector employees. Our over-compensated

politico-social parasites can make an adjustment to teir lifestyles. (Shame on them if they did not invest in thier own retirment plans.)

Next, an amendment to the state constitution that reads along the lines of: If tax money is being spent on anything other than a public service or a program that will have a positive effect on the population, it should be deemed an unouthorized use of public funds and eliminated.

Story:

Name:

Consolidation Idea: A place to start is consolidating the functions of townships and eliminating that layer which is a holdover from early settlement days.

Consolidate the township assessor offices into a county-wide office which would lead to cost savings and uniformity.

Likewise for the other functions that townships perform.

Bottom line - eliminate townships.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: Eliminate Township Assessor. Township Assessor hold no special powers. They merely carry out the duties assigned by the Illinois Property Tax Code and the County's Chief Assessor. In Lake County alone there are 18 Townships Assessors and support staff costing Lake County Property Taxpayers millions of dollars each year.

The stale argument is that Township Assessor know their neighborhoods and can do a better job than a centralized County Office. I suppose if each Assessor followed the same standards that might have merit, but they don't. Assessor execute their jobs to the level of their expertise. Some good and some bad.

In Avon Township the Assessor mis-managed his budget and went through a year's budget in 5.5 months necessitating the need to CLOSE his office and send his employees to the unemployment line while he collected over $94,000 in benefits for sitting home. The County had to pick-up the slack and take care of the residents.

Eliminate Township Assessor, re-enforce the County Assessor's office with the best of the best Assessor/Support Staff and open a "few" satellite office to alleviate residents from having traverse the county.

Applicable Statutes

60 ILCS 1/

30 ILCS 200/

Unfunded Mandate Idea:

Story: Rep Sam Yingling (D62) states we need to have a hard conversation about the need of township's in the 21st Century and while he was a Township Supervisor lobbied to eliminate his job.

Township Officials Of Illinois are a mighty lobby force.

Townships have a strong GOP foothold so that there will be fights of not in my backyard on both sides of the aisle.

Name:

Consolidation Idea: It is great that our State Government is concerned about taxes and trying to reduce them. BUT local government bodies are where are voices are more easliy heard, yet it is still hard to be heard. This sounds like another way for Springfield to grow bigger and more powerful, and leave the voices of the citizens at bay. EVERY community is different, and has different wants and NEEDS. Jeff, Just think how diverse your small district is. How can large governing bodies serve the people when the peoples voice can not be heard, or ignored. This country is slowly self destructing under big government. Tell Springfield to FIX this state, then they can worry about what we do in our County, our Villages, or

even on our own street. Set an example for us....THEN WE WILL LISTEN.....which they should try doing themselves!

Unfunded Mandate Idea: NO MANDATES without funding approved by tax payers. Even if we have to go to the polls every week!

NO TAXATION WITHOUT REPRESENTATION!

Story: We elect "POLOTICIANS" who claim they will improve government, but very little changes happen.

If I think of something...I'll be more then happy to forward on to you.

Thanks for the opportunity!

Name:

Consolidation Idea: Eliminate Township Assessors in Lake County and transferring part of assessor levy money needed for centralized system to Lake County (eliminating remaining assessor levy money) to create a Centralized Assessment System that can reduce overall costs 35-45% or up to 5 million.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I believe townships should be eliminated. Redundant and expensive.

Unfunded Mandate Idea:

Story:

Name:

Consolidation Idea: I first would like to say that I think all members of the Illinois State Police (ISP) are professional and perform their jobs extremely well. My recommendation has nothing to do with their performance. My recommendation to help with the budget and save tax dollars would be for an organizational change and mission change within ISP. I believe the organization could be streamlined by changing the mission to "Highway Patrol" instead of "State Police". There is a huge difference between the two and costs associated. Currently in my county the Sheriff handles all calls for service. The only time a trooper is dispatched is if a deputy requests assistance. This is not the case in other counties where the Sheriff does not staff because he knows a trooper will respond. Why should tax payers pay a Troopers salary to respond when it should be a Deputy at half the cost? If the mission was "Highway Patrol" this would not occur and the county would have to properly staff. This is only one example but I could name many more. Changing the mission would also allow additional funding to go into the other divisions that support local law enforcement such as Bureau of Identification and Forensics. It currently takes months to get finger prints back. It will not be easy but I believe it could be done through attrition slowly over time.

Unfunded Mandate Idea: The funding process for 911 centers must change if they are to remain open. I would oppose all unfunded mandates to increase 911 services that will require additional costs such as the ability to receive texts, photos etc. This is a nice feature but will require additional funding we don't have. Additional responsibilities for dispatchers will require more pay in collective bargaining agreements.

Story: Positive consolidation story has been ISP Districts and Dispatch Centers. The consolidation reduced upper level management in the districts and within the dispatch centers saving tax payer dollars. I would recommend doing a salary comparison of ISP district staff with similar sized law enforcement agencies and 911 centers. The comparison will shock you.

Name:

Consolidation Idea:

Unfunded Mandate Idea: I fully support the spending cuts that Governor Bruce Rauner has been proposing. Illinois have been on a spending trajectory that has left us broke and with exceptionally high property taxes.

My current property tax rate of 9.79% is made up of 18 taxing bodies. The majority of the increases coming from IMRF pension contributions via our property taxes. I don't believe a receptionist working at police department is considered a public servant. I would recommend only offering pension to TRUE public servants. An electrical engineer working for a city vs an electrical engineer working for a private company both make the same amount of money, but the city worker is guaranteed a pension. An electrical engineer is not a public servant. 401k plans would be a better fit for these types of employees. I know IMRF is almost fully funded, but it is because of increased property taxes that it is possible. I have a breakdown (PDF) that shows all 18 taxing bodies and their tax rates broken down by entity, pensions and SS. Feel free to email me for a copy.

Story:

Name:

Consolidation Idea: Under Police and Fire Pensions the State Statutes mandate that you must participate if your population is 5000 or above. There is no "out" if your population falls below the 5000 mark. The census for the City of Cairo was 5931 in 1980. In 1990 the census was 4846. The last census in 2010 was 2831. We have been levying taxes for these pensions for the last 24 years even though our population has been below 5000 since 1990. Our demographics indicate that we are one of the poorest cities, in one of the poorest counties in Illinois. It is a documented fact that the police and fire pensions are in trouble, particularly in Southern Illinois. We need some relief from this problem.

Unfunded Mandate Idea: It would be my suggestion that we somehow replace the Police and Fire Pensions in the southern part of the State with IMRF. I understand that this would be a major undertaking, but we MUST get some relief from this mandate.

Story: Every year we levy taxes on the citizens of Cairo to fund these pensions. The Illinois Dept. of Insurance gives us the mandatory figure that we must levee by law. Of course, we never get the entire amount levied and the next year the amount raises that we must levy in order to pay what wasn't paid the preceeding year. It is a vicious cycle that we will never be able to take care of.

APPENDIX E – TASK FORCE MEETING MINUTES

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Thursday, March 26, 2015
Conference Room A-1
Stratton Building
401 S Spring Street
Springfield, Illinois
4:00 PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	Y
Mark Batinick	Representative	97th District	Y
Jack Franks	Representative	63rd District	Y
Emmanuel Chris Welch	Representative	7th District	Y
Dan Duffy	Senator	26th District	Y
Dale Righter	Senator	55th District	Y
Martin A. Sandoval	Senator	12th District	Y
Linda Holmes	Senator	42nd District	Y
Karen Darch	Mayor	Barrington	N
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	Y
Dan Cronin	Chairman	DuPage County	N
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Y
John Espinoza	Board Member	Whiteside County	Y
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Y
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Y
Char Foss-Eggemann	Trustee	Park Ridge Library Board	N
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	N
	Non-Voting Member		

Clayton Frick	Deloitte Services LP	Y

The Local Government Consolidation and Unfunded Mandates Task Force met for the first time on March 26, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Building: Stratton 1st Floor
Conference Room: A-1
Street Address: 401 S Spring Street
City: Springfield, Illinois

MEETING START
I. Call to order, Lt. Governor Evelyn Sanguinetti, 4:06PM CT

Roll call, Leah Guffey (Downstate Coordinator-Office of the Lt. Governor)

Of the twenty-four voting members serving on the task force, nineteen were present. Four members including Chairman Cronin, Mayor Darch, Chairman Obernagel, and Trustee Eggeman attempted to phone-in to the meeting but were unable to connect due to IT issues with the phone used at the meeting. Non-voting member Clayton Frick with Deloitte Services was present.

Quorum Reached

II. Chairman Remarks- Lt. Governor Evelyn Sanguinetti

a. Executive order/Task Force overview
b. Introduction of Task Force members
c. Taskforce objectives
d. Process for Members to introduce new business

III. Presentations

a. Illinois Representative Jack Franks, Report of previous consolidation task force and member discussion
    a. Rep Franks provided a report on the findings and challenges his previous consolidation task force uncovered
        i. The existence of local governments is not accidental
        ii. Local governments use taxpayer money to lobby state government
        iii. The burden of financing these many units of local government is a drain on the pocket of the taxpayer
        iv. This system of abundant local government is connected to the unpredictability of property taxes
        v. Eliminating unnecessary local government is where focus should lie

- Representative Batinick asked if the commission received push back from local elected officials. Franks explained there is always going to be some form of push back when talking about consolidation.

- Hill Hammock asked Representative Franks to verify his understanding of the DuPage Consolidation bill and Franks new consolidation bill affecting McHenry County that if a county appoints a majority of local government board, that majority could vote to take the consolidation steps that Representative Franks discussed. Representative Franks confirmed and added the last Commission learned it was much easier to create new governments, but often there is no way to get rid of government or it is very hard.
- Michael Bigger noted that he has had similar observations, and has run into roadblocks when trying to consolidate within his county in the past. There are 15 counties with 10,000 people or less, and he tried to start a coalition amongst these counties for consolidation but experienced a lot of pushback even in taking little steps. Representative Franks affirmed that we need to enlighten citizens about how their tax dollars are being spent, and that taxpayers would be upset to learn that local governments are hiring lobbyists to defeat consolidation efforts in Springfield.
- Karen Hasara added that a twenty-three person volunteer commission was created in Sangamon County and their most successful measure was getting similar units of government to talk to each other. They now have an effective commission of mayors within Sangamon County. Representative Franks echoed that this was a good idea and that encouraging cooperation and shared services amongst similar units of government is important.
- John Espinoza said that many times taxpayers are not aware of the waste, and then gave an example of successful fire services consolidation in his county. He also argued that the willingness to consolidate is there if the people are made aware of the waste. The biggest obstacle is that no one wants to give up their kingdom.
- Warren Dixon III asked Representative Franks what the goals were of the prior commission. Representative Franks responded that their goal was not to consolidate just for the sake of reducing government, they wanted to first gain an understanding of the savings these efforts would bring. They concluded that simply consolidating does not always save money due to the various assets and liabilities of the taxing bodies involved.

  They also found that there were sometimes local units that wanted to consolidate but were unable to do so, and therefore the commission wanted to empower local governments. On that note they found that a top-down approach was ineffective and that local governments do not want to be told what to do from Springfield.

Warren Dixon III agreed and emphasized that consolidation should not occur just for the sake of consolidating, and then asked what the premise was of establishing the total number of units of government in Illinois. Representative Franks responded they largely relied on data from the Comptroller's Office.

Warren Dixon III added that not all taxing bodies report to the Comptroller's Office so the number of units of government in Illinois may be even higher than reported.

b. Brian Costin, Policy Director, Lt. Governor's Office- Brief overview of units of local government, unfunded mandates and corresponding research
    a. Brian Costin provided a numerical-based overview on units of local government
        i. There are two ways to count units of local government
            1. Recommended way to compare Illinois to other states is the US Census Bureau calculation method
            2. Also looked at how Illinois Comptroller calculates local governments in Illinois

        ii. Unit of local government breakdown
            1. IL has highest number of municipalities, highest number special districts, third highest number of schools and townships
            2. Texas is nearest competitor, yet it has twice the population and five times the area as IL
            3. Not just the number of units of government that is concerning, but more so the layers of government
            4. IL unique because it is the only state where more than 50% of population had 3 layers of general purpose government (County, Municipal, Township
        iii. Local Governments Per Population
            1. IL has 54 units of government per 100K people
            2. Other large states have average of only 18 units per 100K people.
            3. IL has six times as many units of local government as Florida. Brian Costin argued that Florida's lower prevalence of local units of government is connected to the lower property and sales taxes observed in Florida.
        iv. Comptroller's Breakdown
            1. Top 2 Units of Government are townships and Road and Bridge districts
            2. Others include school districts, drainage districts, fire, library etc.

3. Total is different from U.S. Census due primarily to Road and Bridge Districts

v. IL Municipal League: New Unfunded Mandates
   1. 266 mandates since 1982- Average of 15 new mandates per General Assembly cycle since 1982

vi. Illinois Association of School Boards
   1. 145 new mandates since 1992 for school districts

vii. Research on Local Government Consolidation and Unfunded Mandates
   1. We need better estimates on cost of mandates to local government; we need local governments to submit information to task force.

- Representative Welch commended Brian Costin's presentation and the Lieutenant Governor for chairing this Task Force. He wants to look at smart consolidation, not just for consolidation purposes. He then gave a few examples of local government excess from his own district, including a township that is completely overlapped by a village, and noted the pushback that consolidation efforts receive.
- Lieutenant Governor Sanguinetti remarked that task force members must go back to their communities and collect examples and information regarding the need for consolidation to create thorough reports.
- Brad Cole mentioned that since the compilation of data in the meeting slides, there is one less municipality due to self-dissolution. He reminded the Task Force that besides consolidation, dissolution is also an option. Hill Hammock asked Brad Cole to elaborate why that occurred. Brad Cole explained the Village of White Ash determined they did not have enough resources or people to carry out their duties.
- Representative Batinick then questioned what current law allows us to dissolve through referendum.
  Brian Costin mentioned that an issue the Task Force will face is inconsistency across the board regarding laws for dissolution, and the Lt. Governor's office is preparing a report for the task force on all of the different consolidation laws.
- Clayton Frick of Deloitte then asked what occurred to trigger the observed growth of local government during the last 30 years. Brian Costin responded that there has been population growth around the Chicagoland area and increases in special districts. He also mentioned IL has constantly been the state with the most units of government.
- Warren Dixon III asked Brian Costin if he was assuming that high property tax in IL is correlated with the number of units of government. Brian Costin replied he does believe the high property tax in IL is connected to the raw number of units of government, but that he found the layers of government to be the most compelling as opposed to just the units.

- Michael Kern asserted that it is imperative to draw the line for unfunded mandates as a cut-off measure. He supported putting a constitutional amendment on the ballot to prevent additional unfunded mandates from being enacted until there can be a thorough review of these mandates. The current unfunded mandate legislation is ineffective and easily overridden.
- Representative Batinick observed that in his area, raw numbers of government units are the problem and provided an example involving fire departments. Warren Dixon III said that duplication must be identified and brought to the forefront. Hill Hammock emphasized that it is important to not only consolidate units of government, but make these units more transparent.

Lieutenant Governor Sanguinetti then called to discuss New Business.

- Dr. Darlene Ruscitti discussed streamlining educational services. She gave examples including school districts pulling out of special education co-ops to provide their own improved services, and Education-for-Employment entities. Dr. Ruscitti also emphasized the need to get all of these programs under one umbrella so that services can be maximized.

Lieutenant Governor Sanguinetti then motioned to limit public comment to three minutes per individual. Brad Cole moved the motion and Senator Dan Duffy seconded the motion. The motion was approved by majority ayes with no nays recorded.

MEETING END

Lieutenant Governor Sanguinetti then motioned to adjourn at 5:18PM CT. Representative Batinick moved the motion and Senator Linda Holmes seconded the motion. The motion was approved by majority ayes with no nays recorded.

UPCOMING MEETINGS

-Thursday, April 2nd, 2015 (Bloomington-Normal) from 3:00 PM - 5:00 PM
McLean County Board Room (Room 400), 115 E. Washington St., Bloomington, IL 61701

-Wednesday, April 8, 2015 (DuPage County) from 1:00 PM - 4:00 PM
County of DuPage Board Room, 421 N. County Farm Road, Wheaton, IL 60187

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force
Meeting Minutes

Wednesday, April 8, 2015
County of DuPage Board Room
421 N County Farm Road
Wheaton, Illinois
1:00 PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	Y
Mark Batinick	Representative	97th District	Y
Jack Franks	Representative	63rd District	Y
Emmanuel Chris Welch	Representative	7th District	Phone
Dan Duffy	Senator	26th District	Y
Dale Righter	Senator	55th District	N
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	Y
Karen Darch	Mayor	Barrington	Y
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	Y
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	N
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Y
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Y
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Y
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the third time on April 8th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Building: DuPage Administrative Building
County of DuPage Board Room
421 N County Farm Road
Wheaton, Illinois
1:00 PM

MEETING START
Meeting Schedule Start: 1:00PM
Meeting Actual Start: 1:15PM

AGENDA

I. **Call to order and Roll Call**
   a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 1:15PM CT and welcomed members
   b. Roll Call was taken

II. **Approval of minutes from April 2nd 2015**
   a. Minutes from the last meeting were opened for corrections. The minutes were then motioned for approval. Brad Cole moved and Dr. Darlene Ruscitti seconded. The minutes were approved by majority Ayes with no Nays recorded.

III. **Chairman's Remarks**
   a. Lieutenant Governor Sanguinetti welcomed Task Force members and elected officials present. She then outlined the two goals of the Task Force that Governor Rauner put forth, the first being to streamline, consolidate, or eliminate duplicative local government, school districts, and taxing authorities . The second goal is to identify to replace, revise, or repeal unfunded mandates placed on local government and school districts.

IV. **Presentations**
   a. Chairman Dan Cronin, DuPage County: Chairman's ACT Initiative
      - Dan Cronin began by explaining that he was originally prompted to address local government reform because he recognized a lack of accountability and transparency among two-county appointed-agencies.
        - As County Board Chairman, he was alerted that the DuPage Housing Authority misallocated $5 million dollars in federal funds.
        - He realized county-appointed agencies needed stronger oversight, especially since many were taxing bodies.
        - As County Chairman, he had no authority to gather information about or examine the books of these agencies

    - Therefore in 2011 Dan Cronin worked with the General Assembly to pass legislation requiring county-appointed agencies to produce information including annual financial and budget reports to the county.
- DuPage County then utilized a consulted firm to examine 24 county-appointed agencies and this revealed the need for reform, which prompted the ACT (Accountability, Consolidation, and Transparency) Initiative.
    - DuPage County then utilized a consulted firm to examine 24 county-appointed agencies and this revealed the need for reform, which prompted the ACT (Accountability, Consolidation, and Transparency) Initiative.
    - To date, this has saved taxpayers over $100 million through shared services, joint purchasing, employee benefit reforms, and modifications to procurement policies.
- SB494 allowed DuPage County to dissolve up to 13 county-appointed agencies
- Dan Cronin discussed lessons learned in DuPage
    - Progress is slow and incremental
    - The streamlining of government needs to be incentivized and encouraged
    - Members of the General Assembly should be put on record acknowledging the size and cost of local government in Illinois is burdensome and reduces transparency.
    - Local government officials need to have the necessary tools to determine which units of government should be dissolved.
- Dan Cronin then introduced Mayor Martin Tully of Downers Grove to discuss their successful dissolution of the "paper" Fairview Fire Protection District.
    - Mayor Tully:
        - Fairview Fire Protection district levied a property tax on households within borders yet it provided little service.
        - It also amassed over $110,000 in debts over time.
        - They created a special service area to assess the assessment of the properties within the Fairview Fire District which then provided a reliable source of funding for the services residents were receiving, and eliminate past debts.
        - Also allowed for dissolution of the Fairview Fire District.
- Time is allotted for questions:
    - Lieutenant Governor Sanguinetti: "Where would you like to see the ACT Initiative five years from now?"
        - Dan Cronin responded they want to take this to the next level, and he believes Lake and McHenry counties will soon

be embracing SB494. He also said he sees things moving incrementally and elected officials need to respond to the recognition of voters that there is too much government. In five years from now he would like to see a more robust body of law to allow voter initiative to affect the structure of government.

- Dr. Darlene Ruscitti: "What are your thoughts on what we can do to educate the public and change the political will to convey this sense of urgency?"
    - Things like today's hearing are a good start, and we need to carry forward the effort and talk to our brethren. We also need to be open-minded and see the big picture. I frequent editorial boards and make sure to have many discussions with people on these topics concerning local government. Elected officials need to be part of the solution and not part of the problem, and need to examine what they can do to move these reforms forward.
- Hill Hammock: "What were you able to do to get county-appointed agencies to report?"
    - By-and-large the majority of the folks on the agencies were very cooperative, and though they were required to have an audited financial statement, it did not always reflect a sound financial picture. We gathered expertise and used a consulting firm to separate fact from fiction. We discovered a lack of policy concerning both procurement and ethics. Getting the data is a big part of the challenge.
- Hill Hammock: "Could you envision legislation that would be more specific to that?"
    - I can foresee uniform standards for the compliance of local government and adherence to transparence and accountability measures.
- Warren Dixon III: "Could you speak to the accounting of the special service units?
    - With Special Service Areas you can usually realize efficiencies, though it is not one-size-fits all. Generally it is a more efficient model.
- Warren Dixon III: "Is the $100 million savings in projected savings?"
    - Yes, it is projected over twenty years. The amount we have already saved is somewhere in the tens of millions. We are being very conservative about our estimations, and can share those numbers with you.

- Representative Batinick: "Just to clarify I heard correctly-You dissolved two units of government and dissolved thirteen agencies? What were they?"
    - We have the legislative authority to dissolve thirteen and we have dissolved two, progress can be slow. We dissolved the Fairview Fire Protection District and Timberlake Estates. Currently we are working with a few units to consider sharing services. There is a lot being done involving the adoption of best practices and collaborative measures in the way of mosquito abatement.
- Representative Demmer: "Are their hurdles in state law that makes sharing services more difficult? What might be some incentives for consolidation?"
    - In respect to the hurdles for shared services, there is a built-in inertia. There are jobs, lawyers, and lobbyists that hinge on some of these services. There is not currently an incentive beyond providing good government, but there is an opportunity to incentivize through state law. There should be incentives to counter the inertia of local government.

b. Brian Costin, Policy Director, Lt. Governor, Current Consolidation Laws

- Counties have different provisions
    - Regarding annexation, if two counties agree to that you need 200 voters to sign a petition and then a majority of each county's voters for approval
- Municipalities also very prohibitive
    - For dissolution, a majority of total votes cast in the last election are required
    - If the municipality has less than 50 residents, it is slightly easier
    - If there is a union of two municipalities, it is 10% of total persons voting in the last general election, or 250 people
    - Consolidation into a new municipality with more than two municipalities combining requires a petition with 8% of the votes cast in the last general election
- School Districts
    - Slightly easier than other levels of government in some ways
    - For conversion, need 50 people or 10% of the voters residing in each district.
- Townships
    - County Board needs to be the initiating entity for there to be a consolidation or annexation process
    - Very burdensome for citizens to initiate the process

- For citizens to be empowered, the state laws vary widely amongst the levels of government
- There are thirty-eight other types of local government identified by the Comptroller, and each has its own separate rules.
- Because of these varying burdens on citizens, there is likely a need for a universal process and solution regarding government consolidation at all these levels.
- Time is allotted for questions:
    - Lt. Governor: "Can you talk about our plans of our Office of the Lt. Governor to educate citizens on the consolidation process in the future?"
        - We'd like to construct a how-to manual, or a checklist of sorts to help citizens engage in consolidation efforts.
    - Hill Hammock: "Are there any minimums in the referendum, is a simple majority sufficient for consolidation?"
        - Sometimes a simple majority is sufficient, in other areas it's either 60% of the people voting on the referendum itself or 50% voting in the election. There are slightly different variations, and we are compiling that information for the Task Force.
    - Warren Dixon III: "
        - It is relatively easy to create government in Illinois, but there needs to be a higher hurdle for government creation. On the other end, there needs to be a mechanism to get rid of government. I think it is important to empower locals to make decisions and have the ability to achieve consolidation efforts.
    - Char Foss-Eggeman: "How do we level the playing field between the citizen-initiated action and the governmental body? How do we empower the citizens once we give them the power to consolidate?
        - Great question and this is why we want to produce a citizen's guide to consolidation so that we can educate them on the process. Outside organizations and good government groups could also get involved to counteract some of the entrenched interests at local government.

V. New Business

a. Discussion of proposed consolidation bills

- HB228: Local Government Creation Moratorium (Rep Franks)
    - Senator Holmes: "When is the last time we created a new unit of government?"

            - Costin: That is something we can work with the Comptroller to get a better handle on the units of government and produce that information that at a future meeting.
            - Franks: I would guess a lot of them are SSAs.
        - Warren Dixon III: "Are you receiving pushback from the home rule community on the SSA component of your legislation?"
            - There was a lot of pushback from the locals, but I think it is something we can get past with the Governor's help.
        - Karen Darch: "Are we calling SSAs a different unit of government? We have a few SSAs with no governing bodies"
    - HB229: Expansion of DuPage County Consolidation (Rep Franks)
        - Lt. Governor Sanguinetti: "Is there any estimation on how many units of local government would be eligible for consolidation if this bill passed?"
            - Using DuPage as a guide, it would likely be similar. I would like to make it a lot bigger to involve many counties, and that will happen incrementally.
    - HB174: Special District Into General District Consolidation (Costin)
        - Hill Hammock: "Is there a duty to transfer all employees from the combined agencies?"
            - It does provide for transfer of personnel of the dissolving unit into the receiving unit.
        - Dr. Darlene Ruscitti: "Is there a way to know where the other 90+ counties are with the consolidation effort?"
            - I think it would be possible to put together a plan to survey the counties outside the ones discussed today to find out where they are with consolidation.

b. Member Comment
    - Discussion on HB3747
        - Sponsored by Representative Sandack.
        - Concerns the dissolution of county-appointed agencies
    - HB4047
        - Sponsored by Representative Manley
        - Amends the Counties Code. Provides that the Local Government Reduction and Efficiency Division of the Counties Code applies to counties with a population of more than 650,000 (currently 900,000) and the units of local government within such counties.
    - Time is allotted for questions:
        - Hill Hammock: "Lieutenant Governor, how is this Task Force wrapping up its report and how do you see this concluding?"
            - We do not produce a report for the Governor until the end of the year, but as we discussed today progress must be incremental, so we are meeting on April 22nd to vote on

various bills that we can get behind. We will continue to meet monthly throughout the year.

PUBLIC COMMENT

Six individuals signed up and participated in Public Comment.

- Steve R. Scott: As a past President of the Illinois High School and College Drivers Ed Association, Steve Scott was concerned with the discussion of the last Task Force meeting held in Bloomington regarding Drivers Ed. He wanted to remind Task Force members that Drivers Ed is not an unfunded mandate, and the money comes from permit applications. Seventy-three percent of young drivers that get certificates of completion are from public high schools in Illinois. He argued that we need to consider that it takes money and time to prepare the next generation for the world, and if there would be dire consequences to having the mandate removed from schools.
- Brent Johnston: Brent Johnston represents the Illinois Drivers Ed Asociation and during his comment asked Task Force members to think beyond dollars and cents, and that we are discussing the lives of our young. He also mentioned that all state statutes are a mandate in some form, and that we can't attack driver safety.
- John Morrissey: He discussed a report that found that incorporated areas do not want to absorb unincorporated areas. He also suggested looking that the comparison between counties that do and do not have road commissioners, and that the difference can be striking. Morrissey used the example of Menard County, and pointed out that many of their roads are like dirt trails.
- Ed Levato: Levato brought up that eliminating government does not equate with saving money. He also pointed out that money will not be saved by consolidating districts that provide services. However, money will be realized by consolidating duplicating bodies. He resents the notion that townships will be eliminated because many provide effective services.
- Blair Garber: He discussed the elimination of a township in Evanston after evaluating what services the township actually provided. Evanston Township had inefficiencies, and was coterminous with the City of Evanston. The city wanted to acquire those funds to fill their own holes, which was successful.
- Gary Muehlfelt: As a highway commissioner he has over 85 miles of road, and operates with a very small crew and a high efficiency. He explained that the municipalities can currently take the roads if they want them, but they do not want to absorb all of these lane miles. Before any road commissions are eliminated, he asked that the task force consider this.

MEETING END

Lieutenant Governor Sanguinetti then motioned to adjourn at 3:36PM CT. Representative Batinick moved the motion and Dan Cronin seconded the motion. The motion was approved by majority Ayes with no Nays recorded.

NEXT MEETING
Monday, April 13th, 2015 *1-3pm*
Civic Center, 200 S Illinois Ave, Carbondale, IL 62901

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

McLean County Board Room
115 E. Washington St
Bloomington, IL
3:00PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	Y
Mark Batinick	Representative	97th District	N
Jack Franks	Representative	63rd District	N
Emmanuel Chris Welch	Representative	7th District	Phone
Dan Duffy	Senator	26th District	N
Dale Righter	Senator	55th District	Y
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	N
Karen Darch	Mayor	Barrington	Y
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	Y
Dan Cronin	Chairman	DuPage County	N
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	Y
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	N
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	N
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Y
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	N

The Local Government Consolidation and Unfunded Mandates Task Force met for the second time on April 2nd, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Building: Government Center
McLean County Board Room
Street: 115 E. Washington St
City: Bloomington, IL
3:00PM

MEETING START
Meeting Schedule Start: 3:00PM
Meeting Actual Start: 3:11PM

AGENDA

I. Call to order and Roll Call

a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 3:11PM CT and welcomed members
b. Roll Call was taken

II. Approval of minutes

a. Minutes from the last meeting were opened for corrections. Lieutenant Governor Sanguinetti proposed correction to the minutes to reflect the approval by Ayes of both three minute public comment and meeting adjournment from the first meeting. It was noted by Karen Hasara that Steffanie Seegmiller's name was incorrectly spelled in the Roll List. The minutes were then motioned for approval. Brad Cole moved and Ryan Spain seconded. The minutes were approved by majority Ayes with no Nays recorded.

III. Discussion of recent article

a. Lieutenant Governor brought attention to a recent article from Moody's credit rating regarding the Task Force. The article talks about the potential of the Task Force to realize better government efficiencies and reduce cost on taxpayers. There was no further discussion of the article.

IV. Presentations

a. Brad Cole, Executive Director, Illinois Municipal League- Overview and Discussion on IML Report, "Report to the Local Government Consolidation and Unfunded Mandates Task Force" and "2015 Proposed State Mandates"
    - Brad Cole was given the floor by Lt. Governor Sanguinetti
    - Cole's reports look at both unfunded mandates placed on municipalities since the year 1992, and unfunded mandates being proposed in the current legislative session.
    - There are 8 different types of mandates that have significant financial implications against municipalities:

    - Public Pension Mandates
    - Property Tax Caps
    - Collective Bargaining and Interest Arbitration
    - Prevailing Wage
    - Public Safety Employee Benefits Act
    - Public Employee Disability Act
    - Freedom of Information Act
    - Health Insurance Continuation Law
- Freedom of Information Act (FOIA) is good, but costly, and can financially burden the taxpayers it is trying to benefit. Cole then discussed some examples of the implications on municipalities.
    - Schaumburg Police Department receives over 1500 FOIA requests per year. This requires 1.5 employees per year to solely handle requests, and the cost of the salaries alone for this is over $100,000 per year.
    - In 2014, Prairie Grove reported $28,960 in FOIA-related expenses and over $56,000 in attorney's fees spent on a frivolous lawsuit
    - Champaign estimates 156 FOIA requests last year with a staff time costing $8,840 to handle requests.
- Collective Bargaining and Interest Arbitration
    - In 2010, East Saint Louis ordered to accommodate police salary increases despite city financial deficit
    - The arbitrator forced a 3 year wage increase, though admitting the wage increase was "Higher that what may be appropriate in these economic times and the city's fiscal condition"
    - Also in 2010, Rockford was ordered by the fire department union to accommodate a 6% wage increase, and awarded by the arbitrator despite a budget deficit in Rockford
    - Village of Oak Lawn is under a minimum manning requirement for the fire department. In 2014, Oak Lawn had to pay over 2 million dollars for overtime costs.
        - This alone is more than double the cost of combined overtime pay for all employees in other departments
    - In 2014, the last governor expanded the minimum manning and interest arbitration requirements to every municipality with a unionized fire department
- Prevailing Wage
    - In 2012, Elgin sought estimates for an environmental conservation project for with, and without, prevailing wage.
        - The estimate with prevailing wage was $510,000, or 127% more expensive than the estimate without.

    - In Sangamon County, similar disparity seen with water main insulation projects
- Public Pension Mandates
    - From 2004-2012, Carbondale saw the amount taxpayers contribute increase from $300,000 to $900,000, though employee contributions did not rise as a percentage of salary
- Public Safety Employee Benefits Act (PSEBA)
    - Well-intentioned law designed to fund health insurance premiums of public safety personnel injured or killed in the line of duty
    - Unfortunately, otherwise healthy police and firefighters are collecting lifetime health insurance benefits fully funded by taxpayers and extended to spouses and children
    - Absence of definition of catastrophic injury in the law
    - PSEBA referred to as the next municipal pension crisis
    - A 2014 Commission of Governmental Forecasting and Accountability study found that one-third of catastrophically injured PSEBA beneficiaries are currently employed at another job or have health insurance from another source.
- Hoffman Estates overview
    - Population over 51,000
    - In 2014, the combined cost of all unfunded mandates and mandatory expenses in the eight above mentioned categories reached $11,332,307.
- Time is allotted for questions:
    - Lieutenant Governor Sanguinetti: "You mentioned the state keeps imposing mandates with no financial support to municipalities, are there any House bills right now that do provide such relief?
        - *Brad Cole answered by saying there are some that provide additional cost. There are bills that attempt to resolve issues, but outnumbered by bills that cause more issues. We need a freeze on unfunded mandates right now. DCEO required to produce report on unfunded mandates each year but do not have the resources to create report.*
    - Daniel Maher: "What percentage of arbitration awards go against local units of government and to the public safety unions?"
        - *Brad Cole said he does not have an actual percentage quantified but it is very high and arbitrator's decision usually goes with the labor request. Even when a settlement has been reached between management and labor, a third party like the General Assembly will*

come in a make decisions around the agreement with no financial assistance.

- Karen Hasara: "Is there a law requiring a financial statement or fiscal note with any unfunded mandates from the General Assembly?"
  - *There is a State Mandates Act, though the longest part of it is the exemptions. Karen Hasara then suggested we mandate a fiscal note for any legislation passed.*
  - *Brian Costin added that they are working with the DCEO to ensure a better report on unfunded mandates*
- Lientenant Governor: "Have you worked with the DCEO to quantify cost of unfunded mandates?"
  - *We have reached out to them but they do not have all the information. More can be done in that area.*
- Char Foss-Eggeman: "Though FOIA is expensive, what would be put in its place so the taxpayers are still empowered with access and information?"
  - *FOIA is a good thing, I don't think it's inconvenient for public officials to respond to FOIA requests. It's recognition of the costs that go along with it. There is not a reimbursement to the municipality for the first 50 pages of a requested document. There are abuses and nuisance requesters who request document, fifty pages at a time, day-by-day, that are available online. The cost beyond the access is the problem. There is no effort to restrict access to information by the municipalities.*

b. Aaron Lawler, Lake County Chairman-Overview and discussion of the Lake County report, "Memo to the Illinois Local Government Consolidation and Unfunded Mandates Task Force"

- Publication and Information Retention Mandates
  - There is opportunity to save over $300,000 per year in Lake County if these requirements were lifted
  - Another cost-saving opportunity is through assessment notices. Required to publish assessments in the paper even though it is also mailed to property owner.
  - Microfiche retention costs the county $185,000 per year
  - Need a more efficient approach to storing documents. Lake County is required to keep documents for seven years even though they are already digitized.

- Regional 911 Dispatch

    - In Lake County, 17 ETSB's and 24 PSAP's spend approximately $33 million dollars per year on operations
    - Could save $10 million a year by consolidating, but also important to retain quality of services
- Elections
    - Latest state election mandate cost Lake County $1 million dollars, though no associated increase in voter turnout.
- Prevailing wage
    - Drives up cost for taxpayers and small local businesses
- Labor Relations
    - Ability to raise taxes or cut from services should not be factored into the ability to pay for a labor contract negotiation
- Workman's Compensation
    - Need to make sure Illinois is in line with other economically competitive states.
    - Need to reevaluate because there are many issues, such as workers being injured outside of the job and still receiving workman's claims.
- Juror pay mandate is costing Lake County $400,000 annually
    - Senate Bill 59 would help alleviate this cost
- Inmate welfare fund
    - Using the inmate welfare fund towards the cost of medical care would help alleviate the cost of inmate care and reduce the use of tax dollars.
- Probation Services
    - Costs about $46,000 to keep someone in Lake County jail for one year, and costs much less to put them on probation when they are a non-violent offender
- BID/RFP Limits
    - Set a number of years ago, and the limits have been staggered.
    - Established so long ago that it doesn't represent the net present dollar value as when they were put in place.
    - Keeping bid limits in line with net present value would help alleviate administrative burden.
    - $2.1 million in immediate cost savings
- Time is allotted for questions:
    - Lt. Governor Sanguinetti: "Do you still get requests of microfilm/microfiche?"
        - *Aaron Lawler responded not to his knowledge*.
    - Representaive Demmer: "I'm interested in your last item, the bid/RFP limits. One proposed solution would be to raise the floors to say fewer projects are subject to these requirements. Do you

find value in that process today, if not is there an alternative process to consider?

- It is an administrative burden, being a larger county we have the bandwidth to handle to handle the process so we are looking at commodities to raise the bid limit from $30,000 to $50,000 and professional services from $50,000 to $100,000 and IT services from $35,000 to $100,000.

- Representative Demmer: "That will subject fewer projects to the bid requirement, but does that bid requirement provide any value today?"
  - *On the RFP it does because negotiating the project and seeing the cost drivers allow modifications. On some RFPs the bids come in high and we did them on the RFP side to have those negotiations in what's driving up the cost and then modify it, so there I would say there is good value.*
- John Espinoza: "Is there a process to make microfiche digital and what is the associated cost? Regarding 911, you said you've been trying to consolidate, has that been successful?"
  - *I'd imagine there would be a cost, we are looking to move our court system in that direction already with e-filing on court records. We completed the study and now are working with dispatches and doing due process to phase it in over time.*

c. Roger Eddy, Executive Director, Illinois Association of School Boards- Overview and discussion of IASB report, "Mandates Enacted Since 1992"

- Early on, mandates included option for schools to determine if it was economically feasible to implement mandates, this was taken out in later mandates.
- PA 91-0518: $65,000 per school district for enhanced 911 system
- Fiscal year cost of mandate 92 0505 on schools was about $40 million dollars. This mandate required school districts to contribute to Teacher Retirement Systems
- There is talk of cost-shifting teacher pensions to local school districts for future pension costs. That mandate, with type of prorations school districts are facing, would be crippling.
- 119 mandates since '03-'04 for local school districts
- 99th General Assembly have already added 25 additional mandates that there are concerns over

    - SB100 requires changes to student discipline policy, will take away school's ability to discipline student and add several layers of administrative guideline
    - There is mandate to make staff learn to treat opioid overdoses, but no funding provided for support to schools.
    - HB2717 requires schools to maintain a website and post long lists of detailed information; many required documents are also posted in the newspaper so this entails a duplication of efforts.
    - HB3165 involved CPR certification requirements, which does aid student safety, but the cost of implementation of the mandate was huge.
    - Once something is mandated, the price for the service or cost for purchase goes up compared to pre-mandate cost.
    - HB3337 mandates all districts to offer full-day kindergarten; total daily attendance count would increase significantly with little financial support.
- The cumulative effect of mandates is the concern.
- Instructional Mandates Task Force produced recommendations for the General Assembly
    - Recommendation focus area: Drivers Education with goal of increasing funding for schools to offer complete Drivers Education program.
        - Increase flexibility for schools to offer behind-the-wheel training
        - Increase flexibility for schools to shift from 12 month driver education program to 18 month
        - Encourage school boards to work with CMS to supply Drivers Education cars on a lease basis
    - Focus area: Physical Education
        - Allow for comparable physical activity outside of the school, with parent verification. This mandate always faces opposition.
        - Other programs like art or music often are cut to compensate for Physical Education demands
    - Recommendation on the imposition of future mandates
        - For instructional mandates in Illinois to focus on how to best implement the Illinois Learner Standards
        - Recommended that the GA no longer enact individual instructional mandates at all
        - For the Instructional Mandates Task Force to reconvene every three years
    - Conclusion was that they reiterated the opposition to unfunded instructional mandates of the legislative and rule-making process.

Schools are spending money on mandates as opposed to their core educational function.

- Time for questions is allotted:
    - Lieutenant Evelyn Sanguinetti: "In your efforts, what mandate solution was met with the most resistance?"
        - *Mandates relating to drivers ed and physical education is met with great resistance. Another frequently resisted area is special education.*
    - Senator Righter, "One of the mandates you mentioned had the GA requiring teachers to pick up a percentage of their pension cost, and you mentioned how much that cost the districts. To clarify this two-step process, in order for the districts to be mandated to pay that, the school boards would have to agree to a contract to pick that cost up for their teachers, would they not?"
        - *There are various ways in it negotiated depending on the school district. The part in which there is no choice is the part decided at the General Assembly level.*
    - Senator Righter: "What are the most prominent reasons these mandates pass in the General Assemby?"
        - Especially if it deals with a student safety issue, it is difficult for political reasons to vote against that. If you are against unfunded mandates, often a mailer will go out saying you are against student safety. There is a tremendous amount of pressure to not be demonized politically in response to voting against mandates.
    - Senator Righter, "What would lifting the prevailing wage requirement on school construction mean to schools?"
        - *The total savings to schools over the last 10 years would have been around $1.2 billion dollars if left to private contracts*
    - Representative Demmer, "Would the same political pressures sway school boards if they were the bodies voting on these mandates?"
        - *In most cases they would probably find a way to pass it if it were good for their children; however they could be creative with other mandates in areas like physical education that would allow them to decide what was best for their children locally with their resources.*
    - Lieutenant Governor Sanguinetti, "Is there an appetite for sun-setting various unfunded mandates by virtue of a board to give us more flexibility?"
        - *There is an appetite in the school management community, but not in the union community.*

V. New Business

a. Action Item: Matthew Sebeck and Benno Weisberg of CMS as FOIA, OMA and ETHICS OFFICERS
    - Lt. Governor Sanguinetti moved to have Matthew Sebeck as the FOIA and OMA officer, and Benno Weisberg as the Ethics officer. Motion moved by John Espinoza and seconded by Karen Darch. The motion was approved by majority Ayes and no Nays were recorded.

b. Discussion of proposed unfunded mandate bills currently before legislature
    - HB 1330: Physical Education Mandate Relief (Roger Eddy)
        - Lieutenant Governor: "How does Physical Education Mandate compare with other states?"
            - *This is the strongest Physical Education mandate. We should be able to make decisions locally, but we are not able to.*
        - Steffanie Seegmiller: "Who besides unions would be against schools decisions locally?"
            - *It is mostly opposition from the two teachers unions*
    - HB 2595: Drivers Education Mandate Relief (Roger Eddy)
        - Lieutenant Governor: "How does this compare to what people pay out in the private sector?"
            - *That will vary by community, but the costs would be much less and competitive. We don't want to lose safety or instruction but the cost would be much less than doing it at the school district level.*
        - *Bigger: "If a student cannot get into drivers ed this semester and has to wait until next semester, is a parent able to get them access quicker?"*
            - *If they meet the age requirement, but we want all student to have equal access in case they cannot afford a third party*
    - SB1198: Third Party Contracting Mandate Relief (Roger Eddy)
        - Lt. Governor: "Could the savings from this bill be redirected back into the classroom?"
            - *You can't use transportation levy for the classroom but anything above the tax levy you could redirect back to the classroom or could go towards smaller class sizes and not laying off teachers.*
        - Steffanie Seegmiller: "How are these three bills progressing in the classroom?"
            - Deanna Sullivan, IASB*: These bills are all wrapped up in either the subcommittee process or have been returned to Rules. There is upcoming subject matter testimony on HB3535.*

- HB3535: Local Discharging of School Mandates (Roger Eddy)
    - *No questions*
- SB 817: Firefighter Pension enhancement (Brad Cole)
    - Jim Clark, Governor's Director of Intergovermental Affairs: "Is there an estimate for the fiscal impact?"
        - *It is difficult to quantify because it opens the door for more disability benefit, and every new firefighter is living longer than the last, so there is an extension on benefits and it is difficult to put a price tag on it. We know if a benefit was obtained because a disability occurred, it would be a 15% increase on that benefit.*

PUBLIC COMMENT
There were no individuals that signed up or came forward during the public comment period.

MEETING END
Lieutenant Governor Sanguinetti then motioned to adjourn at 5:10PM CT. Representative Demmer moved the motion and Ryan Spain seconded the motion. The motion was approved by majority Ayes with no Nays recorded.

NEXT MEETING
Wednesday, April 8th, 2015 *1-4pm*
County of DuPage Board Room
421 N. County Farm, Wheaton, IL 60187

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Wednesday, April 13, 2015
Carbondale Civic Center, Room 112
200 S. Illinois Avenue
Carbondale, Illinois
1:00 PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	N
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	N
Emmanuel Chris Welch	Representative	7th District	N
Dan Duffy	Senator	26th District	N
Dale Righter	Senator	55th District	Y
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	Phone
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	N
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Y
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Phone
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the fourth time on April 13th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Building: Carbondale Civic Center
Civic Center Room 112
200 S. Illinois Avenue
Carbondale, Illinois
1:00 PM

MEETING START
Meeting Schedule Start: 1:00PM
Meeting Actual Start: 1:11PM

AGENDA

I. **Call to order and Roll Call**
   a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 1:11PM CT and welcomed members
   b. Roll Call was taken

II. **Table minutes from April 8th 2015**
   a. Minutes from the last meeting were opened for corrections. Mr. Dixon noted that 6 people were signed up for public comment and only 3 were noted in the minutes. The minutes were moved to be tabled until the next meeting where the corrections would be made for approval. Ms. Seegmiller moved to table the minutes while Ms. Eggemann 2nd the motion. Minutes were tabled to the next meeting pending approval.

III. **Chairman's Remarks**
   a. Lieutenant Governor Sanguinetti welcomed Task Force members and elected officials present. She thanked those who made the longer drive to the meeting noting that it is important to meet all over the state not just Chicago or Springfield. She reminded task force members that the last meeting on April 22 will consist of discussion and votes on key pieces of legislation currently in the Illinois General Assembly.

IV. **Presentations**
   a. Dr. Darlene Ruscitti, Regional Superintendent of Education for DuPage County
      - Dr. Ruscitti commented on the drive but enjoyed much of the scenery on her drive down. She said she was grateful to present as she is sometimes frustrated that ideas are presented but not listened to. She mentioned being a part of task forces in the past and coming up with many ideas and looking forward to continuing the conversation.
        - Illinois State Board of Education is the constitutional authority that regional boards report to
        - Under ISBE are the Regional Office of Education with 70 local administrators and 35 offices throughout the state.
          - 866 public schools fall under their jurisdiction

i. Also falling under ISBE are: Center for School Improvement, Education for Employment Regions, Special Education Cooperatives, Illinois Association of School Administrators, Illinois Principals Association, Illinois Association of School Boards, Illinois Association of School Business Officials

- ISBE role:
  - The powers and duties of the IL State Board of Education shall encompass all duties delegated to the Office of Superintendent of Public Instruction on January 12, 1975, except as the law providing for such powers and duties is thereafter amended, and such other powers and duties as the General Assembly shall designate.
- ISBE responsibilities:
  - Educational policies and guidelines for public schools
  - Pre-school through grade 12 and Vocational Education in the State of Illinois
  - Analyze the present and future aims, needs, and requirements of education in the State of Illinois and recommend to the General Assembly the powers which should be exercised by the Board
  - Recommend the passage and the legislation necessary to determine the appropriate relationship between the Board and local boards of education and the various State agencies
  - Recommend desirable modifications in the laws which affect schools
- Role of ROE
  - Conduct Full Compliance of school districts in region with state mandates, Enforce Truancy Laws, Train School Bus Drivers, Teacher and Administrator Licensure, Fingerprinting, monitor, approve, and improve all school health/life safety projects, Shared service/joint purchasing, GED, Professional Development, Safe Schools, Ombudsman/hearing officers, Fingerprinting, Homelessness, Home schooling, School Safety & Crisis Management, Regional Board of School Trustees, and Other tasks
- Public School Districts in Illinois
- Questions:
  - Lieutenant Governor Sanguinetti: "You mentioned a law that required consolidation of school districts with less than 750 students. What role do you see ROE's taking in the consolidation process?"
    - A: Dr. Ruscitti: "I'm not sure yet. That's a conversation with other regional superintendents of schools across the state. I think that it's on the books just like the regional superintendent of schools when it went below 45,000, if

we just raised it no one would ever pay attention to it. I think that consolidation is very difficult; it's a very slow and very laborious type of process. It's conceivable conversation. I think before we do that we need to look at overall inefficiencies. I think we can get more dollars into the classroom and maybe have simultaneous conversation. I have had conversation with smaller school districts and they are not opposed some of them know that we need to start having conversations. There are 42 school districts in DuPage County and of that 42 there are 27 that have around 750 or less. I think it's conversation with those that are maybe more willing. open to having conversations.

- Ms. Seegmiller: Territory annexed by regional school board of trustees, who are they and what role do they play?
  - A: That was news to me when I saw it in school code. The regional school board of trustees is a 7 member elected board. They hear petitions for annexation that comes before them.
  - Seegmiller: "is that their only role?"
    - i. Ruscitti: "it is their only role. They also hear a petitions if a school wanted to pull out of the special education cooperative
  - Seegmiller: They receive their authority from the ISBE?
    - i. They do receive their authority from the state board and they are elected. Every ROE has a Regional school board of trustees. Regional Supt are an ex-officio member of the board, but have no authority.
- Mr. Bigger: You say that the Board of Trustees has the authority, but they aren't automatically doing that? (Regarding state statute of 750 or less)
  - A: It's not automatic
    Seegmiller – it comes from the school board to the board of trustees. Is that correct?
    - i. "Yes, they would put petition together to present to the board of trustees"
- Mr. Colgan: It says shall be dissolved. What is the trigger? Shall say it should happen, is it just if they notice, like you suggested?
  - A: From my perspective, yes. I didn't even know that this existed. This language is relatively new. Mr. Bigger, "in some of the rural districts it wouldn't happen strictly from a geography stand point."

        - Dr. Ruscitti - Classroom first offered feasibility studies and what the issues are from combining schools. Salaries and debt incurred, tax dollars and public comes into play. Start the conversation
    - Senator Righter – Thanked Dr. Ruscitti for her presentation. He asked how long it had been a law. Brian Costin says he believes it came into law in 2011. Senator Righter is concerned about the wording with "shall" making it a mandate. What does it mean when it says "to be annexed by the regional board of school trustees?" Ruscitti says that she doesn't really know as she was not aware of the statute existed. She believed that before the way it read was that it shall be the regional superintendent of schools when it comes to consolidation of two schools together. It doesn't mean consolidation, it means dissolving. Seegmiller – asks if that another district would completely go away and another district would have to absorb it. Brian Colgan suggests that his take on it is that they are dissolved under the regional board of trustees making a new school district. Seegmiller wants to know if that means the board is the superintendent of schools. Ruscitti is not sure that it would happen that way. She says that she knows it wouldn't be run by the regional board of school trustees as she doesn't believe that there is any authority for that.
    - Senator Righter: What is it that the ROE do in your professional opinion that only the regional offices can do?
        - Ruscitti - We're that immediate connection to if they have an issue; if they have a legal issue, a parent issue, many of them will contact us. We are kind of that local control because we understand their needs from a local level.
        - Ruscitti - It's different in DuPage than Mt. Vernon. I wouldn't understand some of the issues. Its understanding the local needs of your districts, which has often times, put us in direct conflict with ISBE. In strictly in my opinion: I feel like there is a one size fits all approach. I would argue that the most important thing that we do is respond to the needs of our constituents.

- Senator Righter - If we drill down just a little bit deeper on that what kind of issue are you talking about that we could not empower the local districts to do themselves.
    - Ruscitti - Keep in mind the responsibilities that we have. Many of them are the mandates that we are to hold accountable to the districts in the area. Some of them that we are doing should not be around.
        - Ex – we are required to visit every district (42 districts in DuPage) and talk to them about homelessness. It requires us to spend about a half of a day in each district and filling out about an 8 page report about how they are responding to homelessness and the needs of homeless children in their district.

        - We are required by the state to have the oversight.
    - I think we provide support to the schools extremely well. Our value lies in our services to them to move them forward. Smaller districts don't have a lot of ability to align curriculum and test development.
- Senator Righter – let me back up and give you a sense of where I'm coming from. Why can't we take the money that we are giving to the ROE and give it to the schools to let them do the services themselves?
    - Ruscitti - I think the whole system needs looked at. There's been streamlining discussions there was to take some of the EFE's and the Special Ed co-ops and put them under the regional office and consolidate them. We have 4 special Ed. co-ops in DuPage County. That was a recommendation to do first before doing other consolidation.
- Senator Righter – you have four special Ed. co-ops in the county and you're saying that recommendation was to put them under the ROE?
    - Ruscitti - So maybe you would have one servicing the county as opposed to four serving the county.
- Senator Righter – what's the virtue of having a system with elementary and high school districts versus having unit districts?
    - Ruscitti – I would argue that a unit district that there is greater articulation of curriculum. For example my k-8 is working with my high school. Everyone is working as a team and the high school. There is one true system for the unit district. Same policy and same curriculum.
- Senator Righter – if you put them together and put one superintendent over them haven't you solved that problem?
    - Ruscitti – Yes, there is some argument that students achieve better in a unit district.
- Senator Righter - What is the upside of the elementary and high school district?
    - Ruscitti – At this point and time I don't know
- Hasara – thanked Ruscitti for the presentation. I have a question about the EFE's? What is the cost of that? I assume it is coming from the state?
    - Ruscitti – It's a federal program. Salaries are all over the board and they are administrative for the highest portion of them. There are full and part time administrative costs much like special Ed.
- There is some state funding involved?
    - Ruscitti – It comes from the federal Perkins loan and I think with the EFE's through conversations we have had in DuPage County. It's students that attend there but the population is demising because our schools are supporting our students in a different way so the necessity of EFE's is diminishing. Not everywhere. are dwindling because our students are taking the lead of the schools and the necessity is not there as much as the schools are working on being more of cradle to career and there's a bigger issue. My hope is that there would be further explanation and drilling down because it's really about getting more money in the classroom.

- Hasara - I assume there is a report or information about EFE's?
    - Ruscitti – I assume that there is because it is federal and they are accountable to the grant as well as the state board of education.
    - Ruscitti – I want to make this statement: This is not a just about a checklist compliant approach. Did you spend all the money, did you do xyz, did it matter, did it have any value, did it change anything in the lives of the children, did it help increase student achievement, did it have any return on investment? I would argue that for a long time we haven't done that. I think that has to be the bottom line. If you're getting grant dollars, what is the return on the investment? That should be very clear. You don't get the grant next year if you don't show the return on investment.
- Lt. Governor Sanguinetti - One more. You mentioned in slide four you talked about ROE's having a role in facilitating shared services in joint purchasing.
    - Ruscitti – We meet regularly with different entities in DuPage County. There is a bill that was passed that we shall. Once a year there is a report that comes to the regional board of education and we compile that report and send it off to ISBE. I don't know where that goes after that I think that they post it on their website. I know that we have conversation about joint purchasing there is a need and it's a one shot kind of issue. What we will see is joint purchasing for gas and electric and financial services that happens in our county as well. There's some of that going on. As far as shared services goes, we have not been successful in why can't we share a business manager if yours just decides to up and leaves. I think we will see more of that as we go on.
- Brian Costin, Policy Director presents on Governor Rauner's Turnaround Agenda
    - Costin – there's been a lot of discussion about the turnaround agenda. There's a hefty amount of the agenda that is in relation to what we are doing here in this task force. I'm going to walk through the packet that would concern the local governments.
        - The last page talks about collective bargaining, contracting, mandatory manning, goes into thresholds, repealing prevailing wage law and requirement for project labor laws, 280 unfunded mandates, right to work issues, worker compensation costs, compensation for injuries on the job, local right to work issues: having local government issues
        - Page 4 – workers compensation and minimum wage reform
            - Addresses causation standards following the AMA guidelines determining disability awards.
        - Page 9 – Local employee empowerment zones
            - County wide – if there is a county wide vote then all of the local governments in the area would have to abide by the empowerment zone
            - Municipality wide –
            - Unincorporated areas –
        - Page 11 – property tax freeze –

        - Some see it as an unfunded mandate, but we have the 2nd highest property taxes in the nation.
        - Freeze can be annulled by local government via referendum
        - Doesn't affect local government budgets until 2017
    - Page 12 – Prevailing wage
        - Doing research on our end, we shared a study regarding prevailing wage at the Bloomington task force meeting that showed that school districts have and additional cost of $1.6 billion over 10 years
    - Page 13 – local collective bargaining
        - Give local governments a lot more flexibility
            - Health insurance benefits
            - Staffing levels
            - Schools – flexibility for curriculum, conduct, etc.
    - Page 14 – Municipal Bankruptcy
        - 24 states in the country that have some form of municipal bankruptcy under chapter 9 of the bankruptcy code. It would allow municipalities to reorganize.
    - Page 24 – constitutional amendment in regards to Pension
        - We haven't found out what IL Supreme Court will say regarding legality of the last session's law
        - Governor's lawyers believe this revision is an even safer bet to be constitutional, but still provides big savings.
        - Not touching anything that has been earned, but local governments would have the flexibility to go into a different arrangement
        - Prospective/Go-forward type of reform
    - Overall – there is a distinct empowerment theme in the turnaround agenda giving local governments and citizens more control over their futures. Local governments are being asked to adopt portions of the turnaround agenda.
- Questions
    - Senator Holmes – Pensions moving forward. Are you saying that they sign a contract in 2006 for example and then let's say the date goes to 2012, what happens?
        - Costin – I can get back to you with more information about scenarios. Current retirees are not affected. I would have to check on COLA increases. I can get back to you with more details offline.
    - Senator Righter – page 9 – If there is a county wide referendum – that will affect employees of other units of government. Ex if Jackson County passed a referendum, the employees at the school in Carbondale would be affected by that referendum?
        - Costin – right.

        - Righter - ok now I'm going to throw a different scenario. Municipalities are passing resolutions to go against the turnaround agenda – if you have a county going against the turnaround agenda would that prohibit another unit of local government from adopting the empowerment zone?
            - Costin – To my knowledge no. There are different levels and this is more of an opt-in. There is also a way that citizens can put the issue on the ballot as well. Local government would have a way to adopt it.
    - Mr. Kern – are you proposing that we stop future unfunded mandates with a constitutional amendment that prohibits unfunded mandates?
        - Costin – The task force can discuss but I don't think that is part of the turnaround agenda. It's addressing specific unfunded mandate issues.
    - If prop taxes are frozen how are we to be protected from future legislations that determines that unfunded mandates are ok?
        - Costin – There is a way to get around that. It's only a 2 year freeze. It's a pause for 2 years. Then it reverts back to the normal system unless extended. If there was unfunded mandate relief they could have it extended
    - Where do you come up with the figure of 20% for labor costs?
        - Costin – It came from the study we circulated at the Bloomington meeting. It was in the additional supplement reports.
        - Kern – we've had 3 large projects using project/labor agreements and we have had great success. PLA's have been beneficial to St. Clair County.
    - Warren Dixon – property tax freeze mechanic – freeze the extension for 2016 payable in 2017, many taxing bodies levy zero for particular years. If you were to do that I would recommend that you go along with P-Tel(??) and look at the last 3 years. I would look at that in the
        - Costin – 2016 property tax freeze.
    - Obernagle – bankruptcy could cities be affected by bond ratings?
        - Costin – If there is potential for being rated and the bond agencies are going to take it into effect, then yes it is possible that a bond rating could be affected.
    - Seegmiller – how does the property tax freeze affect the school districts?
        - Costin – In the same way. I think it treats all of them equally. Overall, I think I saw a different version of this that made accommodations for growth and TIF districts
        - Seegmiller – 71% of our funding comes from property taxes and we aren't receiving our funding that we are supposed to get at this point. Some schools could be really strained if we aren't careful.
        - Costin – it's a concern. A state wide concern is property taxes, it's not cutting them, but we have to press the pause button for a few years for recovery and a reanalysis of what's going on including the unfunded mandates. Hopefully, what happens is that there is as much unfunded

mandate relief from the state as there is in property tax limitation from State of Illinois.
        - Seegmiller – would this prevent a new levy?
        - Costin – Property taxes could still be raised via referendum
    - Lt. Governor Sanguinetti – Have there been any communities that have endorsed part of the agenda, while not endorsing other parts.
        - It's not a take it or leave it, from what I understand Winnebago County made some revisions to what they approved.

New Business –

Unfunded mandate bills:

- HB 261 – Electronic Publication Instead of newspapers
    - Newspapers have declining readership, while internet is bigger and growing.
    - Internet is more transparent than newspapers
    - Internet is much cheaper than newspapers
    - Local governments shouldn't be forced to spend money in newspapers for public notices, when internet is more transparent and cheaper
- HB 3970 – Prevailing wage and Landscaping –
    - Local Governments in Cook County must pay $68/hour for Landscaping, more than double private sector costs.
    - Local governments should be able to provide excellent public services at the best possible price to taxpayers
- HB 1329 –
    - Creates a board which systematically reviews existing laws to see if they are outdated, too costly, ineffective, and unconstitutional. Recommends repeal or revision of laws.
    - There is a similar program in Kansas - the Office of the Repealer, so Kansas is part of the model for this bill.

Member Comments –

- Warren Dixon – Comment about the Turnaround Agenda and put the power back to the people and the school districts and that conversations during the task force meetings may have some undue consequences ahead of possible referendum frenzy. He went on to suggest looking forward to consider Chairman Cronin's model for reference.
- Mr. Hammock – Asked for clarification for the next meeting and how it would work
    - Brian Costin noted that all the information would be received ahead of the meeting from him with a list of items to vote on and bills to consider. He suggested reaching out to him for further explanation if needed. Lt. Governor Sanguinetti said there would be no surprise factor.

Public Comments –

- Lee Froneberger, Carbondale City Council regarding park districts and park district consolidation. Stated Illinois is one of only 2 states (California & Illinois) who had stand alone park district and it would be more efficient to consider having park districts run as a department of a municipality. They are run just as well if not better than stand alone park districts. His full statement was submitted for the record.

- Deanna Sullivan – Classroom First and discussion regarding Regional Board of School trustees and goes back to the comments regarding the wording of shall and how it actually works when it comes to consolidation. School districts less than 750 students. She suggested a reminder that school district boundaries often times touch more than one other district boundary and that at one point there was special legislation to allow a district to leap frog boundaries to dissolve.
- Senator Righter – Do you have a recommendation for how regional board of school trustees makes recommendations on consolidations?
    - Sullivan–There are many reasons for consolidation and sometimes it hasn't resulted in a cost savings. State has continually consolidated over time. Consolidations are done for different reasons including reducing superintendents. Local school districts have to make these decisions. Regional Board of School Trustees essential in consolidation process and studying proposals.
- Righter – is that the same for consolidating unit districts to elementary and high school districts?
    - Sullivan – I didn't come prepared to answer all the questions regarding consolidation. She suggested that a lot of the information could be found on their website.
    - Lt. Governor Sanguinetti invited Ms. Sullivan to come back and join them at another meeting as she handled her questions well.

MEETING END

Lieutenant Governor Sanguinetti then motioned to adjourn at 3:19PM CT. Senator Dale Righter moved the motion and Warren Dixon seconded the motion. The motion was approved by majority Ayes with no Nays recorded.

NEXT MEETING

Tuesday, April 22, 2015
TBD

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force
Meeting Minutes

Wednesday, June 24, 2015
Conference Room A-1
Stratton Building
401 S. Spring Street
Springfield, IL 62706
1PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	N
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	Phone
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	Y
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Phone
Ryan Spain	City Council Member	Peoria	Y
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Y
John Espinoza	Board Member	Whiteside County	Y
Rev. James T. Meeks	Chairman	Illinois State Board of Education	Phone
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Y
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Y
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Y

The Local Government Consolidation and Unfunded Mandates Task Force met for the sixth time on June 24th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Conference Room A-1
Stratton Building
401 S. Spring Street
Springfield, IL 62706
1PM

MEETING START
Meeting Schedule Start: 1:00PM
Meeting Actual Start: 1:13PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 1:13PM CT and welcomed members
b. Roll Call was taken. Quorum was met.

II. Approval of meeting minutes from April 8, 2015

a. Minutes from the last meeting were opened for corrections. No correction suggestions were made.
b. Lt. Governor Sanguinetti motioned to approve the minutes. Obernagel moved and Cole seconded. All ayes with no nays recorded.

III. Approval of meeting minutes from April 13, 2015

a. Minutes from the last meeting were opened for corrections. No correction suggestions were made.
b. Lt. Governor Sanguinetti motioned to approve the minutes. Rev. Meeks moved and Dixon seconded. All ayes with no nays recorded.

IV. Approval of meeting minutes from May 20,2015

a. Minutes from the last meeting were opened for corrections. No correction suggestions were made.
b. Lt. Governor Sanguinetti motioned to approve the minutes. Espinoza moved and Bigger seconded. All ayes with no nays recorded.

V. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti welcomed Task Force Members and explained that Task Force members would be voting on proposals that address issues previously discussed by the Task Force. She also welcomed four new non-voting members that bring subject -matter

expertise from their respective agencies. She noted that the Task Force had recently received media attention partially based on misinformation, and clarified that the meeting was their sixth. Additionally she remarked that members will be voting on concept recommendations that can then be presented to the Governor and the General Assembly.

VI. **Public Comment**

a. **Mike Macellaio (Director of Governmental Affairs, Chicago Area LUCET)**

i. Expressed his opposition to the proposal involving prevailing wage and referenced the following report by Robert Bruno.

- http://www.ilafl-cio.org/documents/UofIPWstudy.pdf

VII. Old Business: Voting on Consolidation and Unfunded Mandate Recommendation

Proposal #1: Enact a 4-year moratorium on creating new local governments

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes	X		
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern		X	
Mr. Espinoza	X		
Rev. Meeks	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Eggeman	X		
Total:	21	1	

Lt. Governor Sanguinetti asked Costin to read the proposal and then opened the floor for discussion.

She then motioned to approve. Spain moved and Hasara seconded. An individual roll call was then taken.

Proposal #2: Expand DuPage County consolidation powers to all 102 Counties

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes	X		
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza	X		
Rev. Meeks			X
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Eggeman	X		
Total:	21		1

Lt. Governor Sanguinetti asked Brian Costin to read the proposal and then opened the floor for discussion.

- Rep. Franks gave a status update on his bill that is similar to proposal #2. HB229 passed in the House, but has not yet been voted on by the Senate.
- Cronin spoke briefly about the success of their pilot project in DuPage County and emphasized they backed off of their support of HB229, because of an amendment stating employees in a collective bargaining unit must be retained in a consolidation. This would reduce or eliminate any potential savings from consolidation.
- Hill Hammock asked if the proposal the Task Force was voting on was the same as HB229
- Costin responded it is not the same as HB229. It is expanding the DuPage Consolidation Pilot Project to all 102 counties without any changes.

Lt. Governor Sanguinetti motioned to approve. Espinoza moved and Bigger seconded. The roll was then taken.

Proposal #3: Empower Illinois citizens to consolidate or dissolve local governments via referendum

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes	X		
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza	X		
Rev. Meeks	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon		X	
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Eggeman	X		
Total:	21	1	

Lt. Governor Sanguinetti asked Costin to read the proposal then opened the floor for discussion.

- Jack Franks suggested amending it to a lower threshold, and noted he would like to see it moved down to 3%, which is similar to the Massachusetts threshold. He noted that they should always strive to make it easier for the voters.
- Jeff Aranowski inquired if this would apply to school districts as well.
    - Costin replied it would apply, however school districts already have lower threshold requirements as it is, and gave the example that for two schools to consolidate it requires 50 signatures per district and a public hearing.

- Warren Dixon commented that the proposal should be attainable by voters, but difficult enough to achieve, to avoid referendum frenzy and undue cost to the taxpayers. He also noted that other states have a higher threshold.
- Costin said that school districts have a lower threshold for consolidation than what is being proposed, and though there were successful consolidation efforts, there were not frenzied or chaotic situations.
- Seegmiller inquired if this would trump the school code.
    - Costin replied that this would just be an add-on option.

Lt. Governor Sanguinetti motioned to approve. Spain moved and Darch seconded. An individual roll call was then taken.

Proposal #4: Create a Board of Legislative Repealers

Lt**.** Governor Sanguinetti noted some changes and asked Brian Costin to discuss the proposal. She then opened the floor for discussion.

- At this time, George Obernagel had to exit the task force meeting. Quorum was retained.
- Senator Holmes noted that every law is a mandate, funded or otherwise. She said in the chamber, an unbelievable amount of boards have been created, and she is not in favor of creating another.
- Hammock agreed and noted that with this proposal there are hurdles to overcome and these boards would require substantial staffing.
    - Costin responded that there are state agencies tasked with looking at unfunded mandates, and therefore some of that effort is already being done.
- Kern mentioned that his issue with this proposal is that it masks the real problem of the state passing along the cost of future unfunded mandates to local governments. He also pointed out that the task force is an effective committee because there is representation from local government, however the board being proposed would lack this representation.
- Bigger asked how the criteria work for the state-agency supported report
    - Costin answered that the intent is for the state agencies to play advisory roles.
- Jack Franks noted that he does not think that requiring the General Assembly to take a vote as suggested by the proposal is legal or fully constitutional.
- Lt. Governor Sanguinetti said she would like to investigate the constitutionality of this proposal and table the measure until this is verified.
- Seegmiller stated that though the proposal was being tabled, she echoed Kern's comments and was concerned that school districts would not have representatives on the board.
- Lt. Governor motioned to table the proposal. Bigger moved and Hasara seconded. All ayes with no nays recorded.

Proposal #5: Repeal or reform prevailing wage

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks		X	
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes		X	
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole			X
Mr. Cronin		X	
Mr. Bigger	X		
Mr. Kern		X	
Mr. Espinoza		X	
Rev. Meeks			X
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel			
Mr. Spain	X		
Ms. Eggeman	X		
Total:	14	5	2

Lt. Governor asked Brian Costin to read the proposal and then opened the floor up for discussion.

- Senator Holmes argued that the proposal content is untrue because if there is a lack of highly skilled workers performing the job, then it takes longer to complete and therefore negates any potential cost-savings. She also noted that the number of people entering the skilled labor trade is already dwindling, compromising adequate infrastructure construction. Additionally, she pointed out Indiana pays its construction workers less and this reduces the income which is fed back to the local communities, endangering the economy of the state.
- Espinoza said he would consider reforming, but not repealing the prevailing wage.

- Cole said that his organization has not taken a position on repealing the prevailing wage, but supports reducing the job categories under the act, such as removing landscapers.
- Ruscitti inquired if consideration has been given to allow local communities to decide their stance on prevailing wage via referendum.
    - Costin replied that this has been done elsewhere.
- She then asked if Costin had seen the Bruno report referenced by Mike Macellaio from Public Comment.
    - Costin said he has looked at it but not shared it with Task Force members, though they did look at another study regarding prevailing wage.
- Cronin shared that the prevailing wage in DuPage is often close to the market wage. Additionally, the bids that come in for certain projects are sometimes higher than the prevailing wage. In response to the wording of this proposal, he stated that he did not feel comfortable supporting the measure.

Lt. Governor Sanguinetti motioned to approve. Espinoza moved and Duffy seconded. An individual roll call was then taken.

Proposal #6: Modernize public notice mandates

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes	X		
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza	X		
Rev. Meeks	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel			
Mr. Spain	X		
Ms. Eggeman	X		
Total:	20		

Lt. Governor Sanguinetti asked Costin to read the proposal then opened the floor for discussion.

- Dixon noted as an example that as an Assessor, they have published many assessment notices over the past 10 years and over this time they have received very few calls from publications, which is a large cost to DuPage County at this time. They do not receive calls to publish and most of the inquiries are through the web or via mail notice.
- Hasara commented that she chairs the Citizens Efficiency Commission in Sangamon County, and this proposal came highly recommended by the group, which held many public hearings and gathered lots of input from citizens.
- Seegmiller asked to clarify that this gives the local government the choice of how to publish, and asked how it might affect Amish communities that cannot access online resources.
    - Costin said that local communities can make the decision, this simply relieves a local government if it has a website, and also has to post online.

- Hammock clarified that this would not be forcing another mandate upon local government
    - Costin replied that this was giving local governments more flexibility to digitally store their documents.

Lt. Governor Sanguinetti then motioned for approval. Dixon moved and Hammock seconded. An individual roll call was then taken.

Proposal #7: Provide third-party contracting mandate relief

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern		X	
Mr. Espinoza	X		
Rev. Meeks	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel			
Mr. Spain	X		
Ms. Eggeman	X		
Total:	18	1	1

Lt. Governor Sanguinetti asked Costin to read the proposal then opened the floor for discussion.

- Senator Holmes asked that if there is something in IL law preventing districts from doing this.
    - Costin replied that there is, and that this is a newer rule for school districts.
    - She then replied that she will abstain until she gets more information on this issue.
- Costin noted that Roger Eddy spoke at length on this measure at the Task Force meeting in Bloomington. The goal of the measure is to save money and put those resources back into the classroom.
- Ruscitti mentioned that Eddy created Vision 20/20 and that Proposal 7, 8, and 9 stemmed from this thoroughly researched topic.

Lt. Governor Sanguinetti then motioned to approve. Seegmiller moved and Ruscitti seconded. An individual roll call was then taken.

Proposal #8: Implement physical education mandate relief

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes		X	
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza	X		
Rev. Meeks	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel			
Mr. Spain	X		
Ms. Eggeman	X		
Total:	19	1	

Lt. Governor Sanguinetti asked Costin to read the proposal then opened the floor for discussion.

- Senator Holmes commented that she cannot support this proposal because she feels there must be a watchful eye over physical education programming due to the positive effects of physical activity on developing brain function and childhood obesity rates.
    - Costin clarified that an example of this proposal is to allow a student-athlete to be able to attend an academic class instead of P.E. , and that this measure does keep in mind the importance of fitness for students.
    - Bigger commented he likes this proposal because it is not a one-size-fits-all approach and allows discretion for the school and student.

Lt. Governor Sanguinetti motioned for approval. Bigger moved and Seegmiller seconded. An individual roll call was then taken.

Proposal #9: Provide drivers education mandate relief

Name	YAY	NAY	Abstain
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter	X		
Senator Sandoval			
Senator Holmes		X	
Ms. Darch	X		
Ms. Hasara	X		
Mr. Cole	X		
Mr. Cronin	X		
Mr. Bigger	X		
Mr. Kern		X	
Mr. Espinoza	X		
Rev. Meeks			X
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		
Mr. Obernagel			
Mr. Spain	X		
Ms. Eggeman	X		
Total:	17	2	1

Lt. Governor Sanguinetti asked Costin to read the proposal then opened the floor for discussion.

- Senator Holmes asked what the Secretary of State's Office had to say about this proposal.
    - Costin responded that there is not an official comment from the Office, but there is a system in place where students can participate in Drivers Education by more than one method.
    - Senator Holmes then noted that she would like to hear more from school districts before she could support this type of proposal.

Lt. Governor Sanguinetti motioned to approve. Hammock moved and Spain seconded. An individual roll call was then taken.

VIII. New Business

a. Lt. Governor Sanguinetti noted that the Task Force still has substantial work ahead, and that the final recommendations will be made to the Governor and General Assembly in December.
b. She invited all Task Force members to bring forth any questions or comments.

Adjournment

Lt. Governor Sanguinetti motioned to adjourn at 2:51PM. Cronin moved the motion and Cole seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Wednesday, May 20, 2015
Illinois Municipal League
500 E. Capitol Avenue
Springfield, IL 62701
4 PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	N
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	N
Emmanuel Chris Welch	Representative	7th District	N
Dan Duffy	Senator	26th District	Y
Dale Righter	Senator	55th District	Y
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	N
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	N
Dan Cronin	Chairman	DuPage County	N
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	N
John Espinoza	Board Member	Whiteside County	Y
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	N
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	N
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	N
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Y

The Local Government Consolidation and Unfunded Mandates Task Force met for the fifth time on May 20th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Illinois Municipal League
500 E. Capitol Avenue
Springfield, IL 62701
4 PM

MEETING START
Meeting Schedule Start: 4:00PM
Meeting Actual Start: 4:06PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 4:06PM CT and welcomed members
b. Roll Call was taken. Quorum was not met.

II. Approval of meeting minutes from April 8, 2015

a. Minutes from the last meeting were opened for corrections. No correction suggestions were made.

III. Approval of meeting minutes from April 13, 2015

a. Minutes from the last meeting were opened for corrections. No correction suggestions were made.

IV. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti welcomed Task Force Members and explained that Task Force members would be voting on proposals that address issues previously discussed by the Task Force. Additionally she remarked that instead of voting on specific bills, members will be voting on concept recommendations that can then be presented to the Governor and the General Assembly

V. New Business: Voting on Consolidation and Unfunded Mandate Recommendations

A. Recommendation #1: Enact a 4-year moratorium on creating new local governments

a. Lt. Governor Sanguinetti mentioned this recommendation is based on HB 228, introduced by Rep. Jack Franks and discussed at the April 8th task force meeting.
b. Lt. Governor Sanguinetti introduced Brian Costin, Policy Director to the Lt. Governor, to give a brief summary on the first proposal.
c. Brian Costin then summarized the proposal and said it recommends that no new local government to be created by the General Assembly for a period of 4-years. Additionally

there is an exemption if creation of new local government stems from consolidation of two or more local governments. Since July 2014 there are 19 new units according to the Illinois Comptroller. Since 1998, there has been a net increase of 148 units of government, or 8 per year. The vast majority of that growth has been special purpose districts. Costin mentioned that the highest grower of local government has been Public Library Districts, while the greatest consolidators of local government have been school districts. By enacting a four year moratorium on creating local government, Costin said it is estimated that there would be a reduction of thirty-five to sixty units of local government.

d. At this time, Senator Duffy arrived and it was believed that quorum had been met.
e. Lt. Governor Sanguinetti then opened this item up for discussion.
    i. Warren Dixon III: "What was the last unit of local government that the General Assembly actually created? The only ones created out of acts of legislation are the counties and townships." Warren Dixon III then asked for clarification on how this recommendation relates to special service districts.
        - Brian Costin responded that in regard to the special service units, the Task Force is not looking at them in regards to their own government agency, rather as part of a different government agency such as a municipality. He also said they can get clarification on if this proposal affects special service districts, though Costin's understanding is that it does affect these districts. He also mentioned that neither the IL Comptroller nor the US Census Bureau count special service areas in the units of government count.
    ii. Karen Hasera: "Can you go over the bill that passed?"
        - Costin said that the bill that passed yesterday says that no new local government or agency to be created by the General Assembly for four years. The exemption being if the new unit results from the consolidation of multiple units. Consolidation is encouraged but growth is blocked.
    iii. Brad Cole: "I would like to clarify that what we are doing is making recommendations to the Governor, and then the Governor will put this together as he so wishes and bring that to the General Assembly. We are not enacting any of these item and they will be deliberated by the Governor or General Assembly?"
        - Lt. Governor Sanguinetti responded that is correct.
f. Lt. Governor Sanguinetti then sought a movant for the approval of recommendation #1
    i. Michael Bigger moved the motion to approve. John Espinoza seconded.
    ii. Roll was called on this measure.

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	N
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	N
Emmanuel Chris Welch	Representative	7th District	N
Dan Duffy	Senator	26th District	Y
Dale Righter	Senator	55th District	Y
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	N
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Y
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	N
Dan Cronin	Chairman	DuPage County	N
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	N
John Espinoza	Board Member	Whiteside County	Y
Rev. James T. Meeks	Chairman	Illinois State Board of Education	N
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	N
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	N
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	N
	Non-Voting Member		
Clayton Frick		Deloitte Services LP	Y

iii. At the time of the tally it was realized that quorum was one individual short of being met.

B. Recommendation #2: Expand DuPage County consolidation powers to all 102 Counties

a. Lt. Governor Sanguinetti mentioned that this proposal is based on the DuPage County consolidation bill SB494 that was discussed at the April 8th task force meeting by DuPage County Chairman Dan Cronin and that these measures have helped save taxpayer money and make local government more accountable

b. She then invited Brian Costin to give a brief summary of the proposal.

c. Costin summarized that in many counties across Illinois, there are a number of local government agencies where a majority, or all, of the board members are appointed by the county. Without a connection to voters, the agencies often lack transparency and escape public accountability. These agencies often provide duplicative services which can be absorbed by other government agencies, or are "paper" agencies contracting all service provision out to other local governments or private businesses. The bipartisan Senate Bill 494 was signed into law in 2013, giving DuPage County the ability to dissolve or consolidate 13 different government units within the County, and this is a recommendation to expand this process to all counties in the state.
d. Lt. Governor Sanguinetti then opened this item up for discussion
    i. Mike Bigger: "Would this be giving counties the option, or compelling them to engage in this action?"
        - Costin responded it would be giving them the option.

C. Recommendation #3: Empower Illinois citizens to consolidate or dissolve local governments via referendum

a. Lt. Governor Sanguinetti invited Brian Costin to give a brief summary of the proposal.
b. Costin stated that this recommends the citizens of Illinois should be empowered to consolidate or dissolve local government in effort to control costs, improve service delivery and reduce corruption. He also said the proposal recommends:

    i. Maximum petition signature requirement of 5 percent of the votes cast in the last general election, with a minimum of 180 days to collect petition signatures
    ii. Require either three-fifths of those voting on the amendment or a majority of those voting in the election from both the dissolving and receiving unit of local government for referendum approval. Same as amending the Illinois Constitution
    iii. Require simple, understandable referendum language on ballot; "Shall the [dissolving unit of local government] be dissolved on [date of dissolution] with all of its property, assets, personnel, obligations and liabilities being transferred to [receiving unit of local government]?"
    iv. Provide for the timely transfer of all assets, liabilities, property, personnel and contractual obligations from dissolving unit to receiving unit of local government
    v. Transfer rights and duties to receiving unit
    vi. Allow different types of local government to be consolidated or combined (general purpose into general purpose, special purpose into general purpose, special purpose into special purpose).
    vii. Maintain other citizen-initiated consolidation laws with lower petitioning and voting requirements
c. Lt. Governor Sanguinetti then opened the floor for discussion.
    i. Warren Dixon III: "There are many mechanics to this recommendation. Who is the picker of the unit, who says who is going to assume the unit of government

in a sufficient manner? I don't think the 10% is a very high threshold to reach in 90 days. I think there should be mechanisms to consolidate special service units that have no mechanism but there should be middle ground."

- Costin responded that they did look at other petition signature requirements for statewide officials, and for example the gubernatorial requirement is 5000-10000 statewide, which is .2%, and similar for US senatorial petition. For US Representative it is .5% and for both IL Representative and Senate it is approximately 3%. Comparing these numbers to the 5% recommended in this recommendation, Costin noted their signature requirements are higher to maintain a threshold but not be too high.
- Lt. Governor Sanguinetti responded that in regards to Mr. Dixon's first question about which governmental units will absorb others, that this is just a recommendation that will go to the General Assembly which can then evaluate the particulars.

ii. Brad Cole: "Does this require both the unit dissolving and the unit receiving to pass? What if the receiver does not approve it?"

- Costin answered that both the dissolving and receiving units must approve.

D. Recommendation #4: Create a Board of Legislative Repealers to review unfunded state mandates on local government

a. Lt. Governor Sanguinetti mentioned that on the April 13th meeting in Carbondale, the Task Force discussed a bill introduced by Representative Sandack to establish a board of repealers, and that the proposal is modeled based off of this discussion.

b. Lt. Governor Sanguinetti invited Brian Costin to give a brief summary of the proposal.

c. Costin said that the recommendation is to create a Board of Legislative Repealers that would

i. Creation of a board to systematically review Illinois law, including unfunded mandates

ii. Allow board to repeal an unfunded mandate older than 15 years with 2/3 vote of board, subject to legislative review

iii. Issue an annual report to the legislature to recommend changes to revise, repeal or replace Illinois law

iv. Creation of a website where citizens and local government officials can submit suggestions for state laws to review

v. The Joint Committee on Legislative Support Services, the Legislative Reference Bureau, the Legislative Information System, and the Legislative Research Unit shall provide technical and other research support to the Board of Legislative Repealers

vi. Costin noted that this recommendation would help relieve the overwhelming burden of unfunded mandates.

d. Lt. Governor Sanguinetti then opened the floor for discussion.
    i. Mike Bigger: "Would the Governor appoint the members of this board?"
        - Costin replied that it is left up to the General Assembly how to establish the membership.
    ii. Mike Bigger: "For the mandates that are 15 years old and subject to repeal, does the board also have veto power over that action?"
        - Costin responded that if they choose not to take action over a certain period of time, then it would be repealed.

E. Recommendation #5: Repeal or reform prevailing wage

a. Lt. Governor Sanguinetti noted that there has been consistent discussion on prevailing wage throughout the Task Force meetings and that many units of local governments have asked for relief, and have noted that prevailing wage increases project costs by an average of twenty percent.
b. She then asked Brian Costin to provide a brief summary.
c. Costin summarized by saying the recommendation is to
    i. Repeal the Illinois Prevailing Wage Act
    ii. Reduce the categories of jobs covered by prevailing wage to only cover highly-skilled positions
    iii. Take into account average market wages instead of only wages on "public works" when calculating prevailing wage rates, as is done on the federal level and most other states
    iv. Increase the dollar threshold for projects subject to prevailing wage rates to $250,000
    v. He added that the idea here is that prevailing wage increases costs for local government and results in higher taxes or fewer public projects being completed. Many other states have thresholds for the application of prevailing waged based on the size of the project.
d. Lt. Governor opened the floor for discussion.
    i. No questions were raised.

F. Recommendation #6: Modernize public notice mandates

a. Lt. Governor Sanguinetti said that this recommendation was also discussed by multiple units of government. She added that at the April 2nd meeting in Bloomington, Lake County Chairman Aaron Lawler spoke about these onerous mandates and asked for flexibility.
b. She then asked Brian Costin to provide a brief summary.
c. Costin explained this recommendation asks that

    i. Local governments who post public notices on their website should be exempted from having to also publish in newspapers, saving taxpayer dollars and increasing transparency and accountability

ii. When local governments are forced to mail notices to residents and businesses, such as property tax assessments, and the information is also online they shouldn't be forced to publish the same information in newspapers
iii. Mandates to maintain public documents in antiquated and costly formats, such as microfilm or microfiche, should be updated to allow digital storage of documents
iv. Using the Illinois Transparency and Accountability Portal and the Comptroller's "Warehouse" website, the state of Illinois should help local governments who can't afford websites to publish more information online
v. He added that citizens' preferences in how they consume information is shifting rapidly. As newer technologies are adopted by more people, local governments need to change the way they communicate with the public. In 2013, twice as many homes had internet access (74 percent) than had newspaper subscriptions (37 percent). Home internet access is growing, while newspaper subscriptions are falling to all-time lows.

d. Lt. Governor Sanguinetti opened the floor for discussion**.**
   i. No questions were raised

G. Recommendation #7: Provide third-party contracting mandate relief for school districts

a. Lt. Governor Sanguinetti noted this stems from the April 2nd meeting in Bloomington, where Roger Eddy from the IL Association of School Boards presented testimony about the third-party contracting to relieve mandate burden.
b. She then asked Brian Costin to provide a brief summary.
c. Costin elaborated on the recommendation and summarized that the proposal recommends that
   i. A board of education may enter into a contract with a third party for non-instructional services that are currently provided by any employee or bargaining unit member.
   ii. Reduce notice requirement from 90 days to 30 days
   iii. Eliminate anti-competitive regulations on contractors requiring them to provide a benefits package comparable to the existing public employee contract
   iv. Costin noted that this would be optional for school districts
d. Lt. Governor Sanguinetti opened the floor for discussion.
   i. No questions were raised.

H. Recommendation #8: Implement physical education mandate relief for school districts

a. Lt. Governor Sanguinetti noted this comes from the second meeting in Bloomington, and that as a parent this proposal makes sense to her because it provides flexibility to a current physical education mandate for schools.
b. Lt. Governor Sanguinetti invited Brian Costin to provide a brief summary.
c. Costin explained that this recommendation will

i. Allow for more flexible waivers for children who are involved in other physical activity in school or out of school, but in a manner that ensures that each student engages in appropriate fitness activities
ii. Expand existing statutory provisions for students to be exempted from physical education on a case by case basis, as determined by district policy
iii. Again, he noted that this would be optional for school districts

d. Lt. Governor Sanguinetti then opened the floor for discussion
   i. No questions were raised.

I. Recommendation #9: Provide drivers education mandate relief

a. Lt. Governor Sanguinetti noted that this was the subject of a discussion with Roger Eddy in Bloomington on April 2nd.
b. Lt. Governor Sanguinetti invited Brian Costin to give a brief overview of the proposal
c. Costin then summarized the proposal which recommends that
   i. School districts may offer a driver education course by contracting with qualified commercial driver training schools
   ii. He noted that schools can use savings from this proposal to put back into the classrooms to enrich student learning.

J. Lt. Governor Sanguinetti noted that there are seven more months of Task Force service ahead. She also invited any members that would like to see certain proposals added to Task Force efforts to work with her office to draft the language. Additionally, she added that the final Task Force recommendations are due to the legislature by December 31st of this year.

VI. New Business: Member Comments

a. No member comments were brought forth.

VII. Public Comment

a. Dr. Mary Henninger, Illinois Association of Health, Physical Education, Recreation and Dance

Good afternoon. My name is Mary Henniger and I am from the Illinois Association of Health, Physical education, Recreation and Dance, and I am also here as the parent of two children in the K-12 public education system. I am here to advocate for keeping physical education mandate in the state of Illinois. Quite simply, extensive research shows that physical education enhances the well-being of students, as well as positively influences students academically. Research consistently shows a positive relationship between students who perform well on academic tests and those who perform well on fitness indicators. I am aware of no research that

concludes that removing physical education, and placing students in more math, science, history or language arts classes goes on to enhance academic performance. In the twenty first century students are becoming less and less movement-orientated due to a variety of factors. This generation of children is projected to be the first in many generations to have a shorter life span than their parents. Part of the reason this for this occurring is based strictly on students lack of access to movement oriented activities for sixty minutes a day. Removing physical education, which is one of the few movement oriented activities, would not enhance academic performance, and would contribute to the increase in sedentary lifestyles. You know that activity habits are formed very early in life. People who are active when young have a higher likelihood of becoming active adults. It has been projected that the United States spends nearly 150 billion dollars a year to treat sedentary lifestyles. Removing physical education from K-12 schools will not only not save money in the short term but will cost us more in the long run. We know that engaging in physical education can help students develop the skills knowledge and attitudes necessary to become lifelong leaders. Students who attend physical education in class see a decrease in levels of stress, anxiety, social isolation, and depression while simultaneously benefitting from effects ranging from increased self-esteem, confidence, academic performance and feelings of well-being. All of these positive side effects mean that students are benefitting physically, positively, and emotionally. Removing the state physical education mandate will have a negative effect for generations to come. Negative effects that will cost all of us far more than it costs us to offer for physical education. I would like to thank you for allowing me this time to address this issue to the task force on behalf of the Illinois Association of Health, Physical Education, Recreation and Dance. I leave you with this: physically educated students are happier, healthier, and smarter because of the time they spend in K-12 physical education.

b. Cynthia Riseman Lund, Illinois Federation of Teachers

I'm Cynthia Riseman Lund and I am legislative director for the Illinois Federation of Teachers. I would like to address a few recommendations specifically. There are currently two processes for mandate waivers. The school districts can go to the State Board of Education and request a waiver if they need the flexibility. Over the past five years about 700 districts have asked for the waiver requests, so the process is working. My first concern is with recommendation #7. This recommendation cuts corners. We want workers in the schools from the community, not an outsider who works for a company and might not have the students' best interest at heart. Research has shown inexperience with training with employees coming in from these contracted companies. The other recommendation I have issue

with is the physical education one. I am in agreement with the previous commenter. It is very important to our teachers for kids to have time to get recess and physical education. Regarding drivers education, we support the efforts to make drivers education affordable and accessible. By saying they should be contracting out, this might limit accessibility. We feel that it should be in public schools so it is affordable and accessible to all students. This keeps all of us safer, including all drivers on the road.

c. Jason Keller, IL AFL-CIO

Hello, I am the legislative director with the IL AFL-CIO. I would urge the task force to move public comment before the vote as opposed to after. Regarding Recommendation #2, we believe the collective bargaining process should be protected. As the recent vote in the House shows, there is not support to take away collective bargaining. Moving on to Recommendation #5 we also oppose this proposal to repeal prevailing wage. Recommendation #6, in the rationale it says that Illinois has the third highest public corruption rate in the country, I'm not certain how that is quantified but if I were a local government official I would not want to be endorsing that.

d. Mark Poulos, IH, IL, IA FFC

Mr. Poulos later submitted documents to the record by mail.

Regarding Recommendation #5, we would adamantly oppose reforms in this area. There were several claims from prior meetings that prevailing wage increased the cost of project contracts. I sent FOIA requests to these municipalities and they responded they did not having supporting documentation. One thing that advocates of the repeal will say is that in order to reduce construction costs, we should lower wages. I live in Indiana and they just repealed prevailing wage laws recently. It's easy to balance budget when you say we're going to pay people less money. In Indiana, where they just repealed prevailing wage, they rank 36th in per capita income and 6th in income inequality. In Illinois we are 50th in income equality and 17th in personal income. Why is prevailing wage so important? Because governmental bodies are the biggest contributor to the construction market in IL and across the country. Wages in the private sector are established primarily with unions and collective bargaining. There is a misconception that collective bargaining and prevailing wage are equated wages when really they are negotiated between labor and management. Contractors make decisions based on if they can be competitive in the marketplace and unions make decisions based on if their

workers can participate in these roles as careers and not just jobs. Prevailing wage is about creating careers. It reflects the market wage in the 102 counties of Illinois. From May 2014 to May 2015, in the northern counties there was 1.2B in IDOT work contracted for, and 1.16B was done with contractors required to pay prevailing wage. Individuals who work for prevailing wage support careers, not jobs, through accreditation training programs. These individuals have spent more time training for their career upon finishing their accredited program than does a student finishing a four-year program with a typical 120 credit hour course load. We need to support prevailing wage.

e. Steve Scott, IL High School & College Driver Education Association

Contracting already exists and is in place. We don't understand the recommendation when it is already in SB3367. I want to remind everyone that Drivers Education is a funded mandate when school fees and reimbursement come in . Drivers Ed teachers are at a lower cost than other teachers when these funds come through. Drivers Ed in schools also ensures that students have equal opportunity. Our concern is with the 73% of students that take Drivers Ed in public high schools. We have a lot to offer this Task Force in terms of objective information to make an informed decision and we would like to have opportunity to provide this.

f. Brent Johnston, IL High School & College Driver Education Association

Mr. Johnston submitted documents to the record.

Thank you for the opportunity to present to you today. We represent not just the teachers but the young people who enjoy our services. I would like to read a small segment from the waiver law, "Waivers or modifications of administrative rules and regulations and modifications of mandates of this School Code may be requested when a school district demonstrates that it can address the intent of the rule or mandate in a more effective, efficient, or economical manner or when necessary to stimulate innovation or improve student performance." The most important part of this waiver created by our legislators I will read to you, "Waivers may not be requested from laws, rules and regulations pertaining to special education, teacher certification, or teacher tenure ad seniority or from compliance with No Child Left Behind Act of 2001." That is a very key statement and very contradictory to where this recommendation has gone. We are on a very slippery slope when we start challenging teacher certification on teaching our students. If we are challenging Drivers Ed now what will be next? Art, music, or PE? My next document that I created is in regards to study I did 2 years ago. Everyone says Drivers Ed is too expensive in public high schools.

Compared to what? No one has ever done a study looking at or comparing the cost of other subjects in schools. So I FOIAed every school district in the state. Out of six disciplines studied, public high school Drivers Ed ranked in the 5th or 6th least expensive slots in 82.5% of all high schools investigated. It ranked in the bottom half for expensiveness in 91.3% of high schools studied. Other academic subjects were consistently more expensive than Drivers Ed. Drivers Ed was consistently the least expensive subject taught. If we are going to start attacking academically mandated subjects, we need to start looking at the electives. I love sports, but if money is so tight that we are going to start attacking the certification of instructors, then we need to get rid of sports and extra-curriculars before we start attacking academics.

Adjournment

Lt. Governor Sanguinetti announced the next meeting is June 24th from 1-3pm in Room 212 of the Capitol Building.

Lt. Governor Sanguinetti motioned to adjourn at 5:14PM. Brad Cole moved the motion and Warren Dixon III seconded. All ayes with no nays recorded.

Next Meeting
June 24th 1pm-3pm
Room 212, Capitol Building
Springfield, IL

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Monday, August 3, 2015
James R. Thompson Center
16th Floor, Room 504
2PM

Conference Number: 1-888-806-4788
Access Code: 8040585503#

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90th District	N
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	Y
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	Phone
Martin A. Sandoval	Senator	12th District	N
Linda Holmes	Senator	42nd District	Y
Karen Darch	Mayor	Barrington	Y
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	N
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	Y
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	N
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
	Non-Voting Members		
Clayton Frick		Deloitte Services LP	N
Jeff Aranowski		Illinois State Board of Education	Y
Paul Kersey		Illinois Dept of Labor	Y
Hans Zigmund		Illinois Dept of Revenue	Y
Andrew Perkins		DCEO	Y

The Local Government Consolidation and Unfunded Mandates Task Force met for the seventh time on August 3rd, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
James R. Thompson Center
16th Floor, Room 504
2PM

MEETING START
Meeting Schedule Start: 2:00PM
Meeting Actual Start: 2:04PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 2:04PM CT and welcomed members
b. Roll Call was taken. Quorum was met.

II. Approval of meeting minutes from June 24, 2015

a. Minutes from the last meeting were opened for corrections.
    i. Mr. Bigger corrected that his attendance was in person and not via phone.
    ii. Ennedy Rivera noted a formatting correction concerning vote totals.
b. Lt. Governor Sanguinetti motioned to approve the minutes with corrections. Cole moved and Dixon seconded. Welch abstained from approval due to absence from the prior meeting.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti welcomed members and thanked them for their hard work. She mentioned the Governor has been pleased with the progress made, and looks forward to seeing the final recommendations of the Task Force at the end of the year. Additionally she noted that that the meeting would be the first in a series on education.

IV. Presentations

a. School District Consolidation Incentive Programs, Illinois State Board of Education
    a. Mary Heninger, Renee Vilate, and Deb Vespa presented
        - In FY15- 2 consolidations, 2 hybrid formations, and 1 absorption
        - A 15% decrease since FY84 in school districts
        - Discussed various options available under current law
            - School reorganization consolidation most common
            - School district conversion
            - Partial Elementary unit districts
            - Process- New District Formations
            - Dissolution or Annexation

    - Dissolution by referendum
    - Non-referendum dissolution
    - Other options
- School District Reorganizations FY84 to FY16
- Reorganization Incentives
- Total Incentive paid off FY86 to FY15
- Total incentives paid by type
- Reorganization Legislation
- 1985 School District Reorganization Act
- Prior Task Force- Classrooms First
- School District Reorganization District Resources
- Brochures
- Feasibility Studies

At the conclusion of the presentation, Lt. Governor Sanguinetti opened the floor for discussion and questions.

- Lt. Governor Sanguinetti inquired about metrics regarding teacher salary and student performance.
    - Heninger responded that only if the school boards had already worked student performance into their salary schedule would it then play a part in their calculations.
- Lt. Governor then asked what happens when the four year time period expires.
    - Heninger said that the school districts need to be aware that the incentive money is short term assistance and that the intent is to help the schools through a transitional phase, not to keep the lights on. The school code dictates the incentive money is only paid for four years.
- Lt. Governor asked if there are recommendations to revise the incentives
    - Vespa answered that they looked at ways to reorganize to better meet the needs of the students. They looked at various components to determine the biggest needs of the school. For instance, the geographic region the school covers, transportation issues, facilities of the schools, and the age of the facility. Revisions would be in the way of enhancing student experience and curriculum. They considered construction incentives, for example, updating science labs or electrical upgrades.
- Darch questioned if they have totals on cost of incentives and realized savings resulting from reorganization.
    - Heninger responded that the state board does not look at those totals, and that the individual school boards make the final decisions on their spending.
- Senator Holmes asked how many regional offices of education exist.

    - Vilatte answered that there are now thirty-five regional offices, plus the three intermediate service centers in suburban Cook, plus Chicago Public Schools.
- She then asked if all of the districts have a seven member board of trustees.
    - Heninger answered that all thirty-five districts have a board, but the CPS system does not.
- Espinoza asked if the thirty-five number is up to date to include referenced consolidations.
    - The presenters responded that the number is up-to-date as of July 1st and does include those reorganizations.
- Seegmiller commented that the incentive money makes a significant impact and gives the receiving unit the ability to function. She noted that especially when the state has cut some funding, the incentive money is what allows a reorganization to happen.

b. Higher Ed Procurement Reform
Jonathan Lackland and Doug Schnittker, Illinois State University

- They summarized from a policy perspective what led to the current types of discussions being held regarding procurement and higher education.
    - In 2010 there was a Blue Ribbon Commission Report which resulted in the formation of a committee that evaluated both how higher education views procurement and hindrances caused by procurement processes.
    - Example takeaways included the issue of ensuring diverse vendors have the opportunity to bid on contracts, hindrances in the library and research realm relating to the procurement code and consortium purchasing issues.
- Suggested Mandate Changes
    - Lackland and Schnittker also highlighted a few suggested mandate changes from a more extensive list they distributed to members.
        - Restore the Higher Education Procurement exemptions that lapsed due to a technical error by enacting HB 170 or equivalent legislation.
        - Amending the code to allow the bidders additional time to meet registration requirements
        - Consortiums save hard dollars and provide efficiencies

After the conclusion of the presentation, Lieutenant Governor Evelyn Sanguinetti opened the floor for discussion.

- As a trustee of the University of Illinois board, Hasara echoed the concerns that had been raised in the presentation and said it created many difficulties. She believes that if you surveyed universities they would

concur that they have missed out on hiring the best individuals or receiving grants because they could not get through the process quickly enough.

c. Task Force Consolidation and Unfunded Mandates Study,
Norm Walzer, Northern Illinois University

- Discussed a questionnaire including questions dictated by the Executive Order that will be sent out to local government associations regarding mandates.
- The project must begin as soon as possible to have a draft by mid-or late November and relies on inputs from local government associations providing timely input.
- He then discussed a Task Force Proposed Action Plan

1. Reconcile COG and IOC numbers of governments by matching governments by type focusing on counties, cities, townships, school districts, community college districts, park districts, and transportation districts. Prepare brief tabulation of classifications used by the COG and IOC.

2. Review state laws relating to local government and school district consolidation.

    a. Summarize and dissect past analyses e.g. *Legislators' Handbook* info, etc.
    b. Prepare summary of current legislation covering pension eligible, compensation, taxing powers, dissolution or consolidation and meeting requirements for use by Task Force members.
    c. Contact IDOR, Leg. Reference Bureau, and state agencies for taxing powers, rates, dissolution, meeting requirements.
    d. Prepare matrix of attributes by the 7 types of government in Exec Order.
    e. Show numbers of governments and reconcile COG and IOC.

3. Review State laws WRT unfunded mandates by type of local government and school districts.
    a. Prepared and distribute survey to associations representing each of the 7 types of government listed above.
    b. Tabulate survey results for Task Force use.
    c. Contact associations to compile additional information for mandates selected by Task Force and Lt. Governor's staff on

whether still relevant, associated costs of compliance, waiver process.

d. Create a data base containing the mandates that can be updated regularly regarding mandates.
e. Prepare written explanation of process and results.

4. Identify opportunities to consolidate, streamline, or eliminate duplicative governmental bodies, school districts, and taxing authorities.
    a. Review testimony to Task Force on suggestions
    b. Contact statewide associations for suggested statewide opportunities.
    c. Examine experiences in other states.
    d. Propose a list of metrics to use in identifying possible actions based partly on practices used in other states.

5. Identify opportunities to replace, revise, or repeal unfunded mandates
    a. Tabulate results from surveys of local government associations.
    b. Explore in more detail cost-savings and possible remedies for mandates selected by the Task Force.
    c. Prepare a section with summary recommendations to support Task Force deliberations.

6. *(covers 6 and 7)* Analyze the success of programs in Illinois and other states regarding reorganizing and streamlining governmental structure.
    a. Contact NGA, NCSL, NACo, and NADO for examples.
    b. Conduct an internet literature review of best practices and follow-up with other states using a common protocol to obtain detailed information.
    c. Prepare a summary report for use in Task Force deliberations.

- The sections will run concurrently and a report on each section will be submitted when completed. They will then be incorporated into a draft Task Force report after initial approval by Lt. Governor staff and/or Task Force. The final report will be an accumulation of these sections.

At the conclusion of the presentation Lt. Governor Sanguinetti opened floor for discussion.

- Warren Dixon questioned how they are establishing the true numbers regarding units of government
    - He responded that they connected with contacts at the Census of Governments on a national level and discovered what they were using with respect to defining units of government. They also used the IOC, however the main difference between the two methods was the road and bridge districts because the Census does not see them as independent districts.
- Kern asked if they were surveying local governments directly about unfunded mandates

- He responded that that they wanted to start with the associations like the Municipal League, and that the people who know the mandates best are the local governments. Therefore the associations would consult and work with the local governments then pool that information for the study. The local government officials would be able to best prioritize the importance of various unfunded mandate costs in their answers.

- He also asked if they will be determining how much of a local governments budget is attributable to unfunded mandates
  - Walzer said the way the questionnaire is set up answers questions that come out of the Executive Order. The cost perspective enters the picture when asking, for example, what the cost of a mandate would be in a city of a certain population, then determining the per capita costs state-wide based on extrapolations.
- Jeff Aranowski asked for clarification of how the Task Force was defining an unfunded mandate.
  - Norm Walzer stated they are focusing on identifying mandates first, and then researching if there is a full, partial or lack of appropriation made for the mandate.
- Holmes questioned to whom the questionnaire is being distributed.
  - Walzer said that they are starting by distributing to the seven association types mentioned in the Executive Order, and if they need to do more they will.

IV. New Business

a. Member comment

i. Lt. Governor Sanguinetti opened the floor for discussion of additional topics and reminded members they may suggest subjects for future agendas with her Policy Director Brian Costin.

VI. Public Comment

-Sarah Buck, Illinois Association of Health, Physical Education, Recreation and Dance

Hello. My name is Dr. Sarah Buck. I am an Associate Professor in the Physical Education Teacher Educator program at Chicago State University. I am here as President of the Illinois Association of Health, Physical Education, Recreation, and Dance (IAHPERD). I am speaking today to urge you to keep the Physical Education mandate in our schools. Considerable research has been done relating physical activity to a variety of positive health outcomes in school-aged children, as well as across our lifespan. These positive health outcomes include reduced levels of stress, reduced risk of obesity-related diseases, improved social development and communication skills, enhanced self-esteem and body image, and improved mood. I am aware of no research that suggests that removing Physical Education from a curriculum will enhance academic development. In fact, quite the opposite is true, with a plethora of studies indicating that time spent in physical activity improves academic achievement across a variety of subject matters, including Math and Reading.

Currently, due to several factors, such as technology, social media, and concern for safety, children are participating in physical activity less than ever outside of school. This means that during school may be the only opportunity these children have to be physically active in a supervised and safe environment. By not providing movement opportunities or education about the importance of movement, the whole child is not being educated. Sedentary children tend to become sedentary adults. A sedentary

lifestyle is linked to a variety of costly health issues. It costs significantly more to care for an obese individual than for someone of a healthy weight. A child who is obese may face a lifetime of doctor's visits and medications- both of which are costly for the person and potentially for the state. It may even be costly for future employers who are faced with an unhealthy, less productive workforce with a high rate of absenteeism due to sick days. Worse still, the current generation is slated to have a shorter lifespan than their parents. No state or nation should permit that to happen.

When a lack of priority regarding health is taught to children, it becomes cyclical when future generations are also taught that physical education and activity is secondary or even tertiary to other matters. But, an unhealthy child cannot learn. An unhealthy child cannot grow up to be a productive member of society. The cost of not incorporating Physical Education into school curriculum far exceeds the cost of including it; it is a disservice to eliminate Physical Education from the k-12 curriculum.

I encourage lawmakers to have foresight to potential consequences of actions. Let's make data-driven decisions to improve the health of our youth so they can grow up to do their part in a healthy Illinois. Thank you for allowing me to speak today as President of the Illinois Association of Health, Physical Education, Recreation, and Dance.

-Mark Peysakhovich, American Heart Association and American Stroke Association

Hello, I am Mark Peysakhovich with the American Heart Association and American Stroke Association. I want to take time to register our very strong concerns about the way the PE issue has been undertaken by this Task Force. I look at the vote on proposal number 8, and I see many municipal people, only one education person and no health professionals. Physical education is not just about running around the gym, it is also about learning to eat healthily and exercise. It seems to me that a conversation like this is based on the hope of saving money. If this is the stated purpose, we do not see how this proposal will accomplish that goal. Since 1985 there has been a PE waiver in place and we have seen it abused by adults who are in tough positions. It is up to all of you to put a value on physical education, and also to consider: where are the savings here? We believe the process has been flawed on this, and I heard that the American Heart Association was mentioned at the last meeting and was noted as saying we accept the conclusion that was presented to you. If that is the case, we do not and hope you will reconsider this issue.

VII. Adjournment

Lt. Governor Sanguinetti motioned to adjourn at 4:11PM. Dixon moved the motion and Darch seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Monday, August 24, 2015
Illini Union
Room 210
1401 West Green Street
Urbana, IL 61801
10:00AM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Yes
Mark Batinick	Representative	97th District	Yes
Jack Franks	Representative	63rd District	No
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	No
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	No
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Yes
Ryan Spain	City Council Member	Peoria	Yes
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Yes
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No
Char Foss-Eggemann	Trustee	Park Ridge Library Board	No
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			Phone
Mr. Perkins			Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the seventh time on August 24th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Illini Union
Room 210
1401 West Green Street
Urbana, IL 61801

MEETING START
Meeting Scheduled Start: 10:00AM
Meeting Actual Start: 10:00AM

AGENDA

I. **Call to Order and Roll Call**
   a. Lt. Governor Sanguinetti called the meeting to order at 10:00AM CT and welcomed members.
   b. Roll Call was taken. Quorum was not met.

II. **Approval of meeting minutes from August 3, 2015**
   a. Voting on the minutes from the previous meeting was tabled until Quorum was met.

III. **Chairman's Remarks – Lt. Governor Evelyn Sanguinetti**
   a. Lieutenant Governor Sanguinetti welcomed Task Force members and elected officials present. She then reported on developments in consolidation and procurement reform, citing three amendatory vetoes issued by Governor Rauner. HB 4133 exempted student newspaper printing contracts at Southern Illinois University from the Illinois Procurement Code for one year and Governor Rauner's amendatory veto would apply the procurement flexibility to all public universities and colleges during a one year trial period, which Lt. Governor Sanguinetti noted was a step in the right direction for procurement reform. She then remarked that if General Assembly concurs with the Governor's amendatory vetoes of SB 781 and HB 219, two bills relating to fire protection district consolidation, then a major recommendation of the Task Force will have been realized.
   b. At 10:07AM Quorum was met and Lt. Governor Sanguinetti opened the minutes from the last meeting for correction. No correction suggestions were made.
   c. Lt. Governor Sanguinetti then sought a movement for the approval of the meeting minutes from August 3rd, 2015.
      i. Brad Cole moved to the motion to approve. Steffanie Seegmiller seconded.
      ii. The motion was approved by majority ayes with no nays recorded.

IV. **Presentations:**

Higher Education Unfunded Mandates & Procurement Reform

a. **Mike Bass, Senior Associate Vice President and Deputy Comptroller, University of Illinois**

   i. Mike Bass began by giving an overview of the University's desire to be as economically effective and efficient in order to enhance excellence and protect its competitive position.
      - The budget of the University in 2015 was $5.6 billion; after subtracting pension and healthcare costs the operating budget totaled $4.5 billion, with $1.5 billion spent on goods and services.
      - The University lost exemptions due to the Illinois Procurement Code which totaled $75-$90 million.
      - They are working on passing through the General Assembly expansions in exemptions, particularly for prescription drugs which total $200-$250 million, as part of a broader procurement reform bill.

   ii. He would like the University to conduct business as cost effectively as possible and see changes in procurement to make this happen. He referred to the SB 51 procurement reform bill as an ethics bill, not as a model for the procurement process.

   iii. Stated that the current procurement process limits the appetite of vendors to want to do business with the state which costs time and money.

   iv. Mr. Bass concluded by stating a ½% efficiency increase in some fashion would provide $7.5 million in relief and that the University is committed to being as effective and efficient as possible and can do so through being afforded more autonomy in the way they conduct business.

b. **Matt Bierman, Budget Director, Western Illinois University**

   i. Matt Bierman agreed with Mr. Bass's outline of the issues in the procurement process for universities and stated that since the passage of SB 51 they have been asking for reform, noting four or five legislative requests regarding procurement in higher education and unfunded mandates.

   ii. He stated the bill has negatively impacted the ability of the institution to source goods and services due to the added scrutiny of agencies and increased compliance regulations which limit the vendor base and therefore increasing costs.
      - Their community has a small vendor base which is experiencing an increase in costly and time consuming paperwork that then deters vendors from doing business with the state of Illinois. This is especially true for small businesses.
      - Increases in vendor costs are directly linked to increases in costs to students and tax payers

iii. He emphasized the need to examine which regulations add value and which are counterproductive as well as which encourage competition rather than deter vendors.

c. **Alan Phillips, Vice President of Administration and Finance, Northern Illinois University**
   i. Alan Phillips stated that the current environment is higher education is declining, with enrollment down and state funding being of great concern. Because of this the University is doing everything it can to be more efficient and taking a close look at everything they do, but the unnecessary and restrictive requirements make this difficult.
   ii. He cited a few examples including:
      - Reporting requirements take considerable time and resources which in turn drives up administrative costs, which they are then criticized for.
      - A capital development board may be helpful for small institutions but large institutions do not need the help and support of such a body as they have the resources and expertise to handle large projects.
      - Veterans' grants are an unfunded mandate and cost $30 million to public universities which are then absorbed by the institutions and come at expense of the other students.
   iii. Mr. Phillips concluded by stating that adding on additional requirements in order to promote ethics and accountability actually makes things more inefficient and costly in practice.

d. **Paul McCann, Interim Vice President for Business Affairs/Treasurer, Eastern Illinois University**
   i. Paul McCann began by stating they are operating under a procurement code which totals 376 pages, with an additional 171 pages of proposed regulations. In 1989, the code was 32 pages.
   ii. He stated multiple examples of inefficiencies under the current procurement code including:
      - Regulations to submit reports to the Comptroller's Office which they have yet to determine the purpose of.
      - Multiple units of oversight from various agencies create redundancies and added burdens.
      - Ten page requirements for vendor certifications in many cases require an attorney to understand and vendors are subject to completing disclosures and must register with multiple boards and agencies if purchases total over $50,000.
   iii. He noted that due to SB 51 the cost of procurement has gone up due to increasing regulations and paperwork requirements.
      - Instead of decreasing staff to comply with budgetary restrictions, the school must maintain or even increase personnel to keep up with the paperwork burden.

        - It costs around $100,000 per year to complete paperwork.
    iv. He then commented on the Governor's recent passing of a fleet vehicle fuel requirements (that 15% of the fleet must be using alternative fuels), and noted that this unfunded mandate has huge costs associated with it.
        - The school purchases used vehicles to save money, which do not use alternative gas
    v. Mr. McCann also noted that tuition waivers also cost higher education institutions millions of dollars.

e. **Time was allotted for questions:**
    i. Lt. Governor Sanguinetti: Do the procurement hindrances which all of you spoke of have a detrimental impact on attracting private research dollars?
        - Mike Bass responded that there could be detrimental effects; he would ideally want to exempt research activity related to non-state awarded grants. Procurement causes roadblocks to purchasing equipment needed for research.
        - Alan Phillips stated that Northern Illinois University has lost grants because, for example, they could not procure a particular type of equipment in a cost effective way if it was available from only one vendor and had to go to an RFP. This has a direct impact on the work being done and makes it more difficult to obtain grants.
    ii. Representative Batinick asked for the floor which Lt. Governor Sanguinetti granted.
        - Representative Batinick offered a correction to the assertions made by Paul McCann regarding the vehicle alternative fuel mandate. He stated that the bill passed in fact reduced the alternative fuel requirement from 30% to 15% of purchases, added hybrids as an option and changed the term "vehicles" to passenger cars. Therefore while still a mandate, the bill in question is actually a relief.
        - He then cited that the state is cutting funding to higher education due to catching up with pension costs.
        - He explained that state falls between 3rd and 9th in the nation in terms of spending on higher education, yet tuition costs are higher. So where is the money going?
            a. This shapes up to be a $1 billion overspend in higher education in the state.
            b. He noted that Illinois has a net out migration of students, losing approximately 16,500 students due to higher tuition costs associated with the higher costs of doing business in Illinois.

c. Since 2009 total enrollment has decreased around 18%, which negatively impacts the schools and the future of the state.

- He then discussed the importance of differentiating the two parts of procurement – the process and the content. He noted the introductory presentations remarked mostly on the process.
- He remarked that he filed HB 4215 in order to allow the Illinois Board of Higher Education to come up with their own procurement code that fit what they do in order to move the ball forward.

iii. Dan Cronin asked to interject; he noted that the biggest cost for higher education institutions is personnel salaries and retirement benefits. He asked Mike Bass how much money and what percentage of an overall budget would aggressive procurement reform save?

- Mike Bass responded that systematic and structural changes do not happen quickly, but you set goals for extracting savings with organizational and technological improvements and create a win-win for the institution and the state by striving to do things quickly and efficiently to save administrative costs.
- Representative Batinick emphasized that more vendors increases competition and increases savings, so this is an important factor along with increasing administrative efficiencies.
- Mike Bass remarked that the cost of education is not sustainable

iv. Representative Batinick responded that increasing procurement savings by a certain percentage and dividing it among the students in the Illinois higher education system, it is a good deduction in costs for the students. ($1.5 billion with a 3% savings would equate to $750 in savings per student). He then asked for examples of requirements or unfunded mandates not from the paperwork standpoint that impact costs.

- Alan Phillips discussed the requirement to tag, track, and report property assets. Lowering the cost threshold to include lower ticket items would require hiring new personnel and hundreds of thousands of dollars solely to tag, track, and report assets. He currently has three people on staff who do nothing but count things and are only there for the purpose of compliance with regulations.

v. Lt. Governor Sanguinetti: Which state has the gold standard from the university perspective on procurement?

- Mike Bass responds he is unsure but the contracts in Illinois procurement are what hurt process and products for the schools.

- Michael Bigger reemphasized Lt. Governor Sanguinetti's question and asked for examples of states with good procurement records.
- Mike Bass responded that Kansas and Virginia are models to look at.
- Representative Batinick emphasized the importance of focusing on the macro such as graduation rates, student retention and tuition costs, and if those are successful then there is less concern with the micro view of how schools purchase things only. He suggested looking at states with better macro metrics and seeing where best practices are in the micro realm.
- It was noted that the $1 billion overspend was also due to high personnel costs in the state and not solely on unfunded mandates and procurement costs, which would have represented about 25% of the "overspend".

vi. Lt. Governor Sanguinetti remarked that the Task Force did vote to repeal or revise the Prevailing Wage Act and wanted to conclude by asking what impact the Prevailing Wage Act had on higher education institutions.
- Paul McCann responded that it does have an impact and increases the costs for contracts.
- Matt Bierman agreed and added that the cost of labor due to prevailing wage contributed to tripling the project costs over what the same project would have cost in the private sector without the regulations they are under as a university.
- Mike Bass agreed, he suggested moderate steps on capital such as raising the division of work level that you're required then to go out to bid, which is currently $250,000. When doing hundreds of millions in construction it would be nice to have different ways of doing it.
- Alan Phillips added he agreed with his counterparts and emphasized they are doing everything they can to keep costs down and retain students.
- Ryan Spain contributed that by circumnavigating the restrictions place on higher education institutions for big projects, a project in Peoria was built faster, better and twice as large by using donor money. Noted that there are striking differences when tackling large capital projects when able to act inside and outside of the procurement code.

vii. Brad Cole mentioned the dual mission of the Task Force and brought up the issue of Consolidation in higher education. He asked if this is an avenue to explore in the future due to reduced student enrollment in some institutions.
- Representative Batinick asserted that the brain drain is the biggest pending problem the state has so we need to keep

students in the state with more affordable options rather than consolidate.

V. **Presentations:**
Township Consolidation & Unfunded Mandates

a. **Bryan Smith, Township Officials of Illinois**
   i. Bryan Smith stated that township governments are the least known and most misunderstood form of local government in Illinois. He remarked that "reinventing government" is a term that has been used more and more frequently in an effort to promote the adoption of innovative management techniques on all levels due to increasing financial restraints:
      - Townships in rural communities face stagnant property values which limit their tax intake
      - Townships in suburban areas deal with property tax caps
      - Raising taxes is not a popular or realistic option
      - Cutting services calls into question the legitimacy and viability of the government
      - Therefore, innovation and creativity in funding and delivering services are necessary.
   ii. He continued to say that townships utilize intergovernmental agreements for services, for example road maintenance and elderly care. These work so well because spending is lower at the local government level due to lower labor costs.
   iii. He noted the increasing trend of shifting federal responsibility to the state, which in turn places it on local government.
   iv. He examined the consolidation of special districts into townships as an example of local government control and efficiency at its finest.
      - More responsibilities make the township more accountable and accessible to the people they serve.
   v. Mr. Smith remarked in terms of unfunded mandates, the burden on townships for publication requirements are quite hefty and it would be most efficient to utilize the internet for record publications.

b. **Charlie Montgomery, Highway Commissioner, Monticello Township, Piatt County**
   i. Charlie Montgomery began by comparing stories of road maintenance that highlighted the diverse township responses and dedication to providing vital road services despite budgetary and personnel shortages.
   ii. He emphasized that intergovernmental agreements are necessary in order to share equipment and man power and is an example of excellent efficiency and transparency in local government.
   iii. He concluded that it takes passion and dedication to the communities one is serving in order to creatively overcome obstacles.

c. **Bob Anderson, McHenry County Citizens for Township Consolidation**

i. Bob Anderson opened with poll results stating 52% of McHenry County respondents think consolidation is important and a top priority and only 10% of respondents believe the current system is working fine.
ii. He discussed his group's grassroots effort to consolidate townships in order to increase efficiency and reduce local government.
    - The goal is to create a comprehensive map and plan for consolidation.
iii. He also noted the flaws in the property assessment system and urged the importance of creating greater accuracy and fairness in property taxes because this caused some townships to have bloated fund balances.
iv. He would like the Task Force to create a clearer path to the ballot box and believes consolidation should be voted on by the public.

d. **Alderman Jane Grover, City of Evanston**
    i. Alderman Jane Grover stated that the city of Evanston and the township of Evanston were coterminous. Evanston's was one of 20 coterminous townships in Illinois and one of 5 in Cook County.
        - Illinois Townships are charged with three basic functions:
            a. The administration of General Assistance;
            b. Property assessment; and
            c. Road construction and maintenance.
        - In Evanston, the only function of the Township was the administration of the General Assistance program.
    ii. She explained the Township Board of Trustees began discussing dissolution when evaluating the $1.5 million in annual operation with 40% administrative costs, but the process to achieve governmental consolidation was uncertain: the existing laws offered conflict and little clarity and there was a lack of precedent.
        - Because of the uncertainties as how to legally dissolve an Illinois township the Evanston City Council approved a non-binding, advisory referendum which was approved by 2/3s of Evanston voters.
        - Legislation was put into place but the specific language only made it applicable to Evanston and nearly impossible to expand to other coterminous townships.
        - With a clear path to dissolution, the referendum passed with 64% vote. This was only the third time in Illinois history, and the first time since 1932, that an Illinois Township has been discontinued.
    iii. She stated Evanston has maintained its commitment to enhance the reach of the township's general assistance program and emergency services to residents in need with no net increase to taxpayers while significantly reducing administrative costs.

iv. Alderman Grover concluded that the State of Illinois has one less unit of government, two fewer elected officials, and one less government office, but with improved services to more residents.

e. **Time was allotted for questions:**
   i. Warren Dixon asked Bryan Smith to touch on the mandate of a township government.
      - Bryan Smith responded that the three mandates are to administer general assistance, provide property assessments, and maintenance of roads and bridges outside of other jurisdictions. He mentioned many townships have assumed additional duties when need be.
   ii. Warren Dixon then asked what the average cost per taxpayer for township services.
      - Bryan Smith responded the average is around 2%-2.5%.
   iii. Warren Dixon mentioned conterminous townships and that there are 19 in Illinois and wanted to clarify the differences between conterminous townships in Cook County and the rest of the state.
      - Bryan Smith responded that everything is the same with the exception of the assessor.
   iv. Warren Dixon then questioned what is affecting property taxes in the state of Illinois. He mentioned that his township has the lowest number of parcel evaluations appealed and continued to emphasize that property assessment accuracy is very important. He then asked Charlie Montgomery of the 53% of road maintained by townships, how many of these are union versus non-union?
      - Charlie Montgomery responded the number maintained by a union member could be counted on one hand.
      - Warren Dixon agreed and noted that the average township employee works for half the cost of a state or municipal employee.
   v. Warren Dixon then asked Bob Anderson where the cost based analysis on consolidating townships comes from.
      - Bob Anderson responded that the numbers come from looking at costs of elected officials salaries and benefits as well as examining the average expenditures and outputs of townships.
   vi. Warren Dixon continued on to address the issue of township access for seniors and claimed longer distances to travel for seniors would be a negative effect of township consolidation.
      - Alderman Jane Grover responded that by intergovernmental agreement they were able to maintain easy accessibility to services while still eliminating the township.
   vii. Warren Dixon continued on to emphasize the importance of getting property assessments correct the first time instead of disenfranchising taxpayers and wants one assessment system in the state.

viii. Mike Bigger remarked that the 15 counties with populations under 10,000 operating under the commission form of government that could absorb township duties.

ix. Lt. Governor Sanguinetti asked Bryan Smith: what are the top two or three unfunded mandates by the state that negatively impact your association's members?

- Bryan Smith responded that the publication requirement is the largest issue and stated that not everyone has access to a computer, so websites for all units is unreasonable for smaller local governments. He mentioned motor fuel tax funding issues is another one to look at as well.
- Lt. Governor Sanguinetti remarked that the Task Force did take a vote on publication requirements.

x. Lt. Governor Sanguinetti then asked Alderman Grover is she would agree to the enlargement of the amendment that made it possible to dissolve the Evanston Township so that it could be applicable to other coterminous communities.

- Alderman Grover responded that there should definitely be a clear path to dissolve and consolidate and it was a good idea to go about first via referendum in order to engage the residents and open more eyes to general assistance programs.

VI. **Task Force Report Update - Norm Walzer, Northern Illinois University**

a. Norm Walzer discussed the four aspects of the ongoing project:

i. The number of government units from various agencies has been reconciled and the summary of expenditures and revenues by each governmental type along with comparisons to other states is being compiled.

ii. Brief summaries showing the numbers, locations, powers, and related information for eight types of governments (municipalities, counties, townships, school districts, community colleges, library, fire protection, and park districts) are being created and will include information on expenditures and revenues as well.

iii. Electronic questionnaires are being distributed to local governments to evaluate the cost and importance of unfunded mandates

iv. Experiences in other states with streamlining governments and reducing mandates are being researched and information on best practices is being collected.

VII. **New Business**

a. No new member comments were brought forth.

VIII. **Public Comment**

a. **David Fonda, Freeport, IL**

i. David Fonda began by saying that he resides in a township and pays taxes in a township that has a coterminous boundary with a

municipality. His township really only delivers general assistance rather than the functions of road maintenance or assessments.

ii. He believes they are servicing a very small amount of residents with a large budget, which is wasteful.

iii. He brought up public act 0980127, which would permit voters and property owners within townships to determine whether or not they are exemplary and he would like to rewrite this public act in order to open it up to all townships with conterminous boundaries in the state.

iv. He concluded by emphasizing the need to let the voters at a local level decide.

IX. **Adjournment**

a. Lt. Governor Sanguinetti announced the next meeting is September 30th in Kane County with exact time and location to be determined.

b. Lt. Governor Sanguinetti motioned to adjourn at 12:31pm. Mark Batinick moved the motion and John Espinoza seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Wednesday, September 30th, 2015
Building E, Seigle Auditorium
Elgin Community College
1700 Spartan Drive
Elgin, IL 60123
3:00PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	Yes
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	No
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Yes
Brad Cole	Executive Director	Illinois Municipal League	Yes
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Yes
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Phone
Mr. Aranowski		ISBE	Phone
Mr. Kersey		IDOL	No
Mr. Zigmund		IDOR	Phone
Mr. Perkins		DCEO	No

The Local Government Consolidation and Unfunded Mandates Task Force met for the ninth time on September 30th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Building E, Seigle Auditorium
Elgin Community College
1700 Spartan Drive
Elgin, IL 60123

MEETING START
Meeting Scheduled Start: 3:00PM
Meeting Actual Start: 3:04PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Sanguinetti called the meeting to order at 3:04PM CT and welcomed members.
b. Roll Call was taken. Quorum was met at this time.

II. Approval of meeting minutes from August 24, 2015

a. Lt. Governor Sanguinetti opened the minutes from the last meeting for correction. Representative Batinik offered two corrections for the record:
    i. The first correction was regarding the vehicle alternative fuel mandate. The representative from Eastern stated that a new bill was passed increasing requirements. The bill that was passed this session lowered the alternative fuel requirement from 30% to 15% of purchases, added hybrids as an option and finally changed "vehicles" to passenger cars. It is still a mandate, but is actually relief which is what was pointed out in committee.
    ii. The second correction pertained to the mention of $1B "overspend' in Higher Education, also in the time allotted for questions section of the meeting minutes. The minutes reflected the Western Illinois Representative stating that the overspend was due to personnel. But what he said was that not all of the overspend was due to unfunded mandates and procurement costs. Those may have represented about 25% of the overspend and the rest was in personnel.
b. Lt. Governor Sanguinetti then sought a movement for the approval of the meeting minutes from August 24th, 2015 as corrected.
    i. Brad Cole moved to the motion to approve. Karen Darch seconded.
    ii. The motion was approved by majority ayes with no nays recorded.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. "Welcome again to the ninth meeting of the Local Government Consolidation and Unfunded Mandates Task Force. That's a lot of meetings in just 6 months! Thank you to everyone for their attendance and participation in this task force. It's almost fall and we only have 3 more months until we present the governor with our recommendations. That means we have a lot more work to do in the remaining 3 months of this task force, including collecting testimony on unfunded mandates and consolidation for some of the major levels of local government in Illinois. We have already passed 8 different consolidation and unfunded mandate recommendations, but we are busy preparing more proposals for the task force members to vote on at future meetings. This will start at the next meeting on October 19th in Peoria. In our last 2 meetings we have discussed topics such as school district reorganization, Higher Education Procurement and Township Governments. Today we will be talking about shared service programs, emergency services and fire protection districts. In the coming weeks we will be putting the final touches on proposals for the task force to vote on in regards to the information we've talked about in the last 3 meetings. If these proposals pass they will become official recommendations of the task force, with the goal of introducing and passing legislation next year on the topics we've discussed. We will also be looking at other levels of local government and be voting on more proposals from these areas. This task force is important. As you've seen from Governor Rauner's actions recently, he's deeply interested in these issues and has even used his amendatory veto powers to make sure the recommendations of this task force get a fair opportunity in the General Assembly. Over the last 3 months of this task force we look forward to working with all of you to make sure this is process is as successful as possible."
b. Lt. Governor Sanguinetti then opened the floor to the presentations.

IV. Presentations

a. **Shared Services**
   i. **Sangamon County Citizens Efficiency Commission – Karen Hasara & Robert Plunk**
      1. Karen Hasera began by noting that the meeting location at Elgin Community College was fitting due to the school being a prime example of utilizing shared services.
      2. She stated that the Citizens Efficiency Commission looked at the 116 taxing bodies in the county in order to find areas to improve efficiency.
         a. Established due to an economic recession, the duty to utilize taxpayer dollars efficiently, and lastly to implement better planning and measures for success.

    b. Also noted that state and federal grant makers were looking for regional approaches so they believed a commission could help.
3. A county board resolution passed by 62% in referendum in November 2010 to establish the commission.
    a. She noted that it took a long time to establish trust and appoint 23 volunteer members, work began in fall 2011.
    b. Rules:
        i. No one who held public office could be a part of the commission
        ii. Held public meetings to gain input from different parts of the county, monthly group meetings, and committee meetings in between.
        iii. A committee would study an issue and present it to the commission as a finding, the issue was then voted on in commission to deem whether more research should be dedicated to the topic, then presented to the commission for a final vote before becoming a recommendation.
    c. The commissions produced 23 recommendations and 10 white papers during the first years in practice.
    d. Another resolution was passed to continue the commission was a smaller number of members.
        i. Now the goal is to implement some of the recommendations made by the first commission.
4. Ms. Hasera concluded by stating the group is always available to share information and assist anyone who wants to set up a similar commission in another area.
5. Robert Plunk then discussed the final report produced by the commission and the report summary.
    a. The main findings highlighted were:
        i. Basic information often did not exist, making it very difficult to conduct any performance measuring
        ii. When best practices are identified, most local officials and business leaders were willing to implement innovate solutions
        iii. There was some resistance from elected officials depending on the measure

iv. Consolidation is not necessarily the best solution in all scenarios

b. He emphasized the necessity of the county regional planning commission's assistance with research.

c. The resulting 23 recommendations and 10 white papers created notable successes:

i. Research efforts created awareness of efficiency problems

ii. Best practices were identified

iii. The commission caused local governments to self reflect

6. One of the first recommendations was the implementation of a leaders peer network, which formed into the Regional Leadership Council and allowed the mayors of the area to meet regularly and pursue shared services through township join agreements.

a. He noted that the Fire and EMS services strongly opposed the recommendations of the commission and the groups are now meeting to find solutions.

b. The city of Springfield is also working in collaboration with the commission to address issues concerning efficiency in law enforcement and sewer conditions.

ii. Metropolitan Mayors Caucus – Dave Bennett & Mayor Jeff Schielke

1. Dave Bennett began by explaining that the Metropolitan Mayors Caucus represents 275 mayors in the greater Chicago region, as well as the areas of Rockford and DeKalb.

2. He referred to two research projects that resulted into the "continuum" on shared services and consolidation.

a. The main discovery was that municipalities have been sharing services for decades due to the need for cost savings and improved operational efficiencies.

b. Mr. Bennett then explained the continuum through the use of the timeline he provided:

i. Shared Planning: Councils of Mayors, CMAP

ii. Shared Purchases: COGS, Purchasing Cooperatives

iii. Regional Efficiencies: Water deliver, cable tv, joint dispatching, health services

iv. Joint Contracting: Municipal Partnering Initiative

v. Mutual Aid: Localized, regional/state approach (MABAS, ILEAS, NIPSTA, PW)
vi. Response to Federal/State Mandates: solid waste collection and disposal, water delivery, dispatching
vii. Shared Assets: Fire trucks, sewer cameras, street vacs, fuel stations, fire and police stations
viii. Management/Command Consolidation: Police and fire, code enforcement
ix. Functional Consolidation: paramedics, K-9 units, crime investigation
x. Full Consolidation: Evanston Township, Hanover Park Fire Protection District

c. He emphasized throughout the explanation of the continuum that shared services and consolidation occurred over a long span of time in incremental steps as a result of local government needing to meet particular needs in the community.

3. Mayor Jeff Schielke then discussed the tri-cities area (St. Charles, Batavia, and Geneva) use of shared services.
    a. He began by introducing the three respective fire chiefs and stated that over 43 years it has been an ongoing process to consolidate safety services.
        i. He briefly stated the history:
            1. 1976 – six agencies consolidated into one for EMS and fire dispatching which saved millions and was able to service more residents
            2. 1982 – there was a desire to bring in ambulance services for the three fire chiefs came together and brought in a private contractor for ambulance and paramedic services
            3. What began as 14 fulltime firemen, 4 fulltime paramedics and one ambulance for each town has grown to 5 ambulances available 24 hours a day, 10 fulltime paramedics and 86 fulltime firefighters
            4. They saw the benefit of keeping the professionalization of the fire department

and operate as two distinct groups cohabitating in the fire stations

b. He summarized by explaining the massive taxpayer savings through joining the agencies together and by using a private contractor for ambulance and paramedic services.
c. The area continues to grow and they now handle ten times the call volumes that they used to.
d. He concluded by stating that the safety services work together, train together, design equipment together, share vehicles, and although each town has different equipment and specialties they all interchange and respond as one to emergencies in the area with the full support of all units.

4. Dave Bennett then continued with a few policy recommendations as noted in the report:
    a. He strongly emphasized that the state constitution and the Intergovernmental Cooperation Act provides all of the authority local governments need to investigate and implement consolidation and shared services and needs to be protected.
    b. In order for consolidations to succeed, there needs to be equitable balance of benefits, costs, and savings for involved parties when consolidating.
    c. Two of the major challenges in public safety are centered around the reorganization of local police and fire commissions as well as police and fire pension boards as there are cultural considerations that are often not accounted for.
    d. Their research showed that the top response to how the state can help local government consolidation was to provide grant incentives because of the start up costs for consolidations studies and structural changes and revenues do not begin until after the lengthy consolidation process.
    e. Local and state governments should be partners and not adversaries on bills and improve communications while offering flexible time frames for implementing consolidation.

f. Additional clarity is required due to state regulation and state law not being completely in sync

b. Lt. Governor Sanguinetti opened the flood for questions at this time.
    i. Senator Holmes: One of most important points is that consolidation happens in smaller incremental steps over time and that one cannot enforce consolidation and expect it to happen overnight. The budget in Illinois prevents grant money and incentives from being readily available, but by consolidating aren't local governments saving money, isn't that enough of an incentive?
    ii. Dave Bennett: Unfortunately savings cannot be realized for a long period of time, to put it into practice they need some assistance to start the process. For example, the public safely consolidation studies received outside grants through the MacArthur Foundation to begin that process. Groups need seed monies to assist clusters of municipalities to consolidate services.
    iii. Warren Dixon: Building an environment that allows consolidation is key. Representative Franks previously identified that as a major finding previously, going forward, creating an environment that allows to share service is vital. Technological advances will allow entities to work together better as well.
    iv. Representative Franks: Concerning the three separate fire districts working together was that done through intergovernmental agreement?
    v. Mayor Schielke: Originally the mayors got together and worked out an intergovernmental agreement for the safety services and ambulances in the tri-cities. When this was enlarged by five agencies for dispatch, they needed to reexamine what the new entities would contribute and what their say would be due to not having paid for the previous investments in the shared services and all parties had to work through an agreement together. Thankfully the momentum was strong enough due to the organization doing such a good job that other communities wanted to join.
    vi. Representative Franks: I like the regional aspect of it, how can we utilize that type of thinking in other areas as well?
    vii. Mayor Schielke: We are fortunate to have people who are doing what is good for the community rather than protect turf. You need a broad perspective.
    viii. Representative Franks: But how did that come together?
    ix. Mayor Schielke: Having the collaborative culture and support of the elected officials is key. You need to be careful with how things are

presented, for example the union versus the contracted workers, but ultimately it keeps costs low and the public happy. In order for it to work you need the mindset of the public official and department heads to be in the right place.

x. Franks: Right, you do no want one person to come in and upset everything.

xi. Mayor: We train as one, go out as one, respond to calls as one, all talk on the radio together, and know each other well. Expanding the operations to neighboring departments to improve overall operations is the way to go. The secret concerning fire departments is the need to get men and women guys working together, training together and coming to the same idea that we are all hear for the common good.

xii. Lt. Governor Sanguinetti invited the tri-cities fire chiefs to join the discussion.

xiii. Joe Schelstreet, Fire Chief of St. Charles: Culture is key, plain and simple. Not only do we share resources, we share expertise which allows all departments to improve. There are demands for high services and high expectations and being raised in that collaborative culture is an advantage.

xiv. Karen Hasera: On the topic of state incentives, I would encourage the use of local resources and expertise. Knowing that state money is hard to come by, take advantage of local resources and people.

xv. John Espinoza: With all of the information coming in, we have to take it back to respective areas. Individualism makes America great but it can go to far. Units of government cannot be a kingdom and need to cooperate. In some instances consolidation is good and in some it is counterproductive. But people at local level do not want demands coming down for bug government, they know their areas and their people. A regional focus is a good approach and has worked in our area, and there are always areas for improvement but it should be commenced at a local level. The Task Force should provide a clearing house to help anyone who wants to consolidate to hit the ground running rather than fumble over first steps.

c. **Emergency Services / Fire Protection Districts**

i. **Fire Protection Districts Brief - Normal Walzer, Northern Illinois University**

1. Norm Walzer presented a draft of the fire protection districts portion of the Task Force report.

2. The brief included basic information on the particular unit of government as well as financial information. He noted that higher quality information needs to be made more readily available as the sources utilized were difficult to come by and occasion conflicting.
3. The second portion involved survey results on unfunded mandates for fire protection districts. Some key findings were:
    a. According to survey respondents, workers compensation is the greatest burden.
    b. Public notification was noted by the largest number of respondents as being a burden.
4. He noted that by looking at cross sample of different types of governments to look at the average rankings for most burdensome mandates and prevailing wage, workers compensation and health insurance were the top mandates noted by respondents.
5. Mr. Walzer concluded by thanking the associations for distributing and participating in the surveys.

ii. Illinois Association of Fire Protection Districts – Chuck Vaughn

1. Chuck Vaughn began by stating there have many numerous occasions of consolidation for fire protection districts over the past 10-15 years, most commonly in the form of fire protection districts taking over municipality duties.
2. The idea of consolidation is not new and should be actively encouraged when it works, but it depends on the circumstances and can often have unintended consequences.
    a. He noted publication requirements were expensive and burdensome, if it was reduced to a reasonable amount of publications then smaller districts with small budgets could comply.
    b. He also cited an example of a volunteer firefighter receiving workers compensation from a fire protection district and the need for more clarity in the law.
3. He explained that optics is also to blame for some of the burden, noting that the pension board trustee training and ethics training requirements deter some possible volunteers but lowering ethics training requirements is not a good decision optically.
4. He concluded by offering some recommendations for the task force to consider:

a. Publication requirements need to be looked at
b. Training of trustees and other training is duplicative
c. The fire district pension plans by and large are doing just fine, so passing regulations to increase the amount of observance for pension plans is not needed in all cases.

iii. Mutual Aid Box Alarm System of Illinois – Jay Reardon

1. Jay Reardon summarized MABAS by stating it provides a tremendous platform and infrastructure and pool of resources for any member. It came about due to population growth and the need for a better way to deliver services and allows any member in need to activate the system and receive addition emergency response assistance.
2. The concept has been established in four other states and it is the best of the best in mutual aid systems.
3. MABAS is in all 102 counties and in about 1185 fire departments.
4. Mission
    a. Maintain system and infrastructure of sharing of resources in an emergency response situation
    b. Manage a regional and statewide response plan, which allows governor through IEMA to mobilize MABAS units
    c. Special operations team agenda, 95 teams for special disasters
5. MABAS is activated on a local level about 800 times a year
    a. The largest response was for Hurricane Katrina, 900 firefighters and 250 vehicles went to New Orleans and no one in Illinois lost services as a result
    b. Provided at no cost to the community requesting the help
6. He noted that funding has dropped in recent times so now the focus is on maintaining capabilities.
7. On the topic of consolidation, Mr. Reardon shared his experience as a fire chief in three different states and recalled his time in Florida.
    a. The rapid expansion in population in the area he was serving caused the need for fire districts to consolidate due to the six districts interpreting laws and codes differently.
    b. A 40 month study was conducted to look at a consolidation plan, and the effort was ultimately a failure. Some of the reasons were:
        i. Vesting in certain organizations and the pride of being part of certain groups.

ii. The need to give a little on the front end so others are happy to assist and cooperate so that the process is not a battle.
iii. The 40 months of study didn't matter because it was no longer the hot button issue. Elected officials have to lead the way and political commitment is critical.

c. Mr. Reardon summarized by stating that local officials are the best people to work out consolidation and the state needs to create system so that it is easy for this to happen.

iv. 9-1-1 Services Advisory Board & Glenview Public Safety Department – Brent Reynolds

1. Brent Reynolds began by discussing SB 96, which was signed into law July 1st which requires the consolidation of 911 services.
    a. Fire departments now have seat at the table for the 911 advisory board, but they have not appointed a board administrator due to budget
    b. It has a funding mechanism to build statewide 911 system
2. 911 consolidations have to be completed in next two years, which will be difficult when looking at all of the dispatch centers around the state.
3. He noted that some centers of the state are struggling to provide 911 services, and some counties do not provide 911 services at all. The consolidation law would provide 911 throughout the state and at the same level of service.
4. He then discussed 911 consolidation in Glenview:
    a. Consolidation began within their own community first
    b. The fire department and dispatch center were combined into one center which cut number of positions needed in half but still provided same level of services
    c. More communities joined the fold and police dispatch was added to service some areas
    d. Now with the consolidation and intergovernmental agreements with neighboring communities, they are able to provide 9 communities services in a much more effective and efficient manner.

d. Lt. Governor Sanguinetti opened the flood for questions at this time.

i. Jay Reardon: As a brief remark, In Illinois paid career fire departments totaled 150, combination departments totaled 218, meaning that only 30% of departments in the state are career or on-call while the volunteer element is 70% of force in state.
ii. Chuck Vaughn: One of the things you see when looking at a study like this is that sometimes the solutions are obvious, for example redefining causation as it pertains to workers compensation. However the obvious solutions are not always easy fights.

e. **Task Force Report Update**
   i. Norm Walzer, Northern Illinois University
      1. Norm Walzer referred to the handouts as to the progress of the report.
      2. Mark Kern noted that Metro County needs access to the surveys so that they can contribute to the report.
      3. Mr. Walzer responded that they did provide them the link to the survey but they could not accommodate the request for a PDF because they are only taking electronic submissions and provided his contact information for Mr. Kern.

V. New Business

a. No new member comments were brought forth.

VI. Public Comment

a. No public comment was brought forth.

VII. Adjournment

a. Lt. Governor Sanguinetti announced the next meeting will be held on October 19th in Peoria with exact time and location to be determined.

b. Lt. Governor Sanguinetti motioned to adjourn at 5:34pm. Warren Dixon moved the motion and Linda Holmes seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Monday, October 19th, 2015
Auditorium
Peoria Riverfront Museum
222 SW Washington Street, Peoria, IL 61602
10:00AM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	No
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	No
Emmanuel Chris Welch	Representative	7th District	Phone
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Phone
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Yes
Ryan Spain	City Council Member	Peoria	Yes
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Yes
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski		ISBE	Yes
Mr. Kersey		IDOL	No
Mr. Zigmund		IDOR	No
Mr. Perkins		DCEO	No

The Local Government Consolidation and Unfunded Mandates Task Force met for the tenth time on October 19th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Auditorium
Peoria Riverfront Museum
222 SW Washington Street, Peoria, IL 61602

MEETING START
Meeting Scheduled Start: 10:00AM
Meeting Actual Start: 10:00AM

AGENDA

I. **Call to Order and Roll Call**
   a. Lt. Governor Sanguinetti called the meeting to order at 10:00AM CT and welcomed members.
   b. Roll Call was taken. Quorum was met.

II. **Approval of meeting minutes from September 30, 2015**
   a. Lt. Governor Sanguinetti opened the floor for corrections to the September 30th meeting minutes.
   b. Karen Hasera made two grammatical and spellings corrections concerning section IV and IIIb of the minutes.
   c. Lt. Govenor Sanguinetti motioned to approve the minutes as corrected.
      i. Cole moved and Dixon seconded.
      ii. The motion was approved by majority ayes with no nays recorded.

III. **Chairman's Remarks – Lt. Governor Evelyn Sanguinetti**
   a. Lieutenant Governor Sanguinetti welcomed Task Force members and elected officials present. She stated that the meeting would focus on Drainage Districts and Soil & Water Conservation Districts, and noted that there are nine different types of local government in Illinois specifically related to water. Additionally, she said that water specific districts represent one-eighth of all local governments in Illinois. She then pointed out that the Task Force would be voting on five proposals regarding townships, and said that if the proposals pass they will become official recommendations of the Task Force. The goal of proposal passage is introducing and passing legislation next session regarding the topics discussed.
   b. Lt. Gov Sanguinetti also sought and received unanimous consent to move township-related public comment before New Business in the interest of hearing commentary before voting on the proposals.

IV. **Presentations:**
   Soil and Water Conservation Districts & Drainage Districts
   a. **Richard Lyons- Illinois Association of Drainage Districts and Board of Directors**

   b. **Kelly Thompson-Executive Director, Association of Illinois Soil and Water Conservation Districts**

c. Lt. Governor Sanguinetti opened the floor for questions.

   i. Lt. Governor: There seems to be a lot of natural overlap between Soil & Water Conservation Districts and Drainage Districts. Both types of districts tackle similar problems directly related to water drainage. Do you see any value in the combination of these two types of government?
      - Lyons responded that he does not believe they have the manpower, and it would require an increase in employment. He noted the Drainage Districts work for nothing, only to protect their local land. Combining the two types of government in his county would require increases in funding.
   ii. Bigger asked Lyons to elaborate on the comment that local control of drainage districts is being eroded.
      - Lyons commented that the local control lines are being built in agricultural areas, and that stormwater management is beginning to affect the drainage districts. He noted that most of the erosion being seen is in the northern collar counties and in the areas of urban sprawl like Peoria and Springfield. The erosion that he is discussing is not soil erosion, but the erosion of the activity of the drainage districts.
   iii. Senator Holmes questioned how the number of drainage districts differs from the comptrollers estimates. She also asked if the drainage districts have taxing authority.
      - Lyons said that there are 1500-1700, and noted the Comptroller's Office is having a hard time firming up the data on number of districts. They estimate 900 districts.
      - Regarding her question on taxing authority, Lyons said that they have the ability to levy taxes on the landowners in their district.
   iv. Senator Holmes: It seems that we need to be cautious in this area when we talk about consolidation because when it comes to drainage districts local knowledge is of paramount importance.
   v. Spain: Kelly, you mentioned the $50,000 grants to the SWCB and on the economic return an average of $1.4 million. Is that net economic activity or is that tax revenue?
      - Thompson: An economic return
   vi. Frick: You mentioned that your funding has decreased and that there are some new revenue sources being explored by the districts. Could you elaborate on those sources?
      - Thompson: For example, in Lake-McHenry counties, they're thinking outside the traditional box. They are providing services to people within the counties that are not always available to people in all counties. Some of the partnerships we've been talking about are working with districts in obtaining national grants to provide funding for employees and getting cost share dollars to use for conservation practices.
   vii. Espinoza: At a recent meeting in Whiteside County, there was a woman from Soil and Water Conservation District that commented that because of the budget impasse they are not receiving money and so she has not been able to keep her staff. Staff are leaving and going to other jobs. Even if a budget is put

in place, and money starts flowing, they will have to start building the office back up again.

- Thompson: We are losing employees and we need the technical and administrative experience of those employees. When a budget becomes available, we will have to start hiring again, and it will take a while to recover that technical and administrative experience.

Task Force Report Update

a. **Norm Walzer, Northern Illinois University**
   a. See attached report

   b. Lt. Govenor Sanguinetti opened the floor for questions.

      i. No questions were raised.

V. **Public Comment**

a. **Bryan Smith, Township Officials of Illinois**

Good morning Lt. Governor and task force members

My name is Bryan Smith and I am the Executive Director of the Township Officials of Illinois.

I addressed the task force back in August in Champaign and I appreciate the opportunity to briefly comment to you today. I'm not going to address individually the proposals you have today because I haven't yet had time to study them but would like to make some general comments

The state of Illinois is indeed facing a fiscal crisis and there is not one person here that would disagree with that. The township officials of Illinois certainly endorse the idea of examining the status quo to determine if efficiencies are available that can save taxpayer dollars.

That being said, the intense scrutiny township government has faced, paired with a rush to judgment by some, has created some myths and fallacies that tend to paint an inaccurate picture of the important work indeed being performed by townships.

There has been an aggressive call for consolidation or elimination of township government or certain parts of it. But first, it is essential for people to understand the facts about what township government does and the important role it plays across Illinois while Illinois needs to fix its current financial pains, the executable plan needs to be based on measures that are proven to work. This will not happen by eliminating township government or parts of it.

If the core services townships provide were consolidated into a larger government unit, we run the risk of seriously decreasing effectiveness and efficiency when it comes to serving Illinois residents. Why? Because studies have shown that municipal spending increases as population increases. If townships and other smaller units of government are consolidated into larger units, the populations in which these larger units serve will drastically increase, thus raising, not decreasing costs.

Additionally, there are virtually no studies that connect the number of governments in a state and its taxation or spending per capita. If more units of government was the most expensive, Illinois would have the highest taxation per capita. It does not. Regardless of having a greater number of government units than any other state, Illinois ranks in the middle of states based on taxation per capita.

Discussion of any of the issues, such as the ones you will address today, should be accompanied by briefing papers and research stating facts. Anything short of this is a distortion of the public process. I urge you to not assume that consolidation or elimination of parts of township government will save the state money and improve any levels of service, because I simply do not believe that to be the truth. We would be happy to sit down in the future and talk to anyone from the task force to answer any questions you might have.

Thank you.

Roger A. Larson, Richwoods Township

i. I want to thank the task force for taking the time to be scrutinous. I think when we look at township government; we need to consider what the real value of township government. That is what it comes down to when you look at any level of government. I know that township government has value because we are grassroots government. We can form meaningful partnerships and as a result we can develop programs based on the grassroots nature of our work. We are fiscally responsible and have a balanced budget year after year. Thirdly we show impact, not simply carrying out programs. We touch people's lives with our programs. We also have a leadership academy with a local Peoria high school and subsequent job fair. Last time, five high school students were hired on the spot by a restaurant. Our value as a township is shown by our grassroots nature, fiscal responsibility, and because we have impact.

Amy Benecke McLaren, Peoria County Highway Dept.

Spoke about the impact of what losing township government road and bridge districts. She also noted that if the townships were to fall under the county system, then her road miles would triple and she is not equipped to handle that length of roads.

VI. **New Business**

a. **Voting on Township Consolidation Proposals**

i. **Proposal #1: Consolidating townships coterminous with municipalities.**

- Lt. Governor asked Policy Director Brian Costin to read the proposal.
- She then motioned for approval. Dixon moved and Bigger seconded.
- She then opened the floor for discussion.

a. Dixon: Throughout the duration of this Task Force, we have spent a lot of time examining certain efficiencies, and as we move forward through these proposals, we must realize that there is not a proposal to eliminate township government per se. I believe voters should be given the opportunity to look at these townships and decide what is best for their community. There is not a one-size-fits-all in these proposals.

b. Cole: Just as some of us with municipal background would like members to look to us on municipal issues, many of us will be looking to our members with township expertise on these proposals. Additionally, I think it would be beneficial to the commission to have more opportunity to discuss these issues before we are asked to vote on them because these are new proposals.

c. Espinoza: We have a county board meeting tomorrow where we will be voting on a study regarding county and township government. Right now the consensus is that it would not be a good fit for our county.

d. Spain: I agree with the comments made, and I am looking to Mr. Dixon for his expertise on township issues. I believe that the point made by Mr. Cole is a good one. These matters are significant, and the ability for us to look at the language of the proposals we are voting on is valuable. Last week I had some questions from a township assessor regarding the implications of these proposals in Peoria, and it is key to have time for discussion with constituents about these issues. It's important to note that our mission is not to arbitrarily take away township government, but rather to empower voters to have local control and make decisions that best suit their community.

e. Senator Holmes: I cannot vote on a measure without seeing the language in bill form. To have something presented as a concept does not give a fair amount of detail. I would want to hear from the people of my district that I represent before I will go out and give a yay or nay on these items.

i. Costin: If you recall at prior meetings we did vote on other proposals concerning certain concepts. The role of the Task Force is not to write entire bills at this stage. We are making general recommendations as a group, it is not a matter of writing a bill. Ideally if the proposals are passed, we would like to work with legislators in the

next legislative session to write the bill and address the additional concerns at that time.

f. Bigger: All of the comments have been very helpful and insightful. The reason I am supporting this proposal is that it is strictly about local control and empowering local voters. Anytime we can return decision-making to the voters, it is generally a good thing.

- Roll was then called on this proposal- See attached.

ii. **Proposal #2: Removing 126 miles cap on township size**

- Lt. Governor asked Policy Director Brian Costin to read the proposal.
- She then opened the floor for discussion
- Dixon: This proposal has been out there for a number of years and in certain instances there are good opportunities for township mergers. There are townships that may be larger than 126 sq mi to date. I talk about building value in township government and I think this allows for a situation where value is built and a door is opened for that purpose.
- Cole: Is this also by referendum?
    a. Costin answered that it is and it is in regards to McHenry County. If they proposed new borders, they would have to have do a referendum; every single township would have to agree with the consolidation.
- She then motioned for approval. Bigger moved and Dixon seconded.
- Roll was then taken on this proposal- see attached**.**

iii. **Proposal #3: Allow county referendums to dissolve township assessor position and create county assessor's position and office.**

- Lt. Governor asked Policy Director Brian Costin to read the proposal.
- She then motioned for approval. Foss-Eggeman moved and Dixon seconded.
- She then opened the floor for discussion.
- Dixon: This is a proposal for counties under 15,000 parcels. There are only 25 counties that are over a billion in EAV. We have difficulty finding assessors in those counties that are smaller. For reference, I worked in Lockport Township, a 23,000 parcel jurisdiction. There was an office open 24 hours a week and had fantastic employees, but I think in these cases, giving the opportunity to consolidate is good for an assessor's workload. I don't see a huge benefit to having 6 assessors per 15,000 parcels. There are many highly professional appraisers that do 3,000 parcels, so the professionalism among them is definitely there, but the ability to find those assessors is difficult.
- Batinick: Why did we decide to do this majority county board vote instead of referendum?
    a. Costin: In other states it is mandatory to go to the county-level. Originally, we thought about doing it the same. Having it done by a majority of the county board is slightly less rigorous than other states and gives elected officials some more say in the matter.

- Bigger: In some counties assessors are appointed by the county board, would this mandate that the assessors are elected in these smaller counties?
    a. Costin: Yes.
    b. Dixon: Most counties have an individual that is the supervisor of assessments, basically an arm of the Department of Revenue. I believe that the property owners of a county should have an elected official that is accountable to them.
- Roll was then taken on the proposal- see attached.

iv. **Proposal #4: Allow counties to retain form of government following absorption of townships**
- Lt. Governor asked Policy Director Brian Costin to read the proposal.
- Lt. Governor motioned for approval. Espinoza moved and Dixon seconded.
- She then opened the floor for discussion.
- Dixon: This proposal does not take away the current qualifications for referendums. I have no problems with this proposal as a township official. This gives us more options if consolidation does occur.
- Roll was then taken on the proposal- see attached.

v. **Proposal #5: Hold taxpayers harmless from township consolidation**
- Lt. Governor asked Policy Director Brian Costin to read the proposal.
- Lt. Governor motioned for approval. Dixon moved and Obernagel seconded
- Dixon: Like the proposal before it, this proposal does not take away the current areas of referendum. It says that each district will be held harmless in regards to property tax extensions.
- Roll was then taken on the proposal- see attached.

Proposal Roll Call

Proposal #1: Consolidating Townships coterminous w/municipalities	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer			
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		

Mr. Kern			
Mr. Espinoza	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Foss-Eggemann	X		
Total	14		1

Proposal #2: Removing 126 square mile cap on township size	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer			
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern			
Mr. Espinoza	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Foss-Eggemann	X		
Total	14		1

Proposal #3: Allow county referendums to dissolve township assessor position and create county assessor's position and office	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer			
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern			
Mr. Espinoza	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Foss-Eggemann	X		
Total	14		1

Proposal #4: Allow counties to retain form of government following absorption of townships	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer			
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern			
Mr. Espinoza	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Foss-Eggemann	X		
Total	14		1

Proposal #5: Hold taxpayers harmless from township consolidation	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer			
Rep. Franks			
Rep. Welch			
Rep. Batinick	X		
Senator Duffy	X		
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern			
Mr. Espinoza	X		
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain	X		
Ms. Foss-Eggemann	X		
Total	14		1

XI. **Adjournment**

a. Lt. Governor Sanguinetti announced the next meeting is November 3rd at noon in the village hall of Romeoville in Will County. Additionally, she announced meetings in Springfield on November 19th at 2PM and in Chicago on December 8th at 2PM.

b. Lt. Governor Sanguinetti motioned to adjourn at 12:03pm. Dixon moved and Bigger seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Board Room
Village of Romeoville
1050 W. Romeo Rd.
Romeoville, IL 60446
Noon

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Yes
Mark Batinick	Representative	97th District	Yes
Jack Franks	Representative	63rd District	No
Emmanuel Chris Welch	Representative	7th District	Yes
Dan Duffy	Senator	26th District	Yes
Dale Righter	Senator	55th District	Yes
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Phone
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	No
Brad Cole	Executive Director	Illinois Municipal League	No
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	No
Mr. Aranowski		ISBE	Yes
Mr. Kersey		IDOL	No
Mr. Zigmund		IDOR	No
Mr. Perkins		DCEO	Yes

The Local Government Consolidation and Unfunded Mandates Task Force met for the eleventh time on November 3rd, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Board Room
Village of Romeoville
1050 W. Romeo Rd.
Romeoville, IL 60446

MEETING START
Meeting Scheduled Start: 12:00PM
Meeting Actual Start: 12:03PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 12:03PM and welcomed members.
b. Roll was taken and quorum was met.

II. Approval of meeting minutes from October 19, 2015

a. Lt. Governor Sanguinetti opened the floor for corrections to the minutes from the October 19th meeting.
    i. Dixon made a spelling correction in the member discussion section.
b. Lt. Governor Sanguinetti then motioned to approve the minutes with corrections.
    i. Dixon moved and Espinoza seconded. All ayes with no nays recorded.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti welcomed members to the eleventh Task Force meeting and thanked them for their participation. She said that members would have the opportunity to discuss park districts and park departments, and that Illinois is unique because there are so many special purpose park districts. She noted that in other states, park and recreational services are often provided by a municipal or county government department. Additionally, Lt. Governor Sanguinetti reminded members that if they would like to see something on the agenda at a future meeting, they may reach out to Brian Costin, Policy Director, or Brian Colgan, Chief of Staff.

IV. Presentations

a. Parks
    i. Jason Anselment – Illinois Association of Park Districts. Jason gave an overview about Illinois Park Districts which first came to Illinois in an 1893 act which provided "for the creation of pleasure driveway and park districts".

The modern Park District Code was combined in 1951 and contains all of the authority for the governance and operation of park districts. Park districts can only be created through voter referendum, and have between 5-7 non partisan trustees. Park district code allows for merger into coterminous municipality by referendum.

Park districts provide many services at more than 6,000 sites throughout Illinois including; community centers, senior centers, daycares, zoos, museums, community gardens and recreational programs.

Anselment explained, park districts are unique because a large share of their revenues comes through user fees, 40-50%. Park Districts don't receive direct state dollars, such as LGDF, and instead get most of their tax revenue through property taxes. Some state money does come in the form of grants.

A PowerPoint presentation was entered into the record. IAPD also provided documentation of "Intergovernmental Agreements & Partnerships" from Champaign, Glenview, Joliet, Lockport Township, Naperville, Schaumburg, Waukegan and Wheeling Park Districts.

ii. Sue Micklevitz – Lockport Park District gave an overview of the Lockport Park District, which is unique due to it being coterminous with the township and servicing three communities totaling 71,000 residents. The district has 1000 acres of open space, a golf course and 45 playgrounds.

Micklevitz explained that Lockport Park District tries to ensure that programs and opportunities are expanded and not duplicated among the overlapping local governments.

In the past the Park District received property from Valley View School District, and the district now operates a water park and pool at the property.

Micklevitz give details on how the Park District shared services and facilities with the local school districts to provide low cost before and after school programs for 600 children. They also partner with the schools for science, technology and fitness clubs.

The Park District also engages in shared service programs with other local governments including; mowing equipment, tree trimming, water trucks, etc. The park district has several IGA's and collaborative initiatives with other local governments

iii. Jay Tetzloff – City of Bloomington. Tetzloff is the Director of the Parks, Recreation and Cultural Arts programs in Bloomington. Tetzloff gave an overview of the department, community programs and facilities and it's relation to the rest of the city.

The department has a FY 16 budget of $15.3 million, and recovers 44.9% of its costs through user fees which is just under the upper quartile nationally. The goal of the department is to get into the upper quartile as soon as possible.

The department shares resources with the city of Bloomington in many ways including; human resources, finance, technology services, construction equipment, project management assistance, legal, etc.

Some of the major unfunded mandates noted by Tetzloff were Prevailing Wage, Affordable Care Act and IMRF. The parks department is also affected by the unfunded mandates on other departments because there's less to go around, and department is often lower priority than public safety and public works needs.

A PowerPoint presentation was submitted into the record.

b. Lt. Governor Sanguinetti opened the floor for discussion.
    i. Lt. Governor Sanguinetti asked Tetzloff if he sees any value in parks falling within a department rather than a special service district. Tetzloff said at times it is beneficial when considering consolidated administrative duties, but there are also difficulties and restraints on parks departments that park districts do not have.
    ii. Senator Holmes noted that some duties that the Bloomington Parks Department has are not necessarily traditional duties of park districts. She asked if the money they receive from user fees is dedicated to go into park district or if they go into general city funds. Tetzloff responded it depended on if it was an enterprise fund or not. Revenues generated in enterprise funds, like the golf course and U.S. Cellular Coliseum, stay in those funds. Other revenues generated from park services go into the city's general fund.
    iii. Senator Holmes then inquired if they have to create a tax referendum when seeking more funding. Tetzloff stated that park districts can do referendums to increase revenues. Home rule municipalities such as Bloomington can raise taxes, within limits, without a referendum.
    iv. Senator Holmes asked Jason to elaborate about the freezer that he discussed in his presentation regarding a $10,000 expenditure difference. Tetzloff responded that it was as large industrial freezer and the increased costs were due to labor for installing and prevailing wage.
    v. Representative Batinick asked Tetzloff about the financial hit caused by the emerald ash borer to the city of Bloomington, and questioned how they could have made that a smaller hit. Mr. Tetzloff stated they try to use in house staff but at times needed to go outside of the city and was subject to prevailing wage regulations.
    vi. Representative Batinick inquired to Sue Micklevitz about what challenges there are regarding shared services amongst different districts with different boundaries. Rep. Batinick asked if daycare is offered to the schools

having some territory outside of the Park District and if the park district charge different rates based on district of residence for the student.

c. Will County Local Governments
    i. William Mayer, DuPage Township talked about the basic functions and programs of DuPage Township. Mayer also explained how DuPage Township and the Township's Road and Bridge District combined. They were legally able to do this after they dropped below 5 miles of maintained roads, by contracting road duties to other local governments.

    For the township roads they continue to maintain, those duties fall under the responsibilities of the Township Supervisor. This is instead of the Highway Commissioner position which has been eliminated.

    ii. John Noak, Village of Romeoville talked about the various services the municipalities provides to the public. Romeoville has experienced a large amount of growth over the past few decades in comparison to other communities.

    Romeoville has engaged in shared services with other communities and local governments, when appropriate. Mayor Noak introduced the idea of shared services and shared equipment between public works departments.

d. Lt. Governor Sanguinetti opened the floor for discussion.
    i. Lt. Governor Sanguinetti asked what unfunded mandates are there on the township side. Supervisor Mayer noted that townships have less mandates than other units of government, and that they are sometimes able to provide more cost efficient services.
    ii. Dixon asked why there is not more partnership with not-for-profits occurring. Supervisor Mayer noted that DuPage Township had many partnerships with non profits and directly were helping thousands of township residents through their food bank, foreclosure assistance, a Senior Center. It also helps other local governments who refer people to the townships when those governments are unable to help.
    iii. Lt. Governor Sanguinetti noted that there are 1391 Township road and bridge districts in IL. She asked Supervisor Mayer if he thought they can be combined with general township while retaining the quality of service. Supervisor Mayer stated it was working for DuPage Township, but each township is unique and there are differences circumstances throughout the state to be considered.
    iv. Senator Holmes commented that she thinks we must be careful and that the need for making general recommendations for the entire state when it comes to consolidation. We have to ask if the government is willing and capable to take over the responsibilities of townships, and look at things on a case by case basis.

v. Lt. Governor Sanguinetti added that the Task Force is being very careful and strategic with its determinations, and that it is mindful that township situations are unique in different communities.
vi. Dixon asked at how many miles it would make sense to consider merging the road and bridge district with the general township. Supervisor Mayer stated it perhaps may be 25 or 50 miles of road where it made sense according to the individual communities need.
vii. Representative Batinick asked Mayor Noak to estimate how much it costs to publish notices in newspaper. Mayor Noak responded that it was probably in excess of $10,000 per year, and that many of the things they are required to publish in newspapers were already available online. Less people have subscriptions to paper, and more people have access to the internet. Lt. Governor Sanguinetti noted that the task force had already
viii. Dixon asked if Mayor Noak could speak on the issue of building the tax base, and inquired what the challenges are in recruiting companies to Romeoville. Mayor Noak spoke on the large growth in Romeoville population over time in comparison to other communities.

e. Task Force Report Update
   i. Norm Walzer, Northern Illinois University, gave an update on the research report progress and shared a short presentation with the task force. A PowerPoint presentation was submitted into the record.

V. New Business

a. Member comments
   i. Jeff Aranowski, ISBE: Gave an update on the concept of Innovation Districts. While still in draft form, the general concept of Innovation Districts is to give school districts increased flexibility on how they operate, including unfunded mandate relief, in exchange for setting academic achievement goals. Regular progress would have to be made on the academic goals in order to maintain the Innovation District status.

Aranowski reported that more information on Innovation Districts would be coming from ISBE in the near future.

VI. Public Comment

a. Lt. Governor Sanguinetti opened the floor for members of the public.
   i. No members of the public signed up to comment.

VII. Adjournment

a. Lt. Governor Sanguinetti motioned to adjourn the meeting at 2:17 PM.
   i. At this time it was noted by General Counsel Chastity Boyce that meeting attendance no longer met quorum due to member drop-off on the phone.
   ii. Therefore, adjournment was tabled until the next Task Force meeting.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Thursday, November 19th, 2015
Illinois State Library
Conference Rooms 403/404
300 S. 2nd Street
Springfield, IL 62701
2:00PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	No
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Phone
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Yes
Brad Cole	Executive Director	Illinois Municipal League	Phone
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	No
Steffanie Seegmiller	Chairman	Arthur School Board	Yes
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Phone
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone

Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			No
Mr. Perkins			Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the twelfth time on November 19th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
Illinois State Library
Conference Rooms 403/404
300 S. 2nd Street
Springfield, IL 62701

MEETING START
Meeting Scheduled Start: 2:00PM
Meeting Actual Start: 2:02PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Sanguinetti called the meeting to order at 2:02PM CT and welcomed members.
b. Roll Call was taken. Quorum was met at this time.

II. Motion to Adjourn the November 3rd meeting

a. Lt. Governor Sanguinetti stated that at the previous meeting quorum had been lost and therefore the November 3rd meeting was not formally adjourned.
b. She then sought a motion to adjourn.
    i. Dixon moved the motion to approve. Darch seconded.
    ii. The motion was approved by majority ayes with no nays recorded.

III. Approval of meeting minutes from November 3, 2015

a. Lt. Governor Sanguinetti opened the minutes from the previous meeting for correction.
    i. Espinoza offered the correction that he attended the meeting in person and not by phone, as noted in the minutes.
    ii. Bigger offered the correction that he attended the meeting in person and not by phone, as noted in the minutes.
b. Seeing no further corrections, Lt. Governor Sanguinetti then sought a motion for the approval of the meeting minutes from November 3rd, 2015 as corrected.
    i. Darch moved the motion to approve. Espinoza seconded.

ii. The motion was approved by majority ayes with no nays recorded.

c. Lt. Governor Sanguinetti then asked for unanimous consent to amend the agenda to place Public Comment before New Business at this meeting.
   i. All ayes with no nays recorded; the agenda was so amended.

d. Lt. Governor Sanguinetti asked for unanimous consent to strike portion III of the agenda (Approval of Meeting Minutes from October 19th) because the minutes were in fact approved at the previous meeting.
   i. All ayes with no nays recorded; the agenda was so amended.

IV. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. "Over the past year, this task force has met to discuss many of the problems that exist in our state when it comes to local government. But our job isn't just to document the problems; it is to propose good government recommendations to the General Assembly and the governor so we can deliver efficient, effective and streamlined government to the residents of Illinois. Today this task force will be voting on 10 proposals on issues that have been discussed by the task force in previous meetings, as well as items that have been brought up by task force members in recent weeks. After the task force approves this package of consolidation and unfunded mandate recommendations today, we will add these recommendations to our final report that will be presented to the governor and the General Assembly. Without further ado I'd like to move straight into the next portion of the agenda today, which includes discussing and voting on Consolidation and Unfunded Mandates Recommendations."

V. Public Comment

a. No public comments were brought forth.

VI. New Business: Voting on Consolidation and Unfunded Mandate Proposals

a. Proposal #1: School District Consolidation: Provide ISBE flexibility to incentivize outcomes of consolidation.
   i. Lt. Governor Sanguinetti began by stating that at the previous meeting she urged members of the Task Force to submit proposals on consolidation and unfunded mandates. She thanked Ms. Seegmiller and Dr. Ruscitti for sharing their thoughts and ideas as they relate to school district consolidation and unfunded mandates and the larger issue of student achievement in our schools.
   ii. She then introduced Brian Costin, Policy Director to the Lt. Governor, to give a brief summary on the first proposal.
   iii. Costin: School District Consolidation - Provide ISBE flexibility to incentivize outcomes of consolidation.
      1. Provide ISBE the flexibility to direct discretionary funding to:
         a. Promote K-12 curriculum alignment
         b. Promote administration consolidation (by reducing per student administrative costs)
         c. Improved academic offerings (Not limited to Honors/AP, Foreign Language, Vocational, etc.)

d. Service consolidation (HR, IT, etc.) among schools and districts

iv. Lt. Governor Sanguinetti then opened this item up for discussion.
   1. Seegmiller emphasized that the flexibility to incentivize noted here is key in order for school districts to consolidation and realign.

v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #1.
   1. Darch moved the motion to approve. Obernagel seconded.
   2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain			X	
Ms. Eggemann	X			
Total	**14**	**0**	**2**	

b. Proposal #2: Encourage state agencies –when allocating discretionary state and federal funds towards local governments– to encourage regional sharing of public safety equipment, facilities, training resources, and administrative functions.
   i. Lt. Governor Sanguinetti invited Costin to give a brief summary on the proposal.
   ii. Costin: Encourage state agencies –when allocating discretionary state and federal funds towards local governments– to encourage regional sharing of

public safety equipment, facilities, training resources, and administrative functions.

1. Directing grants towards regional shared services and purchases facilitates cooperation, improved service delivery and taxpayer savings. It also encourages cooperation and consolidation of local public safety organizations.
2. Opportunities include, but are not limited to:
    a. Sharing of reserved equipment
    b. Sharing of vehicle repair facilities
    c. Sharing of incident command staff during emergencies
    d. Regional entrance level testing
    e. Join equipment purchasing
    f. Joint training
        i. Mobile training
        ii. Shared facilities
        iii. Joint instructors
    g. Joint jailing
    h. Joint shooting ranges
    i. Joint emergency vehicle driving training and sites
    j. Shared IT services and personnel
    k. Shared administrative functions

iii. Lt. Governor Sanguinetti then opened this item up for discussion.
    1. Darch suggesting adding the following language as an additional bullet point to the proposal under "Opportunities include, but are not limited to":
        a. consolidation of operational and/or functional departments as an additional way to share services"

iv. Lt. Governor Sanguinetti sought a motion for the approval of the amendment suggested by Darch.
    1. Darch moved the motion to approve. Bigger Seconded.
    2. Roll was called on the measure to amend Proposal #2.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			

Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**16**	**0**	**0**	

v. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #2 as amended.
    1. Obernagel moved the motion to approve. Darch seconded.
    2. Roll was called on this measure.
        a. It was noted at this time that the designee present for Mr. Kern does not have voting privileges.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			

Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**16**	**0**	**0**	

c. Proposal #3: Merge downstate and suburban public safety pension funds into a single pension investment authority.
    i. Lt. Governor Sanguinetti thanked Mr. Cole, Mayor Darch and Councilman Spain for introducing this proposal.
    ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
    iii. Costin: Merge downstate and suburban public safety pension funds into a single pension investment authority.
        1. With 656 plans, Illinois has more than 16 percent of the nation's 3,992 total public pension plans but only 4 percent of the nation's population. This excessive number of pension plans results in increased management fees, less public oversight and reduced investment returns. This ultimately results in higher costs for the taxpayers of Illinois.
            b. Merge downstate and suburban public safety pension funds into a single pension investment authority.
            c. Each community's assets and pension funding obligations will be segregated and be unique to each community.
    iv. Lt. Governor Sanguinetti then opened this item up for discussion.
        1. Cole remarked that merging could mean two pension investment authorities, one for police and one for fire as the numbers noted do reflect both police and fire.
        2. Darch suggesting changing the language in the proposal to substitute the word "funds" for "plans" so that the language is more accurate.
        3. Darch also suggested adding to the final bullet in the proposal: "similar to the way the Illinois municipal retirement funds structures assets and obligation for other local government employees"
    v. Brian Colgan, Chief of Staff to the Lt. Governor, read Proposal #3 with the suggested amendments:
        1. Merge downstate and suburban public safety pension funds into a single pension investment authority.
            a. With 656 funds, Illinois has more than 16 percent of the nation's 3,992 total public pension funds but only 4 percent of the nation's population. This excessive number of pension funds results in increased management fees, less public oversight and reduced investment returns. This ultimately results in higher costs for the taxpayers of Illinois.
                i. Merge downstate and suburban public safety pension funds into a single pension investment authority.

ii. Each community's assets and pension funding obligations will be segregated and be unique to each community, similar to the way the Illinois Municipal Retirement Fund structures assets and obligations for other local government employee pensions.

vi. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Darch.
    1. Seegmiller moved the motion to approve. Hasera seconded.
    2. Roll was called on the measure to amend Proposal #3.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**15**	**0**	**1**	

vii. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #3 as amended.
    1. Espinoza moved the motion to approve. Bigger seconded.
    2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**15**	**0**	**1**	

d. Proposal #4: Allow merger of general township and road & bridge districts who maintain less than 25 miles of road.
    i. Lt. Governor Sanguinetti remarked that this proposal came out of the testimony of DuPage Township Supervisor Bill Mayor at the previous meeting.
    ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
    iii. Costin: Allow merger of general township and road & bridge districts who maintain less than 25 miles of road.
        1. Current law requires township road & bridge districts with less than 5 miles of road to consolidate into the general township.
            a. Allow merger of township road & bridge districts, with less than 25 miles of township roads, into general townships
            b. Via resolution supported by ⅗ of township board or by public referendum

c. Highway supervisor staff position to be retained at the discretion of the township board and supervisor

iv. Lt. Governor Sanguinetti then opened this item up for discussion.
   1. Dixon stated that he did not think the proposal was bad but due to the unknown impact and limited knowledge as to how it would affect townships he will need to abstain from voting.
   2. Bigger emphasized that the wording is "allow" and not mandate, so this would be a tool for local control.
   3. Costin agreed that it is permissive, the current law is mandatory.
   4. Seegmiller asked if only one of the two boards would need 3/5 approval or if the other board would need to accept as well.
   5. Dixon replied that there are two taxing bodies in a township; this would merge the road district funds into the general funds.
   6. Eggemann asked for a clarification between lane and road miles as it pertains to current law.
   7. Costin replied that the current statute is road miles, not lane miles; so the proposal is on road miles.

v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #4.
   1. Darch moved the motion to approve. Hasera seconded.
   2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole			X	
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon			X	

Mr. Obernagel	X			
Mr. Spain			X	
Ms. Eggemann	X			
Total	**12**	**0**	**4**	

e. Proposal #5: Protect the Intergovernmental Cooperation Act
   i. Lt. Governor Sanguinetti noted that this recommendation came from Mayor Darch on behalf of the Metropolitan Mayors Caucus.
   ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
   iii. Costin: Protect the Intergovernmental Cooperation Act.
      1. Local governments in Illinois currently have strong constitutional powers to facilitate intergovernmental cooperation and have legislative authority to accomplish jointly what would be difficult under other more power limiting circumstances.
      2. This legal framework serves as a foundation which has driven a wide array of successful functional and operational services delivery programs in the Chicago region and across the State dating back to the 1960s.
      3. The state needs to preserve the ability of local government to coordinate to provide effective and efficient local government for the people of Illinois.
   iv. Lt. Governor Sanguinetti then opened this item up for discussion.
      1. Darch commented that a lot can be accomplished through the use of the IGCA and therefore it is important to protect and nice statement to make as a Task Force in recognition of its value.
   v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #5.
      1. Darch moved the motion to approve. Seegmiller seconded.
      2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X

Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**15**	**0**	**1**	

f. Proposal #6: Constitutional Amendment to end all future unfunded state mandates
   i. Lt. Governor Sanguinetti noted that this recommendation came from Chairman Kern.
   ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
   iii. Brian Costin: Constitutional Amendment to end all future unfunded state mandates
      1. Requires the State to reimburse units of local government for increased expenses resulting from activities mandated by the General Assembly or State executive action.
      2. Exempts mandates requested by a local government or predating the effective date.
      3. Exemption for health & safety mandates.
   iv. Lt. Governor Sanguinetti then opened this item up for discussion.
      1. Dr. Debra Moore spoke on behalf of Mr. Kern stating that Sangamon Co. has been plagued with unfunded mandates while experiencing reductions and withholding of funds. This is threatening the delivery of quality services and they need to be able to move from under requirements with no financial support tied to them.
      2. Holmes stated that the language was too vague. With no definition of an "unfunded mandate" one could argue that any law is an unfunded mandate to a degree because at some point there will be some administrative cost connected to it. She announced she was definitely a nay vote.
      3. Dr. Moore replied there is a formal document that explains in better detail the proposal at hand that addressed the specific concerns but noted that information was not circulated with meeting materials.
      4. Seegmiller asked if this included school districts, to which Costin replied it did.
      5. Darch noted that the second bullet is redundant and also suggested looking at requirements that the state reviews existing unfunded

mandates. The State Mandates Act actually requires unfunded mandates to be reviewed on an annual basis.

6. Lt. Governor Sanguinetti referred to Costin to explain the mechanisms in place for reviewing unfunded mandates.
7. Costin stated that there used to be a committee between the comptroller and the executive branch that is supposed to be examining this on a regular basis. The DCEO publishes the State Mandates Catalogue as well which is supposed to estimate the costs but Norm Walzer has found that there is not a good attempt to quantify what the costs truly are.
8. Aranowski noted that for future consideration that if the purpose of the first bullet in the proposal is to relieve regulatory mandates, do not limit the scope to state executive action but also include legislative action.

v. Lt. Governor Sanguinetti then sought a motion to table Proposal #6 and discuss further at the next meeting.
   1. Dixon moved the motion to table. Obernagel seconded.

vi. Lt. Governor Sanguinetti stated for the record that designees are not recognized as counting toward quorum and their votes are not counted.

g. Proposal #7: Make collective bargaining permissive, instead of mandatory

i. Lt. Governor Sanguinetti stated this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.

ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.

iii. Brian Costin: Make collective bargaining permissive, instead of mandatory
   1. Allow locally-elected municipal boards and councils to decide whether employment issues should be mandatory or permissive subjects of collective bargaining.

iv. Lt. Governor Sanguinetti then opened this item up for discussion.
   1. Darch stated that the language speaks for itself and that it is an issue for local governments.
   2. Bigger asked if counties were included, to which Costin replied the proposal currently applies to municipality boards and councils.
   3. Bigger motioned to include "counties" as an amendment, to which Spain seconded.
   4. Seegmiller inquired if it was possible to add school districts to the amendment, to which Bigger motioned to amend his motion to include "counties" and "school districts". Spain seconded.
   5. Brian Colgan reread the amended Proposal #7: Make collective bargaining permissive, instead of mandatory
      a. Allow locally-elected municipal boards and councils and counties and school districts to decide whether employment issues should be mandatory or permissive subjects of collective bargaining

v. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Bigger.
   1. Bigger moved the motion to approve. Spain seconded.
   2. Roll was called on the measure to amend Proposal #7.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**15**	**1**	**0**	

vi. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #7 as amended.
    1. Darch moved the motion to approve. Bigger seconded.
    2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X

Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**15**	**1**	**0**	

h. Proposal #8: Eliminate minimum manning from collective bargaining
    i. Lt. Governor Sanguinetti stated that this proposal came from Mr. Cole, Mayor Darch, and Councilman Spain.
    ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
    iii. Brian Costin: Eliminate Minimum Manning from Collective Bargaining
        1. In December 2014, PA-98-1151 was signed into law, allowing arbitrators to impose "minimum staffing requirements" on municipalities and fire protection districts for firefighters and paramedics
        2. Improvements in building materials fire safety properties has led to large shifts in the types of emergency response calls received by local governments
        3. Democratically-elected local officials should retain decision making authority over staffing issues so they can allocate their limited resources in the most efficient manner possible
        4. Unfunded minimum manning rules strip local control from local governments
        5. Minimum manning requirements don't take into account the existence of financial resource or intergovernmental cooperation agreements that allows communities to share fire protection resources.
    iv. Lt. Governor Sanguinetti then opened this item up for discussion.
        1. Darch offered a change in wording from "staffing" to "manning" in each instance in the proposal. She also stated minimum manning requirements have hampered local control and that this is a very important issue to fire departments around the state.

2. Espinoza announced he would abstain from the vote due to a conflict of interest.

vi. Lt. Governor Sanguinetti asked Brian Costin to reread Proposal #8 as amended.

1. Brian Costin: Eliminate Minimum Manning from Collective Bargaining
   a. In December 2014, PA-98-1151 was signed into law, allowing arbitrators to impose "minimum manning requirements" on municipalities and fire protection districts for firefighters and paramedics
   b. Improvements in building materials fire safety properties has led to large shifts in the types of emergency response calls received by local governments
   c. Democratically-elected local officials should retain decision making authority over manning issues so they can allocate their limited resources in the most efficient manner possible
   d. Unfunded minimum manning rules strip local control from local governments
   e. Minimum manning requirements don't take into account the existence of financial resource or intergovernmental cooperation agreements that allows communities to share fire protection resources

vii. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Darch.

1. Darch moved the motion. Bigger seconded.
2. Roll was called on the measure to amend Proposal #8.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza			X	

Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**14**	**1**	**1**	

v. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #8 as amended.
    1. Darch moved the motion to approve. Eggemann seconded.
    2. Roll was called on this measure.
        a. At this time Cole announced he was leaving after recording his vote. Quorum was maintained.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza			X	
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			

Ms. Eggemann	X			
Total	**14**	**1**	**1**	

i. Proposal #9: PSEBA: Use federal definition for catastrophic injury
    i. Lt. Governor Sanguinetti stated this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.
    ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
    iii. Brian Costin: PSEBA: Use federal definition for Catastrophic Injury
        1. One of the major problems facing Public Safety Employee Benefit Act, or PSEBA, in Illinois is the lack of legislative definition of a "catastrophic injury". As a result the courts have imposed a "standard" for PSEBA benefits, which differs substantially from the federal rules. As a result lifetime total health insurance benefits have been mandated for non-catastrophic injuries such as a bad knee, back pain, or shoulder impingement where there is the ability to find gainful employment.
        2. The State of Illinois should pass clear and reasonable standards consistent with the federal definition for what is considered a "catastrophic injury".
    iv. Lt. Governor Sanguinetti then opened this item up for discussion.
        1. Darch explained that the state has no legislative definition for "catastrophic injury" but there exists a federal definition. The proposal is important financially for local governments as workers may sustain an injury that does not prohibit them from being gainfully employed elsewhere, and is therefore not "catastrophic", yet still requires the municipalities to pay huge costs. The Illinois statute should reflect the federal statute.
    v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #9.
        1. Hasera moved the motion to approve. Darch seconded.
        2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole				X

Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**13**	**0**	**2**	

j. Proposal #10: Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration
    i. Lt. Governor Sanguinetti stated that again this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.
    ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
    iii. Brian Costin: Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration.
        1. Require arbitrators to use a local government's actual existing revenues as the primary consideration when making wage and benefit determinations during interest arbitration.
        2. Extends provision extended to Chicago Public Schools via Senate Bill 7.
    iv. Lt. Governor Sanguinetti then opened this item up for discussion.
        1. Darch stated again this is a very important issue for local government. Public safety employees when negotiating contracts can go to arbitrators and he/she will choose between two sides with no consideration of the financial resources or revenues of the local community.
    v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #10
        1. Darch moved the motion to approve. Spain seconded.
        2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X

Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole				X
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	**13**	**0**	**2**	

A. Better Government Association: Memo to the Local Government Consolidation and Unfunded Mandates Task Force

i. Alden Loury: "Good afternoon. To Lt. Gov. Sanguinetti and the members of the task force, a sincere thank you for allowing me the opportunity to address you on behalf of the Better Government Association. I'd also like to acknowledge task force members Karen Hasara, who also serves on the BGA's Springfield Advisory Board, and Hill Hammock, who serves on the BGA Board of Directors. We'd like to thank Karen for helping to introduce the BGA to the Springfield community. And we'd like to thank Hill for his thoughtful counsel on a variety of issues, including the need to streamline Illinois' 7,000 units of government. We commend the Lt. Governor and all members of the task force for their tireless efforts to crisscross the state, hear testimony and offer recommendations to address one of the state's most perplexing problems—it's intricate, voluminous and too often inefficient web of local government units. For the past few years, the BGA has examined the issue with its investigative unit uncovering inefficiencies and its distinct and separate policy unit exploring potential remedies and advocating to expand the pathways for citizens and local officials to pursue "smart streamlining," which the BGA defines as the consolidation or dissolution of inefficient, duplicative or otherwise unnecessary units of government. A number of themes have emerged from closely following dozens of streamlining measures considered by the legislature the past few years. First, streamlining legislation almost always has to be narrow in scope. Broad changes are often met with broad and swift opposition. Second, local support is a must. Buy-in from local officials directly affected by streamlining legislation and strong public support voiced through advisory referenda or questions about inefficiency have been instrumental. And third, successful streamlining legislation has needed committed legislators who remain persistent, patient and flexible to

address the challenges and complexities that come along with this issue. While we can't paint a broad brush over any particular areas of local government, our observations suggest that townships, school districts, special districts and suburban Cook County may be the best areas to explore for inefficient or duplicative units of government. Special districts were largely the creation of 20th Century, hyper-localized needs. As development has filled in many areas of the state, some of those districts may no longer be necessary or there could be more efficient methods to deliver the services they provide. Consider the more than 200 sanitary districts in just three counties alone: Champaign, Christian and Iroquois counties. Closer scrutiny of those and other special districts could reveal efficiencies. At more than $1 billion, Illinois is the runaway leader in general administration costs for boards of education and the offices of district superintendents. In Illinois, the percentage spent on general administration is more than double the nationwide mark; it's even higher in suburban Cook and downstate districts—areas where the proportion of one-school school districts is high: about 1 in every 5 school districts in suburban Cook and about 1 in every 4 school districts downstate. It's clear that some townships provide vital services in areas where there are no other government alternatives. However, there's ample evidence to question the need for some townships. In a 2011 investigation, the BGA noted large cash reserves held by many townships. An update shows much of the same. Collectively, suburban Cook County and downstate townships held more in cash reserves in FY 2014 than they actually spent that year. Theoretically, suburban Cook townships could operate for more than 14 months on their cash reserves alone. Suburban Cook township road districts also have the highest road maintenance cost-per-mile figures in the six-county region, but average less than 15 miles of road. In addition, suburban Cook townships spend a higher share of their budgets on salaries & benefits. It seems clear that suburban Cook County is an ideal geographic area to explore opportunities for streamlining. With 150 school districts, 120 municipalities, 80 park districts, nearly 50 library districts and nearly 30 townships, the county has far more units of government than Los Angeles County, which is almost twice as large. And Cook has more municipalities, townships and school districts than the next three largest counties combined. Suburban Cook is ripe for more efficient delivery of public services through consolidation or to streamline units flush with cash reserves or administration-heavy budgets. Information can be pivotal in encouraging local governments to consider streamlining. The school district reorganization feasibility studies, made possible by state grants, have been an effective catalyst for streamlining. One fourth of the school districts that have conducted the studies eventually reorganized. And since the studies began in 2002, more than 80 percent of school district reorganizations have included school districts that conducted the studies. Providing incentives for more school districts and other local governments could spark additional action. Information about local government finances can also be instrumental in pinpointing where streamlining is necessary. DuPage County embarked on its efforts after an exhaustive review of the finances of government units under its control—a review made possible by legislation. The BGA illustrated exorbitant township road maintenance costs thanks to an IDOT study ordered by the legislature. And the discovery of high administrative costs with Belleville and Evanston townships helped build public support to streamline those entities. Making such information more readily available or empowering the Auditor

General, the Comptroller or another entity to assess local government finances could also spark additional action. Again, we'd like to commend the task force for its work, its dedication and thoughtfulness on this issue. Many of your recommendations speak directly to points we've made today. Thank you for considering the testimony of the BGA and others. I'm happy to answer any questions you may have."

ii. Lt. Governor Sanguinetti opened the floor.

1. Dixon asked if the BGA has looked into the TIFF districts in Chicago and the $500 million shadow budget that sits behind that as a revenue source for Chicago Public Schools, because the focus seems to be on suburban Cook Co.
2. Loury replied they have looked at TIFFs but not exhaustively. They have raised questions surrounded TIFF reforms in regards to transparency in Chicago. The focus on the suburbs is more in the vein of number of units of government.
3. Dixon discussed how townships in Cook Co. have gone through partial consolidation which is different than in other areas in the state. There are two distinct types of townships: those within Cook Co. and those in the rest of the state. Assessors are not assessing within Cook Co., they are facilitating appeals. His townships has only 2.1% of parcels appealed annually whereas in Cook Co. has 22.1% appealed annually. But there are great townships in Cook Co. providing needed services.
4. Seegmiller asked for clarification on "one school districts".
5. Loury explained that in looking at the ISBE inventory of institutions, there are around 150 districts downstate that list one school on the roster for a particular district.
6. Seegmiller asked for clarification on the administration cost numbers.
7. Loury explained the information came from the US census; every year they conduct a public school finance review of all public districts in the nation and ask for the cost for general administration as described as the cost for the Board of Education and Superintendent's office for the district and the associated administrative costs.
8. Aranowski stated the figures seemed disproportionate and will look into the data for the next meeting.
9. Lt. Governor Sanguinetti asked what the BGA was doing in terms of government consolidation.
10. Loury stated they are researching consolidation, streamlining, and shared services and are following the Task Force closely. He noted that more narrow legislation has a better chance of making it through the legislature.

B. NIU Task Force Report Update

i. Norm Walzer: The report is moving along. We are trying to focus on implementation versus research. What we have left to do is identify resource sharing examples, complete a survey of city managers association, and showcase what is going on in Illinois. We are trying to do some backfill on workers compensation and mandates as well. As far as Workers Compensation, we are trying to look at best practices from other

states. Some states have found significant savings; Texas, for example, has privatized. We are also looking at the rates and trying to determine what has worked in the past. We hope to include a section in the final report on options for Workers Compensation Reform. Regarding the Mandates Act, it is an act that is voluntary. We are again looking at best practices of other states and are finalizing a section of possible improvements to the current Mandates Act. Estimating cost is currently the difficult component of the Mandates Act. The act isn't broken; it can be improved, but often times it is ignored. Finally, we are working on a final version of the report. I do think what the Task Force is doing is great and that you are doing it the right way.

C. Member comments

1. No new member comments were brought forth.

VII. Adjournment

a. Lt. Governor Sanguinetti announced the next meeting is December 1st in Cook County with exact time and location to be determined.

b. At this time it was noted that quorum was no longer maintained, therefore Lt. Governor Sanguinetti tabled adjournment until the next meeting.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Tuesday, December 1, 2015

16th Floor, Room 504
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing

Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

11 AM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	No
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Yes
Brad Cole	Executive Director	Illinois Municipal League	Yes
Ryan Spain	City Council Member	Peoria	No
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Phone
Mark Kern	Chairman	St. Clair County	Phone

John Espinoza	Board Member	Whiteside County	No
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Yes
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Phone
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Yes
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			No
Mr. Perkins			No

The Local Government Consolidation and Unfunded Mandates Task Force met for the thirteenth time on December 1st, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
16th Floor, Room 504
James R. Thompson Center
100 W Randolph St, Chicago, IL 60601

MEETING START
Meeting Scheduled Start: 11:00AM
Meeting Actual Start: 11:05AM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Sanguinetti called the meeting to order at 11:05AM CT and welcomed members.
b. Roll Call was taken. Quorum was met.

II. Action Item: Motion to Approve the time at which to Adjourn the previous meeting

a. Lt. Governor Sanguinetti motioned to approve the adjournment of the prior meeting.
    i. Holmes moved the motion and Dixon seconded.

III. Approval of meeting minutes from November 19, 2015

a. Lt. Governor Sanguinetti opened the floor for corrections to the November 19th meeting minutes.
b. With no corrections brought forth, Lt. Governor Sanguinetti motioned to approve the minutes.

i. Hammock moved and Darch seconded.

c. The motion was approved by majority ayes with no nays recorded

IV. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti welcomed members to the thirteenth Task Force meeting and expressed appreciation for their work. She noted that they would be voting on five proposals, which if approved, would then be included in the final report presented to the Governor and General Assembly.

b. Lt Governor Sanguinetti also motioned for unanimous consent to move public comment before new business to ensure the public was heard before votes were cast. All ayes with no nays recorded.

V. Public Comment

a. No public commenter present

VI. New Business:

a. Voting on Consolidation and Unfunded Mandate Proposals

i. Proposal #1: Economic Feasibility Exemption for Local Units of Government, School Districts, Community Colleges, and Institutions of Higher Education.

1. Lt. Governor Sanguinetti asked Brian Colgan to give a summary of the proposal then opened the floor for discussion.

a. Darch inquired why the definitions of unfunded mandates in Proposal 1 and 3 were different.

b. Foss-Eggeman expressed concern with the broad language involving public safety. She pointed out that public safety may be interpreted a number of ways with variable definition.

c. Kern noted that there is already unfunded mandate legislation in Springfield but the legislature gets around that by exempting the mandate from that legislation. He inquired if Proposal #3 would take care of this circumvention in relation to Proposal #1.

d. Regarding part 3 of Proposal #1, Cole questioned if a State Agency Director is appealing to the Governor's Office or the Governor himself, and if that body is the final authority on allowing or disallowing the unfunded mandate for the locality in question. He recommended the appeals process be clarified.

e. Seegmiller asked for clarification regarding the language concerning instructional mandates for school districts.

f. Holmes commented that as the Task Force gets more in depth with the material, they get into more minute details. When they shift the power away from the General Assembly

and giving it to the Governor, they are not gaining from the local control issues.

g. Foss- Eggeman pointed out problematic wording in Part 3 of Proposal #1.
h. Franks said he thought this idea is good but the mechanism is flawed because he does not believe the General Assembly should be removed from the process, and that there needs to be oversight.
i. Cole commented that there is a reference in the State Mandates Act that mentions a State Mandates Board of Review that is required to meet annually. That board may satisfy the desire of some for General Assembly oversight because this board is an existing body already authorized by the legislature.
j. Lt. Governor Sanguinetti asked Task Force members on feedback for how they should define public safety.
    i. Foss-Eggeman replied that the definition should fall somewhere between the narrow definition of imminent threat of bodily harm and the broad definition of concerning health.

2. Lt. Governor noted that as a Task Force, they still have language issues to work out and therefore sought a motion to table the proposal vote until next meeting.
    a. Foss-Eggeman moved and Holmes seconded. All ayes with no nays recorded.

ii. Proposal #2: Request the Governor use amendatory veto power to insert "if economically feasible" language into legislation authorizing new unfunded mandates on local governments.

1. Lt. Governor Sanguinetti asked Brian Colgan to give a summary of the proposal then opened the floor for discussion.
    a. Holmes inquired about the logistics of this proposal.
    b. Darch asked if they are using the definition of unfunded mandate put forth in Proposal 3, and noted that she would lean towards that definition since it is featured in the State Mandates Act.
    c. Lt. Governor Sanguinetti sought a motion to amend Proposal #2 to feature the definition of unfunded mandates pursuant to the State Mandates Act.
        i. Darch moved and Holmes seconded. All ayes with no nays recorded. Roll was taken. See attached.
    d. Lt. Governor Sanguinetti then sought a motion for passage as amended.

i. Darch moved and Foss-Eggeman seconded. All ayes with no nays recorded. Roll was taken. See attached.

iii. Proposal #3: Constitutional Amendment on Unfunded State Mandates.

1. Lt. Governor Sanguinetti asked Brian Colgan to give a summary of the proposal then opened the floor for discussion.

a. Kern noted that this proposal allows local government to allow for a clean slate and gives them more foresight in how to budget for the upcoming year.

i. Lt. Governor Sanguinetti inquired if Kern was proposing to strike the fourth bullet regarding health and safety.

ii. Kern replied that he would like to work with the Task Force to address that issue, and pointed out the built-in security for health and safety of a three-fourths vote by members of the General Assembly, who would act in the best interest of their constituents' well-being.

iii. Darch noted that local government's function is to provide for the health and safety of its constituents, and that leaving the fourth bullet point might cause confusion regarding the definition and health and safety and the spectrum of things that could feasibly fall under that umbrella.

iv. Foss-Eggeman agreed and pointed out that nearly anything can be argued to concern health and safety. She also suggested editing the second bullet point to remove the language about requests for mandates by local government.

v. Aranowski commented that coming from a regulatory agency, it might be more practical to say that a piece of unfunded mandate legislation would only pass by a three-fourths majority, instead of the unenforceability language used in bullet three. That way there would not be the confusion of figuring out if a mandate on the books is applicable to a certain local unit of government.

vi. Franks expressed concern with the drafted language "necessitate additional expenditure from local revenue" because he was unclear if it is referring to a net cost or any cost. He also said that a three-fourths majority is untenable.

vii. Senator Holmes noted that she does not believe this has to be a constitutional amendment.

viii. Lt. Governor Sanguinetti sought unanimous consent to strike bullet point four of Proposal #3. No objectors.

ix. She then sought a motion to approve Proposal #3. Kern moved and Darch seconded. Roll was then taken. See attached.

iv. Proposal #4: Require Annual State Review of Unfunded Mandates on Local Government.

1. Lt. Governor Sanguinetti asked Brian Colgan to give a summary of the proposal then opened the floor for discussion.
    a. Senator Holmes noted that she thought this idea makes sense.
    b. Hasera asked if it makes more sense to have the State Mandate Review Board do the relevant work.
        i. Darch responded that rather than use this appointed board, it would likely make more sense to utilize a full-time staff, and have it stay with the department that was charged with the report.
2. Lt. Governor Sanguinetti motioned for approval of Proposal #4.
    a. Senator Holmes moved and Cole seconded. All ayes with no nays recorded.

v. Proposal #5: Give control of employee retirement benefit packages back to local governments for new employees.

1. Lt. Governor Sanguinetti asked Brian Colgan to give a summary of the proposal then opened the floor for discussion.
    a. Cole commented that they are seeking more discretion and ability to craft hybrid plans whether it is 401k, social security, or otherwise. Additionally, to put new employees in a new plan that does not diminish benefits of existing employees or current pensioners.
    b. Representative Batinick noted that everyone on the state level was switched to Tier 2, and that is likely what will happen on a local level. However this would not be beneficial because it is a worse option than social security. Additionally, he recommended current employees should have the option to switch into a new plan if they so choose. He urged a yes vote.
    c. Foss-Eggeman questioned which fund this proposal concerned.
    d. Seegmiller noted that she was under the assumption this included school districts, and suggested an amendment to include school districts.

e. Foss-Eggeman asked if this shifts the debt that comes along with the pension funds back to the local government, or if this is in regard to moving forward.
f. Representative Batinick mentioned that adding schools would be problematic because schools are in a statewide plan even though they are in a local unit, and therefore it is cleaner if schools are left out of this proposal. Local governments on the other hand, pay out of their own budgets.
g. Seegmiller commented that this proposal could be beneficial for school districts because of the flexibility it could provide involving new teachers and plan options.
h. Aranowski said the agency does not have a position on this matter, and that he could gather further information.
i. Darch recommended adding a fifth bullet to the proposal saying retirement benefit packages shall not be a mandatory subject of collective bargaining.
j. Cole motioned to table this proposal until the next meeting and Darch seconded. All ayes with no nays recorded.

b. Proposal Vote Tallies

Motion to Amend Proposal #2 to use the definition of unfunded mandate pursuant to the definition in the States Mandates Act	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy			
Senator Righter			
Senator Sandoval			
Senator Holmes			X
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza			
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock	X		
Mr. Dixon	X		

Mr. Obernagel	X		
Mr. Spain			
Ms. Foss-Eggemann	X		
Total	15	0	1

Proposal #2 as amended	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy			
Senator Righter			
Senator Sandoval			
Senator Holmes		X	
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza			
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain			
Ms. Foss-Eggemann	X		
Total	14	1	0

Proposal #3	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks		X	
Rep. Welch			
Rep. Batinick	X		
Senator Duffy			
Senator Righter			
Senator Sandoval			
Senator Holmes		X	
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza			
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain			
Ms. Foss-Eggemann	X		
Total	13	2	0

Proposal #4	**Yay**	**Nay**	**Abstain**
Lt. Governor EPS	X		
Rep. Demmer	X		
Rep. Franks	X		
Rep. Welch			
Rep. Batinick	X		
Senator Duffy			
Senator Righter			
Senator Sandoval			
Senator Holmes	X		
Ms. Darch	X		
Ms. Hasera	X		
Mr. Cole	X		
Mr. Cronin			
Mr. Bigger	X		
Mr. Kern	X		
Mr. Espinoza			
Dr. Ruscitti	X		
Ms. Seegmiller	X		
Mr. Hammock			
Mr. Dixon	X		
Mr. Obernagel	X		
Mr. Spain			
Ms. Foss-Eggemann	X		
Total	15	0	0

c. NIU Task Force Report Update
    i. Norm Walzer provided members with a Task Force report update.

d. Member comments
    i. Brian Colgan commented that if any members would like to look at the proposals about consolidation and unfunded mandates submitted by the survey respondents, there are sixty-three suggestions regarding a wide range of issues and they are available for member review. He also said they will be listed in the final report.

VII. Adjournment

a. Lt. Governor Sanguinetti motioned to adjourn 12:45PM.
    i. Dixon moved and Darch seconded. All ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes
Tuesday, December 8, 2015
11:00AM
16th Floor, Room 504
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Phone
Jack Franks	Representative	63rd District	No
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Yes
Ryan Spain	City Council Member	Peoria	No
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Phone
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No

Char Foss-Eggemann	Trustee	Park Ridge Library Board	Yes
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Phone
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			No
Mr. Perkins			Yes*

*denotes presence at Springfield location

The Local Government Consolidation and Unfunded Mandates Task Force met for the fourteenth time on December 8th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
16th Floor, Room 504
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

MEETING START
Meeting Scheduled Start: 11:00AM
Meeting Actual Start: 11:09AM

AGENDA

I. Call to Order and Roll Call
   a. Lt. Governor Sanguinetti called the meeting to order at 11:09AM CT and welcomed members.
   b. Roll Call was taken. Quorum was met at this time.

II. Approval of meeting minutes from December 1, 2015
   a. Lt. Governor Sanguinetti opened the minutes from the previous meeting for correction.
   b. Seeing no corrections, Lt. Governor Sanguinetti sought a motion for the approval of the meeting minutes from December 1st, 2015.
      i. Cole moved the motion to approve. Darch seconded.
      ii. The motion was approved by majority ayes with no nays recorded.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. "I want to start this meeting by, again, thanking everyone for your active participation over the last year. In February, Governor Rauner signed an executive order to establish our mission. He asked our task force to review state law relating to units of government and unfunded mandates and identify opportunities to deliver more efficient, effective and streamlined services to the residents of Illinois. Since our creation, I have visited all 102 of our counties. Along the way I've met with small business owners, farmers, elected officials, students, teachers, entrepreneurs, labor leaders, nonprofits, healthcare professionals, waterway operators, coal miners, university administrators and a countless number of local residents who are hungry for real reform in our state. Folks from Quincy to Danville and Cairo to Rockford provided their opinions on our consolidation and unfunded mandate mission, and I am proud to report that their opinions and recommendations are included in the sections of the report we will discuss today and at next week's meeting."

I. Presentations - Northern Illinois University Review of Sections in the final report

a. Norm Walzer
    i. The Report is coming together and is currently in the process of being organized in a way that is useful to Task Force members and does not end up sitting on a shelf once it is completed. The two major themes of consolidation and unfunded mandates are being completed, with a large amount of information compiled for each. The report has truly been driven by local input and local data, and that data is used to put together the proposals discussed in the Task Force with addition suggestions in the report. Recommendations for consolidation are driven by the need for efficiency through collaboration in a way that does not just delete numbers of government for the sake of lowering the numbers.
    ii. The main points in the counts of government section:
        1. Illinois has the largest number, and this number changes depending on the source
        2. Net increase of 148 units since 1998, mostly special districts
        3. Makes transparency difficult when there is a crazy quilt of governmental overlap
        4. Want to present Illinois as a clean, efficient deliverer of services, poor management and oversight causes the optics and reality of higher taxes
        5. The greater number of special districts causes a heavier reliance on property taxes
            a. 2nd highest residential property taxes
            b. Logical connection between increase in unfunded mandates and higher property taxes as well
        6. Local government decision makers need to be in power and the Task Force has the opportunity to reduce barriers for consolidation and mergers
    iii. Main points in the unfunded mandates section:
        1. An examination of unfunded mandates has been discussed going back to 1978, this is the first time data has been collected directly from local governments on the topic

2. Purpose was to have local governments drive data, respective associations to summarize, and the Task Force to analyze and have a list to work from
3. About 500 responses were recorded from all over the state
4. Difficult to provide cost estimates because we are relying on self-reporting and there is no method to extrapolate these estimates statewide

iv. Concluded by emphasizing they had built of previous work and hope the report can be carried forward into meaningful legislation when the Task Force concludes at the end of the year

II. New Business

a. No new business was brought forth.

III. Old Business – Voting on tabled proposals from the December 1st, 2015 meeting

a. Proposal #1 as amended: Economic Feasibility Exemption for Local Units of Government, School Districts, Community Colleges, and Institutions of Higher Education.

i. Lt. Governor Sanguinetti began by stating the tabled proposals had been modified to reflect conversations and proposed amendment.

ii. She then introduced Brian Costin, Policy Director to the Lt. Governor, to give a brief summary on the first proposal.

iii. Brian Costin: Proposal #1 as amended - Economic Feasibility Exemption for Local Units of Government, School Districts, Community Colleges, and Institutions of Higher Education, as amended.

1. Provide local units of government, school districts, community colleges and institutions of higher education the authority to annually exempt themselves from compliance with a state unfunded mandate(s) in the following circumstances:

a. The elected or appointed board of jurisdiction determines it is "not economically feasible" to comply with the unfunded mandate(s).

i. Requires public hearing

ii. Requires the board to estimate the cost of compliance with the mandate(s)

iii. Requires the board to explain how cost of compliance with this mandate(s) significantly hinders their ability to deliver on the authorized mission of the Unit of Government, School District, Community College or Institution of Higher Education

iv. Requires the board to certify the mandate(s) is:

1. Not a federally required mandates; and
2. Not a law or rule pertaining to health and public safety; and
3. Not a law or rule pertaining to Local, State and federal civil rights laws; and
4. Not an instructional mandate for school district

v. Requires 3/5 majority vote

b. Upon successful passage, applicable support documentation must be provided, in writing, to the Office of the Governor, Office of the Senate President, Office of the Senate Minority Leader, Office of the Speaker,

Office of the Minority Leader, and State Agency of jurisdiction within 10 business days of passage.

c. Within 60 days of receiving local support documentation, State Agency Director (Agency Head) of jurisdiction can appeal to the Joint Committee on Administrative Rules (JCAR) to require compliance with said unfunded mandate(s) if the agency determines compliance is economically feasible under the following circumstances:
    i. The state provides adequate, direct funding to meet the full cost of compliance with the mandate(s); or
    ii. Compliance with the mandate(s) is found to be inherent in the mission of the Unit of Government, School District, Community College, or Institution of Higher Education; or
    iii. The mandate(s) is determined to be federally required; or
    iv. The mandate(s) is determined to be a law or rule pertaining to health and public safety; or
    v. The mandate(s) is determined to be a law or rule pertaining to civil rights and protections; or
    vi. It is an instructional mandate for school district

d. If the Joint Committee on Administrative Rules (JCAR) agrees with the Agency Director (Agency Head), by supermajority vote, that the unfunded mandate is not eligible for a waiver, the mandate waiver is rejected.

2. (For clarification: there currently exists a separate process for instructional mandate waivers.)
3. Definitions:
    a. "Economic Feasibility" is defined as "the degree to which the economic advantages of something to be made, done, or achieved are greater than the economic costs." (definition from Cambridge dictionary)
    b. "Unfunded Mandate" – the definition of unfunded mandate will mirror the definition included in the State Mandates Act.

iv. Lt. Governor Sanguinetti then opened this item up for discussion.
1. Darch asked to clarify the health and public safety sections to include the language "to a degree which should not be waived" in order to prevent exempting every perceived health and public safety mandate. If the local government makes the decision it is in the best interest of their community not to follow a mandate, allow them the flexibility to make the case to JCAR rather than eliminate all health and public safety mandates from discussion.
2. Eggeman asked to add "stated" or "statutory" in instances of "inherent to the mission of" so that it narrows the scope of how a mission may be interpreted.
3. Holmes asked if any legal changes needed to be made in order for JCAR to have this authority and if they were on board.
4. Brian Colgan, Chief of Staff to the Lt. Governor, explained JCAR has been looped into the Task Force discussion and is interested in working with the Lt. Governor and legislatures. There would have to be some changes to

JCAR's authority, but they are interesting in working with the Task Force's recommendation in a bipartisan matter.

5. Aranowski noted it was important to be careful if adding the instructional mandate language and pointed out there is not a separate process for instructional mandate relief and Costin noted that was for clarification purposes and this proposal does not alter that at all.
6. Darch moved to add the following language:
    a. Not a law or rule pertaining to health and public safety "**to a degree which should not be waved**"; and
    b. Compliance with the mandate(s) is found to be inherent in the **"statutory"** mission of the Unit of Government, School District, Community College, or Institution of Higher Education; or
    c. Not a law or rule pertaining to health and public safety "**to a degree which should not be waved**"; or

v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #1 as twice amended.
    1. Obernagel moved the motion to approve. Darch seconded.
    2. Roll was called on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti	X			
Ms. Seegmiller	X			
Mr. Hammock				X
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain				X
Ms. Eggemann	X			
Total	14	0	1	

b. Proposal #5 as amended: Give control of employee retirement benefit packages back to local governments for new employees.
    i. Lt. Governor Sanguinetti began by stating the tabled proposals had been modified to reflect conversations and proposed amendment.
    ii. She then introduced Brian Costin, Policy Director to the Lt. Governor, to give a brief summary on the first proposal.
    iii. Costin: Proposal #5 as amended - Give control of employee retirement benefit packages back to local governments for new employees.
        1. Local governments have been stressed financially by unpredictable and uncontrollable pension plans they have been forced to participate in by the state of Illinois. Costs for these pension plans have increased dramatically over recent years, sometimes due to pension sweeteners passed by the state without the corresponding funding necessary to pay for them.
        2. Giving local control of public employee pension plans back to local government officials would help relieve the intense financial pain from skyrocketing pension contribution requirements on local governments and taxpayers, which are often two to four times higher than Social Security tax rates.
            a. Local governments would be able to opt-out of existing pension plans for new employees.
            b. Create blended pension plan of Social Security and 401(k) for non-public safety employees.
            c. Create blended defined contribution/defined benefit pension plan for public safety employees.
            d. Local governments may give employees investment control of 401(k) style contributions, such as a choice of mutual funds, stocks or bonds.
            e. Would not be a mandatory subject of collective bargaining.
    iv. Lt. Governor Sanguinetti then opened this item up for discussion.
    v. Seeing no discussion, Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #5 as amended.
        1. Eggeman moved the motion to approve. Duffy seconded.
        2. Roll was called on this measure.
    vi.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			

Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti	X			
Ms. Seegmiller	X			
Mr. Hammock				X
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain				X
Ms. Eggemann	X			
Total	13	1	1	

IV. Public Comment

a. No public comment was brought forth.

V. Adjournment

a. Lt. Governor Sanguinetti announced the next meeting is next week, December 15th at the same time and location.
b. Lt. Governor Sanguinetti sought a motion to adjourn.
    i. Dixon moved the motion to approve. Darch seconded.
    ii. The motion was approved with majority ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes
Tuesday, December 15, 2015
11:00AM
16th Floor, Room 504
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Yes
Mark Batinick	Representative	97th District	No
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Yes*
Brad Cole	Executive Director	Illinois Municipal League	No
Ryan Spain	City Council Member	Peoria	No
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	No
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No

Char Foss-Eggemann	Trustee	Park Ridge Library Board	Yes
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski		ISBE	Yes
Mr. Kersey		IDOL	No
Mr. Zigmund		IDOR	No
Mr. Perkins		DCEO	No

*denotes presence at Springfield location

The Local Government Consolidation and Unfunded Mandates Task Force met for the fifteenth time on December 15th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
16th Floor, Room 504
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

MEETING START
Meeting Scheduled Start: 11:00AM
Meeting Actual Start: 11:03AM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Sanguinetti called the meeting to order at 11:03AM CT and welcomed members.
b. Roll Call was taken. Quorum was met at this time.

II. Approval of meeting minutes from December 8, 2015

a. Lt. Governor Sanguinetti opened the minutes from the previous meeting for correction.
b. Seeing no corrections, Lt. Governor Sanguinetti sought a motion for the approval of the meeting minutes from December 8, 2015.

i. Dixon moved the motion to approve. Obernagel seconded.
ii. The motion was approved by majority ayes with no nays recorded

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. Lt. Governor Sanguinetti: "Again, welcome to the fifteenth meeting of the Local Government Consolidation and Unfunded Mandates Task Force. I want to start this meeting by, again, thanking everyone for your active participation over the last year. In February, Governor Rauner signed an executive order to establish our mission. He asked our task force to review state law relating to units of government and unfunded mandates and identify opportunities to deliver more efficient, effective and streamlined services to the residents of Illinois."

IV. Presentations – NIU-CGS, Review of the Task Force Report – Norm Walzer

a. Norm Walzer discussed the Obstacles to Consolidation and Collaboration section of the final report. He briefly touched on the subtopics of consolidation difficulty due to current state law, lack of citizen empowerment, and cultural and political factors.
b. Lt. Governor Sanguinetti opened the floor for discussion.
    i. Dixon thanked Dr. Walzer and noted that there have been prior consolidation task forces, and they addressed how to approach consolidation and streamlining. They recommended to not confront it head-on as enforcers from the state level, but to approach it via small groups and at the local level. He suggested that the Task Force should not just leave the recommendations at the legislative level, but instead take them further, to the local level. He emphasized the need for a "next steps" section of the report.
        1. Dr. Walzer agreed and emphasized the Task Force must pay attention to best practices to encourage local people to take action towards these improved efficiencies. He also mentioned the importance of easily accessible information.
    ii. Dixon agreed and said he thinks formation of local groups would be beneficial to the process.
        1. Lt. Governor Sanguinetti noted working groups will be a part of the progression, and that the report will be a living document to facilitate streamlining and local changes.
    iii. Hasera thanked Dr. Walzer for including Sangamon County to the final version of the report and discussed how DECA was an important resource during their efforts.

iv. Representative Demmer agreed with the discussion that consolidation should be a locally led initiative. He also observed that people can be resistant to change, and questioned Dr. Walzer about the types of incentives that could be used to spur these changes.
    1. Dr. Walzer recommended involving the people through an education process, and advance preparation of the community. He also suggested a competitive reimbursement program from the state to aid innovation.
v. Darch said educating the public is critical and outreach to encourage public education innovation will aid the process.

c. Dr. Walzer acknowledged Andy Blanke and a few others at NIU-CGS for their hard work and efforts towards this report.

V. New Business – Discussion on Task Force Report

i. Lt. Governor Sanguinetti began discussion on the Task Force Report and introduced Brian Costin to discuss the remaining steps left before the report is completed and sent to the Governor and General Assembly.
ii. Costin stated Task Force members have received an updated version of the report, and the report will reflect a few additional updates in advance of the final vote.
iii. Lt. Governor Sanguinetti opened the floor to Task Force members for discussion on the final report.
    1. The Lt. Governor's Chief of Staff Brian Colgan brought up Dixon's recommendation to include the 'Next Steps' section of the report, which will explain to members how the report will proceed after final report production.
    2. Dixon thinks they should direct the legislature to realize the significance of the property tax base and that there should be more information in the report regarding this topic.
    3. Frick commended Dr. Walzer and noted the report is well-structured, well written, and comprehensive. He recommended the inclusion of a one to two page overview summary of the report due to its lengthy nature. Regarding the unfunded mandates, he said there is great data, but it would be beneficial to see that seven data sections as an aggregate.
        a. Costin responded that the diversity of local governments makes it difficult to combine the data, and Dr. Walzer stated they would work on that for the final report, if possible.

4. Ruscitti inquired about the potential for Task Force members to be involved in the public and community messaging component of the information dissemination.
    a. Lt. Governor noted that many of the members have actively spread the word and been instrumental in educating their communities.
5. She also asked about the process for determining the Lt. Governor's count of governments as they apply to her, and Dixon mentioned an error in the draft. Ruscitti said that the report should have increased clarity to make it as accessible as possible in order to keep the focus on the tremendous work behind the research and recommendations.
6. Colgan agreed and responded that that section does not need to be included in the final report.
7. Holmes mentioned the far reaching span of the report can make it difficult to decide when to stop peeling back the layers and analyzing information that might be outside of the realm of the Task Force.

iv. Lt. Governor Sanguinetti stated her staff will make the final tweaks to the report and prepare it for a vote at the special meeting on Thursday, December 17. It will then be dressed and prepared for publication and distributed to Task Force members. She applauded the success of the Task Force and her intentions to not allow the report to remain on the shelf once it is completed. She affirmed that her office will focus on future legislation based on Task Force proposals in order to make changes to improve local government for the people of Illinois. She then thanked all members for their hard work and dedication on this Task Force.

VI. Public Comment

a. No public comment was brought forth.

VII. Adjournment

a. Lt. Governor Sanguinetti announced that the next Task Force meeting will take place on Thursday, December 17th at noon in the Lt. Governor's Office at the Thompson Center with a supplemental location via video conference in the capitol office in Springfield.
b. Lt. Governor Sanguinetti sought a motion to adjourn.
    i. Bigger moved the motion to approve. Darch seconded.
    ii. The motion was approved with majority ayes with no nays recorded.

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes
Tuesday, December 17, 2015
12:00PM
15th Floor, Lt. Governor's Conference Room
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Yes
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	Phone
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Yes*
Brad Cole	Executive Director	Illinois Municipal League	Phone
Ryan Spain	City Council Member	Peoria	No
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Phone
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	No
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No

Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Phone
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			No
Mr. Perkins			No

*denotes presence at Springfield location

The Local Government Consolidation and Unfunded Mandates Task Force met for the sixteenth time on December 17th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION
15th Floor, Lt. Governor's Conference Room
James R. Thompson Center
100 W Randolph St
Chicago, IL 60601

And supplemental location via videoconferencing
Lieutenant Governor's Springfield Office
Room 214
Illinois Capitol Building
Springfield, Illinois 62707

MEETING START
Meeting Scheduled Start: 12:00PM
Meeting Actual Start: 12:04PM

AGENDA

I. Call to Order and Roll Call

a. Lt. Governor Sanguinetti called the meeting to order at 12:04PM CT and welcomed members.
b. Roll Call was taken. Quorum was met at this time.

II. Approval of meeting minutes from December 15, 2015

a. Lt. Governor Sanguinetti opened the minutes from the previous meeting for correction.
b. Seeing no corrections, Lt. Governor Sanguinetti sought a motion for the approval of the meeting minutes from December 15, 2015.

i. Dixon moved the motion to approve. Holmes seconded.
ii. The motion was approved by majority ayes with no nays recorded. Batanick abstained due to his absence from the previous meeting.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

a. "I want to start this meeting by, again, thanking everyone for your active participation over the last year. I'd like to give a special thank you to Norm Walzer and his team at NIU's Center for Government Studies for partnering with us on this report. This meeting stands to be the culmination of a year of hard work. I'm proud of this Task Force and the report that has been put together. We've held 16 meetings across the state and have heard testimony from 33 experts representing government associations, nonprofit think tanks, researchers, and state agencies. The Task Force has also received more than 85 proposals from and has endorsed 27 recommendations on topics relating to local government consolidation and unfunded mandates. I look forward to partnering with the Governor and General Assembly next year to pass good government reforms aimed to provide more efficient, effective and streamlined government to the people of Illinois."

IV. Public Comment

a. No public comment was brought forth.

V. New Business

a. Vote on Task Force Final Report
   i. Lt. Governor Sanguinetti introduced Brian Costin to give an update on the report.
   ii. Costin noted any changes made to the report and mentioned it is still subject to final copy editing. He noted the following additions: Letter from Lt. Governor Sanguinetti, letter from Dr. Norm Walzer, Conclusion and Next Steps, Bibliography, and three consolidation and shared services examples. The minutes from each Task Force meeting, proposals submitted online, and the LRU appendix: Statutory Procedures for Annexing, Consolidating or Dissolving Local Government Units will be included in the final printing as well.
   iii. Lt Governor Sanguinetti opened the floor for discussion.
      1. Batanick asked for clarification on the inclusion of the submissions from the online portal.
      2. Costin noted that they will be included subject to permission of the authors.
      3. Dixon thanked the Lt. Governor the open and transparent process that produced the Task Force report with a special thanks to Dr. Norm Walzer.
      4. Cole stated PA 990353 sponsored by Representative Franks is effective January 1st which concerns proposal #1 on page 19 of the report and should be included as a note in the final printing.

5. Holmes seconded Dixon and noted she appreciated the diversity in the testimony received, and she also commented that the counting of governments is a difficult task. She mentioned that she voted against certain proposals in the report and did not know if voting for the full report would reflect support for certain measures.
6. Costin clarified the full meeting minutes are included that reflect the votes on individual measures and voting for the report does not nullify those votes.
7. Batanick added that he disagreed with some of the publicly submitted proposals but will vote for the report as a whole product of the Task Force.
8. Dixon seconded. Franks also agreed and thanked the Lt. Governor.

iv. Lt. Governor Sanguinetti sought a motion to approve the Final Report of the Local Government Consolidation and Unfunded Mandates Task Force, subject to final copy edits.
1. Dixon moved the motion to approve. Obernagel seconded.
2. Roll call was taken on this measure.

Name	**Yay**	**Nay**	**Abstain**	**Absent**
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks	X			
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza				X
Dr. Ruscitti	X			
Ms. Seegmiller	X			
Mr. Hammock				X
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain				X
Ms. Eggemann	X			
Total	**15**	**0**	**0**	**8**

b. Vote on Taskforce Final Minutes (reflecting Dec 17, 2015)
   i. Lt. Governor Sanguinetti sought a motion for a brief recess to compile and circulate the minutes.
      1. Batanick moved the motion to approve. Dixon seconded.
      2. The motion was approved by majority ayes with no nays recorded.
   ii. Lt. Governor Sanguinetti sought a motion to reconvene.
      1. Batanick moved the motion to approve. Holmes seconded.
      2. Roll call was taken. Quorum was met at this time.

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90th District	Phone
Mark Batinick	Representative	97th District	Yes
Jack Franks	Representative	63rd District	Phone
Emmanuel Chris Welch	Representative	7th District	No
Dan Duffy	Senator	26th District	No
Dale Righter	Senator	55th District	No
Martin A. Sandoval	Senator	12th District	No
Linda Holmes	Senator	42nd District	Yes
Karen Darch	Mayor	Barrington	Phone
Karen Hasara	Former Mayor	Springfield	Yes*
Brad Cole	Executive Director	Illinois Municipal League	Phone
Ryan Spain	City Council Member	Peoria	No
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Phone
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	No
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Phone
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	No
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski			No
Mr. Kersey			Yes
Mr. Zigmund			No

Mr. Perkins			No

iii. Lt. Governor Sanguinetti opened the minutes from the meeting for correction.
iv. Seeing no corrections, Lt. Governor Sanguinetti sought a motion for the approval of the meeting minutes from December 17, 2015.
    1. Dixon moved the motion to approve. Batanick seconded.
    2. The motion was approved by majority ayes with no nays recorded.

VI. Adjournment

b. Lt. Governor Sanguinetti thanked all members for their hard work and dedication to the Task Force over the past year.
c. Lt. Governor Sanguinetti sought a motion to adjourn.
    i. Holmes moved the motion to approve. Batanick seconded.
    ii. The motion was approved with majority ayes with no nays recorded.