

## **Jurisdictional Consolidation Referendum**

A Jurisdictional Consolidation Referendum question substantially similar to the following question, but vetted for legal referendum compliance requirements, would be placed on the November 2018 ballot for consideration by the voters of Oak Park:

“Seeking ways to reduce the property tax burden experienced by Oak Park residents, shall the community consider the merger and consolidation of co-terminus taxing districts – these include but are not limited to the Village of Oak Park, Oak Park Township, the Oak Park Public Library, and the Park District of Oak Park”.

Evaluation questions for potential Task Force recommendations:

1) Is this proposal likely to lead to efficiencies and cost savings? If so, how?

Yes. Consolidation of governmental activities may well result in a material reduction in the cost of the delivery of governmental services. The significant majority of governmental costs in Oak Park are personnel-related (both due to short-term salary and benefit expenses and longer-term pension-related expenses). The consolidation of governmental activities holds out the potential for cost savings in multiple areas. The most important potential cost savings areas are: A) Elimination of duplicate activities (e.g. reduction of substantially similar and redundant “back-office” functions and positions); B) Streamlining of similar functions (e.g. having one consolidated payroll system); C) Consolidated establishment of government priority setting and corresponding taxation and spending decisions; D) Reduced capital reserve requirements for working capital and risk capital; E) Spreading infrastructure and capital investment expenditures over time in a way that balances spending and respects the impacts of the resulting tax burden on taxpayers; F) Clarity regarding consolidated authority and responsibility for decisions and their resulting impacts.

2) Beyond cost savings, are there other positive benefits of implementing this proposal?

Yes. See above

3) On the other hand, what are potential negatives of implementing this proposal?

There is no downside from placing the advisory referendum question on the ballot, as doing so would simply provide elected officials with insights regarding the perspectives of voters within Oak Park. In this way, the placement of the ballot question enhances small “d” democracy regarding an important question concerning the method of the delivery of important governmental services here in our community.

If such a consolidation were to eventually occur (following the conducting of an advisory referendum, considerable additional analysis, evaluation and planning, modification of state law, and an eventual binding referendum vote of Oak Park voters), it would result in a trade-off of approaches to the provision of governmental services. Such a result would move away from the approach that may be characterized as being more narrow and potentially special-interest driven and that results in more focused, specific, lower-level attention and spending-decisions. This would be replaced by an emphasis on broader priority setting and more balanced decision-making across competing priorities, marked by a consideration for greater fiscal restraint. In addition, a number of currently elected bodies with formal decision-making and taxing authority would likely become advisory bodies with recommending authority.

- 4) Would this proposal have equitable impacts across the community, or would some populations be positively or adversely impacted more than others?

The quality and quantity of services delivered would not be adversely impacted for any population (as there is no reason that all services would not continue to be provided independent of the supporting governmental structure that exists).

- 5) What units of government would be responsible for implementing this proposal?

Any governmental units that would be part of any potential consolidation would be partners in the effort to help ensure that such consolidation efforts would be implemented so as to capture the efficiency benefits of the consolidation without negatively impacting the quality of service delivery of any of the responsibilities of the predecessor governmental units.

- 6) Practically, what steps would be necessary to implement this proposal?

Summarized in #3 above and in Paul Stephanides' memo to the Taxing Bodies Efficiency Task Force

- 7) How difficult is this proposal to implement? How much resistance would it face from the governments who would need to implement it?

The placement of the advisory referendum simply requires a vote of the Village Board.

- 8) What kind of expert advice do Task Force members need to evaluate this idea?

The decision to recommend to the Village Board the placement of the advisory referendum can be taken by the Task Force members based upon the background work and expert insights provided to date.