

Understanding the Functions of Township Government and the Consolidation Clamor

Township Officials of Illinois
Annual Conference
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Introduction

- Why is consolidation such a pressing issue?
- What is the current law regarding consolidation?
- Does consolidation make sense?
- How can we avoid consolidation?

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Why is consolidation in the forefront?

- The property tax crisis is subjecting taxing bodies to more scrutiny
- Illinois has more taxing bodies than any state in the nation
- State officials do not have to account for their actions if they can shift the focus to local governments

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Governmental Consolidation

- ▶ 2012 Census of Governments
 - 89,004 local governments across the United States
 - Illinois has 6,968 units of local government
 - Pennsylvania has 4,905 units of local government
 - Texas has 4,856 units of local government
 - 85 of Illinois' 102 counties have township governments
 - Illinois has 1,428 townships

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Governmental Consolidation

- ▶ Why does Illinois have so many different units of local government?
 - Illinois' 1870 Constitution
 - Illinois has 3,249 special districts

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History of attacks on Townships

- Long before the recent consolidation push, people have challenged township government
- Bob Anderson – McHenry County S.T.O.P “Send Township Officials Packing”

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1970 Illinois Constitution

- Illinois has had laws permitting townships to be abolished on the books since 1970.
- Article VII, Section 5 of the 1970 Constitution:
"Townships may be consolidated or merged, and one or more townships may be dissolved or divided, when approved by referendum in each township affected. All townships in a county may be dissolved when approved by a referendum in the total area in which township officers are elected."

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Two reasons townships have not been abolished under this provision

1. Article VII, Section 12 of the Constitution.

IMPLEMENTATION OF GOVERNMENTAL CHANGES The General Assembly shall provide by law for the transfer of assets, powers and functions, and for the payment of outstanding debt in connection with the formation, consolidation, merger, division, dissolution and change in the boundaries of units of local government.

- Until recently, the General Assembly hadn't done this.

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Two reasons townships have not been abolished under this provision

2. Conflicting laws

- A. The Election Code sets signature requirements for petitions for Constitutional referenda, but also says to look at the specific statute.
- B. The Township Code has different signature requirements than the Election Code.

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1988 – law challenged + attempts

- In 1988, Pat Quinn's Coalition for Political Honesty had citizens challenge the signature requirements in federal court and tried to resolve some of these issues
- Gallatin County
- Township Study Group
- Rock Island County

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1994 – McHenry County

- Question of abolishing all townships was on the ballot throughout the County
- Failed in all 17 townships by 3 – 1 margin countywide.

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Legislative response

- While the Constitution requires only a simple majority vote to dissolve a township, the General Assembly passed a bill requiring a supermajority vote in a countywide referendum.

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1995 lawsuits, additional referenda and more lawsuits

Suit Takes Aim At Townships
Group Wants State Law Overturned

October 06, 1995 | By Charles Mount, Tribune Staff Writer.

A citizens group filed suit Thursday to overturn a new state law that makes it harder to abolish township government by requiring a supermajority vote in a countywide [referendum](#).


The Citizen Advocacy Center filed suit in DuPage County Circuit Court on behalf of an anti-township group, charging that the new law's requirement of a majority vote in three-fourths of the townships in a county violates the Illinois Constitution.



2011


To shift focus away from State woes, with momentum from Gov. Quinn, the General Assembly passes...

- [The Local Government Consolidation Commission Act of 2011, 20 ILCS 3987/1.](#)



Governmental Consolidation

- This Act created the Local Government Consolidation Commission.
 - 17 members –
 - 12 from the General Assembly,
 - 5 from local governments, including 1 representing townships (Bryan Smith)



Governmental Consolidation

– Functions

- Examine all laws regarding local governments' organization, powers, jurisdiction and functions;
- Study the interrelationships of local governments to each other and federal and state government;
- Make specific recommendations to reduce the multiplicity of local governments, eliminate overlapping and duplication of unnecessary powers; increase efficiency and economy; increase cooperation among levels of government.
- Make a final report with findings and recommendations no later than September 30, 2013.

Results

- Ultimately, the Commission did not do anything.

In the meantime

- 2013 – Public Act 98-0127 allowed for a binding referendum to abolish Evanston Township and turn its duties over to the city of Evanston, which has conterminous boundaries. This bill became effective August 2, 2013.
- On May 1, 2014, Evanston Township was dissolved.

Early 2015 – Task Force Created

When Governor Rauner was elected, he created a Task Force to perform the same tasks the Commission was to perform.

“Study the issues of local government and school district consolidation and redundancy and make recommendations that will ensure accountable and efficient government and education in Illinois”

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Task Force Recommendations – January 2016

- Enact a 4-year moratorium on creating new local governments
- Empower Illinois citizens to consolidate or dissolve local governments via referendum
- Expand DuPage County's pilot consolidation program to all 102 counties
- Allow all townships in the state to consolidate with municipalities via referendum



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Task Force Recommendations

- Remove the limitation capping a township size of 126 square miles
- Allow counties to retain their existing form of government following a successful referendum to dissolve townships in the county
- Hold taxpayers harmless from township consolidation
- Allow counties under 15,000 parcels and \$1 billion EAV to dissolve multi-township assessors and elect a county assessor
- Protect the Intergovernmental Cooperation Act

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Task Force Recommendations

- Encourage state granting agencies to encourage regional sharing of public equipment, facilities, training resources, and administrative functions
- Allow merger of general township road and bridge districts with less than 25 miles of roads

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Where Does Consolidation Legislation Originate?

- Attacks by the General Assembly
- Attacks by the Governor
- Attacks by Taxpayers
- Attacks by Other Units of Government
- Attacks Because of Other Governmental Issues



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The Value of Townships

- The Cox Report: “Local Democracy and the Townships of Illinois: A Report to the People”
 - Smaller local governments throughout America spend and borrow less per capita than larger governments.
 - Smaller governments in Illinois spend and borrow less.
 - Illinois local governments rely less on state funding and pay for themselves to a greater degree than in 38 other states.

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Value of Townships

- Township expenditures have grown at a lower rate than any other level of government in Illinois since 1992.
- Townships have the lowest labor costs.
- In a 2001 survey, 88 percent of residents rated the performance of township officials high, compared to 42 percent for state officials and 27 percent for federal officials.
- Individual citizens have more influence in smaller governments.

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Governmental Consolidation

- Local government consolidations that have been implemented do not result in material cost savings and usually result in higher costs.
- Government consolidation does not improve government efficiency.
- Consolidation leads to higher personnel costs because it produces larger organized labor contracts, which incorporate the highest compensation rates and least productive work rules.

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Governmental Consolidation

- Governmental consolidation detaches people from their local governments.
- If the bigger-is-better theory of government efficiency is correct, then states with larger populations should have lower per capita state and local taxation, but the data did not support that claim.

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However...

- In some townships, consolidation may be the right and best thing to do for the residents.
- Small townships, can't find people to run for office, etc.

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4 East Main

Why do townships have a bad reputation?

- Residents do not understand what they do.
- Taxpayers do not like paying legal fees for political disputes
 - Grafton Twp
 - Algonquin Twp
 - McHenry Twp

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2017 -Essex Township

FEBRUARY 24, 2017, 9:13 AM

Small town trust. Big time theft. Again?

Illinois Attorney General Lisa Madigan's office has announced the arrest of an official in rural Kankakee County, Essex Township Clerk Traci Freytag, on allegations she spent taxpayer money on personal expenses. She faces charges of theft of government property, financial institution fraud and two counts of official misconduct. If convicted, she could face up to 15 years in prison.

Freytag is accused of depositing roughly \$94,000 in township money into a personal bank account. An investigation began when an employee's payroll check bounced. The township's account had been depleted, Madigan's office alleges.

She was arrested Feb. 15 in Aiken, S.C., where she had posted on her Facebook page she was staying and planning to move permanently from the town of Essex, 30 miles south of Joliet. Freytag's Facebook page indicates she worked as a payroll clerk for a casino company and became disabled. She was appointed township clerk a few months before the theft allegedly began.

Were there checks and balances that could have caught, or deterred, any such alleged theft, which Madigan's office says unfolded between November 2014 and May 2016? We'll find out as prosecutors move forward with their case.

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Attacks by the General Assembly

- Public Act 97-0857 eliminated Cook County tax collectors.
- Public Act 97-0611. Cook County Townships can abolish Cook County Road Districts by referendum.
- See other legislation

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Attacks by Taxpayers

- Caused by Lack of Understanding About the Functions of Townships
- Caused by Frustration over Current Economic Conditions
- Better Government Association – Andy Shaw
- Openthebooks.com – Transparencymania! Everything is out there.
- Illinois State Comptroller website – finances are open

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Attacks by Other Units of Government

- Eyes on the Prize – They want your money!
- They do not understand the limitations of their power – (City v. Township)

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Township Officials Attacking One Another

- Officials do not understand their duties or responsibilities
- Officials do not understand the powers of other elected township officials
- Assessor Wars
- Highway Commissioner Wars
- Disgruntled Employees
- Elected Township Officials

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DISCOUNTED RATES
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Attacks because of Problems of Other Governments

- The General Assembly is using local government to shift focus off of State problems
- Pension Reform
- IMRF Audits

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Recent Developments

- Wheeling Township Road District (5.4 miles of road) abolished
- Lisle Township Road District/Naperville Township Road District consolidation passed

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DISCOUNTED RATES
FOR SENIORS
& VETERANS

November 6, 2018 election

- Voters in Godfrey Township voted to consolidate with Village
- Voters in Alton Township voted not to consolidate with city or county
- Voters in McHenry Township voted not to merge road district with township
- Voters in Vernon Township voted to merge road district with township

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November 6, 2018 election

- Village of Oak Park voted to study consolidation with township, park district and library.
- Madison County voted to consolidate recorder with county clerk
- Madison County voted to dissolve the Collinsville Area Recreation District
- DuPage County voted to continue consolidation

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Survival Options

- Evaluate whether Survival IS the best option
- Educate the Public
- Educate the Press
- Educate your Public Officials
- Work Cooperatively with Other Units of Government
- Strive for Peace
- Pick Your Battles
- Pay Attention to Shifting Public Attitudes (pensions, salary increases, etc.)

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Survival Options

- Business is Changing – Get Smarter and More Creative
- Keep up with technology

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Questions

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