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Cook County Board Considering New Revenue Forecasting Commission.

A previously deferred proposal to create a revenue forecasting commission designed to give additional financial analysis to the Cook County Board is slated to formally be presented for a vote on Wednesday, Sept. 12 in the Board's finance committee.

So far, the idea has support from several commissioners and at least one notable detractor.

Supporting the proposal is its sponsor, 7th District Commissioner Jesus "Chuy" Garcia (Pilsen), and co-sponsors 1st District Commissioner Richard Boykin (West Side), 14th District Commissioner Gregg Goslin (Glenview), and 17th District Commissioner Larry Suffredin (Evanston).

Board President Toni Preckwinkle came out against the idea earlier this summer, resulting in Garcia deferring the presentation until this month.

Making the case

Those on each side of the issue have stated their case going into the September meeting.

Garcia has been reframing the proposal, meeting with his co-sponsoring supporters as well as Michael D. Belsky, executive director of the Center for Municipal Finance at the University of Chicago Harris School of Public Policy. He aims to present to fellow commissioners a vote-friendly proposal.

The initial proposal included establishing a seven-member panel of financial experts, selected by the board president and approved by the board.

Garcia said, "This independent body would specialize in conducting five-year revenue forecasting and would serve as a much needed fiscal resource and research arm to the board and would not pose a burden to the County as has been previously characterized."

Boykin said an independent commission would help because the board president "currently has all the information" regarding revenue and that "we basically rely on her in good faith though the budget office."

He referred to last year's soda tax, which the board later rescinded, as an example of needing a better method to forecast revenue needs.

"Just like Congress has the budget office independent of the president, we need something that will provide transparency," Boykin said.

Preckwinkle opposition

Becky Schlikerman, spokesperson for Preckwinkle, said, "We do not believe creating this commission at this time is an appropriate use of tax dollars. Incurring additional expenses at a time

when we continue to face financial challenges and have to make difficult decisions on how to balance our budget would be irresponsible.”

Schlikerman pointed to other concerns, including adding a new layer of government. She also said revenue projections over the past three years have come within 2% of home rule taxes and that commissioners already are well informed about revenues and have the option to meet with the president’s finance team. She drew a further difference with revenue commission proponents in noting the effectiveness of the 2017 beverage tax projections and needed collections.

“The projection was spot on,” Schlikerman said.

“I don’t recall any of our revenue projections being that far off,” agreed 11th District Commissioner John Daley, noting that the board members all have an equal opportunity to discuss revenue matters. He said the revenue commission may be worth considering, though he also expressed concern over costs that may increase over time.

Other commission proponents and opponents have focused on anticipated costs of creating a revenue commission as well. A June 26 letter from Ammar M. Rizki, chief financial officer of the County’s Bureau of Finance, to the Board of Commissioners noted that first-year costs could amount to at least \$600,000. The Better Government Association (BGA) in Chicago, which offered a July 19 letter to commissioners supporting the revenue commission creation, outlined a \$400,000 cost based on one part-time and two full-time staff members. The letter uses a comparative example of the Office of Economic and Financial Analysis in Washington State’s King County.

Rachel Leven, policy manager and co-author of the BGA letter, said her organization recommends a three-person staff, including one economist, that ideally would forecast five years and assess whether the County’s proposed budget is balanced. The proposal also suggests the commission could offer education and assessment to other Cook County governments, including small municipalities and townships.

“I imagine there is an element of control,” Leven said. “Revenue forecasting is understandably political because it may be hard to trust someone else to do that.”

Academic views

Local academic experts said they see value in creating a revenue commission, with added suggestions.

Michael Pagano, dean of the University of Illinois at Chicago (UIC) College of Urban Planning and Public Affairs, favors having an extra set of eyes. He noted the Congressional Budget Office has operated along with the U.S. President’s Office of Management and Budget since 1974. While that move resulted from Congressional mistrust toward the Richard Nixon administration, Pagano said better revenue forecasting is likely with a commission.

He also said the BGA’s estimated \$400,000 price tag may not be enough.

“That’s hardly enough for the kind of staff that is truly independent,” Pagano said. “What it might be able to do is provide research in certain cases.”

Pagano also suggested obtaining research through resources at a university level. UIC has a Government Finance Research Center.

At Roosevelt University, Ralph Martire, Arthur Rubloff Endowed Professor and executive director of

Chicago-based think tank Center for Tax and Budget Accountability, said there are two ways to look at the proposed revenue commission.

“This is one of those interesting situations where they [Preckwinkle and Garcia] both make good points,” Martire said. “When you struggle with a shortfall, you wouldn’t want to take away from services to fund a good government initiative. But you do want to put a policy in place for a long-term benefit. Preckwinkle won’t always be in office. Cook County government is larger than most state governments, and it has unique challenges. It’s a balancing act.”

For the BGA, log on to <https://www.bettergov.org/>. For the Cook County Board, log on to <https://www.cookcountyil.gov/board-of-commissioners>. For CUPPA, log on to <https://cuppa.uic.edu/>. To contact Martire, email rmartire@roosevelt.edu.

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