

# UNEVEN CAPACITY AND DELIVERY OF HUMAN SERVICES IN THE CHICAGO SUBURBS: THE ROLE OF TOWNSHIPS AND MUNICIPALITIES



VOLUNTEERS AT FOOD PANTRY IN THORNTON TOWNSHIP

**Rebecca Hendrick**, Ph.D., University of Illinois at Chicago

**Karen Mossberger**, Ph.D., University of Illinois at Chicago

With Support from **The Chicago Community Trust**





**BULLETIN BOARD IN WAYNE TOWNSHIP ILLUSTRATES SOCIAL SERVICES TOWNSHIPS PROVIDE**

We would like to thank Jennifer Benoit-Bryant, doctoral student in Public Administration at the University of Illinois at Chicago, for her able assistance on this project. We would also like to thank the many townships and municipalities that willingly gave their time for this study through survey responses, interviews, and site visits. The Township Officials of Illinois, Illinois City and County Management Association, South Suburban Mayors Conference, West Central Mayors Conference, Southwest Conference of Mayors, and the Chicago Metropolitan Agency for Planning also generously granted interviews for this report. Jim Lewis of The Chicago Community Trust was an invaluable partner throughout the course of this project.

# TABLE OF CONTENTS

## UNEVEN CAPACITY AND DELIVERY OF HUMAN SERVICES: EXECUTIVE SUMMARY

### PART 1: INTRODUCTION

- 1.1 Why Study Social Services in Suburban Municipalities and Townships?
- 1.2 Focus of the Study and Methodology

### PART 2: BACKGROUND INFORMATION ON NEED AND RESPONSIBILITY FOR SOCIAL SERVICES

- 2.1 Distribution of Poverty in the Chicago Region
  - FIGURE 2.1. % CHANGE IN INCOME BY MUNICIPALITIES**
  - FIGURE 2.2 % CHANGE IN POVERTY BY TOWNSHIP**
  - FIGURE 2.3. POVERTY BY TOWNSHIP**
- 2.2 Responsibility of Townships and Municipalities for Social Services

### PART 3: TOWNSHIPS AS SOCIAL SERVICE PROVIDERS

- 3.1: General Assistance and Emergency Assistance
  - FIGURE 3.1. GA TAX RATE BY TOWNSHIP**
- 3.2 Other Social Services Townships Provide
  - TABLE 3.1. SOCIAL SERVICE PROGRAMS OFFERED BY TOWNSHIPS WHO RESPONDED TO THE SURVEY**
  - BOX 1. WAYNE TOWNSHIP: LINKING FOOD PANTRY CLIENTS WITH OTHER SERVICES**
  - BOX 2. AWARD-WINNING PARTNERSHIP PROVIDES MOBILE DENTAL CLINIC IN THREE TOWNSHIPS**

### PART 4: TOWNSHIP FISCAL CAPACITY, TAXATION, AND SPENDING

- 4.1 An Overview of Township Finances
  - BOX 3. WAUKEGAN TOWNSHIP: INTERGOVERNMENTAL ASSISTANCE FOR TRANSITIONAL PROGRAMS**
  - TABLE 4.1: REGRESSION ANALYSIS TO EXPLAIN TOWNSHIP SPENDING PER CAPITA\* IN 2000**
- 4.2 The Fiscal Capacity of Townships
  - FIGURE 4.1. EAV PER SQ. MILE BY TOWNSHIP**
  - FIGURE 4.2. INCOME PER CAPITA BY TOWNSHIP**
- 4.3 Social Services Tax Levies in Townships
  - TABLE 4.2. TOWNSHIP SOCIAL SERVICE LEVY AS A PERCENTAGE OF TOTAL LEVY (2005)**
  - BOX 4. THORNTON TOWNSHIP: A DIVERSITY OF SERVICES AND RISING NEED**
- 4.4 Fiscal Stress and Political Capacity
- 4.5 Social Services Spending in Townships
  - TABLE 4.3 TOWNSHIP SOCIAL SERVICE SPENDING AS A PERCENTAGE OF TOTAL SPENDING in 2005**
  - TABLE 4.4: REGRESSION ANALYSIS TO EXPLAIN TOWNSHIP SOCIAL SERVICES SPENDING PER CAPITA\* IN 2000**
  - FIGURE 4.3. SOCIAL SERVICES SPENDING PER CAPITA BY TOWNSHIP**
- 4.6 Summary of Townships Finances

### PART 5: TOWNSHIP ADMINISTRATIVE AND POLITICAL CAPACITY

5.1 Administrative Capacity in Townships

5.2 Contracting and Partnerships

**BOX 5. WHEELING TOWNSHIP: CONTRACTING AND PARTNERSHIPS WITH NONP**

**TABLE 5.1. PERCENTAGE OF TOWNSHIPS WITH CONTRACTS FOR HUMAN SERVICES**

**PART 6: MUNICIPAL GOVERNMENTS AS SOCIAL SERVICE PROVIDERS AND THEIR CAPACITY TO DELIVER SERVICES**

6.1 Social Service Delivery in Municipalities

**FIGURE 6.1. WELFARE SPENDING PER POOR PERSON BY MUNICIPALITIES**

**TABLE 6.1. PERCENTAGE OF MUNICIPALITIES THAT FUND OR PROVIDE AND CONTRACT TO DELIVER SOCIAL SERVICES**

**TABLE 6.2. PERCENTAGE OF MUNICIPALITIES THAT CONTRACT FOR SOCIAL SERVICES**

6.2 Municipal Capacity to Deliver Services

**FIGURE 6.2. REVENUE BASE INDEX FOR MUNICIPALITIES AND HOME RULE, 2005**

**FIGURE 6.3. CHANGE REVENUE BASE INDEX FOR MUNICIPALITIES AND HOME RULE, 2000- 2005**

**PART 7: PERCEPTIONS OF NEED AND ATTITUDES TOWARD COLLABORATION IN TOWNSHIPS AND MUNICIPALITIES**

7.1 Perceived Adequacy of Services

**TABLE 7.1. SURVEY RESPONSES ON CURRENT TOWNSHIP RESOURCES**

**TABLE 7.2. TOWNSHIP SURVEY RESPONSES ON NEEDS AND FUTURE RESOURCES**

**TABLE 7.3. MUNICIPAL SURVEY RESPONSES ON NEEDS AND FUTURE RESOURCES.**

7.2 Regional and Sub-Regional Collaboration

**BOX 6. ZION TOWNSHIP AS NETWORK-BUILDER**

**TABLE 7.4. PERCENTAGE OF TOWNSHIPS WITH JOINT PLANNING AND COLLABORATION**

**TABLE 7.5. PERCENTAGE OF MUNICIPALITIES WITH JOINT PLANNING AND COLLABORATION**

**TABLE 7.6. TOWNSHIP ATTITUDES TOWARD COLLABORATION**

**TABLE 7.7. MUNICIPAL ATTITUDES TOWARD COLLABORATION**

**TABLE 7.8. TOWNSHIPS AND MUNICIPALITIES: BARRIERS FOR COLLABORATION**

**PART 8: CONCLUSION AND RECOMMENDATIONS**

## **UNEVEN CAPACITY AND DELIVERY OF HUMAN SERVICES: EXECUTIVE SUMMARY**

This report presents an assessment of two primary questions: what is the current role of suburban townships and municipalities in delivering social services, and what is their capacity to enhance their role in the future? We examine the financial, political, and administrative capacity of townships and municipalities to provide human services, based on information gathered from several sources. These include separate surveys of municipal and township governments, financial data from the Illinois Department of Revenue and the Illinois Office of the Comptroller, US census data, telephone interviews, and site visits.

These questions have gained new urgency with the fallout from the economic crisis, which has resulted in new levels of unemployment, homelessness, and hunger in the region as a whole. The need to examine the suburbs in particular is also critical, because of changes in the distribution of poverty, with long-term growth in the demand for human services in many Chicago suburbs.

- Demand at area food banks and suburban homeless shelters climbed in 2008, and unemployment and foreclosures have accelerated.
- The number of poor and working poor who live in the suburbs of the Chicago metropolitan area has been increasing since 1990, and those who are already poor are especially vulnerable during an economic downturn.
- There has been a concern on the part of the voluntary sector that there is an inadequate nonprofit infrastructure to meet increased needs for social services in the suburbs. These concerns pre-dated the current crisis and represent the need for long-term changes in institutions and resources as well as a response to the recession.
- Governments are also significant human service providers, including suburban townships and municipalities. Yet, little is known about what townships and municipalities provide and the extent to which they are able to meet growing needs.

Townships are required by state law to provide General Assistance, or aid to indigent adults. Many townships also provide a range of optional social services. Municipalities play a smaller role, but are also part of a complex, decentralized web of human service delivery that includes federal, state, and county governments as well as nonprofits.

### **TOWNSHIP PROVISION OF SOCIAL SERVICES DOES NOT ALWAYS MATCH NEED**

Collectively, townships provide a wide range of social services, but there is substantial variation in provision, and there is evidence that in some communities the demand outstrips the available services.

- Townships closer to the City of Chicago tend to specialize in social service delivery, including services for seniors, youth, and the disabled. Other common human services are food pantries, emergency assistance, health care, and homeless shelters that provide assistance to low-income residents. But there is great diversity in the level and range of services they provide and social services beyond General Assistance are not universal.

- Townships that tax and spend more for social services tend to be either high-resource townships (with a wealthier tax base) or high-need townships (with higher levels of poverty).
- **However, not all high-poverty townships are actively engaged in social service delivery, which means that some needy residents of the metropolitan area have less access to social services.**
- Rural townships often do not provide human services, and sometimes have little experience even with mandated General Assistance. Lack of administrative capacity may make it more difficult for such townships to provide or expand these services in areas where need is increasing. Some rural areas are among the places with growing poverty rates.
- **Twenty to 30 percent of townships believe that they can meet only a portion of demand for social services or have few resources to meet the needs in their communities. Approximately 16 percent indicate that they have taken steps recently to reduce or eliminate services. Most survey responses were collected before the economy worsened in Fall 2008, so the survey results may understate current conditions.**

#### **POOR TOWNSHIPS HAVE LIMITED FISCAL CAPACITY TO IMPROVE SERVICES**

- Townships depend heavily on property taxes, and receive little intergovernmental assistance. Foreclosures and plummeting property values have the potential to aggravate fiscal problems for townships, especially in low-income areas.
- Because they are non-home rule, townships also have strict limits on their maximum tax rate and tax levy increases, which significantly limit their ability to expand services if needed in the future. The majority of township levies have been defeated by voters since 1990, suggesting that the political capacity to raise revenues is weak.

#### **MUNICIPALITIES AND NONPROFITS AS PARTNERS IN THE WEB**

- Municipal governments have no statutory responsibility for social services and they spend very little on health or welfare, according to financial data. Survey responses show, however, that they do provide some programs, particularly for seniors and youth.
- Municipal governments are logical partners for collaborating with townships to ensure that resident needs are served. But, 40 percent of municipal governments say they should not be involved in social service delivery and they are somewhat less likely than townships to perceive unmet needs for these services.
- Both townships and municipalities provide social services through a variety of contracts with nonprofits, and to a lesser extent, intergovernmental agreements. Contracting and partnerships may increase the capacity of small local governments to provide diverse and specialized services for residents.
- Nonprofits are important resources in all areas of social service planning and collaboration.

#### **POLICY RECOMMENDATIONS**

The decentralized system offers opportunities for creativity and responsiveness (evident in the profiles here), but also results in uneven capacity for service delivery among some governments, and

unequal access to services for residents. Several steps can be taken to exploit the advantages of this decentralized system and to mitigate the negative aspects, such as unequal provision of social services.

**TOWNSHIPS AS COORDINATORS.** Townships, in particular, have the potential to act as a hub for service delivery within their boundaries, and some have formalized this role through local coalitions. Coordination of services across sectors is needed to make the most of resources that are currently fragmented across multiple organizations.

**ASSISTANCE FOR LOW-INCOME TOWNSHIPS.** More flexible and strategic financial assistance should be available from the state and other sources for high-need and low-resource townships.

**SUB-REGIONAL COORDINATION.** Greater collaboration between social service providers within counties (or subcounty areas within Cook) could facilitate joint projects (such as the mobile dental clinic in Northwest Cook County) and build organizational capacity among providers. These networks could facilitate information sharing, joint planning and coordination among townships, municipalities, and other social service providers.

**REGIONAL PLANNING AND COORDINATION.** Planning on the regional level is needed to better understand the fit between services provided by townships and municipalities with county and nonprofit programs. To what extent do nonprofit or county programs fill gaps left in low-service townships? What are the resources across sectors for increasing services where there is unmet need? Greater cross-sectoral and intergovernmental collaboration on the regional level are needed to target areas of need, promote more equal access to services, and share information for innovation and capacity-building. Regional dialogue should include multiple levels of government, professional associations, nonprofit organizations, foundations, and regional organizations, among others.

## **PART 1: INTRODUCTION**

### **1.1 Why Study Social Services in Suburban Municipalities and Townships?**

One prominent trend in the need for human services programs in the Chicago Metropolitan area is the increase in the number of individuals with incomes below or near the poverty line in the suburbs compared to the City of Chicago. This changing geography of poverty, coupled with the recent economic downturn, promise to increase demand for programs that serve low-income residents in the metropolitan area.

Suburban townships and municipalities are among the human service providers addressing these needs, although little is known about the programs being offered by these governments or their capacity to sustain or expand current efforts. Human service provision is largely a matter of choice for each township or municipality, and there is substantial variation across the region. Townships in Illinois have statutory responsibility for one category of social services, General Assistance, and they often provide other optional social services. Some municipalities provide human service programs for residents, although they have no mandates to do so.

The urgency of understanding the township and municipal roles in human service delivery has increased since we began the study at the end of 2007. Economists predict that the current recession will reach greater depths and be more protracted than any other economic decline since the 1930s. The human impact of the economic crisis is already visible in the Chicago region. According to the Greater Chicago Food Depository, demand at food banks climbed 33 percent in 2008 (Zezima 2008). With the wave of mortgage foreclosures that ushered in the current crisis, homeless shelters in the metropolitan area report increases of between 5 and 39 percent between October 2008 and January 2009 (Black, Bowean and Schmadeke 2009). These figures suggest rapid increases in hardship that have not yet been fully measured.

The issues we address in this report, however, are not solely due to the recession; they are related to longer-term shifts in the distribution of poverty occurring in the metropolitan area. These changes require an examination of both resources and needs, to illuminate current gaps and to further strengthen human service delivery where it is most critical.

Although poverty in the region is still most concentrated in Chicago, trends show that it is migrating to some suburbs and that the need for social service programs is likely to increase in these areas in the future. The number of working poor in the City of Chicago rose by 42 percent between 1990 and 2000 compared to an 84 percent increase in the suburbs (Chicago Urban League, et al, 2004). Research by the Brookings Institution shows that this trend has continued since 2000, and that low-wage workers have become increasingly concentrated in certain suburban zip codes of the Chicago area (Kneebone and Berube 2008). Welfare reforms since the mid-1990s have encouraged former recipients to make the transition to the job market, but their prevalence in low-wage jobs has helped to swell the ranks of the working poor, who often lack benefits such as health care or job security. At the same time, the numbers of those living below the official poverty level are also rising in the suburbs. Data from the US



Census Bureau show that the number of individuals with incomes below the poverty level increased by 16 percent in all suburban townships between 1990 and 2000 but actually decreased by 6 percent in the city during the same time period.

**Both the current recession and longer-term shifts in poverty toward the suburbs require a closer examination of human service needs and resources.**

Nationally, poverty has been growing in the suburbs of many metropolitan areas (Berube and Kneebone 2006). This trend may be intensified in the Chicago area, however, because of gentrification in some neighborhoods as well as the demolition of high-rise public housing in the city. The Chicago metropolitan area is a major gateway for immigration, and new arrivals increasingly move to suburban communities rather than the city. Nearly one in five residents of the metropolitan area was foreign-born in 2005, representing a 76 percent increase since 1990 (United Way and The Chicago Community Trust 2007). Human service needs will also increase with the aging of the population, creating even greater pressures on suburban social service providers.

The picture painted by the economic and demographic trends in the Chicago metropolitan region strongly suggest that local suburban governments will be (or should be) playing a greater role in the future. These may include social service programs that serve a broader base than low-income residents. Services for the elderly may be open to all senior citizens in a jurisdiction, yet have special significance for low-income seniors who do not have alternative recreational opportunities or support for independent living. Similarly, transportation services for individuals with disabilities, youth counseling, or after-school programs may not have strict eligibility requirements but provide essential resources for low-income residents. We therefore define human services as those directed at special needs populations, such as aged, young, disabled, or low-income individuals.

What are the prospects for meeting regional needs, and what policy changes might improve access to quality human services for all residents? A recent study of nonprofit human service delivery concluded that there is little infrastructure for the poor in the suburbs within that sector, and that nonprofit resources are not flowing into suburban areas at the same rate that needs are increasing (United Way and The Chicago Community Trust, 2007). Yet, governments as well as nonprofits deliver human services to the poor in the region, creating a complicated web of relationships among nonprofit agencies and the federal, state, and local levels of government. Governments may issue grants or contracts to both nonprofit agencies and other governments to provide human services directly. Many Chicago area nonprofit agencies receive more than half of their funding from federal, state, or local government, and one in eight receive more than three-quarters of their revenue from government sources (United Way and The Chicago Community Trust 2007). Governments may also deliver services on their own, or cooperate across levels or jurisdictions. Adding to the complexity of this web, the Chicago region has more local governments than many states. With 114 townships and 264 municipalities spread across the region, there is bound to be substantial variation in local goals and resources. In a decentralized social service system, there are some advantages for responsiveness to

local need, but also some costs in terms of uneven access to services and fiscal strains for high-poverty areas.

This report examines the activities, capacity, and perceptions of need among the townships and municipalities in the Chicago suburbs. Because of their responsibility for the health and safety of their communities, local governments are in a critical position to understand the needs in their jurisdictions, and to coordinate and plan for human services, whether they are delivered by government employees or by other agencies.

Compared to the City of Chicago and the counties, little is known about the kinds and levels of human services being delivered by other local governments in the region or sources of funding for such programs. We also know little about the fiscal or organizational capacity, or the political willingness, of townships and municipalities to assume responsibility for human services, either individually, or in collaboration with nonprofits or other local governments. This study will focus on providing the baseline knowledge necessary to devise appropriate strategies for improving the human service system across this complex web.

## **1.2 Focus of the Study and Methodology**

This study aims to do the following:

- Provide a picture of current and potential social service delivery by municipalities and townships in the region;
- Document their role within the intergovernmental and cross-sectoral social service delivery system of the region;
- Determine whether they can provide more social services- fiscally, politically, and administratively;
- Explore how and whether collaboration, planning, and coordination can help them provide social services more efficiently and effectively.

We begin by examining the distribution of poverty and income in the region, and the responsibilities of township and municipal governments to provide context for the information obtained from the survey and financial data that form the basis of the study. Next, we discuss the range of social services provided by these governments and their capacity to meet the needs in their communities.. The survey allows us to document township and municipal perceptions of need, attitudes toward collaboration, contracting, and planning and coordination with other social service providers. We conclude with recommendations for the future.

We employ several sources of information in this research. Two original surveys were conducted between March and September 2008. The sample for one included all 114 townships in the 6-county area (Cook, DuPage, Lake, McHenry, Will and Kane). The other survey targeted cities and villages in Cook and DuPage Counties as well as municipalities in high-poverty areas within the other four counties. These other areas include the satellite cities of Waukegan, Joliet, Aurora, and Elgin and municipalities in the Round Lake area of McHenry County. Our analysis of data from the 2000 Census shows that these

are the highest-poverty areas in the region (excluding the City of Chicago). Despite recent trends in poverty and immigrant migration, these are still the most relevant areas for the purposes of our study.<sup>1</sup>

The response rate for townships was over 60 percent, with 68 of the 114 townships completing the survey. Townships responding to the survey are similar to nonrespondents in terms of demographic and socio-economic characteristics such as population, income per capita, and percent poverty population. However, respondent townships spend a larger percentage of their budget on health and welfare and have higher health and welfare services expenditures per capita, but they have lower total expenditures per capita than nonrespondents. **Thus, the responding townships appear to place a higher priority on social services spending than townships who did not respond, and our survey results must be viewed from this perspective.** (Appendix A shows a map of the townships that responded to our survey.)

Municipalities had a lower response rate of 27 percent, with only 44 municipalities responding out of 165 that were sent the survey. Municipal respondents are significantly larger both in terms of population and land area, are less dependent on property taxes, and more dependent on sales taxes, but there are no other statistically significant differences in comparison with nonresponding municipalities. **Overall, the smaller sample of municipalities is fairly representative of the region.** Appendix B on Methods provides greater detail on survey respondents, other sources of data, and the methods used in the study.

Other sources for this study include phone interviews, site visits, and an examination of web sites. Financial, demographic, and socio-economic data are analyzed here for all 114 townships and 264 municipalities in the Chicago metropolitan region. Data cover different years from 1999 to 2006 depending on the source: the U.S. Bureau of the Census,<sup>2</sup> Illinois Department of Revenue (IDOR), Illinois Office of the Comptroller, and the Illinois Department of Transportation.

## **PART 2: BACKGROUND INFORMATION ON NEED AND RESPONSIBILITY FOR SOCIAL SERVICES**

### **2.1 Distribution of Poverty in the Chicago Region**

The most complete data available on poverty or income throughout the region is from the U.S. Bureau of the Census, which allows us to track changes for both municipalities and townships. We examine the income shifts in the area since 1979, followed by changes in poverty and the distribution of poverty by township. The township-level view is particularly useful since townships are responsible for General Assistance and other social services associated with poverty. The census data shows increased

---

<sup>1</sup> While the 2000 Census is the most complete source of information on the population in the metropolitan area, the 2006 American Community Survey (ACS) conducted by the U. Bureau of the Census has data for places with a population of more than 65,000. The 2006 ACS shows continued increases in poverty and immigration for these satellite cities. The Brookings Institution (2008) study on the Earned Income Tax Credit indicates further growth of the working poor in the inner suburbs of Chicago, within Cook and DuPage Counties.

<sup>2</sup> US Census Bureau data are taken from the 1980, 1990 and 2000 decennial censuses and the 2002 Census of Governments.

need in some outlying areas that once had little poverty, but that poverty remains most concentrated in some inner suburbs, northern Lake County, and satellite cities.

**FIGURE 2.1. % CHANGE IN INCOME BY MUNICIPALITIES**

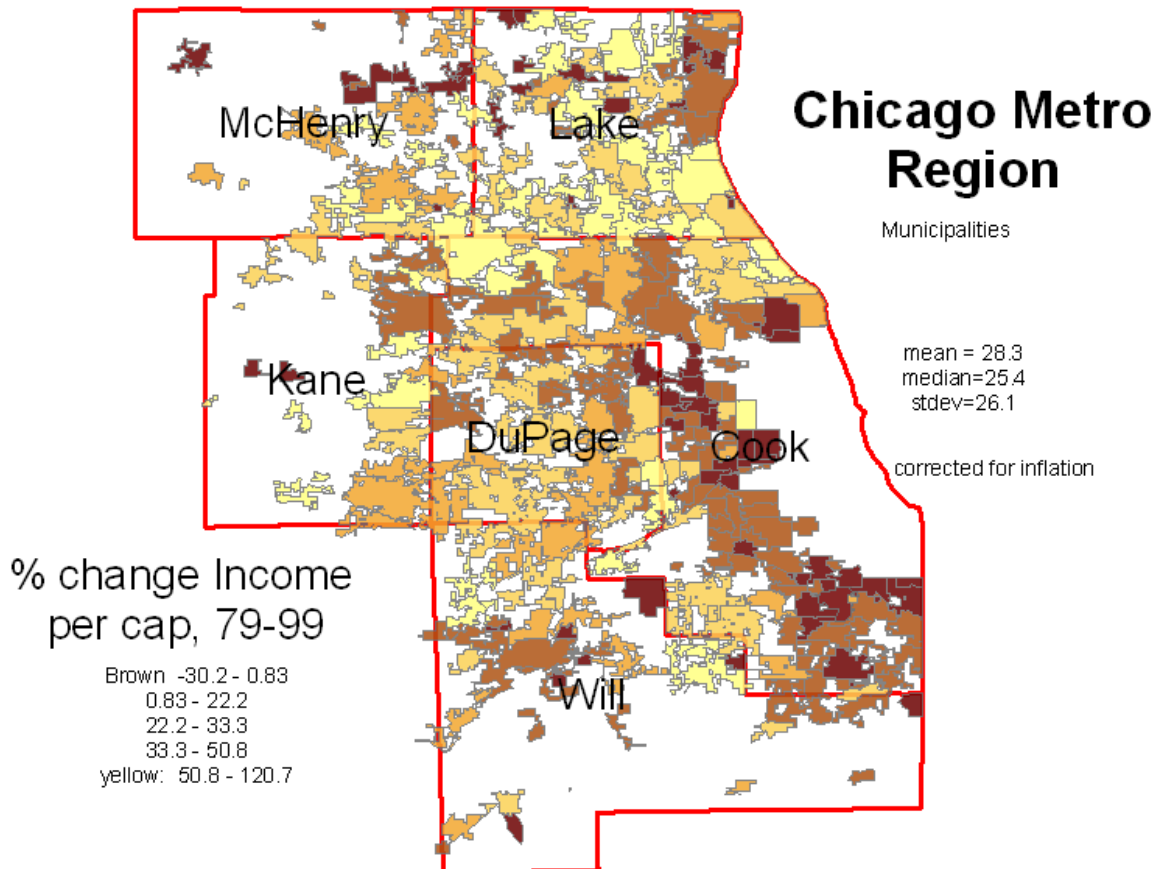
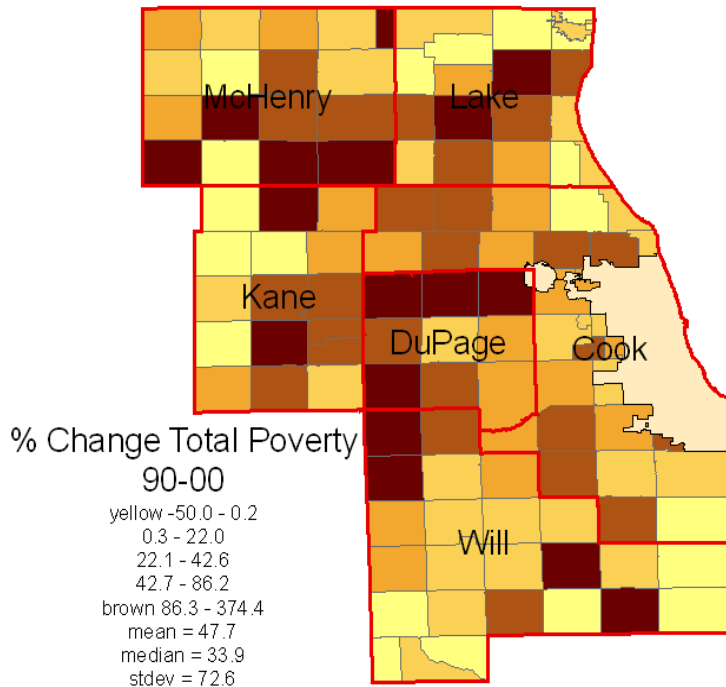


Figure 2.1 shows changes between 1979 and 1990 in per capita income, reported as quintiles, for all municipalities in the six-county region. Municipalities shaded in darker brown indicate lower increases or even decreases in per capita income. Areas with the greatest drop in income are generally in south and west suburban Cook County, with some decreases in northern Lake County, the Round Lake area of McHenry County, and the edges of the metropolitan area. The above map captures changes throughout a period of economic restructuring in the Chicago area.

Figure 2.2 shows change in poverty rates for all townships between 1989 and 1999 (in quintiles) with darker townships representing higher increases in poverty. More than Figure 2.1 it suggests there is shifting need for General Assistance and other human services programs to the outer townships of the metropolitan area, particularly outside Cook County, where poverty grew faster. However, townships closest to the City of Chicago still have the highest poverty levels and demand for social services. The township map represents changes in the distribution of need for a unit of government that has greater responsibility for social service delivery in the region.

**FIGURE 2.2 % CHANGE IN POVERTY BY TOWNSHIP**



**FIGURE 2.3. POVERTY BY TOWNSHIP**

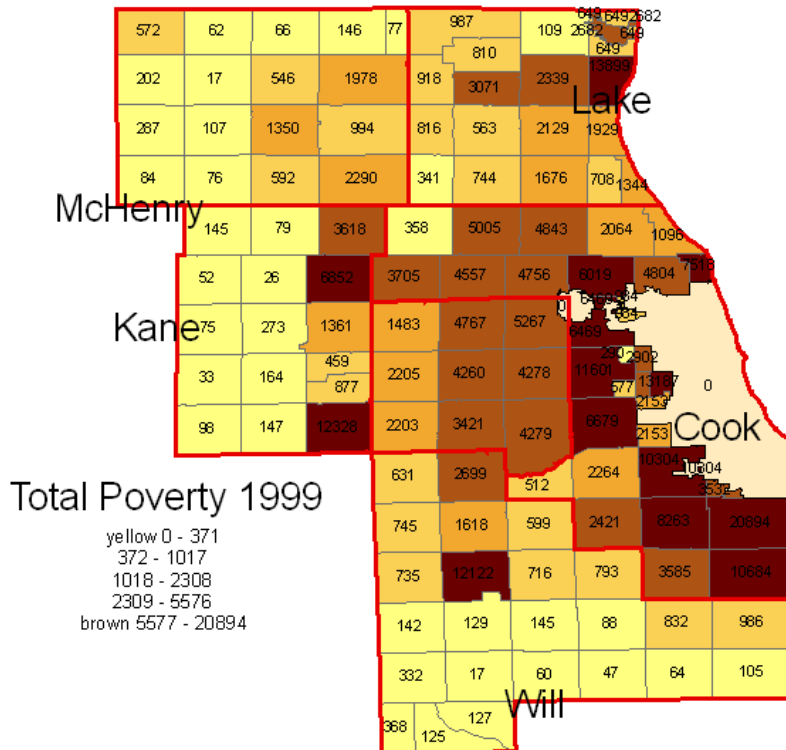


Figure 2.3 shows the number of persons in poverty for townships in 1999 divided by quintiles. Areas in dark brown have higher overall poverty rates, and tend to be townships in the inner ring of suburban Cook County, as well as those surrounding Aurora, Elgin, Joliet, and Waukegan. Most other townships with a relatively high number of poor residents (over 2300) are located in the more populous counties of Cook and DuPage, and in northern Lake County. Other indicators of poverty rates since 1999 do not change this picture much. While rural areas are experiencing growth in poverty rates, the highest need still remains close to Chicago, in satellite cities, and in some parts of Lake County.

**Poverty is growing in outlying areas, but remains greatest in townships surrounding Chicago and the satellite cities.**

## **2.2 Responsibility of Townships and Municipalities for Social Services**

State and county governments supply many of the social services in the region, but municipalities and especially townships provide some programs. Their varying fiscal capacity, statutory privileges, and spending preferences ensure substantial variation in the availability of services across the region. Municipal governments such as cities and villages are often most visible to suburban residents, but they have a limited role in social service delivery. An examination of welfare spending in all 264 municipalities in the region in 2002 and 75 municipal budgets show that municipalities deliver very few human services targeted to the poor and working poor. Indeed, only 22 of the 264 municipalities spend more than \$100 on welfare services. The municipal survey demonstrated that some cities and villages do provide higher levels of social services, particularly for senior citizens, so reported financial data may understate the involvement of certain municipalities. Yet, unlike townships, municipal governments have no statutory responsibility for social service delivery in Illinois. Comments in the municipal survey often pointed out that municipalities are not required to provide these services and that by law it is the responsibility of the townships.

Township governments overlay the terrain of municipalities, including both incorporated and unincorporated areas. It is not unusual for townships in the region to encompass parts of multiple municipalities, or for villages or cities to straddle townships. Dating back to the Northwest Ordinance that preceded the State of Illinois, townships are typically six by six mile squares, creating a patchwork quilt of local governance that is still visible today. There are six “coterminous” townships in the region, where townships and municipalities share boundaries (and names) as well as some employees and elected officials. The coterminous townships in the Chicago area are Evanston, Oak Park, Zion, Waukegan, Berwyn and River Forest. Another exception to the general pattern of separation between township and municipality is the town of Cicero, a township that has become incorporated, and that has municipal functions as well.

Township governments are required by the state to provide General Assistance to indigent adults, and this responsibility has evolved into a broader commitment to social service delivery in some townships, particularly in more populated areas. By law, townships are responsible for only three

functions - roads and bridges (in unincorporated areas), property assessment (townships outside of Cook County only), and General Assistance. They are, however, allowed to levy for and provide over 35 optional services, including libraries, cemeteries, and parks. In the area of human services, townships are allowed to levy separately for public assistance (General Assistance), senior services, senior housing, mental health programs, and youth services.

Compared to other local governments in the region, township spending is modest, accounting for only .4 percent of total local spending (townships, counties, municipalities, schools, and other special districts). In contrast, municipal governments account for 16 percent of total local spending in the region. Thus, townships services comprise a very small proportion of all local services delivered in the Chicago metropolitan area.

Despite their small budgets, townships are an important link in social services in some parts of the region, and townships have some advantages for coordinating human service delivery. Although General Assistance serves a small number of residents (accounting for only 10 percent of public assistance), township responsibility for this program creates natural linkages with other social service providers for referrals and coordination. Townships also cover a larger land area than suburban municipalities and therefore have a more economically diverse tax base than high-poverty cities and villages. At the same time, townships are smaller than counties and may be better able to coordinate services locally and respond to particular needs in their jurisdictions. Some examples in this study suggest the potential of this coordinating role.

Because of their greater responsibility in the region's social services system and their greater capacity to deliver services in the future, the majority of this study examines the role of townships. It documents the social services they deliver, assesses their capacity to deliver more services, reports their perception of needs, and describes collaboration with nonprofits and other governments. We present some of the same information for municipalities, but because of their more limited social service function and capacity we discuss them more briefly. Municipalities, however, are important partners in this overlapping system of local governance, and we also examine their views on collaboration for human service delivery. The report concludes with a discussion of regional needs and the potential for regional cooperation in human services.

## **PART 3: TOWNSHIPS AS SOCIAL SERVICE PROVIDERS**

### **3.1: General Assistance**

Townships' responsibility for human services is rooted in the state requirement that townships provide General Assistance, or public aid to adults without dependent children. While townships cannot refuse to serve eligible recipients, they may choose whether to offer Flat Grants based on the number of people in a household or Needs Allowances based on expenses for food, clothing, shelter and other necessities (up to a maximum level). The Township Officials of Illinois (TOI) recommends the administratively simple flat grants for small townships with few applicants, and the Needs Allowances

where subsidized housing is prevalent or in higher-cost townships in urban or campus communities. Our survey of townships in the six-county area showed that 67 percent give Flat Grants and 33 percent offer Needs Allowances. Townships must also fund medical care for all General Assistance recipients, and this can represent a greater expense than cash assistance. Applicants waiting to receive federal SSI-Disability payments are among those who qualify for General Assistance, and so townships often provide care for individuals with chronic or acute illnesses.<sup>3</sup> In order to reduce their exposure to catastrophic expenses, many townships now purchase insurance that covers incidents over \$25,000, although those with many recipients can still pay a substantial sum in medical expenses.

General assistance recipients must participate in job search or job training unless they are exempt because of a medical condition that prohibits them from working. Some townships administer a Community Work Program, in which recipients work the number of hours per month that it would take to reimburse their cash assistance at the minimum wage. Townships are not required to offer a Community Work Program if they lack a sufficient number of recipients or adequate demand from potential employers. Community Work Program participants must be employed by nonprofits or by governmental agencies (which may include governments other than the township). Just over half (52%) of Chicago area townships that responded to the survey have a Community Work Program.

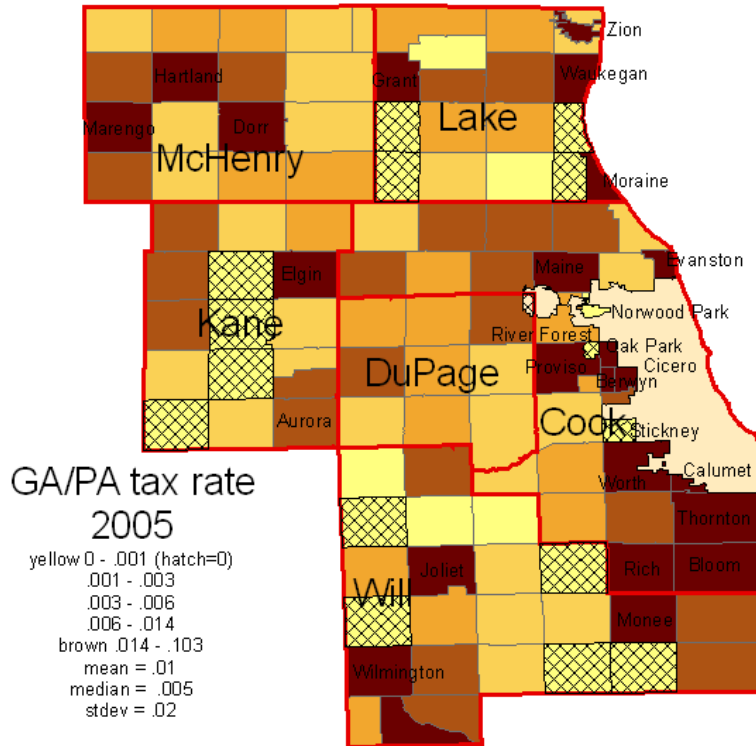
As of 2005, all but 14 of the 114 townships in the region levied for general assistance. Figure 3.1 shows the range of General Assistance tax rates in townships across the region (in quintiles). The townships with the highest GA tax rates are dark brown and labeled. The townships with GA tax rates of zero are cross-hatched. As expected, townships with higher GA tax rates are located just south and west of the City of Chicago, northern Lake County, and also in the satellite cities. However, three small townships that are near Chicago (Stickney, River Forest, Norwood Park), have either no GA levy or a very low levy. Also interesting are the high GA tax rates in rural townships in McHenry, Kane, and Will counties. In this case, tax rates are high but the overall levy is very small indicating the necessity of high taxation to fund low levels of general assistance in these exurban or collar areas. All townships in the State of Illinois, except those in Cook County, have a maximum limit on the GA tax rate of .10 which equals 10 cents per \$100 of Equalized Assessed Value (EAV).

---

<sup>3</sup> If recipients later qualify for SSI-Disability, townships can be reimbursed by the federal government. However, it often takes years for cases to be decided. In interviews and open-ended questions on the survey, township respondents frequently commented about the burden imposed by federal procedures.



**FIGURE 3.1. GA TAX RATE BY TOWNSHIP**



General Assistance accounts for approximately 10 percent of the public aid payments in Illinois, and so is a much smaller income support program than the federally-funded Temporary Aid to Needy Families (TANF). Yet, similar to GA tax rates, General Assistance needs vary greatly across townships according to the survey. Ten percent of survey respondents reported **no** GA cases in 2007 and 30 percent had 10 cases or fewer. There were more than 100 but less than 1,000 cases per year in 16 percent of the townships, and only about 5 percent had between 1,000 and 4,0000 recipients per year (counting monthly totals rather than non-duplicated individuals). Thus, only 21 percent of the surveyed townships handled more than 100 cases per year.

**Higher GA tax rates and caseloads may indicate broader needs as well**

Although GA serves a small percentage of the population, higher GA tax rates and case loads are indicators of poverty and need. The variety of optional social services that townships may offer demonstrates a broader impact on the human service delivery system.

**3.2 Other Social Services Townships Provide**

Many of the townships within the Chicago metropolitan area view social services as core to their missions as local governments, and offer services other than General Assistance. As municipal jurisdictions within suburban townships become more numerous and more land becomes incorporated, townships spend less on roads. As a result, social service provision has evolved into a major responsibility for many townships.

The most prevalent optional social program offered by townships is Emergency Assistance. Seventy-five percent of the townships responding to the survey have an Emergency Assistance Program to alleviate life-threatening emergencies and encourage self-sufficiency of participants. Common types of emergencies cited by townships are payments to avoid eviction or utility shutoffs. Self-sufficiency needs include clothing and transportation allowances for job search. Emergency Assistance is not available to individuals who are receiving General Assistance. Illinois statutes allow applicants to receive Emergency Assistance only once a year, although some townships require a longer waiting period, such as 18 months. Two townships in high-poverty areas spent in excess of \$100,000 in Emergency Assistance during 2007, according to the survey, and one expended nearly \$400,000.

### **75% of townships provide Emergency Assistance to residents**

Other services are funded or provided directly by townships. Table 3.1 on the following page illustrates a variety of existing programs and the proportion of survey respondents offering them.

According to Table 3.1, the most common services provided by townships are: transportation for seniors and the disabled (59% and 54%); and food assistance, usually food pantries (53%). Also common are home and energy assistance programs (44%), sponsorship of information and support groups for people with disabilities (46%), health care assistance (38%) and a variety of senior services. Youth programs are less common than services in the other three categories as a whole, but more than one-third (37%) deliver at least one of the seven services targeted at youth. The list of township activities above is not exhaustive. For example, some townships pay for day care, and many operate holiday food and gift programs through donations and volunteers. It would be difficult to represent all of the different services that are provided in one place or another in one survey, but our study documents common year-round activities for townships, including services for which they may choose to levy separate funds.

Based on these results, suburban Chicago townships appear to focus support in two important areas of growing need: assistance to the poor and working poor, and services for seniors. Townships offer a safety net that covers low-wage workers as well as those who are below the poverty line. National studies have shown that food pantries often help low-wage workers struggling to make ends meet. Programs like food pantries or emergency assistance can respond to special needs for households that might not qualify for long-term assistance (Berner, Ozer and Paynter 2008). Some townships also viewed the flexibility of food pantries as a means of outreach to connect residents to other services for which they may qualify (see Box 1 on Wayne Township). Area townships both fund and refer residents to suburban health consortia serving the uninsured, such as Access to Care in Cook County and Access DuPage. Several Northwest Cook townships have partnered with health care providers to offer dental care for the uninsured (See Box 2).

### **Senior and disabled programs are most common, but assistance to low-income residents is also important.**

**TABLE 3.1. SOCIAL SERVICE PROGRAMS OFFERED BY TOWNSHIPS WHO RESPONDED TO THE SURVEY**

<b>PROGRAMS AVAILABLE TO INDIVIDUALS WITH DISABILITIES</b>	<b>% with program</b>
Home modification (e.g. ramps, grab bars)	18%
Information sharing (e.g. referrals, support groups)	46%
Recreation and social programs for individuals with disabilities	31%
Clinics and/or health education	30%
Transportation for individuals with disabilities (e.g. doctor appointments, shopping)	54%
<b>TOTAL PERCENT OF TOWNSHIPS WITH DISABILITY SERVICES</b>	<b>56%</b>
<b>(13% of townships provide all of the above services)</b>	

<b>PROGRAMS AVAILABLE TO SENIORS</b>	<b>% with program</b>
Senior center	44%
Meal and food programs for seniors (e.g. Meals on Wheels, Farmer’s Market Coupons)	32%
Recreation, social or educational programs	43%
Transportation for seniors (including taxi vouchers, vans)	59%
Medical screening and education for seniors	34%
Safety programs (e.g. elder abuse prevention, fraud detection)	34%
Housing assistance (e.g. roommate location, nursing home ombudsman, but not provision of senior housing facilities)	15%
Home and finance assistance (e.g. utility assistance, home maintenance, assistance with taxes)	47%
<b>TOTAL PERCENT OF TOWNSHIPS WITH SENIOR PROGRAMS</b>	<b>67%</b>
<b>(18% of townships offer all but one of the above services, 4% provide all of the above)</b>	

<b>PROGRAMS AVAILABLE TO YOUTH</b>	<b>% with program</b>
Youth employment and training (e.g. employment skills workshop, babysitting training)	16%
Education (e.g. tutoring, GED classes, ESL, bicycle safety)	19%
Recreation and social programs	19%
Youth center	12%
Meal programs (e.g. healthy breakfast, summer lunch)	7%
Mental and physical health (e.g. counseling, support groups)	24%
Crisis intervention (e.g. peer jury, anger skills, runaway services)	19%
Foster home	9%
<b>TOTAL PERCENT OF TOWNSHIPS WITH YOUTH PROGRAMS</b>	<b>35%</b>
<b>(2.9% offer all of the above services)</b>	

<b>SOCIAL SERVICES AVAILABLE TO ALL QUALIFIED RESIDENTS</b>	<b>% with program</b>
Crime and drug abuse prevention (e.g. reentering offenders, Ceasefire, drug education)	27%
Employment and training, job search (other than the Community Work Program for GA recipients)	29%
Housing assistance and homeless shelters	32%
Food assistance (e.g. food pantries, meals)	53%
Health and medical care (e.g. vouchers, screening, health education – excluding health care for GA recipients)	38%
Home and energy assistance (e.g. Low-Income Heating and Energy Assistance program/LIHEAP)	44%
<b>TOTAL PERCENT OF TOWNSHIPS WITH SOCIAL SERVICES FOR ALL RESIDENTS</b>	<b>62%</b>
<b>(15% provide all of the above services)</b>	

## BOX 1. WAYNE TOWNSHIP: LINKING FOOD PANTRY CLIENTS WITH OTHER SERVICES



Fresh produce from local growers is available at the Wayne Township food pantry

Demand for food pantries is increasing nationally, and such pantries serve both employed and unemployed individuals (Berner, Ozer and Paynter 2008). Many area townships offer food pantries, and also view them as a way to screen and refer residents who may be eligible for other services. The Wayne Township food pantry is participating in an experimental program called Express Stamp, which promotes access to food stamps through initial applications made at food pantries. Many food pantry clients do not receive food stamps, and the program is an effort to increase participation in the food stamp program for those who are eligible. Applicants can receive a quick assessment of their eligibility and receive a temporary card by applying through the food pantry office, which is electronically linked to food stamp offices in Springfield. This provides an alternative to the regular application procedures, which include a waiting period of several weeks. Food pantry staff also help clients with problems or offer follow-up assistance, if needed. Intake for the program is done by a retired executive, John Hugunin, who volunteers for the township. Wayne Township staff also help food pantry participants to apply for other low-income assistance programs, if they are eligible, including Access DuPage (a medical assistance program that helps uninsured residents through a network of local physicians), and the Low-Income Heating and Energy Assistance Program (LIHEAP). According to Director of General Assistance Juanita Martinez, “We try to become advocates for residents with higher levels of government” through their knowledge of programs and contacts with other agencies.

The food pantry serves approximately 125 households per week, with 250 registered households. The number of weekly recipients increased 25 percent during the Fall of 2008. Clients can receive a full food package with frozen meats, canned goods, cereals and other staples once a month, and fresh

CONTINUED NEXT PAGE

**BOX 1. FOOD PANTRY continued**

vegetables and bread once a week. Grants and donations from area businesses and individuals (including food drives organized by senior center participants) supplement township funding and purchases from regional food banks. The township also has a clothing pantry and toy pantry, and solicits donations of soaps, shampoos, and cleaning items for pantry clients.

There are no income requirements for participation in the food pantry, only proof of township residency. The majority of clients are the working poor who would not be eligible for other township programs such as General Assistance or Emergency Assistance, according to Martinez, and the food pantry provides a way to help more of the township residents who are undergoing hardships.

**BOX 2. AWARD-WINNING PARTNERSHIP PROVIDES MOBILE DENTAL CLINIC IN THREE TOWNSHIPS**



Wheeling, Palatine and Elk Grove Townships offer dental care for low-income residents

Bright splashes of color and children's drawings decorate a mobile dental clinic that provides basic dental care and referrals for more complex procedures in Wheeling, Palatine, and Elk Grove townships. Wheeling Township was instrumental in launching the project, but the partnership with other townships made the clinic financially viable. Locating the clinic in a fixed site would have increased expenses, and the mobile unit makes care more accessible to all communities in the partnership. The mobile dental clinic partnership won a 2004 Governor's Hometown Award.

Services are available to individuals and families with incomes at or below 200% of the poverty

CONTINUED NEXT PAGE

## BOX 2. DENTAL CLINIC continued

line. The colorful environment is designed to put children at ease, but adults are served as well. The clinic is staffed by a full-time dentist who is assisted by students from the University of Illinois at Chicago dental school as well as volunteer dentists from the community.

The Northwest Community Hospital has been a critical partner with Wheeling Township since the initial development of the project. The township had relied on a network of volunteer dentists to take low-income patients, but saw great need for dental care among the uninsured. Funding from the hospital, a state grant secured by the local state senator, and money contributed by the three participating townships provided the necessary support to open the clinic in 2002. All patients are charged \$30 per appointment. They are required to keep appointments or will lose eligibility for services. Education is also an important aim of the clinic, which counsels patients on the impact of factors such as diabetes, smoking, and diet on dental health.

Collectively, townships offer an impressive list of human services, but there is substantial variation in township provision of these optional services according to the survey. One-quarter of respondent townships offer at least one service in each of all four of the major human service categories listed in Table 3.1 – for disabled, senior, youth or other (usually low-income) residents. Yet, 18 percent of responding townships provide none of the listed services.

### **There is wide variation in township social services; 18% provide only**

#### **General Assistance.**

What drives these differences in provision? This diversity may be a matter of choice in response to dissimilar needs. The decentralized township system affords the flexibility to provide services that reflect community priorities. But, it is also important to assess whether townships have the **capacity** to meet the needs in their communities. Are townships able to provide needed services? Will their ability to do so be threatened in the near future by increasing demands? Patterns of wealth, spending, and taxation help to explain differences in township provision.

## **PART 4: TOWNSHIP FISCAL CAPACITY, TAXATION, AND SPENDING**

### **4.1 An Overview of Township Finances**

Township governments have more limited functions than municipalities, and they levy fewer taxes than any other type of local government – counties, municipalities, or special districts. The average tax rate for area townships in 2005 was 16 cents for every \$100 of assessed equalized value (EAV), in comparison with municipalities, which levied \$1.185 for every \$100 EAV in Cook County. Library districts outside of Cook County had the second-lowest tax rate at .0024, which is 50 percent higher than the average township tax rate of .0016.

The property tax is the mainstay of township funding. While no township received all of its income from property taxes in 2005-06, the median amount of revenues collected from property taxes was 86 percent. Thus, property values are an important determinant of revenue levels. The other factor is the tax levy as determined by township elected officials. Tax levy (total property tax revenues) divided by property values equals the tax rate. However, as described later, townships' total tax levy and tax rate are significantly restricted by state statute and the types of services they provide.

**On average, 86% of township revenues come from property taxes.**

Intergovernmental revenues from federal and state government (mostly grants) are minor sources of funding, with the median amount accounting for less than 1 percent of total revenues in 2005-06 for the Chicago area (Comptroller 2005, 2006). Nearly half (48%) of the townships receive no intergovernmental funds at all. However, the survey indicates that townships most active in social services receive grants from other levels of governments, and from foundations and nonprofit agencies (see Box 3). Grants for senior services are most common, with 34 percent of respondents receiving grants for this purpose. Nineteen percent have grants for health and disability programs, 13 percent have grants for youth, and 28 percent have grants for low-income programs (such as food pantries or job training). Seven percent have grants from the state or nonprofits to support either General Assistance or the Community Work Program.

**BOX 3. WAUKEGAN TOWNSHIP: INTERGOVERNMENTAL ASSISTANCE FOR TRANSITIONAL PROGRAMS**



Staben House provides transitional shelter for homeless women and children for up to two years.

Waukegan Township has supplemented its own funding commitments for social services with intergovernmental grants, especially for homeless and ex-offender transitional assistance. The diminishing pool of intergovernmental assistance is a concern for township officials, even though they rely upon their own revenues and fundraising for the majority of their social service budget.

The township has a 22-bed facility for men who are homeless and a 16-bed shelter for women

CONTINUED NEXT PAGE

### BOX 3. TRANSITIONAL PROGRAMS continued

and children. In the past several years, Waukegan Township's homeless population has grown, with more diversity in the backgrounds of homeless individuals and in the reasons they have become homeless. In the Staben Center for men, residents receive employment assistance and participate in support groups. There is currently a man-to-man peer group, and the center has plans for a more formal mentorship program. In the Staben House for women and children, residents can stay up to two years. Case managers meet with participants who also receive assistance in job search, education, child care, and budget management. Children benefit from homework help, recreation, and tutoring. The Staben Center received a 1994 First Place Governor's Home Town Award and a 1996 Lake County Affordable Housing Award.

The Re-claim, Re-connect and Re-enter Program began in August 2005 through a coalition of social service providers, religious organizations, and businesses working with the township. The program is designed to help ex-offenders and reduce recidivism through employment and counseling. Participants receive health assessments, transportation assistance, and education (including vocational or GED programs and courses at community colleges). Between August 2005 and December 2007, the program served over 650 individuals, securing jobs for more than one-quarter of the participants.

To provide these programs, Waukegan Township has received funding through the U.S. Department of Housing and Urban Development, Lake County, and the State of Illinois. Some municipalities also contribute funding, including Waukegan, the City of Chicago, and Park City. Waukegan Township holds two or three golf outings per year to raise additional funds. But most financial support comes from the local tax base, and township officials said that they are competing for fewer dollars for human service grants available from other levels of government. At the same time, the movement of low-income residents from Chicago and other townships in Lake County has contributed to greater need for services.

Townships with larger populations are most likely to receive grants overall (although there are no clear patterns for health and disability programs or services for low-income populations). Townships with youth grants are most likely to have larger populations, higher density, and a greater proportion of African-Americans. Despite these special-purpose grants, townships are heavily dependent upon their own revenues, principally property taxes.

### **Townships with larger populations are more likely to receive grants.**

Based on median values, townships also receive about 5 percent of their total revenue from miscellaneous sources that include interest on investments, and 4 percent comes from replacement taxes. The replacement tax supplants the personal property tax that was levied on businesses but abolished by the State of Illinois in 1979. Businesses now pay a replacement tax on income to the state that is distributed to local governments in proportion to the amount of personal property tax they received from businesses within their jurisdictions in 1977.



On the spending side, 30 percent of total township spending is for roads, 45 percent is for general government expenses, and only 4 percent of total spending goes toward social services (Comptroller 2005, 2006). Looking at the region as a whole, it appears that social services play a small role in the Chicago metropolitan townships, but, as discussed previously, there are very different patterns of social services spending in rural townships compared to those in more populated areas.

The regression analysis in Table 4.1 below shows the extent to which total township spending in 2000 is explained by different factors. Total township spending (the dependent variable) is logged to correct for problems with the data and requires a different interpretation of the unstandardized coefficients. The standardized coefficients show that percent unincorporated acreage in the township has the greatest effect on total spending. More specifically, for every one percentage point increase in unincorporated area, total spending in the township increases by 1.5%.<sup>4</sup> Income per capita, percent EAV that is residential, and whether the township is in Cook County have relatively equal effects on spending, but in opposite directions. Townships with higher income spend more, but townships in Cook County and with more residential EAV spend less. The model also shows that poverty levels have no effect on township spending. Political and fiscal conservatism as measured by the percentage voting for Bush in 2004 and percent population that is managerial or professional were tested but did not affect spending per capita. Additionally, neither EAV per capita nor EAV per square mile had a significant effect on total spending with percent unincorporated acreage in the model. The R<sup>2</sup> statistic indicates that 55 percent of the variation in spending per capita is explained by the variables in the model.

**TABLE 4.1: REGRESSION ANALYSIS TO EXPLAIN TOWNSHIP SPENDING PER CAPITA\* IN 2000**

R <sup>2</sup> = .55	Unstandardized Coefficients	Standardized Coefficients	Significance of Coefficients**
Income per capita	.000015	.193	.03
Percent poverty	.016	.064	.46
Whether in Cook County	-.256	-.151	.07
Percent unincorporated acreage	.015	.676	.000
Percent residential EAV	-.008	-.170	.025
constant	3.2		

\*Spending per capita is logged

\*\*Significance of coefficient is expressed as a probability with lower values indicating higher likelihood of effect.

**Townships with more unincorporated area (rural townships) have higher total spending per capita, including spending for roads and assessment.**

<sup>4</sup> The percent unincorporated land area among the region's 114 townships ranges from 0 to 100 percent.

## **4.2 The Fiscal Capacity of Townships**

The fiscal capacity of a government is its ability to generate revenue from all sources. That ability depends on many factors, but especially on the wealth of its revenue bases and statutory constraints that limit its access to this wealth. Because property taxes are the primary revenue source for townships in Illinois, their fiscal capacity is determined largely by property values and the constraints the state places on their ability to increase property tax rates and levies. On the spending side, fiscal capacity is affected by the number of competing demands and needs for expenditures.

Rural townships have both lower property values and higher demand for the road and assessment functions of townships. This may limit their ability to meet changing needs, as poverty is growing in some rural townships. Townships further from the city also have more unincorporated area where there is greater demand for services usually provided by municipalities..

Figure 4.1 shows how property values are distributed in townships around the region based on EAV per square mile (in quintiles with darker colors indicating lower wealth).<sup>5</sup> The map shows that townships closer to the City of Chicago have greater property values than those further away from the city. Townships with lower property values have less capacity to spend for all services, and poorer ones require a higher tax burden to provide the same level of services. Comparing Figure 4.1 to Figure 4.2 shows that low-income residents are most concentrated in the inner-ring suburbs, but that there are some pockets of poverty in rural, low-property value communities as well. Figure 4.2 below shows income per capita in the townships in 1999 (in quintiles, darker colors are lower income), which mirrors the poverty rate, and represents another factor affecting revenues collected and spending pressures. Areas of potential fiscal stress are visible where there is overlap between low EAV per square mile and low income per capita in parts of northern McHenry and Lake Counties, southern Will County, the satellite cities, and the south and southwest suburbs ringing Chicago.

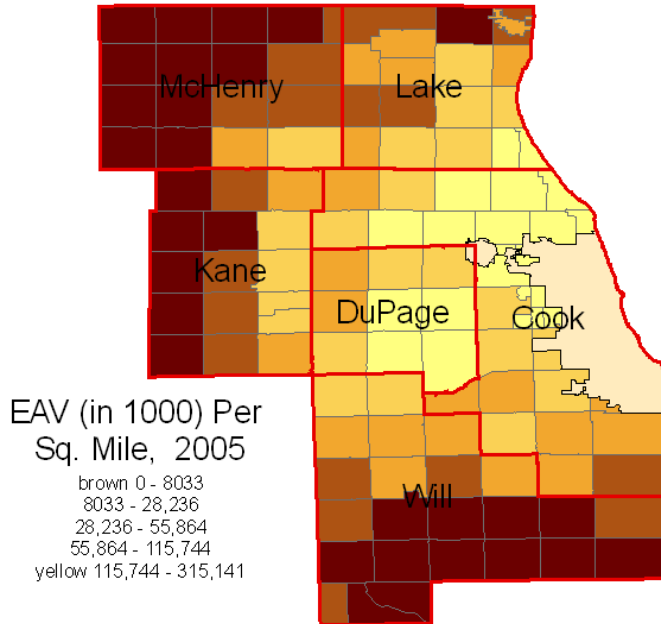
**Areas with both lower-income residents and lower property values have limited fiscal capacity; foreclosures and falling property values threaten township fiscal health as well.**

The economic crisis has increased need in all areas beyond what was visible in 1999. Another consideration in assessing the fiscal capacity of townships is the recent volatility in the real estate market and falling property values that may have future implications for tax revenues in townships, given their nearly exclusive reliance on the property tax. Delinquent property tax payments may hit low-income areas disproportionately. Lower property values assessments may also be a problem for townships in coming years.

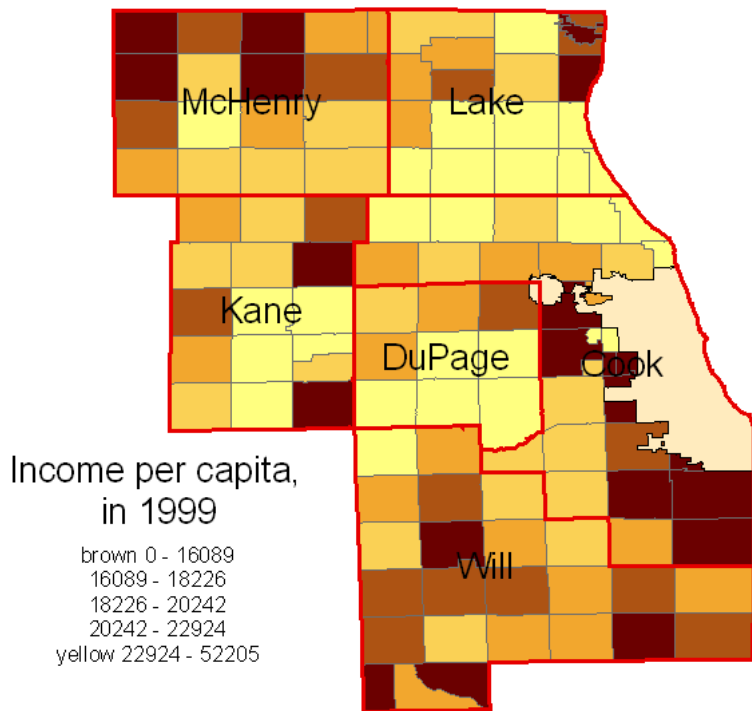
---

<sup>5</sup> Regressions without percent unincorporated acreage and correlations show that total revenues, spending, and tax rates in townships are much more closely associated with EAV per square mile than EAV per capita. EAV per square mile is not significant in the spending model when percent unincorporated acreage is also present, which may reflect townships' limited ability to raise property taxes levies or spend money for purposes that are not included in Illinois local tax codes for non-home rule governments.

**FIGURE 4.1. EAV PER SQ. MILE BY TOWNSHIP**



**FIGURE 4.2. INCOME PER CAPITA BY TOWNSHIP**



Townships are also constrained from responding to future needs in social services and other areas by state tax limitations. Total property tax levy in townships depends upon the number of different services they provide and the statutory tax rate that is assigned by the State of Illinois to that service. For instance, if townships have a cemetery and their population exceeds 100,000, they may levy up to .2 percent of their EAV as authorized by referendum (tax rate of .2 or 2 cents on every \$100 EAV). They may levy up to .10 percent for General Assistance, which may be increased by referendum, and there is no rate limit for property assessment. Examining the Illinois Property Tax Rate and Levy Manual published annually by the Illinois Department of Commerce and Economic Opportunity shows 34 different levy specifications for townships, with an additional 8 specifications for roads (under road district). Townships also have a corporate fund (or general fund) which they can use for any service, including social services, that has a complex rate limit structure based on their EAV level. Townships are not permitted to spend money from special levies for any purpose other than the levy designation; revenues raised for roads or parks cannot be used to increase social services.

The other factor limiting township ability to levy taxes is the Property Tax Extension Limitation Law (PTELL) that applies to all non-home rule local governments in the six counties of the Chicago region. This law states that property tax levies (or extensions) cannot increase by more than five percent or the rate of inflation, whichever is less, but townships may increase this percent via referendum. Recent legislation (Public Act 94-976) changed some of the details of these limitations as applied to particular townships, but the overall effect is to limit the increase in property taxes regardless of whether the township has reached its maximum statutory tax rate. In this case, PTELL will lower tax rates for all township services as their EAV increases.

Resources for human service spending may also come from township fund balances, which are accumulated revenue reserves. Overall, townships maintain large fund balances, but it is not clear how much of these fund balances are available for social services. Road funds included in fund balances, for example, cannot be spent for other purposes. In 2006, fund balance reserves amounted to 100 percent of total spending at the median, and 20 percent of townships had reserves in excess of 178 percent of total spending. By comparison, the fund balance reserves in municipalities are only 48 percent of total spending for the same year. Smaller governments, however, tend to carry larger fund balances because they have smaller budgets and less slack in other places to accommodate risk. Analysis shows that township governments have fewer reserves if they are more politically conservative, have a poorer population, and more employees. Other factors, such as tax rate, spending per capita, number of tax funds, and unincorporated area are not significant in predicting fund balance. At best, however, fund balances may serve as short-term solutions if needs rise or tax collections fall.

**Tax limits and spending constraints weaken the ability of townships to respond to social service needs.**

### **4.3 Social Services Tax Levies in Townships**

As is true of many small governments with significant revenue limitations, services in townships are likely to be more revenue than demand-driven. Given the compartmentalization of taxation by home rule governments, it is informative to examine how levies are distributed by purpose in townships. With respect to total property tax levy, road fund levies represent the largest portion. The median percent of road fund levies for all townships in the Chicago area is 51 percent, and 36 percent of the total levy goes toward the corporate fund.

Figure 3.1 (presented previously) shows how the general assistance tax rate is distributed by township across the Chicago region. Townships can also levy separately for youth, senior, and mental health services, but few are doing this according to data from the Illinois Department of Revenue. Five townships levied for senior programs in 2005, 14 levied for mental health, and only Thornton Township levied for youth services. Clearly, a higher number of townships offer services for these populations according to our survey. This suggests, as confirmed by our interviews, that most townships spend part of their corporate fund to provide senior, youth, or other social services.

Adding together tax levies for general assistance, youth, senior, and mental health services allows us to see how much of townships' property taxes are devoted to social services. The median township levy for social services is small – only 2.5-- yet 14 percent of townships had social service levies that approach or exceed 20 percent of their total tax levy in 2005 (IDOR). Table 4.2 presents social services tax levy as a percent of the total tax levy for the 16 townships with the highest percentage.

**TABLE 4.2. TOWNSHIP SOCIAL SERVICE LEVY AS A PERCENTAGE OF TOTAL LEVY (2005)**

	<b>TOWNSHIP</b>	<b>SOCIAL SERVICE LEVY AS % OF TOTAL</b>
1	Thornton	75.77
2	Evanston	72.73
3	Proviso	72.41
4	Berwyn	71.29
5	Waukegan	55.91
6	Riverside	48.55
7	Oak Park	47.79
8	Lyons	38.16
9	Moraine	37.78
10	Hanover	30.29
11	Zion	27.86
12	Aurora	27.04
13	Calumet	26.34
14	Batavia	26.08
15	Bloom	22.47
16	Joliet	19.96

Sixteen townships in the metropolitan area (14 percent of townships) devote around 20 percent or more of their levy to social services. In the case of Thornton Township, social services account for over

three-quarters of the township levy. Thornton includes a mixture of high-poverty and middle-class communities, and its diverse tax base helps to support the township's substantial human service investment (See Box 4). Only 2 townships (Zion and Calumet) levy the maximum tax rate of .1 percent (rate of .001) for General Assistance, and the median GA tax rate for all townships is only .005 percent. The median total social services tax rate is also .005 percent, and Thornton has the highest total social services tax rate at .35 percent , followed by Waukegan at .17 and Proviso at .15 percent.

To put these tax rates into perspective, Waukegan receives \$1.70 for social services for every \$1000 of assessed property value within the jurisdiction. Considering that property in Illinois is assessed at only 33 percent of total property value, a residential property worth \$200,000 in Waukegan would pay roughly \$112 to the township for General Assistance and other social services. The same house in another township in Lake County with total social services tax rate closer to the median of .005 percent would pay only \$3.30 in taxes to the township for social services.

#### **BOX 4. THORNTON TOWNSHIP: A DIVERSITY OF SERVICES AND RISING NEED**



Honor students have summer jobs mowing lawns for seniors in Thornton Township's ZAP Program.

Thornton Township in the south suburbs spends more of its budget on social services than any other township in the Chicago metropolitan area, and it is the only area township with a levy for youth services. The township spans all or part of 17 municipalities and has the largest population of any township in the state. Thornton Township has increased social service programs over the last decade to serve more seniors and youth and to serve the influx of residents moving from the City of Chicago.

At the same time that levies for the local school district have been defeated, the township has earned the support of residents who passed referenda for senior services and for youth services in 2003. Seniors campaigned for youth programs as well as the senior services levy. There are three senior  
CONTINUED NEXT PAGE

BOX 4. THORNTON TOWNSHIP continued

centers in the township and a newly-constructed family and youth center. The senior centers offer a variety of health services, tax services, utility assistance, Medicaid counseling, mature driver programs, referrals (for legal aid, jobs, housing, living wills), and recreation and social programs. Fourteen sites serve senior lunches each week. A Senior Committee on Aging meets monthly as a township advisory committee, and also coordinates volunteers and special events.

The youth and family center has professional counseling services available for children and families, and has programs on conflict resolution and peer pressure. The summer program serves 150-250 schoolage children per year, providing meals, recreation, and educational activities. Forty outstanding participants are selected each year for a camping trip. An after-school tutoring program was instituted after the local school district was forced to shorten the school day, and honor students from the high school are hired as tutors and mentors for the elementary students. One service that addresses the needs of both older and younger residents is the ZAP Program, which hires honor students to cut lawns for senior residents. The township sees the initiative as a way to maintain the appearance of neighborhoods, offer job experience to teens, reward good work in school, and promote positive relations between teens and seniors, including interracial relations in the community.

Other services include programs for the developmentally-disabled and a human relations commission. The township sponsors community events, and views outreach as an important task because of the number of former Chicago residents who are not familiar with township government. During the summer, the township holds barbecues in parks across the jurisdiction to publicize programs and to encourage neighbors to meet each other.

There are areas of unmet need, including services for residents with physical disabilities. The demand for home modification is higher than the supply of funding, and only seniors are currently eligible for the transportation program. Township officials mentioned health care as a need. While they have worked with the County to keep health clinics in the township open, there is a growing population of low-wage workers who lack health benefits. The annual Christmas drive for needy families has suffered in recent years, with increasing numbers of eligible children and reduced donations from outside the township.

Thornton has a large and expanding General Assistance case load, with about 4,000 monthly payments in 2007 or about 330 residents at a given time. The township has been forced to eliminate Emergency Assistance in order to pay for GA and the associated medical expenses. To fill the gap, township case workers have been certified by the Salvation Army to award emergency funding of \$50-\$100. About 60 percent of GA recipients participate in the Community Work Program, working 20 to 25 hours per week. Participants work for a variety of public employers, but some have been trained to

CONTINUED ON NEXT PAGE

BOX 4. THORNTON TWP. Continued

assist at the township's food pantry. The food pantry was started by the township in Harvey seven years ago in order to meet the needs of GA recipients and other low-income residents. What began as a small storefront operation has grown to fill an 8,000 square foot warehouse that serves approximately 1,000 residents per month, including home deliveries to seniors. With the decrease in funds for emergency assistance, demand at the food pantry has climbed.

Our analyses using correlations and multivariate regression also show that total social services tax rates are higher in townships with greater poverty rates but less EAV per square mile. These trends are somewhat opposing with the former townships being more dense, having a higher proportion of minorities, and closer to the City of Chicago. Townships in the latter group are further from the City of Chicago, but are where the demand for human services is likely to grow. Higher tax rates for social services (and higher tax rates for townships more generally) disproportionately affect townships with less fiscal capacity. As income per capita decreases, and as equalized assessed value per square mile decreases, township tax rates increase.

**Higher social service tax rates are in high-poverty townships near Chicago or rural townships with low property values.**

It is hard to conclude that townships have relatively high levies for social services when compared to other services in townships or even municipalities. This suggests that many townships currently have modest social service delivery. Tax limitations are likely to prevent them, however, from raising revenues to respond to increasing needs in the future.

**4.4 Fiscal Stress and Political Capacity**

According to our survey, some townships are currently struggling with social service needs. Because General Assistance is mandated by the state, it is useful to look at fiscal strains surrounding General Assistance as an indicator of the fiscal and political capacity to meet other social service needs. During the last three years, Emergency Assistance has been eliminated or reduced in order to provide enough funding for General Assistance in 13 percent of responding townships, and 3 percent reduced the amount provided to General Assistance recipients. Nine percent have used corporate funds to subsidize General Assistance.

**13% of townships have eliminated or reduced Emergency Assistance, and 3% have reduced General Assistance**

Only 3 percent of townships have attempted to increase the General Assistance tax levy via referendum. Another 3 percent said that a future referendum to increase township levies was likely. Of the 40 townships that responded to this question, 47 percent said they have adequate resources. Twenty six percent said they were at their maximum tax rate, and 58 percent said that tax increases would not be passed by voters (multiple reasons were allowed).



The perception that voters will not pass tax increase referenda is borne out by an analysis of referenda results as reported in the *Chicago Tribune* for every election held in Illinois since 1990. The Tribune reported a total of 62 referenda presented by townships in the six-county region that sought permission to increase taxes for different purposes. Of these 62 referenda, 44 (71 percent) were defeated. Interestingly, of the 12 referenda asking to initiate or expand senior services, or issue bonds for senior housing, 60 percent were approved. Although not conclusive, it appears that voters are more likely to be willing to pay for senior services, which increases townships' capacity to provide such services.

**Political capacity is the willingness of voters and officials to fund and deliver social services; voters have defeated 71% of township tax referenda reported in the *Chicago Tribune* since 1990.**

Political capacity is important for understanding future prospects for social service delivery. Township political capacity is the willingness of township voters and elected officials to deliver and fund additional services, especially social services. Due to their non-home rule status, townships must pass referenda to initiate funding of many services, increase the tax rate of many existing services, and increase the tax levy by more than the PTELL limit.<sup>6</sup> Historically, the political capacity of townships to increase funding through taxes has been poor.

The options for state aid are limited, and apply only to General Assistance rather than other social services. The Illinois Public Aid Code (305ILCS5) provides for townships to become "receiving units" of the state if they levy and spend more than .10 for General Assistance. Eligible townships must apply to become a receiving unit, and must administer GA according to state rules, which specify many operational provisions for general assistance such as the number of employees, salaries, and grant amounts (Keane and Koch 1990; 305ILCS5). Receiving units also cannot supply any optional services from General Assistance funds, including Emergency Assistance. None of the townships in the Chicago metro area are currently receiving units, although there are a few downstate. Only two Chicago area townships (Zion and Calumet) currently have public assistance levies that would qualify them as receiving units, and two others (Thornton and Waukegan) levy close to this amount. Yet, the survey showed that most townships are reluctant to become receiving units because of loss of control over services and constraints imposed by the state. When asked whether their township would ever consider becoming a receiving unit to obtain more aid from the state for General Assistance, only 16 percent answered yes. In practice, however, regional townships have either reduced services or raised levies rather than apply to become receiving units. Twenty-seven percent of townships said they would not consider receivership because they had adequate resources, but 23 percent cited loss of control over the program as a reason that they would not consider receivership. Respondents who would not consider becoming a receiving unit were allowed to select multiple responses, and 18 percent also cited either report requirements or constraints.

---

<sup>6</sup> General assistance levy may be increased beyond the rate limit of .10 by referendum, but initiation of all other social services must be authorized by separate referenda. However, property assessment requires no referenda to initiate or increase tax rates, and there is no maximum rate limit.

**There are currently few options for state assistance to townships for social services.**

**4.5 Social Services Spending in Townships**

With fewer responsibilities for roads and other services in unincorporated areas, urbanized townships specialize in human service delivery, especially townships in Cook County that do not have responsibility for property assessments. Nearly 9 percent of townships spent nothing on social services (health, welfare, and other social services) in 2005, while sixteen percent of townships devoted more than 30 percent of their total spending to social services in 2005. As Table 4.3 shows, social service spending is highest in townships that are coterminous with municipalities. Oak Park, Evanston, River Forest, and Zion are all coterminous, with Zion spending over 50 percent of its total budget on social services. But, in general townships with a higher percentage of human service spending tend to be more densely populated and located closer to the City of Chicago.

**9% of area townships spent nothing on social services in 2005, while 16% spent more than 30% of their budgets on social services.**

**TABLE 4.3 TOWNSHIP SOCIAL SERVICE SPENDING AS A PERCENTAGE OF TOTAL 2005 SPENDING**

TOWNSHIP	SOCIAL SERVICE SPENDING AS % OF TOTAL SPENDING
Oak Park	85.28
Evanston	80.26
River Forest	67.04
New Trier	65.46
Aurora	56.81
Thornton	55.90
Elk Grove	51.86
Zion	51.36
Hanover	47.60
Bloom	44.94
Riverside	44.78
Schaumburg	42.84
Shields	40.80
Wheeling	40.67
Orland	38.80
Waukegan	32.56
Niles	32.44
Maine	31.52

Although percent spending for particular services shows the relative priority of human service delivery in comparison with other activities, spending per capita is a better indicator of the extent of

services that are delivered in townships throughout the region. The factors associated with higher per capita spending for social services as determined from the regression analysis are presented in Table 4.4 below. Unlike the model for total expenditures per capita in Table 4.2, poverty rate has the greatest effect on social services spending followed by whether the township is located in Cook County (and therefore has no assessment responsibility) and income per capita. In this case, social service spending is higher in townships with greater poverty but also higher levels of income. This reflects a mixture of both resources in wealthier townships and need in poor townships driving social service spending. Correlations also show that townships that spend more on social services per capita have greater total equalized assessed value per square mile, contrary to total spending per capita, and greater population density.

**TABLE 4.4: REGRESSION ANALYSIS TO EXPLAIN TOWNSHIP SOCIAL SERVICES SPENDING PER CAPITA\* IN 2000**

<b>R<sup>2</sup> = .47</b>	<b>Unstandardized Coefficients</b>	<b>Standardized Coefficients</b>	<b>Significance of Coefficients**</b>
<b>Income per capita</b>	<b>.000048</b>	<b>.274</b>	<b>.006</b>
<b>Percent poverty</b>	<b>.214</b>	<b>.373</b>	<b>.000</b>
<b>Whether in Cook County</b>	<b>1.06</b>	<b>.290</b>	<b>.003</b>
<b>Percent unincorporated acreage</b>	<b>-.009</b>	<b>-.176</b>	<b>.084</b>
<b>Percent residential EAV</b>	<b>-.025</b>	<b>-.225</b>	<b>.010</b>
<b>constant</b>	<b>.104</b>		

\*Social services spending per capita is logged

\*\*Significance of coefficient is expressed as a probability with lower values indicating higher likelihood of effect.

It is useful to examine the townships that are outliers – that spend either much less or much more than would be predicted by the above analysis. Several townships stand out.

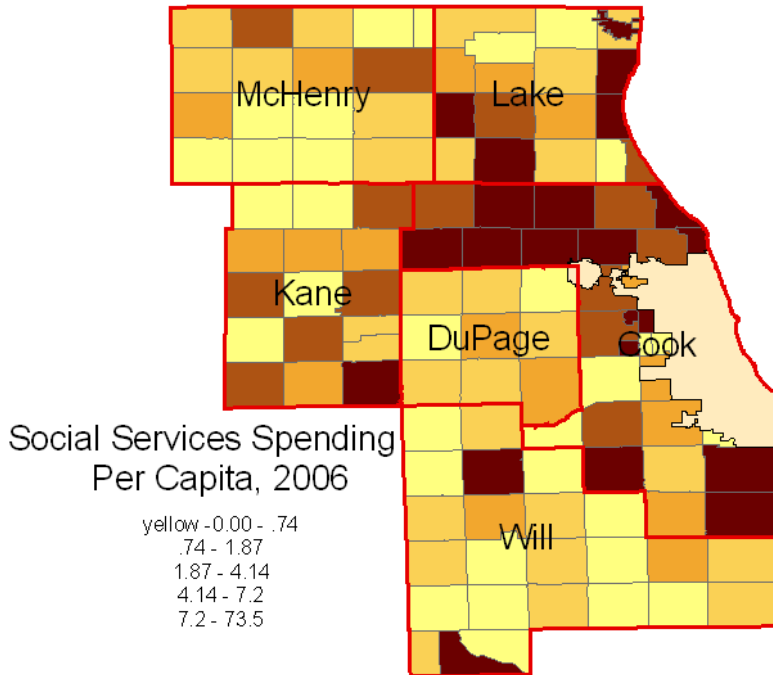
- Calumet and West Deerfield spend much less on social services than would be predicted by the above factors (income per capita, poverty, etc.). Calumet has a high tax rate for General Assistance, but low social service spending more generally.
- Waukegan, Thornton, Riverside and River Forest spend considerably more than their characteristics suggest. These townships apparently have a high commitment to social service delivery.

**Spending on social services is higher in townships with more poverty (need-driven) and also in townships with more income (resource-driven).**

Figure 4.3 shows the location of townships with higher and lower per capita spending for social services. The map and our data analysis show that some high-poverty areas in the southern and western suburbs

have relatively little spending on social services - indicating that services are not always well-matched with need.

**FIGURE 4.3. SOCIAL SERVICES SPENDING PER CAPITA BY TOWNSHIP**



#### **4.6 Summary of Townships Finances**

Analysis of financial data for all area townships reveals that those with higher spending and taxation for social services are different from townships with high overall spending and taxation. Both total township spending and total tax rates are largely determined by the amount of unincorporated area covered by the township. Having more unincorporated area raises the total amount spent per capita for roads, but townships with a high percentage of unincorporated area apparently provide other services as well. Social service spending and tax rates, however, follow two different patterns. First, townships with greater income per capita tend to spend more per capita on social services, yet are able to maintain lower total tax rates and levies per capita. This set of more affluent, high-service townships are also more urban, as they are more likely to have less unincorporated area and higher population density. Additionally, townships with greater poverty also have higher taxing and spending for social services, but often have lower EAV per capita to support spending. Townships with high tax rates for social services tend to have more poverty or less property wealth (EAV per square mile). There is cause for concern because such townships may have less fiscal capacity to respond to social service demands, and little flexibility to handle future demands due to statutory tax limitations for townships. The political capacity to raise taxes and to fund increases in social services appears weak, given the history of defeated referenda. Options for state assistance are limited, and apply only to General Assistance rather than the many other human services that townships provide.

## **PART 5: TOWNSHIP ADMINISTRATIVE CAPACITY**

### **5.1 Administrative Capacity in Townships**

Given that many townships have taken on the role of delivering social services, including some that require specialized skills, it is reasonable to ask whether they have the administrative capacity to carry out these programs or to meet increased needs for such services. Townships are relatively small governments not only in expenditures relative to other local governments, but also in employment. The number of full-time and part-time employees in all regional townships can range between 124 and 4. There are limits to our ability to measure administrative capacity without a more intensive examination of government practices, but our survey indicates that townships use contracts and partnerships extensively to manage social service delivery.

Because townships are required to provide General Assistance, one measure of their administrative capacity is whether or not they have a case management system. A large majority of townships – 70 percent – do have such a system. The remaining 30 percent are mostly townships that have little demand for GA. Three townships with no case management system had 54, 50 and 30 cases respectively, raising potential concerns that these townships can provide this service adequately.<sup>7</sup> The rest of the townships without case management systems reported 5 cases or less, and most reported no cases. Some low-demand townships mentioned in open-ended comments in the survey that they do not have much experience with General Assistance and are worried about knowing how to handle cases in the future. One recommendation from a respondent was that townships might coordinate a system for helping each other within the same county, so that low-demand townships could draw on the experience of others.

Another measure of administrative capacity is the number of employees in an organization, or the number employed in a particular area of expertise. According to our survey there are usually, at most, only a few full-time township employees devoted specifically to human service delivery. Thirty percent of townships have no full-time social service employees. Only a handful – less than 8 percent – employed more than four full-time social service employees. Townships with few GA cases are most likely to have no full-time social service employees. It is not clear, however, that a limited number of full-time employees necessarily indicates a lack of capacity for GA casework or other human services. Interviews with townships made it clear that some part-time employees were caseworkers with long experience. The existence of several coterminous townships also means that some administrative positions are shared across the municipality and township. Additionally, we found that many townships frequently assign employees to multiple service areas, making it difficult to estimate the portion of employment for human service delivery.

---

<sup>7</sup> These figures are the yearly sum of monthly totals and may represent only a few individuals who have been on the caseload for most or all of the year.

**Only 8% of townships employ more than 4 full-time social service staff, but many use contracting and collaboration to deliver services.**

Townships also revealed a variety of strategies for managing service delivery with relatively few employees dedicated to social services. Thornton Township, for example, has cross-trained employees so that they can assist with different tasks at peak times. Several townships mentioned that they have trained GA recipients to work in food pantries and in other activities as part of their Community Work Program commitment. Like nonprofits, townships recruit volunteers for human service programs. Interviews with townships that have active social service programs showed that they recruit volunteers for food pantries, clothing pantries, holiday gift drives, and more. In Thornton Township, participants at the senior centers volunteer to collect and organize holiday donations to needy families. In Wayne Township, a retired executive staffs a pilot program to sign up eligible food pantry recipients for food stamps. Zion and Wheeling Townships recruit volunteers from the community through their websites.

Another measure of administrative capacity is the township's ability to link citizens with services through information on a township website. Twenty-six of the 114 townships (23 percent) had no website in spring 2008. In contrast, all of the municipalities in the study had an official website. Some of the townships without websites were in Cook County – not all of them were rural townships. Additionally, some of the township websites had little information on services, and some consisted of one brief page hosted on the Cook County or Township Officials of Illinois websites. Although some townships are small, and have limited staff, a current website is an important way to reach township residents and to inform them of the availability of social services. It is true that low-income residents and seniors are among those who are least likely to be online (Mossberger, Tolbert and McNeal 2008, Chapter 5), but they are not entirely absent online. For example, December 2008 data from the Pew Internet and American Life Project show that 41 percent of Americans 65 and older and 57 percent of Americans with an annual income of less than \$30,000 use the internet at least occasionally (compared to 74 percent of the US population). There are also “proxy” users who ask friends, relatives, public libraries or other organizations to access online information for them even though they are not internet users (Lenhart 2003). Websites are an important part of the organizational capacity to deliver social services.

## **5.2 Contracting and Partnerships**

Many services beyond the mandated GA function are delivered through contracts or partnership arrangements with nonprofits or other governments. For relatively small governments, such as townships, contracting is a way to manage service delivery without adding permanent staff positions, capital expenditures, and other expenses on a long-term basis. Contracts with social work, health care, and mental health agencies, for example, give residents access to expertise and services that townships would be hard-pressed to provide with their staff. Wheeling Township offers in-kind support to area nonprofits by providing offices in township halls, and they directly fund 23 area nonprofits through formal contracts in exchange for free or discounted services for GA clients and other township residents (see Box 5).

## **BOX 5. WHEELING TOWNSHIP: CONTRACTING AND PARTNERSHIPS WITH NONPROFITS**

One approach to partnerships taken by Wheeling Township in the Northwest suburbs is to contract with 23 nonprofit social service agencies in order to provide township residents access to 26 programs including child care, health care for low-income families, independent living assistance, group homes for youth, shelter for abused children, college preparation for at-risk youth, tutoring, mental health services, and more.

The township annually negotiates an up-front payment for each agency as well as a sliding scale for fees for township residents (which may be only a nominal amount). Agencies receiving township funding are required to do fundraising and to receive assistance from sources other than the township. At the end of the year, contracting agencies submit data on the township residents that were served. Over the years the township has been able to develop good relationships with many agencies and to weed out the partnerships that didn't work. Each year they review the contracts and available funding in the budget process. During 2009, the township anticipates spending \$900,000 on contracts with social service agencies.

Other formal partnerships are maintained by the township through the provision of office space in the township hall free of charge for the Salvation Army, Shelter, and Omni Youth Services. According to Director of Finance and Administration Jo Stellato, "Partnership gives us the biggest bang for our buck. We are most successful through partnerships, and it is also how we hold down expenses."

As Table 5.1 shows, contracting with various providers is a common practice among townships. More than 80 percent of townships have contracts with other organizations in each of the categories of human services that we examined.

**TABLE 5.1. PERCENTAGE OF TOWNSHIPS WITH CONTRACTS FOR HUMAN SERVICES**

<b>Services</b>	<b>Contracting Agencies</b>					<b>Percent with Contracts</b>
	<b>Other Twp.</b>	<b>County</b>	<b>Religious</b>	<b>Nonprofit</b>	<b>Business</b>	
Health and Disability	15%	26%	11%	48%	33%	81%
Senior Services	26%	26%	6%	66%	20%	88%
Youth Services	6%	25%	0%	63%	12%	81%
Other/Low-Income	13%	42%	10%	68%	20%	87%

**Over 80% of townships that provide social services have contracts, especially with nonprofits.**

Clearly nonprofit agencies are the contractors of choice across all types of services, with about two-thirds of townships contracting with them in most of the service categories. Counties play an important role, especially in programs for low-income residents, which include job training programs

and health resources. There is some evidence of horizontal collaboration with other townships, especially for health, disability and senior services. For-profit providers are frequent contractors in transportation programs. There are no particular township characteristics that explain or correlate with higher levels of contracting, likely indicating that simple counts don't measure well differences in the scope and extent of contracts.

## **PART 6: MUNICIPAL GOVERNMENTS AS SOCIAL SERVICE PROVIDERS AND THEIR CAPACITY TO DELIVER SERVICES**

### **6.1 Social Service Delivery in Municipalities**

Municipal governments have no statutory responsibility for social services, but they have opportunities to deliver such services if they wish. Municipalities with home rule can choose which services to provide and have greater flexibility in financing them.<sup>8</sup> Similar to townships, non-home rule municipalities can provide only those services allowed by the state, and they have restrictions on tax rates for all services and the corporate fund. Like townships, non-home rule municipalities can tax only up to their statutory tax rate for particular services. They are subject to PTELL limitations in increases in tax levies, but they can raise rates and levies via referenda. The Property Tax Rate and Levy Manual (DCEO) shows that municipalities have very few privileges for levying specifically for youth services, and no privileges for services for seniors or low-income persons, although they do have taxing privileges in five areas of health services including hospitals.<sup>9</sup>

Financial data indicate that municipalities in the Chicago metropolitan area spend very little in the area of "health and welfare," although correlations show that such spending is higher among municipalities with larger populations. According to the state Comptroller's office, median percent spending in 2005 for health and welfare services was zero (mean = .57%) and median spending per capita was \$3.40. Some municipalities do invest more in human services as shown in Figure 6.1 below, which presents the level of municipal spending for welfare services only per person in poverty according to U.S. Census of Governments (2002, in 4 categories constructed based on natural breaks in the distribution). Municipalities bordering the north of Chicago, a few western Cook suburbs, municipalities in the Round Lake area and satellite cities such as Waukegan, Joliet, Aurora, and Elgin are among the places that devote part of their spending to social services. Some of these municipalities have high poverty rates, but many poor suburbs in southern and southwestern Cook County do not show any spending for human services. Although, our survey of municipalities suggests that there is some spending that may not show up in financial data, municipalities play a modest role in social service provision in comparison with townships.

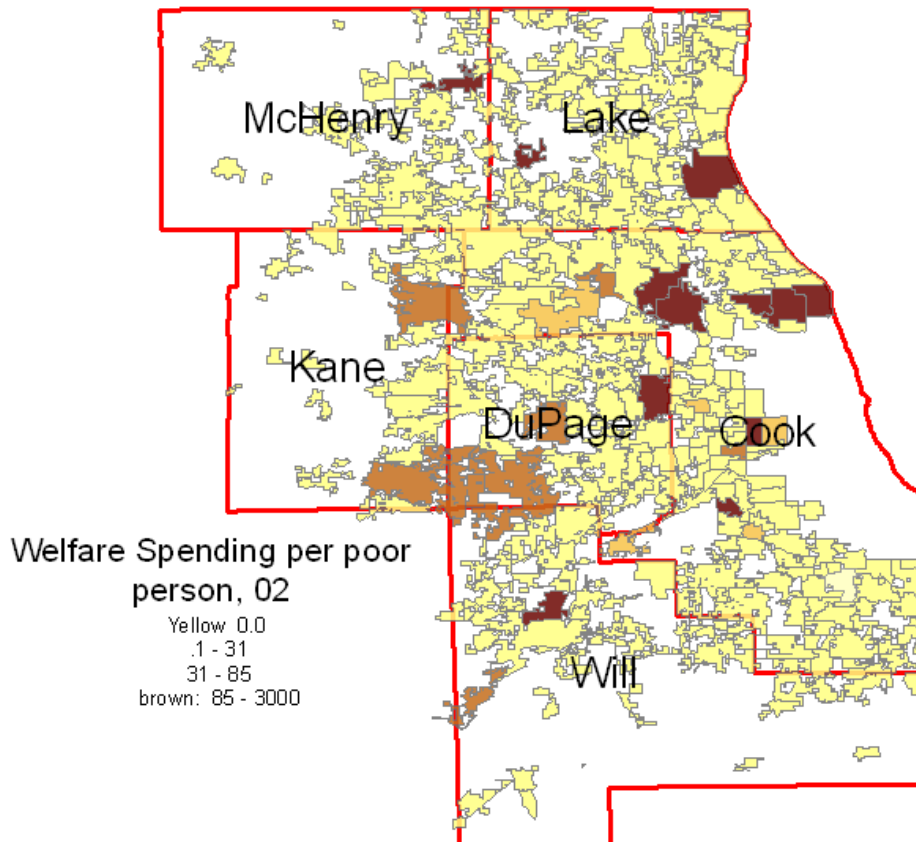
---

<sup>8</sup> Municipalities with populations of 25,000 or more automatically qualify for home rule, and those with smaller populations may achieve home rule through a referendum. As of 2003, 39 percent of the municipalities in the six-county area have home rule, which gives them considerable more discretion to provide social services.

<sup>9</sup> They could fund some social services from the corporate fund.



**FIGURE 6.1. WELFARE SPENDING PER POOR PERSON BY MUNICIPALITIES**



**Municipalities with higher social service spending are in northern and western Cook County, the satellite cities and the Round Lake area; not all high-poverty areas show much spending.**

As discussed previously, we sent a survey to 165 of the 264 municipalities in the Chicago metropolitan area, and 44 municipalities responded (27%). (See Appendix B for a map of survey recipients and respondents.) Respondents were larger and more dependent on sales taxes, but there were no other statistically significant differences between respondents and non-respondents among municipalities that were sent the survey. In most respects, then, the sample is fairly representative, although skewed toward more populous municipalities. Table 6.1 below shows social services provision by the municipalities that responded to the survey for different areas of service.

**TABLE 6.1. PERCENTAGE OF MUNICIPALITIES THAT FUND OR PROVIDE AND CONTRACT TO DELIVER SOCIAL SERVICES**

<b>SERVICE</b>	<b>% Providing or Funding</b>	<b>% with contracts</b>
Youth Services	64%	68%
Senior Services	87%	46%
Health Services	23%	44%
Disability Services	50%	50%
Housing Assistance	34%	73%
Immigrant Services	11%	60%
Homeless Assistance	16%	50%
Job Services	14%	80%

The results of the survey present a different picture than the financial data that focus on health and welfare only. At least half of the responding municipalities fund or provide youth, senior and disability services, and the vast majority have senior programs. One explanation may be that municipal recreation or community centers host youth and senior programs. Although municipalities are responsible for housing programs and economic development, services for low-income populations related to these areas are much further down the list of municipal human services. Additionally, our survey doesn't show how extensive these programs are at the municipal level. The overall investment in senior or youth services, for example, may still be small.

**Senior and youth programs are most commonly provided by municipalities.**

Table 6.1 also shows that there is substantial contracting for human services, with the majority of municipalities that offer these programs contracting for youth, housing, immigrant, and job services. Half of the municipalities contract for homeless and disability programs, and nearly half contract for senior and health services. Municipalities contract out services less than townships do, however, since townships have contracts for at least 80 percent of human services across categories. Municipalities that contract for social services tend to have more professional and managerial employees.

**Municipalities with more contracting for social services have more professional and managerial employees.**

Table 6.2 below shows the types of organizations municipal respondents contract with for the same service areas. It indicates that these municipalities tend to rely on nonprofit agencies, but agreements with other governments are common. Counties are significant partners for health care and housing, as well as some other services. Religious organizations figure prominently in programs for the homeless, and municipalities also contract with townships for health care (and to a lesser extent, senior services). Schools deliver youth services, health programs, and immigrant programs for municipalities, and at least half of municipalities contract with nonprofit agencies in all areas other than immigrant

programs. Contracting with Councils of Government (COGs) is rare, except for some health and homeless programs.

**TABLE 6.2. PERCENTAGE OF MUNICIPALITIES THAT CONTRACT FOR SOCIAL SERVICES**

Services	Contracting Agencies							
	Schools	Nonprofit	Religious	Business	Other muni.	Townships	County	COGS
Youth	29%	82%	0%	0%	24%	0%	6%	0%
Senior	0%	63%	6%	13%	13%	19%	6%	0%
Health	50%	50%	25%	25%	25%	50%	50%	25%
Disability	0%	55%	0%	27%	0%	0%	27%	0%
Housing	0%	55%	9%	9%	0%	9%	55%	9%
Immigrant	33%	0%	0%	0%	0%	0%	33%	0%
Homeless	0	50%	50%	0%	0%	0%	0%	25%
Jobs	0%	50%	0%	25%	25%	0%	25%	0%

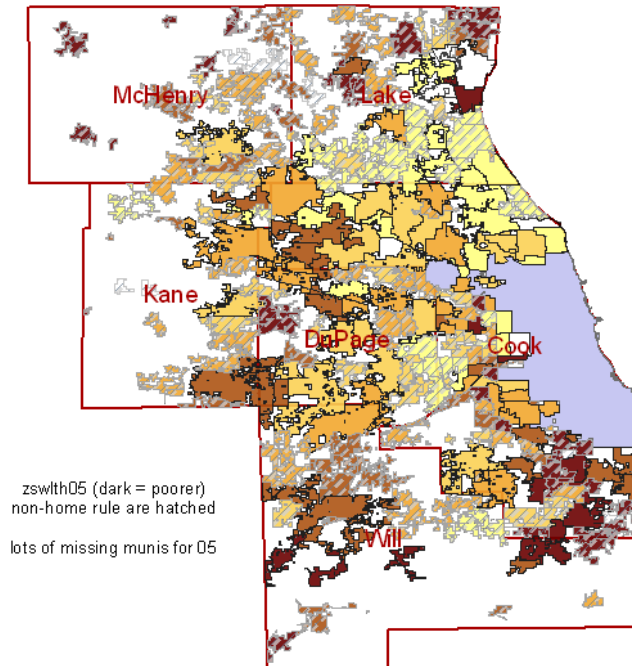
For both townships and municipalities, nonprofit contracts and intergovernmental agreements are part of the complex web for human service delivery. One advantage to these arrangements is that if contracts are properly managed, local governments can take advantage of specialized knowledge, facilities, and other resources to deliver a broader selection of services or higher levels of service than they would otherwise.

## **6.2 Municipal Capacity to Deliver Services**

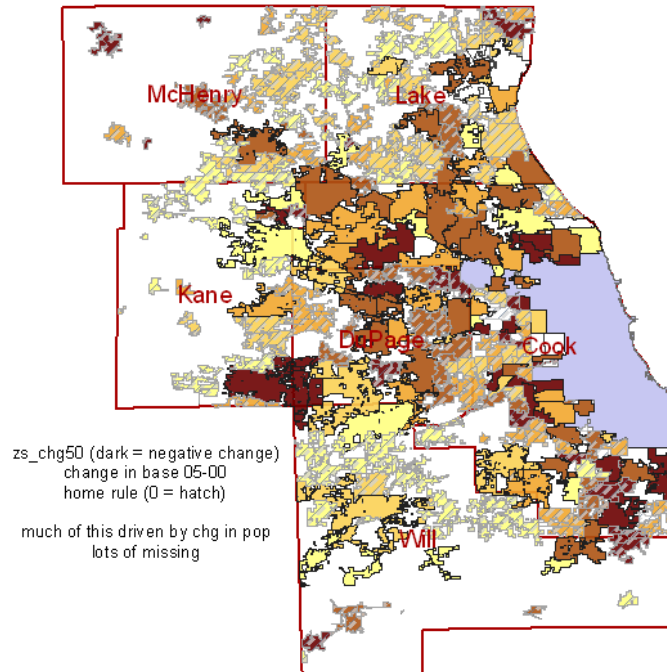
Can municipalities do more, at least in areas where there are rising needs? Differences in the tax structure and the size of the tax base suggest real constraints for poor municipalities. Municipal governments have more varied sources of revenue than townships, and home rule municipalities have even more discretion to raise taxes.<sup>10</sup> For this reason, we need to devise a more sophisticated indicator of revenue capacity than property tax wealth (used for townships) that includes all the major revenue bases for municipal governments. In this case, we assume that municipal fiscal capacity is a function of property values (property tax), sales receipts (sales tax), and personal income (all other revenue sources). We construct this index by summing the values of each of the three revenue bases multiplied by the percentage that this revenue represents of total own-source revenues of the municipality. Own-source revenues are those that the municipality generates from resources within its jurisdiction, and so exclude shared revenues and grants from other governments. Figure 6.2 shows how this index is distributed across all 264 municipalities in the Chicago region for 2005. Brown represents municipalities in the poorest quintile and yellow represents municipalities in the highest quintile.

<sup>10</sup> Municipalities have access to property taxes, sales taxes, taxes on other items such as utilities, and miscellaneous fees and charges. Intergovernmental revenues (including grants) comprise 15% of municipal revenues in the region.

**FIGURE 6.2. REVENUE BASE INDEX FOR MUNICIPALITIES AND HOME RULE, 2005**



**FIGURE 6.3. CHANGE REVENUE BASE INDEX FOR MUNICIPALITIES AND HOME RULE, 2000- 2005**



The maps follow a somewhat similar pattern to townships; the poorest municipalities are in south Cook County and the extremities of the region, due primarily to low sales tax and income. Closer examination of the wealth of these municipalities shows that some municipalities in south Cook are in fact insolvent, yet have the highest need for social services. Figure 6.3 shows how this index has changed from 2000 to 2005. Many poor municipalities have experienced further declines in revenues during the past 5 years.

**Some municipalities in south Cook County are insolvent; many poor municipalities have seen revenues decline in the past 5 years.**

Many high-poverty municipalities are not well-positioned financially despite access to more types of revenue. In fact, they probably have less fiscal capacity than townships in the same region because they deliver a greater range of services and cover smaller geographic areas that are less economically diverse. High-poverty municipalities may have little ability to provide additional programs, but there are many ways in which overlapping jurisdictions may share resources or coordinate activities and information for more effective service delivery. The next section compares the perceptions of townships and municipalities regarding current and future social service needs and resources, and their attitudes toward regional and jurisdictional collaboration.

**High-poverty municipalities may have less capacity than townships to deliver social services.**

## **PART 7: PERCEPTIONS OF NEED AND ATTITUDES TOWARD COLLABORATION IN TOWNSHIPS AND MUNICIPALITIES**

### **7.1 Perceived Adequacy of Services**

Financial and poverty data suggest gaps between needs and resources in the metropolitan area, but they tell us little about how townships and municipalities perceive current and future needs and their ability to accommodate them. Both the township and municipal surveys included questions on current and future resources and needs for social services. The social service categories included are somewhat different for townships and municipalities; categories in the township survey were based on initial interviews as well as a website scan (fewer townships have detailed websites); and municipal categories were based on a review of municipal websites in the region.

The figures in Table 7.1 below represent the percentage of townships that feel they are meeting only a portion of social services needs in particular areas or that there are few resources to meet these needs. However, not all townships provide services in each area, and respondents were given the

option to answer that the service area did not apply to them or that they do not know enough about the need for each such services in their community. The percentages in the table exclude such townships.

**TABLE 7.1. SURVEY RESPONSES ON CURRENT TOWNSHIP RESOURCES**

<b>What is the level of resources relative to need in your township currently?</b>	
<b>SERVICE</b>	<b>We can meet only a portion of need &amp; We have few resources to meet needs</b>
General assistance	20%
Emergency assistance	29%
Medical assistance (GA )	37%
Food assistance	27%
Mental or general health services	31%
Services for the disabled	38%
Senior services other than housing	31%
Senior housing	16%
Youth services	20%
Housing assistance for homeless	29%
Employment training and job search	24%
Services for immigrants	27%

The table shows that one-fifth to over a third believe that there is significant unmet need in different areas; but it also reveals that the majority of townships feel they are meeting most, if not all, of these needs. The most commonly-cited gaps are for medical assistance (for GA clients), services for the disabled and seniors, and health care. Townships responding that they could not meet current needs usually had lower equalized assessed value per capita.

**Between 1/5 to more than 1/3 of townships cite current unmet needs now and in the future; townships not meeting current needs had lower EAV per capita.**

Respondents were asked about **projected social service needs and resources** over the next three years. Most townships expected at least some increased need for human services in many of these areas, and Table 7.2 shows the percentages who believed that there would be much more need for these programs in their townships over the next three years (excluding respondents who said the service area did not apply or they did not know future needs).

**TABLE 7.2. TOWNSHIP SURVEY RESPONSES ON NEEDS AND FUTURE RESOURCES**

<b>What are the expected needs and resources to meet them over the next three years?</b>		
<b>SERVICE</b>	<b>Much more need</b>	<b>Will meet only a portion of need &amp; have few resources</b>
General assistance	35%	20%
Emergency assistance	41%	20%
Medical assistance (GA)	40%	35%
Food assistance	49%	27%
Mental or general health services	44%	29%
Services for the disabled	31%	30%
Senior services other than housing	38%	37%
Senior housing	34%	19%
Youth services	25%	24%
Housing assistance for homeless	37%	29%
Employment training and job search	34%	25%
Services for immigrants	28%	24%

Nearly half of the townships expect much more need for food assistance (such as food pantries) and at least 40 percent expect much more need for emergency assistance and health care (medical assistance and mental or general health). A little over one-third of townships anticipate more need for both for GA, employment and training, and homeless assistance, and senior housing and programs. . Most of the surveys were completed in the spring and summer of 2008 when there were signs of an economic downturn, but before the news of bank failures, plunging stock markets and record job losses.

**Over 40% of townships anticipate increased demand for food, emergency assistance, and health programs over the next 3 years.**

Interestingly enough, the townships most likely to perceive increased needs for the future are those that have higher per capita income and EAV per capita, lower poverty rates, higher proportions of white residents, and more unincorporated area. Perhaps this reflects the widespread effects of the weak economy even in better-off townships, or that the perception of change is most acute in areas that didn't previously have high need.

Again there is a significant minority of townships, one-fifth to a little over a third, that anticipate insufficient resources to meet some needs in the near future. Those who anticipate difficulty meeting these needs have lower assessed EAV per square mile and per capita, as well as larger percentages of the population under 18.

**Townships anticipating that they can meet only a portion of future need have lower EAV per square mile and per capita.**

Municipalities also recognize growing demand in many areas of human services, but generally perceive themselves as having few resources to meet those needs. Table 7.3 below shows the percentage of responding municipalities that predicted that there would be much more need for specific categories of human services during the next three years. The second question about future resources asked whether municipalities would have resources to meet those needs in the next three years, whether or not they currently provide the service.

**TABLE 7.3. MUNICIPAL SURVEY RESPONSES ON NEEDS AND FUTURE RESOURCES.**

<b>SERVICE</b>	<b>% Perceiving Much More Need</b>	<b>% Perceiving Only Some or Few Resources to Meet Need</b>
Youth Services	26%	52%
Senior Services	35%	59%
Health Services	26%	41%
Disability Services	17%	53%
Housing Assistance	21%	50%
Immigrant Services	17%	41%
Homeless Assistance	12%	45%
Job Services	28%	41%

Senior needs rank highest, with job, youth, and health services all scoring as high-need areas among 25% or more of the respondents. Immigration and homelessness rank fairly low in the list, perhaps because they are more geographically concentrated. Around 40-50% of municipalities believe that they won't be able to meet all of these needs, and almost 60% of municipalities perceive some unmet needs for senior programs. There is a tendency to feel that needs will be highest in areas where more municipalities now deliver services (such as senior programs). Interestingly enough, about the same proportion of municipalities and townships estimate that there will be much more need for youth, another constituency often served by municipalities. In comparison with municipalities, townships are considerably more likely to see much more need for social programs, and are more optimistic about their ability to meet these needs (perhaps because of greater activity in these areas).<sup>11</sup>

**Municipalities perceive the greatest need in senior and youth services, which are more common at the municipal level than other social services; over half see their resources to meet needs in these areas as insufficient.**

What does this suggest for cooperation between municipalities and townships to meet future needs? While municipalities are less likely to foresee increased need, there are at least some municipalities that may be motivated to collaborate with others in order to tap additional resources,

<sup>11</sup> Between 25% and 49% of townships believed there would be much more need in the various areas of services they deliver. Yet, only 25% to 37% felt that they could meet only a portion of this need.



particularly for senior programs and youth programs. Perhaps some communities that are affected by immigration or high poverty rates may also search for solutions. Municipalities that anticipate higher needs for social services have high poverty rates and low per capita income. Municipalities that see themselves as having inadequate resources to meet current needs have larger populations, and those that say that they will have insufficient resources for social services in the future have greater population density. In other words, it is the more urbanized areas of the suburbs and the satellite cities that are most worried about current and future social service resources.

**Municipalities that may be convinced to collaborate on social services include cities and villages with high poverty, larger populations, or high density.**

Yet, even those perceiving more need may be hesitant to take any action. Several open-ended comments on the municipal survey indicated that the townships should be taking the lead in these areas. The next section compares township and municipal attitudes toward joint planning and coordination.

## **7.2 Regional and Sub-Regional Collaboration**

Collaboration between overlapping governments may achieve greater efficiency and effectiveness in human service delivery. Coordination occurs in a number of ways, including sharing information and making referrals, or more formal joint planning. Information sharing and referrals are the most common forms of collaboration for both townships and municipalities.

- For townships, 68 percent say they share information and make referrals frequently, and 16 percent say they do sometimes.
- For municipalities, 41 percent frequently share information and make referrals for social services, and another 41 percent report that they occasionally do so.

Information-sharing may be formalized as in the joint database or directory of services that Zion Township has collaborated on with surrounding municipalities and townships as well as nonprofit providers (see Box 6). Zion Township has also acted as a hub for the coordination of services within its boundaries, forming a partnership of local social service providers.

### **BOX 6. ZION TOWNSHIP AS NETWORK-BUILDER**

Zion Township in Lake County has collaborated with local nonprofits and municipalities around health care and other issues. The township gives an annual grant to Community Resources for Education and Wellness, Inc. (CREW), for its substance abuse and counseling program, which supplies treatment to township General Assistance clients free of charge. A strategic partnership with CREW produced an organization called Partners for an Enriched Community (PEC), which addresses social service needs in the area. Township Supervisor Cheri Ditzig is the facilitator of PEC, which includes 20

CONTINUED NEXT PAGE

**BOX 6. ZION TOWNSHIP continued**

organizations and meets monthly, finding ways, she says, for organizations to work smarter together to truly affect poverty. Because of this cooperation, CREW received the 2008 Basic Human Services Award from the Lake County Community Trust, totaling \$40,000 to further network PEC agencies through a database system called mPowr ([www.cciunites.com](http://www.cciunites.com)).

Additionally, Zion Township is an active force in the Coalition for Healthy Communities, a 501c3 that published a directory of community services available in both English and Spanish. The directory is online at [www.ZBisME.com](http://www.ZBisME.com), a website that incorporates both Zion and Benton Townships.

Working closely with area organizations has led the township to formalize joint planning and collaboration across a number of services. Ditzig sees the leadership role of the township in this collaboration as a natural development. “The township is the connection between and to the local people,” she says. “A county seems way too big to do this kind of work.” The model for Zion Township is to “offer caviar services on a bologna sandwich budget.” According to Ditzig, there are “lots of ways to collaborate that help everybody and cost less.”

Zion Township is particularly active in coordinating services through its local coalition of human service providers that meets monthly (see Box 6). But, coordination of services is common. As the survey results in Tables 7.4 and 7.5 demonstrate below, both townships and municipalities are frequently engaged in joint planning and coordination with nonprofits and other governments.

**TABLE 7.4. PERCENTAGE OF TOWNSHIPS WITH THE FOLLOWING SOCIAL SERVICES INVOLVED IN JOINT PLANNING AND COLLABORATION**

Services	Planning and Collaboration Agencies				% With Plan & Coord
	Other townships	County	Religious	Nonprofit	
Health and Disability	66%	35%	35%	68%	76%
Senior	48%	36%	19%	68%	83%
Youth	28%	28%	33%	61%	67%
All Residents/Low Income	33%	54%	27%	79%	85%

**TABLE 7.5. PERCENTAGE OF MUNICIPALITIES WITH THE FOLLOWING SOCIAL SERVICES INVOLVED IN JOINT PLANNING AND COLLABORATION**

Services	Planning and Collaboration Agencies							% With Plan & Coord
	Schools	Nonprofit	Religious	Other muni.	Townships	County	COGS	
Youth	84%	74%	53%	32%	37%	11%	0%	73%
Senior	21%	58%	17%	33%	54%	21%	13%	67%
Health	0%	67%	50%	33%	67%	50%	17%	60%
Disability	20%	60%	20%	20%	60%	30%	0%	48%
Housing	0%	63%	25%	0%	38%	50%	0%	53%
Immigrant	75%	75%	75%	50%	50%	50%	0%	80%
Homeless	0	50%	25%	0%	25%	0%	25%	57%
Jobs	33%	0%	0%	33%	33%	33%	33%	60%

When townships and municipalities do deliver social services, they are more likely than not to undertake some joint planning and coordination, although the partners and the level of coordination vary considerably for municipalities in particular. Nonprofits are most prevalent as partners in planning and coordination as well as contracting. Coordination between townships is important for health and senior programs in particular, and municipalities also tend to collaborate with townships more than other municipalities. Counties are particularly crucial for planning and coordination in health and other services for low-income residents, and less important for special needs populations. Religious groups, including local church congregations, are relatively more important in planning and coordination in comparison with contracting. Councils of Government (COGs) are less important than other partners for planning and coordination. Municipalities, however, engage in planning and coordination through their COGs for senior, health, homeless and job programs. While a few townships belong to area COGs, their membership is primarily municipal.

**Nonprofits are the most prevalent partners for planning and coordination, although counties are important for health and low-income programs.**

Which local governments are most likely to engage in some type of joint planning or coordination? A number of factors are correlated with joint planning and coordination. For townships, collaboration overall is most likely among those with larger populations, more minorities, and younger residents. Townships that are most likely to collaborate for youth services are poor, urban, and minority. For programs that serve low-income and all residents, there are two patterns for collaboration. Planning and coordination are more common in less-dense (rural areas) and also in townships with more youth and minority residents. Need seems to drive collaboration, especially for townships with greater concentrations of poverty. Joint planning and coordination are more likely in municipalities that have professional managers, administrative officers, or finance officers or that have larger populations. Lower-income municipalities are also somewhat more likely to engage in coordination for social services.

- **Townships most likely to collaborate have larger populations and more minorities.**
- **Rural and high-minority townships have more joint planning and coordination for low-income programs.**
- **Municipalities that collaborate have more professional administration, larger populations, and lower-income residents.**

The results displayed above are for townships and municipalities that are already active in social service delivery, but broader collaboration may be possible, for example, with municipalities that don't currently deliver social services. Additionally, current collaboration seems to be for service delivery within township or municipal boundaries, but there may be a potential for more cross-boundary or regional cooperation. The township and municipal surveys probed attitudes toward collaboration in order to understand the potential for encouraging new types of partnership in the future. The results are shown in Tables 7.6 and 7.7 below.

**TABLE 7.6. TOWNSHIP ATTITUDES TOWARD COLLABORATION**

<b>QUESTION</b>	<b>Somewhat agree</b>	<b>Strongly agree/agree</b>
Collaboration for planning is important	19%	68%
Twp. not as effective without collaboration	10%	55%
County would be helpful in regional coordination	22%	38%

The majority of townships have positive attitudes toward collaboration (as shown in Table 7.6 above), although the question about whether the township would be as effective without collaboration dilutes the support for collaboration a little. Still, over half of the respondents said that the township would not be as effective without collaboration. Townships were less certain about whether the county might be a force for greater regional collaboration. Respondents were asked whether “the county would be helpful in assisting townships, municipalities and nonprofits to collaborate.” Over half at least somewhat agreed, but only 38 percent were clearly supportive of county leadership for social service collaboration. Townships in McHenry and Kane Counties were less likely than others to view the county as helpful for collaboration, whereas over half of Cook and Will County townships agreed that the county would play a positive role in collaborative efforts.

**Townships are lukewarm in supporting county leadership for regional social service collaboration.**

The municipal survey explored attitudes toward the municipal role in collaboration. Given that this is an optional area of services for municipalities, the survey asked whether respondents viewed

social services as a priority for their local governments, whether they saw a need for more planning, and who might lead regional efforts. Table 7.7 shows attitudes toward planning and coordination. The first statement, on cooperation, asks whether respondents agreed that for “coordination or planning for social services. . . without cooperation our local government would not be able to serve residents as well.” The second question asks “To what extent does the leadership of your municipality agree or disagree that cities or villages should not provide social services because that is the responsibility of other governments like the state, county, or townships?” And the final question is “To what extent does the leadership in your municipality agree or disagree that there is a need for more planning and coordination so that cities and villages can address social services for low-income and special-needs residents?”

**TABLE 7.7. MUNICIPAL ATTITUDES TOWARD COLLABORATION**

QUESTION	Somewhat agree	Strongly agree/agree
Cooperation necessary to serve residents	22%	68%
Need more planning to provide social services	31%	41%
Municipalities should NOT provide social services	23%	40%

Although municipalities also report positive attitudes about collaboration for social services in the abstract according to Table 7.7 (68 percent say cooperation is necessary to serve residents), other responses are mixed. The support for more social service planning and coordination is weaker among municipalities than townships, although the question in the municipal survey asked about “more” planning given the lesser municipal role. But, beyond this, there is distinct ambivalence about the role that municipalities should be playing in providing social services. A sizeable minority – 40 percent - believe that municipalities should not be engaged in such services, and another 23% are equivocal on the question. While not all municipalities are likely to welcome more regional planning or information-sharing, there may be a number of high-need municipalities that can be engaged in a wider conversation for strategies to meet regional needs. Correlations show that municipalities with smaller populations were less likely to feel that municipalities shouldn’t be engaged in social services. Cities and villages with higher African-American populations were less likely than other municipalities, however, to believe that more planning was needed for social services. Otherwise, there were few clear patterns differentiating municipal responses.

Are there specific barriers to collaborative planning and coordination that need to be addressed? Table 7.8 compares the responses of townships and municipalities on parallel questions about collaboration.

**TABLE 7.8. TOWNSHIPS AND MUNICIPALITIES: BARRIERS FOR COLLABORATION**

QUESTION	Somewhat agree	Strongly agree/agree
<b>TOWNSHIPS</b>		
Not enough organizations with resources to collaborate	21%	16%
Collaboration takes too much time	18%	9%
Differences in goals a problem for collaboration	13%	20%
Turf issues are a barrier to collaboration	19%	16%
<b>MUNICIPALITIES</b>		
Not enough organizations with resources to collaborate	32%	20%
Collaboration takes too much time	12%	7%
Differences in goals a problem for collaboration	31%	10%
Turf issues are a barrier to collaboration	24%	17%

Finding organizations with appropriate resources seems to be a common issue, but a greater barrier for municipalities (52 percent) rather than townships (37 percent). Regional cooperation might help both townships and municipalities to locate partners with resources and also with similar goals (which figures as at least somewhat of a problem for 33 percent of townships and 41 percent of municipalities). Overall, however, few townships or municipalities believed that collaboration takes too much time, despite some reported difficulties with turf issues or differences in goals.

**Regional collaboration could help townships and municipalities to find more partners and resources.**

We also asked municipalities whether particular organizations should provide regional leadership for social services. The list for municipalities is broader, because they belong to a variety of regional organizations, such as the Metropolitan Mayors Caucus and Councils of Government. We asked about these organizations, metropolitan planning agencies, and state and county governments as regional leaders for social service collaboration. Interestingly enough, there was a clear preference for state and county governments (with 60 percent agreeing or strongly agreeing on their leadership role), and more modest support for regional organizations or planning agencies, which ranged between 20 and 26 percent. State and county governments often provide funding for social services, which may be one reason for municipal support for these actors over voluntary regional organizations. Ambivalence about coordination for social services was evident in the high percentage of “don’t know” responses from municipalities, which ranged between 26 percent for county government and 39 percent for regional planning bodies.

**Municipalities support state or county leadership on social services.**

Comparing townships and municipalities, we find that collaboration is frequent among those local governments that are active in service delivery. Contracting with nonprofits and intergovernmental agreements fills a need for organizational capacity. In the case of townships, there are often few full-time social service staff and many specialized areas of service. Municipal governments spend little in the area, but over half of those who deliver services use contracting for social service delivery. Planning and coordination with nonprofits and other governments is prevalent, at least for those townships and municipalities involved in human service delivery. This type of collaboration, however, is often focused on coordinating efforts within a jurisdiction or across a few neighboring jurisdictions. There seems to be weak support at best for regional organizations in planning and coordination, although there is a recognized role for counties and the state among municipalities, and some support for a greater county role among townships. Responses indicated that information-sharing is the most common collaborative activity involving both townships and some municipalities, although there is also prevalent planning and coordination with some organizations, particularly nonprofit agencies. Broader information-sharing and joint planning could be a strategy for targeting areas of need, building the capacity of townships and better integrating municipalities as partners.

## **PART 8: CONCLUSION AND RECOMMENDATIONS**

The decentralized system of social service delivery in the region – the complex web of townships, municipalities, other governments and nonprofits – offers both advantages and disadvantages. On the positive side, a decentralized system can be responsive, innovative, collaborative, and participatory. That is, it can tailor services to local needs, experiment with new approaches, mobilize partnerships in areas where there are joint gains, and involve individual and institutional members of the community as volunteers or donors. There is evidence of these positive effects in the case studies and the survey, at least in some areas. At the same time, this decentralized system has produced uneven human service delivery, with greater fiscal burdens and fewer services in some high-need communities. There is currently a gap between needs and resources across the region. Our recommendations highlight ways to strengthen the advantages and to compensate for the disadvantages of the current system.

The townships clearly provide a critical local government infrastructure for human service delivery outside of Chicago. This role has evolved beyond initial mandates for General Assistance, especially for more urbanized townships surrounding Chicago, or for the medium-sized cities of Elgin, Waukegan, Joliet, and Aurora, where poverty rates are currently highest.

**Townships have the potential to coordinate and assist social services within their boundaries, whether provided by nonprofits or other governments.**

There is uneven provision and effort across the metropolitan area. Some rural townships indicated in comments on the survey that they have little training or knowledge to serve residents who may need General Assistance or referrals for other human services. Additionally, not all of the high-poverty townships are active in providing services much beyond General Assistance. Low-service townships in high-poverty areas are likely not meeting the needs of residents.

Municipalities do provide some social services, especially for seniors and youth. Yet, municipal spending on human services is modest, and their greatest potential for serving citizens lies in collaboration between the overlapping municipalities and townships. Examples of productive relationships between townships and municipalities turned up in many of our interviews and survey responses – resource sharing, information and referrals, and joint planning. But, we heard about a lack of collaboration in other cases as well, and the survey showed that municipalities often regard social services as primarily the province of townships. Despite evident ambivalence about municipal involvement in human services, about 40 percent of municipalities believed that there should be more joint planning and coordination in this area. Because townships and municipalities serve the same citizens, there is a need to bring cities and villages into the discussion as partners, especially in areas where there are high levels of need or rapid change. Without a long history of regional collaboration centered around a single metropolitan organization, building a broad information network may be a realistic goal.

**Municipalities are important partners, especially in communities with high levels of need or rapid change.**

Four solutions are needed to support a more effective township and municipal infrastructure for social services in the Chicago suburbs:

- Township coordination of local human service programs
- Financial assistance
- Regional dialogue and planning
- Information exchange and organizational capacity-building through networking at county or sub-county levels

**Recommendation 1: Township Coordination**

Townships certainly don't deliver all social services in their areas, but have a potential role as coordinators within their boundaries, with knowledge of the diversity of nonprofits and other government services. At the very least, townships should serve as a point of information and referral about the services offered by nonprofits and other governments. Zion, Wheeling, and others have formalized this to a greater extent. The larger geographic area of townships (in comparison with municipalities) helps to sustain a broader tax base for service delivery and also facilitates relationships with more service providers. Yet, townships are smaller than the large and populous counties of the region, and have some advantages for coordinating networks that are responsive to local needs.

**Recommendation 2: Financial Assistance**

The state, counties, and foundations should consider ways in which strategic assistance could help to support activity in high-poverty townships that have unmet needs. High-poverty townships have the greatest need for social services and the lowest property values to generate revenues for human services. Our survey shows that 16 percent of townships are experiencing fiscal stress that has led them to reduce GA benefits, eliminate Emergency Assistance, or take other steps to balance their budgets.



Roughly 20 to 30 percent of townships believe that they are meeting only a portion of the need in their communities for some services. Metropolitan townships are also constrained by tax limitations that require voters to approve any increases, and so raising levies is often not a viable option, especially in high-poverty areas where voters already have the heaviest tax burdens.

The problems of high-need townships are likely to worsen significantly as the economy falters and creates more unemployment and underemployment. Many poor suburbs are experiencing substantial new migration of low-income residents, and some areas have a high concentration of low-wage workers who exist marginally above the poverty line. As the Brookings (2008) study shows, both the poor and working poor tend to concentrate in certain communities, creating both higher needs and fewer resources for those local governments. The trend nationally is toward a reconcentration of poverty in older suburbs, which creates a greater burden for services in these areas at the same time that the lower property values that make housing affordable constrain revenues.

**The state needs to reconsider its current system for assisting high-poverty townships, which requires that townships become receiving units and eliminate services beyond General Assistance.** By going into receivership status, the township loses its ability to provide other social services from GA funds, such as Emergency Assistance, which addresses the needs of a larger population than GA. Food pantries, job training, transportation assistance, health care and other programs beyond GA may require support as well in a bleak economy.

- **One option is to provide grants to assist townships, which currently receive little intergovernmental aid. Grants should address needs for multiple types of social services rather than GA alone. They should encourage broader provision beyond GA.**
- **Foundations may want to support and showcase innovative strategies that improve the effectiveness and efficiency of social services. These may include partnerships that involve townships, municipalities, and nonprofits.**

### **Recommendation 3: Regional Dialogue**

**A regional meeting involving multiple stakeholders would place the issue of changing human service needs on the agendas of townships and municipalities as well as initiate discussions about how to plan to meet these needs and target resources from other levels of government, foundations, and nonprofit organizations.** A regional discussion could raise the need for policy attention and capacity-building in high-poverty areas where there is currently little social service activity.

#### **A regional meeting would:**

- **Mobilize a larger network of informational and organizational resources for regional planning.**
- **Present data about changing demographics; information about state, county and nonprofit resources; and ideas and strategies from local governments in this region and beyond.**

Participants would include regional planning organizations, COGs, coalitions of nonprofit organizations, foundations, university researchers, and professional associations such as the Township Officials of Illinois (TOI) and the Illinois City and County Managers' Association (ILCMA), as well as state, county, township, and municipal governments. Nonprofit organizations in the metropolitan area are currently improving the voluntary sector infrastructure to serve the poor and working poor in the suburbs, and a regional meeting would be especially valuable to promote information-sharing and coordination between nonprofits and local governments. While some relationships have clearly already been built in individual townships and municipalities, the region would benefit from greater awareness of activities and needs across both nonprofit and local government sectors. A regional meeting with widespread participation could draw more partners into longer-term planning efforts being undertaken by the Chicago Metropolitan Agency for Planning (CMAP). Our results suggest that an initial meeting must cast a broader net, however, than any single regional organization. There is a need to provide information and dialogue both on the regional level and at a scale that is closer to the operation of townships and municipalities, perhaps at the county level.

#### **Recommendation 4: Sub-regional Information Exchange and Capacity-Building**

**Regional efforts should support networking within the region for joint planning and coordination, information exchange, and capacity-building for governments with less social service experience.** For townships with little administrative experience in social services, there will be a need to increase the capacity to meet program demands. For high-poverty townships that have not been active in social service provision, financial assistance is likely not enough. For some rural townships now encountering growth in high-need populations, the survey indicated that there is a need for information and training.

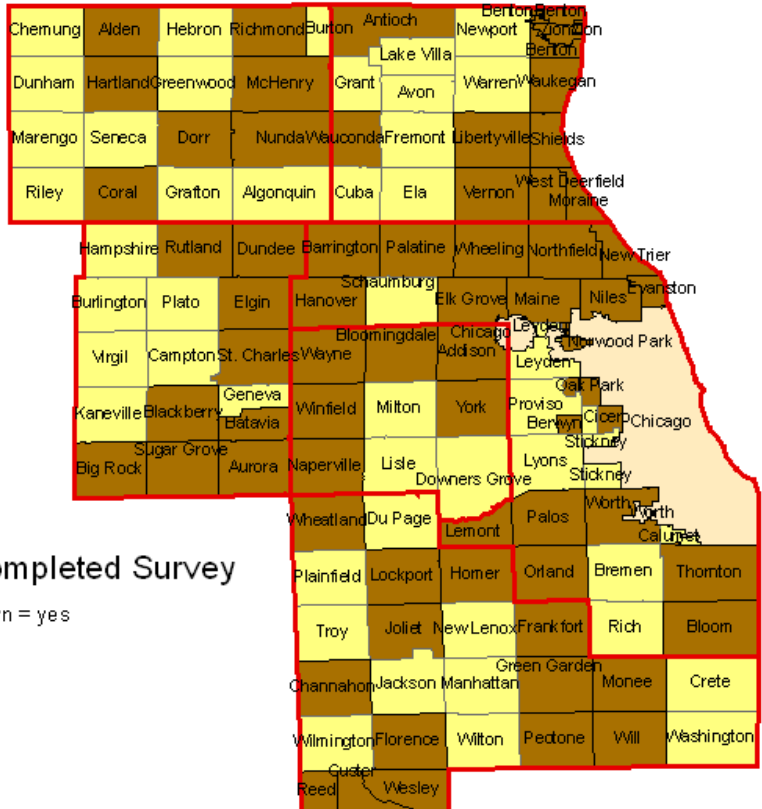
The size of the six-county region and the differences between urbanized and rural areas indicate that the region is not necessarily the scale on which **regular** interaction to support social service delivery should occur, even for information-sharing. Both the municipal and township surveys offered some support for a county role in promoting collaboration, and counties may encourage information-sharing on social services among local governments and nonprofits on a regular basis. DuPage County already has two good examples of county-wide township networks: the DuPage County Township Supervisors and the Township Caseworkers Association of DuPage County. Existing organizations may provide a foundation for outreach to municipalities, nonprofits, and county organizations in a broader information network. In Cook County, one resource may be the Councils of Government (COGs), which are organized on a subcounty level. The drawback for the COGs is that they currently include few townships, although their membership is open to both townships and municipalities. If the COGs

organized subcommittees on social services and actively recruited townships, this could be an ideal forum for more collaboration between townships and municipalities as well as local nonprofits.

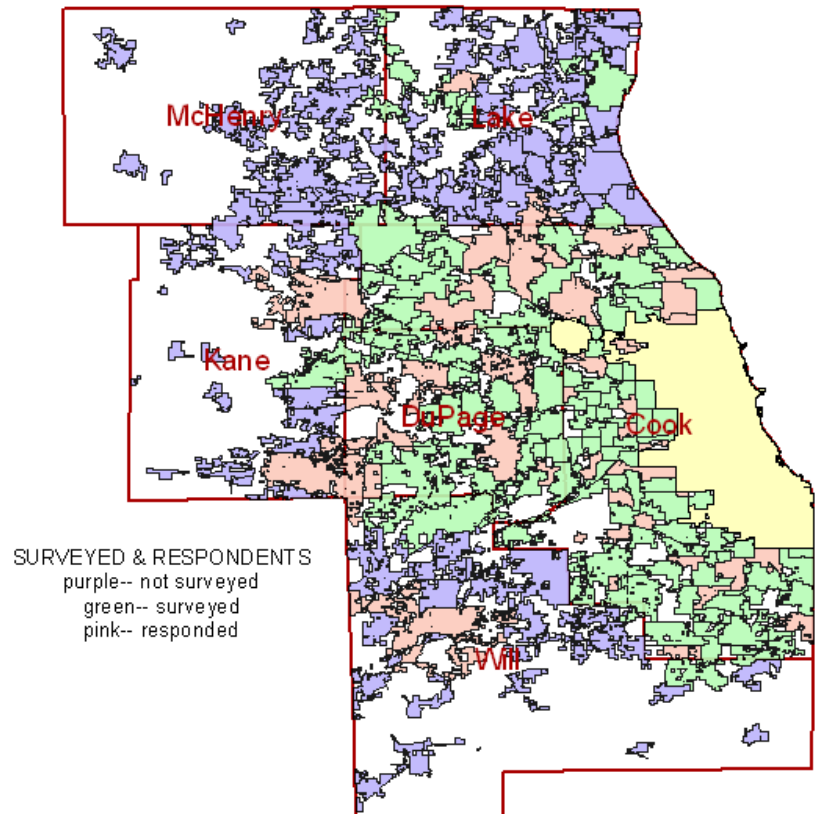
Some parts of the Chicago metropolitan area are faced with new challenges because of shifts in the geography of poverty, and the concentration of need. All communities will experience some increased need for human services because of the current economic crisis and the gradually increasing pressures created by an aging population. Greater attention must be devoted to future human service needs in the region, including unequal capacity for service delivery as well as opportunities for collaboration and innovation.

# APPENDIX A

## TOWNSHIPS THAT RESPONDED TO THE SURVEY



# MUNICIPALITIES THAT RESPONDED TO SURVEY AND SURVEY SAMPLE



## APPENDIX B: METHODS

We employ several sources of information in this study. Two original surveys were conducted between March and September 2008. The sample for one included all 114 townships in the 6-county area (Cook, DuPage, Lake, McHenry, Will and Kane). The other targeted cities and villages in Cook and DuPage Counties as well as municipalities in high-poverty areas within the other four counties. These other areas include the satellite cities of Waukegan, Joliet, Aurora, and Elgin and municipalities in the Round Lake area of McHenry County. Our analysis of data from the 2000 Census shows that these are the highest-poverty areas in the region (excluding the City of Chicago). Despite recent trends in poverty and immigrant migration, these are still the most relevant areas for the purposes of our study.<sup>12</sup>

The surveys were constructed on the basis of phone interviews with township supervisors, city managers, and social service administrators that we contacted based on poverty levels or human service activities observed from websites. Interviews were also conducted with representatives of local government organizations such as the Township Officials of Illinois, the Illinois City and County Managers Association, Councils of Government (COGs), and Chicago Metropolitan Area Planning (CMAP). Pre-testing involved administering draft surveys to selected township and municipal officials.

Both surveys were administered online, but respondents were notified by regular mail and were offered the option of receiving a hard copy or completing the survey over the phone. One follow-up round of letters was sent for each survey, and further follow-up was conducted by email and by phone. The township surveys were sent to township supervisors, although they were sometimes answered by social service or other administrators either alone or in conjunction with other officials. The municipal survey was sent to the city or village manager, where applicable, or to the mayor or village president if there was no professional manager. As with townships, some surveys were delegated to administrators, especially those responsible for social services.

The response rate for townships was over 60%, with 68 of the 114 townships completing the survey. Townships who responded to the survey are similar to those who did not respond in terms of demographic and socio-economic characteristics such as population, income per capita, and percent poverty population. However, respondent townships do have significantly greater population density and significant financial differences. Specifically, they spend a larger percentage of their budget on health and welfare and have higher health and welfare services expenditures per capita, but they have lower total expenditures per capita than nonrespondents. Respondent townships also have higher equalized assessed value for each square mile within the jurisdiction, but are not wealthier in terms of property values per capita. Thus, the townships who responded to our survey appear to place a higher

---

<sup>12</sup> While the 2000 Census is the most complete source of information on the population in the metropolitan area, the 2006 American Community Survey conducted by the U.S. Bureau of the Census, which has data for places with a population of more than 65,000, shows continued increases in poverty and immigration for these satellite cities. The Brookings Institution (2008) study on the Earned Income Tax Credit shows some growth of the working poor in the inner suburbs of Chicago, within Cook and DuPage Counties.

priority on social services spending than townships who did not respond, and our survey results must be viewed from this perspective.

Municipalities had a lower response rate of 27%, with only 44 municipalities responding out of 165 that were sent the survey. Municipal respondents are significantly larger both in terms of population and land area, are less dependent on property taxes, and more dependent on sales taxes. However, there is no other statistically significant differences between respondents and nonrespondents on other demographic, socio-economic, or financial characteristics. Although the majority of municipal survey respondents are from Cook County due to its greater number of municipalities, response rates do not vary by county, home rule, or administrative structure.

Other sources for this study include the initial phone interviews as well as later site visits to townships (see the cases described in this study). Case studies were selected to highlight interesting programs or strategies for human service delivery to illustrate some of the trends covered by the surveys. Financial, demographic, and socio-economic data are analyzed here for all 114 townships and 264 municipalities in the Chicago metropolitan region. Data cover different years from 1999 to 2006, depending on the source: the U.S. Bureau of the Census,<sup>13</sup> Illinois Department of Revenue (IDOR), Illinois Office of the Comptroller, and the Illinois Department of Transportation.

---

<sup>13</sup> US Census Bureau data are taken from the 1980, 1990 and 2000 decennial censuses and the 2002 Census of Governments.

## REFERENCES

- Berner, Maureen, Trina Ozer and Sharon Paynter. 2008. A Portrait of Hunger, the Social Safety Net, and the Working Poor. *Policy Studies Journal* 36(3): 403-20.
- Black, Lisa, Lolly Bowean and Steve Schmadeke. 2009. The Economic Crisis: Shelters Brace for Homeless Families. People Run Out of Options as Evictions, Joblessness Take Toll. *The Chicago Tribune*, p. 1, January 7, 2009.
- Berube, Alan and Elizabeth Kneebone. 2006. *Two Steps Back: City and Suburban Poverty Trends 1999-2005*. Washington, D.C.: Brookings Institution, Living Cities Series. Available [online] at [www.livingcities.org](http://www.livingcities.org). Accessed October 15, 2008.
- Keane, James F. and Gary Koch, eds. 1990. *Illinois Local Government: A Handbook*. Carbondale, IL: Southern Illinois University Press.
- Kneebone, Elizabeth and Alan Berube. 2008. A Reversal of Fortune: A New Look at Concentrated Poverty in the 2000s. Washington, D.C.: Brookings Institution, Metropolitan Policy Program. Available [online] at [www.brookings.edu/metro](http://www.brookings.edu/metro). Accessed October 15, 2008.
- Mossberger, Karen, Caroline Tolbert and Ramona McNeal. 2008. *Digital Citizenship: The Internet, Society and Participation*. Cambridge, MA: MIT Press.
- Pew Internet and American Life Project. 2008. Who's Online (December 2008). Available [online] at [www.pewinternet.org](http://www.pewinternet.org). Accessed January 23, 2009.
- United Way and The Chicago Community Trust. 2007. A Report on the Chicago Region's Health and Human Services Sector. Chicago: United Way and Chicago Community Trust. Available [online] at [www.cct.org](http://www.cct.org). Accessed January 20, 2008.
- Zezima, Katie. 2008. From Canned Goods to Fresh, Food Banks Adapt to Demand. *The New York Times*, p. 1, December 10, 2008.