



## Balance The Budget

Like any major project, we must first establish a goal. That goal should be to operate under a balanced budget each and every year. And this has to be legitimate. While our state constitution requires a balanced budget, the politicians play games like counting borrowing as an earned revenue source. Adding debt to your balance sheet is not the way to solve your inability to control spending. I would make sure that a balanced budget is truly balanced.

We must look for inefficiencies in all aspects of government. This includes multiple state offices that perform virtually the same functions and require multiple staffs. The effective combination of similar jobs would cut a lot of cost and red tape.

This is true of government entities as well. There are over 7,000 individual taxing authorities in our state, each of which has significant administrative costs, and many of which do nothing. Our government can and has to run more efficiently, and combining and/or eliminating many of our taxing districts would save a tremendous amount of taxpayer dollars.

We must change future earned benefits in our state pension systems from defined benefit plans to defined contribution plans such as 401k/403b, where employees are responsible for contributing a significant portion of their future retirement costs, and are given the responsibility and educational resources to manage their own retirement dollars. And it should be the individual school districts, and not the state, that manage the retirement plan costs for their district. Inefficient

management in one district should not become the responsibility of taxpayers across the state. This would also stop, for example, the practice of granting significant pay increases at the end of a career, thereby saddling the state with escalating pension costs for these retiring workers. Finally, implementing term limits for our politicians would reduce their pension costs as well.

We should eliminate mandatory fixed salary increases at all levels. Many government jobs have been getting annual automatic raises of 3% or more, while inflation has been growing at half that level. We should tie cost of living increases to an acceptable definition of the Consumer Price Index.

As you can see, I believe there is a lot of money to be saved on the expenditure side of the balanced budget equation. On the revenue side, we must provide a better business climate in order to bring new businesses and jobs into Illinois, instead of watching them go to nearby states. Poor school systems, sky high pension liabilities and some of the highest Worker's Comp premiums and corporate income tax rates in the country make it very unfavorable to open a business here as opposed to neighboring states, especially in the manufacturing sector. Solving this issue will mean increased jobs, increased consumer spending and increased state tax revenues, which will help balance the budget.

The biggest obstacle in getting any of this done is to remove partisan politics from it all. One party or the other is afraid to recommend certain solutions because it may not be popular with voters. We need a bipartisan committee, perhaps made up of not only elected officials, but also outside experts, to hammer this out. Nothing will get accomplished in budget reform if we maintain partisan politics as usual.