

Plan Your Referendum for Success

By James Rachlin and Socrates Rivers

As expense growth continuously erodes public library district budgets, the number of library districts facing difficult choices is mushrooming. Where local laws permit it, the inevitable result is a proliferation of these districts approaching their taxpayers with a ballot question seeking a tax rate increase. Rate increase questions may be for new construction or for operations.

Whether a library seeks professional assistance in marketing its referendum question or simply tries to sell it to the public on its own, certain guidelines are helpful in formulating an executing a strategy.

Surprisingly, there appears to be no correlation between the size of the requested increase and whether it passes or fails. Rather, voters must be deciding on the basis of whether a given increase is well justified. If so, they will vote for it.

Consequently, referendum planning, budgeting and forecasting must center on three questions: How much do we need, how long will it last and is it clearly justifiable to our residents? Unless these questions can be answered satisfactorily internally, they will never pass public scrutiny.

How much do we need? A myriad of factors must be addressed.

- Costs can always be reduced, but possibly not in a manner acceptable to the Board or community. Nevertheless, the Board should ask: Can we tolerate working with less staff? Are there programs that are no longer useful? Are we operating our building and programs in the most efficient manner possible? Can we reallocate the tax levy? Are we charging appropriate activity fees? Do we have unneeded maintenance expenses? Is providing services to out-of-district residents cost-effective?
- The revenue side also cannot be neglected: Are we taking advantage of all grant and subsidy dollars? Are we investing our funds to the greatest advantage? Are our existing fund balances appropriate? Has the district accounted for additional revenue it might receive due to the expiration of any subsidies currently given to taxpayers? Have we exhausted other revenue sources such as developer fees, impact fees, and revenue sharing where appropriate?
- Any forecast of revenues and expenditures must anticipate changes in the library and community that effect financial performance: How do we see our community growing? Do we have employee negotiations coming up? Do we anticipate hiring additional staff? Will medical insurance costs keep rising dramatically?

How long will it last? The anticipated revenue from a tax increase should be forecast against expenses. See how long the increase will last by assuming trends in revenues and expenditures will continue. The increase can be made larger or smaller to conform to the perceived comfort level of the community:

- The year after an increase is in place, it begins to be eroded by cost increases. To have an increase last more than one year, a surplus will have to be built up. How big should the surplus get? Will it be a plum just asking to be squandered? Will tax objectors require it to be refunded? These considerations may limit the feasible amount of a rate increase.
- Make sure you understand how much money the referendum will generate and when you will begin to receive it. Is it an ongoing revenue stream or a one-time payment? If there are multiple estimates of the impact of the referendum, however well intentioned, the Library subjects itself to criticism, accusations of not understanding what it is asking for or, worse, lying.

Is it justifiable to our residents? Having answered the first two questions, this is an easy one. Clearly, the Library has considered every contingency and made decisions about how it wishes to be run in coming years. If the library staff has prepared properly, the staff, Board and community will be in sync, and the resulting plan should reflect how the community wants to be served.

The only question remaining is:

What is the alternative? To approve a rate increase taxpayers must be absolutely clear on the alternative. Only by presenting this alternative – not doom and gloom threats – will residents have something to which to compare the rate increase. Should the rate referendum fail, the alternate plan must be implemented exactly as laid out. If the public does not like that reality, they will pass the referendum the next time around.

The Referendum Campaign

Once the financial plan is in place, it must be communicated to residents. The underlying philosophy is simple: Build on the acknowledged strengths of the Library to give the community confidence that the rate increase is deserved and justified. By working from strengths, a positive image is cemented in the community's mind. At the same time, the Library must convey a compelling need so that the values important to the community are seen to be at risk. **By building trust and establishing a compelling need, we increase the likelihood of a winning vote.**

A referendum campaign contains the following essential elements of communication:

- *A proactive political support base.* Beyond a unified board, the implicit or, better yet, explicit backing of key political forces is an immeasurable asset.
- *A message that resonates in the community.* Consider why community residents support their library and what is important to them. The campaign theme must echo these feelings.
- *Establish a compelling need.* Every member of the community must have a chance to know about the referendum and why a yes-vote is important. A convincing presentation is essential to making a persuasive argument.
- *Communicate constituency by constituency.* Different stakeholder groups have different interests. The message must be delivered by someone trusted by the constituency and shaped to address that group's primary concerns. Our motto: One set of facts, many reasons to support the referendum. Stealth campaigns do not work and destroy trust within the community.
- *Attention when separate referenda to build (bond) and operate (rate, usually) the library must be on the ballot at the same time.* Both issues must be given adequate attention; perhaps with more than equal time given to the rate question. Buildings are easy for taxpayers to understand while tax dollars for operations are perceived as a black hole.
- *An alternate plan if the referendum fails.* Not threats, a plan. Face the community with a choice between services as they have come to appreciate them and something less. If the referendum fails, execute the alternate plan.

The framework for communicating is as important as the message itself. Specifically, we have identified the following “Top 10 Key Items for Referendum Campaigns”:

1. *Communicate before you ask for money.* Don't show up on the doorstep with your hand out. Community-wide newsletters trumpeting outreach programs and successes help establish the Library as more than a place that loans books.
2. *Positive Mental Image.* Everyone involved in the Library and its campaign must project a positive mental image to the community. This image can permeate the District and generate significant goodwill.
3. *Organize the Committee.* The most critical component of the referendum campaign is to have a team of energetic, responsible, visible, well-liked and well-connected community members. These individuals should be tailored to their specific roles – someone in public relations to head the PR committee, a local activist to head the human resources committee, and so on. Choose a campaign leader who is a good organizer with political connections.
4. *Get the Story Straight.* Everyone must work from the same set of facts or you will sow confusion among

voters. To get the facts straight, use a fact sheet that all members of the committee can work from.

5. *Slogan.* One of the first activities of the referendum campaign will be to select a slogan. The campaign slogan will be a rallying cry for the community, a phrase that encourages the community to support the referendum.
6. *Establish Speaking Engagements.* Don't hide the referendum. Numerous speaking engagements at each civic organization in the District, open houses and tours, coffees all help raise public awareness. However, limit the number of public speakers to help keep factual inconsistencies to a minimum.
7. *Establish Public Relations Effort.* Increase public awareness with a constant trickle of press releases and mailings, signage and posters. Seek active and positive press coverage.
8. *Reach the Support Group.* Reach natural pro-library constituencies: parents, users, groups that meet at the library and others. Ensure that members of these groups are registered to vote and that special interest groups endorse the referendum.
9. *Bring 'em to the Polls.* Get supporters out to vote. Keeping a list of yes voters relative to the votes required to win to help track the progress of the referendum.
10. *List Keeping, Telephone Polling and Poll Watching.* Apathy kills referenda. Keep lists and then call to remind each supporter to vote. Poll watching ensures that missing voters are contacted to vote once more before time runs out.

Referendum campaigns can be a rewarding and trust building experience for the Library and community. They are an opportunity to observe and learn about your community while materially contributing to the quality of service. Plan and execute your strategy properly to ensure you get the funds you need to serve your community well.

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