***Attachment 2***

 **Daniel J. McLaughlin**

 Mayor, Village of Orland Park

 Executive Board Chairman

 **Rahm Emanuel**

 Mayor, City of Chicago

Executive Board Vice Chairman

 **Jim Holland**

Mayor, Village of Frankfort

 Executive Board Secretary

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**Executive Board Meeting**

**July 10, 2015**

1. **Call to Order and Welcome**

Orland Park Mayor and Executive Board Chairman Daniel J. McLaughlin, representing the Southwest

Conference of Mayors, called the meeting to order at 10:30 a.m. at the Chicago Cultural Center, 78 East Washington Street in Chicago, IL. Others in attendance included:

President Deborah M. Bullwinkel, Villa Park (representing the DuPage Mayors and Managers Conference)

 (Via speaker phone)

President Karen Darch, Barrington (representing the Northwest Municipal Conference)

Mayor Jim Holland, Frankfort (representing the Will County Governmental League)

Mayor Teresa Kernc, Diamond (representing the Will County Governmental League)

Mayor Jeffery D. Schielke, Batavia (representing Metro West Council of Governments)

Mayor John Ostenburg, Park Forest (representing the South Suburban Mayors and Managers Association)

Mayor Tom Rooney, Rolling Meadows (representing the Northwest Municipal Conference)

Claudia Chavez, Assistant to the Mayor, City of Chicago

Paul Lee, Assistant to the Mayor, City of Chicago

*Others*

Kate Agasie, Stakeholder Outreach Manager, ComEd

Isaac Akridge, Vice President, Regulatory Projects, ComEd

Brenna Conway, Illinois Director, Roosevelt Institute

Jill Hodge, Special Projects Assistant, Orland Park

Hugh O’Hara, Executive Director, Will County Governmental League

Edward Paesel, Executive Director, South Suburban Mayors and Managers Association

Gordon Smith, Director of Governmental Affairs, Chicago Metropolitan Agency for Planning

Joseph Szabo, Executive Director, Chicago Metropolitan Agency for Planning

David Bennett, Executive Director, Metropolitan Mayors Caucus

Allison Clements, Director of Housing Initiatives, Metropolitan Mayors Caucus

Charles Dabah, Program Assistant, Housing Initiatives, Metropolitan Mayors Caucus

Jennifer Kim, Roosevelt Institute Fellow, Metropolitan Mayors Caucus

Edith Makra, Director of Environmental Initiatives, Metropolitan Mayors Caucus

1. **Approval of Minutes: May 11, 2015 Meeting**

Mayor Jeffery Schielke of Batavia made a motion to approve the minutes from the May 11, 2015 Executive

Board meeting. Mayor Jim Holland of Frankfort seconded and the motion was unanimously adopted.

**City of Chicago ∙ DuPage Mayors and Managers Conference ∙ Lake County Municipal League ∙ McHenry County Council of Governments**

**Metro West Council of Governments ∙ Northwest Municipal Conference ∙ South Suburban Mayors and Managers Association**

**Southwest Conference of Mayors ∙ West Central Municipal Conference ∙ Will County Governmental League**

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**III. Presentation: Update on ComEd’s State Legislative Agenda**

Board Chairman McLaughlin welcomed guests, Isaac Akridge and Kate Agasie from ComEd. Mr. Akridge

stated that the purpose of his presentation was to give an overview of ComEd’s state legislative agenda.

He began by explaining that ComEd’s customers are beginning to see the benefits of the company’s Smart

Meter Program and are already seeing cost savings on their monthly bills as a result.

Mr. Akridge noted that experts are forecasting that the industry is going to go through transformational

change. He outlined three large changes on the horizon: 1) Shift in Policy – there is a great push for renewable energy and conservation, which has implications for rates. Right now, the rate design is based on how many kilowatt hours are sold; usage will decrease when more forms of alternative energy are used which will mean rates will have to rise unless there is a change to the rate structure. In addition, there are still infrastructure upgrades that need to happen; 2) Changing Customer Expectations – customers want more energy options and more control when there are power outages; 3) Changes in Technology - there will be a number of options for customers to choose from in the future such as solar panels, battery storage and electric vehicles.

ComEd is “opening up” its infrastructure to accommodate these changes, but that may require it to revise its

rate structure. Mr. Akridge pointed out that that the legislation introduced this session in Springfield seeks to

find a solution to be able to offer increased energy efficiency that benefits everyone through a demand-based

rate system. He explained that the company wants to make sure new rates are fair and equitable for all, especially at a time when there are limited solar users. He also stated that ComEd is also looking into community-based solar and provisions for micro-grids.

Mayor McLaughlin noted that his COG encompasses a large area with many rural communities and he had

read that windmills are not as cost effective as once believed. Mr. Akridge said that the industry has shown

that renewable energy can be a bit more expensive, but people are still interested in using it because it’s environmentally friendly. Mayor Schielke stated that ComEd has been a great partner to municipalities and thanked them for their great work. Mayor Terry Kernc of Diamond echoed that sentiment.

Executive Director, Dave Bennett, asked Mr. Akridge and Ms. Agasie to speak to the status of the legislation.

Mr. Akridge stated that ComEd is now working on revisions to incorporate the feedback it has received from various stakeholder groups over the last few months. He noted that they have not yet gotten into official negotiations and are not sure when that will happen. He also said that ComEd has done some studies on the longer term impacts of its proposals and other groups involved are now working independently to do their own additional research. Mr. Akridge expects to see movement on the legislation in the fall.

President Karen Darch of Barrington noted that she has received complaints from residents about the Smart

Meter Program that compares a family’s energy usage to their neighbors. Mr. Akridge said the original hope

of the program was to help customers manage their bill and be more conscious of their energy usage. He also noted that the “neighbor” they are comparing them to is theoretical.

Mayor McLaughlin thanked the guests from ComEd for coming to the meeting. Ms. Agasie noted that they are currently in a holding pattern with the legislation and would be more than happy to attend a future meeting to provide an update.

 **IV. Policy Area: Housing and Economic Development**

 **A.**  **Housing and Community Development Committee 2015 Policy Agenda**

Chairman McLaughlin asked Allison Clements to provide an update on the housing related agenda items since

Mayor Sherwin was not present. Ms. Clements explained that at the February 10, 2015 meeting of the Caucus’

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**A.**  **Housing and Community Development Committee 2015 Policy Agenda (cont.)**

Housing and Community Development Committee, the Committee approved a new Policy Agenda for 2015.

The purpose of the document is to provide broad guidance on the Committee’s priority projects and programs. The document was last updated in 2011. Ms. Clements stated that the Policy Agenda has been approved by all

nine suburban COGs and the City of Chicago and the Committee is requesting approval at today’s meeting. Mayor Schielke made a motion to approve the Policy Agenda and President Darch seconded. The motion was unanimously adopted.

**B. New Publication: “Raising the Bar: A Short Guide to Landlord Incentives and**

 **Rental Property Regulation”**

Ms. Clements stated that as a part of the Caucus’ grant from the Illinois Attorney General’s Office, the Caucus

has worked in partnership with the South Suburban Mayors and Managers Association and the Center for Community Progress to publish a guide for municipalities on best practice policies for regulating the condition and operation of rental housing. The guide was targeted to the south suburbs, but is relevant for all

municipalities in our region. Copies of the guide were provided to the Board.

**C. Chicago Community Trust Grants Approved**

Ms. Clements noted that the Caucus was recently notified that it received two housing-related grants from

The Chicago Community Trust. A grant of $70,000 was approved to continue the work of the South, West and Northwest Suburban Housing Collaboratives. A grant of $100,000 was approved to work with DePaul University’s Institute for Housing Studies (IHS) to develop a housing market segmentation analysis for the Chicago region which will help regional policy makers and housing stakeholders understand the variation in

local housing submarkets, allow for more strategic and targeted outreach and implementation of the Homes for

a Changing Region program, and inform the development of new regional housing initiatives that are responsive to local needs.

 **D. Diversity Issues Task Force: Informational Memos on President Obama’s Executive Orders re Immigration**

Ms. Clements gave an update on the work of the Diversity Task Force, and explained that the group recently received a presentation from the Latino Policy Forum on the status of President Obama’s Executive Actions on immigration. As a result of that meeting, the Task Force decided to draft a letter and three informational memos

to municipalities in the region explaining the implications of these actions on local municipal operations. The memos include information on: 1) Increasing public safety through community policing efforts and the U Visa program ; 2) Municipal’ roles in providing documentation and potential support for Deferred Action for Childhood Arrivals (DACA 2012) and preparing for Deferred Action for Parents of Americans (DAPA) and DACA expansion; and 3) Addressing consumer protections through referral services and fraud prevention.

 **V. Local Government Shared Services Study Interim Report**

Mr. Bennett introduced Jennifer Kim, who is a Summer Academy Fellow with the Caucus through the

Roosevelt Institute. Over the course of nine weeks, Fellows are placed full-time with a partner organization, including city governments, community-based organizations, advocacy groups and think tanks. Mr. Bennett

stated that Jennifer’s summer project with the Caucus is to create a database of shared and consolidated services in the region. The information gathered will then be shared with the Governor’s Local Government and Unfunded Mandates Task Force.

Ms. Kim proceeded to give a PowerPoint presentation that summarized the result of her research thus far. She explained that a survey was distributed to municipalities in the region and that 117 responded. Of those respondents, 110 have or are currently sharing services. Jennifer stated that the most common initial reasons

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**V. Local Government Shared Services Study Interim Report (cont.)**

for sharing services are cost savings and operational efficiency. She said that joint dispatching is the most commonly shared service. Overall, feedback was extremely positive on experiences with shared services. Municipalities generally found that cost savings and operational efficiency were the most common benefits.

Ms. Kim went on to explain the service-specific benefits for police, fire protection, joint dispatching, public works, code enforcement and public health inspections, cable TV consortium, joint procurement of supplies

and services, management and administrative services, waste collection and disposal, storm water management, technology, drinking water treatment and delivery, assets, planning and development and sewage treatment.

She then reviewed specific examples of cost savings. She also discussed obstacles and negative outcomes that municipalities shared through the survey, including some unwillingness by staff to “lose control” and fear of the unknown. She then reviewed information municipalities would have found beneficial at the beginning of

shared services, as well as recommendations for best practices.

Ms. Kim noted that municipalities found it beneficial to research other projects before embarking on shared services. It is also important to aim for a small achievement and then build on that success and create trust

before embarking on a larger goal for shared services. Jennifer stated that municipalities indicated a desire for grant funding and clarity on policies from the State of Illinois, as well as removing regulatory barriers that

stymie collaborative and consolidation efforts. She concluded her presentation by reviewing new areas where municipalities would like to share services, and highlighted that all of the responses are services that have been shared before. Mr. Bennett explained that the final report and database that will be available for everyone at the end of the summer that has all of the information from the survey and research from this effort. Mayor McLaughlin thanked Jennifer for all her work.

**VI. Mayors Caucus FY 2014 Annual Audit Reports and IRS 990 Filing**

Mr. Bennett reviewed the Caucus’ FY 2014 audit reports and 990 filing. He noted that the audit process was delayed this year because Wolf & Company, the Caucus’ contracted auditing firm, was acquired at the end of calendar year 2014 by BKD, LLP.

Mr. Bennett explained that there are four documents in the agenda packet: a management letter from BKD,

a single audit report, the full audit report and the 990 form. He stated that the auditor’s letter indicates that the Caucus had a clean audit this year and there are no reportable issues or material weaknesses.

The federal government requires organizations that receive $500,000 or more in federal grant funds to file a

single audit report. The Caucus exceed the $500,000 threshold in FY 2014 with it emerald ash borer program.

Mr. Bennett provided a brief summary of the single audit report noting that the auditors found the Caucus to

be in compliance with federal standards. He also pointed to information in the single audit about the number

of re-grants that the Caucus made to municipalities and the amount retained by the Caucus for technical

assistance and administrative expenses. Mr. Bennett conclude his review of the single audit report by stating

that a similar report will not be required in FY 2015 as the Caucus will not receive federal grants totaling more t than $500,000.

Board members were then asked to direct their attention to the full audit. Page 2 of the report notes that it is the auditors’ opinion that our financials and supplementary information were all well provided and fairly stated.

Mr. Bennett mentioned that the report shows that the Caucus relies heavily on grants. He stated that when the change in net assets is shown as a decline in 2014, the main reason for that is that we incurred expenditures in

FY 2014, but did not receive grant revenues to cover them until FY 2015.

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**VI. Mayors Caucus FY 2014 Annual Audit Reports and IRS 990 Filing (cont.)**

Page 5 of the audit shows that the Caucus re-granted significant funds to municipalities across the region. It equated to almost $3.2 million this year from mostly energy efficiency grants but also includes our housing

grants and the emerald ash borer program. Dave also noted that page 4 shows our member dues collected to be less than $200,000, but this is because we did not receive some dues for that fiscal year until FY 2015. Mayor Holland asked if there is an issue with accounts receivable and Dave replied that there was not. Mayor Schielke motioned to approve the audit and President Darch seconded. The motion was unanimously approved.

**VII. Introduction of New CMAP Executive Director: Joseph Szabo**

Mayor McLaughlin welcomed Joseph Szabo, the new Executive Director of the Chicago Metropolitan Agency

for Planning. Mr. Szabo thanked Mayor McLaughlin and stated that he was once a part of the Mayors Caucus during its early years in the late 1990s. He stated that he is very excited about his role and wanted to help our region have a common vision. He also noted the positive relationship that the previous Executive Director of CMAP had with mayors and states that he wants to continue that positive relationship. Several Board members

wished Mr. Szabo well in his new position.

**VIII.****Update Second Vice Chairman Position, McHenry County Council of Governments Appointment to Caucus Executive Board**

Mr. Bennett stated that last fall the Board chose to amend its bylaws to allow for a Second Vice Chair. The decision was made that this position would be first filled by a McHenry COG representative. This would allow

that COG to get back into the Executive Board Officers’ rotation.

Mr. Bennett reported that he was informed earlier in the week that the McHenry COG has appointed President Robert Nunamaker of Fox River Grove to be its Director on the Caucus Executive Board. He expects President Nunamaker to begin attending Board meetings in the fall. He said it would be appropriate to consider slating

President Nunamaker for the Second Vice Chair position after he becomes acclimated to the Board.

**IX. Cook County Chancery Division Interim Order re Processing State FY 2016 Payment Vouchers**

Mr. Bennett explained that President Darch requested that staff distribute the interim order a Cook County

Court judge issued last week which calls for a delay in paying state employees when the State does not have a formally approved budget. He pointed out that the order was included as a separate PDF document with the agenda packet.

Mr. Bennett also stated that a judge from St. Clair County has subsequently issued a conflicting bench order

the other day which requires the State to continue to pay State employees. The judge initially ruled that the

State continue to pay only unionized employees. However, attorneys for the State Comptroller indicated that

their office is unable to distinguish between unionized and non-union employees in their payroll system.

The judge then amended his order to require that all State employees be paid.

Chairman McLaughlin stated that the Caucus should consider strategies moving forward that would prevent Springfield from playing “political football” with money that has been committed to municipalities. Mayor Ostenburg agreed and stated that he finds it disturbing that discussions in Springfield are moving towards

taking away funds such as the motor fuel tax. Mayor Schielke stated that Mayors should ask the Caucus’

lobbyist about this at the Quarterly Business Meeting happening later in the afternoon.

 **X. Next Executive Board Meeting**

Mayor McLaughlin noted that the next Executive Board Meeting is September 14, 2015 at the DuPage

Mayors and Managers Conference offices in Oak Brook.

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 **XI. Quarterly Mayors Caucus Business Meeting:**

Chairman McLaughlin encouraged all Board members to attend the Quarterly Business Meeting occurring directly after this meeting in the Grand Army of the Republic Hall on the second floor of the Cultural

Center.

 **XII. Adjournment**

Mayor Schielke made a motion to adjourn the meeting and Mayor Ostenburg seconded. The meeting

adjourned at 11:55am.

Respectfully submitted,

Jim Holland

 Executive Board Secretary

 and Mayor, Village of Frankfort