***Attachment 1***

 **Jim Holland**

Mayor, Village of Frankfort

Executive Board Chairman

**Rahm Emanuel**

Mayor, City of Chicago

Executive Board 1st Vice Chair

**Robert J. Nunamaker**

President, Village of Fox River Grove

Executive Board 2nd Vice Chair

**Joseph Mancino**

Mayor, Village of Hawthorn Woods

Executive Board Secretary

**MINUTES**

**Executive Board Meeting**

**Monday, January 11, 2016**

**I. Call to Order and Welcome**

Frankfort Mayor and Executive Board Chairman Jim Holland, representing the Will County Governmental League,

called the meeting to order at 9:35am at the offices of DuPage Mayors and Managers Conference, 1220 Oak Brook

Road, Oak Brook, IL. Others in attendance included:

*Directors*

Mayor Gerald R. Bennett, Palos Hills (representing Southwest Conference of Mayors)

Mayor Paul S. Braun, Flossmoor (representing South Suburban Mayors and Managers Association)

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

President Karen Y. Darch, Barrington (representing Northwest Municipal Conference)

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

President Joseph Mancino, Hawthorn Woods (representing Lake County Municipal League)

Mayor Daniel J. McLaughlin, Orland Park (representing Southwest Conference of Mayors)

President Robert J. Nunamaker, Fox River Grove (representing McHenry County Council of Governments)

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

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

Mayor Jeffrey T. Sherwin, Northlake (representing West Central Municipal Conference)

Mayor Gayle A. Smolinski, Roselle (representing DuPage Mayors and Managers Conference)

Mayor Thomas J. Weisner, Aurora (representing Metro West Council of Governments)

Claudia E. Chavez, Assistant to the Mayor, City of Chicago (via conference call)

*Other Elected Officials*

Evelyn Sanguinetti, Lieutenant Governor, State of Illinois

President Debbie Meyers-Martin, Olympia Fields (representing South Suburban Mayors and Managers Association)

*Others*

Mark A. Baloga, Executive Director, DuPage Mayors and Managers Conference

Larry Bury, Deputy Director, Northwest Municipal Conference

Chalen Daigle, Executive Director, McHenry County Council of Governments

Mandi Florip, Executive Director, Lake County Municipal League

Mark L. Fowler, Executive Director, Northwest Municipal Conference

Paul Lee, Assistant to the Mayor, Intergovernmental Affairs, City of Chicago

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

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

Mary Randle, Executive Director, Metro West Council of Governments

**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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**MINUTES**

**Executive Board Meeting**

**January 11, 2016**

**Page 2**

Norman Walzer, Ph.D., Senior Research Scholar, Northern Illinois University

David E. Bennett, Executive Director, Metropolitan Mayors Caucus

Allison Clements, Director of Housing Initiatives, Metropolitan Mayors Caucus

Edith Makra, Director of Environmental Initiatives, Metropolitan Mayors Caucus

**II. Presentation: Final Report of the Governor’s Local Government Consolidation and Unfunded**

**Mandates Task Force**

Chairman Holland thanked Illinois Lieutenant Governor Evelyn Sanguinetti for attending the meeting to share information about the final report of the Governor’s Local Government Consolidation and Unfunded Mandates

Task Force. The Lieutenant Governor began by stating that there are nearly 7,000 units of government in Illinois. She highlighted that the Task Force wanted to emphasize providing local control to municipalities. When choosing Task Force members, the Governor’s Office was careful to select representation from all over the state and also made sure that the group was bi-partisan.

The Task Force had twenty-four members and worked in collaboration with Northern Illinois University’s Center

for Governmental Studies. The Lieutenant Governor stated that the group met sixteen times and heard testimony from 85 experts. NIU also put together a questionnaire for local units of government that received 500 responses. The Lieutenant Governor noted that the actual final report is over 400 pages long. It includes information about best practices in other states as well as 27 recommendations that were voted on by the Task Force.

The Lieutenant Governor then asked Mayor Karen Darch to speak to her experience on the Task Force. Mayor Darch stated she was thankful to serve and noted that she represented the municipal viewpoint along with Brad Cole from the Illinois Municipal League. She noted that many of the municipal recommendations go along with the legislative agenda that the Mayors Caucus is considering. The idea of local control is critical to municipalities and is carried throughout the report. Mayor Darch also thanked Dave Bennett and Mayor Jeffery Schielke for serving as two experts who testified to the group on shared services research and municipal experience in this area.

The Lieutenant Governor then thanked Dr. Norman Walzer from NIU for his research on this project. Dr. Walzer then gave a PowerPoint presentation that summarized the report. He explained that the purpose of the research was to examine the structure of government in Illinois, identify the main burdensome unfunded mandates, provide information on best practices and generate recommendations. He highlighted that Illinois and Texas have the most units of government and both have had rising costs in terms of operating expenditures per capita. The effective property taxes as percent of market value in Illinois is 2.32% and second in the country, which is not good for economic development.

Dr. Walzer then reviewed examples of government layers in DuPage County. He also noted that the Illinois Municipal League put together a list of unfunded mandates on municipalities. He concluded that the Task Force report can reduce obstacles and inform local officials about options and potential for action. There are recommendations regarding pensions, collective bargaining/interest arbitration, and workers compensation. He noted that there is more information on this topic than ever before and we are in a position to make changes, but the overriding view of the Task Force was that this has to be a local level decision.

The Lieutenant Governor concluded the presentation by stating that she looks forward to working with the Mayors Caucus and municipal groups across the State to implement the recommendations in the Task Force report. She then asked for comments and questions.

Mayor Jeffrey Sherwin noted that seventy percent of the tax bill can be attributed to school districts. He suggested

**MINUTES**

**Executive Board Meeting**

**January 11, 2016**

**Page 3**

**II. Presentation: Final Report of the Governor’s Local Government Consolidation and Unfunded**

**Mandates Task Force (cont.)**

that a more effective way to reduce property t axes would be to reform the way schools are funded rather than consolidating all other governments. The Lieutenant Governor said that the Governor is working on the school funding issue, but they still believe local decisions need to be made on consolidation.

Mayor Joseph Mancino suggested that COGs should look at what the low hanging fruit may be in terms of some easy wins. Mayor Schielke commended the Lieutenant Governor for taking on this issue. He noted that Batavia consolidated their ambulance service along with Geneva and St. Charles and operates with a private company. He then explained that a Republican State Senator got forty-four “Yes” votes on a bill last year which attempted to prevent the use of private contractors for ambulance services. He stated that there are mixed signals coming from Springfield regarding this issue.

Mayor Gerald Bennett stated that that we need to change legislatively how unfunded mandates are passed. The Lieutenant Governor noted that one of the proposals in the report speak to the need to have dollars available when mandates are passed. There is also another recommendation which allows local governments to claim economic feasibility exemptions from legislation imposing unfunded mandates.

Mayor Bennett also noted that the biggest unfunded mandate for municipalities is pensions and pension enhancements. Mayor Robert Nunamaker noted that he has a small community. Its pension funds are regulated in terms of where they can be invested. Right now, their investments are only returning about 3%. He asked why small communities like his cannot be authorized to invest in higher yielding instruments. Mayor Darch noted this would require legislative action for public safety pension funds.

Mayor Daniel McLaughlin asked what the next steps are for the Task Force. The Lieutenant Governor explained that there will be a portal on her website tracking best practices and implementation progress. She plans to work with legislators to find out how to make these proposals into law. Chairman Holland asked how the Caucus can help to move the recommendations forward. The Lieutenant Governor asked that the Caucus review the reports recommendations and consider supporting those with which it can. Mayor Holland thanked the Lieutenant Governor and Dr. Walzer for their presentation.

**III. Approval of Minutes**

Mayor Bennett made a motion to approve the minutes from the November 9th Executive Board meeting and Mayor McLaughlin seconded. The motion passed unanimously.

**IV. Policy Area: Environment**

**A. Environment Committee’s Recommended Clean Energy Agenda**

Mayor Ostenburg, Environment Committee Co-Chair, reported that the Environment Committee has considered two

energy bills in drafting the Clean Energy Agenda. They evaluated the Clean Jobs Bill, championed by

environmentalists and the clean energy industry; and the Future Energy Plan, authored by ComEd. Consultant,

AECOM was retained, through a small Energy Foundation Grant, to analyze the bills for rate impacts, support for renewable energy and energy efficiency and grid reliability.

Mayor Bennett commented on the emerging ‘Smart Cities’ concept that utilizes technology and data to manage

energy and other factors to sustain cities. Mayor Ostenburg noted that the Committee met with a team at Argonne last summer to discuss interest in smart cities, among other issues. Mayor Ostenburg asked the Executive Board to approve the Clean Energy Agenda, recommended by the Environment Committee. Mayor Bennett moved to approve and

Mayor McLaughlin seconded. The motion passed unanimously.

**MINUTES**

**Executive Board Meeting**

**January 11, 2016**

**Page 4**

**B. Energy Efficiency Resource Credits**

Edith Makra, Director of Environmental Initiatives for the Caucus, reported on the success of an agreement with

Encentiv Energy, LLC and previous public sector recipients of Public Sector Energy Efficiency funding to earn

additional revenue from, energy efficiency resource credits, or ‘capacity rights’. The regional power grid manager,

PJM, solicited bids for additional capacity to build resilience into the Midwestern peak power distribution. Of the more than 400 energy efficiency projects completed through the Caucus, some 80 met the criteria and capacity rights were

sold to PJM via Encentiv. The first payment of $5,769 was received. Estimated additional payments of $17,300 are expected in 2016. Mayor Sherwin commented on the value of the Public Sector Energy Efficiency grants that are held

up due to the state budget impasse.

**C. Powering Safe Communities Grants**

Ms. Makra reported that she is developing a pass-through grant program for public safety with ComEd as the funding agency. Com Ed approached the Caucus after their initial partner, the National Safety Council, was unable to manage

the grants for a second year. The Environment Committee provided input into the public safety needs of communities. Ms. Makra asked for additional guidance in developing grant criteria. Mayor Mancino suggested public safety plans as

a good investment for the grant program. Ms. Makra said the grant request for proposals would be ready for release on January 27, 2016. Mayor Weisner discussed the surprising end of municipal aggregation programs and requested a speaker for a future Executive Board meeting.

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

**A. Recap of December 8, 2015 Meeting with ACLU/Shriver Center re Crime Free/Nuisance Property Ordinances**

Director of Housing Initiatives Allison Clements provided a recap of the December 8th meeting with the Shriver

Center and ACLU of Illinois. Earlier in 2015, a number of municipalities received letters from the ACLU/Shriver

Center if they had a crime-free or nuisance property ordinance that needed to be amended due to the passage of a new state law that prohibits municipalities from enacting or enforcing ordinances that penalize tenants or landlords based

on police calls that were intended to prevent or respond to domestic or sexual violence, that were made on behalf of

an individual with a disability, or based on incidents of actual or threatened domestic or sexual violence or related criminal activity. The letters also highlighted broader concerns about these ordinances. The Caucus organized a

meeting in December 2015 with these two organizations and invited municipalities to learn more about the new law

and also the concerns about these ordinances.

Over 40 representatives attended the meeting representing 16 municipalities. Two municipal law firms also attended.

Ms. Clements highlighted that some of the concerns around the ordinances stem from the fact that the ACLU/Shriver Center believe that they may have a disproportionate impact on protected classes which can raise fair housing red flags. The organizations also cautioned that enforcement tied to the number of police calls to the property interferes with the “right to petition the government for redress of grievances” guaranteed by the First Amendment. Ms. Clements also explained that the organizations noted that many crime free programs are run by police officers who may not have fair housing training and could be exposing the municipality to liability.

A participant at the December meeting asked if training is available. Ms. Clements noted that this is something the Caucus is looking into organizing for those who are interested. Mayor Deborah Bullwinkel stated that she attended

the event and felt it was helpful to hear what other municipalities are doing in this area. Mayor Ostenburg said he

thought it was a productive discussion and also allowed the opportunity for the ACLU/Shriver Center to learn from municipalities what some of the issues are they are facing. Mark Baloga noted that the ACLU/Shriver Center told him there will be another round of letters coming out to municipalities. Mayor Weisner noted that Aurora amended their ordinance even though in practice they were not enforcing it against the protected groups in the new state law.

**MINUTES**

**Executive Board Meeting**

**January 11, 2016**

**Page 5**

**VI. 8th Annual Gala: Friday, January 15, 2016**

Dave Bennett noted that the Caucus’ Annual Gala will be held on Friday, January 15th from 6:30pm-9:30pm at the

Shedd Aquarium. As of this morning, there were 230 attendees registered to attend. There will be an aquatic show at

7pm followed by brief remarks at 7:30pm. Strolling dinner stations with neighborhood themes will be open at 7:45pm upstairs with access to the exhibits. Mr. Bennett thanked the officers who have been helpful in securing sponsors. Chairman Holland noted that this is an important fundraiser for the Caucus’ legislative efforts and encouraged

everyone to attend.

**VII. Feasibility of Creating Wholly Controlled 501(c)(3) Subsidiary of the Metropolitan Mayors**

**Caucus**

Mr. Bennett noted that the staff of the Caucus has been aggressive about applying for grants from foundations to

support our work. However, many foundations will not fund us as a 501(c)(6).

Mr. Bennett had a meeting with attorneys from Holland & Knight to consider the option of creating a 501(c)(3) foundation which would be a subsidiary of the Mayors Caucus. This would allow us to accept donations and apply for grants for which we are now ineligible. Holland & Knight believes that this is a better approach than changing our

501(c)(6) status to a 501(c)(3), primarily because of the makeup of our membership and a limitation placed on the use of funds by (c)(3)’s for lobbying activity.

Mr. Bennett noted that the Caucus would need to file with the State and the IRS to get the 501(c)(3) designation. It

would cost approximately $5,000-$7,000 to hire Holland & Knight to prepare the necessary filings and organizational

documents. Holland & Knight had handled the Caucus’ original 501(c)(6) filings. Mr. Bennett said he would like to pursue this option with the Board’s support and use proceeds from the Gala to fund the cost.

Mayor Bennett made a motion to approve creating a wholly controlled 501(c)(3) subsidiary of the Metropolitan Mayors Caucus and Mayor Schielke seconded. The motion carried unanimously.

Mayor Paul Braun asked how the governance of the new organization would work. Mr. Bennett said that Holland & Knight will provide language that would give the Executive Board of the Caucus control over the 501(c)(3) subsidiary. Mayor Bennett asked if we would be able to do fundraising for the Gala through the 501(c)(6) or 501(c)(3). Mr.

Bennett replied that Holland & Knight would advise us on this matter

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**VIII. Officers Recommendation for Letter Supporting S. 1802: The Consumer Financial Choice and Capital Markets Protection Act**

Mr. Bennett noted that Attachment 3 is a draft letter to Senator Kirk and Representative Foster that asks them to

support S. 1802, which would enable municipalities in Illinois and across the nation to fund public infrastructure

projects needed to create or enhance local economic development. Without S. 1802, many money market fund

managers will no longer purchase short-term debt from local governments after October 2016 when their underlying

net asset value (NAV) moves from a fixed sum to a floating value because of a rule recently adopted by the Securities

and Exchange Commission (SEC). A second costly impact, if the SEC rule is allowed to stand, is that a floating NAV would eliminate money market funds as a viable cash management tool. Many local governments use money market funds for a variety of cash management and investment purposes. Certain users may be unwilling or unable to conduct their cash management through an investment vehicle that does not offer stable value. The passage of S. 1802 will stop this from happening. The letter concludes by asking Kirk and Foster to support S. 1802 when it is called for a note in the Senate Banking, Housing and Urban Affairs Committee/House Committee on Financial Services.

Mayor Nunamaker made a motion to support the letter and Mayor Darch seconded. The motion passed unanimously.

**MINUTES**

**Executive Board Meeting**

**January 11, 2016**

**Page 6**

**IX. Next Quarterly Caucus Meeting: Week of March 14-18, 2016 – Annual Flower Show, Navy Pier**

Mr. Bennett noted that the organizers of the Annual Flower Show at Navy Pier have offered to host the Caucus’ next Quarterly Meeting at the Show during the week of March 14-18, 2016. Mr. Bennett is working with Claudia Chavez

to check Mayor Emanuel’s schedule for dates when he would be available that week. He will run those dates by the Caucus Officers when they are known.

**X. Other Business**

Chairman Holland asked if there was any other business to discuss. Mayor McLaughlin asked Mayor Darch if the

Local Government Consolidation and Unfunded Mandates Task Force included any recommendations about changes

to FOIA requirements in the final report.. Mayor Darch noted that there was some discussion about posting meeting notices. Mayor McLaughlin noted that his library has had multiple FOIA requests and have hired an extra staff person

just to manage these requests. It is getting to be too much for them to handle. Mayor Weisner stated that the State Legislature is not held to the same FOIA standards as municipalities.

**XI. Next Executive Board Meeting: March 14, 2016, CMAP Offices**

Mr. Bennett noted that we are scheduled to have an Executive Board meeting the Monday of same week of the next Quarterly meeting. He suggested that we should move the Board meeting directly before whatever day the Quarterly Meeting is scheduled. The Board concurred.

**XII. Annual Legislative Priorities Meeting: *Follows Immediately After Short Break***

Chiarman Holland noted that the legislative priorities meeting would be held immediately after the end of the Board meeting after a five-minute break.

**XVI. Adjournment**

Mayor Bennett made a motion to adjourn. Mayor Schielke seconded. The motion passed unanimously and the

meeting adjourned at 10:45 a.m.

Respectfully submitted,

Joseph Mancino

Executive Board Secretary

and Mayor, Village of Hawthorn Woods