

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Meeting Minutes

Thursday, November 19th, 2015
 Illinois State Library
 Conference Rooms 403/404
 300 S. 2nd Street
 Springfield, IL 62701
 2:00PM

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Yes
Tom Demmer	Representative	90 th District	Phone
Mark Batinick	Representative	97 th District	Phone
Jack Franks	Representative	63 rd District	No
Emmanuel Chris Welch	Representative	7 th District	No
Dan Duffy	Senator	26 th District	Phone
Dale Righter	Senator	55 th District	No
Martin A. Sandoval	Senator	12 th District	No
Linda Holmes	Senator	42 nd District	Phone
Karen Darch	Mayor	Barrington	Yes
Karen Hasara	Former Mayor	Springfield	Yes
Brad Cole	Executive Director	Illinois Municipal League	Phone
Ryan Spain	City Council Member	Peoria	Phone
Dan Cronin	Chairman	DuPage County	No
Michael Bigger	Former Chairman	Stark County	Yes
Mark Kern	Chairman	St. Clair County	No
John Espinoza	Board Member	Whiteside County	Yes
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	No
Steffanie Seegmiller	Chairman	Arthur School Board	Yes
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	Phone
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Yes
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone

Non-Voting Members			
Clayton Frick		Deloitte Services LLP	Yes
Mr. Aranowski			Yes
Mr. Kersey			No
Mr. Zigmund			No
Mr. Perkins			Phone

The Local Government Consolidation and Unfunded Mandates Task Force met for the twelfth time on November 19th, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION

Illinois State Library
 Conference Rooms 403/404
 300 S. 2nd Street
 Springfield, IL 62701

MEETING START

Meeting Scheduled Start: 2:00PM
 Meeting Actual Start: 2:02PM

AGENDA

I. Call to Order and Roll Call

- a. Lt. Governor Sanguinetti called the meeting to order at 2:02PM CT and welcomed members.
- b. Roll Call was taken. Quorum was met at this time.

II. Motion to Adjourn the November 3rd meeting

- a. Lt. Governor Sanguinetti stated that at the previous meeting quorum had been lost and therefore the November 3rd meeting was not formally adjourned.
- b. She then sought a motion to adjourn.
 - i. Dixon moved the motion to approve. Darch seconded.
 - ii. The motion was approved by majority ayes with no nays recorded.

III. Approval of meeting minutes from November 3, 2015

- a. Lt. Governor Sanguinetti opened the minutes from the previous meeting for correction.
 - i. Espinoza offered the correction that he attended the meeting in person and not by phone, as noted in the minutes.
 - ii. Bigger offered the correction that he attended the meeting in person and not by phone, as noted in the minutes.
- b. Seeing no further corrections, Lt. Governor Sanguinetti then sought a motion for the approval of the meeting minutes from November 3rd, 2015 as corrected.
 - i. Darch moved the motion to approve. Espinoza seconded.

- ii. The motion was approved by majority ayes with no nays recorded.
- c. Lt. Governor Sanguinetti then asked for unanimous consent to amend the agenda to place Public Comment before New Business at this meeting.
 - i. All ayes with no nays recorded; the agenda was so amended.
- d. Lt. Governor Sanguinetti asked for unanimous consent to strike portion III of the agenda (Approval of Meeting Minutes from October 19th) because the minutes were in fact approved at the previous meeting.
 - i. All ayes with no nays recorded; the agenda was so amended.

IV. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

- a. “Over the past year, this task force has met to discuss many of the problems that exist in our state when it comes to local government. But our job isn’t just to document the problems; it is to propose good government recommendations to the General Assembly and the governor so we can deliver efficient, effective and streamlined government to the residents of Illinois. Today this task force will be voting on 10 proposals on issues that have been discussed by the task force in previous meetings, as well as items that have been brought up by task force members in recent weeks. After the task force approves this package of consolidation and unfunded mandate recommendations today, we will add these recommendations to our final report that will be presented to the governor and the General Assembly. Without further ado I’d like to move straight into the next portion of the agenda today, which includes discussing and voting on Consolidation and Unfunded Mandates Recommendations.”

V. Public Comment

- a. No public comments were brought forth.

VI. New Business: Voting on Consolidation and Unfunded Mandate Proposals

- a. Proposal #1: School District Consolidation: Provide ISBE flexibility to incentivize outcomes of consolidation.
 - i. Lt. Governor Sanguinetti began by stating that at the previous meeting she urged members of the Task Force to submit proposals on consolidation and unfunded mandates. She thanked Ms. Seegmiller and Dr. Ruscitti for sharing their thoughts and ideas as they relate to school district consolidation and unfunded mandates and the larger issue of student achievement in our schools.
 - ii. She then introduced Brian Costin, Policy Director to the Lt. Governor, to give a brief summary on the first proposal.
 - iii. Costin: School District Consolidation - Provide ISBE flexibility to incentivize outcomes of consolidation.
 - 1. Provide ISBE the flexibility to direct discretionary funding to:
 - a. Promote K-12 curriculum alignment
 - b. Promote administration consolidation (by reducing per student administrative costs)
 - c. Improved academic offerings (Not limited to Honors/AP, Foreign Language, Vocational, etc.)

- d. Service consolidation (HR, IT, etc.) among schools and districts
- iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 - 1. Seegmiller emphasized that the flexibility to incentivize noted here is key in order for school districts to consolidation and realign.
- v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #1.
 - 1. Darch moved the motion to approve. Obernagel seconded.
 - 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain			X	
Ms. Eggemann	X			
Total	14	0	2	

- b. Proposal #2: Encourage state agencies –when allocating discretionary state and federal funds towards local governments– to encourage regional sharing of public safety equipment, facilities, training resources, and administrative functions.
 - i. Lt. Governor Sanguinetti invited Costin to give a brief summary on the proposal.
 - ii. Costin: Encourage state agencies –when allocating discretionary state and federal funds towards local governments– to encourage regional sharing of

public safety equipment, facilities, training resources, and administrative functions.

1. Directing grants towards regional shared services and purchases facilitates cooperation, improved service delivery and taxpayer savings. It also encourages cooperation and consolidation of local public safety organizations.
2. Opportunities include, but are not limited to:
 - a. Sharing of reserved equipment
 - b. Sharing of vehicle repair facilities
 - c. Sharing of incident command staff during emergencies
 - d. Regional entrance level testing
 - e. Joint equipment purchasing
 - f. Joint training
 - i. Mobile training
 - ii. Shared facilities
 - iii. Joint instructors
 - g. Joint jailing
 - h. Joint shooting ranges
 - i. Joint emergency vehicle driving training and sites
 - j. Shared IT services and personnel
 - k. Shared administrative functions
- iii. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Darch suggesting adding the following language as an additional bullet point to the proposal under “Opportunities include, but are not limited to”:
 - a. consolidation of operational and/or functional departments as an additional way to share services”
- iv. Lt. Governor Sanguinetti sought a motion for the approval of the amendment suggested by Darch.
 1. Darch moved the motion to approve. Bigger Seconded.
 2. Roll was called on the measure to amend Proposal #2.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			

Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	16	0	0	

- v. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #2 as amended.
1. Obernagel moved the motion to approve. Darch seconded.
 2. Roll was called on this measure.
 - a. It was noted at this time that the designee present for Mr. Kern does not have voting privileges.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes	X			
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			

Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	16	0	0	

- c. Proposal #3: Merge downstate and suburban public safety pension funds into a single pension investment authority.
- i. Lt. Governor Sanguinetti thanked Mr. Cole, Mayor Darch and Councilman Spain for introducing this proposal.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Costin: Merge downstate and suburban public safety pension funds into a single pension investment authority.
 1. With 656 plans, Illinois has more than 16 percent of the nation’s 3,992 total public pension plans but only 4 percent of the nation’s population. This excessive number of pension plans results in increased management fees, less public oversight and reduced investment returns. This ultimately results in higher costs for the taxpayers of Illinois.
 - b. Merge downstate and suburban public safety pension funds into a single pension investment authority.
 - c. Each community’s assets and pension funding obligations will be segregated and be unique to each community.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Cole remarked that merging could mean two pension investment authorities, one for police and one for fire as the numbers noted do reflect both police and fire.
 2. Darch suggesting changing the language in the proposal to substitute the word “funds” for “plans” so that the language is more accurate.
 3. Darch also suggested adding to the final bullet in the proposal: “similar to the way the Illinois municipal retirement funds structures assets and obligation for other local government employees”
 - v. Brian Colgan, Chief of Staff to the Lt. Governor, read Proposal #3 with the suggested amendments:
 1. Merge downstate and suburban public safety pension funds into a single pension investment authority.
 - a. With 656 funds, Illinois has more than 16 percent of the nation’s 3,992 total public pension funds but only 4 percent of the nation’s population. This excessive number of pension funds results in increased management fees, less public oversight and reduced investment returns. This ultimately results in higher costs for the taxpayers of Illinois.
 - i. Merge downstate and suburban public safety pension funds into a single pension investment authority.

- ii. Each community’s assets and pension funding obligations will be segregated and be unique to each community, similar to the way the Illinois Municipal Retirement Fund structures assets and obligations for other local government employee pensions.
- vi. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Darch.
 - 1. Seegmiller moved the motion to approve. Hasera seconded.
 - 2. Roll was called on the measure to amend Proposal #3.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	15	0	1	

- vii. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #3 as amended.
 - 1. Espinoza moved the motion to approve. Bigger seconded.
 - 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	15	0	1	

- d. Proposal #4: Allow merger of general township and road & bridge districts who maintain less than 25 miles of road.
- i. Lt. Governor Sanguinetti remarked that this proposal came out of the testimony of DuPage Township Supervisor Bill Mayor at the previous meeting.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Costin: Allow merger of general township and road & bridge districts who maintain less than 25 miles of road.
 1. Current law requires township road & bridge districts with less than 5 miles of road to consolidate into the general township.
 - a. Allow merger of township road & bridge districts, with less than 25 miles of township roads, into general townships
 - b. Via resolution supported by $\frac{3}{5}$ of township board or by public referendum

- c. Highway supervisor staff position to be retained at the discretion of the township board and supervisor
- iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 - 1. Dixon stated that he did not think the proposal was bad but due to the unknown impact and limited knowledge as to how it would affect townships he will need to abstain from voting.
 - 2. Bigger emphasized that the wording is “allow” and not mandate, so this would be a tool for local control.
 - 3. Costin agreed that it is permissive, the current law is mandatory.
 - 4. Seegmiller asked if only one of the two boards would need 3/5 approval or if the other board would need to accept as well.
 - 5. Dixon replied that there are two taxing bodies in a township; this would merge the road district funds into the general funds.
 - 6. Eggemann asked for a clarification between lane and road miles as it pertains to current law.
 - 7. Costin replied that the current statute is road miles, not lane miles; so the proposal is on road miles.
- v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #4.
 - 1. Darch moved the motion to approve. Hasera seconded.
 - 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole			X	
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon			X	

Mr. Obernagel	X			
Mr. Spain			X	
Ms. Eggemann	X			
Total	12	0	4	

- e. Proposal #5: Protect the Intergovernmental Cooperation Act
- i. Lt. Governor Sanguinetti noted that this recommendation came from Mayor Darch on behalf of the Metropolitan Mayors Caucus.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Costin: Protect the Intergovernmental Cooperation Act.
 1. Local governments in Illinois currently have strong constitutional powers to facilitate intergovernmental cooperation and have legislative authority to accomplish jointly what would be difficult under other more power limiting circumstances.
 2. This legal framework serves as a foundation which has driven a wide array of successful functional and operational services delivery programs in the Chicago region and across the State dating back to the 1960s.
 3. The state needs to preserve the ability of local government to coordinate to provide effective and efficient local government for the people of Illinois.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Darch commented that a lot can be accomplished through the use of the IGCA and therefore it is important to protect and nice statement to make as a Task Force in recognition of its value.
 - v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #5.
 1. Darch moved the motion to approve. Seegmiller seconded.
 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X

Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	15	0	1	

- f. Proposal #6: Constitutional Amendment to end all future unfunded state mandates
- i. Lt. Governor Sanguinetti noted that this recommendation came from Chairman Kern.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Brian Costin: Constitutional Amendment to end all future unfunded state mandates
 1. Requires the State to reimburse units of local government for increased expenses resulting from activities mandated by the General Assembly or State executive action.
 2. Exempts mandates requested by a local government or predating the effective date.
 3. Exemption for health & safety mandates.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Dr. Debra Moore spoke on behalf of Mr. Kern stating that Sangamon Co. has been plagued with unfunded mandates while experiencing reductions and withholding of funds. This is threatening the delivery of quality services and they need to be able to move from under requirements with no financial support tied to them.
 2. Holmes stated that the language was too vague. With no definition of an “unfunded mandate” one could argue that any law is an unfunded mandate to a degree because at some point there will be some administrative cost connected to it. She announced she was definitely a nay vote.
 3. Dr. Moore replied there is a formal document that explains in better detail the proposal at hand that addressed the specific concerns but noted that information was not circulated with meeting materials.
 4. Seegmiller asked if this included school districts, to which Costin replied it did.
 5. Darch noted that the second bullet is redundant and also suggested looking at requirements that the state reviews existing unfunded

mandates. The State Mandates Act actually requires unfunded mandates to be reviewed on an annual basis.

6. Lt. Governor Sanguinetti referred to Costin to explain the mechanisms in place for reviewing unfunded mandates.
 7. Costin stated that there used to be a committee between the comptroller and the executive branch that is supposed to be examining this on a regular basis. The DCEO publishes the State Mandates Catalogue as well which is supposed to estimate the costs but Norm Walzer has found that there is not a good attempt to quantify what the costs truly are.
 8. Aranowski noted that for future consideration that if the purpose of the first bullet in the proposal is to relieve regulatory mandates, do not limit the scope to state executive action but also include legislative action.
- v. Lt. Governor Sanguinetti then sought a motion to table Proposal #6 and discuss further at the next meeting.
 1. Dixon moved the motion to table. Obernagel seconded.
 - vi. Lt. Governor Sanguinetti stated for the record that designees are not recognized as counting toward quorum and their votes are not counted.
- g. Proposal #7: Make collective bargaining permissive, instead of mandatory
- i. Lt. Governor Sanguinetti stated this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Brian Costin: Make collective bargaining permissive, instead of mandatory
 1. Allow locally-elected municipal boards and councils to decide whether employment issues should be mandatory or permissive subjects of collective bargaining.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Darch stated that the language speaks for itself and that it is an issue for local governments.
 2. Bigger asked if counties were included, to which Costin replied the proposal currently applies to municipality boards and councils.
 3. Bigger motioned to include "counties" as an amendment, to which Spain seconded.
 4. Seegmiller inquired if it was possible to add school districts to the amendment, to which Bigger motioned to amend his motion to include "counties" and "school districts". Spain seconded.
 5. Brian Colgan reread the amended Proposal #7: Make collective bargaining permissive, instead of mandatory
 - a. Allow locally-elected municipal boards and councils and counties and school districts to decide whether employment issues should be mandatory or permissive subjects of collective bargaining
 - v. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Bigger.
 1. Bigger moved the motion to approve. Spain seconded.
 2. Roll was called on the measure to amend Proposal #7.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	15	1	0	

- vi. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #7 as amended.
1. Darch moved the motion to approve. Bigger seconded.
 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X

Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	15	1	0	

- h. Proposal #8: Eliminate minimum manning from collective bargaining
- i. Lt. Governor Sanguinetti stated that this proposal came from Mr. Cole, Mayor Darch, and Councilman Spain.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Brian Costin: Eliminate Minimum Manning from Collective Bargaining
 1. In December 2014, PA-98-1151 was signed into law, allowing arbitrators to impose “minimum staffing requirements” on municipalities and fire protection districts for firefighters and paramedics
 2. Improvements in building materials fire safety properties has led to large shifts in the types of emergency response calls received by local governments
 3. Democratically-elected local officials should retain decision making authority over staffing issues so they can allocate their limited resources in the most efficient manner possible
 4. Unfunded minimum manning rules strip local control from local governments
 5. Minimum manning requirements don’t take into account the existence of financial resource or intergovernmental cooperation agreements that allows communities to share fire protection resources.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Darch offered a change in wording from “staffing” to “manning” in each instance in the proposal. She also stated minimum manning requirements have hampered local control and that this is a very important issue to fire departments around the state.

2. Espinoza announced he would abstain from the vote due to a conflict of interest.
- vi. Lt. Governor Sanguinetti asked Brian Costin to reread Proposal #8 as amended.
1. Brian Costin: Eliminate Minimum Manning from Collective Bargaining
 - a. In December 2014, PA-98-1151 was signed into law, allowing arbitrators to impose “minimum manning requirements” on municipalities and fire protection districts for firefighters and paramedics
 - b. Improvements in building materials fire safety properties has led to large shifts in the types of emergency response calls received by local governments
 - c. Democratically-elected local officials should retain decision making authority over manning issues so they can allocate their limited resources in the most efficient manner possible
 - d. Unfunded minimum manning rules strip local control from local governments
 - e. Minimum manning requirements don’t take into account the existence of financial resource or intergovernmental cooperation agreements that allows communities to share fire protection resources
- vii. Lt. Governor Sanguinetti then sought a motion for the approval of the amendment suggested by Darch.
1. Darch moved the motion. Bigger seconded.
 2. Roll was called on the measure to amend Proposal #8.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza			X	

Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	14	1	1	

- v. The proposed amendment passed. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #8 as amended.
1. Darch moved the motion to approve. Eggemann seconded.
 2. Roll was called on this measure.
 - a. At this time Cole announced he was leaving after recording his vote. Quorum was maintained.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer	X			
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes		X		
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole	X			
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza			X	
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			

Ms. Eggemann	X			
Total	14	1	1	

- i. Proposal #9: PSEBA: Use federal definition for catastrophic injury
 - i. Lt. Governor Sanguinetti stated this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Brian Costin: PSEBA: Use federal definition for Catastrophic Injury
 - 1. One of the major problems facing Public Safety Employee Benefit Act, or PSEBA, in Illinois is the lack of legislative definition of a “catastrophic injury”. As a result the courts have imposed a “standard” for PSEBA benefits, which differs substantially from the federal rules. As a result lifetime total health insurance benefits have been mandated for non-catastrophic injuries such as a bad knee, back pain, or shoulder impingement where there is the ability to find gainful employment.
 - 2. The State of Illinois should pass clear and reasonable standards consistent with the federal definition for what is considered a “catastrophic injury”.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 - 1. Darch explained that the state has no legislative definition for “catastrophic injury” but there exists a federal definition. The proposal is important financially for local governments as workers may sustain an injury that does not prohibit them from being gainfully employed elsewhere, and is therefore not “catastrophic”, yet still requires the municipalities to pay huge costs. The Illinois statute should reflect the federal statute.
 - v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #9.
 - 1. Hasera moved the motion to approve. Darch seconded.
 - 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X
Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole				X

Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	13	0	2	

- j. Proposal #10: Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration
- i. Lt. Governor Sanguinetti stated that again this proposal came from Mr. Cole, Councilman Spain and Mayor Darch.
 - ii. She then gave the floor to Brian Costin to give a brief summary on the proposal.
 - iii. Brian Costin: Allow arbitrators to use existing financial parameters of local government as a primary consideration during interest arbitration.
 1. Require arbitrators to use a local government's actual existing revenues as the primary consideration when making wage and benefit determinations during interest arbitration.
 2. Extends provision extended to Chicago Public Schools via Senate Bill 7.
 - iv. Lt. Governor Sanguinetti then opened this item up for discussion.
 1. Darch stated again this is a very important issue for local government. Public safety employees when negotiating contracts can go to arbitrators and he/she will choose between two sides with no consideration of the financial resources or revenues of the local community.
 - v. Lt. Governor Sanguinetti then sought a motion for the approval of Proposal #10
 1. Darch moved the motion to approve. Spain seconded.
 2. Roll was called on this measure.

Name	Yay	Nay	Abstain	Absent
Lt. Governor Sanguinetti	X			
Representative Demmer			X	
Representative Batinick	X			
Representative Franks				X
Representative Welch				X
Senator Duffy	X			
Senator Righter				X
Senator Sandoval				X

Senator Holmes			X	
Ms. Darch	X			
Ms. Hasera	X			
Mr. Cole				X
Mr. Cronin				X
Mr. Bigger	X			
Mr. Kern				X
Mr. Espinoza	X			
Dr. Ruscitti				X
Ms. Seegmiller	X			
Mr. Hammock	X			
Mr. Dixon	X			
Mr. Obernagel	X			
Mr. Spain	X			
Ms. Eggemann	X			
Total	13	0	2	

A. Better Government Association: Memo to the Local Government Consolidation and Unfunded Mandates Task Force

- i. Alden Loury: “Good afternoon. To Lt. Gov. Sanguinetti and the members of the task force, a sincere thank you for allowing me the opportunity to address you on behalf of the Better Government Association. I’d also like to acknowledge task force members Karen Hasara, who also serves on the BGA’s Springfield Advisory Board, and Hill Hammock, who serves on the BGA Board of Directors. We’d like to thank Karen for helping to introduce the BGA to the Springfield community. And we’d like to thank Hill for his thoughtful counsel on a variety of issues, including the need to streamline Illinois’ 7,000 units of government. We commend the Lt. Governor and all members of the task force for their tireless efforts to crisscross the state, hear testimony and offer recommendations to address one of the state’s most perplexing problems—it’s intricate, voluminous and too often inefficient web of local government units. For the past few years, the BGA has examined the issue with its investigative unit uncovering inefficiencies and its distinct and separate policy unit exploring potential remedies and advocating to expand the pathways for citizens and local officials to pursue “smart streamlining,” which the BGA defines as the consolidation or dissolution of inefficient, duplicative or otherwise unnecessary units of government. A number of themes have emerged from closely following dozens of streamlining measures considered by the legislature the past few years. First, streamlining legislation almost always has to be narrow in scope. Broad changes are often met with broad and swift opposition. Second, local support is a must. Buy-in from local officials directly affected by streamlining legislation and strong public support voiced through advisory referenda or questions about inefficiency have been instrumental. And third, successful streamlining legislation has needed committed legislators who remain persistent, patient and flexible to

address the challenges and complexities that come along with this issue. While we can't paint a broad brush over any particular areas of local government, our observations suggest that townships, school districts, special districts and suburban Cook County may be the best areas to explore for inefficient or duplicative units of government. Special districts were largely the creation of 20th Century, hyper-localized needs. As development has filled in many areas of the state, some of those districts may no longer be necessary or there could be more efficient methods to deliver the services they provide. Consider the more than 200 sanitary districts in just three counties alone: Champaign, Christian and Iroquois counties. Closer scrutiny of those and other special districts could reveal efficiencies. At more than \$1 billion, Illinois is the runaway leader in general administration costs for boards of education and the offices of district superintendents. In Illinois, the percentage spent on general administration is more than double the nationwide mark; it's even higher in suburban Cook and downstate districts—areas where the proportion of one-school school districts is high: about 1 in every 5 school districts in suburban Cook and about 1 in every 4 school districts downstate. It's clear that some townships provide vital services in areas where there are no other government alternatives. However, there's ample evidence to question the need for some townships. In a 2011 investigation, the BGA noted large cash reserves held by many townships. An update shows much of the same. Collectively, suburban Cook County and downstate townships held more in cash reserves in FY 2014 than they actually spent that year. Theoretically, suburban Cook townships could operate for more than 14 months on their cash reserves alone. Suburban Cook township road districts also have the highest road maintenance cost-per-mile figures in the six-county region, but average less than 15 miles of road. In addition, suburban Cook townships spend a higher share of their budgets on salaries & benefits. It seems clear that suburban Cook County is an ideal geographic area to explore opportunities for streamlining. With 150 school districts, 120 municipalities, 80 park districts, nearly 50 library districts and nearly 30 townships, the county has far more units of government than Los Angeles County, which is almost twice as large. And Cook has more municipalities, townships and school districts than the next three largest counties combined. Suburban Cook is ripe for more efficient delivery of public services through consolidation or to streamline units flush with cash reserves or administration-heavy budgets. Information can be pivotal in encouraging local governments to consider streamlining. The school district reorganization feasibility studies, made possible by state grants, have been an effective catalyst for streamlining. One fourth of the school districts that have conducted the studies eventually reorganized. And since the studies began in 2002, more than 80 percent of school district reorganizations have included school districts that conducted the studies. Providing incentives for more school districts and other local governments could spark additional action. Information about local government finances can also be instrumental in pinpointing where streamlining is necessary. DuPage County embarked on its efforts after an exhaustive review of the finances of government units under its control—a review made possible by legislation. The BGA illustrated exorbitant township road maintenance costs thanks to an IDOT study ordered by the legislature. And the discovery of high administrative costs with Belleville and Evanston townships helped build public support to streamline those entities. Making such information more readily available or empowering the Auditor

General, the Comptroller or another entity to assess local government finances could also spark additional action. Again, we'd like to commend the task force for its work, its dedication and thoughtfulness on this issue. Many of your recommendations speak directly to points we've made today. Thank you for considering the testimony of the BGA and others. I'm happy to answer any questions you may have."

- ii. Lt. Governor Sanguinetti opened the floor.
 - 1. Dixon asked if the BGA has looked into the TIFF districts in Chicago and the \$500 million shadow budget that sits behind that as a revenue source for Chicago Public Schools, because the focus seems to be on suburban Cook Co.
 - 2. Loury replied they have looked at TIFFs but not exhaustively. They have raised questions surrounded TIFF reforms in regards to transparency in Chicago. The focus on the suburbs is more in the vein of number of units of government.
 - 3. Dixon discussed how townships in Cook Co. have gone through partial consolidation which is different than in other areas in the state. There are two distinct types of townships: those within Cook Co. and those in the rest of the state. Assessors are not assessing within Cook Co., they are facilitating appeals. His townships has only 2.1% of parcels appealed annually whereas in Cook Co. has 22.1% appealed annually. But there are great townships in Cook Co. providing needed services.
 - 4. Seegmiller asked for clarification on "one school districts".
 - 5. Loury explained that in looking at the ISBE inventory of institutions, there are around 150 districts downstate that list one school on the roster for a particular district.
 - 6. Seegmiller asked for clarification on the administration cost numbers.
 - 7. Loury explained the information came from the US census; every year they conduct a public school finance review of all public districts in the nation and ask for the cost for general administration as described as the cost for the Board of Education and Superintendent's office for the district and the associated administrative costs.
 - 8. Aranowski stated the figures seemed disproportionate and will look into the data for the next meeting.
 - 9. Lt. Governor Sanguinetti asked what the BGA was doing in terms of government consolidation.
 - 10. Loury stated they are researching consolidation, streamlining, and shared services and are following the Task Force closely. He noted that more narrow legislation has a better chance of making it through the legislature.

B. NIU Task Force Report Update

- i. Norm Walzer: The report is moving along. We are trying to focus on implementation versus research. What we have left to do is identify resource sharing examples, complete a survey of city managers association, and showcase what is going on in Illinois. We are trying to do some backfill on workers compensation and mandates as well. As far as Workers Compensation, we are trying to look at best practices from other

states. Some states have found significant savings; Texas, for example, has privatized. We are also looking at the rates and trying to determine what has worked in the past. We hope to include a section in the final report on options for Workers Compensation Reform. Regarding the Mandates Act, it is an act that is voluntary. We are again looking at best practices of other states and are finalizing a section of possible improvements to the current Mandates Act. Estimating cost is currently the difficult component of the Mandates Act. The act isn't broken; it can be improved, but often times it is ignored. Finally, we are working on a final version of the report. I do think what the Task Force is doing is great and that you are doing it the right way.

C. Member comments

1. No new member comments were brought forth.

VII. Adjournment

- a. Lt. Governor Sanguinetti announced the next meeting is December 1st in Cook County with exact time and location to be determined.
- b. At this time it was noted that quorum was no longer maintained, therefore Lt. Governor Sanguinetti tabled adjournment until the next meeting.