

VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orland-park.il.us



Meeting Minutes

Tuesday, May 26, 2009

7:00 PM

Village Hall

Finance Committee

*Chairman Edward G. Schussler
Trustees Brad S. O'Halloran and James V. Dodge, Jr.
Village Clerk David P. Maher*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 7:10 PM

Present: 2 - Trustee O'Halloran and Chairman Schussler

Absent: 1 - Trustee Dodge

APPROVAL OF MINUTES**2009-0058 Approval of the April 27, 2009 Finance Committee Minutes**

I move to approve the Minutes of the Regular Meeting of the Finance Committee of April 27, 2009.

A motion was made by Trustee Brad O'Halloran, seconded by Chairman Edward Schussler, that this matter be APPROVED. The motion CARRIED by the following vote:

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

ITEMS FOR SEPARATE ACTION**2009-0249 PTAB Appeals - Intergovernmental Agreement**

Director of Finance Annmarie Mampe reported that the Village's general legal counsel, Klein, Thorpe & Jenkins, Ltd. (KTJ), recommended that the Village, the Orland Park Library and the Orland Park Fire District enter into an Intergovernmental Agreement in order to formalize a cost sharing agreement between the three parties with regard to all PTAB appeals handled by KTJ involving tax years 2007 and 2008. Approval is requested of the Intergovernmental Agreement for the Cost-Sharing of PTAB Appeal Intervention Costs will formalize this agreement.

I move to recommend to the Village Board to approve the Intergovernmental Agreement titled:

INTERGOVERNMENTAL AGREEMENT FOR THE COST-SHARING OF PTAB APPEAL INTERVENTION COSTS

And

To authorize the Village Manager to execute the agreement.

A motion was made by Trustee Brad O'Halloran, seconded by Chairman Edward Schussler, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion CARRIED by the following vote:

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

2009-0253 PTAB Appeals Authorizing PTAB Representation - Recommended Resolution

The Village's general legal counsel, Klein, Thorpe & Jenkins, Ltd. (KTJ), is representing the Village, the Orland Park Library and the Orland Park Fire District as a group for all PTAB appeals involving tax years 2007 and 2008. Passage of this resolution will formalize this agreement between the Village and KTJ.

I move to recommend to the Village Board to pass a Resolution entitled:
RESOLUTION AUTHORIZING INTERVENTION IN ALL 2007 AND 2008 TAX
YEAR APPEALS BEFORE THE STATE OF ILLINOIS PROPERTY TAX APPEAL
BOARD

This matter was RECOMMENDED FOR PASSAGE to the Board of Trustees

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

2009-0263 Budget Adjustments 2nd Quarter FY09

The decrease in revenues of \$12,680 is due to the following:

- A reduction in transfers to the Insurance Fund due to implementation of Health Savings Account program - decrease of \$12,680

The decrease in expenditures of \$9,776 is due to the following:

- Staff enrollment in the Health Savings Account program - decrease of \$12,680
- Village contributions to Health Savings Account program - increase of \$28,000
- Deleting open positions from the budget - decrease of \$87,594
- Telephone Maintenance Fees - not included in approved FY2009 budget - increase of \$12,000
- Orland Park Public postage - not included in approved FY2009 budget - increase of \$19,500
- Purchase of police vehicle funded by DCOE grant - increase of \$25,000
- Centennial Park Bioswale - additional amount needed to fund 319 Grant required expenditures - increase of \$5,998

I move to recommend to the Board to approve amending the FY2008 revenue budget by \$12,680 and the FY2008 expenditure budget by \$9,776.

A motion was made by Trustee Brad O'Halloran, seconded by Chairman Edward Schussler, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion CARRIED by the following vote:

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

2009-0265 FY2009 Budget Adjustments

Current Village Board approved policy requires that the Village maintain a minimum fund balance in its General Fund of 20% of annual expenditures, with a goal of 25%. Based upon the recent economic downturn and a subsequent decline in some of the Village's major revenue sources, staff determined that the Village would have to reduce its expenditure budget for FY2009 in order to meet the established fund balance policy. After a thorough review of FY2009 budgeted expenditures for all departments and funds, it was determined that various expenditure line items could be reduced by a total of \$2,646,422. In addition, staff reviewed the Village's revenue sources and projected an overall revenue decrease in the amount of \$6,114,717. A portion of the revenue decrease is transfers between various funds of the Village; the actual decrease in projected revenues received from external entities is \$4,919,682. These proposed changes maintain the 20% minimum reserve.

The following is justification for the larger budget adjustments listed:

Revenues -

General Fund -

- Animal licenses - reduction of \$7,000 - program eliminated
- Fine Art Fair fees and donations - reduction of \$12,000 - program eliminated
- Development related fees - reduction of \$463,828 - state of the economy has slowed new development - reducing revenue estimate by 40% based on year-to-date collections of 22%
- State income tax - reduction of \$354,824 - individual income levels projected to decrease - reducing state income tax revenue estimate by 5%
- State sales tax - reduction of \$3,019,151 - reduction based on year-to-date actual collections, state of the economy
- Rental housing inspection fees - increase of \$41,725 - new program
- Retail theft impoundment fees - increase of \$45,000 - new program

Home Rule Sales Tax Fund -

- Home rule sales tax - reduction of \$1,018,314 - based on year-to-date actual collections, state of the economy

Main Street Triangle TIF Fund -

-- Transfer from Home Rule Sales Tax Fund - reduction of \$750,000 - due to decrease in Home Rule Sale Tax collections

Recreation & Parks Fund -

-- Program fee revenues - reduction of \$128,770 - based on year-to-date actual collections

-- Transfer from General Fund - reduction of \$444,626 - based on reduction in expenditures

Expenditures -*General Fund -*

-- Special events - reduction of \$135,391 - cancelled or reduced number of special events.

-- Bank service charges - reduction of \$13,500 - implementation of electronic deposit

-- Copier replacement - reduction of \$30,000 - Finance copier Computer hardware/software - reduction of \$51,230 - cancel purchase of computers for Investigations, printers, miscellaneous software and departmental computer replacements; T-1 line and phone line cost reductions

-- Transfer to Recreation & Parks Fund - reduction of \$444,626 - based on reduction in Recreation & Parks Fund expenditures

-- Percent salary increases - reduction of \$25,535 - reduced COLA increase from budgeted 3.75% to 3.0% for non-union and from budgeted 3.75% to 2.0% for directors

-- Postpone hiring of recently vacated positions until 1/1/10 and reduce hiring of seasonal employees.

-- Reduced ICSC spending - reduction of \$7,000 - limited number of attendees, literature costs decreased

-- Reduce consulting services - reduction of \$14,914 - reduces amounts budgeted in VM and DS

-- Reduce gasoline purchases - reduction of \$140,000 - price per gallon decreased subsequent to budget approval

-- Reduced miscellaneous supply purchases - reduction of \$21,000 - limit building supply and paper product purchases

Water Fund -

-- Percent salary increases - reduction of \$2,541 - reduced COLA increase from budgeted 3.75% to 3.0% for non-union and from budgeted 3.75% to 2.0% for directors

-- Postpone hiring of recently vacated positions until 1/1/10 - reduction of \$111,223.

Home Rule Sales Tax Fund -

-- Transfers Out - reduction of \$750,000 - eliminated transfer to Main Street Triangle TIF Fund

Main Street Triangle TIF Fund -

-- Consulting services - increase of \$500,000 - additional consulting services related to land acquisition, sale of land and developer selection

Recreation & Parks Fund -

-- Percent salary increases - reduction of \$6,215 - reduced COLA increase from budgeted 3.75% to 3.0% for non-union and from budgeted 3.75% to 2.0% for directors

-- Postpone hiring of new position until 1/1/10 - reduction of \$132,071 - position of Recreation Operations Manager

-- Postpone hiring of vacant positions until 1/1/10 and reduce hiring of seasonal employees - reduction of \$376,637.

-- Junior High School dances - reduction of \$5,856 - cancelled three junior high school dances

-- Reduce purchase of miscellaneous repair and maintenance supplies - reduction of \$73,000 - reductions include playground equipment, machinery parts, miscellaneous repair supplies, stone, sand, plants, flowers, tree replacements

-- Over-budget line items - increase of \$35,325 - includes Cable Internet Services, Program Instructors, Sportsplex - Machinery & Equipment Repair Services and Parts, Domestic Supplies and Light Bulbs,

-- Reduce various contractual services - reduction of \$20,432 - includes armored car pickup, retention management services, contract cleaning

Trustee Schussler stated that Orland Park is not immune to what's going on in the general economy and the Village has had to significantly tighten its belt to accommodate that. In doing so, the Village has been able to maintain its services at the level that it has been furnishing them to the citizens.

I move to approve amending the FY2009 revenue budget by \$6,114,717 and the FY2009 expenditure budget by \$2,646,422.

A motion was made by Trustee Brad O'Halloran, seconded by Chairman Edward Schussler, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion CARRIED by the following vote:

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

ADJOURNMENT - 7:16 PM

A motion was made by Trustee Brad O'Halloran, seconded by Chairman Edward Schussler, that this matter be ADJOURNED. The motion CARRIED by the following vote:

Aye: 2 - Trustee O'Halloran, and Chairman Schussler

Nay: 0

Absent: 1 - Trustee Dodge

/mpr

APPROVED:

Respectfully Submitted,

David P. Maher, Village Clerk