

VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org



Meeting Minutes

Monday, November 16, 2020

7:00 PM

Village Hall

Board of Trustees

*Village President Keith Pekau
Village Clerk John C. Mehalek*

*Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Daniel T. Calandriello,
William R. Healy, Cynthia Nelson Katsenes, and Michael R. Milani*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 7:00 P.M.

Present: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani and Village President Pekau

VILLAGE CLERK'S OFFICE**2020-0780 Approval of the November 2, 2020, Regular Meeting Minutes**

The Minutes of the Regular Meeting of November 2, 2020, were previously distributed to the members of the Board of Trustees. President Pekau asked if there were any corrections or additions to be made to said Minutes. There being no corrections or additions,

I move to approve the minutes of the Board of Trustees Meeting of November 2, 2020.

A motion was made by Trustee Fenton, seconded by Trustee Nelson Katsenes, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

PROCLAMATIONS/APPOINTMENTS/PRESENTATIONS**2020-0802 Community Pride Award - Carter Schott**

Mayor Pekau and the Village Board presented a Community Pride Award to Carter Schott in recognition of winning the National Federation of State High School Associations Heart of the Arts Award. Carter competed with five other States and received this honor for his dedication to the marching band. He has risen above his physical challenges of living with a muscle condition called spinal muscular dystrophy by learning to play his drum while still performing choreography in unison with the rest of his band mates.

Carter's love of music and marching has led him to participate in over eight student activities at Sandburg including the marching band, pep band, jazz band and spring musical. He is also involved in competitive bass fishing and robotics teams.

He is an active member in the Orland Park community who has dedicated much of his time to helping others. He has completed over 350 hours of community service running exercise classes for seniors in an assisted living facility.

The quote Carter frequently uses is "if you can't stand up, stand out." He is an

inspiration to all reminding us to believe in yourself, follow your passions, and you can do anything you set your mind to.

This item was a presentation. NO ACTION was required.

ACCOUNTS PAYABLE

2020-0782 Accounts Payable from November 3, 2020, - November 16, 2020 - Approval

The lists of Accounts Payable having been submitted to the Board of Trustees for approval and the lists having been determined by the Board of Trustees to be in order and having been approved by the various Department Heads,

I move to approve the Accounts Payable from November 3, 2020, - November 16, 2020, in the amount of \$2,694,470.21

A motion was made by Trustee Healy, seconded by Trustee Calandriello, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

CONSENT AGENDA

Passed the Consent Agenda

A motion was made by Trustee Dodge, seconded by Trustee Milani, to PASS THE CONSENT AGENDA, including all the following items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

2020-0778 Payroll for October 30, 2020 - Approval

The lists of Payroll having been submitted to the Board of Trustees for approval and the lists having been determined by the Board of Trustees to be in order and having been approved by the various Department Heads,

I move to approve the Bi-weekly Payroll for October 30, 2020, in the amount of \$1,037,031.01.

This matter was APPROVED on the Consent Agenda.

2020-0492 Volkswagen of Orland Park - Ordinance Granting a Special Use Permit Amendment

On October 19, 2020, the Village Board of Trustees approved a Special Use Permit Amendment, Site Plan, and Elevations to allow for the construction of a 4,424 square foot building addition for the existing Volkswagen car dealership. The purpose of the addition is to provide expanded motor vehicle services on a 6.6-acre parcel located at 8920 West 159th Street in the BIZ General Business District.

I move to pass Ordinance Number 5556, entitled: ORDINANCE GRANTING AN AMENDED SPECIAL USE PERMIT FOR VOLKSWAGEN OF ORLAND PARK, 8920 WEST 159TH STREET, WITH ASSOCIATED SITE PLAN AND ELEVATION APPROVALS (8920 West 159th Street).

This matter was PASSED on the Consent Agenda.

2020-0785 Intergovernmental Cooperation Agreement for 2020 'Volume Cap' Transfer - Resolution

"Volume Cap" is defined as a limit on the aggregate amount of tax-exempt private activity bonds that can be issued by the State. The Village of Orland Park's 2020 Volume Cap allocation amounts is \$105.00 per capita for a total 2020 allocation of \$6,122,760.

The Volume Cap is allocated annually. As has occurred in prior years, a request has been made to transfer the Village volume cap to the Town of Normal, McLean County, Illinois, one of the lead issuers of the debt utilized to fund the Assist Homeownership Program ("Assist"). 'Assist' is a pooled bond program that utilizes municipal volume cap allocations to provide funds to cover all or most of the closing costs and down payments required of home buyers. 'Assist' also provides Mortgage Credit Certificates to help reduce the home buyer's ongoing cost of borrowing. (See attached for additional information.)

The Assist Homebuyer Down Payment Program offers home buyers a 30-year, fixed-rate mortgage and a 3% cash gift at closing that can be used to pay a conventional loan 3% down payment and/or a portion of the closing costs or all of the FHA/VA 2.75% down payment and a portion of the closing costs. The subsidized interest rate, as well as the cash gift, is funded by the issuance of bonds at a premium, passing the premium on to home buyers. This is an incentive for a potential home buyer who can not come up with the required down payment and closing costs. Mortgage credit certificates allow the home buyer to qualify for a federal income tax credit equal to 35% of the interest paid on their home loan each year, with the remaining amount qualifying as a regular income tax deduction. Through this program, and the participation of local banks, the Village of Orland Park would assist families with the purchase of their first homes in the Orland Park community.

The Village has no financial exposure to the program as the interest rate subsidy and cash gift come directly from the program, not the Village. Also, the administration of the program is handled by lenders and Monarch Mortgage Management, not by Village staff.

I move to pass Resolution Number 2050, entitled: A RESOLUTION OF THE VILLAGE OF ORLAND PARK, WILL AND COOK COUNTIES, ILLINOIS AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL COOPERATION AGREEMENT BETWEEN THE VILLAGE AND THE TOWN OF NORMAL, McLEAN COUNTY, ILLINOIS ("NORMAL"), AND AUTHORIZING NORMAL TO EXERCISE THE POWERS OF THE VILLAGE OF ORLAND PARK, WILL AND COOK COUNTIES, IN CONNECTION WITH AN MCC PROGRAM AND A LOAN FINANCE PROGRAM.

This matter was PASSED on the Consent Agenda.

DEVELOPMENT SERVICES, PLANNING AND ENGINEERING

2020-0762 Moran Family of Brands - Inducement Agreement

The Moran Family of Brands is a franchisor with concepts focusing on the automotive aftermarket repair, maintenance and accessories of a consumers' vehicle. They are one of the largest automotive aftermarket franchisors with 6 different brands spread across the United States and internationally in Africa and coming soon to Canada.

The proposed project includes the redevelopment of three office suites into an approximately 6,000 square foot new Headquarters. The office is to be located at 11524 W 183rd Street. Moran's has not formally petitioned but is working with staff on a preliminary basis.

Moran has requested to participate in the Village of Orland Park's COVID-19 Economic Development Incentives Program to assist with their proposed project. The Non-Traditional Sales Tax Sharing Program would allow Moran to receive 50% of the sales tax generated at their location for 10 years up to a maximum amount of \$75,000. The Inducement Agreement also includes the Orland Park Commercial Impact Program that allows for 25% reduction on permit and related fees. The Commercial Impact Program is estimated to save the project approximately \$3,000. The following is a summary of the proposed terms:

- Moran Family of Brands Office Project Build-Out - anticipated to be approximately \$300,000.
- 50% sharing of sales tax.
- Ten-year term - this is consistent with previous Inducement Agreements.
- Maximum 25% certified project costs or \$75,000, whichever comes first.
- 25% reduction on permit and related fees.
- Job Creation/Retention (50-60 jobs).
- The Commercial Impact Program is estimated to save the project

approximately \$1,500.

The proposed Inducement Agreement is attached to the Board Packet.

Amanda Manquest and Peter Baldine of Moran Family of Brands addressed the Board. (refer to audio)

President Pekau had comments. (refer to audio)

I move to approve a sales tax sharing Inducement Agreement with Moran Family of Brands as outlined above and to be incorporated into their final Development Agreement, pending approval of the zoning, special use, and building permits.

A motion was made by Trustee Fenton, seconded by Trustee Calandriello, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

2020-0792 Code Amendment - Temporary Food Service Establishment Permit Duration - Olivo Tacos

An application was submitted to the Village for a special event at Lake View Plaza. The special event consists of a 2,000 square foot outdoor skating rink in the Plaza's parking lot. The event is scheduled to operate from November 13 through January 17, with the skating rink being open between 3-8 p.m. Tuesday - Thursday and 12-8 p.m. Friday - Sunday (closed on Mondays). The event will also have food trucks at the special event in compliance with Village Code. Olivo Tacos, a restaurant hosting a food truck and managing the event on behalf of Lake View Plaza, is requesting an extension to the Temporary Food Service Establishment Permit Duration so they can operate their food truck while managing the event throughout its duration.

Village Code of Ordinances section 6-1-3: Temporary Food Service Establishments sets rules that food trucks must follow when operating in Orland Park. Subsection 6-1-3-3: Permit Duration states that Temporary Food Service Establishments permits are valid for fourteen (14) days after issuance. A maximum of two (2) permits may be granted for each event. Thus, Village Code allows for a food truck to operate for twenty-eight (28) days at a special event.

As mentioned, Olivo Tacos is requesting a change be made so they can operate the food truck simultaneously while they manage the event. Olivo Tacos is also in the process of leasing space in Lake View Plaza to open their Orland Park restaurant location. As part of the code change, Olivo Tacos has provided the Village with a signed lease for the space they are going to occupy as well as proof that they will collect sales tax in Orland Park while their food truck is operating at the special event. Additionally, Olivo Tacos will provide permit applications to the

Village for their new space prior to the permit extension variance going into effect (Friday, December 11, 2020). In total, the temporary food service permit duration will be 65 days. The proposed code amendment will allow future extensions to a temporary food service permit for up to 90 days, provided that the business proprietor is operating or engaged in constructing a permanent food service establishment at a location adjacent to the temporary food service establishment; all subject to approval by the Village Board.

Village Code Section 7-3-5 Mobile Food Units is also being amended as part of this ordinance. The proposed amendment will correct inconsistencies in the Village Code regarding mobile food trucks to reflect current Village policy.

I move to approve Ordinance Number 5557, entitled: AN ORDINANCE AMENDING TITLE 6, CHAPTER 1 (HEALTH CODE) AND TITLE 7, CHAPTER 3 (REGULATIONS FOR SPECIFIED BUSINESSES) OF THE ORLAND PARK VILLAGE CODE;

And,

I move to approve Olivo Tacos Temporary Food Service Establishments Permit Duration extension to January 17th, 2021, which coincides with the end of the outdoor skating rink special event at Lake View Plaza, pending Olivo Tacos provides a complete permit application to the Village for their new restaurant space in Orland Park by Friday, December 11, 2020.

A motion was made by Trustee Milani, seconded by Trustee Nelson Katsenes, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

FINANCE

2020-0777 RESOLUTION DETERMINING THE 2020 TAX LEVY IN COMPLIANCE WITH THE TRUTH IN TAXATION LAW

Executive Summary

-The Village Board has requested that the Village and all other taxing districts lower their levy to decrease the property tax burden on homeowners and businesses throughout Orland Park as a result of the financial burdens caused by the pandemic.

-The property tax request for the police pension contribution will be higher than the tax levy approved one year ago. The Police pension tax levy will increase from \$3,961,509 to \$4,695,866 (an increase of \$734,357, or 18.54%).

-The proposed levy for the Illinois Municipal Retirement Fund (IMRF) and the Village's share of Social Security and Medicare taxes (FICA) is reduced by \$95,580 and \$82,106, respectively. In accordance with State Statute, the municipal contribution rate for IMRF is actuarially determined each year by IMRF. Contributions are calculated as a percentage of covered payroll. A number of State statutes, as well as court decisions, mandate that local governments make their pension contributions. The recommended tax levy incorporates the Village's mandated pension contributions.

-In addition to the ensuring that State mandated pension obligations continue to be met, the property tax levy would incorporate the Library's tax levy. Later this month, the Library Board will be considering a 3.5% (or \$201,591) increase for operations. The levy for the Library's 2019 G.O. Bonds will increase by 1.00% (or \$5,364). The total levy for the Library will be an increase of 3.29%, or \$206,955.

-Village staff's proposed property tax levy represents an \$855,617 decrease for General Corporate Purposes. The net result of the Village levy, considering all above changes, will be a decrease of \$131,981, or -0.98%

-Since the proposed tax levy is not more than 5% than the taxes extended for the prior tax levy, a "Black Box" is not required. We will, however, publish the truth in taxation notice for full transparency.

-The attached Tax Levy Determination Resolution, proposed to be approved at the November 16, 2020, Village Board meeting, will illustrate an overall maximum property tax levy decrease of 0.98% for the Village. The Library Board has requested a tax levy increase of 3.5% for operations, 1.00% for debt, for a total increase of 3.29%. This Tax Levy Determination Resolution will illustrate an overall maximum property tax levy increase for the Village and the Library of 0.38%. Once the tax levy is determined at the November 16 meeting, the Village Board can set the tax levy amount equal to or below the maximum amount, but it cannot set the levy above the maximum amount. The actual tax levy will be approved at the December 7, 2020, Village Board meeting.

-Based on preliminary information from the Will County Assessor, we are anticipating a 1.05% increase in the overall EAV of the Village, from \$2,287,675,601 to \$2,311,773,584. The Cook County Assessor does not yet have an estimated EAV increase so the 1.05% increase is being used to estimate the overall EAV increase.

-2020 is also a triennial reassessment year in Cook County. For Orland Township as a whole, preliminary residential Assessed Values (before objections and equalization for 2020) decreased by 6.8%. For commercial and non-residential properties, Assessed Values increased by 6.8%, for an overall change of -0.1%. The total Assessed Value will later receive an Equalizing Multiplier (calculated by

the Illinois Department of Revenue) intended to achieve uniform property assessment throughout the state. As a point of reference, the equalization factor for 2019 taxes was 2.9160 and has ranged from 2.7076 to 3.3701 since 2005.

-If the staff recommended .98% tax levy decrease is approved, the 2020 tax rate will decrease -5.50% (based on a 1.05% EAV increase) from the Village's 2019 tax rate. The impact to the homeowner as a result of the proposed tax levy will depend on changes to the assessed valuation of the homeowner's property. If the assessed value of a homeowner's property remains the same as the previous year, and the State equalizer remains the same, the Village portion of a homeowner's (\$300,000 home) tax bill will decrease \$17.54, or \$1.46 less per month. If an increase in a property's assessed valuation equals the overall increase in the Village's EAV (1.05%), then a property owner (\$300,000 home) will pay \$9.62 less per year or \$0.80 less month.

Tax Levy Process

In order to collect a property tax, government agencies in the State of Illinois are required to establish a "tax levy". The tax levy is a projection of the monies the government agency obtains through the annual property tax. The Village Board adopts a property tax levy by ordinance and files the ordinance with the Cook and Will County Clerks by the last Tuesday in December.

Funds identified in the tax levy and subsequent collections of property tax are utilized by the Village, along with other revenue sources, to fund the Village Budget. One of the more difficult aspects to understand regarding the property tax system in Illinois pertains to its timing. The Village's 2020 tax levy will be incorporated in the property tax bills property owners receive in 2021, and will be used by the Village to fund a portion of the 2021 Budget.

The tax levy ordinance adopted by the Village is filed with the Cook and Will County Clerks, whose offices determine the "tax rate" needed to raise the dollars levied by the Village. As a home-rule community, the Village levies in dollars rather than by a specific tax rate, although Village staff can reasonably estimate the tax levy dollar amount needed to match a certain tax levy rate. The Village does not receive any additional dollars if the assessed valuation of property in the Village increases or decreases. Rather, the amount of the Village tax levy remains the same, and is spread over a greater or lesser total assessed valuation of the property (which results in a decrease or increase in the actual Village tax rate).

For the 2020 tax levy, the total assessed valuation is expected to increase as a result of property growth coupled with improving home values. The actual dollars raised from the 2020 tax levy are not received until the fiscal year 2021.

The actual property tax rate is determined by the Cook and Will County Clerks and appears on the property owner's property tax bill. The tax rate is applied to the

property's assessed valuation, which determines the amount of money the taxpayer pays to the Village and other taxing agencies. Property owners will note that the Village is only one of many taxing bodies that appear on the annual property tax bill.

Tax Levy Timeline

One of the final steps for the Village in the tax levy process is the tax levy hearing. However, to get to this point, there are multiple requirements that must be met before the tax levy can be considered. Below is a timeline of the required steps.

Pension Funds:

There are two pension funds in the Village.

- Orland Park Police Pension Fund - functions for the benefit of the Village's sworn police employees and is governed by a five-member pension board consisting of two members appointed by the Village President, one elected pension beneficiary and two elected police personnel; and
- Illinois Municipal Retirement Fund (IMRF) was established by the Illinois State Legislature in 1939 and functions for the benefit of eligible Village municipal employees not covered under either of the two public safety pension funds. Members, employers, and annuitants elect eight trustees who govern IMRF.

Revenue that is used to pay retirement benefits comes from three sources: 1) Investment income, 2) Member contributions, and 3) Employer contributions. Employer contributions of the Village is funded entirely from property tax revenue. Each year, an independent actuary calculates employer contribution rates as described in the Illinois Pension Code. To determine the cost of the pension, the actuary needs four types of information:

- Member demographic information
- Actuarial assumptions
- Employer information
- A method for distributing the costs

This data is combined mathematically to determine how much each employer must contribute each year. An important element of the mathematical computation is established by mortality tables. The fact that people are living longer is good news from a human perspective. Longer lifespans, however, make defined benefit pension plans more expensive because employers must pay benefits to retirees for a longer period of time.

At their meeting on August 19, 2020, each Orland Park Police Pension Board approved their Actuarial Valuation Reports for the year ended December 31, 2019. This valuation report, which was prepared by actuary Lauterbach & Amen,

serves as the basis for the proposed tax levy to be approved in December 2020.

During 2019, the Pension Fund had significantly better investment performance than was assumed. However, these gains were not enough to offset other changes impacting the Fund's overall liability (see pages 9-12 of the actuarial report). With no other changes, the Village would have expected that our annual contribution would be \$4,090,258. However, other changes, including changes to assumptions and the overall plan, caused the recommended contribution to increase by an additional \$605,608. Assumption changes included an update to the inflation rate, pay increases, retirement rates, termination rates, disability rates, mortality rates, mortality improvement rates, and marital assumptions, all based on a comprehensive study of Police Officers and Police Pension Funds in Illinois, which was conducted by Lauterbach and Amen. Plan changes include modifications to Tier II Plan Provisions adopted by the Illinois General Assembly (PA-101-0610).

Table A (attached) illustrates key statistics of the current and prior year valuations

The formal recommendation of the public safety boards is one of two required reports that the respective pension fund boards must provide to the municipality before the tax levy can be approved and filed. Public Act 95-950 requires that the public safety pension boards also approve and provide the municipality with a Municipal Compliance Report. House Bill 5088 (Public Act 95-950) requires the Police Pension Fund Board to certify to the Village Board the condition of the Pension Fund at the end of the completed fiscal year. The Compliance Reports cannot be completed until the Village's Comprehensive Annual Financial Report (CAFR) is approved since most of the information found in the Municipal Compliance Report comes from the CAFR.

The employer contribution for IMRF is similar to public safety pension funds in that it also must undergo an actuarial review. After the review, the IMRF Board approves a member contribution rate for each participating organization.

State Statute spells out an enforcement mechanism for required municipal contributions to the pension funds. P.A. 96-1495, which was signed into law on December 30, 2010, enacted a number of changes to the Illinois Pension Code including an enforcement mechanism to ensure employer contributions. New subsection (b-5) of Section 4-118 and new subsection (c) of Section 3-125 of the Illinois Pension Code outline the funding enforcement mechanism which was to be phased in beginning in the fiscal year 2016. They mirror a similar process under Section 7-172.1(a) of the Illinois Pension Code, which is the funding enforcement mechanism for IMRF (40ILCS 5/7-172.1(a)).

If a municipality fails to transmit the pension fund contributions required of it for more than 90 days after the payment is due, the fund may certify to the State Comptroller the amounts of the delinquent payments, after giving notice to the

municipality. The State Comptroller must deduct and deposit into the pension fund the certified amounts or a portion of those amounts from the “grants” of State funds to the municipality (40 ILCS 5/4-118(b-5) and 3-125(c)).

Library:

Each year, the Orland Park Public Library Board approves and forwards a tax levy request to the Village Board. The Library is a municipal library, meaning that it does not have independent taxing authority. The Library typically approves their tax levy request in mid-October but will be considering their levy request in mid-November this year.

The Library is proposing a 3.5% tax levy increase (rather than 4% the Library has requested in the prior year) or \$5,961,336, an increase of \$201,591. The Library also has a levy for 2019 G.O. Refunding Bonds of \$542,181, which is \$21,478 lower than 2019. The total result is an increased levy for Library operations and debt of \$180,114, or 2.8%.

Tax Levy Extension

As part of the tax levy process, the County Clerks add a “loss factor” to each taxing district’s levy. This loss amount is added in consideration for a small portion of property taxes that will not be collected to ensure that governments receive the amounts that are requested through the tax levy. The loss amount for non-debt levies is 3% and is 5% for debt levies for added assurance that governments will be able to meet their bond payment obligations. Table B (attached) illustrates the 2019 Levies that were approved by the Village, the total levies that were extended (billed to property owners), and the 2020 levy.

The Black Box includes a comparison to the prior year extended levy, which was 3.19% higher than the total tax levy request. As such, the Black Box will illustrate an overall decrease of 2.73%, comparing the 2019 extended levy with the 2020 requested levy. When the 2020 levy is processed, a similar loss amount will be added, resulting in an increase extended levy of 0.38%.

Impact to Homeowner

The final element in preparing the tax levy is estimating the impact of a property tax levy on a typical homeowner. The key piece of information for estimating this impact is determining what the equalized assessed valuation of all property in the Village will be for the pending tax year. The equalized assessed value, or EAV, is the result of applying the state equalization factor to the assessed value of all parcels of property in the Village. Tax bills are calculated by multiplying the EAV (after any deductions for homesteads) by the tax rate. The EAV is not certified until months after the tax levy ordinances are due in December.

Recommended Tax Levy

As mentioned earlier, a number of State statues, as well as court decisions, mandate that local governments make their pension contributions. The recommended tax levy incorporates the Village's mandated pension contributions. The Village has made its pension contributions from property tax revenue. Absent property tax revenue to pay for mandated pension obligations, the Village would either have to utilize fund reserves or find a new revenue source.

Since the proposed tax levy is not more than 5% than the taxes extended for the prior tax levy, a "Black Box" is not required. However, the Village will publish the Black Box for full transparency and will hold a hearing on December 7, 2020. The attached Tax Levy Determination Resolution, which would be approved at the November 16, 2020 Village Board meeting, will illustrate an overall maximum property tax levy increase of 0.38%. Once the tax levy is determined at the November 16th meeting, the Village Board can set the tax levy amount equal to or below the maximum amount, but it cannot set the levy above the maximum amount. The actual tax levy will be approved at the December 7, 2020 Village Board meeting.

Trustee Calandriello had comments and questions. (refer to audio)

President Pekau and Village Manager George Koczwara responded to Trustee Calandriello. (refer to audio)

Trustee Dodge had questions. (refer to audio)

Village Manager Koczwara responded to Trustee Dodge. (refer to audio)

Trustee Dodge motioned to amend the motion so that the levy is published at 13.425518 million to keep the levy flat. It was seconded by Trustee Fenton. (refer to audio)

Trustee Dodge had comments and questions. (refer to audio)

Finance Director Kevin Wachtel responded to Trustee Dodge. (refer to audio)

Trustee Fenton had a questions and comments. (refer to audio)

Village Manager Koczwara responded to Trustee Fenton. (refer to audio)

Trustee Healy had comments. (refer to audio)

Trustee Milani had comments and questions. (refer to audio)

Village Manager Koczwara responded to Trustee Milani. (refer to audio)

Trustee Calandriello had comments and questions. (refer to audio)

Village Manager Koczwara responded to Trustee Calandriello. (refer to audio)

Trustee Dodge and President Pekau had comments. (refer to audio)

The roll was called on the amendment. Trustees Dodge, Fenton and Calandriello voted "AYE". Trustees Healy, Katsenes, Milani and President Pekau voted "NAY". The amendment failed. (refer to audio)

Trustee Dodge and President Pekau had additional comments. (refer to audio)

I move to pass Resolution Number 2051, entitled: RESOLUTION DETERMINING THE 2020 TAX LEVY IN COMPLIANCE WITH THE TRUTH IN TAXATION LAW.

A motion was made by Trustee Milani, seconded by Trustee Healy, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

VILLAGE MANAGER'S REPORT

2020-0763 Property Tax Appeal Board (PTAB) Appeals Representation - Resolution

The Village's general legal counsel, Klein, Thorpe, & Jenkins, Ltd. (KTJ), has been representing the Village, the Orland Park Library, and the Orland Park Fire District as a group for all PTAB appeals. School Districts 135 and 230 are also members of the consortium. KTJ will be representing the consortium for tax years 2020 through 2022. Passage of this resolution will authorize KTJ to continue to represent the Village for these tax years for all PTAB appeals.

I move to pass Resolution Number 2052, entitled: RESOLUTION AUTHORIZING INTERVENTION IN ALL 2020-2022 TAX YEAR APPEALS BEFORE THE STATE OF ILLINOIS PROPERTY TAX APPEAL BOARD

A motion was made by Trustee Fenton, seconded by Trustee Nelson Katsenes, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

2020-0796 Employee Health Insurance Renewal FY2021

Village brokers at the Horton Group, completed a market analysis and provided final recommendations for the January 1, 2021 renewal of Village Employee Health Insurance benefit programs to include:

- Medical/Rx/Dental/Vision
- Life and AD&D/Short Term Disability
- Flexible Spending Account (FSA)
- Employee Assistance Program (EAP)
- Virgin Health Miles/CHC Biometric Screenings (Wellness Initiatives)
- Employee Assistance Program (EAN)
- Liability

The overall plan ran well. As a result, the claims projection was favorable and when adding the fixed costs and eliminating the ACA reserve this year. In addition, Brokers sought and received \$130,000 wellness credit that the Village can use in the health fund without restriction. The plans total increase is \$45,610 or .91%. Other reinsurance carriers were compared, as well as another carrier UMR from United Healthcare. Brokers also compared fully insured rates to see if that would temper the market better due to unknowns of COVID-19 and the increasing high cost claimant market. End result shows fixed costs for the year 2021 will increase 15.94% due to number of large claimants (original ask was 37.87%), for a dollar amount increase of \$136,538.

No change is recommended to the following carriers associated with each benefit offering, effective January 1, 2021:

- BlueCross BlueShield of Illinois (Medical/Rx)
- Delta Dental of Illinois (Dental)
- Eye Med (Vision)
- Dearborn National (Life/AD&D, STD)
- Discovery Benefits (Flexible Spending Account and COBRA Administration)
- Metropolitan Family Services (Employee Assistance Program)
- Virgin Pulse (Pedometer and Rewards Program - Wellness Initiative)
- CHC (Biometric Screenings - Wellness Initiative)

Attached to the Board Packet is a summary of the renewal.

Highlights:

The Village Medical/Rx plan is partially self-funded and administered by an insurance carrier to provide the appropriate medical networks and administrative services. Proposals for the FY2021 Medical/Rx insurance administrator renewal are based on the carriers' estimations of the Village's expected claims for the year, stop loss coverage, and run-in claims. To ensure the best possible pricing,

Village brokers shopped the market to negotiate with carriers and obtain best and final offers.

BlueCross BlueShield of Illinois (BCBS) proposed options account for expected claims, stop loss coverage, Affordable Care Act (ACA) fees and a general health insurance reserve. The recommended non-union options include maintaining the current HDHP/HSA, Silver PPO, and Blue Advantage HMO. Union plans would not include Blue Advantage HMO; however, they will include the Gold PPO and HMO Illinois.

As of January 1, 2021, non-union employee premium contributions will continue to be based on a percentage of the overall premium cost and participation by the employee and their enrolled spouse in the biometric wellness screenings. The wellness discount is realized for those who participate in the biometric wellness screening (approximately \$80).

Union employees in the IBEW, AFSCME, Deputy Chief and Commanders, Metropolitan Alliance of Police (MAP), and Police Supervisors groups make employee contributions based on the percentages or rates outlined in the respective collective bargaining agreements. Those that expired on April 30, 2019 are currently being negotiated, but include a wellness incentive rate (discount of approximately \$80) for those employees that participate in the biometric wellness screening.

In addition, \$231,000 is included in the Insurance Fund for estimated Village funding of the HSA accounts for those employees enrolled in the HDHP/HSA Plan.

President Pekau had comments. (refer to audio)

I move to authorize the Village Manager to execute employee health insurance renewal agreements with the recommended carriers/vendors and associated expenses effective January 1, 2021.

A motion was made by Trustee Milani, seconded by Trustee Nelson Katsenes, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

BOARD COMMENTS

Trustees Fenton, Dodge, Calandriello, Healy, Katsenes, Milani and President Pekau had Board comments. (refer to audio)

EXECUTIVE SESSION

I move to recess to a Closed Executive Session for the purpose of discussion of a) approval of minutes; b) pending litigation against, affecting or on behalf of the village or when found by the board that such action is probable or imminent.

A motion was made by Trustee Fenton, seconded by Trustee Nelson Katsenes, that this matter be RECESS. The motion carried by the following vote:

RECONVENE BOARD MEETING

The roll was called to reconvene the Regular Meeting and Trustees Fenton, Dodge, Calandriello, Healy, Katsenes, Milani and President Pekau were present.

Purpose of the Executive Session was for the discussion of a) approval of minutes; b) pending litigation against, affecting or on behalf of the village or when found by the board that such action is probable or imminent.

Present: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani and Village President Pekau

ADJOURNMENT: 8:10 P.M.

A motion was made by Trustee Fenton, seconded by Trustee Calandriello, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 7 - Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, and Village President Pekau

Nay: 0

2020-0808 Audio Recording for November 17, 2020 Board of Trustees Meeting

NO ACTION

/AS

APPROVED: December 7, 2020

Respectfully Submitted,

/s/ John C. Mehalek

John C. Mehalek, Village Clerk