

VILLAGE OF ORLAND PARK

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



Meeting Minutes

Monday, February 5, 2018

6:00 PM

Village Hall

Finance Committee

*Chairman Michael F. Carroll
Trustees Patricia A. Gira and Daniel T. Calandriello
Village Clerk John C. Mehalek*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:13 P.M.

PASS THE CONSENT AGENDA

Present: 3 - Chairman Carroll; Trustee Gira and Trustee Calandriello

APPROVAL OF MINUTES**2018-0062 Approval of the December 4, 2017 Finance Committee Minutes**

I move to approve the Minutes of the Regular Meeting of the Finance Committee of December 4, 2017.

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

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

2018-0064 Approval of the January 2, 2018 Finance Committee Minutes

I move to approve the Minutes of the Regular Meeting of the Finance Committee of January 2, 2018.

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

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

ITEMS FOR SEPARATE ACTION**2018-0038 Amendment to the Village Contracting and Bidding Procedures - Ordinance**

Currently, all formal bids, as well as responses to Requests for Proposal (RFPs), are submitted to the Village in hard copy format. While we advertise for bids/RFPs electronically via the Village's website (and at times, other websites), all bids and responses to RFPs must be delivered in hard copy format to the Village Clerk's Office. In keeping with the spirit of consistently looking for more efficient ways to conduct Village business, staff is requesting an amendment to the Village Code to allow for the electronic submission of sealed bids/RFPs should the respondent so choose to submit in this format. Hard copy format bids/responses to RFPs will still be accepted. All sealed bids received, whether in hard copy or electronic format, will continue to be publicly read at the time designated in the bid/RFP document.

Chairman Carroll and Director of Finance Annmaire Mampe had comments. (refer to audio file)

I move to recommend to the Village Board of Trustees to pass an Ordinance entitled: AN ORDINANCE AMENDING TITLE 1, CHAPTER 10, (VILLAGE FINANCES) OF THE ORLAND PARK VILLAGE CODE TO UPDATE THE VILLAGE CONTRACTING AND BIDDING PROCEDURES

A motion was made by Trustee Calandriello, seconded by Trustee Gira, that this matter be RECOMMENDED DO NOT PASS to the Board of Trustees. The motion carried by the following vote:

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

2018-0049 Transfer of 2018 Volume Cap - Ordinance

Director of Finance Annmarie Mampe reported that the Village of Orland Park's 2018 Volume Cap allocation amounts to \$105.00 per capita for a total 2018 allocation of \$5,960,535. "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 Volume Cap is allocated annually. To date, the Village's 2018 Volume Cap has not been granted or transferred to another party. According to State Statute, the Village Board must pass an ordinance on an annual basis either reserving its volume cap or transferring the volume cap to another party and must notify the State in writing of any Volume Cap granted, transferred or reserved by official action of the Board no later than April 30th of each calendar year.

For the last few years, the Village has transferred its volume cap to the City of Aurora, the lead issuer 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 homebuyers. Assist also provides Mortgage Credit Certificates to help reduce the homebuyer's ongoing cost of borrowing.

The Assist Homebuyer Down Payment Program offers homebuyers 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 homebuyers. This is an incentive for a potential homebuyer who can't come up with the required down payment and closing costs. Mortgage credit certificates allow the homebuyer 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.

Stern Brothers & Co. will issue the bonds and the outstanding bonds will not be reflected as Village debt nor will it be applied to the Village's annual \$10 million bank qualified debt limitation. 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, administration of program is handled by lenders and Stern Brothers & Co., not by Village staff.

Chairman Carroll, Trustee Calandriello, Trustee Gira and Director Mampe had comments. (refer to audio file)

I move to recommend to the Village Board to pass Ordinance entitled: AN ORDINANCE APPROVING THE TRANSFER OF VOLUME CAP IN CONNECTION WITH PRIVATE ACTIVITY BOND ISSUES, AND RELATED MATTERS.

A motion was made by Trustee Calandriello, seconded by Trustee Gira, that this matter be RECOMMENDED FOR PASSAGE to the Board of Trustees. The motion carried by the following vote:

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

2018-0080 IMRF Resolution to Include Cash Payments Related to Health Insurance as IMRF Earnings

On December 15, 2017, the IMRF Board of Trustees adopted Board Resolution 2017-12-17. This resolution gives employers the option to include certain cash payments made as an alternative to employer provided health insurance as reportable earnings to IMRF.

IMRF Board Resolution 2017-12-17 amends the definition of reportable earnings to include:

- Cash payments made separately from salary and made in lieu of employer provided health insurance.
- Cash payments made separately from salary and made in association with or related to healthcare benefits.

To include these payments as IMRF earnings a resolution must be passed allowing cash payments in lieu of or related to healthcare benefits to be reported as IMRF earnings.

Chairman Carroll and Trustee Calandriello had comments. (refer to audio file)

I move to recommend to the Village Board to approve authorization be given to pass a resolution allowing cash payments in lieu of or related to healthcare benefits to be reported as IMRF earnings.

A motion was made by Trustee Calandriello, seconded by Trustee Gira, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

NON-SCHEDULED CITIZENS & VISITORS

ADJOURNMENT: 6:19 P.M.

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

Aye: 3 - Chairman Carroll, Trustee Gira, and Trustee Calandriello

Nay: 0

2018-0124 Audio Recording for the February 5, 2018 Committee Meetings - Public Safety, Finance, and Parks & Recreation.

NO ACTION

/AS

Respectfully Submitted,

John C. Mehalek, Village Clerk