

**MINUTES
FOR THE SPRCIAL BOARD MEETING
OF THE PRESIDENT AND THE BOARD OF TRUSTEES
OF THE VILLAGE OF ORLAND HILLS, ILLINOIS
For October 26, 2022**

President Hastings called the meeting to order at 7:00 p.m.

Clerk Iannantone (Electronically) called the roll with the following results. Present: President Hastings (Electronically), Trustees: Roti (Electronically), Janachowski (Electronically), Hastings II, Morrison (Electronically), Petrey, Administrator O'Neill, Rec Director Bilina (Electronically), Police Department Administrator Haleem (Electronically), EMA Director Leddin (Electronically), Recreation Assistant Radney (Electronically)

Excused: Village Attorney, Public Works Director Hanley

Absent: Kissane, Chief Blaha, Treasurer Kowalski

With a quorum having been established, President Hastings led the Pledge of Allegiance and the salute to the flag.

President's Report: President Hastings

Due to the Coronavirus pandemic, this meeting will be held by audio conference and a physical quorum may not be present. At this time, I would like to verify that all members participating remotely can be heard by everyone and that they can hear each other.

This was verified.

I would also like to verify that everyone physically present in the Boardroom can hear the discussion and testimony.

This was verified.

Clerk's Report: Clerk Iannantone

Clerk Iannantone requested support of a motion to approve the minutes of the Regular Village Board Meeting of the Village President and the Board of Trustees for Oct 19, 2022, as presented.

A motion was made by Trustee Petrey and seconded by Trustee Hastings II

Ayes: Trustees Roti, Janachowski, Petrey, Morrison, Hastings II

Nays: None

Absent: Kissane

MOTION CARRIED

*****COMMITTEE REPORTS*****

Finance: Trustee Petrey

Trustee Petrey motioned, seconded by Trustee Hastings II, to accept the Audited Financial Statements for the year ended April 30, 2022, as presented.

Mayor Hastings asked Administrator O'Neill for a synopsis of the report.

O'Neill responded by pointing to the financial highlights section on page 4 of the Audit report, the change in the fund balance of the General fund for fiscal yr 2022 was a gain of \$1,551,808.

As a reminder, fund balance is simply defined as an accumulation of revenues minus expenditures. This \$1.5M gain is exaggerated in the sense that the Village rec'd one of two ARPA payments from the Federal gov for \$478K. But, even without the Federal stimulus funds, our fund balance still grew by approximately \$1.1 M.

This brings our current fund balance to a positive \$3,154,534 and it now sits at 45% of budgeted expenses for the current FY. That is a healthy percentage and significantly better than just a few years ago.

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So, how did we get to a positive change in fund balance for FY 2022: It's a combination of many factors, but mostly, our sales, income tax, and building revenues were higher than expected. And we kept our expenses in line.

As mentioned earlier, the Village's financial position has improved quite a bit over the past several years. This is due to the Fiscal policies directed by the Mayor and Board of Trustees and implemented by Village staff. But, the financial anchor around the Village's neck continues to be the Net Pension Liability of the Police Pension Fund. Fortunately, there is good news to report there. Our net pension liability decreased by \$2,949,335 due to a change in the expected discount rate now that the fund is part of the consolidated pension funds of the State. And, by the fact that our entire property tax levy, outside of bond debt service payments, was earmarked for the pension fund instead of being split between the general fund and the pension fund. For example, our contribution for FY 2022 were \$547,445 vs. the prior year of \$269,608. Continuing to earmark our general property tax levy towards the police pension fund will go a long ways to shoring up the fund.

However, our net pension liability for the police pension fund still remains at \$10,482,988. It will take a multi-year commitment on the part of the Village to get this liability properly funded. And my hope is that the commitment of future property tax levies towards the police pension fund will continue to alleviate and make up for the current shortfall. However, extra payments from the Village may be needed if there are census changes or investments fall short of expected rates of return.

Overall, this audit shows that the Village has continued on its trend of positive fiscal results while simultaneously addressing its financial challenges. We are not unlike many municipalities throughout the state where we are trying to shore up a general fund reserve and at the same time, keep other funds at a healthy balance in order to pay future promised benefits.

I would be happy to take any questions that anyone might have.

No one had any questions. The Mayor commended the Village Board and staff for their good work and asked for a roll call vote to be taken.

Ayes: Trustees Roti, Janachowski, Petrey, Morrison, Hastings II

Nays: None

Absent: Kissane

MOTION CARRIED

Adjournment:

With no further business to be heard, Trustee Petrey motioned to adjourn the meeting at 7:08 PM, seconded by Trustee Hastings II.

Ayes: Trustees Roti, Janachowski, Petrey, Morrison, Hastings II

Nays: None

Absent: Kissane

MOTION CARRIED

(Seal)

Jen Iannantone
VILLAGE CLERK