

# VILLAGE OF ORLAND PARK

14700 Ravinia Avenue  
Orland Park, IL 60462  
[www.orland-park.il.us](http://www.orland-park.il.us)



## Meeting Minutes

Monday, October 3, 2016

6:00 PM

Village Hall

## Finance Committee

*Chairman Carole Griffin Ruzich  
Trustees James V. Dodge and Michael F. Carroll  
Village Clerk John C. Mehalek*

**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 6:02 P.M.

**Present:** 3 - Chairman Griffin Ruzich; Trustee Dodge and Trustee Carroll

**APPROVAL OF MINUTES****2016-0697 Approval of the September 6, 2016 Finance Committee Minutes**

I move to approve the Minutes of the Regular Meeting of the Finance Committee of September 6, 2016.

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

**Aye:** 3 - Chairman Griffin Ruzich, Trustee Dodge, and Trustee Carroll

**Nay:** 0

**ITEMS FOR SEPARATE ACTION****2016-0705 Employee Insurance Renewal FY2017**

Human Resource Director Stephana Przybylski stated that the Horton Group completed a market analysis on behalf of Village of Orland Park and has provided final recommendations for the 01/01/2017 renewal of the following benefit programs:

- Medical/RX
- Dental
- Vision
- Life and AD&D
- Flexible Spending Account (FSA)
- Employee Assistance Program (EAP)
- Virgin Health Miles (Wellness Initiative)
- CHC Biometric Screenings (Wellness Initiative)

Based on the final analysis provided by The Horton Group, the following carriers/vendors associated with each benefit offering effective 01/01/2017 are being recommended:

- BlueCross BlueShield of Illinois (Medical/RX)
- Delta Dental of Illinois (Dental)
- EyeMed (Vision)
- Dearborn National (Life/AD&D and Short-Term Disability)
- Discovery Benefits (Flexible Spending Account Administration)
- Metropolitan Family Services (Employee Assistance Program)
- Virgin HealthMiles (Pedometer and Rewards Program - Wellness Initiative)

- CHC (Biometric Screenings - Wellness Initiative)
- The Horton Group (Benefit Consultant)

The current Crisis Intervention and Counselling Services provided for Village residents were reviewed by the Police Department and HR staff. Metropolitan Family Services (MFS), the current provider, admittedly has had difficulty in providing 24/7 crisis intervention for the Police Department. Staff recommends terminating the current agreement related to resident services with MFS and awarding the contract to Trinity Services, Family Counseling Center. MFS will continue to provide EAP services for the Village. This would be a cost neutral transition with Trinity Services providing the services for the same rate as MFS.

Attached is a summary of the renewal for each benefit offered. Actual budgeted amounts will be adjusted to reflect the number of participants including village and library staff as well as retirees.

As you know, the Village Medical/Rx plan is self-funded and is administered by an insurance carrier to provide the appropriate medical networks and administrative services. Proposals for the FY2017 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, The Horton Group works on behalf of the Village to negotiate with carriers to obtain the best and final offers.

BlueCross BlueShield of Illinois (BCBS) presented the only full medical/RX proposal resulting in a slight increase in total cost. The BCBS proposal options account for expected claims, stop loss coverage, Affordable Care Act (ACA) fees and a general health insurance reserve. The recommended proposal option includes maintaining HDHP/HSA, Silver PPO, Gold PPO and HMO plan options. Slight modifications may be made to the medical plan designs in accordance with the Affordable Care Act (ACA) and collective bargaining agreements. A summary of these recommended options is attached to this agenda item for reference.

Effective 01/01/2017, the HDHP/HSA plan for non-union, IBEW, AFSCME, MAP, and DCC employees will include a \$3,250/\$6,500 deductible. Non-union and IBEW 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 screenings. Non-union and IBEW employee contributions are as follows for each medical plan offering:

- HDHP/HSA 3%
- HMO 10%
- Silver Plan 10%
- Gold Plan - Employees will contribute the difference between the cost to the Village of the PPO (Silver) and the current PPO (Gold), which ranges from 20% for single coverage to 30% for family coverage.

Employees in the AFSCME, Deputy Chief and Commanders, Metropolitan Alliance of Police (MAP), and Police Supervisors groups will make employee contributions based on flat rates which are outlined in the collective bargaining agreements effective, May 1, 2015 - April 30, 2019. These rates include a wellness incentive rate for those employees that participate in the biometric screening. Changes to the insurance premiums for the Police Supervisors group are pending negotiation and/or finalization of the May 1, 2015 - April 30, 2019 agreement.

In addition, \$201,500.00 is included in the Insurance Fund for the employer funding of the HSA accounts for those employees enrolled in the High Deductible Plan.

Mr. Michael Wojcik from the Horton Group will be present at the Finance Committee meeting on October 3, 2015 to explain the renewal process, results, and to answer any questions.

Chairman Ruzich asked what the percentage increase was overall.

Director Pryzybylski stated the overall percent increase of expected cost is 3.7% on the medical. The premium equivalents however account for any differentiations in plans selections and enrollments, so that is a 6% increase. She went on to say that the total projected expense are listed in the budget impact section of the agenda item.

I move to recommend to the Village Board to approve agreements with the recommended carriers/vendors and associated expenses effective January 1, 2017;

And

To retain the Horton Group's services at the recommended rate for FY2017.

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

**Aye:** 3 - Chairman Griffin Ruzich, Trustee Dodge, and Trustee Carroll

**Nay:** 0

**2016-0637 Position of Village President**

At the September 6, 2016 Finance Committee meeting, it was requested that staff provide additional information related to the compensation and benefits of the Village President.

A recent study completed by an independent consultant recommended the creation of a second Assistant Village Manager position due to the extensive growth of our community and the increasing demands for Village services and amenities. The study also identified the need for a full-time Economic Development Coordinator to promote and recruit commercial enterprises in order to enhance the future of Orland Park.

As opposed to creating two new full-time positions that demand significant salaries and benefits, adjusting the compensation of the Village President would result in significant savings to the Village in the long term. The salary for an Orland Park Assistant Village Manager ranges from \$116,000 - 130,000. A survey of Chicagoland municipalities found that the average salary of an Economic Development Coordinator (or like position) ranges from a low of \$51,000 to a high of \$100,500. The total cost for these two positions would range from \$227,000 to \$291,000. The Village would also incur approximately \$30,000 per position in benefits costs.

This compensation change would also allow Village residents and staff to continue to benefit from the Village President's expertise, experience, commitment, as well as his increased involvement on a day-to-day basis. The Village President would generally cover promoting and facilitating the economic development of Orland Park in order to maximize the Village's commercial tax base and secure quality, long-term employment opportunities for residents. In addition, the Village President would foster economic development opportunities; take a proactive approach in assisting local businesses, organizations and individuals with creating and establishing economic development plans and promoting the Village to new purposeful ventures. The learning curve period required by the additional Assistant Village Manager, as well as a newly created Economic Development Coordinator position, would not exist as the current Village President is extremely familiar with the day-to-day workings of the village, its personnel, issues and concerns.

The Illinois Constitution and the Illinois Municipal Code prohibit an increase or decrease in the salary/compensation of an elected officer of a unit of local government if such increase or decrease would take effect during the term for which the officer is elected. In addition, the Local Government Officer Compensation Act provides that the compensation of elected officers of a unit of local government must be fixed at least 180 days before the beginning of the term of the officer whose compensation is to be fixed.

Given that compensation must be fixed during the elected officer's team, if health insurance benefits are to be included, the recommendation of the Village Attorney is to provide the Village President with a stipend, fixed for his/her term of office, to be used to obtain private health insurance. This stipend would be in addition to the Village President's salary and must also be fixed by the Village Board at least 180 days prior to the commencement of the Village President's term of office.

Trustee Carroll stated the matrix study suggested that the village add an additional full-time assistant village manager and a full-time economic development coordinator. He went on to say that the experience that the village president already has would be invaluable and would come at a lower cost fiscally with this recommendation. Trustee Carroll stated that the Mayor is currently already putting in the hours working hard for the village and that he is behind the recommended motion.

Trustee Dodge stated that he believes that it would be great to have the Mayor's position go full-time instead of having to hire two new positions. He said that he has no problem forwarding the recommendation to the Board and would like to see the details laid out in a proposed ordinance.

Chairman Ruzich stated that she agrees with Trustee Carroll's comments and stated that she cannot imagine any better economic developer than the village's current mayor. She stated that it would be a win-win for village residents and staff members to have the position go full-time.

I move to recommend to the Board to increase the Village President's compensation to \$150,000 annually, effective with the commencement of the Village President's term following the April 2017 election.

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

**Aye:** 3 - Chairman Griffin Ruzich, Trustee Dodge, and Trustee Carroll

**Nay:** 0

**ADJOURNMENT: 6:12 P.M.**

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

**Aye:** 3 - Chairman Griffin Ruzich, Trustee Dodge, and Trustee Carroll

**Nay:** 0

**/AS**

APPROVED: November 7, 2016

Respectfully Submitted,

/s/ John C. Mehalek

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**John C. Mehalek, Village Clerk**