FINANCE COMMITTEE
REGULAR MEETING MINUTES
NOVEMBER 05, 2024

A. CALL TO ORDER

Chairman Michael Carpanzano made a motion to open the meeting at 6:01 p.m.

B. ROLL CALL

Present:	Michael Carpanzano, Chairman Jean Kelly, Village Trustee Jose Quintero, Village Trustee Maria Zarate, Village Trustee
Staff:	Rosa Cojulun, Finance Director Lucas Rickelman, Co-Administrator Phillip Chau, IT Manager Scott Pascente, HR Manager Cheryl Johnson, Confidential Administrative Aide
Guests:	Renee Formell, Alliant (via phone call) Leah Cozad, Alliant

C. Finance Director Report

1. Bond Update
    a. Finance Director Rosa Cojulun spoke to a couple bond advisors including Administration and the Mayor regarding payments and the tax levy. Due to the monies and the way the levy is structed, there will be a big hike. The village has been supplementing fund balance monies/reserves to lower the amount on a yearly basis. The auditor mentioned we have a significant amount of money and need to reduce debt. Series 2014 bond issue principal amount due is $40,750,000 with interest of $18,744,000 with total due $594,940,000. The Finance Department is proposing at the December board meeting is paying off the principal amount. This will allow us to lower the levy in future years and a savings of over $18,744,000 that we would not pay in interest. This will be a huge advantage by paying off and leaves $72,753,000 in reserves. The Director advises the village should always keep $50,000,000 in reserves. If this isn't done by next year, there will be substantial debt, and the village would have to cut services. The village would save $3,000,000 next year in having to levy. The general fund doesn't need to subsidize it that much. Finance Director Cojulun mentioned the village will subsidize regardless especially for the Police and Fire Pension. Chairman Michael Carpanzano requested reviewing this information at the Finance Committee meeting in December before going to the village board meeting.

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D. APPROVAL OF MINUTES

1. Meeting Minutes
    a. Approval of the October 08, 2024, Finance Committee Meeting Minutes.

A motion was made by Trustee Jose Quintero, seconded by Trustee Jean Kelly to approve the October 08, 2024, meeting minutes. All in favor. Motion carried.

E. NEW BUSINESS

1. Employee Benefits
    a. Renee Formell, Alliant Senior Vice President, presented the 2025 Employee Benefits Renewal. A summary of current coverages was reviewed with the committee.
        i. Medical – Carrier BCBS of IL Fixed Costs, 19.6% Increase
        ii. Dental – BCBS of IL Fixed Costs, 0.0% Increase
        iii. Vision – BCBS of IL, 0.0% Increase
        iv. Life AD&D – BCBS of IL, 48.8 % Increase, Line of Duty Enhancement
        v. Voluntary Dependent Life – BCBS of IL, 0.0% Increase
        vi. ASO STD – BCBS of IL, 0.0% Increase
        vii. FSA & Dep. Care – Inspira Financial, -12.1 Decrease
        viii. COBRA Administration – Inspira Financial, 0.0% Increase
    b. Alliant performed a Stop Loss Policy Analysis. If the village is leveraging the stop loss and taking on additional risks, it's typically a conservative move to change the Stop Loss level to $110,000. The premium increase would be 14.7 and essentially cutting it in half. The village would reduce the premiums that they are paying to BlueCross but agreeing to take on additional claims coming in the door. Alliant studied this large claim activity, and it showed the village would save dollars increasing the Stop Loss Level. The village made a change in 2021 and suggest making another change this year. Chairman Michael Carpanzano agreed it is good housing to increase the level to $110,000.
    c. Co-Administrator Lucas Rickelman suggested meeting with administration and unions to approach a concept offering 4 distinct medical plans. Currently, the ones offered now are identical and not a lot of differences.

A motion was made by Trustee Jose Quintero, seconded by Trustee Jean Kelly to accept the proposal with the adjustment of the $110,000 ISL and move this forward to the Village Board. All in favor. Motion carried.

2. Workers Compensation
    a. Leah Cozad, Alliant Account Executive, presented the 2024-2025 Renewals.
        i. The village has taken on more risks and claims continue to be challenging. They have three (3) options to offer. One main thing they want to focus on is to help with a catastrophic loss. Based on the audit and discussions with the Finance Director and HR Manager, is the decision to pay now rather than be hit with a lump sum at the end. There are factors with negotiations of contracts and paying money in the rear. Alliant did approach the carrier and asked for a couple options. The Summary of Loss Forecast options are:

            - Option 1: $200,000
            - Option 2: $300,000
            - Option 3: $400,000

        Alliant recommended $400,000 is the way the numbers are stacking up. It's the one that makes the most sense to reduce the self-insurance retention. Finance Director Rosa Cojulun suggested increasing after looking at the increase in medical insurance plans. The village is taking on a lot more in risk and forecasting needs to stay in line. Alliant said start planning for 2030 as a good target date of $600,000.

    A motion was made by Chairman Michael Carpanzano, seconded by Trustee Jean Kelly to move to the $400,000 self-insured retention rate as the proposal to the Village Board. All in favor. Motion carried.

3. OpenGov, Inc. Invoice
    a. Phillip Chau, IT Manager, OpenGov software is used for Code Enforcement, Building Department, City Clerk's Office, Utilities, and Permitting. The IT Department consolidated the invoices which gave a slight increase this year. Chairman Michael Carpanzano asked if there are any concerns with OpenGov. Phillip verified there is a concern updating records, but they are addressing it.

    A motion was made by Trustee Jose Quintero, seconded by Trustee Maria Zarate to approve the OpenGov invoice for $78,393.33. All in favor. Motion carried.

F. ADJOURNMENT

Trustee Maria Zarate motioned to adjourn the meeting at 7:27 p.m., seconded by Trustee Jose Quintero. All in favor. Motion carried.