

MINUTES OF MAYOR NELSON AND BOARD OF TRUSTEES FOR THE REGULAR MEETING OF
THE VILLAGE OF FLOSSMOOR, ILLINOIS HELD ON OCTOBER 18, 2021

VILLAGE HALL / ZOOM MEETING

OCTOBER 18, 2021

7:30 PM

Mayor Nelson called the meeting to order at 7:31 pm.

Village Clerk Gina A. LoGalbo took roll.

PRESENT: Mayor Nelson, Trustees Bradley-Scott, Daggett, Driscoll, Lofton, Mitros

ALSO PRESENT: Village Manager Bridget Wachtel; Police Chief Tod Kamleiter; Fire Chief Bob Kopec; Director of Public Works John Brunke; Finance Director Scott Bordui; Police Commander Keith Taylor, Village Communications Manager Amy Kent, Attorney Kathi Orr; Village Clerk Gina A. LoGalbo; 14 residents.

Mayor Nelson called the meeting to order. Mayor Nelson noted that the meeting was being held in person and via Zoom. She noted that masks and temperature screenings are required upon entry at Village Hall. Mayor Nelson noted that public participation would be permitted during the citizen comment portion of the agenda, and that citizens could submit comments via email at info@flossmoor.org.

Citizens Present Wishing to Address the Board:

Mayor Nelson asked if there were citizens wishing to address the Board on a non-agenda item.

Mayor Nelson asked if there were citizens wishing to address the Board on an agenda item.

No citizen wished to address the Board on a non-agenda or agenda item in person or via Zoom. No emails were submitted to info@flossmoor.org for presentation to the Board.

Mayor Nelson referred to Agenda Item #1 – Consideration of Mayoral Appointment to Vacant Elected Offices. Mayor Nelson called for a motion to approve the appointment of Rosalind Henderson Mustafa to the vacant elected Trustee position. Trustee Daggett so moved, seconded by Trustee Lofton. Mayor Nelson stated that it was her honor to be able to appoint the next Trustee in the Village of Flossmoor. She stated that eighteen (18) residents applied for the position. “Roz” has an MBA from DePaul University, worked on improving processes and strategic planning in the public and private sector, and served on the Village of Flossmoor Community Relations Commission. She volunteered for the Gem Half Marathon and for the Juneteenth Event. She also serves on a Cultural Arts Commission in Chicago. Mayor Nelson asked if there were any comments from the Board. Mayor Nelson called for a vote on the motion as presented. Motion passed by a roll call vote.

AYES: Trustees Bradley-Scott, Daggett, Driscoll, Lofton, and Mitros.

ABSENT: None

ABSTAIN: None

NAYS: None

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Trustees Bradley-Scott, Daggett, Driscoll, Lofton, and Mitros expressed their support of the recommendation to appoint Ms. Mustafa to the Board.

Clerk LoGalbo administered the Oath of Office to Ms. Mustafa, and she was duly sworn in as Village Trustee.

Trustee Mustafa expressed her appreciation for being appointed to the Board.

Mayor Nelson referred to the Consent Agenda (which encompassed Agenda Items 2-4):

2. Approval of the Minutes of the Regular Meeting Held on October 4, 2021

3. Presentation of Bills for Approval and Payment as Approved by the Finance Committee (October 18, 2021)

4. Consideration of a Contract Award for the FY 2022 Sanitary Sewer Cleaning & Televising

Mayor Nelson called for a motion to approve the Consent Agenda. Trustee Mitros so moved, seconded by Trustee Driscoll. Mayor Nelson called for a vote on the motion as presented. Motion passed by a roll call vote.

AYES:	Trustees Bradley-Scott, Daggett, Driscoll, Lofton, Mitros, and Mustafa
ABSENT:	None
ABSTAIN:	None
NAYS:	None

Mayor Nelson referred to Reports of Committees, Commissions or Boards
There were no reports of committees, commissions, or boards.

Mayor Nelson referred to Agenda Item #5 – Presentation and Acceptance of FY 21 Audit. Trustee Mitros so moved, seconded by Trustee Lofton. Finance Director Scott Bordui stated that the Board had three (3) different documents regarding the FY 21 audit. The first document is the Annual Comprehensive Financial Report: The Village received an unmodified opinion on its financial statements, and the presentation makes the report eligible for and receive the GFOA Certificate of Achievement for Excellence in Financial Reporting (which would be the Village's 44th such award). The major funds included in the report are the General Fund, Debt Service Fund, Capital Equipment Fund, 2021 Streets and Storm Sewer Improvement Fund, Sanitary Sewer Rehabilitation Fund and Storm Sewer Fund were all major funds. The General Fund had a strong year, and experienced a net increase of \$933,000 of which the operating component is \$630,000. This compares favorably with the budget which had a \$2.6M deficit as we didn't undertake several capital projects. The general fund balance is at 64% of expenditures and other financing uses, which is a healthy and strong position for that fund. The unassigned portion of the general fund was only

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\$249,000 which required the re-allocation of finance and facilities fund balances and accounts for FY 22 operating deficit in the budget.

Mr. Bordui stated that the Water & Sewer Fund had a decrease in net unrestricted assets this year after three (3) years of a surplus. However, it's still above the reserve amount. The Storm Sewer Fund continued to have pressure on its net unrestricted assets and cash with the Village having to cancel the fund's 4th quarter transfer to the General Fund. The Sanitary Sewer Rehabilitation Fund had a major improvement in financial performance over the past year since the Phase 1 loan payments were no longer part of the debt service in FY 21. The Municipal Control and Grant Control Parking Funds, which were combined into the Municipal Parking Lots Fund, had a rough year due to COVID. The report also includes a section for the Illinois Grant Accountability and Transparency Act (GATA) which is an unreasonable and unfunded mandate whereby if a government body has more than \$500,000 in assistance as defined by the State, including MFT, the government is subject to additional audit requirements.

Mr. Bordui stated that the second document is the Auditor's Communication Report which includes a cover letter from Sikich, a required communication letter which discusses adjusting entries and passed adjusting entries, and a communication of internal control (aka the management letter) recommendations. In the management letter, Sikich provided a report on prior items and recommendations on new items. In addition, Village management prepared a response to that section. There is also a one (1) page management letter summary for posting on the Village's website. The smaller report is the Report on Allocation of Pension Amounts for the IMRF Fund, which is a requirement because of GASB 68 and because the Flossmoor Library is part of the Village's IMRF plan. The Village didn't have a single audit this year.

Fred Lantz from Sikich, the Partner in charge of the audit, was present at the Board meeting. Mr. Lantz gave a presentation on the documents issued from the audit for the year end FY 2021. Four (4) documents were prepared for the Board, and one (1) was sent directly to the State Comptroller. Mr. Lantz commended the Village for voluntarily preparing the outstanding financial report, which goes beyond legal requirements. He stated that the audit measures how the Village communicates the Village's financial health. He also stated that the Village is in good financial health.

Mr. Lantz stated that only a few pages were prepared by Sikich, located in the Financial Section, and the rest were prepared by the Village. He noted that the Village does a good job of maintaining the books and preparing those records. He also noted that the Village requested a full-scope opinion, and that Flossmoor is one of the few governments in the State of Illinois that requests an opinion in such detail on the individual fund level. Further, he noted that the fact that no material weaknesses or significant deficiencies were found during the audit is an attestation to the Village and administration. He stated that the Village has good historical policies and procedures that help guide the Village and should continue to do so. He stated that his firm isn't responsible for the financial statements – they just review them. He stated that due to GATA an individual audit of the Consolidated Year End Financial Report (CYEFR) was required, but that a new law has been passed that removes MFT from the threshold and he thinks that Flossmoor will not need to have a GATA audit of these funds next year.

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Mr. Lantz stated that they didn't find any issues of non-compliance (i.e. grants, certain laws, certain contractual agreements) that needed to be reported. The Management Discussion and Analysis (MDA) document was prepared by the Village CFO and is an excellent document which he recommends that the Board and other interested parties read. It shows what has been done by the Village in the last two (2) years. In regards to the pension plans, the Village & library IMRF pension has a positive net pension asset and the police & fire pension funds have a net pension liability. The total costs of providing services to the constituency is included in the report – it was \$11.2M, which was a decrease of about \$1.4M from the prior fiscal year. Also, at the bottom of page nine (9) there is information with regard to changes of the Village's net position in business type activities. There was a positive change of \$2M.

Mr. Lantz stated that from a long-term perspective the Village is doing well financially, but we need to continue to monitor the pensions and their funding. The pension funds had a good year investment-wise. On page thirty-eight (38), there is a discussion about bonds. The Village received a good refund of bond monies. He pointed out that the police pension funds have gone from 63% funded to 73% funded as of April 30, 2021. The fire fighters pension fund has decreased from 47% to 43% due to additional benefits in the plan. Also, the fire fighters pension fund didn't earn as much as the police pension fund due to not having as many investment opportunities as the police pension fund. Mr. Lantz noted that with the consolidation of the pension funds, they will likely have better returns which will then decrease the obligations of the Village to contribute to them and will hopefully benefit taxpayers as well.

Trustee Bradley-Scott inquired about the Village having to do the additional audit requirement.

Mr. Lantz stated that with the removal of the Motor Fuel Tax funds from the \$500,000 threshold for the additional GATA audit and assuming that the Village doesn't receive Cares Act Funds for the next fiscal year, the Village will likely fall under the threshold to do the report for the next fiscal year.

Mayor Nelson asked when the police and fire pensions would be combined.

Mr. Lantz stated that the first tranche for the fire fighters' pension fund investments occurred on October 1, 2021. There are four (4) to five (5) more tranches scheduled to occur. The police pensions are scheduled to start their first tranche on December 1st.

Finance Director Scott Bordui added that there are additional issues with the pension fund transfers because of assets like annuities in the pension investment vehicles. Some assets can have large penalties for early withdrawal of the funds and the state board is sensitive to that issue.

Mayor Nelson called for a vote on the motion as presented to accept the FY 21 audit as presented. Motion passed by a roll call vote.

AYES:	Trustees Bradley-Scott, Daggett, Driscoll, Lofton, Mitros, and Mustafa
ABSENT:	None
ABSTAIN:	None
NAYS:	None

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Mayor Nelson referred to any Discussion Items

There were no additional items to discuss.

Mayor Nelson referred to Agenda Item #6 – A Motion to go into Executive Session to Discuss the Employment of Specific Individuals, Property Acquisition and Litigation.

There was no need to enter into Executive Session.

Mayor Nelson asked if there was any Other Business.

Village Clerk LoGalbo commended the Community Relation Commission on their efforts with One Book, One Flossmoor and for the excellent book that they chose this time.

Village Manager Bridget Wachtel stated that the Village received information about Cook County's No Cash Bid Program. Village staff identified some parcels that would be good candidates for the Village to pursue. The Cook County Board will be considering the municipalities' requests in early November. She stated that some of the properties would be identified for redevelopment while others are identified to mitigate flooding in the Village.

Mayor Nelson stated that she was excited about the prospect of acquiring and taking care of the properties on the list.

Trustee Mustafa inquired about the expectations for taking care of the flooding issues for some of the properties on the list that have been identified as having flooding issues. She also inquired about using the properties for recreational purposes, and the potential for not developing them.

Village Manager Bridget Wachtel stated that acquiring them would mean that they will be taken off of the tax levy. Some of the properties are not buildable. Some of the properties would be considered for flood control projects, i.e. properties on Western Avenue. The Village would have to maintain the properties without any structures being built on them for purposes of flood control. Ms. Wachtel stated that for some of the parcels the Village would be looking at redevelopment opportunities.

Trustee Daggett inquired about the length of the conveyance process for one of the properties.

Attorney Kathi Orr stated that for the property in question, it is a different process because the greenhouse has been abandoned and it's a safety hazard. The Village is going to pursue the property with the help of another experienced lawyer, and that process should be faster than the no cash bid process. The property in question is still on the no cash bid list in case the other process is unsuccessful.

Al Kindle, Special Assistant to Cook County President Toni Preckwinkle, wanted to make sure that they Village knew about the fare transit program in southern Cook County. Train fares have been reduced by 50%, and the County encourages their use and requests that word is spread about the program. Travel

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times haven't been increased on the trains. He stated that the County is financially covering the reduction of the fares, and that the plan is for three (3) years of the special funding. He also stated that the program is already in effect. Mr. Kindle also noted that the County has a program for rental assistance of \$75,000 for renters and landlords.

Mayor Nelson stated that the Village would be planting trees at 8:00 am on Saturday, 10/23/2021 and that residents were welcome and encouraged to participate.

As there were no other items to discuss, Mayor Nelson called for a motion to adjourn the meeting. Trustee Mitros so moved, seconded by Trustee Bradley-Scott and passed by a voice vote.

AYES: Trustees Bradley-Scott, Daggett, Driscoll, Lofton, Mitros, and Mustafa.
ABSENT: None
ABSTAIN: None
NAYS: None

The Regular Meeting was adjourned at 8:30 p.m.

Respectfully Submitted,


Gina A. LoGalbo
Village Clerk