



# Village of Oak Park

123 Madison Street  
Oak Park, Illinois 60302  
www.oak-park.us

## Meeting Minutes President and Board of Trustees

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Thursday, November 5, 2015

7:00 PM

Village Hall

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### I. Call to Order

Village President Abu-Taleb called the meeting to order at 7:11 P.M.

### II. Roll Call

Village Trustee Brewer joined the meeting at 7:20 P.M.

**Present:** 5 - Village Trustee Brewer, Village Trustee Lueck, Village Trustee Ott, Village Trustee Tucker, and Village President Abu-Taleb

**Absent:** 2 - Village Trustee Barber, and Village Trustee Salzman

### III. Agenda Approval

**It was moved by Village Trustee Tucker, seconded by Village Trustee Ott, to approve the agenda. A voice vote was taken and the motion was approved.**

### IV. Public Comment

Patrick Coyne, representing SEIU 73. Mr. Coyne commented that vacant inspector positions in the Development Customer Services Department were not included in the 2016 budget as well as union positions in the Community Relations Department.

### V. Regular Agenda

[ID 15-372](#)

#### **Village Board Review of the Recommended FY16 Budget.**

- a. Recommended FY16 Budget brief overview and general discussion of budget document**
- b. Review of Fund Balances**
- c. Review of General Fund Expenditures**

Village Manager Pavlicek gave an overview in regards to the FY2016 Budget Meetings schedule. Tonight's meeting will include discussion of the General Fund, Enterprise Funds and Internal Service Funds. Final adoption of the budget will be on December 7, but additional meetings may be scheduled if the Board desires.

The first item presented was a summary of expenditures by type across the total budget. Village Manager Pavlicek indicated that the total is \$150 million for all Funds. Personnel Services are just under \$30 million this year. This was at \$27 million in 2012 and has been maintained. Any growth reflects the contractual increases with the labor unions and similar wage increases for non-union employees. However, there have been reductions in positions in order to keep up with the growth of personnel costs. The growth under Fringe Benefits reflects primarily increases in pension costs and a

projected 5% increase in insurance costs. Materials and Supplies has stayed flat. Contractual Services has gone up. She noted that the Board has created a new subcommittee for reviewing subcontractual services, and there has been some discussion regarding what that number represents. Eighty percent of contractual services are in a narrow number of categories. These include purchasing water from Chicago, surplus payments in TIF Districts and providing inspection services for some of the larger developments. However, the developers pay 100% of that cost so there is some offset. Investment and Capital has increased substantially, to over \$30 million, and includes the Lake and Forest garage, the future Colt site development expenditures and a more robust focus on alleys and streets. In addition, the water and sewer study in 2014 has laid the path for the need to invest in that system. Transfers have stayed stable and Village Manager Pavlicek noted that this amount should be backed out as it is actually counted twice. Debt Service shows a reduction. Chief Financial Officer Craig Lesner explained the transfer process in detail. Funds are counted as an expenditure when taken from one fund and put into another, and counted as another expenditure when taken from that fund and paid to an outside source. He gave examples. There was a brief discussion regarding eliminating transfers.

Village Manager Pavlicek emphasized that the recommended budget keeps intact all sworn public safety positions of fire and police. Overall, there is a net reduction of 9.5 full time employees. That is being proposed through a combination of attrition in some vacant positions and reorganization by moving people into areas where there is too few staff and consolidating services.

Village Manager Pavlicek referred to the General Fund Balances; the projected starting balance for 2016 is just over \$8 million. She noted that the Unrestricted Fund balance, which is ideally 10-20% of a year's expenditures, was \$4.9 million in 2014 and very close to 10% of the expenditures for that year, \$5.2 million.

There will be some differences from the adopted budget and the year end estimate for 2015. Staff is recommending that the budgeted transfer amount be increased to \$3.4 million rather than \$2.6 million to improve the cash position of the General Fund. The transfer would come from the Environmental Services Fund (approximately \$700,000) and the Parking Fund (approximately \$300,000) into the General Fund in order to offset some of the adverse items in the audit and have a liquidity position for the FY15 audit on December 31. Detailed discussions were held with the Finance Committee and it would be appropriate for the Board to declare these surplus funds. The increase to the General Fund balance will improve the Village's bond rating for 2016. There is an approximate \$859,000 increase in expenditures over revenues for 2016. This is due to some one-time expenses such as bond payments and contractual services for inspections for the new developments.

Village Manager Pavlicek briefly discussed the Capital Improvement Fund and noted that it is historically inconsistent from year to year in terms of revenues and expenditures. Revenues for 2016 are projected at \$21 million. There were brief discussions regarding the Enterprise Funds (Parking, Water and Sewer and Environmental Services).

Internal Service Funds were discussed. In regards to Debt Service, Mr. Lesner commented that the Village only takes in as much from the property tax levy that isn't abated to pay off the debt. Staff is recommending that two years worth of debt be issued at once in 2016; Mr. Lesner explained the rationale. Village Manager Pavlicek stated that the Health Insurance Fund is stabilizing and noted that the new brokers have done a good job marketing insurance for the Village. Rates for 2016 are up 5%. The Risk Management Fund has been merged into the Self-Insured Retention Fund. She noted

that this fund predominantly pays for workers' comp expenditures so money is transferred in from other funds.

Village Manager Pavlicek gave a brief overview of the Special Revenue Fund.

Fire Chief Tom Ebsen spoke about the new Fire Marshall position.

Village Manager Pavlicek acknowledged which staff members were present if the Board had additional questions.

## **VI. Adjourn**

**It was moved by Village Trustee Tucker, seconded by Village Trustee Ott, to adjourn. A voice vote was taken and the motion was approved. Meeting adjourned at 8:28 P.M., Thursday, November 5, 2015.**

**Respectfully Submitted,**

**MaryAnn Schoenneman  
Deputy Village Clerk**