



# Village of Oak Park

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

## Meeting Minutes

### Finance Committee

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Tuesday, October 15, 2024

6:00 PM

Village Hall (Room 201)

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#### 1. Call To Order

Village President Vicki Scaman called the Finance Committee Meeting to order at 6:03 P.M.

#### 2. Roll Call

Present: Trustees Parakkat, Robinson, Wesley (joined at 6:21 P.M.), and President Scaman

Also Present: Trustees Buchanan, Enyia, Straw (joined at 6:06 P.M.)  
Trustee Enyia and Village Clerk Christina Waters joined the Meeting via remote participation per Village policy

#### 3. Public Comment

There was no public comment.

#### 4. Approval of Minutes

##### A. [MOT 24-257](#) Minutes from the September 26, 2024 Meeting of the Finance Committee

It was moved by Trustee Robinson, seconded by Trustee Parakkat, to approve the minutes. A voice vote was taken and the motion was approved.

#### 5. New Business

##### B. [ID 24-495](#) A Review of the Recommended Five-Year Capital Improvement Plan (CIP) for Fiscal Year 2025-2029

Interim CFO Donna Gayden presented the Item.

Trustee Robinson requested clarification on what is excluded from the unrestricted fund balance. CFO Gayden said she can provide that. The alternative crisis response was being pulled from unrestricted. Trustee Robinson asked if the unrestricted number includes anything that was budgeted for but not spent in that fiscal year that we still intend to spend. CFO Gayden said that will be in the next budget. There was \$5M of

one-time expenses. Manager Jackson inquired if the \$5M is deducted so only \$40M is available for the capital program in unrestricted, which CFO Gayden confirmed is correct.

Trustee Parakkat said we are at least \$25M higher than we have sources for in the CIP budget. The question is should we get a bond and go into debt for it or take from our reserves. CFO Gayden noted we are bringing the water fund up to a reasonable fund balance. The biggest decision is what you want to do and how you want to fund it. He said this is why he was pushing for long-range financial planning since the last budget cycle. Without that, we have to make a decision on the fly whether to go to bond, which becomes very difficult. CFO Gayden said she is working with Baker Tilly on the financial strategic plan which will be done in Q1.

Trustee Robinson asked what is included in "other capital projects." Public Works Director Rob Sproule said the balance of any expenses beyond the final cost for the Oak Park Avenue streetscape project would go to other capital projects expenditures.

Trustee Robinson asked if the committee can come back to this conversation after discussing the department budgets, which CFO Gayden confirmed. The Board will see the operating budget before it votes on this budget. Manager Jackson said there would still be sufficient funding in reserves to address the operating budget and still be above the reserve standard. The operating budget is principally financed by recurring revenue. Trustee Robinson noted the Board voted last year to do a drawdown for recurring expenses for reserves. Manager Jackson said that was for \$300K and we achieved more revenue than expected. She said generally her thought is to not incur more debt. We are already looking at a significant amount of debt for the police station and possibly Village Hall.

Trustee Parakkat said he is similarly inclined to not take on debt at this point. We are trying to make a decision without a full understanding of all of the pieces. CFO Gayden said last year we took \$300K to \$500K from reserves. 2023 had more revenue than expenditures. Trustee Parakkat noted our expenses went up by \$3.8M. President Scaman said they went up but they did not exceed our revenue. We are incurring savings year after year as well. She said she is leaning toward paying down our reserves.

CFO Gayden said she wouldn't bring forward scenarios that she did think are good. Her job is to make sure she gives Trustees the information they need to make a sound decision. She budgets to balance the budget and has not brought anything to the Board for new money that was not a grant or a project the Board wanted to do.

Trustee Wesley agreed with Trustee Parakkat and said this is a tough decision. We have significant budgetary expenses in the next couple years. He said he would prefer to look at the two discussions together. CFO Gayden said she talked to the Village's bond people and confirmed it would not impact our bond rating to issue two separate bonds. Manager Jackson said we are looking at the larger picture. We could choose to try to group these together and wait for the schematic design process to finish. There could be a single debt issuance. We could also choose to use the fund balance to finance the streetscape project that is ready to go. Either way there is an implication for debt.

Trustee Wesley said he would like to not go over the original \$14M streetscape budget. Manager Jackson noted there is also a need to do underground sewer work. Village Engineer Bill McKenna provided additional information. Trustee Wesley said he thinks we should bond all of it. These are long-term improvements that we want to be paid for over the course of their lifetime. Manager Jackson noted most cities don't have 100% fund balance to pay for capital costs on a pay go balance. Trustee Wesley said we have a fund balance of \$50M and now we're going to build \$100M police station. Having a large fund balance is an asset and a hindrance that can contribute to financial decision making that we wouldn't otherwise make.

Trustee Robinson noted our large fund balance is not because we have been levying at a high rate. CFO Gayden said she will find out if combining the two bonds and having a high fund balance will get us a better interest rate and then provide a hybrid option to the Board. Trustee Robinson said her preference to not take the bond issuance to pay for the streetscape and other capital projects is conditioned on that answer. She said she doesn't want to pay interest if we don't have to.

Trustee Parakkat said we don't want to take debt and pay interest earlier than needed. At the same time our fund balance earns us interest revenue. He said he wants to see if we can avoid the additional \$5M for the streetscape project. He said he is still not bought into \$100M for the facilities upgrade in the CIP. He said he would prefer for us to be more conservative with that.

Trustee Wesley said he has always said that he would like to see small, medium, and large options on the facilities plan. President Scaman said that will be part of the greater plan discussion. This is a placeholder in a five-year plan. Trustee Wesley said he doesn't care about the placeholder.

Director Sproule provided more information about the \$5M difference in the streetscape plan. Trustee Parakkat inquired how many alleys would be

included. Engineer McKenna said the street resurfacing was raised by \$1M. The alley program was raised around \$500K, which would get us 3-5 alleys for the additional funding requested.

Trustee Straw inquired about the current interest rates for bonds. CFO Gayden said a bond doesn't require money to be first put down. Bonds are bought typically for 20-30 years. The interest rate could vary depending when you want to take out the bond. When we issue a bond we do a schedule to make sure that bond debt can be paid by revenues so you don't have to levy for it. She said she has been looking at a 20-year bond with interest rates varying between 4-5%.

Trustee Straw asked if the whole bond has to be taken out at once or if we want to consider deferring the streetscape project for a year to get a better interest rate. CFO Gayden said she didn't think it would be deferred an entire year. The bond has to be spent within three years. Manager Jackson said we have to know how much we need for a bond. Trustee Straw said he doesn't know if he has enough information now to give strong feedback on the different funding scenarios for the CIP. He said he agrees generally that issuing debt makes sense for a significant capital improvement like the streetscape.

Trustee Buchanan said she assumes some of this large fund balance comes from the levy. CFO Gayden said it does not. The fund balance grew because the Village had revenues coming in and expenses were lower. Trustee Buchanan said she is in favor of spending the fund balance down to a lower level and save the bonding for the police station and Village Hall. She said to have the fund balance sit there and not be used back for the residents feels irresponsible and then issuing more debt on top of that.

Manager Jackson said the Village is estimating a timeframe of March-April to conclude the schematic design and master planning process. The Board will have to vet those conclusions. Staff will need to work with our financial advisors to build a financial plan to support any future debt issuance related to the police station/Village Hall project. Director Sproule said we will have high level conceptual costs that are well defined at 30% in April. Actual costs won't be known until we get the actual design. Manager Jackson said the project would not be ready for construction until likely 2026 so you want to time the debt issuance closest to construction as possible. Director Sproule said the scope of the project could take longer than the time horizon.

Trustee Wesley inquired how the schematic process will come back to the Board and what the flexibility will be. He said he wants to reduce the likelihood that we get to a point where we want to still have discussion but it

is no longer tenable based on where we are in the process. Director Sproule said the schematic design process is relatively high level. The flexibility starts to be impacted depending on which construction process is chosen. Value engineering will happen throughout the process. Trustee Wesley said he would like to determine our budget and then see something in the middle that we can engineer up and down. Manager Jackson said the schematic design process is the next phase for the Board to further define its goals and priorities and make judgments along the way of what sacrifices to make to arrive at the cost estimate that is most comfortable for the Board.

President Scaman referenced the attachment of staff's recommendation of budget cuts to the 2025 CIP. Trustee Robinson asked how the reduction in replacement of police squad vehicles and fire station improvements will impact service levels for public safety. Director Sproule said the Village is committed to receiving 10 police vehicles. The fleet superintendent is confident we can defer any additional purchases until 2026. Fleet admin. vehicles can also be deferred to 2026. Staff can defer the construction of the fire station renovation into 2026.

Trustee Parakkat requested the rationale for choosing this set of projects. Engineer McKenna said staff want to maintain core infrastructure projects like roads and alleys. Staff looked at projects with an aggressive budget and schedule like the Percy Julian project where the design will happen in 2025 and construction will happen in 2026. Staff also looked at projects that will not have major impacts for deferring, like the North Marion streetscape. The bulk of savings are deferrals.

Trustee Straw said his preference would be to get the fire station 3 project done because the renovations are significant and important. Trustee Wesley said he agrees and prefers it not be deferred due to budgeting. Fire Chief Ron Kobyleski said the station condition is bad. It was built in 1961 and the kitchen was last remodeled in 1985. Director Sproule noted it was already phased to be a two-year project. Trustee Wesley said if we are going to be building new things, we should also be taking care of the things we have. He requested a memo showing what other items would need to be moved around if we wanted to prioritize this fire station. Director Sproule said staff can talk about that when it comes back for the final discussion with the full Board for the CIP. He said staff will see if there is an alternative schedule that staff would support as it relates to this project.

Trustee Straw said he strongly wants to see the traffic calming signal re-timing happen in 2025 because this is long overdue in the Village. President Scaman said she agrees and shared feedback about pedestrian challenges along Madison Street. Engineer McKenna said the

Village is finalizing the signal timing adjustments on Madison Street later this year. Trustee Wesley said he agrees with Trustee Straw and would prefer to roll it all out at once. He said there are a lot of initiatives and he would like to see a complete streets program.

Trustee Robinson said she trusts that staff's recommendations are sound and contextual and she is fine with these suggestions.

Trustee Straw said it is important that we are building a budget based on the needs of the community. This \$300K is a strategic systems-wide approach. Engineer McKenna confirmed the \$300K would get it done by the end of 2025. A deferral to 2026 is still managing a single system network and staff understands priorities out of Vision Zero that will be presented to the Board in January. Signals can be done in advance of that. Trustee Straw said the only way we can eliminate beg buttons and implement leading pedestrian intervals in a systemic way to improve pedestrian accessibility and safety would be to do the study and the question is whether to do it in 2025 or 2026. This project in particular should be a priority because of its beneficial outcomes in addition to helping people move around the Village more easily and safely.

President Scaman said she agreed. Trustee Parakkat said he agrees with staff's recommendation.

Trustee Straw inquired about the pedestrian and cyclist benefits of the Oak Park Avenue and Garfield signal improvements. Engineer McKenna said the safety benefits would be realized more in the local network at this intersection. This project was deferred in the past with other budget cuts. Trustee Straw said he would like to add this project back into the budget because of the significant benefits to the residents in that neighborhood given its proximity to a school. President Scaman said she agrees with Trustee Straw.

Trustee Robinson said these are all important items; the question is timing. Manager Jackson said if the Finance Committee and Board provides direction to prioritize these items for 2025, staff will put them back in and update the budget and cost.

Trustee Straw said he is constantly in fear that we will read another story about another pedestrian who got hit. There was one pedestrian fatality this year in the Village. He said he is making a policy decision that he believes this is something we should not defer. Trustee Robinson said he is reiterating a policy decision that she made and advocated for during the discussion of Vision Zero to include school pathways. Trustee Straw said he has been advocating for that since his time on the Transportation

Commission and is excited to see this \$150K for those signal improvements added back if that is the will of the Board.

Trustee Wesley asked if the traffic is local or from the expressway. Engineer McKenna said the Village does not have a study behind it though Garfield has a lot of bypass traffic from the expressway. Trustee Wesley asked if the \$150K can be spent on limiting the bypass traffic instead of the signal change. Engineer McKenna said there is not an effective way to limit people driving through the Village. Trustee Wesley inquired about slowing down the roads. Engineer McKenna said some sections of Garfield are slow because it is so tight with the parked cars. This project is meant to avoid back-ups on Garfield. Trustee Wesley said he would take the \$150K out of the CIP and put it towards a study on how to slow down Garfield to stop it from becoming a bypass.

Trustee Wesley inquired about the Harvard school street closings. Engineer McKenna said they have received traffic calming petitions from residents in that part of the Village. The Village met with the schools last year and that is one of the priority locations for 2025 for a revised school drop-off and pick-up plan. Trustee Wesley said Irving Elementary has had at least one serious traffic accident every year since before COVID. He said he would not be in favor of changing things unless we can be absolutely sure it will be a benefit to pedestrian safety. Engineer McKenna said the first consideration is always the safety of the kids. Vision Zero will focus on school and park improvements next year. Trustee Wesley said he will likely be a no vote for that.

Trustee Wesley inquired about the \$2.35M Percy Julian project. Engineer McKenna said the plan is for the design to be completed in 2025 and construction budgeted for 2026. Trustee Wesley inquired about the historic recognition program construction. Director Sproule said it is currently an undefined project and the Percy Julian project is a priority. It would be a multi-year implementation.

Trustee Wesley inquired about the EV charging stations for Village Hall. Director Sproule clarified they are municipal stations, not public stations. We thought it best to defer this project as the future of the Village Hall site is being determined.

Trustee Wesley inquired about the street lighting. Engineer McKenna said it is a project to upgrade the existing high-level street lights throughout the village to LED lights. Staff recommends spanning this project out an additional year. The low-level pedestrian light upgrades are already completed.

Trustee Wesley inquired about streets. Engineer McKenna said staff are not proposing any reductions in street resurfacing to keep us at status quo. Current pavement condition is about a 70/100 which is typical for a lot of municipalities.

Director Sproule said staff proposed \$3.8M in cuts in the water and sewer fund based on the impact of the Oak Park Avenue streetscape project there. Best practice is for an enterprise fund like the water and sewer fund to have a 25% fund balance to cover potential operating costs. We do not meet that minimum standard based on our current projections which includes a 4% rate adjustment to keep up with the cost of water from the city of Chicago. We will need to try to recoup that cost as part of a rate recommendation that staff will bring forward to the Board next week. We will also look at our lead line obligations that begin in 2027 which could be an additional \$5M annually.

Engineer McKenna said the Village deferred two projects on Maple and Euclid Avenues for water main replacements totaling \$3.8M. Trustee Wesley said he would like to talk about doing these projects and doing the maintenance on the things we own and not building new things.

## 6. Adjournment

**It was moved by Trustee Wesley, seconded by Trustee Robinson, to adjourn. A voice vote was taken and the motion was approved. Meeting adjourned at 8:56 P.M., Tuesday, October 15, 2024.**

**Respectfully submitted,  
Deputy Clerk Hansen**