



Village of Oak Park

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

Meeting Minutes

President and Board of Trustees

Tuesday, September 3, 2024

6:30 PM

Village Hall

I. Call to Order

Village President Vicki Scaman called the Regular Meeting to order at 6:35 P.M.

II. Roll Call

Trustee Enyia joined the Meeting at 6:36 P.M. Trustee Straw joined the Meeting at 6:37 P.M. Trustee Robinson joined the Meeting at 6:46 P.M.

Present: 7 - Village President Scaman, Village Trustee Buchanan, Village Trustee Enyia, Village Trustee Parakkat, Village Trustee Robinson, Village Trustee Straw, and Village Trustee Wesley

Absent: 0

III. Agenda Approval

It was moved by Trustee Wesley, seconded by Trustee Buchanan, to approve the Agenda. A voice vote was taken and the motion was approved.

IV. Minutes

- A. [MOT 24-226](#) A Motion to Approve Minutes from the July 30, 2024 Regular Meeting of the Village Board

It was moved by Trustee Wesley, seconded by Trustee Buchanan, to approve the Minutes. A voice vote was taken and the motion was approved.

V. Non-Agenda Public Comment

There was no public comment.

VI. Proclamation

- B. [MOT 24-223](#) A Motion to Approve a Proclamation Recognizing Suicide Prevention Awareness Month

President Scaman read the Proclamation into the record and noted NAMI Metro Suburban has The Living Room where you can seek immediate care.

It was moved by Trustee Buchanan, seconded by Trustee Wesley, that this Motion be approved. A voice vote was taken and the motion was approved.

VII. Village Manager Reports

- C. [ID 24-428](#) **A Review of the Updated Village Board Meeting Calendar for September, October, November, and December 2024**

Village Manager Kevin Jackson presented the Board calendars through December. Trustee Parakkat inquired about the Finance Committee meeting date on September 26th. Deputy Village Manager Lisa Shelley said some staff are attending ICMA on September 24th.

VIII. Village Board Committees

There were no comments.

IX. Citizen Commission Vacancies

- D. [ID 24-431](#) **Board and Commission Vacancy Report for September 3, 2024**

There were no comments.

XI. Regular Agenda

- E. [ID 24-419](#) **A Review and Discussion of the Police and Fire Pension Actuarial Reports in Preparation for the Fiscal Year 2025 Budget and Property Tax Levy**

Lauterbach & Amen LLP representative Robert Reese presented the Item.

Trustee Robinson asked if the consolidation is the reason we do not have the asset class breakdown, which Mr. Reese confirmed. There are monthly reports available on their websites. She inquired how expected salary increases are being determined. He said we look at your collective bargaining agreement (CBA) and calculate a salary scale based on step programs that would be included and then a long-term assumption of 3.5%. The normal cost is individualized by employee. Fluctuations will be seen in the normal costs, which is expected to decrease this year.

Trustee Parakkat inquired about the consolidated number in terms of our contribution. Mr. Reese said assets and demographics can create fluctuations. We assume it is going to keep increasing at 3.25%.

Trustee Straw asked if we should we make contributions in excess of the actuarial recommendations if we anticipate more hiring. Mr. Reese said new members have unfunded liability so you are just looking at the normal costs. Trustee Straw said he would like to see the Village think proactively to predict increases and make sure we are funding this pension liability.

- F. [ID 24-420](#) **Review and Discussion of the Fiscal Year 2023 Annual Comprehensive**

Financial Report (CAFR), Single Audit, Board Communication Letters, and All Other Supporting Documents

Sikich LLP Director Tom Siwicki presented the Item.

Trustee Parakkat asked if all funds are bringing in enough revenue to cover operational costs. Director Siwicki confirmed they cover all operating expenses. Debt service payments is a cash outflow that reduces the liability in the fund and does not show on this operating statement.

Trustee Robinson inquired about a deficiency versus a material weakness. Director Siwicki said a significant deficiency in internal control is less severe than a material weakness yet important enough to document it as such. She asked if material weakness was noted in last year's report. He said he did not believe we had a material weakness last year. She inquired about the location of the management response for the material weakness. Director Siwicki said it is in the communication deficiencies report.

Trustee Robinson inquired about the recommended amount for reserves. Director Siwicki said Village policy is 10%-20% of operating expenses, about \$63M. She requested a breakdown for items not spent the previous year. Director Siwicki said unassigned fund balance is anything that is not included in the other categories of non-spendable, restricted, committed, and assigned. CFO Gayden confirmed the Village will assign the categories for the fund balance.

Trustee Parakkat asked how the material deficiencies is addressed and how the Board will hear about it. CFO Gayden said the answer last year was not enough staffing. Every journal entry in the system gets checked by someone else. He asked when the management report at the end of the audit report will be ready. CFO Gayden said it will be done this week. She will send it to Director Siwicki to finalize and then it will be sent to the Village Board for approval at the September 17 meeting.

G. [ID 24-343](#) Fiscal Year 2025 Budget Kick-Off Session

Senior Accountant Stephanie Webb presented the Item. CFO Gayden and Management Analyst Arlene Pedraza provided additional information.

Trustee Robinson requested a definition for debt service. CFO Gayden said that is where we pay our bonds, which is principal plus interest, minus the garages. If they are for the enterprise fund, they are in the enterprise fund. Trustee Robinson asked if staff will bring back recommended changes to the revenue policy and/or suggestions for increasing revenue. CFO Gayden said revenue suggestions will be with the strategic financial planning which will kick off in the next week. Policies will be discussed at a future date. The improper payment policy is related to the CDBG. Trustee

Robinson noted the grocery tax is coming. CFO Gayden confirmed those discussions are happening.

Trustee Parakkat asked if there will be ARPA discussions besides the October 8 meeting. Manager Jackson said the initial discussion is October 8th and there will be another opportunity later for the Board to provide direction. Trustee Parakkat said he wants to make sure what gets allocated gets used. CFO Gayden said the Village has contacted everyone that received ARPA funds and they are responding. Manager Jackson said the Village has a running estimate of what we anticipate to have in the balance.

Trustee Parakkat inquired if we expect any inputs from the long-range financial planning to come in during this budget cycle. CFO Gayden said she will discuss them during this cycle though the final document will probably not be within it.

Trustee Wesley noted a net \$200K decrease in the corporate levy year over year, which CFO Gayden confirmed.

Trustee Straw noted the 3% proposed levy increase is the starting point from historic Village policy and staff's increase will be forthcoming, which CFO Gayden confirmed. He said the amount of the corporate levy for this year as compared to 2022 is down \$850K, which is a significant cut to Village services. He said that is a direct result of the 0% increase decision made a few years ago. He said he is interested in seeing a levy increase that at the very least maintains services and contemplates the historic levels of inflation we have been experiencing the past few years.

Trustee Parakkat requested the correlation between the corporate levy and the 0%. Trustee Straw said the 0% levy decreased the base. Pension and debt service obligations increased at more than 3% so it decreases our corporate levy which goes to services. CFO Gayden said the Village did not do a levy that year because fire and pension costs went down, though it was stated they would go back up the following year. The former CFO was against not doing a levy increase and she had recommended doing at least something rather than 0%. A 0% increase in your cost and fixed levy amounts causes your corporate levy to go down to maintain an overall 3% levy.

Trustee Parakkat said the case for 0% was not just based on the pension contribution but also ARPA funds and interest income that year. CFO Gayden said those are both considered one-time revenue. Trustee Parakkat said the revenue was balanced and the expenses went up by \$3.8M that same year. CFO Gayden said when there is an increase in

revenue that will go away, you may want to decrease the levy but not do a 0% levy. Trustee Parakkat noted the last 12 months the CPI index is 2.9%.

Trustee Straw said he was speaking of the last four years. Our purchasing power is substantially lower than it was five years ago. Because we held the total levy down to 0%, we have seen year over year for the last two years the corporate levy decrease and we should consider that as we look at the upcoming budget cycle.

Trustee Wesley said the difference in opinion is whether we are looking at this in real-time or a smoothing over time. As home rule, we can determine and change the levy each year. He said some of these expenses are year-to-year and he recommended making a policy decision if they are to be included in our levy.

Trustee Robinson requested the reasoning for not including a new source of revenue in the budget. CFO Gayden said it is usually included after one year and budgeted conservatively the second year.

Trustee Parakkat said we have not reduced services as a result of lack of revenue.

Trustee Buchanan said it seems there is a built-in tension between needs and wants and we developed the corporate levy based on how we want to finance those things. She wondered how the Village Manager approaches the department directors with this balance. Manager Jackson said the departments get targets based upon the baseline services. If there is going to be a reduction or increase in the services we have come to expect, then we will have a policy discussion about that.

Trustee Buchanan said this Board is very forward-looking and added multiple goals on top of the basic services. She said she strongly supports that forward-looking innovation and is willing to raise the revenue to pay for those. Manager Jackson said if there is going to be a sacrifice, it would be a requirement to have that conversation here at the Board table.

Trustee Robinson noted there is also a discretionary portion of our budget for our partner agencies and she recommended looking at that 3% to preserve the service levels.

Trustee Straw agreed that if it takes more to achieve our board goals, then he is okay with doing more with more. He said he does believe some partner agencies provide core services, such as the work we're doing to address homelessness. He said he does not want staff to feel like they have to adhere to 3% because that is historically what the Board has done.

Trustee Buchanan said the \$900K recommendations from the Oak Park Climate Action Network (OPCAN) feel like the bare minimum to her of what we should be doing in the next year.

Trustee Wesley said if we are talking about the feasibility of spending \$100M in new facilities, he is not going to argue about \$300K to electrify buildings. There is a difference between investment and expense and sometimes you spend a little bit more upfront in order to get that extra value on the back end.

Trustee Robinson said partner agencies do different things and she would look at a discretionary portion of our budget before looking to cut a service.

President Scaman noted that we fund some partner agencies more than other communities but we also have funding sources other communities don't have and sources like CDBG and HUD that are specific to partner agencies. She said our lost opportunity from the 0% levy goes up every year in perpetuity as do our baseline services costs.

XII. Call to Board and Clerk

Trustee Wesley said Barrie Fest is this Saturday, 12-5 pm at Barrie Park. He expressed his appreciation to staff for doing more with less.

Trustee Straw said he met with a couple residents about their traffic and safety concerns. The pace of village government can seem slow as we do studies and engagement. Sometimes we should move fast and break things. Do the study, make a change, then figure out the perfect solution.

Trustee Parakkat said he always approaches the budget with his own perspective and the perspectives of 55K people who are paying into our village. Let's all bring our perspectives and have a healthy debate and give our community a good budget, affordability, and services.

President Scaman thanked members of the pension board to bring information to us. She said OPALGA will be pouring beer at Oaktobefest on September 14 and they are looking for volunteers.

XIII. Adjourn

It was moved by Trustee Straw, seconded by Trustee Wesley, to Adjourn. A voice vote was taken and the motion was approved. Meeting adjourned on Tuesday, September 3, 2024 at 8:52 P.M.

**Respectfully submitted,
Deputy Clerk Hansen**