



Village of Oak Park

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

Meeting Minutes – Finance Committee

Wednesday, July 30, 2025, 7:30 pm

Village Hall Council Chambers (Room 201), 123 Madison Street, Oak Park

- 1) **Call to Order:** Village President Scaman called the Meeting to order at 7:32 P.M.
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- 2) **Roll Call Attendance:** Village Clerk Waters took the roll call as follows:

Present: Village Trustees: Eder, Straw, and Taglia; and Village President Scaman.
Absent: None.

There was a quorum.

Other Attendees: Village Clerk Waters.
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- 3) **Public Comment.** Village President Scaman asked whether there were any public comments. Clerk Waters responded that there were no public comments.
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- 4) **New Business.**

President Scaman explained the Village code relating to appointments and the purpose and policies regarding the finance committee. President Scaman explained that the Village President appoints Village Board Trustees to the different committees, and, the President serves as Chair of the finance committee, and as Chair, appoints Village Trustees to the finance committee and also appoints three members of the community as advisory members to the finance committee, with one of whom is to be a former trustee. Scaman added that at a recent board meeting, she appointed as advisory member to the finance committee Greg Kolar, who was present at this meeting, Bridgett Allen Hedgemen, and former Village Trustee John Hedges.

Scaman further advised that only the members of the committee that are Board members vote, and that the citizen advisory members do not count in determining a quorum, but are expected to participate, without voting, and that the role of the committee is to be able to make recommendations to the Village Board that are fully advisory. Scaman asked whether there were any questions regarding the finance committee, its members and the role of the committee. There were none.

President Scaman then called upon Village Manager Jackson to commence with Agenda item 4.A., the "Proposed Property Tax Levy Policy."

A. **ID 25-437. Proposed Property Tax Levy Policy.**

Village Manager Jackson stated that regarding the proposed property tax levy, the initial direction came from the adoption of the "2024-2025 Village Board goals cycle" and the Board is now seeking feedback from the finance committee. Jackson then introduced Donna Gayden, Interim Chief Financial Officer, who summarized the process and introduced Mary Modelski, the budget manager, who then discussed how the finance department arrived at the tax levy.

Modelski explained that a tax levy is a fee charged to properties within Oak Park, whether residential or commercial, that is taxed usually within the real estate bill, to cover the cost of operating the Village. Modelski added that there are a number of components that are a part of the tax levy that increase the percentage, with the four large areas as follows: 1) the corporate fund which is the general fund makes up the operating expenses used by the Village; 2) debt services, which are any types of interest payments, principal payments; 3) police pension and 4) fire pension.

Modelski stated that last year the tax levy was 3.5% because there were items that were decided to be added because they were directly related to the Board's goals. Modelski then explained that the 2025 general fund consists of tax revenue (\$45,848,190, excluding property taxes) and other line-item revenues for a total of \$96,166,187. Modelski also explained the Village's expenditures, including personnel services (\$35,461,980) and other line-item expenditures for a total of \$114,695,709.

Gayden stated that the proposed policy of the finance department for calculating the tax levy lies in this slide copied below.

Gayden and the finance committee members then discussed how the levy had been derived in the past, including setting a percentage and then budgeting to make the

numbers fit, and they discussed the benefits of meeting with department heads, obtaining dollar expenditures and costs, and then calculating the amount of the tax levy.

The committee members discussed the various outside influences, including inflation, grants, labor costs, and the consumer price index, and inside factors such as Village Board goals, that must be addressed in setting the amount of the tax levy. Gayden stated that the past levies have generally been 3% except one year was 0% and last year the levy was 3.5%.

Gayden stressed that the proposed policy for calculating the tax levy creates additional transparency and highlights what is needed to go into the levy, including the revenues and expenditures of each department, and moves away from having an arbitrary number or percentage and then figure out how to arrive at that number.

Trustee Straw and President Scaman suggested that there be a finance committee meeting within the process wherein “ballpark forecasts” are presented by the finance department of any anticipated substantial increases in dollar amounts in expenditures so the committee may be better prepared and informed for tax levy discussions.

Village Manager Jackson suggested a cover sheet from finance containing a logical summary of the proposed budget items.

Gayden and Jackson agreed that the departments are starting their budget discussions being informed that their budgets are “flat,” meaning that nothing is being added to the cost of core services.

The finance committee discussed the importance of being fiscally responsible in the budget process, in examining all internal and external factors that affect the levy amount, and in deriving and recommending the tax levy amount.

The committee then unanimously agreed to move on to the next agenda item.

No action was taken by the finance committee with respect to this agenda item.

B. ID 25-471. Impacts of the Grocery Tax on Village Revenues.

President Scaman called this Agenda item. The purpose of this item is to gather feedback from the Village Board to determine whether the Village will enact a local grocery tax to replace the discontinued state grocery tax.

Interim Chief Financial Officer Donna Gayden stated that the 1% grocery tax will no longer be collected by the State at the beginning of January 2026, and that the deadline for adoption of the 1% tax by municipalities is October 1, 2025.

Gayden explained that the finance department would like to bring the 1% tax Ordinance before the Village Board at its August 5 Board meeting so that if approved, the Ordinance can be filed on time, and/or if it is rejected for any reason, there is time to make corrections to the Ordinance.

Gayden added that the “net effect would be zero” as the State currently collects the 1% tax, and it would be replaced by the Village’s 1% tax when the State ceases collecting the tax.

Gayden also stated that the Village currently collects between \$1.1 and \$1.5 million dollars per year and that if the Village Board does not pass the Ordinance, there would be a shortfall in the budget for revenue that needs to be located elsewhere.

Gayden stated that currently 59 cities in Cook County passed the Ordinance and many of the municipalities that are left are going to pass their Ordinance in August, prior to the deadline, October 1.

President Scaman then stated that possible loss of grants and rising costs could be challenges to face in addition to the loss of the 1% grocery tax.

There was general discussion of the grocery tax, and the fact that it could be lowered or taken away altogether in years to come and being mindful of those people who are food insecure and working with community partners and programs that deal with food insecurity and implementing the Board goals that address that issue.

President Scaman reminded all present that the finance committee will not record a vote on any matter tonight but will make recommendations to their colleagues on the Village Board regarding Agenda items A and B, and summarized the discussions held by and agreements of the finance committee members on the two Agenda topics of tonight’s meeting as follows:

- 1) That the finance committee is recommending to the Village Board as an Agenda item for the August 5, 2025, Board meeting a finance policy that will be inclusive of a “launch process” that provides more information including that of the economic environment; and
- 2) Secondly, the finance committee is recommending to its colleagues on the Village Board to approve retaining the 1% grocery tax and resulting revenues that would otherwise be no longer available in January 2026.

No action was taken by the finance committee regarding either Agenda items A or B.

5) **Adjournment.**

There being no further business before the Finance Committee, a **Motion** was made by Trustee Straw, Seconded by Trustee Eder, to adjourn this meeting at 9:35 p.m.

Motion carried unanimously on a voice vote.

Respectfully submitted,

Interim Deputy Clerk Marjorie A. Manchen