



Village of Oak Park

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

Meeting Minutes Finance Committee

Thursday, October 22, 2015

7:00 PM

Room 130

1. Call To Order

The meeting was called to order at 7:01 p.m. by President Abu-Taleb.

2. Roll Call

Present: Chair Anan Abu-Taleb, Trustees Brewer, Salzman and Tucker

Absent: None

Others Present: Interim Assistant Village Manager Jason Bajor, Fire Chief Tom Ebsen, Budget Manager Paul Gasiecki, Development Customer Service Director Tammie Grossman (by phone), Village CFO Craig Lesner, Raphaliata McKenzie of Speer Financial Services, Village Manager Cara Pavlicek, Deputy Fire Chief Pete Pilafas, Village Clerk Teresa Powell, Deputy Village Manager Lisa Shelley, Village Attorney Paul Stephanides, Parking Director Jill Velan

3. Public Comment

Laura Maychruk of the Oak Park Arts District spoke in favor of approval of new lighting for the Arts District area of Harrison Street as originally proposed in 2007.

4. New Business

[ID 15-355](#)

Finance Committee Review of the Draft Recommended FY16 Budget.

- Follow-Up Discussion from October 12, 2015 Finance Committee related to Fees and Bond Rating
- Development Customer Services
- Fire Department
- Parking Services
- Capital Budget Follow-up Items

Manager Pavlicek explained that Development Customer Services would be addressed after other topics as DCS Director Grossman is out of town and will be calling in later. President Abu-Taleb asked that Fire Department issues be addressed first.

Fire Department

Manager Pavlicek introduced Chief Ebsen and DC Pilafas and noted that the Finance Committee had asked for a report on how fire safety is handled in high rises and added that the new position of fire marshall and fire inspections would also be addressed.

DC Pilafas, who handles operations, noted that most Oak Park high rise buildings comply with the International Building Codes for fire suppression, including sprinklers, public address system and a standpipe on each floor connecting to the fire pump. The approach for most fires is to protect in place, depending on the content of the fire and fuel load. Standpipes are available every 150 feet and can be connected to hoses where needed. Sprinkler systems can usually put out fires. He explained additional operational details, including pressurization and self-closing doors. He explained details of the elevator systems, which can be taken over by fire personnel, who also carry a "High-Rise Pack"; the Incident Command team takes over communication to occupants via the public address system.

DC Pilafas added that residents of buildings receive safety education, especially at assisted living facilities and try to protect in place or evacuate to nearby safe areas. Search crews also check the entire building to confirm that everyone is accounted for. Chief Ebsen noted that most residential highrises in Chicago lack these safety features.

Trustee Brewer asked about education of residents. Residential units throughout the Village can ask for a presentation on safety and related issues. Brookdale Senior Living has prepared a video for new residents to provide an orientation about these issues. Manager Pavlicek added that loss of electricity in summer can also be an issue for cooling. Fire drills for senior buildings are required by the Illinois Department of Health.

Trustee Tucker asked if the Fire Department has what they need in terms of budget. Chief Ebsen confirmed that they do. Chair Abu-Taleb asked if fire departments from neighboring communities responding to a fire can coordinate efforts; DC Pilafas confirmed that they do.

Chief Ebsen distributed information and introduced the Fire Marshall discussion. The Fire Prevention Bureau reviews fire prevention systems and conducts inspections. For new construction they work with DCS on plan review and follow up with inspections for the 350 target occupancy buildings (schools, theaters, others due to nature of the business). Hospitals and senior buildings are inspected every six months. The FPB also responds to citizen inquiries about fire safety issues.

He reviewed the history of the FPB and staffing changes over time. In 2009 there were two full-time employees (down from larger staffs in the past) who returned to shift work at that time. For the next few years they relied on part-time shift staff working overtime. With the increase in new construction and retirement of Kevin Wiley last year, there is a lack of consistency with eight part-time employees covering all FPB duties.

Chair Abu-Taleb noted that fire review has been the bottleneck in the plan review process and that staff were not at Village Hall, hurting customer service. Chief Ebsen said that the best way to address customer service is a full-time Deputy Fire Marshall to oversee the process and coordinate the part-time staff support. He would interpret and administer the Fire Code. He provided further details about the scope of responsibilities of this position. He would also supervise the part time staff public education and fire prevention efforts.

Manager Pavlicek noted that the 9.5 FTE staff reduction does allow adding this position while eliminating other vacancies and transferring staff. Chair Abu-Taleb asked about the location of this position. While this position could be located at Village Hall, but there are other considerations for the best operational arrangements, including the inspections of fire safety equipment. Chair Abu-Taleb asked for a cohesive process to gain his support. Chief Ebsen said that plans would be able to meet a 3-5 day review schedule. Manager Pavlicek said that this would be the best and most efficient way to address these issues. Chief Ebsen and DC Pilafas left the meeting.

DCS Director Grossman joined the meeting by phone. Manager Pavlicek listed the remaining topics, Development Customer Services, Parking and the Harrison Street lighting capital follow-up.

Follow-Up Discussion from October 12, 2015 Finance Committee related to Fees and Bond Rating

Fee Changes

Manager Pavlicek referred to an analysis provided to the Committee regarding fees. She referred first two categories, liquor taxes and multi-family not being considered for changes. The Reinventing Government Committee met on October 21 and recommended against an additional increase in multi-family fees, which were just raised recently.

Vehicle stickers were addressed next, with possible increases over a couple of years. She discussed the options for increases for all but seniors, to be allocated for streets and alleys. Committee members discussed the proposal and how it compared to other communities and

Chicago. Parking Director Velan noted that Evanston is at \$75 and generally stays about \$10 below Chicago. The committee agreed to an increase for passenger vehicles to \$65 while keeping senior fees the same as 2015. The increase would take effect for the 2016 renewal in May. Manager Pavlicek reviewed the exempt categories and the process for seniors to register upon turning 65. Roughly 70% renew online with online renewal at a lower rate.

Outdoor patio fees paid by restaurants were reviewed and discussed. The revenue collected this year was \$6,600. Trustee Brewer asked about liability and noted that more and more restaurants are claiming use of public space. Chair Abu-Taleb noted that the fees under-value the space involved. Inspections and ongoing oversight are also required. There was discussion of alternatives but no consensus.

Manager Pavlicek discussed parking tickets, last raised in 2008. Calculations show that a \$10 increase across categories would bring in \$350,000, and asked for direction. Most fees would go up \$10 with tickets for no vehicle sticker going to \$75. The implementation date would be in June or July 2016 when they have had time to update systems. Committee members discussed wide availability of parking passes. 13,000 tickets have been issued and 13,000 passes have been issued. Trustee Tucker noted that about half are parking legally with passes and half are not.

Chair Abu-Taleb asked about unpaid tickets and a possible amnesty was discussed. CFO Lesner explained the collection process. Fines for those renters who have moved away but still live in Illinois can be collected through a state-wide process. An amnesty option could be offered before changes to the process.

Environmental Services Fees

Manager Pavlicek reviewed the recent increase in these fees to cover additional alley repairs in the Village; any further changes to these fees are not needed if vehicle sticker and parking ticket fee changes are made.

Having dedicated sources of revenue for debt issuance also helps with rating calls.

Capital Budget Follow-up Items

CFO Lesner introduced this topic and noted that the Village went out to bid on refinancing of a \$13 million General Obligation (GO) bond on September 19. While Illinois and Chicago have received additional downgrades in their ratings, Oak Park's bid was well-received with affirmed ratings.

He then introduced Ms. McKenzie, who will review the bond sale. She can explain the two rating reports and answer questions. The rating call and bond sale for Moody's were combined in this case and Moody's had questions and provided a report. S&P's report is so much more positive. Moody's report stated weak liquidity. Ms. McKenzie prepared a report noting three areas of focus for future ratings. She discussed bond ratings and the need for insurance when a rating falls to "A" status. In such cases the buyer covers insurance as part of the cost of the bond. Moody's affirmed the "AA" status and S&P affirmed the "AA3" rating. S&P was more quantitative, while Moody's emphasized the need to increase reserves and liquidity. S&P looks at the organization as a whole organized by funds and focused on management and abatement of debt within the funds and gave credit for that. The rater was familiar with Oak Park's history over the past 20 years and progress that has been made. There was a philosophical difference and Moody's looked at the General Fund but Oak Park was successful in demonstrating how the Village has addressed past fund issues, such as the Parking Fund.

Chair Abu-Taleb asked what other models are out there; Moody's wants to see more about revenue sources and they did not see that in the General Fund. Comparisons were discussed from other municipalities. Loans to other funds should be completed with no "due to" amounts, as with the current amounts loaned by the General Fund to the Downtown TIF. Trustee Brewer asked if these changes are made if S&P will view that change negatively. Ms. McKenzie does not think that would be a negative influence for S&P. There was further discussion of these reports and anticipation of future revenues from new developments. Trustee Tucker asked if there are tweaks which can be made to financial reports. CFO Lesner confirmed this and noted that some changes might require board action. These changes will be made to maintain or improve future bond ratings.

Trustee Salzman noted that for the first time in years that the Village has met the 10% reserve in the fund balance. Ms. McKenzie explained that Speer was notified of the rating surveillance by CFO Lesner; unless the client notifies Speer, they will not know. Additional information was provided to clarify the Village's financial position. Chair Abu-Taleb suggested that the Village create a link on our website to these reports.

Development Customer Services

Trustee Salzman explained that he asked for this topic because business district support, resources and new initiatives from the Village now flows through DCS. Director Grossman explained that there is a proposal for increased support to business districts through training and people to help them market the business districts. Chair Abu-Taleb asked for clarification of what is being marketed. Manager Pavlicek explained that this training

helps to give business districts needed organizational capacity in the same way that help has been given to condo associations to set up appropriate organizational capacity. The business districts already receive grant dollars to do special event marketing to allow them to apply for these grants. There was further discussion about the need for coordinated assistance. Ms. Grossman explained that training of representatives from business districts would be followed up by hiring a consultant, such as Cathy Yen from the Chamber of Commerce, to assist with business district marketing. Trustee Salzman noted past individual requests from various districts, but Trustee Lueck has proposed that these issues be looked at holistically; as proposed here.

Manager Pavlicek added that the total amount for 2016 will be \$100,000; each district except DTOP will get \$7,500 for a total of \$75,000 of the total for this new initiative. Trustee Brewer asked about planning; that project is separate from this initiative.

Parking Services

Director Velan spoke about the decision last year not to raise rates, except for quarterly permits, due to construction in the downtown area. The overall increase is 2.25 to 2.5 % for a \$2.2 million increase. This is planning toward maintenance costs after the TIF ends in 2019. Upgrades to the permitting system will start with equipment installation at the parking garages. An app is being created for the online passes and will include vacation and medical passes as well. The universal valet project is currently under review for the downtown Oak Park area. This will help to manage available parking in the next several years. The DIVVY bike service is also on the way.

Trustee Salzman asked about personnel services going up \$30,000. Manager Pavlicek noted that this was for an unfilled position. Director Velan noted a reduction in one position in parking. Trustee Salzman asked about the reduction in meter collections. This is due to removal of the flat lots downtown.

Trustee Brewer asked about the current debt on the garage; it is at about \$1 million; with debt service about \$450,000 annually. Trustee Brewer asked about possible use of the garage location. The debt would need to be retired; Manager Pavlicek noted that there has been an additional \$5 million spent on the garage. Costs can be identified related to the garage.

Chair Abu-Taleb asked about the status of the proposed universal valet service. There will be a recommendation to the Village Board. Chair Abu-Taleb cautioned about rushing forward with a new valet service before the need is clear and the revenue to support it is available. Trustee Brewer

asked if the developers could also assist. Chair Abu-Taleb expressed concern about the staff time and energy devoted to this project and the prospective need; the Board should be thoughtful about directing staff to work on many projects. Manager Pavlicek will provide more information about what would be involved and explained that this could be an alternative to more parking garages with our increased population density.

Trustee Tucker suggested that the Township has programs available (including taxi coupons) for the elderly to get to doctor appointments. Chair Abu-Taleb noted that things will be worked out as the project moves forward. There was further discussion of this issue.

Harrison Street Lights

Manager Pavlicek reported that the bid, which is only available through the November 5 meeting, is for \$790,000. By November 16, the design work report will be available; will need to be financed as debt. Chair Abu-Taleb recommended that only a portion of the work be done; possibly other work could be done later. There was further discussion of the goal of the new lighting system. Manager Pavlicek reported that the cost can be broken down by circuits, and there are other considerations if the full number of light posts, for example, is not purchased. There was general agreement that the key area Austin to Ridgeland was the priority.

5. Old Business

There was no old business.

6. Adjournment

It was moved by Trustee Tucker and seconded by Trustee Brewer to adjourn. The motion was approved. The meeting was adjourned at 8:59 p.m. on Thursday, October 22, 2015.