

Finance Committee of the Village Board Minutes
Tuesday, October 22, 2013
7:00 pm Room 130

APPROVED MINUTES

Call to order 7:02 p.m.

Present were members of the Finance Committee, President Abu-Taleb, Trustee Robert Tucker, Trustee Glenn Brewer. Trustee Salzman was not in attendance.

Staff in attendance included Village Manager Pavlicek, CFO Lesner, Village Attorney Stephanides, Budget Manager James Harris.

Trustee Tucker moved to approve the minutes of October 17, 2013. Seconded by Trustee Brewer. Ayes: All. Nays: None. Motion approved.

There were no Public Comments.

Fire-Police Pension Funds were discussed. The Fire Pension Fund provided written comments and the Police Pension Fund was represented by Len Jorgenson (retired officer) and Tom McShane (Pension Fund investment consultant since 2002).

CFO Lesner provided overview noting that both the Fire and Police Pension Boards are elected locally; property tax levy is a component for these pensions. The levy is determined via parameters established by the State of Illinois through the Department of Insurance. A detailed discussion was held regarding the investment portfolios and role of Village Board in the pension levy process as well as actuarial assumptions and the differences between the Police Pension Fund and the Fire Pension Fund in terms of size and percent funded.

There was consensus that the assumptions for the levy used in the recommended budget will be maintained. Manager Pavlicek will maintain assumptions in the budget.

The Health Insurance Fund was reviewed and there was a discussion regarding the Township and WSCDC notice that they will not seek health insurance under the Village in 2014. Manager Pavlicek noted that the Village's health insurance broker has advised that the reduction of approximately 75 insured participants does not impact the Village's self-insured program. A more detailed discussion ensued regarding the Village's exposure for catastrophic events. Staff was asked about alternatives and indicated that in 2014 we plan to review costs of self-insurance, pools and full insurance to ensure we comparatively look at employee health insurance costs. Wellness programs were also discussed.

Risk Management and the Self Insured Retention Funds were discussed noting that the source of revenue to fund risk management, property-casualty and work comp insurance related costs is via fund transfers from the major operations of the Village (i.e. General Fund, Water/Sewer Fund and Parking

Fund primarily). Staff noted the fund has a deficit position and in 2014 the Village Attorney will evaluate options available to the Village and recommend future direction to the Board.

Special Revenue Funds were reviewed as follows:

- CDBG is funded via HUD and Oak Park's designation as an entitlement communication. The CDCAC is reviewing allocation requests and will make recommendations to the Board.
- Revolving Loan Fund- grants for lead based hazards. The CAFR shows income as compared to forgivable grants.
- E-911 is state established and funds a significant portion of dispatch costs within WSCDC, also emergency operations center within PW building technology. Efforts in Springfield to mirror cell phone fees provided to Chicago for other municipalities. CADD system in WSCDC is nearing end of useful life and Village will face future capital costs for its update.
- Farmers Market Fund- overseen by Public Health Department and pays for itself.
- RICO- Oak Park Police participate on regional task force and therefore Village receives share of revenues from drug seizures; revenues may only be used for law enforcement equipment – pays for marked cars.
- Foreign Fire Insurance pursuant to State law, fire insurance policies sold by out-of-state agencies pay a fee to the fund.
- SSA 1 for DTOP – property tax levy self-imposed by property owners. Village board responsible for levying and sub-contract for services that are legal in SSA (e.g. trash, litter, flowers, marketing, heated sidewalks).
- Sustainability Fund was initially established as a grant that funded a new position. Now dependent upon transfer of revenues from Environmental Service Fund. President Abu-Taleb asked about sharing this service with other communities.
- Travel, Training, Wellness Fund was reviewed.

President Abu-Taleb recommended a study session to brainstorm with staff and trustees about opportunities to share services with other communities.

Moved by Trustee Tucker to adjourn. Second by Trustee Brewer. Ayes: All. Nays None. The meeting was adjourned at 8:28 p.m.