

**The City of Lake Forest
FINANCE COMMITTEE
Proceedings of the April 15, 2019 Meeting
6:30 p. m. – City Hall Chambers 220 E. Deerpath**

I. Call to Order and Roll Call

The meeting was called to order at 6:30 p.m. Present: Mayor Lansing, Chairman Morris, Aldermen Beidler, Newman, Rummel, Preschlak, Reisenberg, Moreno and Buschmann. Absent: None. Quorum present. There were approximately 16 present in the audience.

Staff present: Jason Wicha, City Manager; Elizabeth Holleb, Finance Director; Diane Hall, Assistant Finance Director; Mike Thomas, Director of Public Works and Pete Seibert, Fire Chief.

Others present: There were approximately 11 people in the audience.

II. Consideration of Minutes from the Finance Committee Meeting Held on March 11, 2019

Alderman Rummel made a motion to approve the minutes from the Finance Committee meeting held on March 11, 2019. The motion was seconded by Alderman Beidler. The motion carried unanimously by voice vote.

III. Consideration of Executive Sessions Minutes from the Finance Committee Meeting Held on March 5, 2018

Alderman Moreno made a motion to approve the executive session minutes from the Finance Committee meeting held on March 5, 2018. The motion was seconded by Alderman Reisenberg. The motion carried unanimously by voice vote.

IV. Resolution in Support of Senate Bill 1111 and House Bill 1571

Mr. James Morris, Finance Chairman stated the Pension Subcommittee has reviewed proposed legislation from the State and they could support one of multiple proposals. He stated the Committee developed a resolution to support Senate Bill 1111 and House Bill 1571.

The Committee discussed the proposed resolution and proposed additional language stating this is a first positive step toward pension reform. The Committee discussed the different pension plans in Illinois.

Alderman Beidler made a motion to recommend the proposed resolution to the City Council for approval. The motion was seconded by Alderman Newman. The motion carried unanimously by voice vote.

V. Pension Funding Policy Revisions

Ms. Elizabeth Holleb, Finance Director stated previous discussions have occurred to move the City to open amortization. She stated the sub-committee had met with both the Police and Fire pension boards to discuss the proposed policy changes. The pension boards requested assurances that the state minimum required contributions by the City would be met annually. She stated the assumptions used to calculate the contributions would be reviewed annually.

Alderman Rummel made a motion to recommend the proposed revisions to the City's Pension Funding Policy to the City Council for approval. The motion was seconded by Alderman Newman. The motion carried unanimously by voice vote.

VI. City Investment Policy Review and Investment Program Recommendation

Ms. Holleb stated the City has benefited from a very good interest rate with Lake Forest Bank & Trust. The available funds have been fully liquid and collateralized at 110%. She stated the City's investment policy and procedure manual have been approved by the City Council. She stated staff has met with four different vendors, who demonstrated four different options for investing. She reviewed investments the City is allowed to invest in. She stated staff was recommending Multi-Bank Securities product eConnect Direct to provide investing services. She stated the fees

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are included in the interest rate received on the investments. She stated at a future Committee meeting staff would present proposed investment allocations.

The Committee discussed the software used and assurances of the protections of the investments and to conform to the City's investment policy.

Ms. Holleb reviewed the collateralization held with Lake Forest Bank.

Alderman Newman made a motion to execute an agreement with Multi-Bank Securities for eConnect Direct. The motion was seconded by Alderman Beidler. The motion carried unanimously by voice vote.

VII. Purchasing Policy Revisions

Ms. Holleb reviewed proposed changes to the City's purchasing policy. She stated changes were included to reflect the City's new financial software. She stated staff realized a gap in the approval process for online approvals. She stated changes were included to allow professional services selected through an RFP process without exception. She reviewed changes to the exception procedures and changes to be made to City Council write-ups to reflect these changes.

The Committee discussed waiver language in the title and body of the write-ups. Going forward, exceptions will be noted but no waiver required.

Alderman Beidler made a motion to approve changes to the purchasing policy. The motion was seconded by Alderman Preschlack. The motion carried unanimously by voice vote.

VIII. Other Business

- 1) March 2019 Flash Report – No discussion.
- 2) FY19 Supplemental Appropriation Ordinance – No discussion

IX. Opportunity for the Public to Address the Finance Committee: No comments were made

X. Adjournment

There being no further business, Alderman Newman moved, seconded by Alderman Beidler, to adjourn the meeting at 7:18 p.m. The motion carried unanimously by voice vote.

Respectfully Submitted,

Diane Hall
Assistant Finance Director