

**The City of Lake Forest
FINANCE COMMITTEE
Proceedings of the January 19, 2021 Meeting
6:30 p. m. – Remote Access Meeting**

I. Call to Order and Roll Call

The meeting was called to order at 6:32 p.m. by Chairman Morris. Present: Chairman Morris, Mayor Pandaleon, Aldermen Karras, Rummel, Notz, Preschlack, Goshgarian, Buschmann and Weber. Absent: None. Quorum present. There were approximately 20 present in the audience.

Staff present: Jason Wicha, City Manager; Elizabeth Holleb, Finance Director; Diane Hall, Assistant Finance Director; Julie Tappendorf, City Attorney; Cathy Czerniak, Director of Community Development; Karl Walldorf, Police Chief; Jim Shaw, Director of Innovation Technology; Peter Siebert, Fire Chief; Mike Thomas, Director of Public Works and Sally Swarthout, Director of Parks and Recreation.

Others present: There were approximately 10 people in the audience.

II. Consideration of Minutes from the Finance Committee Meeting Held on November 9, 2020

Alderman Preschlack made a motion to approve the minutes from the Finance Committee meeting held on November 9, 2020. The motion was seconded by Alderman Weber. The motion carried unanimously by roll call vote.

III. City Mission Statement and FY2022 Fiscal Policy

Ms. Elizabeth Holleb, Finance Director stated this item had been deferred from the October Finance Committee meeting to allow the opportunity for Committee members to provide comment on the Fiscal Policy. She stated no changes were recommended for the City's Mission Statement. She stated one change was proposed in the Fiscal Policy for the calculation of fund balance targets to reflect loans provided from fund balance. She stated other wording changes were provided in red-line version.

The Committee discussed the wording changes are intended to provide an easier understanding of the policy.

Alderman Weber made a motion to affirm the City's Mission Statement and to approve the FY2022 Fiscal Policy. The motion was seconded by Alderman Preschlack. The motion carried unanimously by roll call vote.

IV. Cemetery Commission Financing for Capital Improvements.

Ms. Holleb stated included in the Cemetery FY2021 budget, is the Memorial Garden Phase II project estimated at \$1.6 million. She stated four financing options were reviewed with the Cemetery Commission.

- Cemetery Trust Reserves
- Bond issuance
- Bank Loan
- Internal Financing

She reviewed each financing option. She stated the Commission voted in favor of a bank loan from Lake Forest Bank and Trust (LFBT). LFBT provided a proposal for the loan, which was reviewed by the City's financial advisor and bond counsel. She stated City Council would need to approve the loan. The project would need to be designed and bids received prior to the project starting.

The Committee discussed the City backing the bank loan and the differences between taxable and non-taxable loans. The payments on the loan would be made by the Cemetery Fund.

V. Five Year Capital Improvement Plan

Ms. Holleb reviewed two updates to the Capital Improvement plan that had been presented to the Committee in November. The golf course restoration project funded through IDOT has been added and moving \$80k in the Water Capital Fund from FY22 to FY24 for the water meter replacement project. She stated FY22 capital equipment purchases were starting to be presented to City Council to allow time to order and receive after May 1.

The Committee discussed the next stages of the budget process for new members.

VI. Other Business

December 2020 Flash Report – Ms. Holleb provided an update on the number of business grants received and approved.

Draft Innovation and Technology Five-Year Capital Improvement Program – The Committee discussed projects budgeted for FY2022 and budgeting over the next five years.

VII. Opportunity for the Public to Address the Finance Committee

Chairman Morris provided instructions to the Public to provide comment.

No one from the audience desired to address the Finance Committee.

VIII. Adjournment

There being no further business, Alderman Notz moved, seconded by Alderman Weber, to adjourn the meeting at 6:56 p.m. The motion carried unanimously.

Respectfully Submitted,

Diane Hall
Assistant Finance Director