

**The City of Lake Forest
FINANCE COMMITTEE
Proceedings of the January 18, 2022 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 24 present in the audience.

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

Others present: There were approximately 15 people in the audience.

Alderman Morris provided a statement as required by the Open Meetings Act regarding the decision to hold the Finance Committee Meeting remotely.

II. Consideration of Minutes from the Finance Committee Meeting Held on November 8, 2021

Alderman Buschmann made a motion to approve the minutes from the Finance Committee meeting held on November 8, 2021. The motion was seconded by Alderman Notz. The motion carried unanimously by roll call vote.

III. Investment Program Recommendations

Ms. Elizabeth Holleb, Finance Director reviewed current comparable interest rates. The City is limited in what investments are available to invest in and the rates associated with each type of investment. The City currently has funds held with Lake Forest Bank and Trust and Illinois Funds. To receive higher rates of returns, the available investments hold more risk.

Staff recommended minor changes to the investment policy to add language to address Illinois Sustainable Investing Act and change "shall" to "may". An additional recommendation is the segmentation of the City's portfolio. Funds have been identified for the percentage of necessary liquidity and the amount available for investment. Liquidity and core benchmarks would be established. If the City were to invest in corporate bonds, an additional benchmark would be established.

The Committee discussed the differences between core and liquidity and when we would be ready to begin investing. The City is allowed per the policy to invest in corporate obligations.

Alderman Notz made a motion to approve revisions to the City's Investment Policy, segmentation of the city's portfolio and proposed benchmarks for investment reporting. The motion was seconded by Alderman Weber. The motion carried unanimously by roll call vote.

IV. Grant Program Update and Recommendations

Ms. Holleb reviewed the process for developing the City's grant program, including engaging The Ferguson Group to assist with developing a needs assessment with departments and identifying potential grant opportunities. The City implemented eCivis grant administration software to track grant applications submitted and allow greater reporting capabilities.

The 2021 grant program statistics were reviewed showing grant notifications, applications submitted, and grants awarded. In 2022, the number of grant notifications will be reduced to concentrate on specific priorities identified by City staff.

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The Committee discussed the many qualifications applicable to grants, including income and population. Applications need to be submitted at the right time for the right project to ensure the best chance of successful award of the grant. Bridges have a higher safety priority and it has been determined to look at different projects that fit better with timing requirements. The Burr Oak storm water project is waiting on the official award of a grant, which is holding up the project.

V. Other Business

- 1) December 2021 Flash Report – No discussion
- 2) Five Year Capital Improvement Plan Update (FY23 Budget Item) – No Discussion
- 3) Draft Innovation and Technology Five-Year Capital Improvement Program (FY23 Budget Item) – Deferred to April meeting
- 4) Pension Consolidation Update – No discussion

VI. Opportunity for the Public to Address the Finance Committee

Chairman Morris provided instructions to the Public to provide comment.

Rommy Lopat provided comment on the Burr Oak project

VII. Adjournment

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

Respectfully Submitted,

Diane Hall
Assistant Finance Director