

VILLAGE OF LAKE ZURICH

**Board of Trustees
70 East Main Street**



Monday, August 1, 2022 7:00 p.m.

AGENDA

1. CALL TO ORDER

- 2. ROLL CALL:** Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider.

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

This is an opportunity for residents to comment briefly on matters included on the agenda and otherwise of interest to the Board of Trustees. Public Comment is limited to 30 minutes total and up to 5 minutes per speaker.

5. CONSENT AGENDA

(These titles will be read by the Village Clerk and approved by a single Roll Call Vote. Any item may be pulled from the Consent Agenda for discussion by any member of the Board).

A. Approval of Minutes of the Village Board Meeting, July 18, 2022

B. Approval of Semi-Monthly Warrant Register Dated August 1, 2022 Totaling \$1,145,323.63

Recommended Action: A motion to approve the Consent Agenda as presented.

6. NEW BUSINESS

(This agenda item includes matters coming to the Board of Trustees for discussion and possible action).

A. Presentation of Comprehensive Annual Financial Report for Fiscal Year 2021
(Trustee Sprawka)

Summary: State law requires the Village to publish a complete set of financial statements presented in conformity with generally accepted auditing standards by a firm of licensed certified public accountants. The Village has completed the annual audit with Baker Tilly, who has issued an unmodified clean opinion on Village finances for the fiscal year ended December 31, 2021.

Overall, Village finances fared well during Fiscal Year 2021. The General Fund surplus balance increased by \$909,000, bringing the total fund balance to \$13 million, of which \$1.7 million are non-spendable. The General Fund balance sits at 36% of Fund expenditures as of the end of 2021, a significant accomplishment that allows for top bond ratings and low interest rates for tax payers. The Village's official General Fund balance target is 40%.

Last year the General Fund was also to transfer additional funds to the Capital Improvement and the Equipment Replacement funds to accumulate resources for large upcoming infrastructure projects that are needed.

Long-term bonded debt decreased \$1.9 million to a total of \$21.2 million outstanding as of December 31, 2021. Ten years ago, in 2012, this bonded debt was at \$36.4 million.

For business-type activities related to the Water and Sewer Fund, total net position increased by \$2.9 million, largely due to the increased connection fees from new residential developments connecting to the Lake Zurich municipal system. As the infrastructure continues to age, capital expenses will continue to be a large drain of resources for the Water and Sewer Fund.

By the end of 2021, the total net position of the Village increased by \$14.8 million compared to a \$8.4 million increase in 2020. Total net position includes all assets and liabilities held by the Village, which includes land and capital assets that depreciate.

Despite the challenges of 2021, the long-term financial planning of the Village coupled with the strength of the local economy and private-sector investment, municipal finances remain on solid footing for the foreseeable future.

Recommended Action: A motion to approve and accept the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2021.

B. Ordinance Approving Budget Amendment #1 for Fiscal Year 2022 Budget
(Assign Ord. #2022-08-472) (Trustee Sprawka)

Summary: Upon evaluation of the financial projections and mid-year results for Fiscal Year 2022, a number of necessary budget amendments have been identified based on actual figures or best estimates to date.

The largest adjustments to General Fund revenue are Income Tax and Sales Tax receipts. The proposed budget amendment includes raising the expected Income Tax revenue by \$410,000 and Sales Tax revenue by \$372,000.

Some larger adjustments to expenditures include:

- \$198,200 for an expansion of municipal building security
- \$145,000 increase in fuel to account for the elevated costs of gasoline and diesel
- \$38,005 for technology productivity upgrades
- \$110,115 added for a new full-time technical position
- \$125,500 for public safety equipment
- \$50,000 for an independent consultant to update the Village's Comprehensive Plan
- \$15,000 for a TIF-funded small business facade improvement pilot program.

A listing of all proposed General Fund amendments impacting revenue and expenditures in multiple departments has been included in the proposed Ordinance.

Recommended Action: A motion to approve Ordinance #2022-08-472 Approving Budget Amendment #1 for Fiscal year 2022 Budget.

7. PRESIDENT'S REPORT COMMUNITY UPDATE

(This is an opportunity for the Mayor to report on matters of interest to the Village.)

8. TRUSTEE REPORTS

(This is an opportunity for Trustees to report on matters of interest to the Board of Trustees).

9. VILLAGE STAFF REPORTS

(This is an opportunity for the Village Manager or Department Heads to report on matters of interest to the Board of Trustees).

A. Finance FY 2021 Treasurer's Report

10. EXECUTIVE SESSION called for the purpose of:

- 5 ILCS 120 / 2 (c) (21) review of executive session minutes.
- 5 ILCS 120 / 2 (c) (5) consideration of purchasing or leasing real estate.

11. ADJOURNMENT

(Next regularly scheduled Village Board meeting on Monday, August 15, 2022)

The Village of Lake Zurich is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and participate in this meeting, or who have questions regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at 847.438.5141 (TDD 847.438.2349) promptly to allow the Village to make reasonable accommodations for those individuals.