

**APPROVED MINUTES
VILLAGE OF LAKE ZURICH
Board of Trustees
70 East Main Street**



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

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Janice Gannon, Trustee Greg Weider. Trustee Mary Beth Euker, Trustee Marc Spacone and Trustee Jonathan Sprawka were absent and excused. Also in attendance: Village Manager Ray Keller, Village Atty. Scott Uhler, Finance Dir. Amy Sparkowski, Management Services Dir. Michael Duebner, Police Chief Steve Husak.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**
There were none.
5. **CONSENT AGENDA**
 - 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 was made by Mayor Poynton, seconded by Trustee Weider, to approve the Consent Agenda as presented.

AYES: 4 Trustees Bobrowski, Gannon, Weider, Mayor Poynton.

NAYS: 0

ABSENT: 3 Trustees Euker, Spacone, Sprawka.

MOTION CARRIED.
6. **NEW BUSINESS**
 - A. **Presentation of Comprehensive Annual Financial Report for Fiscal Year 2021**

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.

Finance Dir. Sparkowski introduced Joe Lightcap, representing Baker Tilly, who then gave an overview of the report. Mr. Lightcap answered the Board's questions.

Recommended Action: A motion was made by Trustee Weider, seconded by Trustee Bobrowski, to approve and accept the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2021.

AYES: 4 Trustees Bobrowski, Gannon, Weider, Mayor Poynton.

NAYS: 0

ABSENT: 3 Trustees Euker, Spacone, Sprawka.

MOTION CARRIED.

- B. Ordinance Approving Budget Amendment #1 for Fiscal Year 2022 Budget ORD. #2022-08-472

This item was tabled for the August 15th meeting.

7. **PRESIDENT'S REPORT COMMUNITY UPDATE**

There was no report.

8. **TRUSTEE REPORTS**

There were none.

9. **VILLAGE STAFF REPORTS**

- A. Finance FY 2021 Treasurer's Report presented by Finance Dir. Sparkowski.

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.

Executive Session was cancelled.

11. ADJOURNMENT

Motion to adjourn the meeting was made by Trustee Bobrowski, seconded by Trustee Weider.

AYES: 4 Trustees Bobrowski, Gannon, Weider, Mayor Poynton.

NAYS: 0

ABSENT: 3 Trustees Euker, Spacone, Sprawka.

MOTION CARRIED.

Meeting adjourned at 7.18pm.

Respectfully submitted:

Kathleen Johnson, Village Clerk.

Approved by:

Mayor Thomas M. Poynton

Date

