FINANCE COMMITTEE **FIN20210720-1**
July 20, 2021 **UNAPPROVED**

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, July 20, 2021 utilizing the Zoom app.

Council Member Jack Arnett called the meeting to order at 1:03 p.m.

Roll Call: Present - Council Member Jack Arnett, Robert Loomis, Allan Lorge, Michael Bradburn, Mary Kay Bourbulas, Jesus Torres

Also Present - City Administrator Mikko Hilvo, Finance Director/Treasurer Christy Mertes, Deputy Treasurer/Human Resources Kelly Livingston, Michael Maloney and Richard Romero from US Bank

STATEMENT OF PUBLIC NOTICE

Deputy Treasurer Livingston confirmed proper legal notice of the meeting had been given.

COMMENTS & SUGGESTIONS FROM CITIZENS - None

APPROVAL OF MINUTES

A motion was made by Mr. Loomis to approve the minutes of the June 15, 2021 meeting. The motion was seconded by Mr. Bradburn. Motion carried without a negative vote.

NEW BUSINESS

Review and Discuss the City's Financial Portfolio; and Action Thereon
Michael Maloney, Portfolio Manager of US Bank presented the Committee with the City's Financial Portfolio report. There was a discussion on the City's policy. Mr. Maloney stated that he thought there may be rate increases in a year or two. He said that we will need to power through the low rates for another year. Mr. Maloney stated that he was very impressed with the Committee Members and the questions that were being asked. Mr. Loomis stated that he thought the portfolio was well managed and that he was comfortable with the minimization of risk. Mr. Maloney and Mr. Romero left the meeting.

UNFINISHED BUSINESS

Consider Leasing Program; and Action Thereon
A discussion began regarding a vehicle leasing program that was presented at an earlier meeting. The Committee had listened to a presentation by Enterprise Leasing, but Administrator Hilvo suggested also looking at Southgate Financial. It was felt that leasing may be a positive option in terms of budgeting. A discussion continued as to when a leasing program should be presented to the Council.

Mr. Loomis made a motion to move ahead with recommending a vehicle leasing program to the Council. The motion was seconded Mr. Lorge. The motion carried without a negative vote.

Discuss Alternate Revenue Sources; and Action Thereon

Wheel Tax - At the June meeting, the Committee voted to recommend the use of a wheel tax program to the Council. It was presented to the Council, but the Council did not feel that the amount of revenue that would be received would be worth the negative perception.

Internal Service Fund - Finance Director Mertes presented ideas regarding the Internal Service Fund. She stated the fund balance has grown over the years, due to dividends from various programs. She suggested not budgeting for deductibles in 2022 and to use Fund Balance to pay for claims. The Committee agreed with Finance Director Mertes' ideas.

NEW BUSINESS - Continued

Review and Discuss Investment Policy PC-4; and Action Thereon

A discussion was held on Investment Policy FC-4. Mr. Lorge suggested leaving the policy as is, and review it annually. He also suggested changing Debt and Advisory Committee to Finance Committee. Council Member Arnett instructed Finance Director Mertes to make the change to the policy.

Identify Future Agenda Items; and Action Thereon

- Further discussion on fleet leasing, update from Southgate Financial
- High level budget update
- Funds received from Government

Confirm Next Meeting Date; and Action Thereon

The next Finance Committee meeting will be held on September 21, 2021 at 1:00pm

ADJOURNMENT

Motion made by Mr. Loomis, seconded by Ms. Bourbulas, to adjourn the meeting at 2:26 p.m. Motion carried without a negative vote.

Kelly Livingston
Deputy Treasurer/Human Resources