A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, June 20, 2023, utilizing the Zoom app.

The meeting was called to order by Jack Arnett at 1:04 p.m.

Roll Call: Present - Council Member Jim Fitzpatrick, Jack Arnett, Allan Lorge, Michael Bradburn, Mary Kay Bourbulas, Robert Loomis, Tim Voeller

Also Present- City Administrator Mikko Hilvo, Finance Director Kelly Livingston, Deputy Treasurer Maureen Hartjes

STATEMENT OF PUBLIC NOTICE

Finance Director Livingston confirmed proper legal notice of the meeting had been given.

ELECTION OF CHAIRPERSON, VICE-CHAIRPERSON AND SECRETARY; AND ACTION THERON

Mr. Lorge nominated Mr. Arnett for the position of Chairperson and was seconded by Mr. Bradburn. A vote was held, and Mr. Arnett was elected Chairperson.

Mr. Arnett nominated Mr. Lorge for the position of Vice-Chairperson and was seconded by Mr. Voeller. Mr. Lorge was elected Vice-Chairperson.

City Administrator Hilvo stated that Deputy Treasurer Hartjes is the Secretary.

COMMENTS & SUGGESTIONS FROM CITIZENS

APPROVAL OF MINUTES

A motion was made by Ms. Bourbulas to approve the minutes of the April 4, 2023 meeting. The motion was seconded by Mr. Voeller. Motion carried without a negative vote.

UNFINISHED BUSINESS

Discuss Revised Investment Policy; and Action Thereon

City Administrator Hilvo stated the updated Investment Policy should be ready to go to the Common Council for approval. Finance Director Livingston stated Ms. Bourbulas had reviewed the policy and Ms. Bourbulas stated she was comfortable with the final changes. Mr. Arnett made a motion to approve the revised Investment Policy and send it to the Common Council. The motion was seconded by Ms. Bourbulas. Motion carried without a negative vote.

Discuss Purchase Policy; and Action Thereon

The revised Purchasing Policy was reviewed. Mr. Arnett asked City Administrator Hilvo if he was comfortable with the dollar amounts in the policy. City Administrator Hilvo stated he was comfortable with dollar amounts in the policy.

Mr. Arnett made a motion to approve the revised Purchasing Policy and send it to the Common Council. The motion was seconded by Ms. Bourbulas. Motion carried without a negative vote.

NEW BUSINESS

Review Index of Current Fiscal Policies and Create a Review Schedule for Each Policy; and Action Thereon

City Administrator Hilvo presented a list of current fiscal policies and their most recent revision dates to create a review schedule to ensure each policy is reviewed in a timely manner. Mr. Lorge stated the Committee should start with the older policies first and review all policies over the next 15-18 months and that the policies should each be reviewed every two to three years. Mr. Arnett stated City Administrator Hilvo can add two to three policies to future Finance Committee agendas as he sees fit. Mr. Lorge suggested starting with the Revenue Policy, Debt Policy, and the Capital Improvement Budget Policy. Mr. Lorge also suggested the City look at neighboring municipalities and compare policies to see if the City is missing any policies.

Review Port Washington State Bank and BMO Bank Collateral Statements; and Action Thereon

City Administrator Hilvo presented the Port Washington State Bank and BMO Harris collateral statements. Ehlers's comments and suggestions were discussed. Ms. Bourbulas stated some of the pledged assets are not within the City's Investment Policy parameters. Ms. Bourbulas suggested giving Port Washington State Bank and BMO Harris Bank the City's updated Investment Policy. Finance Director Livingston stated she will send the updated Investment Policy to both banks.

Mr. Arnett asked if the City's investments were transferred successfully from US Bank to Ehlers Investments. Finance Director Livingston stated that all assets had been transferred except some remaining cash, which will be transferred shortly.

Discuss Funding Future Capital Improvement Projects; and Action Thereon

Capital Improvement funding was discussed; City Administrator Hilvo explained for the 2024 Budget, Capital Fund Balance will be used as well as potentially pushing back DPW truck purchases. However, starting in 2025 the City may need to increase the tax levy and come up with ways to increase funding. City Administrator Hilvo stated many communities use borrowing for capital purchases and that the priorities for the 2024 budget are for the new EMS employees as well as environmental expenses and roads. City Administrator Hilvo mentioned the City will work with a consultant that specializes in referendums to determine the City's best option.

Mr. Loomis stated the City could look at leasing additional vehicles to save money. Mr. Arnett asked if there are restrictions on State Shared Revenue; City Administrator Hilvo mentioned the details are not yet available. City Administrator Hilvo also stated that Personal Property tax could be eliminated, and the City brings in about $140,000 annually in Personal Property tax. City Administrator Hilvo stated there will be other funding sources of revenue to offset some of the revenue loss if Personal Property tax is eliminated.

Mr. Arnett requested the Capital Budget schedule be included for the next meeting. Mr. Arnett referenced a newspaper article regarding the poor state of Cedarburg roads. Mr. Arnett stated the area being complained about is the area in front of Piggly Wiggly. City Administrator Hilvo mentioned the City's Engineer, Mike Wieser asked for $10,000 in the budget to cover consulting fees for this area and to come up with a plan to make that area better and more functional. Mr. Loomis asked if wheel tax could be considered a possible source of future funding to help fund roads. Mr. Arnett said when the wheel tax was presented to the Common Council previously, there was not a great general consensus, and the wheel tax would not generate enough funds.

Mr. Arnett introduced new Council Member Fitzpatrick; Council Member Fitzpatrick briefly discussed his background. Mr. Arnett asked Council Member Fitzpatrick for feedback on future finance meetings and information presentation going forward.

Review and Certify Code of Ethics; and Action Thereon
The Finance Committee Members reviewed and certified the Code of Ethics.

Identify Future Agenda Items, and Action Thereon
State Shared Revenue Update
Capital Project Schedule and Funding.
Policy Review – Capital Improvement Budget Policy.

Confirm Next Meeting Date – July 18, 2023 at 1:00 p.m.; and Action Thereon
It was the consensus of the Committee to change the meeting date and hold the next meeting on July 25, 2023, at 1:00pm

ADJOURNMENT

Motion made by Ms. Bourbulas, seconded by Mr. Loomis, to adjourn the meeting at 1:50 p.m. Motion carried without a negative vote.

Maureen Hartjes
Deputy Treasurer