

**FINANCE COMMITTEE
May 25, 2021**

**FIN20210525-1
UNAPPROVED**

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, May 25, 2021 utilizing the Zoom app.

Council Member Jack Arnett called the meeting to order at 1:02 p.m.

Roll Call: Present: Robert Loomis, Allan Lorge, Michael Bradburn, Mary Kay Bourboulas

Excused: Jesus Torres

Also Present: City Administrator Mikko Hilvo, Finance Director/Treasurer Christy Mertes, Deputy Treasurer/Human Resources Kelly Livingston

STATEMENT OF PUBLIC NOTICE

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

COMMENTS & SUGGESTIONS FROM CITIZENS - None

ELECTION OF OFFICERS

A motion was made by Mr. Loomis and seconded by Mr. Bradburn to nominate Council Member Arnett as Chairperson. Motion carried unanimously with Mr. Torres excused.

A motion was made by Mr. Loomis and seconded by Mr. Bradburn to nominate Mr. Lorge as Vice-Chairperson. Motion carried unanimously with Mr. Torres excused.

A motion was made by Mr. Lorge and seconded by Mr. Loomis to nominate Mr. Bradburn as Secretary. Motion carried unanimously with Mr. Torres excused.

APPROVAL OF MINUTES

A motion was made by Mr. Loomis to approve the minutes of the April 20, 2021 meeting. The motion was seconded by Ms. Bourboulas. Motion carried unanimously with Mr. Torres excused.

UNFINISHED BUSINESS

Review Existing Outstanding Debt and Future Debt Related to Capital Improvements; and Action Thereon

A discussion was held regarding the memo that was written by Mr. Lorge. Mr. Loomis stated that he thought the memo was excellent and that it was clear and concise. He suggested adding a statement on user fees. Council Member Arnett will refine the memo. He would like to include the Ehler's spreadsheet and debt schedule once decisions are made as to how much will be needed to be borrowed

for the Hilltop Road connection. A discussion continued regarding borrowing and management of debt and upcoming projects.

Discuss Alternate Revenue Sources; and Action Thereon

Wheel Tax – City Administrator Hilvo presented some information that he had gathered from communities that currently have a wheel tax. It was estimated that the City could collect between \$170,000 and \$200,000. Ms. Bourboulas asked if there were any associated fees. Council Member Arnett asked if the City would receive enough “bang for its’ buck”. Finance Director Mertes stated that \$170,000 of income would mean a 13-cent reduction in the tax levy and that \$200,000 would mean a 15-cent reduction. The following items will be discussed at the next meeting pertaining to the wheel tax: the administrative effort, DOT fees and the political impact.

Internal Service Fund - Finance Director/Treasurer Mertes presented information on the Internal Service Fund. She proposed raising deductibles and not budgeting for deductibles and administration costs. A discussion continued on how this proposal could be profitable to the City. New rates will be determined in August and a discussion could take place at that time. The Committee asked for loss and legal fee history to explain the change in the fund balance over the years.

Discuss Tax Mill Rate Chart; and Action Thereon

A spreadsheet titled Peer Comparison-Population/Housing/Property Tax was presented. Council Member Arnett asked what the Committee wanted to do with this information. He feels that it is an apples to oranges comparison. Mr. Lorge stated that this spreadsheet highlights that Cedarburg relies too much on a residential tax base. He suggested this be used as an analysis piece only. The item will be discussed again at a later time.

NEW BUSINESS

Consider Leasing Program; and Action Thereon

City Administrator Hilvo, Finance Director/Treasurer Mertes, and Council Member Arnett had a meeting with Enterprise Leasing regarding City vehicles. The goal in leasing would be to have a steady vehicle budget. A leasing strategy would enable the City to keep a newer fleet and save on maintenance costs. After a short discussion, the consensus was to have Enterprise make a presentation to the Committee.

Review and Certify Code of Ethics; and Action Thereon

Each year the Code of Ethics needs to be presented to all committee members. The Committee acknowledged receiving, reading, and understanding the code of ethics.

Identify Future Agenda Items; and Action Thereon

Items suggested were:

- Leasing presentation
- Wheel tax
- Internal Service Revenue

- US Bank Investment Policy (could be reviewed at July or August meeting)

Confirm Next Meeting Date

The next Finance Committee meeting will be held on June 15, 2021 at 1:00 p.m.

ADJOURNMENT

Motion made by Mr. Loomis, seconded by Ms. Bourboulas, to adjourn the meeting at 2:35 p.m. Motion carried without a negative vote with Mr. Torres excused.

Kelly Livingston
Deputy Treasurer/Human Resources