

**FINANCE COMMITTEE
November 30, 2021**

**FIN20211130-1
UNAPPROVED**

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, November 30, 2021 utilizing the Zoom app.

Council Member Arnett called the meeting to order at 1:09 p.m.

Roll Call: Present - Council Member Jack Arnett, Allan Lorge, Michael Bradburn, Jesus Torres

 Excused - Robert Loomis, Mary Kay Bourboulas

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

STATEMENT OF PUBLIC NOTICE

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

COMMENTS & SUGGESTIONS FROM CITIZENS - None

APPROVAL OF MINUTES

A motion was made by Mr. Lorge to approve the minutes of the October 19, 2021 meeting. The motion was seconded by Mr. Torres. Motion carried without a negative vote with Robert Loomis and Mary Kay Bourboulas excused.

UNFINISHED BUSINESS

Update on American Rescue Plan Act Funds; and Action Thereon

Administrator Hilvo presented an updated spreadsheet of the American Rescue Plan Act detailing requests for the funding and decisions that have been made. Council Member Arnett asked if the Committee had any thoughts on how the City should be spending the funds? Mr. Bradburn stated that he thought that it was proper to spend the funds on taxpayer items to lessen the tax burden. Mr. Lorge and Mr. Torres both agreed. Council Member Arnett mentioned that the Chamber of Commerce is asking for \$40,000 for a part-time person to work on their website and asked if this is this a good idea? The discussion continued. Finance Director/Treasurer Mertes stated that the plan was to use the funds by 2026. Mr. Torres asked if there was any chance that funds could disappear? Council Member Arnett answered that no, the funds just need to be used before the deadline.

NEW BUSINESS

Update on Budget-Projected Fund Balance; and Action Thereon

Finance Director/Treasurer Mertes highlighted the projected fund balances for the end of 2021 on page eight of the packet. For 2022, \$72,500 is for the revaluation project along with \$40,000 from contingency

reserve. The Council took this Committee's recommendation and added an additional \$150,000 into the Capital Fund. Mr. Lorge asked where the fund balance stands in regard to the policy? Finance Director/Treasurer Mertes stated that it is at least 30% within the policy. Council Member Arnett stated that when the financials are closed for 2021, the Committee would like an update of where the fund balance stands. Finance Director/Treasurer Mertes added that the following fund accounts have been added: 232 for donations and 231 for ARPA Funds.

Discuss TIDs and Effects on the City Financially; and Action Thereon

Finance Director/Treasurer Mertes explained that Form 202 on pages 56-58 of the packet reflects how taxes are calculated. A discussion began about the concept of TIDs placing the burden on taxpayers. Mr. Lorge stated that he feels that the City does a good job with not giving too much to developers and that will continue to work out well for the City. Council Member Arnett stated that the CDA's next proposal will be for a hotel on Pioneer Road. The amount being sought is \$1,000,000 because of the location. The room tax revenue projected would be approximately \$100,000 per year. The CDA would not support anything but pay-as-you-go. Council Member Arnett stated that the Western Avenue site will be presented before the Plan Commission on December 6.

Discuss the Effects of Inflation on City Finances; and Action Thereon

Council Member Arnett stated that Ms. Bourbulas requested this agenda item; however, she is not on the call and can be discussed at the next meeting.

Identify Future Agenda Items; and Action Thereon

- City's fiscal policies
- Review of financials before presented to Council
- Discussion of business practices-increase revenues, decrease expenditures and increase efficiencies
- Costs and efficiencies
- Dwelling units vs. infrastructure

Confirm Next Meeting Date

The next meeting of the Finance Committee is scheduled for February 15, 2022 at 1:00 p.m.

ADJOURNMENT

Motion made by Mr. Bradburn, seconded by Mr. Lorge to adjourn the meeting at 2:06 p.m. Motion carried without a negative vote with Robert Loomis and Mary Kay Bourbulas excused.

Kelly Livingston
Deputy Treasurer/Human Resources