

FINANCE COMMITTEE
January 19, 2021

FIN20210119-1
UNAPPROVED

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, January 19, 2021 utilizing the Zoom app.

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

Roll Call: Present: Council Member Jack Arnett, Robert Loomis, Allan Lorge, Michael Bradburn

Excused: Garth Cole, Mary Kay Bourboulas, 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 that 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 December 15, 2020 meeting. The motion was seconded by Mr. Bradburn. Motion carried without a negative vote with Garth Cole, Mary Kay Bourboulas and Jesus Torres excused.

UNFINISHED BUSINESS

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

Finance Director Mertes directed the Committee members to page 8 of the agenda packet and explained the spreadsheet titled Capital Improvements Financing Plan 2021-2027. She did not expand it to include ten years but made the other suggested changes from the Committee. Council Member Arnett asked the group if the format was acceptable and all agreed. The discussion continued. Mr. Loomis would like to see ten years to know if a large project is coming down the road.

Mr. Bradburn asked what items are discretionary. Finance Director Mertes responded that building improvements and vehicles are discretionary all others are needed. She also added the General Projects are for the complex building improvements and other equipment. Mr. Loomis stated that the years should be leveled out. Finance Director Mertes stated the leveling off is done in the budget process.

Council Member Arnett asked if there should be footnotes added to make it easier for the Council to understand. Mr. Loomis suggested adding one page of explanatory notes. Mr. Lorge added that he will work with Finance Director Mertes on the footnotes

Review General Fund Balance Policy FC-5 and Fund Balance Policy FC-10; and Action Thereon

Finance Director Mertes directed the group to page 9. She has made the suggested changes and also added what other communities are doing. Mr. Lorge stated that he likes the percentages rather than months and that the minimum could be 20% and the maximum 40%. Mr. Loomis felt that the maximum could be 35%. Mr. Bradburn asked what would happen if fund balance fell below the minimum level. A discussion continued of changes to wording of the policy and allowed uses of fund balance should it exceed the maximum level required. Finance Director Mertes was directed to make changes and bring back the updated policy to the February meeting.

NEW BUSINESS

Discuss Expenditure Restraints and Levy Limits; and Action Thereon

Council Member Arnett asked if this item should be held until all members were present.

Motion was made Council Member Arnett to table this item until the next meeting. The motion was seconded by Michael Bradburn. Motion carried without a negative vote with Garth Cole, Mary Kay Bourbulas and Jesus Torres excused.

Consider Prepaying the Monopole Loan; and Action Thereon

Motion was made by Mr. Loomis to advise the Common Council to use unassigned fund balance to pay off the existing monopole loan. Motion was seconded by Mr. Lorge.

Finance Director Mertes stated that the total payoff of the loan is \$220,558. The 2021 principal payment was budgeted.

Motion carried without a negative vote with Garth Cole, Mary Kay Bourbulas and Jesus Torres excused.

Discuss Financial Summary Sheets; and Action Thereon

Finance Director Mertes received samples of financial summary sheets from Mr. Torres, but she was unsure what the Committee wants to measure. A discussion of key metrics continued. Committee members were asked to think about this and come to the next meeting with some ideas.

Review Procedures and Controls to Prevent Hackers and Ransomware Threats; and Action Thereon

Finance Director Mertes gave the Committee an update on what procedures and controls are used by the City to protect itself from hackers and ransomware threats. These items include: hiring outside IT support who make quarterly visits (currently using Ontech Services). The City has a ransomware policy in place, a virus monitoring program is installed on all servers and computers, the City's email is filtered by the County, the County does training and testing, sonic walls are on all buildings, and daily server backups are done. A new server has been budgeted for 2021.

Identify Future Agenda Items; and Action Thereon

Council Member Arnett asked the group for a list of future agenda items. The following suggestions were made:

- Mutual aid agreements
- Alternative revenue sources
- Contracted vs shared services
- Waste Management
- Assessor services
- Building Inspection
- Audit report

Confirm Next Meeting Date

The next meeting of the Finance Committee will be held on Tuesday, February 16, 2021 at 1:00 p.m.

ADJOURNMENT

Motion made by Mr. Bradburn, seconded by Mr. Lorge, to adjourn the meeting at 2:11 p.m. Motion carried without a negative vote, with Garth Cole, Mary Kay Bourboulas and Jesus Torres excused.

Kelly Livingston
Deputy Treasurer/Human Resources

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