

**CITY OF CEDARBURG
FINANCE COMMITTEE
October 19, 2021**

**FIN20211019-1
UNAPPROVED**

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

Council Member Jack Arnett called the meeting to order at 1:00 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 Christy Mertes and 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

APPROVAL OF MINUTES

A motion was made by Mr. Loomis to approve the minutes of the September 21, 2021 meeting. The motion was seconded by Ms. Bourbulas. Motion carried without a negative vote.

UNFINISHED BUSINESS

Update on American Rescue Plan Act Funds; and Action Thereon

Administrator Hilvo presented a spreadsheet of the American Rescue Plan Act detailing requests for the funding. The City of Cedarburg has \$1.2 million available. The City has until 2026 to use the funds. The goal is not to just use the funds, but to use them wisely. Administrator Hilvo continued to present the various requests that the City has received and the allocations that have been suggested. These requests will be presented to the Common Council. \$40,000 has been requested to provide help to small businesses in the City. These funds would be used to reimburse the businesses for permits and licenses. Business grants totaling \$60,000 have been requested for façade improvements and uniform signage. \$40,000 was requested to fund a long-term loan fund called Economic Development Revolving Loan Fund.

Ms. Bourbulas asked if the City already had a revolving loan fund. Finance Director Mertes answered that we had a fund previously through the State known as CDBG. Those funds had to be returned to the State.

Mr. Lorge asked if we had the \$1.2 million in hand. Administrator Hilvo answered that we have received \$600,000. A second \$600,000 will be received next year. Ehlers will be reviewing the requests for the

City before funds are disbursed. Ehlers will be a neutral third party and will let us know if the items are permissible.

Administrator Hilvo continued to go through the list with the requests from non-profits. Most of the non-profits are recommended to receive \$10,000. Some could be receiving additional funds. \$100,000 is requested for improvements at All Children's Playground. \$50,000 was requested for the Cedarburg Fire Department for Capital purchases. \$40,000 was requested by the Cedarburg Lions Club to purchase a trailer to be used during the festivals. \$39,700 was requested to provide hazard pay to firefighters and EMS personnel. The largest allocation requested, \$250,000 could be used to fund a lead pipe and sewer lateral replacement program. Administrator Hilvo finished going through the smaller, remaining requested allocations.

NEW BUSINESS

Review Proposed 2021 Budget; and Action Thereon

The Committee was concerned with borrowing for a Public Works truck and an air conditioner upgrade for City Hall. The Committee felt the borrowing is justified because they are long lived assets. At the present time, there is a proposed 7% increase in the budget. This increase will mean a \$20.00 increase on a \$280,000 home. The focus of the budget is on public safety by adding an additional full-time firefighter in July and an additional crewperson at public works. A conversation continued on levy limits and expenditure restraint. Mr. Lorge suggested that if there is room in the levy, to increase the Capital Improvement levy by \$150,000 which would increase the tax rate by 11%.

A motion was made by Mr. Loomis to increase the Capital spending levy by \$150,000 to cover future Capital Improvements. The motion was seconded by Mr. Lorge. Motion carried without a negative vote.

Mr. Loomis asked about the health insurance increase for 2022. Administrator Hilvo answered that the City will be offering two insurance plans, one with an employee premium share and the other without. The second plan would be an 8% increase over the 2021 rates. The City has a 19.3% increase in health insurance premiums for the Police Officers. The officers have one more year on their contract, so changes cannot be made. Administrator Hilvo added the City will be looking at buying into the State insurance plan for 2023.

Discuss Future Borrowing; and Action Thereon

A motion was made by Mr. Lorge to support borrowing \$230,000 for a public works truck and \$160,000 to replace the air conditioning system at City Hall and that the borrowing should be done through the State Trust Fund at the 5-year rate. The motion was seconded by Mr. Loomis. The motion carried without a negative vote.

Identify Future Agenda Items; and Action Thereon

- TID's-affects to the City financially
- Western Avenue residential use
- Update of budget-projected fund balance

Confirm Next Meeting Date

The next Finance Committee meeting will be held on November 30, 2021 at 1:00 p.m. via zoom.

ADJOURNMENT

Motion made by Mr. Loomis, seconded by Ms. Bourboulas, to adjourn the meeting at 2:15 p.m. Motion carried without a negative vote.

Kelly Livingston
Deputy Treasurer/Human Resources