

**FINANCE COMMITTEE
October 18, 2022**

**FIN20221018-1
UNAPPROVED**

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, October 18, 2022, utilizing the Zoom app.

Council Member Jack Arnett called the meeting to order at 1:01 p.m.

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

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.

COMMENTS & SUGGESTIONS FROM CITIZENS

APPROVAL OF MINUTES

A motion was made by Mr. Loomis to approve the minutes of the September 27, 2022. The motion was seconded by Ms. Bourbulas. Motion carried without a negative vote.

NEW BUSINESS

Tim Voeller was introduced as the new member of the Finance Committee.

Discuss Strategic Planning for Future Funding of City Services

Administrator Hilvo presented the outline below to use as a planning tool for future meetings. Administrator Hilvo stated that it is important to plan for the future and proper planning will assist in balancing the budget and remaining within the Levy Limits, as well as determining best uses for Fund Balances and funding future projects.

Strategic Financial Planning for the City of Cedarburg

- 1) Update Financial Trends Monitoring System (FTMS) – last updated in 2018
- 2) Review Fund Balances
 - a. General Fund
 - b. Capital Improvement Fund
 - c. Debt Fund
 - d. Cemetery Fund
 - e. Recreation Fund
 - f. Library Fund

- 3) Evaluate Trends
 - a. General Fund annual increases/decreases
 - b. Capital Improvement Fund uses
 - c. Debt Service changes
 - d. Cemetery Fund use
 - e. Recreation Fund use
 - f. Library Fund use
 - g. Levy Limit and Expenditure Restraint
 - h. State Aid(s)
 - i. Intergovernmental Revenues
- 4) Review Future Projects and Funding Sources
 - a. Fire/EMS staffing (Referendum – 2023)
 - b. 7-year Street/Storm Sewer Plan
 - c. City Fleet
 - d. Facilities Repairs
 - e. New Facilities
- 5) Develop Plan for Funding General Fund annual increases
- 6) Develop a Debt Service Plan
- 7) Develop a Capital Improvement Financial Plan
- 8) Review and Plan for TIDs

The Finance Committee discussed the outline and made suggestions on additional items to include. Administrator Hilvo updated the outline and added dates to indicate when each item will be discussed at future meetings. The updated outline will be redistributed to the Finance Committee.

Committee Member Loomis stated the City may need to do a referendum in 2023 to assist with the 2024 budget since the City would need to know the referendum outcome. Committee Member Lorge asked if a referendum must be associated with a specific issue or a percentage increase in a budget. Administrator Hilvo stated a referendum must state what the increase would be used for. Committee Member Lorge stated the City should take time for the referendum and possibly have two at the same time.

Committee Member Voeller stated he liked the outline format and asked for additional information regarding Fund Balances. Council Member Arnett suggested including a description of each fund along with a history of how the Fund Balance has performed over the last couple of years. Committee Member Lorge liked the idea of including a five-to-ten-year Fund Balance graph. Committee Member Lorge stated that the Fund Balance policies should also be included in the discussions. Committee Member Bradburn suggested including a percentage of General Fund compared to debt. Committee Member Lorge suggested looking at items 6, 7 and 8 before discussing the Fund Balance.

Administrator Hilvo stated he surveyed surrounding communities and a majority use debt to cover street projects. The City can currently levy for Capital projects but will need to plan for the future. Committee Member Bourbulas stated the City should focus on street projects and plan for inflation over the next several years.

Identify Future Agenda Items, and Action Thereon

Fund Balances discussion at the December meeting.

Confirm Next Meeting Date

The next Finance Committee meeting will be held on December 13, 2022, at 1:00 p.m.

ADJOURNMENT

Motion made by Committee Member Loomis, seconded by Committee Member Bourbulas, to adjourn the meeting at 2:00 p.m. Motion carried without a negative vote.

Maureen Hartjes
Deputy Treasurer