

**CITY OF CEDARBURG
FINANCE COMMITTEE
February 21, 2023**

**FIN20230221-1
UNAPPROVED**

A regular meeting of the Finance Committee of the City of Cedarburg, Wisconsin, was held online on Tuesday, February 21, 2023, 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, Allan Lorge, Michael Bradburn, Robert Loomis, Mary Kay Bourboulas and Tim Voeller

Excused- Jesus Torres

Also Present- City Administrator Mikko Hilvo, Finance Director Kelly Livingston, Deputy Treasurer Maureen Hartjes, Ehlers Senior Investment Advisor Tami Olszewski

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 January 17, 2022. The motion was seconded by Mr. Bradburn. Motion carried without a negative vote with Jesus Torres excused.

UNFINISHED BUSINESS

DISCUSS CURRENT CASH AND INVESTMENT POSITION; AND ACTION THEREON

Ehlers Investment Services – Presentation

Ms. Tami Olszewski reviewed the City's current investment policy and suggested bringing the policy up to date with Wisconsin State Statutes and industry best practices. Ms. Olszewski suggested making the following changes:

- Keep policies and procedures separate.
- Maintain policies with links to web resources in an online or electronic format.
- Leverage appendices for data to allow more regular edits and ease of updating (authorized depositories, signers, or statute links)- which allows for quick edits and ease of updating across financial policies as needed.
- Collateral procedures should include a periodic review of underlying collateral pledged to the City to ensure the parameters established by the City's policies are being followed. This is something Ehlers Investment Services can assist with. The City may open the collateral parameters to match permissible investments under State Statutes, but it is currently restricted to

government securities. Collateral is usually kept around 102%-110% of underlying security value. The City can also accept Letters of Credit from banks.

- A distinction should also be made between public depositories and other financial institutions such as investment advisors, or broker/dealer firms. Banks, or credit unions are generally depositories providing insurance coverage through the FDIC or NCUA program. Investment Advisors or Broker/Dealer firms provide custodial safekeeping generally through a third party.
- Review and update investment advisor selection process and review the City's Purchasing policies.

NEW BUSINESS

DISCUSS INVESTMENT OF DEBT PROCEEDS THROUGH EHLERS; AND ACTION THEREON

The Finance Committee had a discussion on the above presentation and changes and decided to move forward with transitioning to Ehlers Investment Services.

Motion made by Mr. Loomis, seconded by Ms. Bourboulas to discuss the use of Ehlers Investment Services at the next Council meeting. Motion carried without a negative vote with Jesus Torres excused.

DISCUSS REVISED INVESTMENT POLICY; AND ACTION THEREON

Ms. Olszewski will draft an updated Investment Policy for the Finance Committee to review at the next Finance Committee meeting.

Identify Future Agenda Items, and Action Thereon

- Review Purchase Policy
- Discuss revised Investment Policy – Ehlers Investment Services
- Provide update on \$2,725,000 borrowing – Ehlers Investment Services

Confirm Next Meeting Date

The next Finance Committee meeting will be held on April 4, 2023, at 1:00 p.m.

ADJOURNMENT

Motion made by Mr. Loomis, seconded by Ms. Bourboulas to adjourn the meeting at 2:00 p.m. Motion carried without a negative vote with Jesus Torres excused.

Maureen Hartjes
Deputy Treasurer