



## Finance Committee Meeting Minutes of April 27, 2021

### ABSTRACT/SYNOPSIS OF THE ESSENTIAL ELEMENTS OF THE OFFICIAL ACTIONS OF THE FINANCE COMMITTEE OF THE CITY OF WHITEWATER, WALWORTH AND JEFFERSON COUNTIES, WISCONSIN.

#### 1. Call to Order and Roll Call.

Finance Director Hatton called the meeting to order at 4:31 pm as two of the three committee members are newly appointed and the former committee chair was reassigned to another committee.

Present at the meeting were Committee Members Greg Majkrzak, Lynn Binnie, and Lisa Dawsey-Smith. Staff members also present: City Manager Cameron Clapper, Finance Director Steve Hatton.

Lynn Binnie nominated Greg Majkrzak to be named pro tem Chair of the committee. Motion was seconded by Lisa Dawsey-Smith.

Ayes: Binnie, Dawsey-Smith

Noes: None

Abstained: Majkrzak

Motion Passed

Control of the meeting was passed to Mr. Majkrzak

#### 2. Review and approval of minutes from February 23, 2021 and March 30, 2021

Hatton noted two grammatical corrections in the draft minutes. Dawsey-Smith moved approval of minutes as amended for corrections. Lynn Binnie seconded.

Ayes: Binnie, Dawsey-Smith, Majkrzak

Noes: None

Abstained: None

Motion Passed

#### 3. Hearing of Citizen Comments – No members of the public in attendance offered comments.

#### 4. Staff Updates

##### a. Financial Updates – Preliminary fiscal year-end December 31, 2020

Hatton displayed the material included in the packet and provided an overview of 2020 year-end resulting in an estimated General Fund surplus of \$207,000 after all budget amendments. Binnie noted appreciation for including clarifying comments on each line of the summary page. He also questioned the \$117,000 deficit listed for the Water Utility. Hatton noted the report is presented on a Fund basis which shows net change in cash, including bond proceeds and debt service payments. As 2020 was budgeted to use \$550,000 of fund balance for planned capital projects, a \$117,000 deficit is favorable.

Each of the utilities will be recharacterized to GAAP in the Audit Presentation which will better reflect the annual performance. Binnie also questioned the timing of the last rate increase for the Water utility. Hatton confirmed August 27, 2020 was the effective date of the last water rate increase and committed to clarify when the next rate increase could occur. Hatton reported progress on a project to compare combined water and sewer utility bills against other communities and promised to complete in time for the May Finance Committee meeting.

b. Financial Updates – Year-to-Date March 31, 2021

Hatton presented packet material and narrated financial overview of 2021 through March 31<sup>st</sup>. He cautioned that our budget is an annual figure and revenues/expenditures are not uniformly spread over the course of the year. Two noted items were the deficit in Fund 440 due to the call of the 2010 Bond in February and the deficit in Fund 910 due to the close-out of the Community Development Block Grant Revolving Loan Fund (CDBG RLF) paid out in January.

c. American Rescue Plan Act (ARPA) Update

A memo on the agenda item was included in the meeting packet. Hatton described the details of the program to date, which are limited. The first portion of the funds are expected to be received from the state in mid-June. We have until December 31, 2024 to utilize the funds in 5 broad eligible categories. The US Treasury will develop and release further details on use and reporting in the coming weeks. Further updates will be brought back to the Finance Committee and Council for input in coming months.

5. Discussion/Direction on the following:

a. Tax Increment District Update – Extension, Closures and Creation

Hatton reviewed the memo included in the packet recapping recent Tax Increment activity. Having closed TIDs 4-9, we are now able to officially able to create new TIDs. Staff is working with Ehlers, our municipal advisor, to ensure we meet all statutory requirements embedded in this process. Hatton reviewed the current timeline to this creation process including review with the Common Council, CDA, Plan and Architectural Review Commission and Joint Review Board in several upcoming meetings.

6. Future Agenda Items –Utility rate and American Rescue Plan Act Updates noted as requested additional items.

7. Discussion of Next Meeting Date – The next Finance Committee meeting is scheduled for May 25, 2021 at 4:30 pm.

8. Adjournment – Binnie moved to adjourn with a second from Dawsey-Smith. The motion passed by unanimous voice vote.

The Finance Committee adjourned at 5:09 pm.

Respectfully submitted,

Steve Hatton, Finance Director