

**Finance Committee Meeting
City Hall Caucus Room
March 17, 2025**

Members Present: Tony Sassen, Richie Reis, Jack Holtschlag, Sheri Ray, Mayor Troup, Glen Ebbing, Laura McReynolds, Kelly Stupasky, Steve Salrin, Jeff Bergman, Bruce Alford, Jake Reed.

Members Absent: Mike Rein, Eric Entrup

Alderman Reis made a motion to nominate Alderman Sassen as temporary chair. Second by Holtschlag. All in favor, motion carried.

Chairman Sassen called meeting to order at 5:45 p.m.

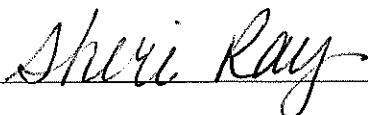
Previous Meeting Minutes - The minutes from the February 3, 2025 meeting were approved on a motion by Alderman Holtschlag. Alderman Reis second. Motion Carried.

Annual Financial Report (AFR) - Sheri discussed the City's annual financial report as of April 30, 2024 as prepared by Lauterbach and Amen. Sheri did note that there were two findings. One was related to a material weakness of the restatement to net position. Auditor recommends effective internal controls to provide accurate assessment of reporting capital assets. Second deficiency is audit journal entries. The auditors noted there should be a review and subsequent adjustment of general ledger balances and the city's preparation of these entries would reduce the number of entries proposed by the auditors. Sheri stated the AFR would be posted on the City website after Council receives/files. Sassen requested that the AFR be sent to all Alderman again. Alderman Reis made a motion to recommend the AFR to Council. Alderman Holtschlag second. All in favor, motion carried.

Capital Asset Policy- Sheri stated that the Capital Asset Policy adopted in 2003 is outdated and a draft policy was prepared using recommendations from Lauterbach and Amen. The major change is eliminating control (inventory) of assets between \$300 and \$5,000. The threshold for control (inventory) would be \$5,000. The capitalization or depreciation threshold will vary depending on asset type. Discussion followed. Alderman Reis made a motion to recommend policy to Council. Alderman Sassen second. All in favor, motion carried.

New business- Sheri reminded Council of the upcoming budget presentations. Alderman Bergman wanted to discuss the EPA loan fund excess cash disbursement to Water fund. He would like discussion to include using this money to pay down debt service. Sheri stated the interest rate on EPA loans are less than 2%. The bond debt is around 4%.

Meeting adjourned at 6:17 p.m.



Sheri Ray, Comptroller