CITY OF CEDARBURG
Finance Committee
July 16, 2026
Minutes

1. CALL TO ORDER

Council Member Fitzpatrick called the meeting to order at 10:00 a.m.

2. ROLL CALL

Present: Council Member Fitzpatrick, Jack Arnett, Michael Bradburn, and Mary Kay Bourbulas

Also Present: City Administrator Mikko Hilvo, Finance Director Maureen Hartjes and Deputy Treasurer Jennifer Sohre

Excused: Allan Lorge, Tim Voeller, and Jeff Slater

3. STATEMENT OF PUBLIC NOTICE

Finance Director Hartjes confirmed proper legal notice of the meeting had been given.

4. COMMENTS AND SUGGESTIONS FROM CITIZENS

Administrator Hilvo introduced the Finance Department's new employee, Deputy Treasurer Sohre.

5. APPROVAL OF MINUTES

A. March 19, 2026, Finance Committee minutes.

A motion was made by Ms. Bourbulas to approve the minutes of March 19, 2026. The motion was seconded by Mr. Bradburn. Motion carried unanimously.

6. REPORTS

A. Quarterly Reports

The quarterly reports were reviewed. Finance Director Hartjes stated the City's BMO accounts are now closed due to the low interest rates and difficulty in working with them.

7. NEW BUSINESS

A. Discussion on 2025 audit results.

Administrator Hilvo stated that the 2025 audit was positive and the City's fund balance increased. Mr. Bradburn asked whether the audit included a Management Discussion and Analysis. Finance Director Hartjes responded that the City has not completed one in recent years but plans to do so in the future.

B. Discussion on TID #4 financials.

Administrator Hilvo said TID 4 remains a concern due to ongoing attorney and consultant costs, particularly related to DNR and EPA cleanup discussions, which may further increase its negative balance. He noted that the City could use some of its general fund balance to reduce the current $1.8 million deficit, though doing so would move the City closer to the lower end of its fund balance range while remaining within policy limits. Committee members discussed whether there was any harm in leaving TID 4's negative balance as is, concluding that it is largely an accounting issue that does not affect the City's bond rating. Administrator Hilvo said another option would be to use a donor TID. A discussion ensued and the Committee agreed to further evaluate alternatives in the future, possibly with assistance from Ehlers.

C. Discussion on the Financial Management Plan (FMP).

Administrator Hilvo explained that the financial management plan was shared to keep it in front of the Finance Committee as they prepare for the 2027 budget. He added that there are major upcoming decisions, particularly on the public safety building renovations and the wastewater treatment center. He said future projections will be more accurate once cost estimates are available later this year. Administrator Hilvo said it does not make sense to have Ehlers update the plan until those numbers are known the committee agreed that the plan remains useful as a guiding document.

D. Discussion and possible action on annual certification of the Ethics Code.

The Finance Committee confirmed they had all read the Ethics Code.

8. <u>ADJOURNMENT</u>

Motion made by Mr. Arnett, seconded by Ms. Bourbulas, to adjourn the meeting at 10:39 a.m. Motion carried without a negative vote.

Maureen Hartjes
Finance Director