

*****SPECIAL FINANCE MINUTES*****

November 11, 2014

**SAUKVILLE MUNICIPAL CENTER
639 E GREEN BAY AVE, SAUKVILLE, WI**

Village President Barb Dickmann called the meeting to order at 6:00 p.m.

Village Administrator Dawn Wagner gave the Statement of Public Notice.

Members: Barb Dickmann-present, David Maglio-absent, Dan Sauer-present, Mike Krocka-present, Michael Gielow-present, Scott Fischer-present and Joe Caban (6:08 p.m.).

Others Present: Dawn Wagner, Mike Harrigan, and Vicki Lee.

2015 CAPITAL BORROWING PLAN - CONSIDERATION AND RECOMMENDATION

Mike Harrigan, Ehlers Financial Advisor presented the 2015 Capital Borrowing Plan for consideration. He wanted to provide some "food for thought". The Well #6 Project is the big ticket item for 2015 plus General Fund Equipment and Street Projects. He explained two techniques that can be used for this borrowing. It can either be funded with General Obligation (GO) Bonds or through Water Revenue Bonds. Option One: showed GO Bonds plus a refunding of the 2006 GO Issue. There is a limit on the GO Borrowing capacity per State Statutes; the debt burden can only be 5% of the Village's Equalized Valuation and depending on the level of the debt burden the Village's Bond Rating with Moody's could be affected. The advantage of utilizing GO Bonds is that they have lower interest rates. Option Two: showed a combination of GO Bonds and Water Revenue Bonds plus refunding 2006 GO Issue and Refunding 2004 and 2006 Water Revenue Bond Issues. The Water Revenue Bonds do not affect the Village's bond rating. They are based on the Water Utility's ability to pay. Harrigan stated rates are exceedingly low right now so it would be advantageous for the Village to consider borrowing as soon as possible. The interest rates could increase and the test well might not work, so everything will have to be reviewed again early next year, at the first meeting in January:

- 1) Discuss Revenue Bonds vs General Obligation Borrowing
- 2) Purchase Dump truck in 2015 or 2016
- 3) New money needed and refinancing

OTHER MATTERS

Wagner stated that she didn't have good news. Accurate Appraisal's Assessed Valuation Estimate was off the actual Assessed Valuation by \$1,831,000. This changes (increases) the proposed mill rate for the Public Hearing by .02/1,000. The levy still decreased as was the goal. Trustee Sauer requested a spreadsheet showing the levy for the last five years, which will be added to an existing "Budget History" spreadsheet.

ADJOURNMENT

Gielow/Caban made a motion to adjourn. Motion carried at 7:16 p.m.

Vicki Lee
Village Treasurer