

*****FINANCE MINUTES*****

December 15, 2015

SAUKVILLE MUNICIPAL CENTER 639 E. GREEN BAY AVE., SAUKVILLE, WI 53080

Village President Barb Dickmann called the meeting to order at 7:00 p.m.

Village Administrator Dawn Wagner gave the Statement of Public Notice.

Members: Barb Dickmann-present, David Maglio-present, Dan Sauer-present, Mike Krocka-present, Michael Gielow-present, Joe Caban-absent, and Scott Fischer-present.

Others Present: Dawn Wagner, Mary Kay Baumann, Ray deBruijn, Chief Goetz, Vicki Lee, Tony Matera, Mike Harrigan - Ehlers (via conference call), and Mark Jaeger.

APPROVE CLAIMS FOR NOVEMBER 2015 IN THE AMOUNT OF \$140,938.29

Krocka/Maglio made a motion to approve claims for November 2015 in the Amount of \$140,938.29.
Motion carried.

BUDGET WATCH

Wagner stated that the budget is trending well.

Wagner stated that the Fund Balance is strong.

INVESTMENT REPORT

Lee reported that nothing is new. Lee stated that there will be information tomorrow on whether or not we can expect any rate changes.

Lee reported that tax payments have begun coming in.

DEBT REFUNDING OPPORTUNITY AND NEW FINANCING - 2016 (EHLERS)

Mike Harrigan, Ehlers & Associates, spoke via conference call.

Harrigan stated that Ehlers prepared a letter regarding the outstanding 2008 General Obligation Issue.

Harrigan stated that the funding was run with current rates.

Harrigan reviewed the estimated refunding savings.

Harrigan stated that the interest rates ranged from 2.5-4% in 2008. Current rates are less than 1% up to 2.7%. The estimated savings would be \$152,288 on the remaining life of the debt. That equates to just over \$12,000 per year.

Harrigan reviewed the present value analysis stating that 3% of the principal would be refunded.

Harrigan reviewed the money needed for capital projects including a crane truck for the Utilities, an ambulance for the Fire Department and 2017 Road Project Engineering Services.

Harrigan stated that if the Village chooses to move forward the refunding could be combined with the new borrowing. This would allow the Village to have the money at a lower interest rate.

Harrigan reviewed two (2) scenarios - 5 year/10 year.

Harrigan reviewed the debt if there was no borrowing at all and the impact the debt would have on the rate.

Harrigan reviewed the structure of the two (2) scenarios. Harrigan also provided future financing for 2017 and 2020 in the 10 year scenario.

Harrigan stated that interest rates are currently very attractive. He also stated that the current climate is driving the rates lower.

Wagner stated that the existing ambulance is a 2001 and the crane truck is a 2000.

Wagner asked if scenario #2 would give the Village more flexibility with future borrowing. Harrigan stated yes.

Wagner stated that the anticipated Financial Management Planning could possibly roll right in with flexibility.

Dickmann asked the Committee members if they were all in agreement with the refunding. They were all in agreement.

Sauer expressed concerns with the proposed future spending. Sauer is concerned with spending the money on an ambulance and questioned whether it is necessary. Wagner said that is a question that would need to be answered by the Fire Chief.

Wagner stated that Harrigan made this recommendation considering the good rates and the Village would get more "bang for its buck".

Fischer questioned the plan of purchasing the ambulance in 2016 and then spending \$700,000 on a pumper truck in 2017.

Wagner stated that all of this is a plan - plans can be reviewed and shifted.

Dickmann stated this is exactly the reason the Village is going to do the financial planning.

Sauer was concerned that when all of the planned borrowing is layered in, it pushes the Village over the \$3 mill rate.

Wagner stated that the pumper truck is what is most likely to push it over the \$3.

Wagner stated that discussion needs to continue related to replacing the Fire Department equipment.

Wagner stated that the Parks Plan needs to be included for discussion at some point.

Sauer stated that the refunding makes sense. The crane truck is used extensively and the old equipment can be sold at a fair price. Sauer said he is concerned with the ambulance component.

Sauer stated that he would like to see the two (2) scenarios without the ambulance and also pushing the pumper truck out further.

Wagner stated that if the Committee is comfortable with the refinancing, we can move forward without the ambulance and consider short term financing, if necessary to finance the purchase of the ambulance.

Krocka stated that he agrees with the refunding but does not like the idea of exceeding the \$3 mark.

Fischer agreed with the refunding. He was also in favor of the 10 year scenario and not exceeding the \$3 mark.

Gielow agreed with the refunding and the 10 year scenario. He felt a discussion should be held with the Fire Department on the timing of needs.

Maglio agreed that the Village should do the refunding and the 10 year scenario.

Dickmann reviewed the proposed resolutions. The Committee would move forward with Resolutions #1227, 1228, 1230 and 1231 (adjusted to \$4,685,000).

Wagner stated that this would close out the reimbursement resolution (#1225), for the engineering services for the 2017 road projects.

RES. #1227 - INITIAL RESOLUTION AUTHORIZING \$130,000 GENERAL OBLIGATION BONDS FOR STREET IMPROVEMENT PROJECTS

Gielow/Krocka made a motion to recommend to the Village Board approval of Res. #1227 - Initial Resolution Authorizing \$130,000 General Obligation Bonds for Street Improvement Projects. Motion carried.

RES. #1228 - INITIAL RESOLUTION AUTHORIZING \$55,000 GENERAL OBLIGATION BONDS FOR WATER SYSTEM PROJECTS

Gielow/Krocka made a motion to recommend to the Village Board approval of Res. #1228 - Initial Resolution Authorizing \$55,000 General Obligation Bonds for Water System Projects. Motion carried.

RES. #1229 - INITIAL RESOLUTION AUTHORIZING \$210,000 GENERAL OBLIGATION BONDS FOR EQUIPMENT OF THE FIRE DEPARTMENT

No action taken. Additional discussion to follow.

RES. #1230 - INITIAL RESOLUTION AUTHORIZING \$4,500,000 GENERAL OBLIGATION REFUNDING BONDS

Krocka/Sauer made a motion to recommend to the Village Board approval of Res. #1230 - Initial Resolution Authorizing \$4,500,000 General Obligation Refunding Bonds. Motion carried.

RES. #1231 - RESOLUTION PROVIDING FOR THE SALE OF \$4,685,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS

Maglio/Sauer made a motion to recommend to the Village Board approval of Res. #1231 - Providing for the Sale of \$4,685,000 General Obligation Corporate Purpose Bonds. Motion carried.

2016 PROPERTY/LIABILITY/WORKER'S COMPENSATION INSURANCE

Tony Matera, Ansay & Associates (EMC), stated that the market is currently very flexible. Flat renewals are at 1%.

Matera explained that the Village's continued use of programs is keeping the loss control numbers down. The Village is 9 points below market trends for renewals.

Matera stated that the Village of Saukville is the only municipality that is at 100% for initial call-ins and same day reporting for Medcor.

Sauer asked about the 20% dividend offer. Matera stated that this is a rebate from Ansay and the percentage is mandated by the State.

Krocka/Fischer made a motion to recommend to the Village Board approval of EMC as the insurance carrier for the Village for 2016 for Property/Liability/Worker's Compensation. Motion carried.

FIRE PROTECTION CONTRACT - NEWBURG FIRE DEPARTMENT (TOWN OF SAUKVILLE)

Wagner stated that this is a contract renewal. There is a 1% increase over 2015.

Maglio/Krocka made a motion to recommend to the Village Board approval of the Fire Protection Contract - Newburg Fire Department (Town of Saukville) as presented. Motion carried.

OTHER MATTERS

Wagner reported that an e-mail was sent out regarding the Mid-Moraine dinners for 2016.

Wagner reported that DPW and Utility staff went to training offered by EMC. deBruijn stated that it was good training session that pertained to excavation and confined space entry.

ADJOURNMENT

Krocka/Gielow made a motion to adjourn. Motion carried at 7:52 p.m.

Mary K. Baumann
Deputy Clerk