



City of Rock Falls Finance/Insurance/Investment Committee

Date: November 24, 2009

Time Meeting Started: 6:30 pm

Time Meeting Ended: 8:00 pm

Members		Also Attended	
Ald. Kuhlemier, Chairman	P	City Administrator Downey	P
Ald. Schuneman	P	City Clerk Bill Wescott	P
Ald. Thurm	P		
Mayor Blanton	P		
Also Attended			

Topic	Discussion	Plan of Action
1. Call to order	<ul style="list-style-type: none"> Chairman Kuhlemier called the meeting to order at 6:00 p.m. 	In Session: 6:00 pm
2. Approve Minutes October 27, 2009	<ul style="list-style-type: none"> Committee approved minutes as presented. 	Minutes approved
3. Unfinished Business: a) Refinancing series 2005 bond	<ul style="list-style-type: none"> Following a discussion concerning current revenues received and projected under MFT, as well as, obligations in regards to current Bond (principal and interest payments) along with road projects, the committee decided at this time to no longer proceed with refinancing efforts of the current bonds. 	No action requested
4. New Business: a) MFT Funding Review	<ul style="list-style-type: none"> A work sheet was presented to the Committee for review in regards to current MFT fund balances and projected expenditures for the year 2010. 	No action taken
b) Riverfront Committee Expenses	<ul style="list-style-type: none"> Discussion was held concerning a request from the Riverfront Committee requesting \$3,000.00 to assist with cost of posters that were being considered. In light of current projected budget constraints, the committee declined any action on the request at this time, but will revisit it in May 2010. 	Committee will reconsider in May 2010
c) 2010-2011 Tax Levy	<ul style="list-style-type: none"> Following a review of the Tax levy that was utilized for 2009-2010 and then looking at the proposed 2010-2011 levy the following was noted. The total extension being recommended to the committee is 104.98%, which will produce a rate change of 5.35% over the previous year. The total extension is projected at \$921,880.13. Substantial increases in Pension obligations will constitute a large portion of the levy. Mr. Downey informed the committee that we are able to meet the Pension obligations due to reserves in some of the key accounts, which provided the flexibility that, was needed to keep the levy below the 105% threshold, if in fact that was the wishes of the Finance Committee. 	Recommend Tax Levy as presented to the Council for First Reading 12-1-09.
5. Committee Member Items	<ul style="list-style-type: none"> City Administrator Downey presented the committee with information on the current funding status of the City of Rock Falls in regards to sales tax, ½-cent sales tax and estimated state shared municipal revenues. The following declines in funding were noted: Sales Tax (-7.89%); ½ cents (-9.31%), in addition estimates on state level funding of Income Tax, MFT and State Use Tax are all projected to be drastically reduced over last 5 months of the year. The Electric, Water, Sewer and Garbage are not affected by these reductions, however, the General fund budgets will be. As a result of the projected revenue shortfalls, Administrator Downey suggests the following to the Finance Committee: <ol style="list-style-type: none"> Place a hold on replacement of the Street Department Supt. position. General Fund accounts should make no major purchases unless of an emergency nature the remainder of the year. 	The Finance Committee endorses the recommendations of the City Administrator and directs the Department Heads to be notified of actions to be taken and Chairman Kuhlemier will inform the Council.

	<p>3. Requests that all Departments, which fall under the General Fund, review there budgets and freeze at least 10% of there remaining budgets for the fiscal year. They are to bring a list of those budget items to the next Finance meeting for discussion and review.</p> <p>The finance Committee concurs with the recommendation of the City Administrator and recommends that the Administrator direct the Department Heads to take such action, and the Council will be so advised at there next meeting as well.</p>	
5. Committee Member items	<ul style="list-style-type: none"> • No items presented 	<ul style="list-style-type: none"> • No action
6. Adjournment	<ul style="list-style-type: none"> • With no other business to come before the committee, the meeting was adjourned. 	<ul style="list-style-type: none"> • Adjournment at 8:00 pm

Ald. Glen Kuhlemier, Committee Chairman