



## City of Rock Falls Finance-Ins.-Inv. Committee Meeting Minutes

**Date: November 23, 2010**

**Time Meeting Started: 6:30**

**Time Meeting Ended: 8:07 p.m.**

Members		Also Attended	
Chairman Glen Kuhlemier	P	Administrator Downey	P
Ald. Thurm	P	City Clerk Wescott	P
Ald. Schuneman	P		
Also Attended			
Mark Noffert, Arthur J. Gallagher Services MICA	P		
Ryan Doyle, Arthur J. Gallagher Services MICA	P		

Topic	Discussion	Plan of Action
1. Call to Order @ 6:30 p.m.	<ul style="list-style-type: none"> <li>With a quorum present, meeting called to order</li> </ul>	Called to Order
2. Approve Minutes October 26, 2010	<ul style="list-style-type: none"> <li>Minutes not presented</li> </ul>	Approve at next meeting
3. New Business a) Insurance review 1. MICA Presentation	<ul style="list-style-type: none"> <li>Clerk Wescott introduced Mark A. Noffert and Ryan Doyle from Arthur J. Gallagher Risk management Services, MICA. MICA is a pooled insurance program originally formed in 1984. Currently there are 23 public entities in the agency. Insurance coverage is provided to the agency by a self-insured program that provides liability coverage limits to \$10,000,000 on an occurrence form. MICA's program includes coverage for: Property, Liability, W/C, Crime, Boiler, and sales tax interruption if so desired by the municipality.</li> <li>Under MICA, all losses are paid from MICA's Loss Fund. If the loss fund is exhausted, excess insurance then takes over. If the loss fund is not exhausted, MICA keeps the surplus and returns dividends to its members at the completing of all claims in a given year.</li> <li>Membership in MICA requires a three-year commitment to protect the members of the pool. Following the presentation a total Program Cost annualized would be \$397,248. MICA's policy program is May 1, 2010 to May 1, 2011. The quoted annual rate is guaranteed for policy period commencing May 1, 2011. A pro rated premium for the period December 31, 2010 to May 1, 2011 would be \$144, 571.66</li> </ul>	MICA representatives were thanked for there presentation. Appropriate notifications will be made the first week of December 2010.
2. IMLRMA	<ul style="list-style-type: none"> <li>Clerk Wescott informed the Committee that he had received the IMLRMA renewal quote this week and presented information for consideration. City of Rock Falls has been with IMLRMA since 1997 and participates in the Min./Max program. Since participation has begun, the city has experienced 6 coverage years, where additional payments were required duty to loss funds exceeding the 120% level or 180% maximum level.</li> <li>In comparison to the MICA proposal, IMLRMA does not include boiler and machinery coverage's. A separate policy with Travelers Insurance which runs 2-10 through 2-11 has an additional cost of \$28,643 for the current year.</li> <li>Renewal cost for the IMLRMA for the 2011 year are; \$428,263 if participating at the minimum level and \$479,712 contribution for the Maximum. This would not include Boiler and Machinery for 2011.</li> </ul>	Informational only at this time. Proposal will be given consideration with others following all presentations.
b) Tax levy presentation	<ul style="list-style-type: none"> <li>Administrator presented the Committee with the financial considerations for the 201-2010 Fiscal Tax year levy. Following discussions concerning the various line items and figuring in carry over's from reserves, the following numbers were established for submittal to the council for First Reading at the December 7, 2010 City Council meeting.</li> </ul>	Levy will be presented to the Council for First Reading at the December 7, 2010 Council Meeting.

	<ul style="list-style-type: none"> <li>The EAV is projected at \$76,723,355; an increase of \$778,615.00 over last year. Total funds being requested totals \$916,076.86 a 3.01% rate change over last year. Total extension will be at 104.98% which shall not require a public hearing under the truth and taxation laws. The committee established that it would not be fiscally responsible to exceed the 5% cap with the current economic conditions. It is fully realized that the State will most likely lower the amount of funding again this year, however, all funds will be monitored and action taken within the budgets as required.</li> </ul>	The Committee thanked Administrator Downey and the Clerk's Office for its work on the levy proposal.
4. Committee Member items.	<ul style="list-style-type: none"> <li>Chairman Kuhlemier called for a Special Finance-Insurance-Investment Meeting on Tuesday, November 30, 2010 to hear additional Insurance proposals.</li> </ul>	Special Meeting scheduled for 11-30-2010 @ 6:30 p.m.
5. Adjournment	<ul style="list-style-type: none"> <li>With no other business to come before the committee, Chairman Kuhlemier called for adjournment</li> </ul>	Adjourned at 8:07 p.m.

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Committee Chairman