



City of Rock Falls Finance/Insurance/Investment Committee

Date: 01-26-2010

Time Meeting Started: 6:30 pm Time Meeting Ended: 8:20 pm

Members		Also Attended	
Ald. Kuhlemier, Chairman	P	Richard Downey, City Administrator	P
Ald. Schuneman	P	Susanne Dir, Treasurer	P
Ald. Thurm	P	City Clerk William Wescott	P
Mayor Blanton	P	Building Inspector, Mark Searing	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 	In session: 6:30 pm
2. Approve Minutes 12-29-2009	<ul style="list-style-type: none"> Following a review of the minutes, the minutes were approved 	Minutes Approved
3. New Business a) Building Department Fees	<ul style="list-style-type: none"> Mr. Searing, Building Inspector presented the Committee a review of the permit fees which originate in his office that have not seen an increase in time, and presented a comparison of our fees to neighboring cities. Following a discussion of the costs and time associated with each of the items presented, the Finance committee will recommend the following Permit Fee increases to the Council for action in March with an implementation date of May 1, 2010 Sec. 5-176 (7) Moving Buildings Flat fee \$100.00 Sec. 5-126 (9) Demolition Flat Fee \$ 50.00 Sec. 5-126 (10) Occupancy \$20.00/residential/\$40.00 commercial \$20.00 residential/\$40.00 commercial for 3rd, 4th, 5th ect Inspections Sec. 5-126 (12) Sidewalks Minimum fee \$15.00 Sec. 5-126 (14) Signs Flat fee \$35.00 Sec. 5-126 (16) Sewer Inspection Flat fee \$25.00 New Ordinance: Inspection Fee's 1st & 2nd inspection no fee residential Or commercial – 3rd, 4th, 5th re-inspection \$20 resid./\$40 commercial 	Committee to forward permit fees presented and new ordinance request to Council in March
b) Dumpster Fees	<ul style="list-style-type: none"> Administrator Downey presented a request to raise the current dumpster fee from \$5.00 to \$15.00. The current fee does not cover the time and or materials to process and issue the permit. Discussion was also held in regards to creating language in the ordinance, which would make local haulers that deliver dumpster, responsible for notifying residents that a dumpster permit is required, and in addition not deliver the dumpster until the permit has been secured. This was the original verbal agreement with the haulers when this program was implemented, however, residents are being fined for not having permits, however, and are not aware that they are required. 	Forward to Ordinance Committee in February for action.
5. General Fund Budgets	<ul style="list-style-type: none"> Administrator Downey presented the preliminary figures for the General Fund Budget for 2010-2011. The estimated revenue to be available from sources is at \$4,749,210.00. The projected expenditures are \$5,794,167.00. After applying a projected carry over of \$362,322 the projected deficit is (-) \$637,635.00. A preview of the revenues shows the following projected declines in the Property Tax (-15%) Sales Tax (-8%) and Income Tax (-15%). In order to offset these projected shortfalls in revenue the committee will need to review several of our other revenue sources and give consideration to possible increases. 	

3 (C) Revenue Sources	<ul style="list-style-type: none"> • The following current revenue sources are being reviewed for possible increase for funding of the General fund. <ol style="list-style-type: none"> 1. Simplified Municipal Telecommunications Tax - Currently the City is at 3% which generates approximately \$70,000 per each % point. For the current year projected revenue is \$210,000.00. Following discussion, the recommendation is to increase the Tax 3% for 2010-2011 with a projected new income of \$420,000.00 or a gain of \$210,000. 2. Natural Gas Utility Tax- Currently the City is at 3% which generates approximately \$28,000 per each % point. For the current year projected revenue is \$84,700.00. Following discussion, the recommendation is to increase the Tax 2% for 2010-2011, with a projected new income of \$141, 165.00 or a gain of \$56,466.00. 3. Capital Cost Recovery- Currently the City is at 6/10th cents (0.60 cents) net per kilowatt hour or \$70,584.00 per 1/10 cent. For the current year the projected revenue is \$423,505.00. Following a lengthy discussion concerning utility rates and the affect of this consideration, the recommendation is to increase the capital cost recovery charge to 7/10th cents (0.70 cents) per kilowatt hour, increases the project revenue for 2010-2011 to \$494,089.00 or a gain of \$70,584.00. <p>The total new revenue income projected for the 2010-2011 budget year if these adjustments are implemented results in \$337,050.00 new revenue.</p> <p>4. The committee reviewed the article in the February 2010 Illinois Municipal League Magazine which yearly outlines the projected revues from the State of Illinois to Municipalities. The Taxes are paid on a per capita volume. For the 2010-2011 year, the revenues received will drop from the current \$92.00 per capital to \$77.00 per capita or a loss of nearly \$150,000.00.</p> 	Finance Committee will recommend to the Council the increase in rates as presented.
4. Budget Format	<ul style="list-style-type: none"> • City Clerk Wescott addressed the committee and requested that the City Clerks Budget which is part of the General Fund be recorded as a separate budget from that of Administration that it currently is reported under. All of the other components of the General fund have there own budgets, which allows for better monitoring of funds and cost centers related specifically to the individual departments. Following a short discussion, the committee recommends the separation of the City Clerk’s Office cost from that of the Administration. 	Authorization to allow the City Clerk’s Office to have there own budget beginning in 2010-2011.
6. Investments Report (October-November-December 2009)	<ul style="list-style-type: none"> • Total interested earned from Money Markets for the reporting period is \$28,898.88 (\$9,632.96 per month average). Interest rates remain at low levels, with money markets producing the only investment opportunities as C.D. rates remain non-competitive to the money markets. 	Investment Report accepted.
7. Committee Member items	<ul style="list-style-type: none"> • Mayor Blanton reported to the Committee that the recently completed asbestos report on the Limestone Building shows that it would cost approximately \$100,000 to complete asbestos abatement. In addition rough cost for demolish were received and American Demolition suggest \$96,000 and Burke Excavating suggest \$45,000. • Mayor reported that more asbestos was found at the Reliant site in a sub-roofing area which could cost an additional \$30,000 for remediation. • Mayor Blanton also made a brief report on the progress being made to establish a Hearing Officer for the municipalities of Rock Falls, Sterling and Dixon. • City Clerk Wescott shared with the Committee that several requests have been received by elected officials to participate in the Health and Dental Insurance. All of have indicated that they would pay there own premiums for the full amount. He plans on speaking to the current carriers and present the information on next months agenda. 	Information only no Action taken.
8. Adjournment	<ul style="list-style-type: none"> • Meeting was adjourned by Chairman Kuhlemier. 	Adjourn 8:20 p.m.

