

**FINANCE AND ADMINISTRATION  
MINUTES**

**Monday, November 26, 2007**

Minutes of a regular meeting of the Finance and Administration Committee of the City of O'Fallon, held in the Mayor's Conference Room, City Hall, 255 S. Lincoln, O'Fallon, Illinois on November 26, 2007. CALL TO ORDER: Time: 5:30 p.m.

ROLL CALL:	MEMBERS:			
	Medford -	<u>  X  </u>	True -	<u>  X  </u>
	West -	<u>  X  </u>	Drolet J.-	<u>  X  </u>
	Grogan -	<u>  -  </u>	Excused	

STAFF LIASON:	<u>Dean Rich</u>	<u>Walter Denton</u>
	<u>Alderman Albrecht</u>	<u>Alderman Reckamp.</u>
		<u>Alderman Schmidt</u>

**Approval of the minutes from September 17, 2007**

**Item A: Annual Insurance Renewal:** Director of Finance introduced Mr. John Kreisler of Warma-Witter-Kreisler & Associates Inc. Mr. Kreisler was available to answer any questions about the renewal of the City's general, boiler, automobile, liability and worker's compensation insurance. This years premium reflects a decrease from \$611,627 to \$566,156 with the biggest reduction credited to worker's compensation which decreased by \$80,039. The new policy included increased vehicles, the 200 N. Lincoln property and the Family Sports Park through Phase I. Alderman J. Drolet asked about bidding out the insurance. Director of Finance discussed the Charlesworth Report from a number of years ago which rated our insurance broker as excellent. Both Director of Finance and Mr. Kreisler explained that Municipal Insurance was a rather limited field with 4 to 5 major companies represented by numerous brokers. Mr. Drolet was interested in pursuing the issue but the other members of the committee expressed support for Mr. Kreisler. Director of Finance will review the 2008 renewal and report available brokers, cost and advantages/disadvantages of an insurance Request for Proposal (RFP) for the committee's consideration.

**Item B: Property Tax Levy:** Director of Finance presented the committee with the 2007 Proposed Tax Levy. (Attachment 1) Highlights include a \$342,866 reduction in funds requested resulting from subtracting last years .0703 multiplier from the 2006 EAV base, an overall rate decrease of 0.0117 (0.9035 in 2006 to 0.8918 in 2007). The overall funds increase is 9% based strictly on new homes and commercial property. The major account increase is an additional \$115,358 for the Fire Department as we continue to rebalance our tax rate between EMS, Fire and Rural Fire District, and an increase back to the maximum rate of .1500 for the Library after several years of underfunding due to restrictions in their prior year budgets. The overall estimated EAV of \$585,761,921

continues our 15 year streak of increasing EAV. Alderman Drolet questioned why the Library needed more money. Director of Finance explained the Library had been underfunded for a number of years due to problems with the budget process.

**Item C: Budget Timelines:** It is budget time again with the first budget papers to staff December 7, Management Team review February 5-7, Committee Briefings February 11-15 and an April 21 final Council approval. (Attachment 2)

**Item D: Sister City/Census Updates:** Nothing new on Sister Cities. Census is still scheduled for the spring, with a recent start date from the Chicago Regional Census Office of early April, 2008.

**ADJOURNMENT:** 6:04 p.m. **PREPARED BY:** Dean Rich