

**FINANCE AND ADMINISTRATION
MEETING MINUTES**

Monday, October 26, 2009

Minutes of a 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 October 26, 2009. CALL TO ORDER: Time: 5:30 p.m.

ROLL CALL:	MEMBERS:		Drolet J.	<u>X</u>
	Chairman Bennett	<u>X</u>	True	<u>X</u>
	Albrecht	<u>X</u>	McCoskey	<u>X</u>
	Grogan		Alderman Reckamp	<u>X</u>
STAFF LIASON:	Dean Rich	<u>X</u>	Alderman N.Drolet	<u>X</u>
	Walter Denton	<u>X</u>		_____
	Pam Funk			_____

Approval of Minutes: September 28, 2009 All ayes.

Item A: Special Business District

Director of Finance stated that he had received the paperwork from PGAV in St. Louis and was ready to set a time table for completion of the Special Business District (SBD). The district will be the same size as the proposed TIF and will add 1% to all sales transactions in the SBD. The public hearing and first vote on Ordinance is scheduled for November 16, 2009 and all paperwork will be available before the first vote and again at the November 23, 2009 committee meeting. If all goes as planned, the second and final vote will be December 7th, and the first tax collection starting January 1, 2010. Discussion centered around area, timing and length of SBD. All questions were answered to the committee's satisfaction and Chairman Bennett called for a vote. Alderman True moved and Alderman Reckamp second. Alderman J. Drolet voted to move to council but wanted it noted that he would not decide until he had time to review all the documents.

Item B: Annual Insurance Review

John Kreisler, the City's Insurance Broker, presented the proposed General Liability Policy for next year. It includes the increase of earthquake, flood and mine subsidence coverage from \$5,000,000 to \$15,000,000 at a cost of \$15,000. The extra was recommended as the city now owns the Regency Conference Center and have added several buildings since the coverage was originally set at \$5,000,000. The Work Comp rate went up \$62,713 due to the 2008/2009 work experience. Even with this increase, the city is still saving over \$100,000 over the old policy. The Work Comp deductible is set at \$25,000 per incident and the committee wanted to know what would be the difference if the deductible was increased to \$50,000. Mr. Kreisler responded the next day that there would be a one time savings of \$35,000. Director of Finance recommended by e-mail that the \$35,000 cost savings did not off set the increased risk as one incident would nearly wipe-out the savings and the risk beyond was unlimited in the policy. The committee all agreed back by e-mail and the deductible will remain at \$25,000.

ADJOURNMENT: 6:03 p.m. **PREPARED BY:** Dean Rich