



City of Rock Falls Finance Insurance Committee Meeting Minutes

Date: 9-23-2014

Time Meeting Started: 6:00pm Time Meeting Ended: 7:00pm

Members		Also Attended	
Alderman Glen Kuhlemier - Chairman	A	Alderman George Logan Jr.	P
Alderman Daehle Reitzel	P	Alderman Lee Folsom	P
Alderman John Watts	P	Mayor Bill Wescott	P
Alderman James Schuneman	P	Administrator Robbin Blackert	P
		Clerk Eric Arduini	P
Also Attended			
Todd Etheridge -CLA	P	Russ Court	P

Topic	Discussion	Plan of Action
1. Call to Order @ 6:00 p.m. – Alderman Reitzel	Meeting was called to order	Meeting Begins 6:00pm
2. Approve Minutes – Finance Committee meeting August 26th, 2014	Minutes were reviewed by the committee	Minutes approved
4. New Business: a. Clifton Larson Allen presentation of the 2013-2014 Audit	<p>Russ Court from Clifton Larson Allen briefed the members on the Basic Financial Statements included in copies of a draft audit.</p> <p>Mr. Court explained that GASB 68 which will begin reporting unfunded pension responsibilities will be stated on the Rock Falls financial statements in 2 years.</p> <p>Mr. Court explained that new GASB 65 rules had no effect on the city.</p> <p>Mr. Court briefed the members on the Significant audit findings, and the management letter.</p> <p>Mayor Wescott spoke about the GASB 68 which begins April 30, 2016, and will affect the financial statements due to the funding of IMRF, Police, and Fire Pensions.</p> <p>Administrator Blackert explained the draft response letter to the committee. Adm. Blackert stated that she will have an RFP ready for the next Finance meeting. She hopes to attain a 3 year contract with an auditing firm. To remove the statement about the separation of auditors, the city will have to look for a separate firm to prepare the city's financial statements, and accrual account transfers.</p> <p>Adm. Blackert explained that utility bad debt is monitored daily, and the city has an operation and maintenance expense for bad debt on a cash basis rather than a reserve, and monthly review as suggested by the management letter.</p> <p>It was suggested that enterprise funds may be separated from the Public Works Committee for greater review of policies and procedures.</p> <p>A motion was made by Alderman Schuneman and second by Alderman Watts to recommend that the response letter be added to the draft audit and be sent on to the city council for approval.</p> <p>Viva Voce Vote, motion carried</p>	The Audit with response letter attached be sent to the City Council for approval
b. ½ Cent sales tax referendum discussion	<p>Mayor Wescott gave the committee a handout explaining the city's MFT income and payments. The west 2nd street bond will end in 2019.</p> <p>The ½ cent referendum will have to be delivered to the County Clerk's office by December 8th to be placed on the ballot. If the referendum passes it will add approximately \$406,000 to go to street repairs yearly.</p> <p>Mayor Wescott also handed a report showing a listing of fixed assets. This report illustrates what roads were repaired, and when.</p>	No action

	<p>Adm. Blackert pointed out that the West 2nd Street rebuild was paid for with a 20 year bond in 1999. The city is also repaying the Electric Dept. for East 2nd Street. She stated that garbage is the only enterprise fund currently supporting street repairs.</p> <p>Alderman Watts stated that the public needs to know that this ½ cent tax can only be used for roads, and we have only spent the current sales tax dollars on roads.</p> <p>Alderman Schuneman stated that at an IML session he learned ways to promote a sales tax increase, but if this passes, as well as the school's 1 percent increase the tax would be quite different in Rock Falls than Dixon.</p>	
7. Adjournment	With nothing else for the good of the committee the meeting adjourned at 7:00 pm	Meeting end 7:00pm

Committee Chairman