

ADMINISTRATION COMMITTEE MINUTES
December 6, 2010, 2010

Chairman Winters called the regular meeting of the Administration Committee to order at 5:33pm. Present were: Trisha Davey, Dave Winters, Mayor Adams, and Attorney Cox
Also present – Scott Fridly

Motion by Ms. Davey, second by Mr. Winters to waive the reading of and approve the minutes of November 15, 2010 as presented. Motion carried 2-0.

Josh Brown and Chief Dickson arrived at 5:38pm

THE MAYOR

Tax Levy

The Mayor shared that he would like to see the board approve a tax levy increase tomorrow night of just under 5%. Attorney Cox helped explain to the committee members that by the time the final EAV numbers comes through and the county applies tax caps, there would be a good chance the actual tax rate would not increase or would only increase slightly. The mayor stated that since the increase in the levy amount would be under 5% they would not have to hold a public hearing. He said the levy was ready for approval at the board meeting tomorrow evening.

Pledge for Embry-Riddle

The Mayor asked the committee to think about making a \$1,000 scholarship pledge to attract Embry-Riddle. He stated they could include that amount in next year's budget. If Embry-Riddle does not come to Rockford then the money would not be given. Committee members said perhaps they could approve this by consensus at tomorrow night's board meeting.

Mayor Adams also informed the committee that the state wants the Village of Rockton to take over the jurisdiction and maintenance of Rockton Rd/Union Street from Kocher Street to IL 2. The mayor stated that if the village would be willing to agree to the transfer of jurisdiction the state would pay them \$37,700. He said did not see a problem with doing this, but that it would be discussed further at the public works committee meeting.

He also said the village would be holding a public hearing to approve the Blum pre-annexation on December 21, 2010.

PUBLIC SAFETY AND LEGAL- Mr. Winters

Development District

Mr. Winters explained to the committee that he had talked to Ehlers at the IML conference about helping the village form a TIF district. Ehlers has a provided a proposal in which they would charge a fee of \$27,000 to assist the village with this process. Ehlers thought that once they begun that they would be able complete the process within 90days. Mr. Winters stated that at this point the idea is for the proposed TIF district to include the

Sonoco Plant, go through the park area to the east along the river and include the Hendricks property, head north along Salem and end by including the old grade school property. Dave said that he would like to see the residential property along Salem be deemed surplus from the beginning and the increase in tax revenue passed along to the taxing bodies. Mr. Brown stated that at this time he agreed with the idea of forming a TIF district that included the Sonoco property, but he was not sure about including the other properties. He stated that he would need time to study the proposal. Ms. Davey stated she felt the same way. Mr. Winters shared that he had talked with some investors and that they felt the grade school property would not develop into much without some incentives. It is currently assessed at \$43,000 because of asbestos issues, but recently sold for only \$20,000. The Mayor said the Hendricks property was in a flood plain, and if it was included in the TIF, the village could better promote the development of industrial use of the property. Mr. Winters stated that a consultant had shared that he felt that area was better suited for an industrial type of development.

The mayor said that the village board would have to determine if they felt they should include any of the downtown area in the TIF proposal. He said that perhaps they should instead look at forming a business district in the downtown area which could generate additional revenue for improvements by charging an extra 1% sales tax within the district. The committee members discussed the current TIF districts in Rockton and how the Chemtool TIF is making money for the village and the Wagon Wheel TIF is losing money. The difference is in how much “up front” costs the village covered. Committee member stated that if they had not improved Wagon Wheel Road and that if the costs to do so had not gone over budget they would be making money on that TIF as well. They also stated that the current state of the economy also played a factor.

Mr. Winters asked Office Manager Warren for her opinion about the TIF district. Mrs. Warren is also the president of the Rockton School Board. She stated that like Mr. Brown, she personally could support forming a TIF district that covered the Sonoco property if it indeed met the criteria. She liked the idea of getting someone to tear down the old paper recycling plant and improve the downtown area by constructing a hotel along the river. However, she thought they would have a hard time selling the idea of extending the TIF district to include the other areas.

Mr. Winters asked committee members to think about the proposal and he would put it on the January 4th agenda to see if there was support to move forward.

ADMINISTRATION & BUDGET - Mr. Brown

Illinois Municipal League Risk Management Insurance Renewal

Mr. Brown talked to committee members about the village’s risk management insurance renewal. The cost to continue with the regular coverage would be \$106,406. This is an increase of \$15,585 over last year. The insurance company had also included an option to go to what they call a “Min/Max contribution. This proposal would mean that the village would only be charged \$94,994, but if their claims went over a specified amount the village could have to pay up to a maximum of \$129,230. The committee members looked at the loss data from the previous six years and felt the risk was worth it to try to

save the village some money. The committee recommended approving the “Min/Max” proposal at the board meeting and paying half of the minimum amount, or \$47,734.49 at this time, with the remaining half due on May 20, 2011.

Mr. Brown moved, Ms Davey second to adjourn at 6:12pm.

Respectfully submitted,

Brenda Warren
Office Manager