

Posted: 11/09/2017 12:21:38 PM  
Updated: 11/15/17

VILLAGE OF MILAN COUNCIL MEETING

November 20, 2017  
Milan Municipal Building  
5:30 P.M.

AGENDA

1. Roll Call
2. Pledge of Allegiance
3. Consideration of the Minutes of October 2, 2017
4. Consideration of the Treasurer's Report
5. Consideration of the Semi-Monthly and Miscellaneous Bills
6. Consideration of an Ordinance establishing an Enterprise Zone in the City of East Moline, City of Moline, City of Rock Island, City of Silvis, Village of Milan and Rock Island County, Illinois
7. Consideration of Police Pension Board's Municipal Compliance Report and Annual Treasurer's Report
8. Consideration of Plumbing repairs to the Wastewater Treatment Plant
9. Consideration of an Estimated Municipal Tax Levy and Tax Rate for the 2018 Collection Year and for establishing a Public Hearing on December 4<sup>th</sup>, 2017
10. Consideration of a Softball Diamonds Use Agreement with Milan Girls Fast Pitch
11. Consideration of Class D-1 Liquor License Application for Koellner Enterprises 5 LLC, DBA Lucky's Jackpot
12. Committee Reports
13. Citizens Opportunity to Address the Village Board
14. Adjourn

ROLL CALL

Roll call vote showed present, Trustees Jim Flannery, Jay Zimmerman, Harry Stuart, Jerry Wilson and Bruce Stickell. Trustee Jody Taylor was absent.

PLEDGE OF ALLEGIANCE

Attorney Scott led the Pledge of Allegiance.

CONSIDERATION OF THE MINUTES

All Board Members received a copy of the November 6, 2017 Village Board meeting minutes. There being no additions or corrections, Trustee Wilson moved to approve the minutes as presented and Trustee Flannery seconded the motion. All Trustees voted "Aye". Motion carried.

CONSIDERATION OF THE TREASURER'S REPORT

Treasurer Mark Hunt was present and gave a copy of his report ending October 31, 2017 to all the Board Members.

Treasurer Hunt gave a status report of key General Fund revenue which showed most of the projected revenue not being met. When the QCOMM911 lease money starts coming in it will help.

Wages, hospitalization insurance and gas and electric remain the top expenses in all departments. Wastewater Treatment Plant has had some major expenses for equipment and bond payments, but due to the increase for water/sewer services, the W/S Fund remains healthy.

The TIF Funds all show surplus revenue. According to the agreement with Rock Island-Milan School District, this surplus revenue will be declared and distributed back to the Rock Island County Treasurer to be  
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disbursed among the regular taxing bodies one of which is the Village. This gets the TIF money into the General Fund to boost revenue.

Camden Center is at a small profit half-way through the fiscal year which is an improvement and the Garbage fund is also healthy.

Mr. Hunt stated the TIF funds are being used as much as legally possible to help out the other funds. The village is managing to get by, but are a long way from the GFOA recommendation of a three month minimum balance in the General Fund.

Mayor Dawson stated he hopes to see the sales tax increase to help out the General Fund. The recent income tax increase imposed by the State will stay at the State level and not benefit local governments.

He feels the State of Illinois is responsible for our and other Municipalities financial problems.

There being no comments regarding the Treasurer's Report, Trustee Flannery moved to approve the Treasurer's report as presented. Trustee Stickell seconded the motion. All Trustees voted "Aye". Motion carried.

CONSIDERATION OF THE SEMI-MONTHLY AND MISCELLANEOUS BILLS

Trustee Zimmerman stated there is only one run of bills tonight. He has looked through the bills and they seem fairly normal. The payment of \$1,015,945 was interest and principal on the 2008 and 2010 Series Bonds paid by TIF I causing the large bill total.

There being no other comment on the bills, Mayor Dawson asked for a motion to pay the bills as presented.

Trustee Zimmerman moved to pay the November 20<sup>th</sup> list of bills presented in the amount of \$1,075,417.79. Trustee Stickell seconded the motion. Roll call vote showed Trustees Zimmerman, Stuart, Wilson, Stickell and Flannery voted "Aye". Motion carried.

The bills will be paid from the following accounts:

General	\$ 19,384.48
Garbage	12,046.42
Motor Fuel Tax	5,314.09
Camden Centre	3,421.69
Camden Centre Deposit	500.00
Special Tax Allocation I	1,017,213.81
Police Pension Fund	5,561.45
Water & Sewer	11,975.85
Total	<u>\$1,075,417.79</u>

CONSIDERATION OF AN ORDINANCE ESTABLISHING AN ENTERPRISE ZONE IN THE CITY OF EAST MOLINE, CITY OF MOLINE, CITY OF ROCK ISLAND, CITY OF SILVIS, VILLAGE OF MILAN AND ROCK ISLAND COUNTY, ILLINOIS

Mayor Dawson stated the current Enterprise Zone will expire in March of 2018. A new application will be sent to the State so another Enterprise Zone can be established beginning January 2019. The application covers territory in each of the cities of Moline, East Moline, Rock Island, Silvis and the Village of Milan and Rock Island County. Letters of intent are being written by businesses showing their intent to use the Enterprise Zone for economic development.

Trustee Wilson moved to pass Ordinance No 1662 which would establish an enterprise zone which would include Milan. Trustee Stickell seconded the

motion. Roll call vote showed Trustees Stuart, Wilson, Stickell, Flannery and Zimmerman voted "Aye". Motion carried.

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CONSIDERATION OF POLICE PENSION BOARD'S MUNICIPAL COMPLIANCE REPORT AND ANNUAL TREASURER'S REPORT

Arion Cox, Secretary for the Milan Police Pension Fund reported on the annual audit and Treasurer's Report. She stated the audit was based on the 2016 Village of Milan audit. The current total assets of the Pension Fund is \$6,030,980 which is an increase of \$362,379 with an increase in market value of \$361,168. There are 9 retired personnel, 1 disabled officer and 3 child beneficiaries who are collecting benefits. The total paid to them last year was \$556,984. The total funded ratio of the fund as of last year was 45.75%. The pension fund is losing ground each year in the attempt to become 90% funded by 2020.

The Department of Insurance sets the dollar amounts necessary to reach the 90% goal through an actuary based on the number of retired and active employees, contributions from active officers, investment income from investments made by the Pension Board and the village contribution. Due to low investment income and increasing pay to retired officers the Department of Insurance's actuarial amount shows a large increase in the village's contribution each year. This year the village contribution is \$495,000. The contribution cannot be met by the village due to decreased revenue from the State and other income. Village staff and pension board members have been considering a bond which would allow the pension board to invest more money into investments thus increasing the investment interest which would reduce the village's liability. This tactic will be talked about later in the meeting.

Mayor Dawson asked for a motion to accept the Police Pension Municipal Compliance Report and the Annual Report.

Trustee Zimmerman moved to accept both the reports and Trustee Flannery seconded the motion. All Trustees voted "Aye". Motion carried.

CONSIDERATION OF PLUMBING REPAIRS TO THE WASTEWATER TREATMENT PLANT

Trustee Wilson stated repairs to the Wastewater Treatment Plants sewer line and hot water radiator lines must be made. The lines are the original lines from when the plant was built in 1968 and are under the concrete floor. Superintendent Farrell received two bids for the work and he is recommending the low bid of \$15,050 from Crawford Company. The other bid was from Erickson Plumbing in the amount of \$16,530.

Trustee Wilson moved to approve the bid from Crawford Company in the amount of \$15,050. Trustee Stickell seconded the motion. Roll call vote showed Trustees Wilson, Stickell, Flannery, Zimmerman and Stuart voted "Aye". Motion carried.

CONSIDERATION OF AN ESTIMATED MUNICIPAL TAX LEVY AND TAX RATE FOR THE 2018 COLLECTION YEAR AND FOR ESTABLISHING A PUBLIC HEARING ON DECEMBER 4<sup>TH</sup>, 2017

Mayor Dawson stated the State has cut the village's revenue distribution by \$300,000. Finance Director Hunt and staff have worked on the Tax Levy to accommodate the loss of revenue from the State, but in order to keep the services as is and be able to pay the bills to keep the village running, the only solution is to adjust the property tax rate.

Mayor Dawson stated the village has kept the tax rate at or below 4.99% for at least thirty years. The taxes collected last year were \$788,418. This year the necessary amount to collect is \$922,250. Last year the village

portion of the tax bill was 11%. In order to collect the additional money needed to pay the bills and keep services as they are, a 16% increase on the 11% collected will have to be added. This will mean residents' property tax will increase approximately \$50-\$60 per household.

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In order to collect a levy that exceeds over 105% of the last year's tax levy a public hearing must be held no more than fourteen days and less than seven days prior to the hearing.

Mayor Dawson asked for a motion to accept the draft tax levy and publish a notice in the newspaper setting a public hearing for 4:00 p.m. December 4, 2017 for public discussion.

Trustee Stickell moved to accept the draft tax levy and publish a notice in the newspaper setting the public hearing. Trustee Flannery seconded the motion. All Trustees voted "Aye". Motion carried.

Mayor Dawson stated the village hates to raise taxes and it is the last resort. Other municipalities are doing the same thing. The only reason for the tax increase is due to the State.

#### CONSIDERATION OF A SOFTBALL DIAMONDS USE AGREEMENT WITH MILAN GIRLS FAST PITCH

Trustee Flannery stated the proposed agreement between the Village of Milan and the Milan Girls Fast Pitch has been written and reviewed by Attorney Scott and Finance Director Hunt. He feels they have done a good job. The agreement states the GFPA have exclusive rights of the ballfields which has always been the case in the past. Trustee Flannery stated the people of the MGFP are very easy to work with and have agreed to make improvements to the fields and lights. Everyone on their board has signed the agreement.

Mayor Dawson stated the agreement is clear on what is expected from the Milan Girls Fast Pitch and the Village. He mentioned in the past the Girls Softball Association was referred to MAGS and the name is now changed to Milan Girls Fast Pitch.

Trustee Flannery moved to sign the agreement with Milan Girls Fast Pitch. Trustee Zimmerman seconded the motion. All Trustees voted "Aye". Motion carried.

#### CONSIDERATION OF ISSUANCE OF A VIDEO GAMING LICENSE FOR KOELLNER ENTERPRISES 4, LLC, DBA ANNIE'S

Mayor Dawson stated he received an application for a Video Gaming License for Koellner Enterprises 4, LLC located at 307 West 10<sup>th</sup> Avenue, Milan. He has a Class D-1 Liquor License and is now asking to put video gaming in the bar.

Mayor Dawson asked for a motion to issue the video gaming license for Koellner Enterprises 4, LLC.

Trustee Stickell moved to approve the gaming license. Trustee Flannery seconded the motion.

Mayor Dawson asked for a voice vote on the application. Four Trustees voted "Aye". One Trustee voted "No". Motion carried.

#### CONSIDERATION OF CLASS D-1 LIQUOR LICENSE APPLICATION FOR KOELLNER ENTERPRISES 5 LLC, DBA LUCKY'S JACKPOT

Mayor Dawson read an application for a D-1 liquor license for Koellner Enterprises. This will be his second D-1 liquor license. Lucky's Jackpot will be located at 503 10<sup>th</sup> Avenue W., Milan.

Trustee Flannery moved to approve the liquor license for Koellner Enterprises 5, LLC. Trustee Stickell seconded the motion.

Mayor Dawson asked for a voice vote on the application. Four Trustees voted "Aye". One Trustee voted "No". Motion carried.

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COMMITTEE REPORTS

Trustee Stuart stated he received a complaint about the neon video gaming sign on West 4<sup>th</sup> Street.

Mayor Dawson stated it qualifies under the temporary sign ordinance. The owner follows the rules on how long it can be up and then takes it down until it can be posted again.

Trustee Flannery stated Mid American Energy has replaced all the street lights with LED lights on East 32<sup>nd</sup> Avenue. It only took one day and they look great.

200 YEAR ANNIVERSARY OF THE STATE OF ILLINOIS

Mayor Dawson stated he received an Illinois Flag depicting the 200<sup>th</sup> year of the State of Illinois from the State of Illinois. He is setting a flag ceremony for December 4th, 2017 at 12:00 noon to honor the State's two hundredth year.

CITIZENS OPPORTUNITY TO ADDRESS THE VILLAGE BOARD

No one in the audience spoke.

ADJOURN

There being no further business to come before the board, Mayor Dawson asked for a motion to adjourn the meeting.

Trustee Wilson so moved and Trustee Zimmerman seconded the motion. All Trustees voted "Aye". Motion carried.

The meeting adjourned at 6:40 p.m.

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Barbara L. Lee, Certified Municipal Clerk