# JOINT WORK SESSION MEETING
# AGENDA
# CITY OF CREVE COEUR
# CITY COUNCIL AND FINANCE COMMITTEE
# 300 NORTH NEW BALLAS RD
# MAY 29, 2018
# 6:00 PM

**CALL TO ORDER**

**ROLL CALL**

**DISCUSSION ITEMS**

1. **Work Session Minutes Dated May 14, 2018**

2. **Review of Proposed FY 2019 Budget**
   **Summary:** Continued review of the proposed FY 2019 budget; the Finance Committee has been invited to discuss their recommendations.

**Pursuant to Section 610.022 RSMo., the City Council could, at any time during the meeting, vote to close the public meeting and move to closed session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney as provided under Section 610.021(1) RSMo. and/or personnel matters under Section 610.021(13) RSMo. And/or employee matters under Section 610.021(3) RSMo. and/or real estate matters under Section 610.021(2) or other matters as permitted by Chapter 610.**

**Posted: __________________________ posted 05/24/2018**
**Deborah Ryan, MPCC**
**City Clerk**

**City Council**
300 North New Ballas Rd
Creve-Coeur, MO 63141

**SCHEDULED**

Meeting: 05/29/18 06:00 PM
Department: Legislative /City Clerk
Category: Discussion
Prepared By: Debbie Ryan
Initiator: Debbie Ryan
Sponsors:

**DRAFT MINUTES (ID # 3026)**

DOC ID: 3026

# Work Session Minutes Dated May 14, 2018

# WORK SESSION MEETING
# MINUTES
# CITY OF CREVE COEUR
# CITY COUNCIL
# 300 NORTH NEW BALLAS RD
# MAY 14, 2018
# 6:00 PM

**Present:** Mayor Glantz, Council Members Silverman, Wang, D'Alfonso, Hoffman, Baseley, Lawrence and Saunders.

**Staff Present:** City Administrator Mark Perkins, City Attorney Carl Lumley, Chief Glenn Eidman, City Planner Whitney Kelly, Finance Director Lori Obermoeller, Public Works Director Jim Heines, City Engineer Matt Wohlberg, Assistant City Administrator Sharon Stott and City Clerk Deborah Ryan.

The meeting was called to order at 6:00 p.m.

1. **Work Session Minutes Dated March 26, 2018**

Council Member Hoffman moved, seconded by Council Member Baseley to approve work session minutes dated March 26, 2018.

Approved by unanimous vote.

2. **Review of FY 19 Proposed Budget**

Mark Perkins reviewed with Council the following sections of the proposed FY19 budget:

- General Fund Revenues/Expenditures
- FY 19 – 23 Fund Balance Projections
- General Fund Revenues
- Creve Coeur Tax Rate and recently approved tax
- Utility Tax Rate Comparison to metro area municipalities of similar size
- Personnel Expenditures
    - Pension
    - Merit
    - Police Department hours
    - Longevity Pay
- Capital Outlay
- Police Building Fund
- Enterprise Fund

Adjourned at 7:05 p.m.

Submitted by,

Deborah Ryan
City Clerk

**City Council**
300 North New Ballas Rd
Creve-Coeur, MO 63141

**SCHEDULED**

Meeting: 05/29/18 06:00 PM
Department: City Council
Category: Report
Prepared By: Lori Obermoeller
Department Head: Lori Obermoeller

**STAFF REPORT**

# Review of Proposed FY 2019 Budget

Continued review of the proposed FY 2019 budget; the Finance Committee has been invited to discuss their recommendations.

# MEMORANDUM

**DATE**: May 23, 2018

**TO**: Mayor and City Council

**FROM**: Lori Obermoeller, Director of Finance

**CC:** Mark Perkins, City Administrator

**SUBJECT**: Continued Review of the Proposed FY 2019 Budget

Attached to this memo is a response letter to the Council's request on reducing the future deficits from the Finance Committee, as well as a copy of the power point from the last budget work session and a copy of a memo on leaf and limb service cost saving ideas from Director of Public Works Jim Heines.

As a reminder, the FY 2019 budget includes a .5% increase in the city's utility tax rates (electric, gas, water and phone), generating $286,725 for 9 months ($382,291 per year). This increase will require City Council legislation. While this .5% increase has been incorporated into the proposed budget, below are various other options for the council to consider (based on full year of revenue):

- Option 1 – Increase all utilities .5% - $382,291
- Option 2 – Increase only residential electric 1.5% to 7% - $185,235
- Option 3 – Increase all utilities 1% - $764,581
- Option 4 – Increase residential electric 2% to 7.5% and all other .5% to 7.5% - $567,526
- Option 5 – Increase commercial only .5% -$166,835 for electric and not sure what amounts would be for others, but probably close to $100,000
- Option 6 – Increase residential electric 1.5% to 7% & increase commercial only for all .5% - $352,070 for electric and not sure what amounts would be for other, but probably close to $100,000

Below are what the rates would look like for each option listed above:

| City | Res Elec | Comm Elec | Res Gas | Comm Gas | Res Water | Comm Water | Res Phone | Comm Phone |
|---|---|---|---|---|---|---|---|---|
| **Current Creve Coeur** | **5.50** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** |
| Option 1 | 6.00 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Option 2 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Option 3 | 6.50 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Option 4 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Option 5 | 5.50 | 7.50 | 7.00 | 7.50 | 7.00 | 7.50 | 7.00 | 7.50 |
| Option 6 | 7.00 | 7.50 | 7.00 | 7.50 | 7.00 | 7.50 | 7.00 | 7.50 |

Below are the rates for the comparison cities:

| City | Res Elec | Comm Elec | Res Gas | Comm Gas | Res Water | Comm Water | Res Phone | Comm Phone |
|---|---|---|---|---|---|---|---|---|
| Olivette | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Maplewood | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Clayton | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Frontenac | 0.50 | 8.00 | 0.50 | 8.00 | 0.50 | 8.00 | 0.50 | 8.00 |
| Kirkwood | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Ballwin | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Webster Groves | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| **Creve Coeur** | **5.50** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** |
| Ladue | 6.90 | 6.90 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Town & Country | 0.00 | 6.75 | 0.00 | 7.00 | 0.00 | 7.00 | 0.00 | 7.00 |
| Richmond Heights | 5.63 | 5.63 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Maryland Heights | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 |
| Chesterfield | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Manchester | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Des Peres | 3.50 | 3.50 | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 |

I’d be happy to answer any questions.

# Finance Committee

May 22, 2018

Mayor and City Council
City of Creve Coeur Missouri
Creve Coeur MO 63141

Re: Revenue and Cost Realignment

Honorable Mayor and City Council:

This responds to Council's request for recommendations to reduce the fiscal deficit forecast for FY 2019. For the last several years, Creve Coeur has had the good fortune to experience an annual fiscal surplus of $1 to 1.5 million excluding operating transfers out, a condition that has changed. The FY 2018 forecast is for an operating surplus of $270,000, before transfers out to the capital fund. In FY 2023 the deficit could increase to $1.5 million, before transfers out. The deficit flows primarily from static revenues and increasing operating costs. The largest source of revenue decline is significantly reduced municipal court fines, but that alone does not explain the situation. The estimated ending reserve fund balance for FY 2018 of $13.8 million is forecast to drop to $8.854 million by FY 2023, impairing our ability to accommodate unplanned events, such as the recent Ladue Road repair.

Following is a proposal for immediate action and a study effort to realign costs with revenues, with the goal of producing an immediate $500,000 deficit reduction the first year (FY 2019), followed by $1, $1.5, and $2 million phased deficit reductions during subsequent years, if necessary.

In summary, we are recommending for your consideration adoption of four immediate actions. We also recommend beginning an evaluation of revenue increases and cost reductions. We anticipate this process to take place over the next 2 years.

We are also creating a subcommittee to further study Revenue Increases and prepare recommendations to the full Finance Committee, which will in turn provide a report with the Finance Committee's final recommendations to the Council. The subcommittee meetings would occur at least every other month and potentially once a month. These meetings would be open to the public and follow all other open meeting requirements. The first meeting of the subcommittee will be on June 4, 2018 at 5:30 p.m. The members of the Finance Committee that have agreed to serve on the subcommittee are Ronald Abeles, Larry Potashnick and Adam Shulenburger.

The Finance Committee also recommends that the Council create a relatively small taskforce, which would include at least two members of the Finance Committee. The taskforce would focus on Cost Reductions. Although cost-reductions alone can't rectify the projected deficits, we recommend undertaking an immediate effort to identify and reduce or eliminate expenditures. Since over 70% of City expenditures involve labor costs, which have increased annually, the expected focus is on labor-intensive activities.

Since access to cost data is critical, the study of Cost Reductions and Revenue Increases will require the support and involvement of the Director of Finance and a senior manager from each department. The subcommittee's and taskforce's objective would be to provide Council with a report by the end of this year, so recommendations can be incorporated into the FY 2020 budget.

## RECOMMENDED IMMEDIATE ACTIONS

Several actions totaling over $600,000 are recommended for immediate incorporation into the FY 2019 budget:

| Action | Projected Savings |
|---|---|
| Increase the city's real estate tax rate to the maximum ceiling (action taken in the FY 2019 budget) | $100,000 |
| Reduce annual salary increases (reducing such increase from 3% to 1.5% in FY 2019 budget) | $80,000 |
| Defer or eliminate hiring three replacement employees (action taken in the FY 2019 budget) | $140,000 |
| Increase residential electric utility franchise tax to the prior 7% rate to generate about $190,000 (action taken to increase all utility tax rates by .5% in the FY 2019 budget) | $287,000 |
| TOTAL | $607,000 |

## COST REDUCTIONS & REVENUE INCREASES

We recommend that the study of Cost Reductions and Revenue Increase by the relevant group to address at least the following items:

**A. Cost Reductions to be Considered by the Council Appointed Task Force:**

1. Improve, outsource, or reduce frequency of leaf collection and limb chipping;
2. Consider ways to decrease the cost of trash and recycling services;
3. Reduce annual operating funds transfer to capital budget;
4. Study ways to decrease the City's health insurance costs, e.g. decreasing the contribution to the cost of dependent health insurance or implementing a high deductible health insurance plan coupled with a health savings account;
5. Determine the actual costs of maintaining each city asset,
6. Eliminate or change distribution of newsletter;
7. Benchmark utility costs for all city facilities and develop a utility cost-reduction program; and
8. Consolidate municipal court or other services with other municipalities; and determine the real cost of matching grants.

**B. Revenue Increases to be Considered by the Finance Subcommittee:**

1. Increase utility gross receipt and real estate tax rates;
2. Increase business license fees or restructure the current assessment method on business licenses;
3. Tax new sources, such as levying a use tax and/or a park and storm water tax;
4. Assess user fees for a portion of trash collection and recycling collection;
5. Increase service charges such as for building or zoning permits;
6. Audit business licenses to make sure they comply with taxing requirements; and
7. Review fees for community buildings, golf and ice rink use.

Sincerely,

*J. Philip Hellwege*

J. Philip Hellwege, Chair
Finance Committee

# DEPARTMENT OF PUBLIC WORKS
# OFFICE MEMO

**DATE**: April 10, 2018

**TO**: Mark Perkins, City Administrator

**FROM**: Jim Heines, Director of Public Works

**SUBJECT**: Cost Savings Through Reduction of Leaf and Limb Collection Services

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Public Works staff has reviewed the operations of the Leaf and Limb Collection Programs and identified areas where the city could recognize a reduction to operating costs with the least amount of effect on residents. Below each program and potential savings will be discussed:

<u>Leaf Collection Program</u>

The leaf collection program provides four (4) pickups in the fall and two (2) in the spring. The estimated cost to operate this annual program is approximately $313,000. After removing labor costs from the overall program costs the hard costs for the program could be as much as approximately $202,000* per year.

If the city were to reduce the number of pickups per year there could be a sizeable savings to the city without causing a major inconvenience to residents. Public Works staff would recommend eliminating one of the two spring pickups in April and the first pickup in the fall (last week of Oct. and first week of Nov.).

Typically, both spring pickups are light and could be combined into one pickup. The first pickup in the fall is also light and could be combined with the second pickup. By eliminating these two leaf pickups the city could save as much as $67,000* per year.

<u>Limb Chipping Program</u>

The Limb Chipping Program usually operates from mid-March through mid-October each year with a one-time mid-winter pickup at the end of January. This service provides a total of 17 pickups per residence per year. Total cost to operate the limb chipping program is approximately $350,000 annually. After removing labor costs from the overall program costs the hard costs for the program could be as much as approximately $241,000* per year.

Characteristically the volume of limb collection is heaviest in the spring, fall, and mid-winter pickup. During the summer months chipping volumes are lighter for the typical home owner use. However, we experience a lot of contractor piles from whole tree removals, major tree trimming, and land clearing.

If the program were suspended for June, July, and August, it would reduce the number of pickups per residence by six (6) or approximately 1/3of the total pickups provided with an estimated savings of as much as $85,000* per year.

We have evaluated going to one (1) pickup per month during the summer but feel that the amount of brush will remain the same and we will have to run two chippers at least two-weeks of each month to service the city which defeats going from two pickups per month to one pickup per month. It would also force the contractors to take the brush that they cut with them rather than dumping it at the curb for the city to remove.

We also looked at a potential call-in for service program and feel that this would be problematic and would actually cost the city more. This type of program would require even more staff time to take reservations and setup routing sheets. In addition, if the chipping crew went on a street to pick up limbs from a resident who called in for service, and there are three more homes with brush out the crew would need to pick them up as well. I think the only way a call-in or web reservation service would work would be if it were a pay for service program, where the residents would pay a fee for brush removal.

<u>Additional Unmeasured Savings</u>

In addition to the potential savings of $67,000** from the leaf program and $85,000** from the limb chipping program reducing the amount of time crews are tied up with leaf and limb collection, this will allow more staff time to focus on other activities where additional savings can be experienced. Some of those items are listed below:

- Expand the Crack Sealing Program and protect more lane miles of pavement annually. Which will result in higher PCI's and longer service life of our pavement network.
- Increase concrete street slab replacements allowing more road work to be completed in house.
- Increase asphalt pavement repairs allowing more road work to be completed in house.
- Increase sidewalk and ADA ramp replacement allowing city staff to supplement the amount of sidewalk work constructed annually.
- Devote more time to EAB tree removals.
- Increase the availability of manpower to service and maintain parks
- Increase the availability of manpower to service and maintain the increasing areas of ROW landscaping i.e. Olive, Ballas, Craig, Ladue, Coeur de Ville, Rue de la Banque, etc.

*Please note that the potential savings is based on equipment usage only as the City's Maintenance Workers will be reassigned to perform other tasks. The cost for the estimated equipment savings are based the FEMA Schedule of Equipment Rates which is a published hourly value for trucks and equipment. Each specific truck or piece of equipment has an hourly rate and included in that figure is the value of the equipment, fuel, maintenance, insurances, etc.

** The potential savings on fleet expenses identified for the Leaf and Limb Collection Programs may be reduced by operational costs of specific trucks and equipment to perform other tasks from the list identified in the bullet point list above under the <u>Additional Unmeasured Savings</u> category.

Savings on Temporary Labor

There is a potential savings on temporary labor costs for both programs. The fall leaf collection is typically done by our staff so there would not be any savings on labor, however, during the spring leaf collection we use several temporary workers at a cost of approximately $600 per temporary worker per week. If we eliminate a spring pickup, savings on temporary workers could be as much as $2,400 unless these workers were reassigned to other duties along with our full-time employees.

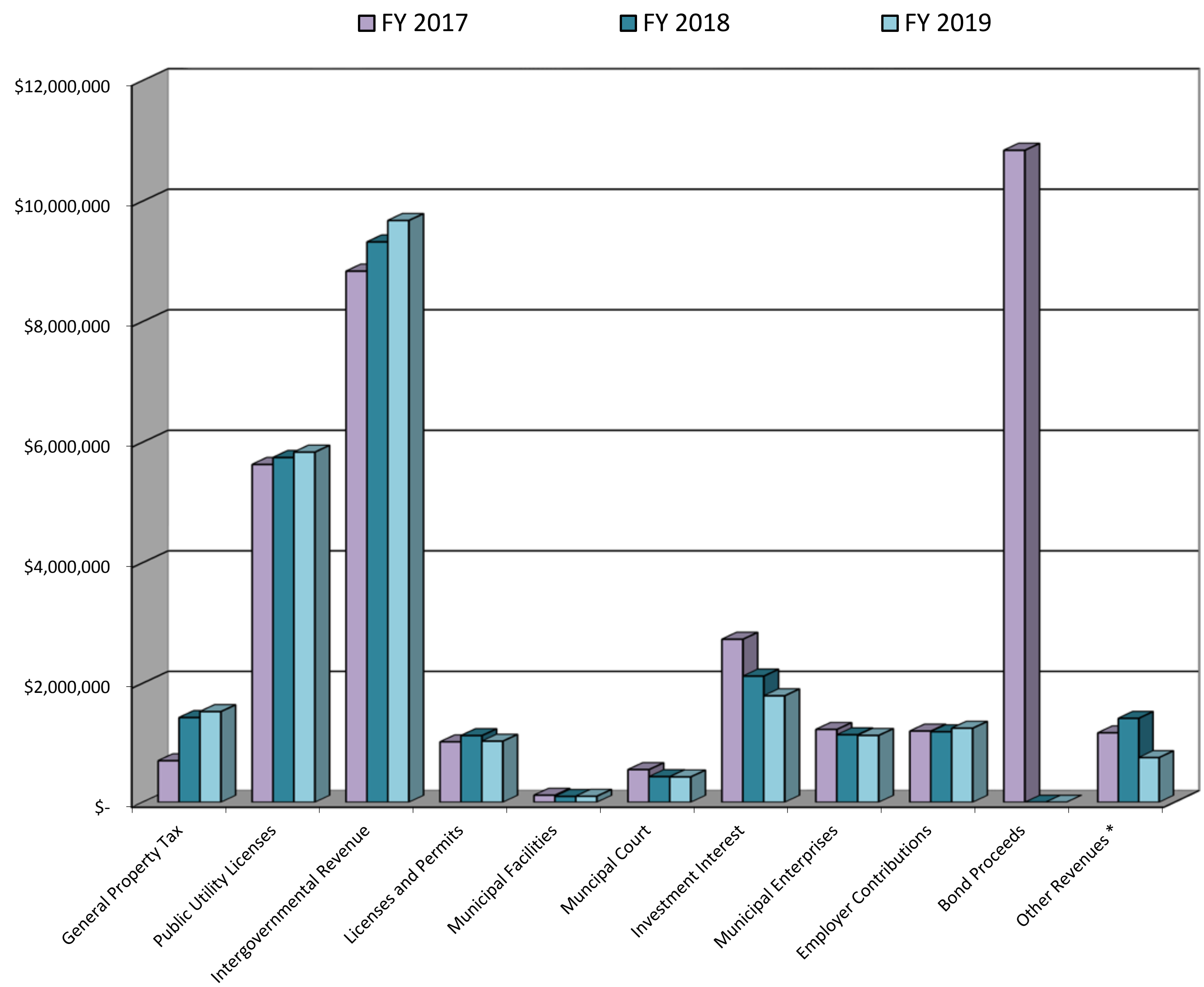
There is also an opportunity for savings on temporary labor costs for the Limb Chipping Program. If we choose to postpone limb collection services in the summer months (June, July, August) the city could save as much as $10,000-$12,000 unless the temporary workers were reassigned to provide labor on other projects along with our full-time staff.

# FY19 Annual Budget

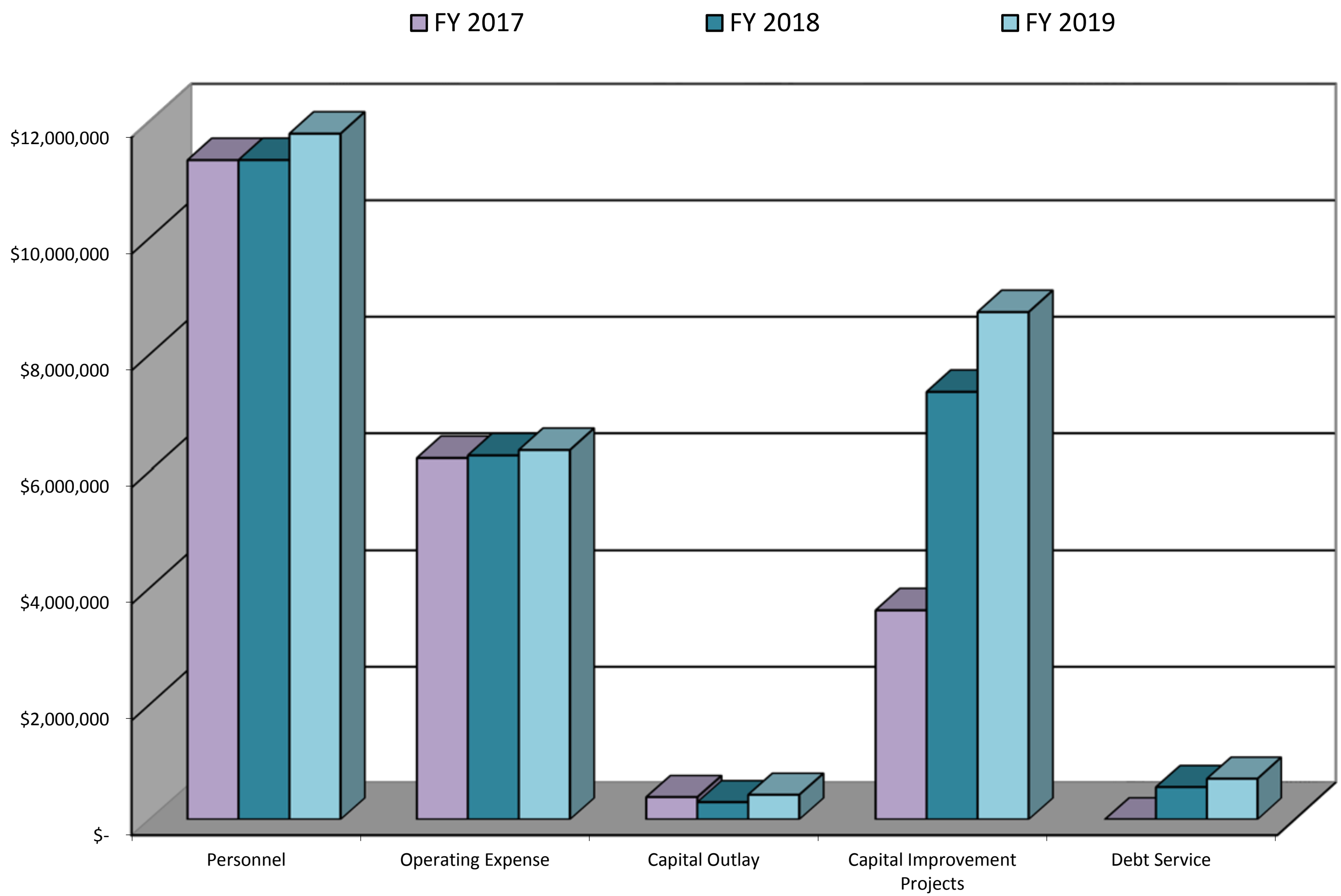
City Council Work Session

May 14, 2018

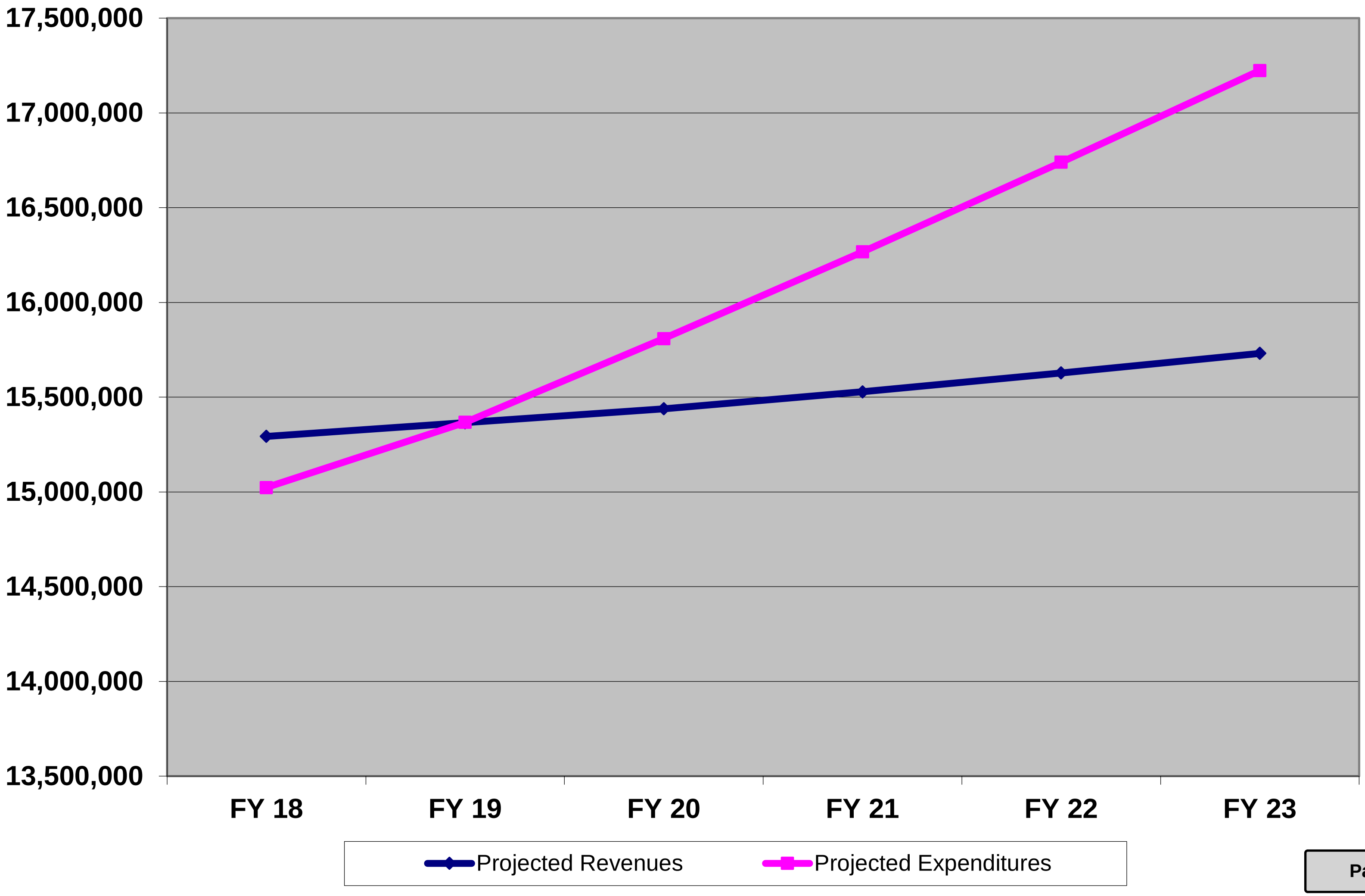
# Where the Money Comes From



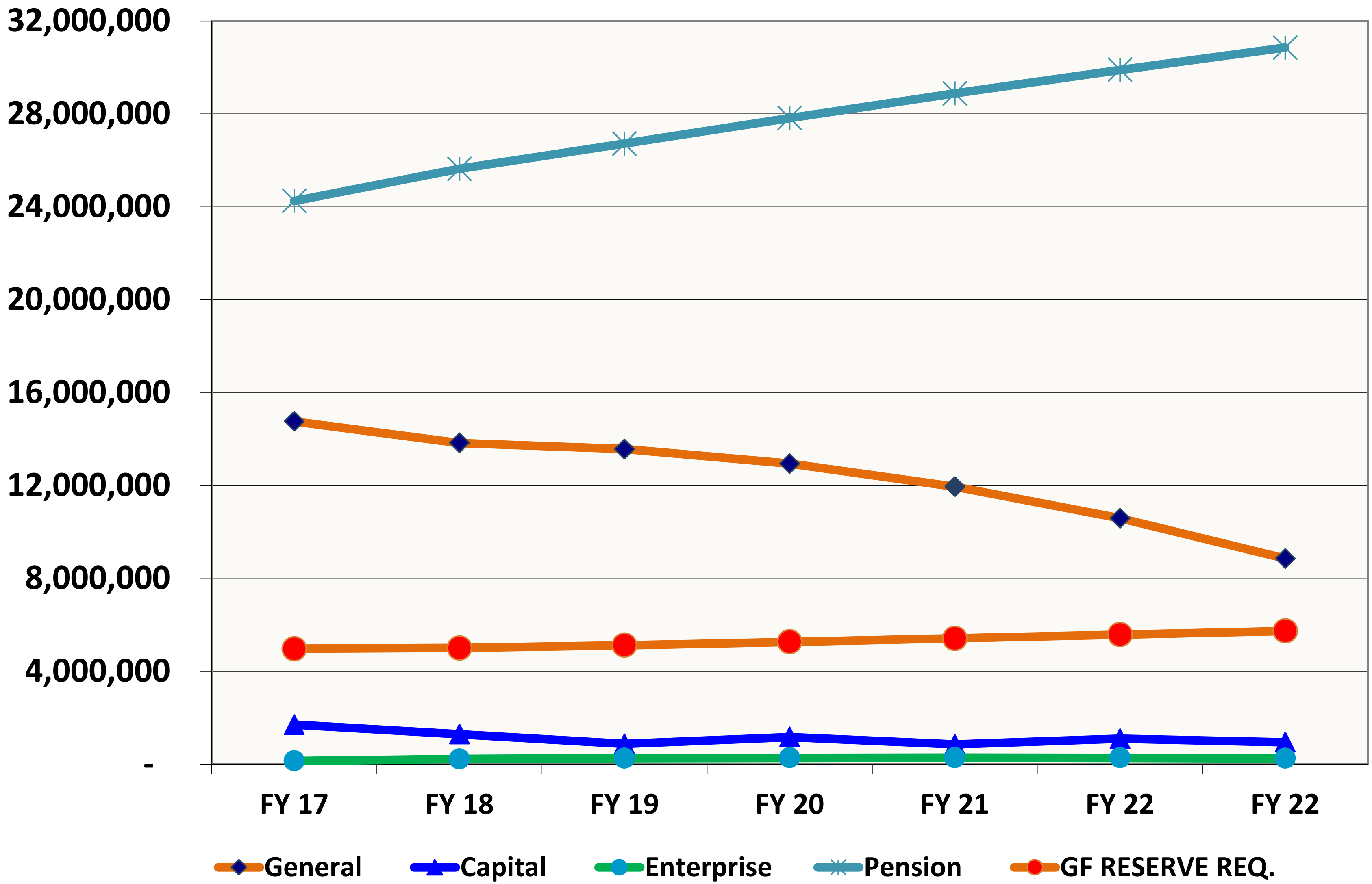
# Where the Money Goes



# General Fund Revenues/Expenses



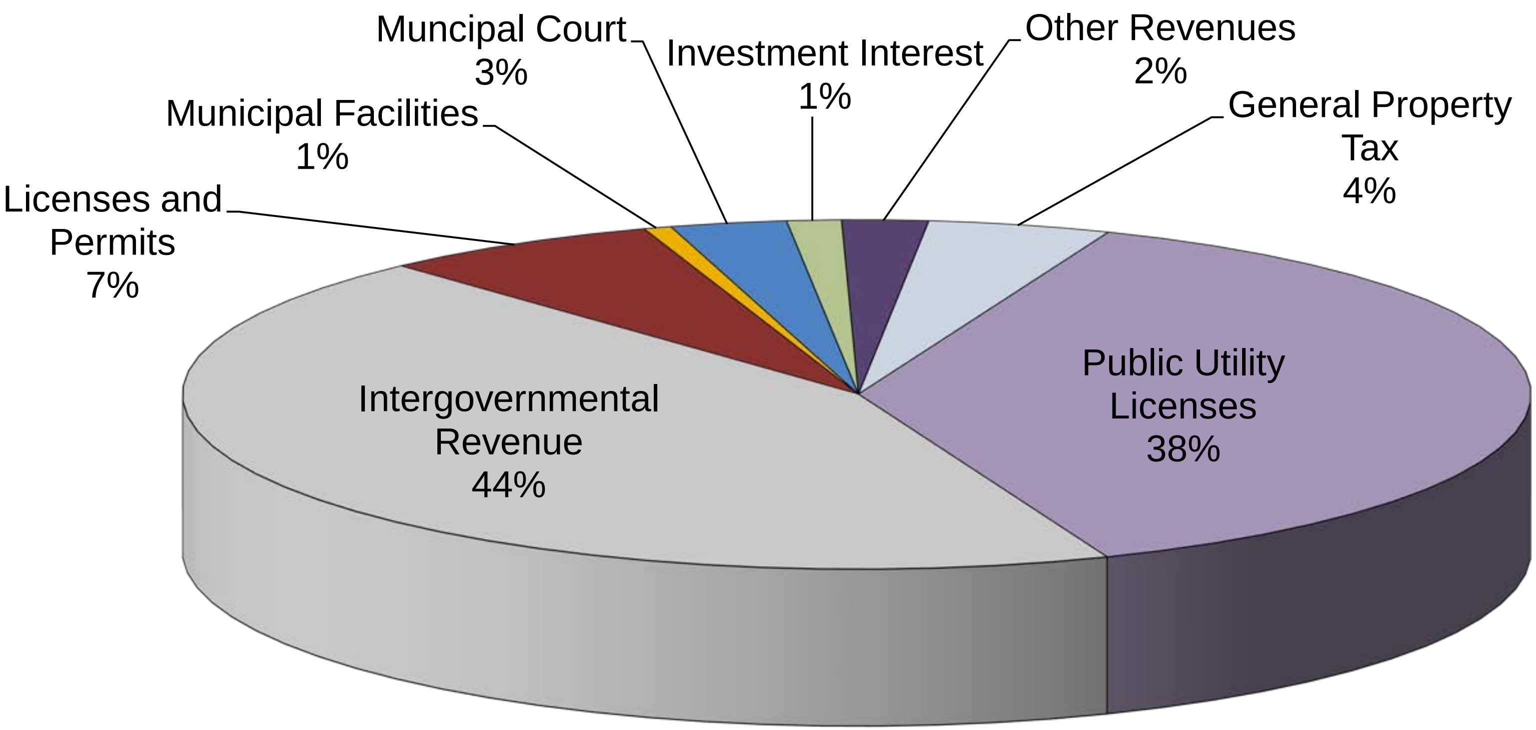
# FY19-23 Fund Balances Projections



# FY19-23 Fund Balance Projections

- Transfers to 5-year Capital Improvement Plan for street program ($400,000 annually)
- Transfer in from Public Safety Sales Tax for transitioning Police to 12 hour shifts ($112,981)
- FY23 Projected Fund Balance
  - $8,854,153, or approx. 51% of operating expenditures

# General Fund Revenues by Class



# FY19 Revenue Outlook

- Overall estimated increase of .47% in General Fund Revenues
- Intergovernmental revenues (sales tax) is projected to slightly increase .09%
- License and permit revenues are projected to decrease 8.39%
- Municipal Court revenues to decline (.95)%
- Investment Income is projected to increase .95%

# FY19 Revenue Outlook *(Cont.)*

- Utility taxes include a .5% municipal utility tax rate increase for all utilities ($286,725 for 9 months)
- Real Estate Tax will increase from $.063 per $100 AV to approximately $.082 per $100 AV (the max. rate allowed) generating an additional $84,000
- Commercial Tax will increase from $.076 per $100 AV to $.081 per $100 AV (the max. rate allowed) generating about $16,000

# Creve Coeur Tax Rate

| Tax Year | 2017 | 2018 | $ Change |
|---|---|---|---|
| **Real property** | | | |
| Market value | 400,000 | 400,000 | |
| Tax rate | 0.063 | 0.082 | |
| **Real Estate Tax** | **$47.88** | **$62.32** | **$14.44** |
| | | | |
| **Personal property** | | | |
| Market value | 30,000 | 30,000 | |
| Tax rate | 0.000 | 0.000 | |
| **Personal Property Tax** | **$0** | **$0** | **$0** |
| | | | |
| **Debt Service Levy** | | | |
| Police Building & Renovations | 0.082 | 0.082 | |
| **Debt Service Levy on Res.** | **$62.32** | **$62.32** | **$0.00** |
| **Debt Service Levy on PP** | **$8.12** | **$8.12** | **$0.00** |
| | | | |
| **Sewer lateral assessment** | | | |
| **Per Home** | **$28** | **$28** | **$0** |

# Utility Tax Rate Comparison

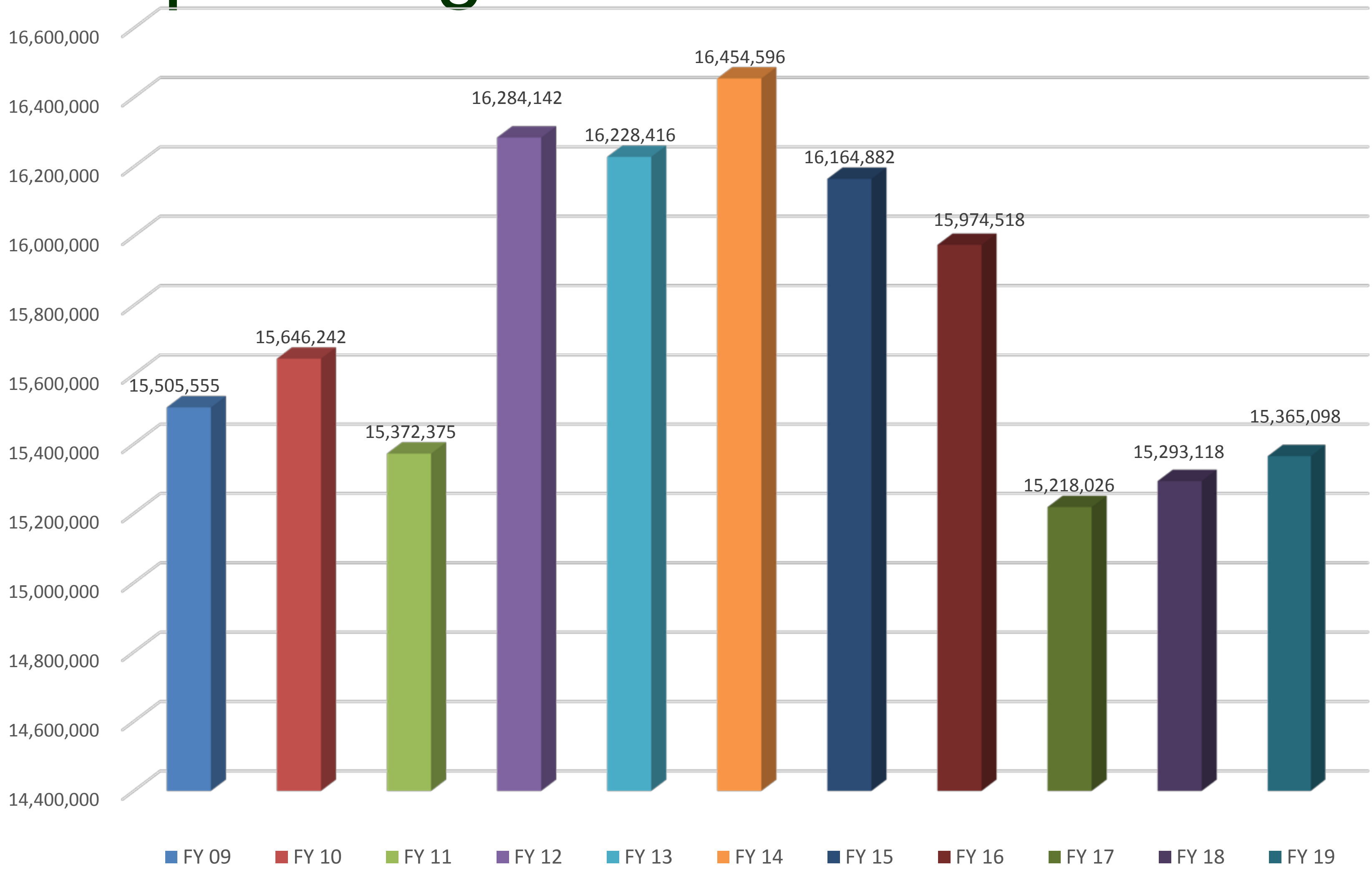
| | | MUNICIPAL UTILITY TAX RATES | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | August, 2016 | | | | | |
| | Res | Comm | Res | Comm | Res | Comm | Res | Comm |
| City | Elec | Elec | Gas | Gas | Water | Water | Phone | Phone |
| Olivette | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Maplewood | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Clayton | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Frontenac | 0.50 | 8.00 | 0.50 | 8.00 | 0.50 | 8.00 | 0.50 | 8.00 |
| Kirkwood | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Ballwin | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Webster Groves | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| **Creve Coeur** | **5.50** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** | **7.00** |
| Ladue | 6.90 | 6.90 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Town & Country | 0.00 | 6.75 | 0.00 | 7.00 | 0.00 | 7.00 | 0.00 | 7.00 |
| Richmond Heights | 5.63 | 5.63 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Maryland Heights | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 |
| Chesterfield | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Manchester | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Des Peres | 3.50 | 3.50 | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 |

# FY19 General Fund Revenues

| | |
|---|---|
| Intergovernmental Rev. | $6,781,739 |
| Public Utility Tax | $5,834,944 |
| Licenses & Permits | $1,029,896 |
| General Property Tax | $672,044 |
| Municipal Court | $428,000 |
| Other Revenues | $317,174 |
| Investment Revenues | $200,000 |
| Municipal Facilities | $101,300 |
| Total | $15,365,097 |

2.a

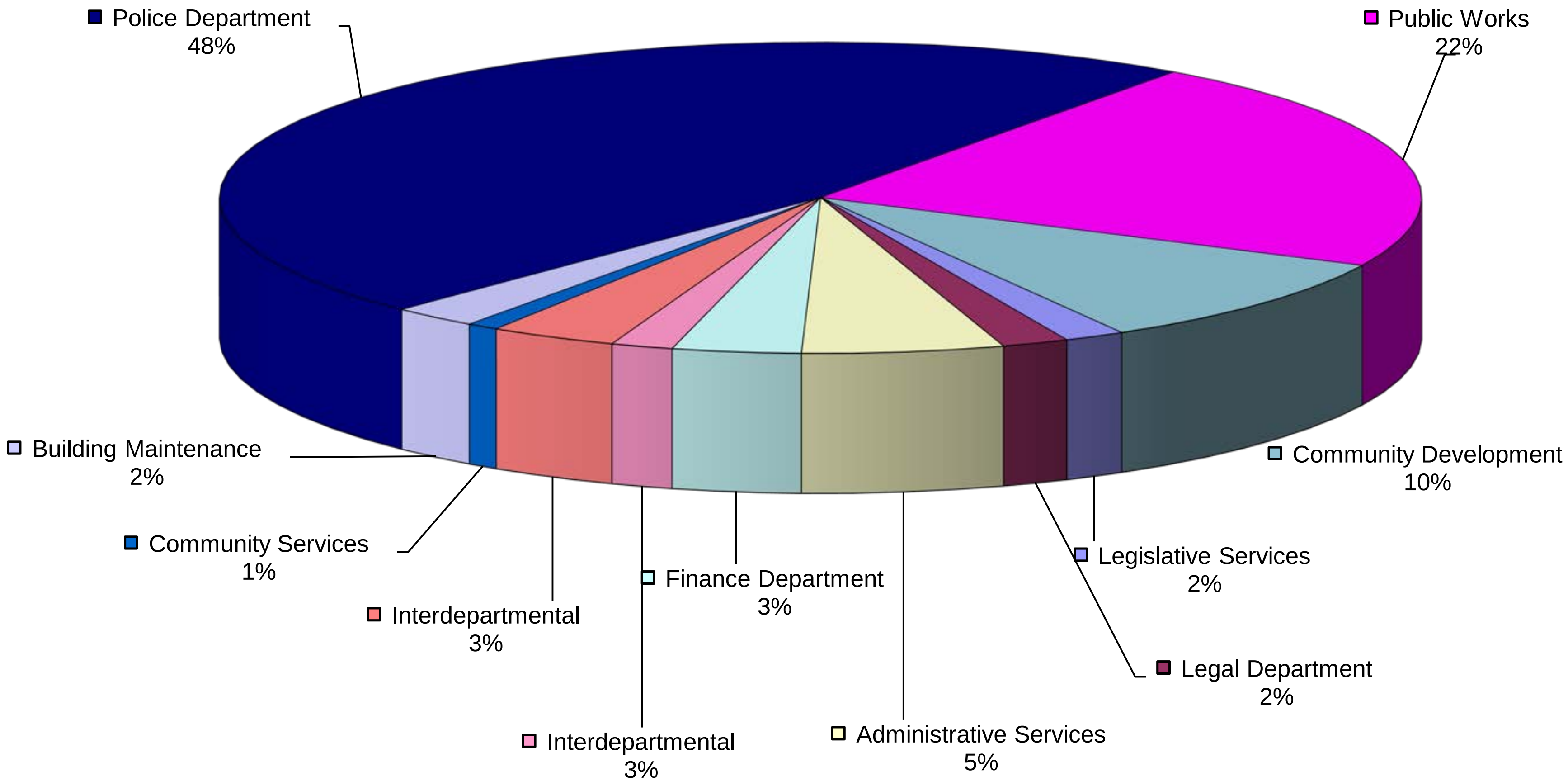
# General Fund 10 Year Operating Revenue Trend



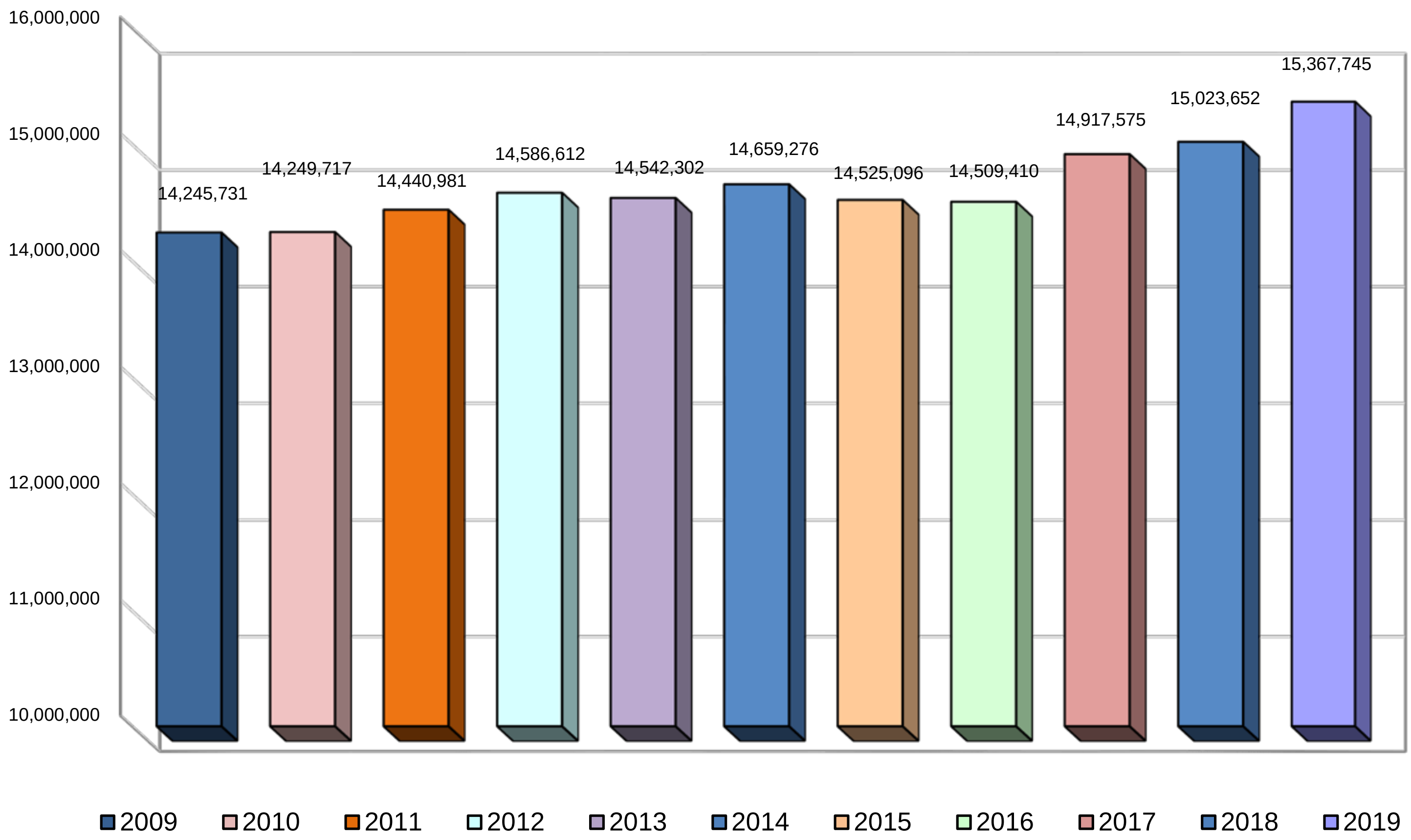
# General Fund Expenditures By Category

| | FY18 Estimated | FY19 Projected | % Change |
|---|---|---|---|
| Personnel Services | $10,770,044 | $11,105,287 | 3.11% |
| Operating Expenses | $4,006,328 | $3,931,884 | (1.86%) |
| Capital Outlay | $247,280 | $330,574 | 33.68% |
| **TOTAL** | **$15,023,652** | **$15,367,745** | **2.29%** |

# General Fund Expenditures By Department



# General Fund 10 Year Operating Expenditure Trend



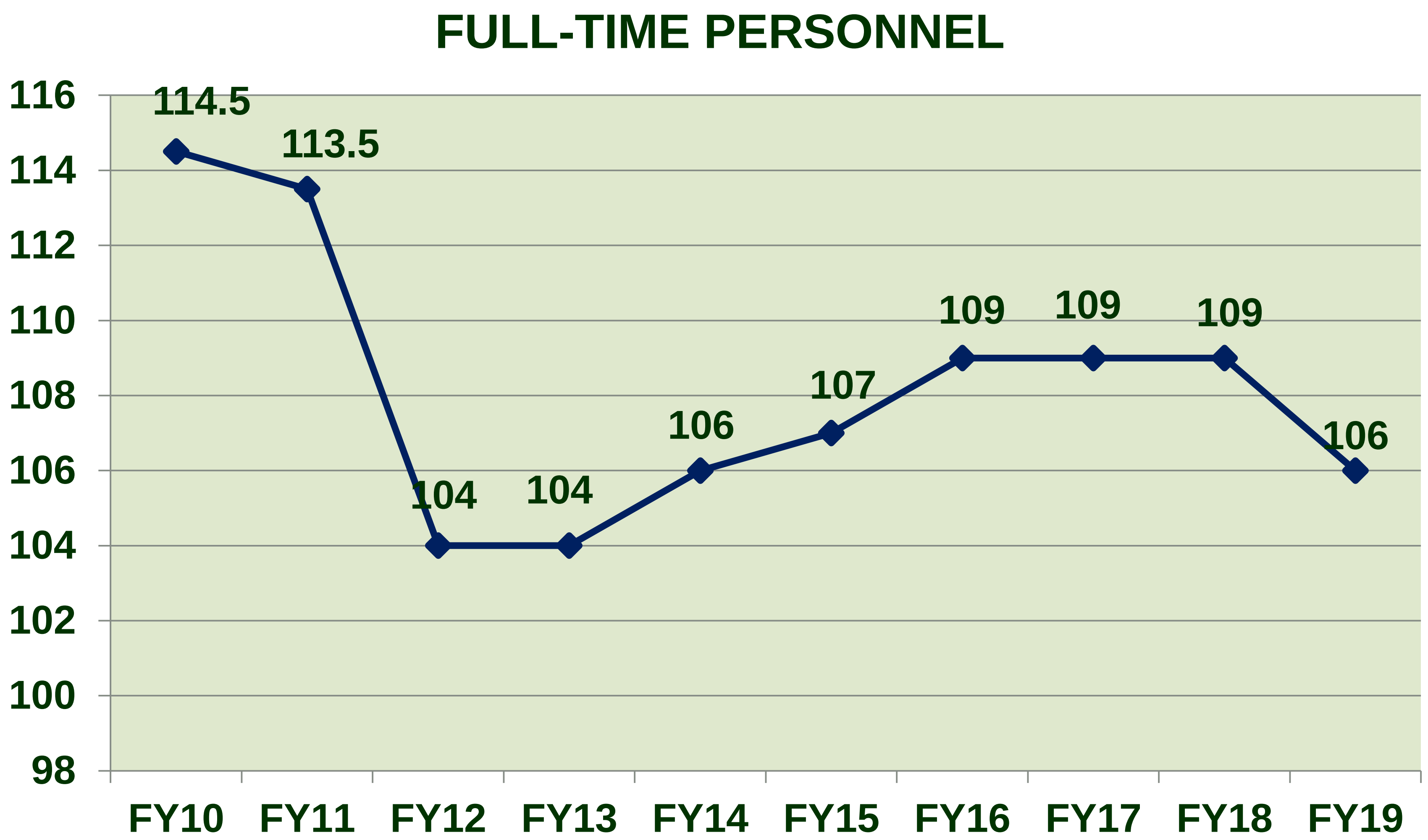
# Personnel Expenditures

- Pension contribution slightly increased ($59,441) to $1,248,267 for Legacy Plan
- LAGERs contribution slightly increased ($13,881) to $339,898
- Merit pay & one time merit bonus pay increases for FY19 are budgeted at $78,746 (1.5%)
- Police Department is transitioning from 1980 hours to 2080 hours (12 hour shifts) which will total approximately $139,202
- Longevity pay to decrease 7.3% ($48,864)

# Personnel Expenditures *(continued)*

- Full-time staffing decreased from 109 to 106 – 14 fewer full-time than in FY08 (savings of 138,387).
- Added PT Recreation Supervisor ($9,796)
- FT Accounting Clerk to PT ($45,122 Savings)
- FT Police Support to PT ($37,779 Savings)
- Eliminate Maint. Worker ($55,485 Savings)
- Moved Project Manager out of General Fund to Capital Fund ($85,000 GF Savings)

# 10-Year Staffing Levels



# Health Insurance

- Creve Coeur is 1 of 17 cities/agencies that comprise the St. Louis Area Insurance Trust (SLAIT) self-insured health program.
- Rate increase of 2% for FY19 (approx. $1.2 million)
  - Average rate increase under SLAIT (2010-19) = 3.75%
  - Average increase prior to SLAIT (2000-09) = 11.3%

# Operating Expenditures (1 of 2)

## Trash & Recycling

- Trash & recycling services ($775,000) represent 19.7% of the operating costs (non-personnel) in the General Fund in FY19.
- Approx. 3% increase ($23,250) from FY18.
- Residents selected appox. 88% curbside & 12.1% valet (rear yard) trash collection
  - FY18 – Resident pays entire $15

# Operating Expenditures (2 of 2)

- West Central Dispatch Center ($501,688)
- IT management outsourcing ($45,612)
- Employee Retirement Plan and Investment Consultation ($16,000)

# Capital Outlay (1 of 2)

- Police:
  - Replacement of (2) Dodge Chargers ($44,000), (2) Ford Interceptor Utility Patrol ($62,000) and (1) Ford Fusion Vehicle ($20,000)
  - Body Armor ($25,575)
  - New Weapons (including holsters and pistal magazines – ($42,120)
  - Watchguard Video Hardware/Software ($12,950)

# Capital Outlay (2 of 2)

Public Works:

- Truck Wash System ($20,000)
- Replacement of Park Equipment and Furniture ($24,000)

Building Maintenance:

- Small Heat Pumps for HVAC as needed ($9,000)

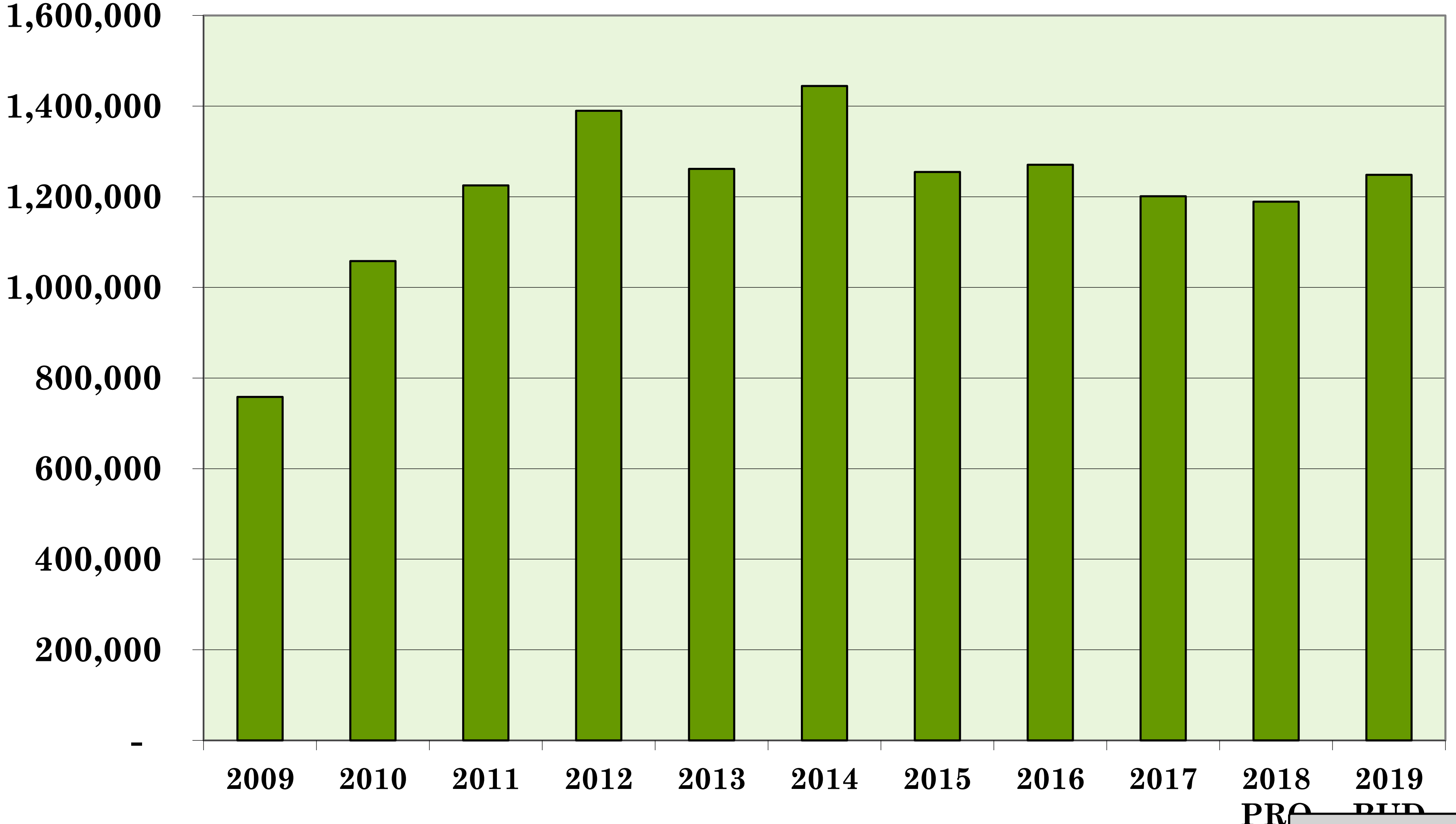
# Creve Coeur Pension Plan

- Employees hired prior to July 1, 2006
- 8-year normal vesting period
- Unreduced retirement based on rule of 85 formula or age 65 (55 for police).
- Employee contributes 3% to DB Plan

# Creve Coeur Pension Plan

- Employee contribution in FY19 will generate $104,000 to offset a portion of the City's total contribution
- FY19 budgeted City contribution $1,248,267

# Annual Contributions
# Creve Coeur Pension Plan



# Creve Coeur Pension Plan

| | |
|---|---|
| Beginning Year Balance | $25,632,890 |
| Revenues | $2,913,949 |
| Expenditures | ($1,831,330) |
| Transfers-In GF | $0 |
| Ending Fund Balance | $26,715,509 |

# LAGERS Pension Plan

- On August 1, 2017, the City closed its DC Plan and transitioned to LAGERS (Local Government Employees Retirement System) defined benefit plan, LT-8 (65) for employees hired after June 1, 2006
- Employees contribute 4% of their salary (approximately $165,000)
- FY19 City contribution is $339,898

# Capital Improvement Fund (1 of 2)

- Funding from half-cent sales tax projected to be $2,046,955
- Funding from outside sources projected to be $335,800
- General Fund transfer of $400,000

# Capital Improvement Fund (2 of 2)

- Major projects in the 5-Year CIP program budgeted for FY 2019 include:
  - Building & Improvements ($20,000)
  - Stormwater Projects ($250,000)
  - Street Overlay/Repair ($2,289,508)
  - Capital Equipment ($440,372)
  - Parks ($122,500)
  - Personnel ($85,000) – moved from General Fund to Capital Fund

# Debt Service Fund

- Voters approved $10.69 million bond issue to build a new police building in November 2016
- Bonds were publically sold and revenue received in FY17
- $0.082 tax levy on real estate and property taxes for 20 years
- Revenues from tax & interest in FY19 - $725,500
- Expenses from principal & interest in FY19 - $711,406

# Police Building Fund

- Revenue from interest in FY19 - $25,000
- Expenses in FY19 include:
  - Owner’s Representative ($15,000)
  - Professional Services ($128,881)
  - Sitework and Construction ($5,460,217)

# Public Safety Sales Tax Fund

- Half-cent countywide Public Safety Sales Tax approved April 4, 2017
- Cities will share 5/8 of the revenue based on population
- Funding projected to be $850,000 in FY19
- Expenses in FY19 ($226,340) include:
  - Personnel Costs to transition from 8 hour shift to 12 hour shift ($139,202)
  - Operating Costs for the new Police building ($18,708)
  - Police Training ($33,800)
  - Police Capital Items ($34,630)

# Public Safety Sales Tax Policy

- Police Operating Costs – 60%
  - Future Police Compensation
  - Training
  - Other operating expenditures
- Public Safety Capital Expenditures – 15%
  - Police Equipment
  - Public Safety Improvements, such as security enhancements to park facilities
- Police Bldg Maintenance & Operation – 15%
- Reserve for Police Pension Liability – 10%

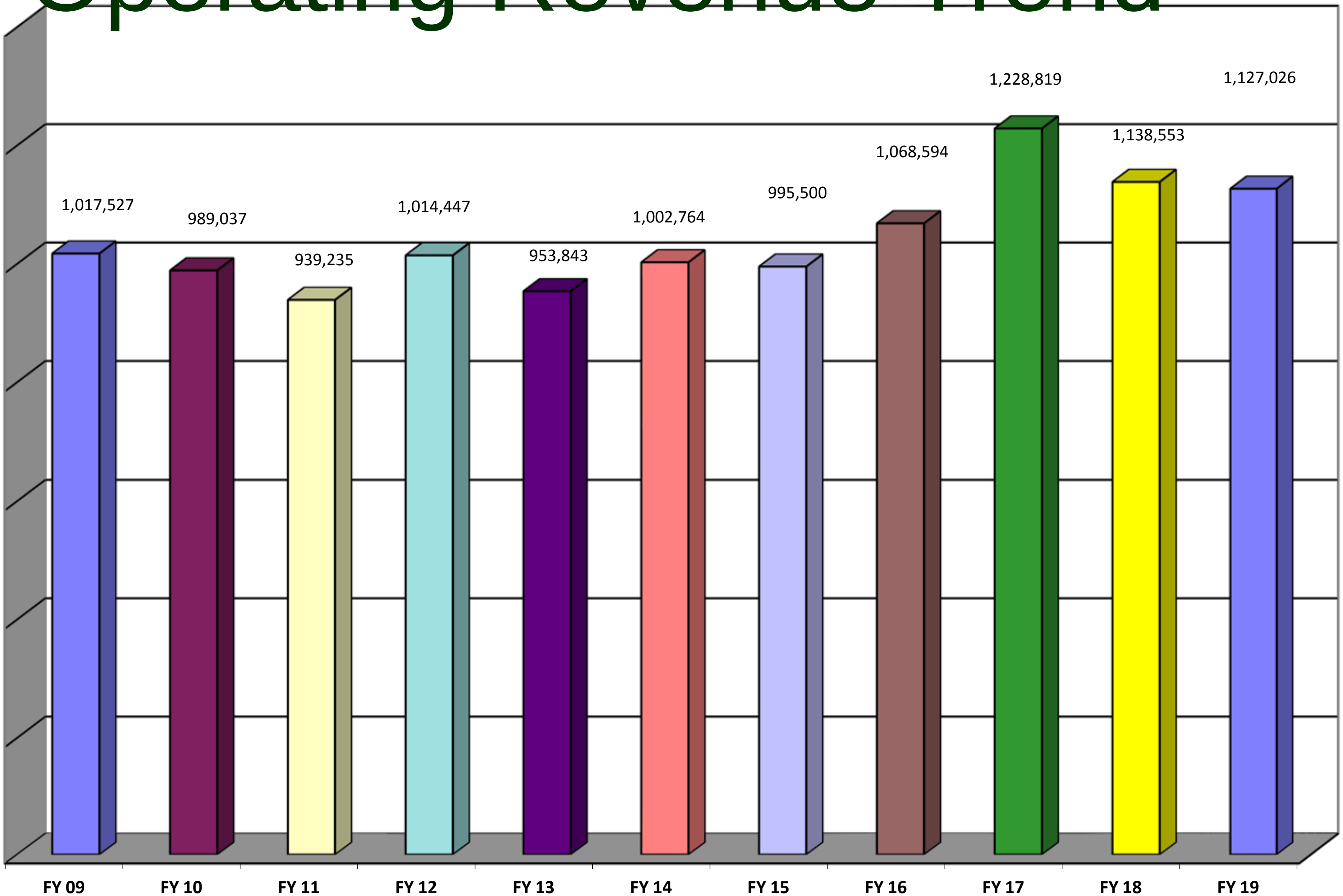
# Enterprise Fund

- Golf Course & Ice Arena budgets are accounted for independent of General Fund
- No transfers from General Fund to Enterprise Fund anticipated in FY19
- Goal is for Enterprise Fund to cover all operating costs with user fees.

# Enterprise Fund FY19

- Operating revenues estimated to decrease $11,527 or 1%
- Operating expenses estimated to increase $42,242 or 4%

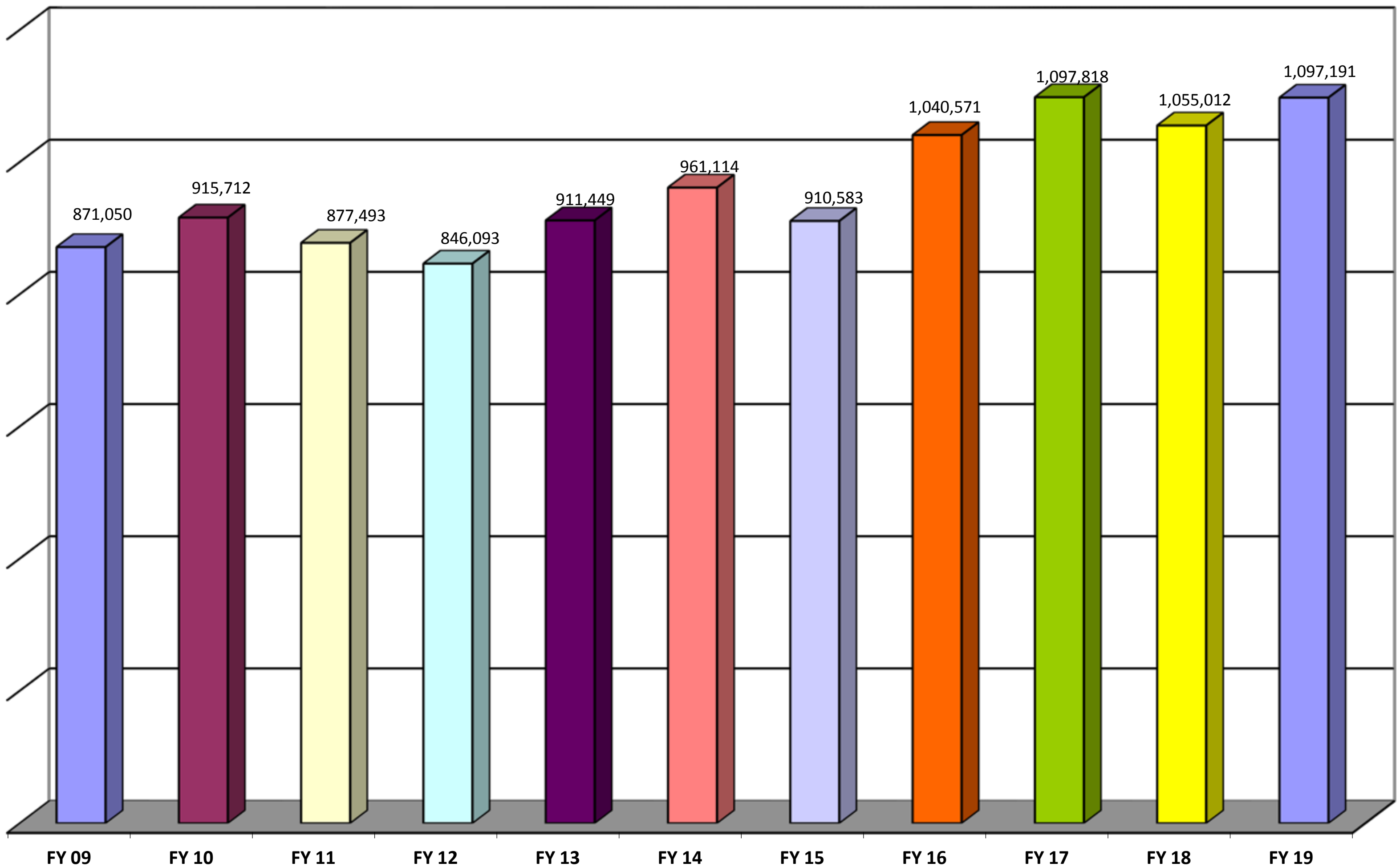
# Enterprise Fund 10 Year Operating Revenue Trend



# Enterprise Fund FY19

| | |
|---|---|
| **REVENUES** | |
| Ice Arena | $687,388 |
| Food Service | $59,600 |
| Golf Course | $380,038 |
| Transfer from GF | $0 |
| **TOTAL REVENUES** | **$1,127,026** |

# Enterprise Fund 10 Year Operating Expenditure Trend



# Enterprise Fund FY19

| | |
|---|---|
| **EXPENSES** | |
| Ice Arena | $526,626 |
| Food Service | $47,958 |
| Golf Course | $522,671 |
| **TOTAL EXPENSES** | **$1,097,255** |

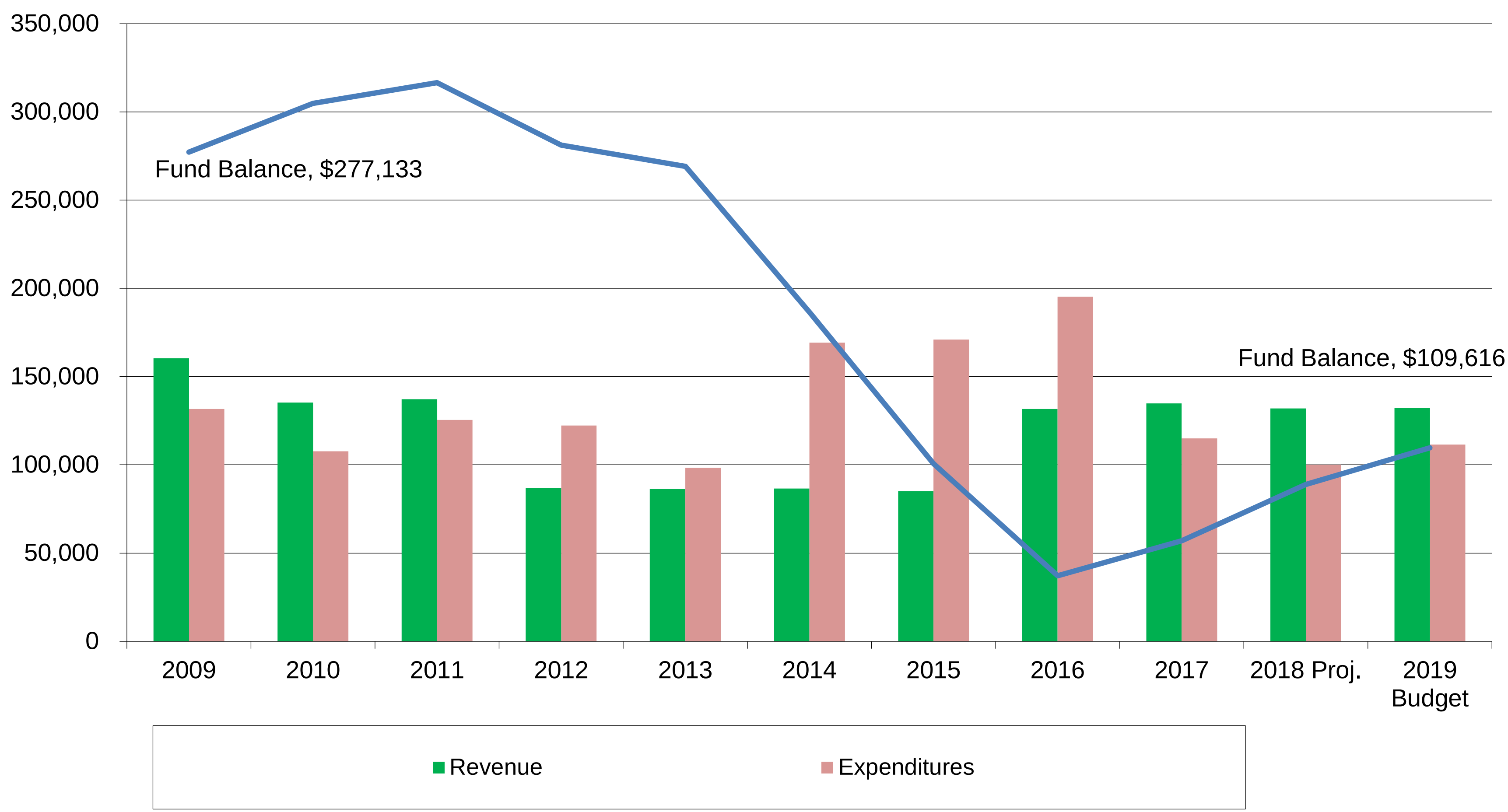
# Enterprise Fund Capital Outlay

- Purchase Tow Behind Turbine Blower ($7,400)
- Golf Cart Lease ($28,900)

# Sewer Lateral Fund

- As of January 1, 2017, provides reimbursement of 50% or up to $7,500 for costs associated with broken lateral lines
- Funded by $28 property tax assessed on all residential property
- FY18 projected operating revenues $132,000; expenditures $100,000
- FY19 estimated operating revenues $132,200; expenditures $111,500

# Sewer Lateral Revenues Expenses & Fund Balance



# Finance Committee Review

- Finance Committee reviewed on April 24 and will meet again on May 15
- Letter or recommendation from the Finance Committee chair will be submitted to the City Council after May 15th meeting

# Questions & Answers