Finance Committee
Committee Meeting Agenda
September 4, 2018
5:30 PM
Mayor's Conference Room
300 N New Ballas Rd

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Approval of Minutes**

    Approval of May 15, 2018 Finance Committee Meeting Minutes

5. **Public Comments**
6. **Reports**

    Chairperson

    Audit Committee

    Pension Board

    Finance Sub Committee

    Staff Report

    A. **4th Quarter Financial Statement**

    B. **Review of Long-Range Financial Projections**

7. **New Business**

    Update to Purchasing Policy and Procedures

8. **Unfinished Business**

    Methods for Economic Evaluation

    Fiscal Impact Analysis of Large Development Policy

9. **Other Business**

    FY19 Proposed Meeting Schedule

10. **Adjourn**

Finance Committee
Committee Meeting Minutes
May 15, 2018
5:30 PM
Administrative Conference Room
300 N New Ballas Rd

1. Call to Order

2. Roll Call

Richard Kutta	Vice-Chairperson	
Larry Potashnick	Board Member	
Ronald Abeles	Board Member	
Marjorie Richter	Board Member	
Adam Shulenburger	Board Member	
Phillip Hellwege	Chairperson	(Absent)
Tim Fogerty	Board Member	
Heather Silverman	Council Liaison	
Lori Obermoeller	Director of Finance	
Debbie Loso	Assistant	
Mark Perkins	City Administrator	
Tracy Brothers	Finance Clerk	

Ms. Silverman was introduce to the Committee and the new Council Liaison.

3. Approval of Agenda

Approve Agenda

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Marjorie Richter, Board Member
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

4. Approval of Minutes

Approval of April 24, 2018 Finance Committee Meeting Minutes

Ms. Obermoeller responded to a question concerning the City's liability insurance from last meeting stating the current deductible is $10,000 and the insurance covers claims made against any employee.

Finance Committee
Committee Meeting Minutes
May 15, 2018
5:30 PM
Administrative Conference Room
300 N New Ballas Rd

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Marjorie Richter, Board Member
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

5. Reports

Chairperson

Chair absent from meeting.

Audit Committee

Audit Committee has not met.

Pension Board

Mr. Potashnick reported the Board met with the Actuary and reviewed the projected pension payments to retirees and contributions to the plan over the next 10 to 15 years. The Board reviewed the Actuarial assumptions and the Board elected to change the interest assumptions from 7% to 6.75%. The change could impact the City's contribution approximately $200,000. Question was asked how the City would handle the increase in contribution. Mr. Perkins responded saying the City would use a portion of the Public Safety Sales Tax revenues for the police department's portion.

At this time it looks to be at least one to two years before the City's Defined Benefit Pension Plan would be able to transfer to the LAGERS plan.

Building Task Force

Mr. Kutta stated he had nothing to report at this time.

A. Approved Change Orders

Mr. Perkins stated there are a few owner directed change orders to come in the future but the Committee has reviewed all change orders to date. One change order to come is a floor drain oil interceptor that was not in the design plan. There are some changes orders for a post bid addendum for mechanical, electrical and sidewalk repair but all are within the allowances. Question was posed about what to do with contingency funds if there is a significant amount left once the construction of the Police Building is completed. The City is reviewing the options of paying down the debt or use for safety, security and accessibility improvements to the current Government Center.

B. March 2018 Project Dashboard

6. Finance Director Business

Review 3rd Quarter Financials

Minutes Acceptance: Minutes of May 15, 2018 5:30 PM (Approval of Minutes)

The Committee and Staff discussed the declining Court revenues. Staff stated they feel the decline in revenues are leveling off. There are several factors contributing to this decline such as a reduction of fines for nuance complaints, the defendant's ability to pay their fine, and the restriction of fines assessed.

Ms. Obermoeller reported there was a budget amendment submitted for the Ice Arena roof beam repair in the amount of $100,000. The City submitted a claim to the insurance carrier for reimbursement for part of the repair cost to the beam.

7. Unfinished Business

Mr. Kutta's Memo on Revenue and Cost Realignment

Mr. Shulenburger moved to bring the letter under consideration and open discussion regarding comments. Mr. Abeles seconded the motion with all present voting aye.

Mr. Potashnick suggested re-wording the sentence page 2, section A "Cost Reductions" to say something similar to "The City needs to complete a strategic review of all cost pending this effort to review the revenue and cost reductions for the City, which may not rectify a million dollar deficit. Under section B "Revenue Increases" he suggested expanding the section. For example "Increase sales tax rates" add how to accomplish task, what is the minimum and maximum revenue that can be generated, when such changes could be implemented and the annual economic benefit of such change. Add this to each item listed in order to have a more complete discussion and what the economic harvest might be and the length of time it would take.

The Committee further discussed Mr. Kutta's memo and what the Committee felt they wanted to accomplish. The Committee wants to have the Council set up a task force of up to 7 members for exploring cost reductions and Finance Committee to create a sub-committee of up to three members to explore revenue increases.

Mr. Shulenburger motioned to have the Finance Committee create a sub-committee to focus cost reduction and revenue increases and recommend the Council create a task force with the sub-committee participants. Ms. Richter seconded the motion.

The motion was amended so that the Mr. Shulenburger will prepare an amendment that changes the text of Mr. Kutta's Memo on Revenue and Cost Realignment. The effect of the motion is the Committee is recommending a sub-committee to review revenues supplemented by a Council appointed task force to review cost reductions. All present voted aye.

The following Finance Committee members have volunteered to form the Finance Sub-Committee;
Larry Potashnick
Adam Shulenburger
Ron Abeles

Mr. Perkins stated that there is a budget work session coming up on May 29, 2018 with the Council and recommended members of the Finance Committee attend to help explain the memo and its intentions.

The Committee recommended November 1, 2018 as deadline for the sub-committee to report back their recommendations.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Adam Shulenburger, Board Member
SECONDER:	Marjorie Richter, Board Member
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

Review The FY19 Preliminary Operating Budget

Mr. Kent's Memo to Committee

RESULT:	**DEFERRED [UNANIMOUS]**
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

Fiscal Impact Analysis of Large Development Policy

RESULT:	**DEFERRED [UNANIMOUS]**
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

Methods for Economic Evaluation

RESULT:	**DEFERRED [5 TO 0]**
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger
ABSENT:	Hellwege
RECUSED:	Fogerty

8. New Business

9. Other Business

10. Meeting Schedule

FY18 Meeting Schedule

FY19 Proposed Meeting Schedule

The Finance Committee decided to cancel the June 5, 2018 meeting and have the Finance Sub-Committee meet on that date.

RESULT:	**DEFERRED [5 TO 0]**
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger
ABSENT:	Hellwege
RECUSED:	Fogerty

11. Public Comments

12. Adjourn

Motion to Adjourn Meeting

Meeting adjourned at 7:04 PM

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Ronald Abeles, Board Member
AYES:	Kutta, Potashnick, Abeles, Richter, Shulenburger, Fogerty
ABSENT:	Hellwege

MEMORANDUM

DATE: August 23, 2018

TO: Mark Perkins, City Administrator

FROM: Lori Obermoeller, Director of Finance

SUBJECT: Fourth Quarter FY 2018 Financial Analysis

Attached is the financial report for the General Fund, the Municipal Enterprise Fund, the Capital Fund, the Sewer Lateral Fund and the Public Safety Fund for the 4th quarter of FY 2018. These figures are preliminary and unaudited. The significant fluctuations are summarized below:

1. **General Fund**
   a. Revenues
   Overall, year-to-date revenues for FY 2018 are $305,083 higher than the same time period for FY 2017. The increases are primarily in the areas of:
      - Utility Taxes – up $222,617, but $179,516 of this was due to a one-time lawsuit settlement from Ameren
      - Licenses and Permits – up $148,193 from last year due to an increase in business license revenue (up $29,757 mostly due to collecting several past due licenses) and an increase in building permits (up $93,522)
      - Interest Revenue – up $102,700 due to an increase in interest rates

   Below are the major revenue sources that have decreased from FY 2017:
      - Intergovernmental - down $103,405, with sales tax ($92,905) being most of that decrease
      - Court Revenues – down $67,866 due to change in municipal court laws

   b. Expenditures
   Expenditures for the General Fund are $281,384 less than the same time period in FY 2017 due to the following significant reductions in expenditures from FY 2017:
      - Finance Dept – down $50,518 due to a decrease in pension costs of $26,934 and $22,778 less in Technical and Personal Services, which includes the contractual agreement with Dan Smith and the OpenGov website software, which are not in FY 2018
      - Court Dept. – down $71,748 dues to 1 less FT person
      - Maintenance of Municipal Property – down $116,252 due to emergency repair in FY 2017 and Natural Gas and Water/Sewer being down in FY 2018
      - Street Maintenance – down $90,281 due to less snow removal supplies needed in FY 2018

For FY2018, operating revenues exceeded operating expenditures by $861,032. After transfers to the Capital Fund of $1.2 million, the General Fund ended the year with a deficit of $338,968 which is under the budgeted deficit of $633,280.

2. Municipal Enterprise Fund (MEF)

a. Revenues

Overall, Revenues for the Enterprise Fund are $164,936 less than what was received in FY 2017, but over the budget for FY 2018. Last year at this time, we received a one-time payment of $120,000 for the Dielmann Tower Lease.

b. Expenditures

Expenditures are $28,524 less than last year.

The year-end deficit for the MEF is $6,128, in line with the adjusted budget but less than projected due to revenues coming in less than anticipated.

3. Capital Fund

a. Revenues

At this time, revenues for the Capital Fund are down $127,495 from last year, which is due to the less in Grant revenue than FY 2017. Revenue for the Warson Road improvement for $374,685 won't be received in FY 2018 because the project is still ongoing. In addition to Warson Road not coming in for FY 2018, other grant money just hasn't been posted yet.

b. Expenditures

Expenditures are at $173,152 more than last year. However, we had anticipated the expenditures to be much higher, but as stated above, Warson Road hasn't been completed so very few Warson Road expenditures are in FY 2018. Also, the police firing range and the evaluation of the historical park buildings didn't occur and will need to be re-budgeted in FY 2019. There are also a few other projects that haven't been completed or posted to FY 2018. More entries will be posted as we proceed through the audit. Some of the major expenditures that occurred for FY2018 are as follows:

- Golf Course Cart Path Project - $516,443 (Largely grant funded)
- Park Bridge Replacement - $32,476
- Dielmann HVAC - $130,015
- Ice Arena Girder - $94,184
- Alden Lane Culvert Improvements - $141,935
- Ladue Road Repairs - $771,860
- Asphalt - $242,400
- Concrete - $473,327
- Sidewalks - $114,109
- New Ballas Road Sidewalk - $100,616
- Microsurfacing - $227,721
- Traffic Signal Enhancements - $95,792
- Olympia Ice Resurfacer - $69,500
- IT Server - $62,652
- PW One-Ton Dump Truck with Plow & Spreader - $34,640
- Bobcat - $64,823
- Warson Road Improvements (to date) - $235,602

Overall, the Capital Fund was budgeted with a $824,784 deficit and we are at a surplus of $13,971.

4. Sewer Lateral Fund

c. Revenues

Sewer Lateral Revenue is $281 less than last year.

d. Expenditures

Expenditures are $24,691 less than last year due to changing reimbursement from 80% to 50% January 2017.

Overall, the Sewer Lateral Fund was budgeted with a surplus of $20,500 and it is currently at a surplus of $44,201, which is slightly higher than the $32,000 that we projected in the FY 2019 budget.

5. Public Safety Fund

e. Revenues

The Public Safety Sales Tax revenues are at $543,333, which is slightly more than the budgeted amount of $500,000. This amount represents seven months, since the tax was implemented in late 2017.

f. Expenditures

So far only $2,300 have been expensed.

It should be noted that the figures for this report are preliminary for FY 2018. Additional revenues and expenditures will be recorded to the funds as additional revenues come in and additional bills are paid. Even with those additional unrecorded revenues and expenditures, I do not anticipate substantial changes in the operating results. I would be pleased to respond to any questions.

City of Creve Coeur
Statement of Revenues and Expenditures
As of June 30, 2018
FY 2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD Encumb	2018 Actual As % of Adjusted Budget	*2017 4th Qtr Actual*	*2017 Actual As % of Budget*
General Fund Revenues:							
Property Taxes	552,000	552,000	569,870		103.2%	565,888	100.5%
Utility Taxes	5,862,000	5,862,000	5,853,328		99.9%	5,630,711	98.2%
Intergovernmental	7,293,000	6,643,000	6,677,122		100.5%	6,780,527	101.6%
Licenses and Permits	977,650	977,650	1,162,909		118.9%	1,014,716	98.4%
Charges for Municipal Services	103,060	103,060	88,186		85.6%	93,112	79.2%
Municipal Court	600,000	600,000	482,945		80.5%	550,811	95.8%
Interest Revenue	210,000	210,000	264,858		126.1%	162,158	92.7%
Other Revenues	325,268	347,102	398,005		114.7%	394,217	128.2%
Total Revenues	**15,922,978**	**15,294,812**	**15,497,222**		**101.3%**	**15,192,139**	**100.1%**
General Fund Expenditures:							
Legislative Services	474,982	474,982	453,334	3,000	95.4%	427,063	104.2%
Administrative Services	1,076,511	1,076,511	883,848	121,931	82.1%	834,543	68.0%
Finance Department	573,632	573,632	552,365	0	96.3%	602,883	97.3%
Municipal Court	258,351	258,351	234,560	0	90.8%	306,308	90.3%
InterDepartmental	495,901	495,901	485,341	0	97.9%	514,080	92.3%
Community Services	118,342	118,342	113,419	0	95.8%	101,098	83.5%
Maint. of Municipal Prop.	355,303	355,303	333,128	7,163	93.8%	449,380	115.8%
Police Department	7,477,500	7,477,500	6,938,113	0	92.8%	6,942,338	95.2%
Public Works - Admin.	617,035	617,035	547,563	331	88.7%	570,148	105.1%
Street Maintenance	1,669,477	1,727,311	1,484,088	45,947	85.9%	1,574,369	92.3%
Health and Environment	774,500	774,500	741,031	0	95.7%	777,969	95.5%
Park Maintenance	516,730	516,730	457,624	2,296	88.6%	410,433	78.2%
Community Development	1,472,994	1,472,994	1,411,775	0	95.8%	1,406,964	99.8%
Total Expenditures	**15,881,258**	**15,939,092**	**14,636,191**	**180,667**	**91.8%**	**14,917,575**	**93.5%**
Total Operating Surplus (-Deficit)	**41,720**	**(644,280)**	**861,032**			**274,564**	
Transfers To Other Funds	**525,000**	**1,525,000**	**1,200,000**			**400,000**	
Operating Revenues Over (under) Expenditures	**(483,280)**	**(2,169,280)**	**(338,968)**			**(125,436)**	

City of Creve Coeur
Statement of Revenues and Expenditures
As of June 30, 2018
FY 2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD Encumb	2018 Actual As % of Adjusted Budget	*2017 4th Qtr Actual*	*2017 Actual As % of Budget*
Municipal Enterprise Fund Revenues:							
Golf Course	385,350	385,350	355,509		92.3%	375,152	99.5%
Food Service	56,000	56,000	56,759		101.4%	58,080	105.6%
Ice Arena	614,995	614,995	642,614		104.5%	787,527	106.5%
Other Revenues	700	700	8,284		1183.4%	7,343	108.0%
Capital Contribution	0	0	0		0.0%	0	0.0%
Total Revenue	**1,057,045**	**1,057,045**	**1,063,166**	**0**	**100.6%**	**1,228,102**	**104.7%**
Municipal Enterprise Fund Expenditures:							
Golf Course	489,653	489,653	516,466	0	105.5%	487,583	93.7%
Food Service	41,010	41,010	54,843	2,085	133.7%	48,201	113.9%
Ice Arena	528,588	532,483	497,985	0	93.5%	562,035	117.9%
Depreciation	0	0			0.0%	0	0.0%
Total Expenditures	**1,059,251**	**1,063,146**	**1,069,294**	**2,085**	**100.8%**	**1,097,818**	**105.7%**
Total Operating Surplus (-Deficit)	**(2,206)**	**(6,101)**	**(6,128)**			**130,284**	
Transfers to other Funds	**0**	**0**	**0**			**0**	
Operating Revenues Over (Under) Expenditures	**(2,206)**	**(6,101)**	**(6,128)**			**130,284**	

City of Creve Coeur
Statement of Revenues and Expenditures
As of June 30, 2018
FY2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD Encumb	2018 Actual As % of Adjusted Budget	*2017 4th Qtr Actual*	*2017 Actual As % of Budget*
Capital Improvement Fund Revenues:							
Intergovernmental	2,108,030	2,108,030	2,130,456	0	101.1%	2,057,326	99.1%
Interest Revenue	7,500	7,500	2,795	0	37.3%	1,744	116.3%
Other Revenues	427,045	933,160	471,595	0	50.5%	673,271	51.8%
Total Revenues	**2,542,575**	**3,048,690**	**2,604,846**	**0**	**85.4%**	**2,732,341**	**80.9%**
Capital Improvement Fund Expenditures:							
Building & Improvements	95,000	205,000	94,184	10,100	45.9%	103,551	27.3%
Park Development Projects	330,000	884,022	719,279	39,378	81.4%	163,003	83.2%
Storm water Projects	320,000	330,549	148,369	687	44.9%	198,457	43.1%
Street Overlay/Repair	2,213,000	3,572,200	2,444,554	763,442	68.4%	2,900,591	97.3%
Capital Equipment	484,638	406,703	384,489	0	94.5%	252,121	67.2%
Total Expenditures	**3,442,638**	**5,398,474**	**3,790,875**	**813,607**	**70.2%**	**3,617,723**	**82.4%**
Total Operating Surplus (-Deficit)	**(900,063)**	**(2,349,784)**	**(1,186,029)**			**(885,382)**	
Transfers in from General Fund	**525,000**	**1,525,000**	**1,200,000**			**0**	
Operating Revenues Over (Under) Expenditures	**(375,063)**	**(824,784)**	**13,971**			**(885,382)**	

City of Creve Coeur
Statement of Revenues and Expenditures
As of June 30, 2018
FY2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD Encumb	2018 Actual As % of Adjusted Budget	*2017 4th Qtr Actual*	*2017 Actual As % of Budget*
Sewer Lateral Fund							
Intergovernmental	132,000	132,000	134,540	0	101.9%	134,821	99.1%
Total Revenues	**132,000**	**132,000**	**134,540**	**0**	**101.9%**	**134,821**	**99.1%**
Sewer Lateral Fund Expenditures:							
Personnel Expenditures	0	0	0	0	#DIV/0!	2,106	9.6%
Technical & Personal Services	1,500	1,500	0	0	0.0%	0	0.0%
Sewer Lateral Reimbursements	110,000	110,000	90,339	0	82.1%	112,925	70.6%
Total Expenditures	**111,500**	**111,500**	**90,339**	**0**	**81.0%**	**115,030**	**62.7%**
Total Operating Surplus (-Deficit)	**20,500**	**20,500**	**44,201**			**19,790**	
Operating Revenues Over (Under) Expenditures	**20,500**	**20,500**	**44,201**			**19,790**	

	Annual Budget	Adjusted Budget	YTD Actual	YTD Encumb	2018 Actual As % of Adjusted Budget	*2017 4th Qtr Actual*	*2017 Actual As % of Budget*
Public Safety Sales Tax Fund							
Intergovernmental	0	500,000	543,333	0	108.7%	0	#DIV/0!
Total Revenues	**0**	**500,000**	**543,333**	**0**	**108.7%**	**0**	**#DIV/0!**
Public Safety Sales Tax Fund							
Contractual Expenditures	0	0	2,300	0	#DIV/0!	0	#DIV/0!
Commodities	0	0	0	0	#DIV/0!	0	#DIV/0!
Capital Expenditures	0	0	0	0		0	#DIV/0!
Total Expenditures	**0**	**0**	**2,300**	**0**	**#DIV/0!**	**0**	**#DIV/0!**
Total Operating Surplus (-Deficit)	**0**	**500,000**	**541,033**			**0**	
Transfers out to General Fund	**0**	**0**	**0**			**0**	
Operating Revenues Over (Under) Expenditures	**0**	**500,000**	**541,033**			**0**	

Communication: 4th Quarter Financial Statement (Reports)

MEMORANDUM

DATE: August 29, 2018

TO: Finance Committee

FROM: Mark Perkins, City Administrator
Lori Obermoeller, Director of Finance

SUBJECT: Follow up - Review of Long-Range Financial Projections

The Finance Committee created a Sub-Committee to review revenues. The committee reviewed and commented on the attached projections and scenarios.

As shown in the FY 2019 budget, the cumulative 5-year deficit for the General Fund is projected to be $5.3M. We have revised our projections based on the proposed utility tax increase and the Ameren rate reduction which became effective on August 1, 2018. These factors will result in a decrease in the cumulative 5-year deficit to $3.4 million, after transfers. It should be noted that the accuracy of long-range projections becomes increasingly challenging as we make projections further into the future. We can make two and three year projections with a reasonable degree of accuracy but less so with years four and five. This is due to unforeseen changes in revenues, the economy and federal or state regulations to name a few.

We have added an additional row in order to examine our long-range projections both before and after transfers. Transfers to the capital improvement fund are important to maintaining adequate funding for infrastructure and city facilities, but could be deferred or other supplemental revenue sources could be identified for capital improvements. In fact, the Finance Committee recommended looking at reducing such transfers as a long-range option in their May 22 letter to City Council. Transfers to the Capital Fund are typically $400,000 annually and comprise about 15% of annual capital expenditures.

Below is a summary of operating surpluses (deficits) for the next five years including the proposed utility rate increase and projected revenue loss due to the Ameren rate roll-back.

	Operating Surplus (Deficit) before $400k transfer	Operating Surplus (Deficit) after $400k transfer
• FY2019	$328,572	($71,428)
• FY2020	$114,763	($285,237)
• FY2021	($253,653)	($653,653)
• FY2022	($626,721)	($1,026,721)
• FY2023	($1,007,679)	($1,407,679)
• **Cumulative**	**($1.4M)**	**($3.4M)**

It is notable that the City finished Fiscal Year 2018 with an operating surplus before transfers out to other funds, marking at least the twelfth year in a row for such surpluses. The city ran a deficit after transfers due to an unexpected and major road failure, resulting in a transfer to the Capital Fund of $1.2 million, instead of the normal $400,000.

During the budget process, department directors and staff are actively involved in identifying opportunities for greater efficiency while maintaining service levels. This process continues throughout the year. For example, upon retirement of the Prosecuting Assistant in June, the responsibilities have been outsourced to the law firm handling the city's legal and prosecutorial responsibilities in order to reduce costs. Relatedly, we will continue to seek opportunities for municipal court consolidation with neighboring communities.

As other retirements and vacancies occur, staff is closely reviewing each position for opportunities to reduce or eliminate, as evidenced in the FY 2019 budget.

Other cost-saving and efficiency-improving opportunities, such as those described in the February 22, 2018 staff report, or the Finance Committee letter of recommendation on May 22, 2018 are also under review by staff, including a current review of our leaf vacuuming and limb chipping programs.

Staff is nearing completion of a review of our building permit fees to cover more of the cost of service while keeping our fees in line with other cities in our area.

Staff looks forward to continuing the discussion of ensuring the preservation of the city's long-standing financial stability.

5-Year General Fund Surplus (Deficit) Summary

Before $400K Transfer	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Operating Surplus (Deficit)	$62,184	($303,814)	($670,250)	($1,041,318)	($1,420,257)	($3,373,455)
New Utility Rate	$462,450	$616,600	$616,600	$616,600	$616,600	
Ameren 6.1% Decrease	($196,062)	($198,023)	($200,003)	($202,003)	($204,022)	
Total Operating Suplus (Deficit)	**$328,572**	**$114,763**	**($253,653)**	**($626,721)**	**($1,007,679)**	($1,444,718)
% of Exp. To Cut to Balance Budget	-2.13%	-0.72%	1.55%	3.73%	5.82%	

After $400K Transfer	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Budget Surplus (Deficit)	($337,816)	($703,814)	($1,070,250)	($1,441,318)	($1,820,257)	($5,373,455)
New Utility Rate	$462,450	$616,600	$616,600	$616,600	$616,600	
Ameren 6.1% Decrease	($196,062)	($198,023)	($200,003)	($202,003)	($204,022)	
Total Budget Surplus (Deficit)	**($71,428)**	**($285,237)**	**($653,653)**	**($1,026,721)**	**($1,407,679)**	($3,444,718)
% of Exp. To Cut to Balance Budget	0.46%	1.80%	4.00%	6.10%	8.13%	

Summary of Alternative Revenue Sources - Increasing Methods (General Fund)

	Method	2019 Current Taxation Method	2019 Annual Revenue	Proposed Taxation Method	Proposed Annual Revenue	Proposed Revenue Increase	Revenue Source	Effect on Resident family or Commercial	Local Impact	Implementation Method	Budget Surplus (Deficit)	FY2019	FY2020	FY2021	FY2022	FY2023	Total
											Operating Suplus (Deficit)	$62,184	($303,814)	($670,250)	($1,041,318)	($1,420,257)	
											Budget Surplus (Deficit)	($337,816)	($703,814)	($1,070,250)	($1,441,318)	($1,820,257)	($5,373,455
1A	Increase Utility Gross Receipts Tax	5.5% Res. Electric & 7%-all other Res. & Comm.	$5,471,993	Increase all utilities to 7.5%	$6,019,374	$547,381	Residential & commercial utility customers	R-$260/M=$3.40 incr. C-$600/M=$3.00 incr.	Business, Institutional & Residential	Ordinance up to 10%; then Popular Vote							
1B	Increase Utility Gross Receipts Tax	5.5% Residential Electric & 7%-all other Res. & Com.	$5,471,993	Increase residential to 7%; commercial utilities to 8%	$6,088,593	$616,600	Residential & commercial utility customers	R-$260/M=$2.10 incr. C-$600/M=$6.00 incr.	Business, Institutional & Residential	Ordinance up to 10%; then Popular Vote	New Rate 6.1% Ameren decr	$462,450 ($196,062)	$616,600 ($198,023)	$616,600 ($200,003)	$616,600 ($202,003)	$616,600 ($204,022)	
1C	Increase Utility Gross Receipts Tax	5.5% Residential Electric & 7%-all other Res. & Com.	$5,471,993	Increase residential to 7.5%; commercial utilities to 8%	$6,226,229	$754,236	Residential & commercial utility customers	R-$260/M=$3.40 incr. C-$600/M=$6.00 incr.	Business, Institutional & Residential	Ordinance up to 10%; then Popular Vote							
1D	Increase Utility Gross Receipts Tax	5.5% Residential Electric & 7%-all other Res. & Com.	$5,471,993	Increase residential to 8.0%; commercial utilities to 8.5%	$6,585,199	$1,113,206	Residential & commercial utility customers	R-$260/M=$4.70 incr. C-$600/M=$9.00 incr.	Business, Institutional & Residential	Ordinance up to 10%; then Popular Vote							
2A	Building Permits	**Res**-$6 per $1000 construction; min. $70, **Comm**-$6 per 1K up to $1M, $5 $1-9M, $4 over 9M, min. $70	$573,800	Still Researching - May be at Max.					Business, Institutional & Residential	Incr. per Justification							
3A	Increase Business License Fee	$.03 per sq. ft, except warehouse $.02 per sq. ft, min. $40/max. $1K	$172,000	Retain current calculation; Incr. min. to $50. No Max.	$227,530	$55,530	All businesses except home-based occupations	C - $10/year for 300	Business Only	Popular vote							
3B	Increase Business License Fee	$.03 per sq. ft, except warehouse $.02 per sq. ft, min. $40/max. $1K	$172,000	Retain current calculation; Incr. min. to $250. No Max.	$349,000	$177,000	All businesses except home-based occupations	C - $210/year for 300; $190/yr for 160; $160/yr for 100; $130/yr for 60	Business Only	Popular vote							
3C	Increase Business License Fee	$.03 per sq. ft, except warehouse $.02 per sq. ft, min. $40/max. $1K	$172,000	Retail-.08, Office/Service/Warehouse-.03, Min. $50	$302,000	$130,000	All businesses except home-based occupations	C- 1-$20K, 3-$10K, 2-$5K, 3-$4K, 6-$3K, 5-$2K, 7-$1K	Business Only	Popular vote							
3D	Increase Business License Fee	$.03 per sq. foot, except warehouse $.02 per sq. foot, minimum $40 and maximum $1,000	$172,000	Combination of gross receipts & sq. ft. Retail businesses based on gross sales $1.25 per $1K; $.03 for service/office/manuf. & warehouses. No Min/No Max	$470,000	$298,000	All businesses except home-based occupations	Commercial 7 between $10K-$20K, 7 between $5K-$7500, rest under $5K	Business Only	Popular vote							
4A	New Local Option Use Tax	NA	$0	Charge 0.75% on business and residential purchases	$340,000	$340,000	Local retail purchases. 80% will be paid by non-residents. Some neighboring munis already have this tax.	Little affect on res.; bigger affect on comm. with out-of-state equip. purch.	Business, Institutional & Residential	Popular vote in 2020.							
5A	Increase Real Estate Tax	Assessed Valuation R-$0.082; C-$0.081; A-$0.034; PP-$0	$672,044	Assessed Valuation R-$0.092; C-$0.091; A-$0.034; PP-$0	$757,044	$85,000	Residential & commercial owners	$400K AV R-$7.60/yr C-$12.80/yr	Business & Residences	Popular Vote							
6A	Parks & Stormwater Sales Tax	See 2nd Page			$500,000												
	FY END OPERATING TOTALS										Operating Surplus (Deficit)	**$328,572**	**$114,763**	$253,653	$626,721	$1,007,679	$1,444,71
	Percent of Expenditures to cut to balance the operating budget											**-2.13%**	**-0.72%**	**1.55%**	**3.73%**	**5.82%**	
	FY END BUDGET TOTALS										Budget Surplus (Deficit)	$71,428	$285,237	$653,653	$1,026,721	$1,407,679	$3,444,71
	Percent of Expenditures to cut to balance the budget											**0.46%**	**1.80%**	**4.00%**	**6.10%**	**8.13%**	

Communication: Review of Long-Range Financial Projections (Reports)

Summary of Alternative Revenue Sources - Increasing Methods (Other Funds)

Method	2019 Current Taxation Method	2019 Annual Revenue	Proposed Taxation Method	Proposed Annual Revenue	Proposed Revenue Increase	Revenue Source	Effect on Resident family or Commercial	Local Impact	Implementation Method		FY2019	FY2020	FY2021	FY2022	FY2023
New Parks & Storm Water Sales Tax. Up to .5%	NA	$0	0.5% (.10%) sales tax on local merchant retail purchases. ($10/$10,000).	$2,400,000	$2,400,000	Local retail purchases. 80% will be paid by non-residents. All neighboring munis already have this tax.	$1/household, assuming 5% of annual taxable purchases of $20,000 are local.	Local merchandise businesses. Miniscule competitive	Popular vote in 2020. Defer for parks master plan.	$500K could be used in GF					
Economic Development Sales Tax. Up to .5%	NA	$0	0.5% (.10%) sales tax on local merchant retail purchases. ($10/$10,000).	$2,400,000	$2,400,000	Local retail purchases. 80% will be paid by non-residents. All neighboring munis already have this tax.	$1/household, assuming 5% of annual taxable purchases of $20K are local.	Local merchandise businesses. Miniscule competitive	Popular vote in 2020.	Separate Fund (Not GF)					

CITY OF CREVE COEUR, MO. 1949

ALTERNATIVES FOR EXPENDITURE REDUCTIONS

AND REVENUE ENHANCEMENTS – 2018 (Version 2/22/18)

Below is an outline of alternatives for both expenditure reductions and revenue enhancements. The city's operating deficits are projected as follows, based on February 2018 projections:

FY 2019 - $ 1.2 million

FY 2021 - $ 1.8 million

Expenditures

1. Wages and Benefits

   a. Each 1% of salary increases costs approximately $54,000 (assumes no changes made to grade min and max);
      i. Reducing the normal annual salary increase amount from 3% to 1.5% will result in a savings of $81,000;
      ii. Eliminating pay increases will result in a savings of $162,000.

   b. Defer filling or eliminate three vacant full time positions:
      i. Public Works Maintenance Worker I = $55,500
      ii. Police Traffic Safety Officer $58,800 (grant pays for other 50%)
      iii. Police Support Services Aide = $62,740 (FT cost) - $28,652 (PT cost) = $34,100

      Total Savings, 3 FT positions = $148,400

   c. Move the Civil Engineer funding to Capital Fund – Reducing General Fund Expenditures by $83,000

   d. Increase employee share of health insurance premiums for dependent coverage from 20% to 25% savings of $32,000

      i. Impact to employees with dependent coverage: $25 to $52 per month

2. City Services

   a. Curbside trash and recycling service, currently paid 100% by City.

      i. Savings to city based on 75% city funding / 25% user fee: $193,750

      ii. Savings to city based on 50% city funding / 50% user fee: $387,500

      iii. Savings to city based on 100% user fee: $775,000

         a. Impact to users: Up to $14 per month

b. Leaf vacuuming

   i. Total Cost of leaf vacuuming service is $312,896 annually including both hard and soft costs; soft costs include staff salaries and equipment that would need to be retained for other services if leaf vacuuming service is eliminated. Total savings if the program is eliminated: $202,096

   ii. Reduce service to 2 collections in fall, 1 time in spring; savings: $101,048

   iii. Consider user fee, but thereby creating a significant administrative billing and collection process; savings would be less new administrative costs associated with billing and collection, loss of efficiency due to serving only subscribing homes.

c. Limb chipping

   i. Total Cost of limb chipping service is $350,500 annually including both hard and soft costs; soft costs include staff salaries and equipment that would need to be retained for other services if limb chipping service is eliminated. Total savings if the program is eliminated: $241,300

d. Snow removal on private streets

   i. consider discontinuing this service or establishing user fee - $48,000

3. Joint Services and Outsourcing. The city has entered into intergovernmental agreements and cooperatives for a number of services including police dispatching, health, worker's compensation and liability insurance, and purchasing, resulting in substantial savings.

   a. A future opportunity for joint service is the consolidation of municipal courts, resulting in savings of $25,000 to $50,000.

4. Other

   a. Public Works has reduced the size of our two-ton fleet to nine trucks and reduced the number of leaf vacuums to nine unit. We have also started purchasing half of the one-ton fleet without plow and spreaders. This has been made possible by purchasing diesel powered trucks and vacuums which require less maintenance and are more reliable. Reduction of these areas of our fleet have resulted in lower maintenance costs, better performance, as well as allowing purchase cycles to be extended therefore lowering our annual CIP Equipment purchase costs.

   b. Reduce printing of newsletter from monthly to bi-monthly. The newsletter could be distributed electronically in other months. Savings: $25,000

   c. Special Event Activities

      i. Replace annual commissions dinner with a summer picnic; Savings: $5,000; savings if event is eliminated entirely: $10,000

      ii. Eliminate subsidy of Farmer's Market: $10,000

Alternatives for Revenue Increases

1. Consider ordinance to increase the gross receipts tax rate, currently 7%, except residential electric is 5.5% and cable TV is 5%. Potential revenue:

    a. Each 1% increase in residential electric gross receipts - $126,000

    b. Each 1% increase in commercial electric gross receipts - $341,000

    c. Each 1% increase in all utilities gross receipts (except cable) - $776,000

        i. Impact: A 1% rate increase in a $200 monthly utility bill will increase the cost by $2.

2. Consider increasing real estate tax to cap. Potential revenue: $100,000

    a. Impact: An increase in the tax rate from $0.068 to $0.082 will result in an annual increase of $14 on a home with a market value of $400,000.

3. Consider seeking voter approval of an increase in business license fees; Potential revenue: $180,000 to $900,000

    a. Average current business license fee is currently $190, based on square footage; (954 licensed businesses, $184,000 in annual revenue)

    b. Impact: Varies, dependent upon method of calculation and rate;

    c. Compliance Audit – to be conducted summer 2018; Estimated Revenue $20,000

4. Consider placing the Local Option Use Tax on the ballot, Potential revenue $340,000

    a. Impact: The use tax is levied at the same rate as sales tax, but no user is ever subject to both. The use tax is primarily a business-to-business tax on out-of-state purchases. The first $2,000 in annual purchases are exempt so the impact on individuals is negligible.

5. Consider placing a one-half cent Parks and Storm water sales tax on the ballot, which would be primarily used to fund park and storm water capital projects, but could also be used to offset park operating costs of $400,000 annually. Total park/storm water tax revenue $2.4 million.

    a. Impact: For every $100 in retail sales, the additional tax due would be $0.50. The current local sales tax rate is 1.75%, the total sales tax rate in Creve Coeur is 8.3625%

6. Review planning & zoning and building permit fees – currently underway.

Mark Perkins

City Administrator

February 22, 2018

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

Finance Sub Committee
Committee Minutes
June 5, 2018
12:00 AM
Administrative Conference Room
300 N New Ballas Rd

Call to Order

Larry Potashnick	Board Member	
Ronald Abeles	Board Member	
Adam Shulenburger	Board Member	(Absent)
Richard Kutta	Vice Chair of Finance Committee	
Lori Obermoeller	Director of Finance	
Debbie Loso	Assistant	
Mel Clearman	Resident	
Tracy Brothers	Finance Clerk	

Approve Agenda

Approval of Agenda

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Ronald Abeles, Board Member
AYES:	Potashnick, Abeles, Kutta
ABSENT:	Shulenburger

New Business

Discussion of Revenues

The Committee reviewed and discussed the different types of revenues the City currently receives and what type of action it takes to increase the revenue.

Mr. Potashnick requested at the next meeting to review the schedule from the budget that shows revenues and expenses by department.

Committee requested Staff to provide the following information at the next meeting;

1. If the Court violations fees are being charged at the max limit.
2. Review what other Municipalities are doing concerning trash service for their community.
3. Create schedule of Municipalities that offer leaf and limb service.
4. A schedule showing what revenues can increase or that the Council can implement and the amount the increased would generate.

The Committee reviewed what changes can be made to the Utility Gross Receipt taxes and what increasing the rates would do to the revenue. The City currently doesn't charge the max rate for the Property Tax but have budgeted to increase to the max ceiling in the FY2019 budget..

The Committee discussed the Use Tax, what other City's currently have the tax and how the tax would effect the City.

Finance Sub Committee
Committee Minutes
June 5, 2018
12:00 AM
Administrative Conference Room
300 N New Ballas Rd

Mr. Potashnick will submit to Ms. Obermoeller a list of revenues he would like to discuss at the next meeting and what the max revenue an increase would generate.

Other Business

Next Meeting is scheduled for July 10, 2018 at 5:30 pm.

Adjourn

Move to Adjourn Meeting

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Ronald Abeles, Board Member
SECONDER:	Larry Potashnick, Board Member
AYES:	Potashnick, Abeles, Kutta
ABSENT:	Shulenburger

Finance Sub Committee
Committee Minutes
July 10, 2018
5:30 PM
Administrative Conference Room
300 N New Ballas Rd

I. Call to Order

Larry Potashnick	Board Member	
Ronald Abeles	Board Member	
Adam Shulenburger	Board Member	
Richard Kutta	Vice Chairman	(Absent)
Lori Obermoeller	Director of Finance	
Mark Perkins	City Administrator	
Debbie Loso	Assistant	
Tracy Brothers	Finance Clerk	

II. Approve Agenda

Committee voted Mr. Shulenburger as Chair and Mr. Abeles as Vice Chair.

Approval of Agenda as amended

Agenda amended to add a Discussion of Expenses under the New Business section.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Ronald Abeles, Board Member
AYES:	Potashnick, Abeles, Shulenburger

III. Approve Minutes

Minutes from last meeting was not available in time for the meeting for approval.

IV. Old Buisness

Memo-Revenue Sources

The Committee discussed the memo covering the Revenue Sources. The Committee discussed the Building Permits and what is the true cost to the City. The City is currently looking at increasing the permit fees to be closer to 90% of the departments cost. The Committee requested that Staff provided a more comprehensive cost analysis of the Building department that would include overhead cost. Committee requested to add "maximum increase per year" to the report.

Committee reviewed the Business License Comparison spreadsheet presented by Staff. Committee requested to see the amount of revenue from businesses grouped in categories making under $1 million, $1 to $5 million, etc. This will only provide those businesses that pay sales tax it will not include all businesses in the City. This information will help in determining if the City wants to base the fee on the amount of revenue a business generates, square footage, number of employees or a combination.

Request was made for Staff to give an update on the Missouri Supreme Court case concerning the internet based sales at next meeting. The Committee discussed the possible outcome of the

Finance Sub Committee
Committee Minutes
July 10, 2018
5:30 PM
Administrative Conference Room
300 N New Ballas Rd

Supreme Court passing the case for online sales and its impact. Committee recommended holding off on the Use Tax until case is settled.

The Committee discussed the Storm water/Parks Sales Tax. Staff stated 100% sales tax goes to the City and would not be part of the shared sales tax pool.

Mr. Shulenburger asked if he had approval as the Committee Chair to send an email to Mayor Glantz and the City Council President, Mr. Saunders, suggesting the Finance Sub Committee would like to explore the expense side if a task force was not going to be formed for that purpose. The decision was made to have the Finance Committee submit the request to Council since the Committee originally submitted the request to form the Finance Sub Committee.

Creve Coeur Revenue Evaluation June 2018

Business License Fee Comparison

V. New Buisness

Discussion of Expenses

RESULT:	**DEFERRED [UNANIMOUS]**
AYES:	Potashnick, Abeles, Shulenburger

VI. Adjournment

Moved to Adjourn Meeting

Next meeting is scheduled for August 21, 2018 at 5:30 pm.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Potashnick, Board Member
SECONDER:	Ronald Abeles, Board Member
AYES:	Potashnick, Abeles, Shulenburger

MEMORANDUM

DATE: August 29, 2018

TO: Mark Perkins, City Administrator

FROM: Lori Obermoeller, Director of Finance

SUBJECT: Purchasing Procedure Proposed Changes

The general purpose of a Purchase Order is to recognize a contract between the City and a vendor, encumber the funds for the purchase, and to verify purchases have been created by authorized personnel.

The current purchasing procedures state that the City should issue a Purchase Order for all purchases. However, the City has only been issuing purchase orders for those purchases above $751. Many times, purchase orders are entered the day the invoice is to be paid, which defeats the main purpose for a purchase order. Eliminating the need for a purchase order on purchases below $1,500 will make the purchasing procedures more efficient and will free up staff time for more critical issues. This change will allow department directors to authorize purchases under $1,500 without a purchase order provided that budgeted funds are available. Departments will be required to obtain 3 informal written bids for purchases over $1,500 instead of over $750, require 3 formal bids over $7,500 instead of over $1,500, and a purchase order will be required on items over $1,500 instead of anything over $750. The difference between informal and formal bids is that informal doesn't have to be advertised…it still can be, but it doesn't have to be.

In addition to eliminating Purchase orders for purchases less than $1,500, I am also recommending additional minor changes to Chapter 140. Finance. Below are all of the changes that I am recommending for Chapter 140:

Section 140.010 Purchasing and Sales Policy, B. Definitions

- Update definition for Formal Written Bid and Informal Written Bid to clarify the intent

Section 140.030 General Guidelines, B. Purchasing Procedures

- Rewrite #1-#5 to eliminate Purchase Orders for anything up to $1,499.
- Clarify any purchases from $1,500 to $7,499 will need 3 informal written bids and a Purchase Order that is approved by the Department Director and the Director of Finance
- Clarify any purchases over $7,500 will need 3 formal written bids and a Purchase Order approved by Department Director, Director of Finance and City Administrator
- Added #5, Bidding instructions, which includes Performance Bond

Section 140.030 General Guidelines, C. Change Orders, 3. Changes to Purchase Orders

- Allow the City Administrator the ability to approve a change order up to 10% or $20,000, whichever is less, to purchases due to cost changes, quantity changes and scope changes

Section 140.030 General Guidelines, G. Professional Services Contracts, 5.

- Allow City Administrator the ability to approve a change order to Professional Services of 10% or up to $20,000, whichever is less

Roughly 26% (72) of our Purchase Orders were less than $1,500 in 2017, so this is the amount that would not require a Purchase Order if this change is adopted.

A chart showing the formal written bid thresholds for other cities is attached. You will notice that changing our threshold to $7,500 will put us in in the middle of what surrounding cities are doing. We will be in line with Ladue and Frontenac's policy and below Clayton, Maryland Heights and Ballwin's threshold policy.

In summary, the three major changes from this proposal are (1) changing the informal bid threshold from $750 to $1,500, (2) changing the formal written bid threshold from $1,500 to $7,500 and (3) requiring Purchase Orders on purchases over $1,500 instead of purchases over $750.

A red-lined version of the recommended changes is also attached. I'd be happy to answer any questions.

Chapter 140. Finances

Section 140.010. Purchasing and Sales Policy.

B. *Definitions.* The following terms shall be defined as stated for purposes of this Chapter:

FORMAL WRITTEN BID

A competitive bid for supplies and services which must be submitted in response to an advertised request in a prescribed format pursuant to applicable instructions, including typically that the bid be submitted in a sealed ~~envelope~~ format to be opened in public at a specified time.

INFORMAL WRITTEN BID

A competitive bid ~~or price quotation~~ for supplies or services conveyed to the City in writing, generally without prior advertising, pursuant to applicable instructions.

Section 140.030. General Guidelines.

B. Purchasing Procedures.

No purchase or contracts for services or supplies paid from funds of the City, shall be made by any officer, employee or agent of the City, or City Administrator, except in the manner hereinafter set forth.

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1. ~~*Purchases with material value from zero dollars ($0.00) to seven hundred fifty dollars ($750.00).* Items in this range within budget and not available through an existing purchasing contract may be ordered by the department director. Prior to placing an order, departments should obtain the lowest cost through cost comparisons whenever reasonably possible. The requisition must be approved only by the department director for issuance of a purchase order.~~

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~~2. *Purchases with material value from seven hundred fifty-one dollars ($751.00) to one thousand four hundred ninety-nine dollars ($1,499.00).* Items in this range within budget and not available through an existing purchasing contract may be ordered by the department director. Prior to placing an order, the department should obtain the lowest cost through cost comparisons whenever reasonably possible. The requisition must be approved by the department director and the account associate in the Finance Department for issuance of a purchase order.~~

~~3. *Purchases with material value from one thousand five hundred dollars ($1,500.00) to four thousand nine hundred ninety-nine dollars ($4,999.00).* Items in this range within budget and not available through an existing purchasing contract may be ordered by the department director after the required approval of the requisition and purchase order. These items must be approved by the department director, the account associate and the Finance Director. Formal written quotes are required to insure a competitive purchase. To the extent possible, at least three (3) quotes should be obtained.~~

~~4. *Purchases with material value from five thousand dollars ($5,000.00) to nineteen thousand nine hundred ninety-nine dollars ($19,999.00).* Items in this range~~

~~within budget and not available through an existing purchasing contract may be ordered by the department director after the required approval of the requisition and purchase order. These items must be approved by the department director, account associate, Finance Director and the City Administrator. Formal written quotes are required to insure a competitive purchase. To the extent possible, at least three (3) quotes should be obtained.~~

~~5. *Purchases with material value of twenty thousand dollars ($20,000.00) and above and purchases not within budget (after authorized transfers).* Items in this category may be ordered only after official approval by the City Council. All such purchases require written quotes (at least three (3) if possible). For purchases exceeding fifty thousand dollars ($50,000.00), a request for bids must be formally advertised once a week on the same day for two (2) consecutive weeks in a newspaper of general circulation within the City.~~

1. Purchases with material value from Zero dollars ($0.00) to one thousand four hundred ninety-nine dollars ($1,499.00). Whenever any contemplated purchase or contract for services is under one thousand five hundred dollars ($1,500.00) and within budget, the City may order the item or items as needed without any further formality. It is the responsibility of each department director to ensure control over this process. Final approval of the purchase or contract shall be by the department director. No quotes are necessary and no purchase order is required.

2. Purchases with material value from One thousand five hundred dollars ($1,500.00) to seven thousand four hundred ninety-nine dollars ($7,499.00). Whenever any contemplated purchase or contract for services are within this range and budget, at least three (3) informal written bids for the items or services shall be submitted in bid form. The City may purchase items or contract for services from the lowest responsible bidder whenever reasonably possible. The requisition for purchase of the items or services must be approved by the department director and the Director of Finance for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.

3. Purchases with material value from Seven thousand five hundred dollars ($7,500.00) to nineteen thousand nine hundred ninety-nine dollars ($19,999000.00). Whenever any contemplated purchase or contract for services are within this range and budget, at least three (3) written bids for the items or services shall be submitted in bid form. The City may purchase items or contract for services from the lowest responsible bidder whenever reasonably possible. The requisition for purchase of the items or services must be approved by the department director, the Director of Finance and the City Administrator for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.

4. Purchases with material value of Twenty thousand dollars ($20,000.00) and above. Whenever any contemplated purchase or contract for services are within this range, at least three (3) written bids for the items or services shall be submitted in bid form. Items in this category may be ordered only after official approval by the City Council. For purchases exceeding fifty thousand dollars ($50,000), a formal written request for bids must be advertised in one (1) issue of a newspaper of general circulation in the City. The notice herein required shall include a general description of the articles to be purchased or services performed and the time and place for opening the bids. In addition, a notice inviting bids shall be posted on the City's website, on any online bidding site available, any relevant trade publication, and may also be mailed or emailed to all responsible

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Formatted: Font: (Default) Liberation Serif, 12 pt, Font color: Black, (Asian) Chinese (PRC) *prospective suppliers of the items to be purchased or services performed. Final approval of the purchase or contract shall be by affirmative vote of a majority of the City Council. After approval by the City Council, the requisition for purchase of the items or services must be approved by the department director, the Director of Finance and the City Administrator for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.*

5. Bidding. The City and all parties contracting with the City shall follow the procedure hereinafter set forth in relation to all purchases exceeding fifty thousand dollars ($50,000):

a. All notices and solicitation of bids shall state the time and place for opening.

b. All bids shall be submitted sealed, either electronically or in writing, and shall be identified as "sealed bids" on the envelope or electronic subject line.

c. All bids shall be opened in public at the time and place stated in the public notice.

d. A tabulation of all bids received shall be available for public inspection per request.

e. The City shall have the authority to reject any and all bids and parts of all bids and readvertise or resolicit bids.

f. Determining lowest responsible bidder. Unless there is an exercise of the right of rejection, the purchase or contract shall be made from and with the lowest responsible bidder for any article or to the lowest responsible bidder for the entire purchase or contract for any part thereof. In determining the lowest responsible bidder, the following shall be considered:

(1) The ability, capacity and skill of the bidder to perform the contract or provide service required.

(2) Whether the bidder can perform the contract or provide the services promptly or within specified time, without delay or interference.

(3)The quality of performance of previous contracts or services.

(4) The previous and existing compliance by the bidder with laws and ordinances of the City.

(5)The financial resources and ability of the bidder to perform the contract or provide the service.

(6)The quality, availability and adaptability of the supplies or service.

6. *Multiple or repeat orders.* Multiple or repeat orders cannot be used to avoid the requisite approvals for the total purchase amount.

7. *Special circumstances.* If less than three (3) quotes are received and the quotes all exceed the amount budgeted for the purchase, departments should either request new bids for the desired goods or services or obtain approval from the Director of Finance to proceed based on the initial quote(s) on the grounds that special circumstances exist such that requests for new bids would not generate different quotes. Such special circumstances should be explained in a memorandum accompanying the purchase

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8. *Exempt purchases.* The following purchases, by their very nature, are exempt from the normal purchasing guidelines and require the special procurement practices set forth in subsequent Sections of this Chapter:

a. Sole-source or monopoly purchases;

b. Cooperative purchase agreements;

c. Fuel purchases;

d. Professional services;

e. Term and supply and annual contracts;

f. Emergency purchases.

g. *Performance bond.* The City shall have the authority to require a performance bond, in cash or otherwise, for such amount as it may deem sufficient to secure the execution of the contract of furnishing supplies or services for the best interest of the City.

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C. *Change Orders.*

1. *Construction change orders approved by City Administrator.* The City Administrator is authorized to approve change orders not exceeding ten percent (10%) of the original contract or up to fifty thousand dollars ($50,000.00), whichever is less.

2. *Construction change orders approved by City Council.* Construction change orders approved by City Council. In the event a construction change order contains costs in an amount that exceeds the authorization of the City Administrator, the change order must go to City Council for approval. In the event change orders on a single contract accumulate to an amount in excess of the City Administrator's authorization, all subsequent change orders, regardless of amount, must go to City Council for approval. On a project-by-project basis, the City Council may authorize the City Administrator to approve up to twenty thousand dollars ($20,000.00) in additional change orders following City Council review of all previous change orders, but in no event shall such additional authorization exceed ten percent (10%) of the original contract.

3. *Changes to purchase orders.* The City Administrator is authorized to approve change orders for purchases not exceeding ten percent (10%) of the original contract or up to twenty thousand dollars ($20,000), whichever is less so long as the proposed changes are in response to conditions unforeseen at the time the purchase order was awarded. Change orders may not be used to overdraw a budgetary account, to avoid the City's competive bidding process or to materially alter the purpose of the original bid or contract. Changes to purchase orders in excess of 10% or $20,000, must be approved by City Council.~~Change orders to purchase orders are only allowed if the change is in the cost of the item being purchased. No change orders are allowed for changes in quantity or scope of the original purchase order. Changes in quantity or scope are to be purchased with separate purchase order numbers unless the City Administrator or his/her designee authorizes the amendment of an existing purchase order.~~

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~~a. Purchase order change order cost adjustments in an amount up to three thousand dollars ($3,000.00) require prior approval of the Director of Finance.~~

~~b. Purchase order change order cost adjustments in an amount from three thousand one dollars ($3,001.00) to nineteen thousand nine hundred ninety-nine dollars ($19,999.00) require prior approval of the Director of Finance and the City Administrator.~~

~~c. Purchase order change order cost adjustments in an amount over nineteen thousand nine hundred ninety-nine dollars ($19,999.00) require prior approval of the Director of Finance, City Administrator and City Council.~~

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G. *Professional Services Contracts.*

1. Contracts for professional services provided by financial advisors, physicians, certified public accountants, engineers, architects, land surveyors, brokers, consultants and other specialized or technical services shall be obtained through the special procurement procedures set forth in this Section.

2. Requests for proposals for professional services shall be submitted to the City Administrator for review and approval prior to distribution. When an RFP for professional services is approved, a limited number of qualified professionals known to the City will be invited to submit a proposal setting forth their interest, qualifications and description of proposed services. A contract will be negotiated with the professionals deemed to best meet the City's needs.

3. Upon approval of the Finance Director and City Administrator, professional services contracts under ten thousand dollars ($10,000.00) may be exempt from the request for proposal process.

4. Professional services contracts for twenty thousand dollars ($20,000.00) or more must be approved by the City Council.

5. ~~In the event a change in the scope of services increases the total compensation for a professional services contract originally valued at twenty thousand dollars ($20,000.00) or more or if the change will cause the original contract amount to exceed nineteen thousand nine hundred ninety-nine dollars ($19,999.00), a written contract modification or supplemental agreement shall be approved by the City Council prior to the additional work commencing. Contract modifications or supplemental agreements that do not cause the total contract amount to exceed nineteen thousand nine hundred ninety-nine dollars ($19,999.00) may be approved by the City Administrator.~~ The City Administrator is authorized to approve change orders for professional service contracts not exceeding ten percent (10%) of the original contract or up to twenty thousand dollars ($20,000), whichever is less so long as the proposed changes are in response to conditions unforeseen at the time the purchase order was awarded. Change orders may not be used to overdraw a budgetary account, to avoid the City's competive bidding process or to materially alter the purpose of the original bid or contract. Changes to purchase orders in excess of 10% or $20,000, must be approved by City Council.

Chapter 140. Finances

Section 140.010. Purchasing and Sales Policy.

B. *Definitions.* The following terms shall be defined as stated for purposes of this Chapter:

FORMAL WRITTEN BID

A competitive bid for supplies and services must be submitted in response to an advertised request in a prescribed format pursuant to applicable instructions, including typically that the bid be submitted in a sealed format to be opened in public at a specified time.

INFORMAL WRITTEN BID

A competitive bid for supplies or services conveyed to the City in writing, generally without prior advertising, pursuant to applicable instructions.

Section 140.030. General Guidelines.

B. Purchasing Procedures.

No purchase or contracts for services or supplies paid from funds of the City, shall be made by any officer, employee or agent of the City, or City Administrator, except in the manner hereinafter set forth.

1. Purchases with material value from Zero dollars ($0.00) to one thousand four hundred ninety-nine dollars ($1,499.00). Whenever any contemplated purchase or contract for services is under one thousand five hundred dollars ($1,500.00) and within budget, the City may order the item or items as needed without any further formality. It is the responsibility of each department director to ensure control over this process. Final approval of the purchase or contract shall be by the department director. No quotes are necessary and no purchase order is required.

2. Purchases with material value from One thousand five hundred dollars ($1,500.00) to seven thousand four hundred ninety-nine dollars ($7,499.00). Whenever any contemplated purchase or contract for services are within this range and budget, at least three (3) informal written bids for the items or services shall be submitted in bid form. The City may purchase items or contract for services from the lowest responsible bidder whenever reasonably possible. The requisition for purchase of the items or services must be approved by the department director and the Director of Finance for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.

3. Purchases with material value from Seven thousand five hundred dollars ($7,500.00) to nineteen thousand nine hundred ninety-nine dollars ($19,999.00). Whenever any contemplated purchase or contract for services are within this range and budget, at least three (3) written bids for the items or services shall be submitted in bid form. The City may purchase items or contract for services from the lowest responsible bidder whenever reasonably possible. The requisition for purchase of the items or services must be approved by the department director, the Director of Finance and the City Administrator for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.

4. Purchases with material value of Twenty thousand dollars ($20,000.00) and above. Whenever any contemplated purchase or contract for services are within this range, at least three (3) written bids for the items or services shall be submitted in bid form. Items in this category may be ordered only after official approval by the City Council. For purchases exceeding fifty thousand dollars ($50,000), a formal written request for bids must be advertised in one (1) issue of a newspaper of general circulation in the City. The notice herein required shall include a general description of the articles to be purchased or services performed and the time and place for opening the bids. In addition, a notice inviting bids shall be posted on the City's website, on any online bidding site available, any relevant trade publication, and may also be mailed or emailed to all responsible prospective suppliers of the items to be purchased or services performed. Final approval of the purchase or contract shall be by affirmative vote of a majority of the City Council. After approval by the City Council, the requisition for purchase of the items or services must be approved by the department director, the Director of Finance and the City Administrator for issuance of a purchase order. All received bid documentation will be attached to the requisition/purchase order.

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b. All bids shall be submitted sealed, either electronically or in writing, and shall be identified as "sealed bids" on the envelope or electronic subject line.

c. All bids shall be opened in public at the time and place stated in the public notice.

d. A tabulation of all bids received shall be available for public inspection per request.

e. The City shall have the authority to reject any and all bids and parts of all bids and re-advertise or re-solicit bids.

f. Determining lowest responsible bidder. Unless there is an exercise of the right of rejection, the purchase or contract shall be made from and with the lowest responsible bidder for any article or to the lowest responsible bidder for the entire purchase or contract for any part thereof. In determining the lowest responsible bidder, the following shall be considered:

(1) The ability, capacity and skill of the bidder to perform the contract or provide service required.

(2) Whether the bidder can perform the contract or provide the services promptly or within specified time, without delay or interference.

(3)The quality of performance of previous contracts or services.

(4) The previous and existing compliance by the bidder with laws and ordinances of the City.

(5)The financial resources and ability of the bidder to perform the contract or provide the service.

(6)The quality, availability and adaptability of the supplies or service.

6. *Multiple or repeat orders.* Multiple or repeat orders cannot be used to avoid the requisite approvals for the total purchase amount.

7. *Special circumstances.* If less than three (3) quotes are received and the quotes all exceed the amount budgeted for the purchase, departments should either request new bids for the desired goods or services or obtain approval from the Director of Finance to proceed based on the initial quote(s) on the grounds that special circumstances exist such that requests for new bids would not generate different quotes. Such special circumstances should be explained in a memorandum accompanying the purchase order.

8. *Exempt purchases.* The following purchases, by their very nature, are exempt from the normal purchasing guidelines and require the special procurement practices set forth in subsequent Sections of this Chapter:

a. Sole-source or monopoly purchases;

b. Cooperative purchase agreements;

c. Fuel purchases;

d. Professional services;

e. Term and supply and annual contracts;

f. Emergency purchases.

g. *Performance bond.* The City shall have the authority to require a performance bond, in cash or otherwise, for such amount as it may deem sufficient to secure the execution of the contract of furnishing supplies or services for the best interest of the City.

C. *Change Orders.*

1. *Construction change orders approved by City Administrator.* The City Administrator is authorized to approve change orders not exceeding ten percent (10%) of the original contract or up to fifty thousand dollars ($50,000.00), whichever is less.

2. *Construction change orders approved by City Council.* Construction change orders approved by City Council. In the event a construction change order contains costs in an amount that exceeds the authorization of the City Administrator, the change order must go to City Council for approval. In the event change orders on a single contract accumulate to an amount in excess of the City Administrator's authorization, all subsequent change orders, regardless of amount, must go to City Council for approval. On a project-by-project basis, the City Council may authorize the City Administrator to approve up to twenty thousand dollars ($20,000.00) in additional change orders following City Council review of all previous change orders, but in no event shall such additional authorization exceed ten percent (10%) of the original contract.

3. *Changes to purchase orders.* The City Administrator is authorized to approve change orders for purchases not exceeding ten percent (10%) of the original contract or up to twenty thousand dollars ($20,000), whichever is less so long as the proposed changes are in response to conditions unforeseen at the time the purchase order was awarded.

Change orders may not be used to overdraw a budgetary account, to avoid the City's competive bidding process or to materially alter the purpose of the original bid or contract. Changes to purchase orders in excess of 10% or $20,000, must be approved by City Council.

G. *Professional Services Contracts.*

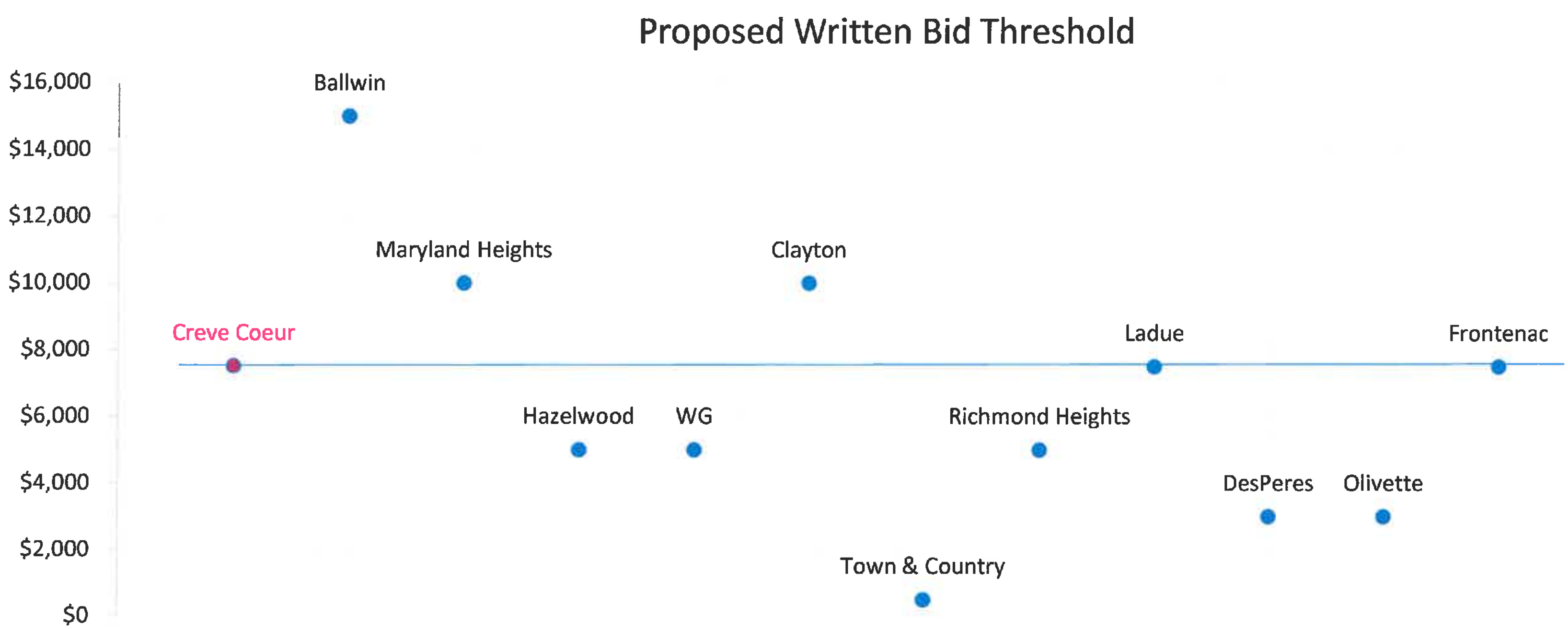
1. Contracts for professional services provided by financial advisors, physicians, certified public accountants, engineers, architects, land surveyors, brokers, consultants and other specialized or technical services shall be obtained through the special procurement procedures set forth in this Section.

2. Requests for proposals for professional services shall be submitted to the City Administrator for review and approval prior to distribution. When an RFP for professional services is approved, a limited number of qualified professionals known to the City will be invited to submit a proposal setting forth their interest, qualifications and description of proposed services. A contract will be negotiated with the professionals deemed to best meet the City's needs.

3. Upon approval of the Finance Director and City Administrator, professional services contracts under ten thousand dollars ($10,000.00) may be exempt from the request for proposal process.

4. Professional services contracts for twenty thousand dollars ($20,000.00) or more must be approved by the City Council.

5. The City Administrator is authorized to approve change orders for professional service contracts not exceeding ten percent (10%) of the original contract or up to twenty thousand dollars ($20,000), whichever is less so long as the proposed changes are in response to conditions unforeseen at the time the purchase order was awarded. Change orders may not be used to overdraw a budgetary account, to avoid the City's competive bidding process or to materially alter the purpose of the original bid or contract. Changes to purchase orders in excess of 10% or $20,000, must be approved by City Council.



Proposed Written Bid Threshold
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
Ballwin
Maryland Heights
Clayton
Creve Coeur
Ladue
Frontenac
Hazelwood
WG
Richmond Heights
DesPeres
Olivette
Town & Country

FINANCE COMMITTEE DISCUSSION DRAFT

Methods for Economic Evaluation

City procurement guidelines require awarding procurement contacts to the lowest and best bidder, including consideration for life-cycle cost and return on investment in addition to initial cost. [Chapter 140: Finances, Section 140.030 General Guidelines]. An evaluation method is not indicated. This discusses methods for performing economic evaluation among alternatives and guides their use.

LIFE CYCLE COST

Forecasts cash flow over the life of an investment, beginning with first cost (purchase price or contract amount) followed by cash flows (annual expenses and revenues) over the projected life. Some municipal projects may involve cash inflow, such as revenue generated through use.

BENEFIT-COST RATIO

Compares cumulative cash flow over expected life divided by first cost.

BC = [cumulative annual cash flow] / [first cost]

Projects with positive cash flow will have a ratio greater than 1 whereas projects with outflows only will have a ratio less than 1. In both cases, outcomes with higher ratios are preferred economically.

RETURN ON INVESTMENT

Determines which of several investment alternatives produces the higher return, assuming all other characteristics such as risk and social value are equivalent. The analysis outcome prefers selecting the alternative having the highest time value of money (rate of return) as it makes the best use of limited funds. The time value of money is included by reducing the future value of cash flow to a lower present value by applying a discount rate, determined from the cost of municipal borrowing.

The simplest method appropriate to decision magnitude and risk is preferred; employing a complicated method makes the decision process slow, costly and obscures understanding. Projects with life less than 10 years and/or capital cost less than $50,000 don't justify discounting.

FINANCE COMMITTEE DISCUSSION DRAFT

Fiscal Impact Analysis of Large Development Projects

(Rev 0)

A Fiscal Note shall be prepared for private or public development projects. Qualifying projects are those requiring authorizing legislation such as a zoning change, Conditional Use Permit, or unreimbursed expenditure that are expected to generate additional municipal revenue and cost. Only measurable cash flows shall be considered, excluding secondary economic development effects, social, or environmental impacts. Community Development staff shall provide Fiscal Note to City Council prior to first reading of the authorizing legislation.

Fiscal Note shall include typical revenue sources such as: sales, use and property tax, real estate tax and utility franchise fees. Costs are increases to municipal operating costs such as public works, police, administration, and community development following proposal adoption. The project developer shall provide the Community Development Department with estimated taxable sales revenue, employees, operating hours, customer traffic and other factors. City staff departments shall estimate employee effort hours directly traceable to project approval and operation. Projects expected to incur less than $50,000 annual incremental operating cost are exempt. All projects expected to incur unreimbursed incremental capital cost shall have a Fiscal Note. A six-year planning horizon shall be used.

The fiscal statement result is the base marginal benefit/cost ratio, determined by assessing the change in municipal revenue and expenses, with and without the project. A sensitivity analysis shall be performed by comparing base and adjusted marginal benefit/cost ratio calculated by increasing operating costs 25% and reducing benefit 25%.

City of Creve Coeur
Finance Committee
FY19 Proposed Meeting Schedule

DATE	TOPIC
September 4, 2018	Review of 4th Qtr Financials and Year-End,
November 6, 2018	Review of 1st Quarter Financials,
February 12, 2019	Review of 2nd Quarter Financials, Policy Reviews
March 5, 2019	Review of Proposed 5-Year Capital Plan
March 19, 2019	Review of Proposed 5-Year Capital Plan
April 23, 2019	Review Proposed Budget Preview
May 7, 2019	Review of Proposed Budget, Review 3rd Quarter Financials
June 4, 2019	Further Review of Proposed Budget

FINANCE COMMITTEE PRIORITIES

- As part of the budget review process, evaluate economic justification and risks of proposed single-project capital and operational expenditures in excess of $100,000 or a combination of multiple similar projects or the aggregate value of multi-year projects over $1 million.
- Review proposed financing, bond indebtedness, taxation and leases greater than $10,000 prior to council action.
- Review project closeout reports for scope, schedule and cost variation.
- Periodically review and comment on the surplus funds investment policy and financial performance.
- Review opportunities for cooperative purchasing or contracting ventures with other municipalities.