



REGULAR MEETING OF THE
AUDIT AND FINANCE COMMITTEE

DATE: MONDAY, OCTOBER 7, 2019 – 5:30 p.m.

MEETING TO BE HELD AT THE JUSTICE CENTER
200 HIGHLANDS BOULEVARD DRIVE
2nd floor

AGENDA

1. Call to Order:
2. Roll Call and Statement of Quorum
3. Establishment of Order of Items on the Agenda
 - A. Approval of the August 5, 2019 Minutes
 - B. City Administrator Larry Perney will provide an overview of the 2020 Budget. The Committee is not required to review, discuss or provide questions regarding the budget but are encouraged to. Tentative public meetings with the Board of Alderman and staff are scheduled for Tuesday October 22, 2019 and Thursday October 24, 2019 at 7 pm at the Parks Meeting Room, 359 Old Meramec Station Road, Manchester MO 63021. You are encouraged to attend.
 - C. Liquidation report of remaining investments in TIF Reserve with maturities past 5-1-2020 and Investment Report-holdings at September 30, 2019. A reserve account is not required for the 2019 refunding bonds and therefore the current reserve needs to be liquid to go towards paying off the 2010 bonds in November 2019.
 - D. Update on Tax Increment and Transportation Refunding Revenue Bonds (Highway 141/Manchester Road Project), Series 2010.
 - E. Schedule future meeting for Monday November 4, 2019
4. Adjournment



**MINUTES OF THE AUDIT AND FINANCE COMMITTEE MEETING
FOR MONDAY, AUGUST 5, 2019 AT THE JUSTICE CENTER
200 HIGHLANDS BOULEVARD DRIVE**

1. CALL TO ORDER

Chairman Bill Ward called the Audit and Finance Committee meeting to order at 5:31 pm.

2. ROLL CALL AND STATEMENT OF QUORUM

Roll call showed those present were Peter Bitzer, Juli K. Van Hook, Alderman Baumann, Alderman Toben and Chairman Bill Ward. A quorum was present. Also in attendance were Ex-officio members Mayor Clement and City Administrator Larry Perney, Alderman Huether, and support staff Director of Finance Donald Yucuis.

3. ESTABLISHMENT OF ORDER OF ITEMS ON THE AGENDA

Chairman Ward made the motion to approve the order of items on the agenda. The motion was seconded by Alderman Baumann and approved unanimously.

- A. Chairman Ward made a motion to approve the June 10, 2019 Audit & Finance Committee meeting Minutes, seconded by Peter Bitzer and approved unanimously.
- B. Director of Finance Yucuis and City Administrator Larry Perney presented and reviewed the 2019 six month report through June 30, 2019. General Fund is the main operating fund of the City and six months revenue was 55.5% of budget and expenses were 49.4% of budget which are both positive indicators. A summary of the other eight funds were presented and discussed with the Committee and all were in line with their budgets.
- C. A draft Internal Controls Policy was presented by Director of Finance Yucuis and discussed with the Committee. The policies were part of the 2018 audit and submitted to Stop and Vanhoy on May 3, 2019 for review. The Committee was instructed to get back with Director of Finance Yucuis with any suggested changes within two weeks. The Internal Control Policy would then become part of the September 3, 2019 Board of Alderman Agenda for formal action and approval.
- D. The Investment Report holdings with UMB Bank at July 31, 2019 for the Tax Increment Financing (TIF) Fund Reserve was presented and reviewed. The upcoming TIF re-financing may require the reserve to be 100% liquid. After discussion, Chairman Ward made a motion, seconded by Alderman Toben to request that Commerce Bank liquidate investments with

maturities past September 30, 2023 (listed as items 11 through 18. Motion carried unanimously by individual voice vote.

- E. City Administrator Perney updated the Committee on the status of the TIF Refunding and stated it was moving forward fairly quickly with Joy Howard soliciting a Request for Proposal to refund the bonds.
- F. The next meeting is scheduled for Monday October 7, 2019 at 5:30 pm at the Justice Center 200 Highlands Boulevard.

4. ADJOURNMENT

At 6:45 p.m., there being no further business, Peter Bitzer made a motion to adjourn, seconded by Chairman Ward and approved unanimously.

Respectfully submitted,

Donald J. Yucuis
Director of Finance

Note: This is a journal of the Audit and Finance Committee meeting of Monday, August 5, 2019 (summary); not a verbatim transcript.

October 7, 2019

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Below is the summary of the liquidation of the remaining investments by Commerce Bank with maturities past 5-01-2020. The investments were required to be liquidated due to the upcoming Tax Increment Financing (TIF) bond issue and refunding of the 2010 TIF Bonds. The new 2019 TIF Bond Issue does not require a reserve fund. The current reserve fund will be used to pay of the 2010 TIF bond issue.

The liquidation settlement dates were 09/26/2019 and 09/27/2019.

"Holdings for (Manchester TIFTDD Series 2010 136106)" As of Date 09/19/2019 Created 09/19/2019 11:57:24 AM EST									
Description	Security Identifier		Market Value	Maturity Date	% of Asset Class	Rate	Commerce bid	Sale Amount	Loss
Federal National Mortgage Pool DTD 5/1/2013 1.7500% 5/1/2020	3138L3ZG3	136106	49,804.69	05/01/2020	0.98%	1.75	99.0000	49,306.64	
Federal Home Loan Mortgage Corp Pool DTD 9/1/2006 5.5000% 9/1/2021	3128PEZM3	136106	16,566.57	09/01/2021	0.33%	5.50	100.6750	16,678.39	
Freddie Mac DTD 10/1/2010 1.5000% 10/15/2022	3137GAUY1	136106	54,073.33	10/15/2022	1.06%	1.50	97.9560	52,968.07	
Freddie Mac DTD 10/1/2010 2.0000% 3/15/2025	3137GASP3	136106	6,328.22	03/15/2025	0.12%	2.00	98.2500	6,217.48	
Fannie Mae DTD 11/1/2010 3.5000% 8/25/2025	31398SUH4	136106	1,539.54	08/25/2025	0.44%	3.50	99.2500	1,527.99	
Federal National Mortgage Assn DTD 11/1/2011 3.0000% 12/25/2025	3136A2F24	136106	6,860.15	12/25/2025	0.13%	3.00	99.4000	6,818.99	
Federal National Mortgage Association DTD 7/1/2011 3.5000% 3/25/2026	3136A0TK3	136106	21,363.95	03/25/2026	0.42%	3.50	99.6000	21,278.49	
Federal National Mortgage Pool DTD 8/1/2011 3.5000% 8/1/2026	31416Y2W7	136106	42,015.96	08/01/2026	0.83%	3.50	101.8625	42,798.51	
			198,552.41					197,594.57	(957.84)
JP Morgan Chase Bank DTD 9/30/2013 0.000% Ser CD 9/30/2023	48124J4N5	136106	183,620.00	09/30/2023	#####	0.00	90.3500	165,900.67	
Citibank NA DTD 5/30/2013 0.000% 5/30/2033	172986GH8	136106	160,920.00	05/30/2033	#####	0.00	65.2500	105,000.30	
			Market Value at 9/19/2019					270,900.97	(73,639.03)
			543,092.41					468,495.54	(74,596.87)

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City of Manchester TIF Reserve Holdings at 9-30-19

"Holdings for (Manchester TIFTDD Series 2010 136106)" As of Date 09/30/2019 Created 10/04/2019 03:33:45 PM EST

Sub Asset Class	Description	% of Yield	Market Value	Maturity Date
Government & Agency Bonds	Federal Home Loan Bank Disc Nts DTD 10/15/2018 0.000% 10/15/2019	1.94%	\$ 4,648,604.04	10/15/2019
Government & Agency Bonds	Federal Home Loan Mortgage Corp DTD 10/3/2012 1.500% 10/3/2019	1.50%	\$ 149,994.00	10/03/2019
Government & Agency Bonds	Federal National Mortgage Assoc Pool DTD 10/1/2014 2.5900% 10/1/2019	2.59%	\$ 93,635.81	10/01/2019
Government & Agency Bonds	Resolution Fdg Fed Bk Cpn St DTD 10/15/1989 10/15/2019	1.49%	\$ 8,992.71	10/15/2019
Money Market Funds	MSILF Govt #8352	0.00%	\$ 3,840,576.93	
	Total Portfolio		\$ 8,741,803.49	

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Government & Agency Bonds	Federal Home Loan Bank Disc Nts DTD 10/15/2018 0.000% 10/15/2019	1.94%	\$ 4,648,604.04	10/15/2019
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Government & Agency Bonds	Federal National Mortgage Assoc Pool DTD 10/1/2014 2.5900% 10/1/2019	2.59%	\$ 93,635.81	10/01/2019
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