

NOTICE OF MEETING AND BOARD OF ALDERMEN AGENDA



CITY OF OSAGE BEACH BOARD OF ALDERMEN MEETING

1000 City Parkway
Osage Beach, MO 65065
573.302.2000
www.osagebeach.org

TENTATIVE AGENDA

SPECIAL MEETING

June 8, 2022 - 8:00 AM
CITY HALL

**** Note:** All cell phones should be turned off or on a silent tone only. Agendas are available in the Council Chamber; however, complete meeting packets are available on the City's website at www.osagebeach.org.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

UNFINISHED BUSINESS

NEW BUSINESS

A. Mayor and Board of Aldermen Strategic Planning Session

ADJOURN

Remote viewing is available on Facebook at *City of Osage Beach, Missouri* and on YouTube at *City of Osage Beach*.

Representatives of the news media may obtain copies of this notice by contacting the following:

Tara Berreth, City Clerk
1000 City Parkway
Osage Beach, MO 65065
573.302.2000 x 1020

If any member of the public requires a specific accommodation as addressed by the Americans with Disabilities Act, please contact the City Clerk's Office forty-eight (48) hours in advance of the meeting at the above telephone number.



Board of Aldermen Strategic Planning

Wednesday, June 8, 2022

8:30 AM – 4:30 PM

Osage Beach City Hall – Board Room

8:30 AM – Session Begins (Breakfast, 8 AM / Lunch, Noon will be provided)

1. Overview of agenda, purpose, and desired results.

- a. Strategic Planning purpose – To convey a clear direction forward for the organization, providing management direction for operations. Responsibility to our Voters: As a municipal government our core values of our relationship to our citizens and customers are transparency and accountability of use of public monies, in contrast with the profit centered goals of private industry.
- b. Refresher on Form of Government, Roles and Responsibilities

2. Status Check and Updates

- a. Overview of Management Meeting - Key Issues Identified by Management
- b. Budget / Financial Update
 - i. FY2022 Budget and Financial Update (*Budget Update per draft audit update enclosed*)
 - ii. FY2022 Capital Budget Items and Planning Update
- c. Refresher and Recap of Board of Aldermen Objectives (*Update enclosed*)
 - i. Priority Item categories: Economic Growth/Development, Good Governance, Serve the Customer, Internal Development

3. Future Outlook - Goal Setting and Planning

- a. Economic Development
 - i. Regional Partnership Updates, Opportunities, and Objectives
 - ii. Current Trends and Project Update/Forecast; Departmental Update
 - iii. Commercial Development Tools/Funding – Procedures, Process, Objectives (*current policies enclosed*)
- b. Good Governance/Serving the Customer
 - i. Future Cash Flow Update and Objectives
 - ii. Current Debt Obligations and Forecast
 - iii. Financial Investment Strategies and Objectives
 - iv. System Investment
 1. Transportation
 - a. Preventive Pavement Maintenance Plan
 - b. Sidewalk Master Plan
 - c. Public/Private Roads
 - d. Funding/Partnerships/Grants
 2. Water/Sewer
 - a. System Expansion Objectives; Unserved Areas
 - b. Tan-Tar-A Estates System Update; Long-term Planning and Objectives
 - c. Funding/Rate Objectives
 3. ARPA Funds and Other Grants; Needs Assessment (*4/7/2022 Memo enclosed*)
- c. Internal Development
 - i. Personnel and Culture Update and Objectives
 - ii. Performance Measures/Departmental Metrics Development
- d. Gauging the Process - Expectation of the Board (reporting, updates, etc.)

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

All Fund Summary

	Governmental Funds			Enterprise Funds					FY2022 Budget Update as of May 31, 2022					
	General	Capital Improvement Tax (CIT)	Transportation	Water	Sewer	Ambulance	Lee C Fine	Grand Glaize	TOTAL	Amendments	Amended Budget	%	Estimated Y/E	%
Cash & Equivalent Balance January 1, 2022	\$ 3,285,396	\$ 2,335,561	\$ 5,160,819	\$ 3,141,011	\$ 3,260,058	\$ 104,791	\$ 238,755	\$ 80,572	\$ 17,606,963	\$ 108,443	\$ 17,715,406	0.6%	\$ 19,240,694	9.3%
Restricted - Fund Reserve	1,776,000	-	4,218,164	1,517,212	1,061,056	-	46,200	21,700	8,640,332		8,640,332		8,728,724	
Restricted - Other	491,000	661,000	-	1,330,917	2,192,000	-	-	-	4,674,917		4,674,917		4,747,288	
Unrestricted	1,018,396	1,674,561	942,655	292,882	7,002	104,791	192,555	58,872	4,291,714	108,443	4,400,157	2.5%	5,764,682	34.3%
Total Revenue	\$ 8,794,986	\$ 2,655,000	\$ 3,825,034	\$ 2,735,125	\$ 4,556,800	\$ 872,560	\$ 4,009,635	\$ 996,171	\$ 28,445,311	\$ 497,162	\$ 28,942,473	1.7%	\$ 28,942,473	1.7%
Expenditures														
Personnel Services	4,880,846	-	508,796	421,682	676,904	551,232	266,129	185,672	7,491,261	-	7,491,261		7,491,261	
Operations & Maintenance	2,322,935	80,000	1,681,645	612,404	2,904,459	141,580	724,812	190,947	8,658,782	198,600	8,857,382	2.3%	8,857,382	2.3%
Capital Expenditures	1,202,408	-	2,263,316	433,216	879,816	258,750	3,186,681	666,296	8,890,483	1,002,133	9,892,616	11.3%	9,892,616	11.3%
Debt Service	216,897	-	-	2,701,000	340,500	22,239	-	-	3,280,636	-	3,280,636		3,280,636	
Transfer to Other Funds	555,000	2,819,300	355,000	-	-	-	-	-	3,729,300	35,000	3,764,300	0.9%	3,764,300	0.9%
Total Expenditures	\$ 9,178,086	\$ 2,899,300	\$ 4,808,757	\$ 4,168,302	\$ 4,801,679	\$ 973,801	\$ 4,177,622	\$ 1,042,915	\$ 32,050,462	\$ 1,235,733	\$ 33,286,195	3.9%	\$ 33,286,195	3.9%
Cash & Equivalent Balance December 31, 2022	\$ 2,902,296	\$ 2,091,261	\$ 4,177,096	\$ 1,707,834	\$ 3,015,179	\$ 3,550	\$ 70,768	\$ 33,828	\$ 14,001,812		\$ 13,371,684	-4.5%	\$ 14,896,972	6.4%
Restricted - Fund Reserve	1,933,000	-	3,575,266	1,283,996	774,240	-	65,000	31,000	7,662,502		7,362,425	-3.9%	7,399,175	-3.4%
Restricted - Other	962,000	230,000	-	395,917	2,235,000	-	-	-	3,822,917		3,822,917		3,661,896	
Unrestricted	7,296	1,861,261	601,830	27,921	5,939	3,550	5,768	2,828	2,516,393		2,186,342	-13.1%	3,835,901	52.4%

Amendment Details:

- 1) Modifications to beginning cash & equivalent details as estimated for Y/E are results of draft audit reconciliation.
- 2) Amendments to expenditures are those to date as of June.

Update Does not include the Component Units

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

General Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022- Estimated						
Restricted - Fund Reserves	1,776,000		1,776,000		1,776,000	
Restricted - Other	491,000		491,000		513,471	
Unrestricted	1,018,396		1,018,396		1,524,627	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 3,285,396		\$ 3,285,396		\$ 3,814,098	16.1%
Revenue						
Taxes	5,500,000	-	5,500,000		5,500,000	
Franchise Fees	959,000	-	959,000		959,000	
Licenses & Permits	216,020	-	216,020		216,020	
Grants & Reimbursements	489,266	-	489,266		489,266	
Fees	378,600	-	378,600		378,600	
Other Income	847,800	-	847,800		847,800	
Transfer From Other Funds	404,300	-	404,300		404,300	
TOTAL Revenues	\$ 8,794,986	\$ -	\$ 8,794,986	0.0%	\$ 8,794,986	0.0%
Expenditures						
Personnel Services	4,880,846	-	4,880,846		4,880,846	
Operations & Maintenance	2,322,935	18,500	2,341,435	0.8%	2,341,435	0.8%
Operating Capital	554,108	-	554,108		554,108	
Capital Expenditures	648,300	-	648,300		648,300	
Debt Service	216,897	-	216,897		216,897	
Transfer to Other Funds	555,000	-	555,000		555,000	
TOTAL Expenditures	\$ 9,178,086	\$ 18,500	\$ 9,196,586	0.2%	\$ 9,196,586	0.2%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserves	1,933,000		1,933,000		1,933,000	
Restricted - Other	962,000		962,000		989,000	
Unrestricted	7,296		(11,204)	-253.6%	490,498	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 2,902,296		\$ 2,883,796	-0.6%	\$ 3,412,498	17.6%

Amendment Details:

Amendments in O&M = includes Park Master Plan project

Estimated Y/E Needs:

Ending Unrestricted balances estimates do not include other revenue items that are trending up, i.e. Sales Tax.

****Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit****

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Capital Improvement Tax Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	-		-		-	
Restricted - Other	661,000		661,000		660,463	
Unrestricted	1,674,561		1,674,561		1,711,124	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 2,335,561		\$ 2,335,561		\$ 2,371,587	1.5%
Revenue						
Taxes	2,650,000	-	2,650,000		2,650,000	
Other Income	5,000	-	5,000		5,000	
TOTAL Revenues	\$ 2,655,000	\$ -	\$ 2,655,000	0.0%	\$ 2,655,000	0.0%
Expenditures						
Operations & Maintenance	80,000	-	80,000		80,000	
Transfer to Other Funds	2,819,300	-	2,819,300		2,819,300	
TOTAL Expenditures	\$ 2,899,300	\$ -	\$ 2,899,300	0.0%	\$ 2,899,300	0.0%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	-		-		-	
Restricted - Other	230,000		230,000		230,000	
Unrestricted	1,861,261		1,861,261		1,897,287	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 2,091,261		\$ 2,091,261		\$ 2,127,287	1.7%

Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Transportation Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	4,218,164		4,218,164		3,909,402	
Restricted - Other	-		-		-	
Unrestricted	942,655	81,580	1,024,235	8.7%	1,789,534	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 5,160,819	\$ 81,580	\$ 5,242,399		\$ 5,698,936	10.4%
Revenue						
Taxes	2,908,000	-	2,908,000		2,908,000	
Grants & Reimbursements	879,809	-	879,809		879,809	
Fees	100	-	100		100	
Other Income	37,125	-	37,125		37,125	
TOTAL Revenues	\$ 3,825,034	\$ -	\$ 3,825,034	0.0%	\$ 3,825,034	0.0%
Expenditures						
Personnel Services	508,796	-	508,796		508,796	
Operations & Maintenance	1,681,645	20,000	1,701,645	1.2%	1,701,645	1.2%
Operating Capital	55,316	-	55,316		55,316	
Capital Expenditures	2,208,000	318,333	2,526,333	14.4%	2,526,333	14.4%
Transfer to Other Funds	355,000	35,000	390,000	9.9%	390,000	9.9%
TOTAL Expenditures	\$ 4,808,757	\$ 373,333	\$ 5,182,090	7.8%	\$ 5,182,090	7.8%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	3,575,266		3,575,266		3,621,408	
Restricted - Other	-		-		-	
Unrestricted	601,830		310,077	-48.5%	720,472	19.7%
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 4,177,096		\$ 3,885,343	-7.0%	\$ 4,341,880	3.9%

Amendment Details:

Amendments in Capital Expenditures = includes Mace Rd c/o from 2021, and amendments to date for Autumn and Industrial Dr projects.

****Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit****

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Water Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	1,517,212		1,517,212		1,508,840	
Restricted - Other	1,330,917		1,330,917		1,489,551	
Unrestricted	292,882		292,882		297,839	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 3,141,011		\$ 3,141,011		\$ 3,296,230	4.9%
Revenue						
Licenses & Permits	2,500	-	2,500		2,500	
Fees	500	-	500		500	
Utility Revenue	1,944,400	-	1,944,400		1,944,400	
Other Income	162,725	-	162,725		162,725	
Transfer From Other Funds	625,000	-	625,000		625,000	
TOTAL Revenues	\$ 2,735,125	\$ -	\$ 2,735,125	0.0%	\$ 2,735,125	0.0%
Expenditures						
Personnel Services	421,682		421,682		421,682	
Operations & Maintenance	612,404	154,700	767,104	25.3%	767,104	25.3%
Operating Capital	23,216		23,216		23,216	
Capital Expenditures	410,000	38,594	448,594	9.4%	448,594	9.4%
Debt Service	2,701,000		2,701,000		2,701,000	
TOTAL Expenditures	\$ 4,168,302	\$ 193,294	\$ 4,361,596	4.6%	\$ 4,361,596	4.6%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	1,283,996		1,090,702		1,120,030	
Restricted - Other	395,917		395,917		363,000	
Unrestricted	27,921		27,921		186,729	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 1,707,834		\$ 1,514,540	-11.3%	\$ 1,669,759	-2.2%

Amendment Details:

Amendments in O&M and Capital Expenditures = includes amendments for Repair of System and SCADA

****Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit****

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Sewer Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	1,061,056		1,061,056		1,466,582	
Restricted - Other	2,192,000		2,192,000		2,083,803	
Unrestricted	7,002	3,216	10,218		25,097	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 3,260,058	\$ 3,216	\$ 3,263,274	0.1%	\$ 3,575,482	8.8%
Revenue						
Licenses & Permits	7,000	-	7,000		7,000	
Grants & Reimbursements	-	12,865	12,865	n/a	12,865	n/a
Fees	100	-	100		100	
Utility Revenue	2,687,900	-	2,687,900		2,687,900	
Other Income	71,800	-	71,800		71,800	
Transfer From Other Funds	1,790,000	-	1,790,000		1,790,000	
TOTAL Revenues	\$ 4,556,800	\$ 12,865	\$ 4,569,665	0.3%	\$ 4,569,665	0.3%
Expenditures						
Personnel Services	676,904	-	676,904		676,904	
Operations & Maintenance	2,904,459	5,400	2,909,859	0.2%	2,909,859	0.2%
Operating Capital	34,816	13,762	48,578	39.5%	48,578	39.5%
Capital Expenditures	845,000	109,102	954,102	12.9%	954,102	12.9%
Debt Service	340,500	-	340,500		340,500	
TOTAL Expenditures	\$ 4,801,679	\$ 128,264	\$ 4,929,943	2.7%	\$ 4,929,943	2.7%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	774,240		667,457		628,737	
Restricted - Other	2,235,000		2,235,000		2,079,896	
Unrestricted	5,939		539		506,571	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 3,015,179		\$ 2,902,996	-3.7%	\$ 3,215,204	6.6%

Amendment Details:

Amendments in O&M and Capital Expenditures = includes amendments for Repair of System and SCADA, and c/o from 2021 the TTA Sewer Assessment project.

****Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit****

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Ambulance Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	-		-		-	
Restricted - Other	-		-		-	
Unrestricted	104,791		104,791		164,026	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 104,791		\$ 104,791		\$ 164,026	56.5%
Revenue						
Fees	50	-	50		50	
User Fees	310,000	-	310,000		310,000	
Other Income	7,510	-	7,510		7,510	
Transfer From Other Funds	555,000	-	555,000		555,000	
TOTAL Revenues	\$ 872,560	\$ -	\$ 872,560	0.0%	\$ 872,560	0.0%
Expenditures						
Personnel Services	551,232	-	551,232		551,232	
Operations & Maintenance	141,580	-	141,580		141,580	
Operating Capital	258,750	-	258,750		258,750	
Debt Service	22,239	-	22,239		22,239	
TOTAL Expenditures	\$ 973,801	\$ -	\$ 973,801	0.0%	\$ 973,801	0.0%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	-		-		-	
Restricted - Other	-		-		-	
Unrestricted	3,550		3,550		62,785	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 3,550		\$ 3,550		\$ 62,785	

Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Lee C Fine Airport Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	46,200	-	46,200		46,200	
Restricted - Other	-	-	-		-	
Unrestricted	192,555	23,647	216,202	12.3%	159,130	-17.4%
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 238,755	\$ 23,647	\$ 262,402	9.9%	\$ 205,330	-14.0%
Revenue						
Grants & Reimbursements	2,868,940	449,297	3,318,237	15.7%	3,318,237	
Fees	3,500	-	3,500		3,500	
User Fees	967,175	-	967,175		967,175	
Other Income	5,020	-	5,020		5,020	
Transfer From Other Funds	165,000	35,000	200,000	21.2%	200,000	21.2%
TOTAL Revenues	\$ 4,009,635	\$ 484,297	\$ 4,493,932	12.1%	\$ 4,493,932	12.1%
Expenditures						
Personnel Services	266,129	-	266,129		266,129	
Operations & Maintenance	724,812	-	724,812		724,812	
Operating Capital	153,000	-	153,000		153,000	
Capital Expenditures	3,033,681	522,342	3,556,023	17.2%	3,556,023	17.2%
TOTAL Expenditures	\$ 4,177,622	\$ 522,342	\$ 4,699,964	12.5%	\$ 4,699,964	12.5%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	65,000		65,000		65,000	
Restricted - Other	-		-		-	
Unrestricted	5,768		(8,630)	-249.6%	(65,702)	-1239.1%
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 70,768		\$ 56,370	20.3%	\$ (702)	101.0%

Amendment Details:

The revenue and capital expenditure amendments are carry-over activity from previous year due to project timing in addition to the repairs needed due to the oil spill, specific to the Apron project.

****Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit****

City of Osage Beach
FY2022 Operating Budget - Update as of May 31, 2022

Grand Glaize Airport Fund Summary

	<u>Adopted Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>	<u>%</u>	<u>Estimated Y/E</u>	<u>%</u>
Cash & Equivalent Balance January 1, 2022 - Estimated						
Restricted - Fund Reserve	21,700		21,700		21,700	
Restricted - Other	-		-		-	
Unrestricted	58,872		58,872		93,305	
TOTAL Cash & Equivalent Balance January 1, 2022	\$ 80,572		\$ 80,572		\$ 115,005	42.7%
Revenue						
Grants & Reimbursements	563,666	-	563,666		563,666	
Fees	350	-	350		350	
User Fees	242,150	-	242,150		242,150	
Other Income	5	-	5		5	
Transfer From Other Funds	190,000	-	190,000		190,000	
TOTAL Revenues	\$ 996,171	\$ -	\$ 996,171	0.0%	\$ 996,171	0.0%
Expenditures						
Personnel Services	185,672	-	185,672		185,672	
Operations & Maintenance	190,947	-	190,947		190,947	
Operating Capital	666,296	-	666,296		666,296	
TOTAL Expenditures	\$ 1,042,915	\$ -	\$ 1,042,915	0.0%	\$ 1,042,915	0.0%
Cash & Equivalent Balance December 31, 2022 - Estimated						
Restricted - Fund Reserve	31,000		31,000		31,000	
Restricted - Other	-		-		-	
Unrestricted	2,828		2,828		37,261	
TOTAL Cash & Equivalent Balance December 31, 2022	\$ 33,828		\$ 33,828		\$ 68,261	101.8%

Beginning Cash & Equivalent Balances are reconciled from the draft FY2021 audit

Mayor and Board of Aldermen Update - June 8, 2022

2021 Strategic Planning Summary

Special Board of Aldermen Meeting held June 10, 2021 – Departmental Updates with Management Team

Special Board of Aldermen Meeting held July 14, 2021 – Strategic Planning Session

The Mayor and Board of Aldermen met in June 2021 with the Management Team for the purpose of the departmental presentation on department details, current happenings, and successes and challenges. In July 2021 the Board of Aldermen met for the purpose of strategic planning. This was the fifth year the Mayor and Board of Aldermen has met in such a work session. Building from prior year sessions, the group revisited expectation of roles and responsibilities and discussed prior and current initiatives, tasks, and outcomes. The following is a summary outline of their work sessions.

Board of Aldermen Priority Items and Objectives

*(*2022 Board Strategic Objectives Updated from previously approved objectives)*

****Comments in RED reflect update for June 2022 session****

Economic Growth / Development:

- Develop Economic growth tools and assets that target revenue growth at twice the level of State growth rates*
 - Sales Tax Revenue increase 2021 over 2020 18.7% / State Sales Tax Collection as of February 2022, increase of 13.6% year-to-date
 - Growth contributed to Lake area economic factors
- Staff expansion needs specific to Economic Development
 - Economic Development Specialist hired; start date TBD
- Expand business retention and recruitment efforts / Put Osage Beach on the map for development
- Market region/City for commercial recruitment
 - Partnered with NextSite in Fall of 2021
- Use Tax Data – Financial impact / best timing / best use of potential funding
- Pursue voluntary annexation to provide revenue growth opportunities that broaden services the City of Osage Beach can provide*
 - Process was determined between the elected officials and staff's duties

Serve the Customer:

- Develop innovative methodologies to interact with the citizenry to drive its input deeper in the planning and implementation processes*
 - Citizen engagement increase through live meeting publications, surveys (mission statement and various park surveys)
- Engage the community on the City's Mission Statement / Mission Statement revisions needed?
- Evaluate community program or service needs / engage to collect data
- Effectively partner with the Osage Beach Special Road District to improve the City's transportation system and reduce the quantity of private roads in Osage Beach*
 - Partnership on projects increased in 2022 vs 2021

- Engagement in meetings, inclusion on strategic planning documents
- Roadway maintenance needs: roundabouts, ROWs, and Boulevard/roadway maintenance needs
- Evaluate public safety programs that enhance safety and use of Police resources
 - Increased use of contract labor for businesses in 2022; policy modifications were made due to use of data and police analysis study information; bodycams were included FY2022 budget and in use
- Evaluate building and compliance practices and ordinances / Ordinance updates needed?

Develop Internally:

- Expand City employee capabilities at all levels. Osage Beach employees will be viewed as the “Best of the Best” by their peers and the industry*
 - Policy updates regarding training and education, competitive salary changes as of January 1
- Enhance and expand training opportunities for employee development
- Implement annual processes that improve and measure employee culture and satisfaction*
 - Additional surveys pending for 2022
- Develop department level metrics (performance measures) that demonstrate the progress and performance of City services*
 - Reportable measures were further expanded on in 2022, reported in FY2022 for the first time
- Efficient collection and use of data for enhanced internal awareness and improvement

Good Governance:

- Eliminate debt, ensure sufficient financial reserves are in place, and optimize asset life cycle costs*
 - Prewitt Point TIF Bonds and 2001 Sewer SRF Bond paid off early in 2021
- Evaluate capital investments needs for effective use of future cash flows and available funding
- Evaluate asset maintenance standards and practices; enhance effective asset needs, evaluate costs and replacement practices
 - Staff enhanced level of details in capital planning documents for 2022
- Evaluate appropriate staffing needs for water and sewer system maintenance and expansion
 - Staffing levels were modified for FY2022; most positions are filled
- Evaluate record retention process; move towards an applicable paperless environment
 - Several departments continue to add to paperless processes and record retention

What does the future look like?

- Best Looking / Appearance of our City
- High Integrity and Openness
- Safe and Appealing Place to Live
- Know our community profile
- Amenities and service to best serve our community

Roles and Responsibilities:

Mayor

- Operational
- Carry out Board direction
- Leadership
- Voice of the Community
- Work with City Administrator to ensure standards
- Conduct Board meetings
- Visionary
- Peacemaker

Board of Aldermen

- Define Vision
- Represent District
- Look at the City as a whole
- Conduit to residents
- Implement Vision
- Problem finder
- Policymaker
- Stewards of resources
- Respect other views
- Participate / attend meetings

City Administrator

- Oversee Daily Operations
- Provide Point-of-View / Sounding Board
- Implement Goals
- Ensure Available Tools

Management Team

- Initiative
- Drive Accountability
- Stay Current
- Delegate / Knowledge share
- Motivate / Mentor
- Set Goals / Follow through / Follow up / Communicate

All Staff

- Care
- Loyal to City
- Stewards of resources
- Implement Vision
- Proficient use of available tools and systems
- Exceed Customer Service Expectations
- Master their work
- Own their career development
- Measurement and Report Results

Community

- Volunteer
- Provide Point of View
- Attend Community Events
- Follow rules / laws
- Be Aware
- Proactive
- Attend meeting

2022 Management Pre-Planning Summary

Special Board of Aldermen Meeting held May 16, 2022 – Departmental Updates with Management Team
The Mayor and Board of Aldermen met in May 2022 with the Management Team for the purpose of the departmental presentation on department details, current happenings, and successes and challenges.

Overall departmental summary of Needs and Challenges:

- Supply Chain Issues / Inflation Cost Challenges,
- Equipment Needs – Public Works, Airports, Parks – various vehicle and equipment needs,
- Infrastructure Needs – Lake Access Culvert at OB City Park (budgeted in 2022), Peanick Park Restroom Reconstruction, Dog Park Addition, Public Works Facility, Water & Sewer System Infrastructure, Unserved Areas, Sidewalks Plan Completion, Private Road Priorities,
- Staffing Concerns – Concession Attendants, Umpires, Dispatchers.

Chapter 135. Finance and Purchasing

Article I. Budget and Finance in General

Section 135.025. Economic Development Fee Reimbursement Program.

[Ord. No. 19.57, 9-19-2019]

- A. In recognition of the fact that in certain limited cases the existing economic development tools are insufficient or inapplicable to the proposed project, the Board of Aldermen acting under the strict terms of this Section may by contract with a developer enter into an agreement to reimburse certain fees as set forth in this Section.
- B. The Mayor or the City Administrator may, where either or both believe it to be in the best interests of the City, make a written recommendation to the Board of Aldermen, that the use of this economic development fee reimbursement program is necessary to support either:
 - 1. A tourism-related economic development project; or
 - 2. A new residential project consisting of:

CPI-U Calculation
adjustment as of
January 1, 2022 =
\$217,000 / \$1,139
rent (8.5%)

- a. At least twenty (20) new single-family residences priced for sale at two hundred thousand dollars (\$200,000.00) or less or, if held as rental property, a monthly rent of one thousand fifty dollars (\$1,050.00) or less exclusive of utilities. The benefit of any fee reimbursement for this category shall not apply until at least twenty-five percent (25%) of such units have been completed and offered for sale; or

CPI-U Calculation
adjustment as of
January 1, 2022
= \$189,875 /
\$976 rent (8.5%)

- b. A single project of at least forty (40) multifamily units each priced under one hundred seventy-five thousand dollars (\$175,000.00) or, if held as rental property, a monthly rent of nine hundred dollars (\$900.00) or less exclusive of utilities. The benefit of any fee reimbursement for this category shall not apply until at least twenty-five percent (25%) of such units have been completed and offered for sale.

- C. Once the minimum number of units necessary to qualify for the fee reimbursement issued pursuant to this Section shall have been completed and offered for sale, the City Administrator may, if the contract with the developer so provides, adjust any future fees due on the project to retroactively apply the fee reimbursement to all the units constructed, as set out in the schedule of fees imposed included in the ordinance under which the Board of Aldermen approved reimbursements pursuant to this Section for the project.
- D. The prices set forth in Subsections **(A)** and **(B)** above shall be indexed in Subsection **(I)** of this Section.
- E. Any fee reimbursement granted under this Section shall apply only to units built within five (5) years of the Board's approval of the reimbursement. The Board may extend the reimbursement one time for an additional five (5) years where it finds such extension to be in the best interest of the City.
- F. If any property is sold, or offered for sale, for more than the amount agreed in the schedule of prices adopted by the Board of Aldermen and the developer, the certificate of occupancy shall stand revoked until the waived fees are paid in full.
- G. If any property is rented/leased, or offered for rent/lease, for more than the amount agreed in the schedule of prices adopted by the Board of Aldermen and the developer, the certificate of occupancy shall stand revoked until the waived fees are paid in full.

H. The recommendation required in Subsection **(B)** above shall state in detail:

1. Project name and location.
2. Nature of the project, including the size and number of bedrooms and bathrooms for each dwelling unit in the project.
3. Owner or sponsor of the project.
4. A schedule of the fees by category, percentage and anticipated dollar amount to be paid and the amount eligible for reimbursement.
5. Certify that the proposed fee reimbursement does not adversely impact any ongoing City operations or City debt obligations.
6. Provide a budget for the project demonstrating the fee reimbursement(s) requested are necessary for the project to proceed.
7. A written schedule of the dates and amounts of the fees to be reimbursed on a building-by-building or unit-by-unit basis.
8. In the event the properties are intended as rental units, the recommendation shall specify the duration of the rent limitations contained herein for a period not to exceed fifteen (15) years.
9. The City will give favorable consideration and projects are encouraged to request reimbursement of no more than fifty percent (50%) of the eligible fees under this Section.
10. The City will evaluate each reimbursement request made under this Section by comparing the sale or rental price of each unit against the requested fee reimbursement.
11. Fee reimbursements will be distributed as per the contract between the developer, applicant and the City.
12. Upon receipt of the written recommendation of the Mayor or the City Administrator as described in Subsection **(B)** above, the Board of Aldermen may, acting by duly adopted ordinance, direct the City Administrator grant reimbursement pursuant to either one-fourth (1/4), one-half (1/2) or three-fourths (3/4) of any or all of the following fees:
 - a. Water impact fee: Section **705.320**.
 - b. Sewer development charge: Section **710.410**.
 - c. Building permit fee: Section **500.020**, Subsection 109.1.
 - d. Site development fee: Section **510.120**.
 - e. Demolition permit fees: Section **500.175**.
- I. The base price for single-family residence or multifamily units as referenced in Subsection **(B)(2)** above, shall be adjusted, upwards only, effective on January 1 each year in accordance with the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U); US City Average; for all items, not seasonally adjusted, the year 2019 equals 100 as the reference base (the "Index"), as published by the United States Department of Labor, Bureau of Labor Statistics. Should the Bureau of Labor Statistics discontinue the publication of the Index, or publish the same less frequently, the City may adopt a substitute index or procedure that reasonably reflects and monitors consumer prices.

CPI-U adjustment as of January 1, 2022 is 8.5% (CPI-U adjustment as of April 30, 2022 = 12.5%)

Commercial Redevelopment Tools

[Pending Applications / Development Plans](#)

[Osage Beach Outlet Mall Redevelopment TIF Application May 13, 2022](#)

[Osage Beach Outlet Mall Redevelopment Plan May 13, 2022](#)

[Osage Beach Outlet Mall TIF Cost-Benefit Analysis April 22, 2022](#)

[Tax Increment Financing \(TIF\) - Procedures and Application](#)

The City of Osage Beach and the Tax Increment Financing Commission of the City of Osage Beach has adopted TIF application procedures, policy considerations and an application form to assist private developers in the consideration of whether Tax Increment Financing for prospective projects is a realistic possibility pursuant to the Real Property Tax Increment Allocation Redevelopment Act (the 'TIF' Act).

TIF Process Overview

- Submission of Application to the City Administrator or his/her designee
- Staff review of application for completion, compliance and project eligibility; staff may require additional information to the application for a more complete Redevelopment Plan
- Staff to report to the Board of Aldermen , within thirty (30) days of application submission, the following:
 - Its advice whether or not to refer the submitted application to the TIF Commission for consideration; and
 - Its advice whether or not to enter into a funding agreement with the private developer applicant (outlines the developer's financial responsibility for the costs to the City for expert legal and financial consultants, etc.)
- If referral is made by the Board of Aldermen to the TIF Commission, the TIF Commission will conduct a hearing on the proposed application (Redevelopment Plan) in accordance with the TIF Act requirements
- TIF Commission shall make a recommendation to the Board of Aldermen for approval or denial of the Redevelopment Plan as submitted, or may recommend changes or conditions for approval of the Redevelopment Plan
- Board of Aldermen approval or denial of the Redevelopment Plan
- Upon Board of Aldermen approval of the TIF Plan, negotiation of a Redevelopment Agreement with applicant will commence

The legislative findings and determination of compliance with TIF Statutes is vested solely and only in the Board of Aldermen. Applicants are cautioned that the materials provided regarding TIF policy, procedures and application are for informational purposes of informing applicants of types of projects the City of Osage Beach would consider for TIF assistance.

The City reserves the right to reject any and all projects, even those which may satisfy the City's criteria, for the use of TIF for any reason without regard for the viability of the project. Furthermore, the City reserves the right to waive any non-conformance to TIF policy or procedures for projects the City deems favorable to City.

The draft funding agreement format, listed below, is presented only as a general draft and a guide for the use of prospective developers. Each project considered by the City will have a separately developed and specific funding agreement. For further information contact the [Office of the City Administrator](#).

Downloadable TIF Forms and Applications

[TIF Application Procedures, Policy Considerations and Application Form](#)

[Draft Funding Agreement - FOR SAMPLE PURPOSES ONLY](#)

BOA Strategic Planning June 8, 2022
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Community (CID) and Neighborhood (NID) Improvement Districts

The City of Osage Beach has adopted CID (Community Improvement District) and NID (Neighborhood Improvement District) policies and procedures to assist interested applicants in the consideration of the realistic possibilities of proposed CID or NIDs pursuant to the City's policies and State statutes.

A Community Improvement District (CID) may be either a political subdivision or a not-for-profit corporation. CID's are organized for the purpose of financing a wide range of public-use facilities and establishing and managing policies and public services relative to the needs of the district.

CID Process Overview

- Creation by property owners' petition: Petition is submitted to the Office of the City Clerk and the Office of the City Administrator,
- City staff will report to the Board of Aldermen their recommendation on whether or not to enter into a funding agreement with applicant,
- Upon verification of petition (within 45 days) a public hearing is held,
- Board approval or denial of CID

A Neighborhood Improvement District (NID) may be created in an area desiring certain public-use improvements funded by special tax assessments to property owners in the area. The kinds of projects that can be financed through an NID must be facilities used by the public, and must confer a benefit on property within the NID.

NID Process Overview - NIDs may be created by the Board of Aldermen calling for an election of the voters (requiring 4/7 of majority) or a petition by the property owners within the proposed district (requiring 2/3 of property owners).

- Creation by property owners' petition: Petition is submitted to the Office of the City Clerk,
- City staff will report to the Board of Aldermen their recommendation on whether or not to enter into a funding agreement with applicant,
- Upon verification of petition a public hearing is held,
- Board approval or denial of NID

For a TIF, NID or CID, the standard initial funding agreement deposit is \$15,000. If a project extends beyond the initial deposit it is the developer's responsibility to replenish the fund as needed until the project is complete. Each project considered by the City will have a separately developed and specific funding agreement. For further information contact the [Office of the City Administrator](#).

Downloadable CID and NID Complete Policies and Applications

[Community Improvement District \(CID\) Act and Application](#)

[Neighborhood Improvement District \(NID\) Act and Application](#)

****The intent of the Board of Aldermen, when presented with a request to use any other existing or newly created economic development tools not directly addressed by the above existing policies, to adhere to the format, guidelines, cost deposits, timetables, and general values and approach set out in the TIF policy.****

TIF Commission

The TIF Commission serves as the statutory first step in consideration of any TIF proposed to the Board of Aldermen as it relates to the consideration of tax increment financing within the City of Osage Beach.

The TIF Commission is composed of six (6) City members appointed by the Mayor, with the consent of the Board of Aldermen, who serve rotating four (4) year terms. Other members are appointed by the County Commission, the school board, and other districts levying taxes per State Statutes and has voting powers as it relates to the redevelopment area and their effected taxing districts.

To view the current TIF Commission members, agendas and minutes [CLICK HERE](#).

CITY OF OSAGE BEACH, MISSOURI
TAX INCREMENT FINANCING
Application Procedures, Policy Considerations and Application Form

Adopted/Latest Revision September 6, 2018

The City of Osage Beach welcomes inquiries about new business and economic development.
Please call the City Administrator at 573-302-2000

Important Notice and Disclaimer

The attached procedures, policies and forms have been prepared by the City of Osage Beach, Missouri (the "City") and the Tax Increment Financing Commission of the City of Osage Beach, Missouri (the "TIF Commission") to assist private developers in the consideration of whether Tax Increment Financing ("TIF") for prospective projects is a realistic possibility pursuant to the Real Property Tax Increment Allocation Redevelopment Act (the "TIF Act"). The authority to make the legislative findings and determinations necessary for the compliance with the TIF Statutes is vested solely and only in the Board of Aldermen. Applicants and Projects are cautioned that the attached materials have been prepared primarily for informational purposes to inform applicants of the types of projects the City would consider for TIF assistance. The City reserves the right to reject any and all projects, even those which satisfy all of the attached criteria for the use of TIF for any reason whatsoever, without regard for the viability of the project. Furthermore, the City reserves the right to waive any non-conformance to these policies and approve any project the City deems favorable to the City.

Overview of the TIF Process

1. An Application is submitted by private developer applicant to City Administrator or his or her designee.
2. City Staff will review the Application and determine whether the Application is complete and whether the proposed project is eligible under the City's policy and the TIF Act.
3. Within 30 days after the filing of the Application, the City staff will report to the Board of Aldermen its advice whether or not to refer the Application to the TIF Commission for consideration and enter into a funding agreement with the private developer applicant. The funding agreement sets out the developer's responsibility for paying the City's costs for expert legal counsel and financial consultants.
4. If the Board of Aldermen refers the Application to the TIF Commission, the TIF Commission will conduct a hearing on the proposed Redevelopment Plan in accordance with requirements of the TIF Act.
5. Consideration will be given to material the City Staff desires to report.
6. The TIF Commission will make a recommendation to the Board of Aldermen to either approve or deny the Redevelopment Plan. The TIF Commission may recommend changes or conditions for approval of the Redevelopment Plan.
7. The City will consider an Ordinance making necessary findings and approving the Redevelopment Plan and a Redevelopment Agreement.
8. Execution of the Redevelopment Agreement between the City and Applicant.

APPLICATION PROCEDURES

1. APPLICATION:

Submission. The TIF Application form, policies and procedures are available from the City Administrator. Not less than 25 copies of the completed Application should be submitted to the City Administrator together with the required application fee.

Application Fee. Each Application shall be accompanied with a check in the amount of \$15,000 made payable to the City (the "Application Fee"). Applications over 15 acres require a \$20,000 application fee. Applications involving issuance of public bonds require an additional \$10,000 application fee. The Application Fee will be used by the City to pay the costs incurred by the City in the review of the Application. Such costs include the fees and expenses of the City's staff time, Bond Counsel and Financial Advisor. The City may also require a separate Application Fee for significant amendments to an approved Redevelopment Plan which requires a public hearing before the TIF Commission or renegotiation of an executed TIF contract or a contract then under negotiation with the City. In the event costs for third-party services exceed the initial fee collected, the applicant will reimburse the City for said amount prior to final consideration of the Application by the Board of Aldermen. To implement these requirements and as discussed in part 2 below, the applicant may be required to enter into a funding agreement with the City, from which the City's costs and expenses will be reimbursed, and the applicant will be required to replenish the fund to maintain a balance in the amount of the original Application Fee during the City's consideration and review of the Redevelopment Plan application. If the City and the Applicant do not enter into a funding agreement, the unspent portion of the application fee will be refunded to the applicant.

Preliminary Determination of Completeness. Upon submission, the Application will be reviewed by City staff to determine if it is complete. If the Application is determined to be incomplete by City staff or if additional information is needed the applicant will be notified in writing that the Application is not complete, and the reasons will be stated referring to the specific criteria that are not met, additional information required, or financial, legal or planning and development concerns. A public hearing date will not be set and notices will not be issued by the City for a public hearing until the Redevelopment Plan is determined to be complete by the City.

2. STAFF REVIEW:

Review of the Application will be conducted by the City's Finance, Law, Planning departments and Administration, and, when deemed appropriate by the City's Financial Advisor and Bond Counsel. Review time will be approximately 30 days from the date the completed Application is submitted to the City. However, more or less time may be required for particular Applications. Applications that are determined to be complete, consistent with all elements of the City's Comprehensive Plan, and in conformance with the City's policy will be forwarded to the Board of Aldermen for referral to the TIF Commission and the creation of a funding agreement with the applicant.

Prior to making a recommendation to the Board of Aldermen, City staff may require an independent feasibility study by an expert of the City's choosing. The cost of such study shall be paid by the Applicant from the fees set forth in Section 2 above and shall be prepared by a professional consultant selected by the City Administrator. This study will be submitted to the TIF Commission prior to the public hearing by the TIF Commission.

Applications which are determined to be incomplete or do not conform to the City's policy will not be forwarded to the Board of Aldermen. No hearing will be scheduled and no public hearing notices will be issued until the Redevelopment Plan application is deemed complete by the City. Applicants will be notified in writing of a determination that the Application will not be forwarded.

3. TIF COMMISSION CONSIDERATION:

The TIF Commission may desire to hold one or more study sessions before any public hearing is scheduled. During this period, the Applicant may be required to submit a completed Redevelopment Plan. At the public hearing, City Staff will introduce the subject material and the Applicant. The Applicant will make a presentation to the TIF Commission followed by the presentation of any material the City's Staff desires to report. Public comment will then be heard, followed by a response from the Applicant. After TIF Commission discussion, action may be taken to recommend approval or denial of the Redevelopment Plan, or the public hearing may be continued to a date certain for further consideration. The TIF Commission will make the determination of whether the public hearing portion of the case will be closed or continued to a date certain.

Pursuant to TIF Act, the TIF Commission must vote within 30 days of the closing of the public hearing and make a recommendation to the Board of Aldermen. Following a recommendation by the TIF Commission, the TIF Commission will make the findings and determinations required by the TIF Statute. The Application and Redevelopment Plan will be forwarded to the Board of Aldermen.

Legal notices and mailings to taxing districts and property owners as required by statute shall be reviewed by the City's Law Department prior to being mailed or published. The City will mail and publish all required notices unless other arrangements are approved by City staff which allow the Applicant to publish and mail notices.

4. BOARD OF ALDERMEN CONSIDERATION:

The Board of Aldermen may have a study session on the Application and Redevelopment Plan and may hold a public hearing before consideration of an ordinance. The recommendation of the TIF Commission may be approved, denied or amended by the Board of Aldermen. Certain amendments which meet threshold requirements of the TIF Act may require that the TIF Commission hold another public hearing on the proposed amendments.

POLICY FOR THE USE OF TAX INCREMENT FINANCING

Section 1. That the Tax Increment Financing (TIF) Policies and Guidelines for Application and Application Procedures are hereby adopted as fully set out herein and the City Administrator is hereby authorized to implement the following procedures and to make such additional changes and clarifications that shall be deemed advisable and in the best interest of the City:

A. General Policy

1. It is the policy of the City to consider the judicious use of TIF for those projects which demonstrate a substantial and significant public benefit by constructing public improvements in support of developments that will, by creating new jobs and retaining existing employment eliminate blight, strengthen the employment and economic base of the City, increase property values and tax revenues, reduce poverty, create economic stability, upgrade older areas, facilitate economic self-sufficiency, and implement the Comprehensive Plan and economic development strategy of the City.
2. Care will be exercised in the use of TIF to evaluate completely each project to ensure that the benefits which will accrue from the approval of the agreement are appropriate for the costs which will result, and that they are equitable to the City as a whole.
3. The City will charge an administrative fee to partially offset the cost of record keeping, report preparation, and accounting for each approved TIF Project. The fee will be assessed on a monthly basis against the annual increment generated by the TIF Project.

B. Policy Guidelines

The following criteria are to be used by the City's staff to evaluate TIF Applications:

1. TIF Applications may be considered for removal of blight and promote revitalization and/or to provide for public improvements to benefit economic development and employment. The City prefers the use of TIF funds for public improvements that benefit not only the project but also the public at large.
2. The City expects each TIF project to provide immediate benefit to every one of the existing taxing districts and therefore projects with financing that declares Fifty percent (50%) of the Payments In Lieu of Taxes generated by the project, as surplus and available to the taxing districts, will be viewed more favorably. Project proposals that do not meet this standard will have the high burden of persuasion.
3. Each TIF Application must demonstrate that "but for" the use of TIF, the project is not feasible and would not be completed without the proposed TIF assistance.
4. All TIF Applications requesting the issuance of bonds or notes will be required to demonstrate that the payments in-lieu of taxes and/or the economic activity taxes expected to be generated will be sufficient to provide a debt coverage factor of at least 1.25 times the projected debt service prior to the sale of any tax increment bonds or notes. This is a minimum requirement and

developers should be aware that a superior coverage ratio will be looked on with increased favor in the consideration of the Application.

5. The total amount of TIF assistance for project costs for industrial, manufacturing, office, retail, and commercial TIF Applications should not exceed fifteen percent (15%) of the total project costs including all hard and soft costs and Developer fees estimated for the entire project. All other public assistance contemplated or requested for the project must be disclosed in the Application (or added to the Application as soon as they are known) and will be considered by the TIF Commission in evaluating the proposed TIF project and application as a whole.

6. TIF will generally be reserved for projects, which do not qualify for alternative methods of financing or where TIF assistance is deemed by the City to be the preferred method of economic development incentive.

7. Each TIF Application must include evidence that the applicant:

(a) Has the financial ability to complete and operate the project. Developers will be evaluated on their prior record of development, amount of capital committed to the project and overall financial strength. Developers with partners are expected to identify the partners at the beginning of the process.

(b) Will contribute equity of at least Fifteen percent (15%) of the total cost of the project. Projects with equity contributions from the developer in excess of Twenty Five percent (25%) will be viewed more favorably. Equity contributions in cash will be viewed more favorably than “in kind” contributions such as land. This requirement is exclusive of any performance bond required for the project

(c) Has thoroughly explored alternative financing methods.

8. The City will maintain a retainage account consisting of at least the final Five percent (5%) of the financial assistance to the TIF project which funds will not be paid out until the project is completed or the developer satisfies other performance standards as established in the TIF Agreement.

9. TIF Applications for new or expanded retail and service commercial projects will be viewed more favorably than industrial, manufacturing and office projects. TIF projects which create jobs with wages that exceed the community average will be encouraged. Industrial, manufacturing and office developments may be given more favorable consideration than warehouse type uses based upon the projected employment per square foot. Additional consideration will be given to projects where the total project costs are in excess of Twenty-Five million dollars (\$25,000,000) or the development of areas where the project will be a catalyst for further high quality development.

10. To encourage an inflow of customers from outside the City or provide services or fill retail markets that are currently unavailable or in short supply in the City, we encourage TIF Applications for retail and service commercial projects. Additional consideration will be given to

projects where the total project costs are in excess of Twenty-Five million dollars (\$25,000,000) or the development of areas where the project will be a catalyst for further high quality development.

11. TIF Applications for the redevelopment of existing commercial and industrial areas will be viewed favorably. Projects to stabilize current commercial, and industrial areas that have or will likely experience deterioration will be favored.

12. The projected term of the TIF will be a factor, with shorter terms being viewed more favorably than longer terms. TIF Applications which provide for the use of not more than Fifteen (15) years of tax increment financing generated by each redevelopment project will be preferred.

13. TIF projects which are constructed in phases are viewed with greater skepticism. TIF projects that propose a reasonable and certain end date for construction and occupancy and demonstrate clearly and convincingly how those goals will be achieved will be viewed positively.

14. All TIF Applications must clearly comply with the requirements of the TIF Statute.

15. All approved projects must comply with prevailing wage and hour requirements for public works projects, as set forth in 290.210 R.S.Mo. et. seq. for all portions of the project receiving TIF assistance. The developer will be required to indemnify the City for all prevailing wage claims brought against the City for all TIF-funded public works projects that are constructed by or at the direction of the developer. Work to be covered by TIF funds will be identified in the Application.

16. TIF Applications which include the establishment of business areas, or the redevelopment of existing business areas, should include information as to the business type of the major tenants of the TIF area. In addition, a thorough market analysis should be completed which identifies: (1) the population areas that will be drawn from; and, (2) the businesses of similar types which would be competing with the TIF area businesses.

17. Projects with reasonable indications, submitted to the City's TIF Counsel, that upon review indicate a minimum of Fifty percent (50%) of the retail commercial space is committed to viable tenants, which may be supported with signed letters of intent, signed leases or other written verification of such tenants, will be viewed with greater favor by the TIF Commission and the City.

18. Notwithstanding the foregoing, TIF Applications which do not meet any of the above referenced criteria will be viewed favorably by the City if the Application clearly demonstrates that the project is of vital interest to the City and will significantly assist the City in the elimination of blight, financing desirable public improvements, strengthening the employment and economic base of the City, increasing property values, reducing poverty and creating economic stability.

C. Accountability

TIF Applications are expected to include the following:

1. If the TIF Application is being submitted based upon anticipated revenue criteria, the City may require that language shall be included in the Redevelopment Plan and Contract which stipulates that the City's obligation to the developer may be reduced if satisfactory evidence is not shown that the indicated anticipated revenue has been generated.
2. If the TIF Application is being submitted based upon job creation criteria, language may be included in the Plan which stipulates that the City's obligation to the developer may be reduced if satisfactory evidence is not shown that the indicated number, and quality of jobs have been generated.
3. If businesses are to be relocated from other areas of the City, sufficient justification must be included to indicate why this relocation should be given favorable consideration. If existing businesses are to be relocated to the TIF area, the base year activity for purposes of determining the tax increment for both real property and EATS taxes will be the last twelve-month period at the businesses current location, immediately preceding the relocation.

Developers should be aware the City expects the public to directly benefit from its support of the project and the TIF Application should address key performance standards as follows:

1. Completion Performance
 - Developer must construct at least 85% of the square feet planned to receive a Certificate of Substantial Completion.
 - Developer receives no TIF reimbursement until a Certificate of Substantial Completion has been issued by the City.
2. City Revenue Protection
 - In the 4th year after the Contract is executed and for a period of 10 years, if actual sales are not at least 75% of the projections in the TIF Plan, then the City may withhold from reimbursement an amount depending on the size of the project and total reimbursement per year.
 - This amount will be paid to the City as an assignment of Developer's right to receive reimbursement.
3. Pay-As-You-Go Reimbursement PAYG No Bonds
 - Reimbursement is Pay-As-You-Go, meaning that Developer is reimbursed as the TIF Plan generates revenues over time. The City does not plan to issue bonds, but may do so at the City's sole discretion.
4. Public Participation/Profit Limit
 - If the Developer's annual rate of return exceeds 12%, then the principal amount of TIF reimbursement is reduced to achieve a 12% maximum return.

5. Limitation on Interest Accrual

- No interest on Reimbursable Project Costs will begin to accrue until a Certificate of Substantial Completion has been issued by the City.

6. Shifting Reimbursement

- Land reimbursement is limited to the budgeted amount.
- Off-Site Development reimbursement is limited determined on a project basis.
- On-Site Development reimbursement is limited determined on a project basis and Developer might be allowed to shift some reimbursement internally between the On-Site Development line-items.
- Soft Costs reimbursement is limited to \$__8%__, and Developer might shift reimbursement internally between the Soft Costs line-items.

7. Tax Protection During Construction

- If there is a dip in property valuation during construction, Developer pays the difference to the City which will be distributed to the taxing districts in proportion to their tax levies.

8. Sale and Assignment Restrictions

- Developer cannot assign its rights under the Contract or transfer more than 49% (or a controlling interest whichever is less) interest in Developer's membership without prior City approval.
- Developer cannot sell property in the Redevelopment Area without prior City approval.

D. Method of Financing

TIF Applications may request that TIF assistance be provided in one of the following forms:

1. Tax Increment Revenue Bonds or Special Obligation Bond or Note Financing;
2. Direct Reimbursement to the Applicant for hard and soft design and construction costs;
3. Pledge of tax increment financing revenues to pay a portion of private financing in addition to other eligible costs; or,
4. Any combination of the foregoing methods.

In deciding which method of financing to use, the prevailing factor in making the determination will be total costs, the security for the bonds and the duration of the Redevelopment Plan. The City will not provide credit enhancements for the special obligation bonds or notes, however, credit enhancement provided by the developer on any bonds or notes will be viewed favorably. The decision as to what method of financing is selected will be made by the City. The underwriter or purchaser of any publicly sold bonds will be selected by the City.

E. Term

The maximum period for which a TIF can be used is established by the TIF Statute at twenty-three (23) years. The most favorable consideration will be provided for Redevelopment Plans that last no longer than fifteen (15) years.

F. Impact on Schools Districts and Other Public Entities

Before submitting a TIF Application package to the City, Applicants should evaluate and consider any TIF policies adopted by local public school or other taxing districts within the boundaries of the Redevelopment Area and directly address those policies in the application. For developments that add students to the school population the City strongly encourages the incorporation of a distribution of a portion of payments in lieu of taxes (PILOTS) as surplus to taxing districts including public schools in accordance with the applicable school district TIF policy. In addition to such surplus declaration, a capital contribution may be made to a public school or taxing district that incurs additional capital costs that are the result of the redevelopment that occurs pursuant to a Redevelopment Plan.

G. Other Conditions

The City reserves the right to modify or waive any or all of these Policies and Procedures.

CITY OF OSAGE BEACH, MISSOURI
APPLICATION FOR TAX INCREMENT FINANCING ("TIF")

PROJECT NAME:

APPLICANT:

ADDRESS:

PHONE:

FAX:

EMAIL:

CONTACT PERSON:

Application Format: On a separate sheet of paper please answer the following questions. Please type each question prior to the applicable response.

- (1) In no more than three pages provide relevant information on the applicant's background and development experience and financial ability to successfully complete the project. Include resumes of key individuals assigned to the project.
- (2) Identify the applicant's consultants involved or proposed to be involved in the project noting relevant experience on similar projects (i.e., civil engineer, land use planner, applicant's legal counsel, applicant's financial advisor).
- (3) Describe the proposed project, including the size and scope and phasing of the proposed project. Specifically outline residential development, if any, to be included in the project.
- (4) Define the boundaries of the proposed TIF area by address and locator number(s). Include a map of the proposed TIF area.
- (5) Identify the property which is currently in the control of the applicant via ownership or option. If under option note the option expiration date.
- (6) Is the Redevelopment Plan consistent with the City's Comprehensive Plan? If not, an amendment to the Comprehensive Plan may be required in order to allow the Board of Aldermen to make this consistency finding as required by the TIF Act.
- (7) Is the property currently zoned for the proposed use? If not, what zoning change will be required?

- (8) Will the proposed project result in the relocation of residential, commercial or industrial facilities? If so, discuss the nature of any anticipated relocations.
- (9) State the need and justification for TIF assistance. Explain how the applicant intends to demonstrate compliance with the "but for" test. Substantiate that other alternative methods of financing have been thoroughly explored.
- (10) Discuss the condition(s) that would qualify the proposed TIF District as a "blighted area" or "conservation area," as defined under Mo. Rev. Stat. 99.805.
- (11) Identify sources, amounts, and status of all debt financing and/or equity funding available to complete the project. Does the applicant anticipate the debt to be privately financed by the construction lender or developer or publicly sold?
- (12) Provide an outline of the costs associated with the development of the proposed project(s) and related parcel or parcels located within the TIF area. Identify in the outline those costs you would propose to fund with TIF financing and the proposed payback time frame.
- (13) In one page or less, discuss and document information used to describe the market feasibility of each element of the proposed project. If a formal feasibility or comparable studies have been prepared, attach such reports as an appendix to this application.
- (14) On a revenue worksheet estimate the incremental property taxes and economic activity taxes to be generated by the project.
- (15) Identify any proposed tenants of the project. Have leases been negotiated or signed? What type of lease is contemplated?
- (16) Who will own the developed property? How much of the property is intended to be sold after development is complete? Who will manage the property during the life of the Redevelopment Plan and project?
- (17) Briefly describe the "economic and quality of life" benefits of the proposed project to the City.
- (18) Attach a letter from a reputable financial institution indicating that the applicant has sufficient financial resources to obtain the private financing for the project.

CITY OF OSAGE BEACH, MISSOURI
COMMUNITY IMPROVEMENT DISTRICT ACT
Procedures, Considerations and Petition

Adopted/Latest Revision May 16, 2013

The City of Osage Beach welcomes inquiries about new business and economic development.
Please call the City Administrator at 573-302-2000 ext 254.

Important Notice and Disclaimer

This policy has been prepared by the City of Osage Beach, Missouri (the "City") to assist applicants in the consideration of whether a Community Improvement District is a realistic possibility pursuant to the Community Improvement District Act (the "CID Act"). The authority to make the legislative findings and determinations necessary for compliance with the statutes is vested solely and only in the Board of Aldermen. Applicants are cautioned that the attached materials have been prepared primarily for informational purposes only. The City reserves the right to reject any and all proposals, even those which satisfy the attached criteria. Furthermore, the City reserves the right to waive any non-conformance to these policies and approve any project the City deems favorable to the City.

Applicants should expect to be asked to provide funding for outside experts who may be retained by the city and to enter into a funding agreement for payment of those experts' fees. As a general rule, the simple projects are rare. Nearly every funding district still has certain complexities that require a significant amount of work for the city to process and consider the request and then negotiate the appropriate contract(s). Some issues that can cause additional complexity are:

- a significant number of property owners**
- multiple developers, which can require significant coordination by the city among the several private parties**
- significant involvement by the developer's lender early in the transaction**
- a land purchase from a bank after a foreclosure**
- the presence of existing residences in the project area**
- mixed use developments**
- involvement of other governmental jurisdictions**
- developer is requesting a large amount of reimbursement in relation to overall project costs, and additional scrutiny is required to determine eligible costs**
- funding district is already established and the request is to modify what is already in place and possibly expand the scope of the district or what it will fund**

The standard initial funding agreement deposit is \$15,000. Most projects that involve any of the issues above will at least be in this ballpark of total costs, and if the project stretches out over an extended period then the developer may need to replenish the fund one or more times until the work is finished.

Summary of the Approval Process

1. A Community Improvement District may be created by petition of the property owners. The petition must contain the signatures of property owners collectively owning more than 50% of the assessed value of real property and more than 50% per capita of all owners of real property within the district. The petition must also contain the following elements:

- a) A 5 – year plan that describes the purposes of the proposed district, the proposed public improvements and services, and the estimated costs of those improvements and services;
- b) Information on the type of district being proposed and its governance. CIDs may be organized either as a separate political subdivision of the state or as a nonprofit corporation (this affects how the district may fund improvements and selects its board of directors);
- c) The maximum rates of property taxes and special assessments, if any, that may be imposed;
- d) A statement concerning whether a sales tax will be sought
- e) A statement of limitations on the borrowing capacity and revenues of the district; and
- f) The period of time the CID will exist.

2. A Petition for creation of a CID is submitted to the City Clerk and the City Administrator or his or her designee.

3. City Staff will review the Petition and determine whether the Petition is complete and whether the proposed project is eligible under the City's policy and the CID Act.

4. The City Staff will report to the Board of Aldermen its advice whether or not to enter into a funding agreement with the applicant. The funding agreement sets out the applicant's responsibility for paying the City's costs for expert legal counsel and financial consultants.

5. All activity undertaken for consideration of a CID will be governed by the Community District Improvement Act sections 67.1401 through 67.1571 R.S.Mo. and in the event that any provision of this policy contradicts those statutes the statutes shall govern.

6. The City Clerk reports to the Board and the applicant within 90 days as to the sufficiency of the petition.

7. Within 45 days of the verification of the petition a public hearing is held.

8. The Board will consider an Ordinance making necessary findings and approving the Community Improvement District.

Petition Procedures

Submission. The CID Petition, complying with the requirements of Sections 67.1401 through 67.1571 RSMo. is filed with the City Clerk. At the same time not less than 15 copies of the completed Petition and supporting documents should be submitted to the City Administrator.

Preliminary Determination of Completeness. Upon submission, the Petition will be reviewed by City Clerk and City staff to determine if it is complete. If the Petition is determined to be

incomplete by the City Clerk or Staff or if additional information is needed, the applicant will be notified that the Petition is not complete. That notification may include the reasons referring to the specific criteria that are not met, additional information required, or financial, legal or planning and development concerns. A public hearing date will not be set and notices for a public hearing will not be issued until the Petition is determined to be complete by the City Clerk.

Review of the Petition will be conducted by the City Clerk and the Finance, Law, and Planning Departments and, when deemed appropriate by the City's outside advisors. Review time will be approximately 30 days from the date the completed CID Petition is submitted to the City. However, more or less time may be required for particular CID Petitions. Petitions that are determined to be complete will be forwarded to the Board of Aldermen for consideration and possible creation of a funding agreement with the applicant.

Petitions which are determined to be incomplete will not be forwarded to the Board of Aldermen. No hearing will be scheduled and no public hearing notices will be issued until the Petition is deemed complete by the City Clerk. Applicants will be notified of a determination that the Petition will not be forwarded.

The Board of Aldermen may have a study session on the Petition and will hold a public hearing pursuant to Section 67.1431 RSMo. before consideration of an ordinance. Certain amendments which meet threshold requirements of the CID Act may require that the Board hold another public hearing on the proposed amendments.

POLICY FOR THE USE OF A COMMUNITY IMPROVEMENT DISTRICT

1. It is the policy of the City to consider the judicious use of a CID for those projects which demonstrate a substantial and significant public benefit by constructing such public improvements or funding such services that strengthen the quality of life, employment and economic base of the City, increase property values and tax revenues, reduce poverty, create economic stability, upgrade older areas, facilitate economic self sufficiency, and implement the Comprehensive Plan and economic development strategy of the City.
2. Care will be exercised in the use of a CID to evaluate each Petition to ensure that the benefits which will accrue from the approval of the Petition are appropriate for the costs which will result, and that they are equitable to the City as a whole.
3. Community Improvement District Considerations:
 - a) The City of Osage Beach will consider the establishment of Community Improvement Districts to finance public improvements and/or public services that will directly benefit the property owners, business owners, customers, and residents of the district.
 - b) Community Improvement Districts formed for the purpose of financing public improvements will terminate when the public improvement expense has been reimbursed.
 - c) Perpetual CIDs are discouraged.

- d) The developer and/or CID will be responsible for paying for the district public improvements and seeking reimbursement through district revenues. The City will not provide upfront financing.
- e) CIDs established to provide additional funding to expedite retiring Tax Increment Financing (TIF) districts are encouraged, especially when non-captured CID revenues are pledged to assist the payment of TIF obligations that are CID eligible.
- f) The developer and CID will enter into a cooperative agreement with the City of Osage Beach detailing the eligible CID projects and reimbursement schedule.
- g) The CID petition must contain a provision that terminates the district after six (6) months if a cooperative agreement acceptable to the City and the district has not been executed.
- h) To ensure consistency and ease of administration, developers will use the City's preferred petition and cooperative agreement forms.
- i) The City may charge an administrative fee for work performed by the City for the CID. This is typically one-and-one half percent (1 ½%) of district revenues.
- j) The CID will comply with all applicable open meetings and open record laws.

CID Guidelines

The following criteria are to be used by the City's staff to evaluate CID Petitions:

1. Public improvements and services and blight removal may be financed by a CID. The improvements or services must be located or provided within the district boundaries. Eligible public improvements and services include, but are not limited to the following:

Improvements

- * Parks
- * Convention centers
- * Parking lots
- * Sidewalks
- * Streets
- * Bridges
- * Storm water facilities
- * Sanitary Sewer

Services

- * Economic, planning, marketing or other studies
- * Waste collection/ disposal
- * Recreational and cultural activities
- * Special Events
- * Cleaning and maintenance of public and private property
- * Security
- * Facility operation

Blight Removal – CIDs may pay for the costs of demolishing, renovating, and rehabilitating structures (either public or private) that are located within the blighted areas. The City prefers the use of CID funds for public improvements that benefit not only the project but also the public at large.

2. Each CID Petition must include evidence that the applicant has the ability to complete and operate the project. Applicants with partners are expected to identify the partners at the beginning of the process.

3. CID Petitions for new or expanded public infrastructure projects will be viewed favorably. CID projects which create jobs will be encouraged. CID Petitions to stabilize current commercial and industrial areas that have experienced deterioration are also encouraged.

4. The projected term of the CID will be a factor, with shorter terms being viewed more favorably than longer terms.

5. All CID Petitions must clearly comply with the requirements of the CID Statute, sections 67.1401 through 67.1571 R.S.Mo.

6. All approved projects must comply with prevailing wage and hour requirements for public works projects, as set forth in 290.210 R.S.Mo. et. seq. for all portions of the project receiving CID assistance. The applicant will be required to indemnify the City for all prevailing wage claims brought against the City for all CID-funded public works projects that are constructed by or at the direction of the applicant. Work to be covered by CID funds will be identified in the Petition.

7. Notwithstanding the foregoing, CID Petitions which do not meet any of the above referenced criteria may be viewed favorably by the City if the Petition clearly demonstrates that the project is of vital interest to the City and will significantly assist the City in the elimination of blight, financing desirable public improvements, strengthening the employment and economic base of the City, increasing property values, reducing poverty and creating economic stability.

CID Financing

Community Improvement Districts organized as a political subdivision or a nonprofit corporation may be funded by any of the following:

1. Special assessments, if approved under the 50% threshold in the statute for assessed value and per capita of property owners in the district
2. Fees and rents for district property or services
3. Grants or donations.

If the CID is organized as a political subdivision it may use

1. Property tax
2. Sales Tax

The CID may issue bonds, notes or other obligations to fund its activity. In deciding which method of financing to use, organizers are cautioned to consider the effects of the Hancock Amendment. The City will not provide credit enhancements for bonds or notes, however, credit enhancement provided by the applicant on any bonds or notes will be viewed favorably. The underwriter or purchaser of any publicly sold bonds will be selected by the City.

The maximum period for a CID bond is established by the CID statute at twenty (20) years.

RESERVATION OF RIGHT TO ALTER OR AMEND THIS POLICY

The City reserves the right to modify or waive any or all of these Policies and Procedures.

CITY OF OSAGE BEACH, MISSOURI
COVER PAGE
COMMUNITY IMPROVEMENT DISTRICT

PROJECT NAME:

APPLICANT:

ADDRESS:

PHONE:

FAX:

EMAIL:

CONTACT PERSON:

On a separate sheet of paper please answer the following questions. Please type each question prior to the applicable response.

- (1) In no more than three pages provide relevant information on the organizer's background, experience and ability to manage and complete the project. Include resumes of key individuals assigned to the project.
- (2) Describe the proposed project, including the size, scope and phasing of the proposed project.
- (3) Define the boundaries of the proposed CID area. Include a map of the proposed CID area.
- (4) Identify the property which is currently in the control of the applicant via ownership or option. If the property is under an option, note the option expiration date.
- (5) If the CID will build new improvements, is the CID consistent with the City's Comprehensive Plan? Please describe.
- (6) Generally discuss the need and justification for creation of the CID.
- (7) If applicable discuss the condition(s) that would qualify the proposed CID District as a "blighted area."
- (8) Provide an outline of the budget, income, costs and expenses associated with the proposed project. Identify in the outline those costs you would propose to fund with CID financing and if CID debt is used the proposed payback time frame.

(9) Briefly describe the “economic and quality of life” benefits of the proposed project to the City.



City Administrator Memo

To: Mayor and Board of Aldermen
cc: Management Team
From: Jeana Woods, City Administrator
Date: April 7, 2022
RE: ARPA – Local Fiscal Recovery Funds
City of Osage Beach
NEU Recipient # MO1093
Award Amount - \$950,604.20

Summary

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan Act (ARPA) signed into law on March 11, 2021, (henceforth referred to as *ARPA funds* throughout this document), allocated \$350 billion to State, local, and Tribal government to support their response to the recovery from the pandemic. The key objectives for the funding are to:

- 1) Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- 2) Maintain vital public services, even amid declines in revenue resulting from the crisis, and
- 3) Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

On behalf of the City, I initiated the application and necessary documents with the Office of Administration on August 3, 2021; confirmation receipt was received on August 9, 2021. The City of Osage Beach was initially allocated \$941,531.48 in total ARPA funds. We received the first half of the funds in August 2021, in addition to a subsequent deposit of \$4,536.36 received most recently; total deposits received to date is \$475,302.10. The subsequent deposit received is half of a total addition to already scheduled funds allocated to us due to funds declined or not requested by other NEUs in Missouri. The remainder of the funds is expected August/September 2022; an estimated total to be received is \$950,604.20. These are outlined in the FY2022 Operating Budget as *Restricted – Other* until such time funds are expended for specific projects or programs.

US Treasury Final Rule

In May 2021, The US Department of the Treasury released the *Interim Final Rule (IFR)* describing details on eligibility and program provisions. The US Treasury sought feedback from the public on program rules and the process of application and distributing funds began.

Due to a wide range of government and other stakeholder feedback, the *Final Rule* was released on January 6, 2022, and is effective April 1, 2022. The final rule delivers many clarifications to the IFR and provides greater simplicity of the program as well as broadens the flexibility of use of the program. This has a significant and positive effect on smaller recipients, applicable to the City of Osage Beach as a smaller, NEU (non-entitlement units of government) categorized municipality.

Under the Final Rule, two notable advantages effecting the City of Osage Beach is streamlined reporting and the flexibility of eligible use of funds due to the option for us to elect to use a *Standard Allowance*. Due to our size of City and award amount, the City's reporting compliance is more streamlined, only requiring a *Project and Expenditure Report* annually beginning April 30, 2022. The *Standard Allowance* options allows funding for government services traditionally provided by the City, adding flexibility of fund usage beyond the additional outlined eligible Use Categories.

Several perimeters for use of funds did not change from the *IFR* to the *Final Rule*. Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021 and obligated (a commitment to pay) by December 31, 2024, with funds expended by December 31, 2026. This time period is referred to as the 'period of performance'. Funds cannot be used for debt service, replenishment of reserves, extraordinary contributions to pension funds (i.e., reducing any unfunded liabilities), settlements or judgments, or to offset net tax revenue resulting from a change in law or regulation. In addition, funds may not be used to undermine pandemic mitigation practices by the CDC, nor may the use of funds violate the US Treasury Uniform Guidance or other applicable laws.

Equitability, accountability, and transparency of the program, and a focus on recovery is a necessity to ensure recipients fulfill compliance reporting responsibilities and provide the public the data on use of funds and outcomes.

Final Rule Eligible Use Categories and Final Rule Features

Public Sector Revenues

Description: The most flexible Use Category, but some restrictions do apply. The category is for the purpose of providing funds for government services up to amount of revenue loss due to the pandemic. Government services includes services traditionally provided by a government entity, including but not limited to, construction and maintenance of roads and other infrastructure, public safety, general administration, etc. Although this Use Category is the most flexible, all the rules apply in regard to applicable expenditure categories as outlined by the US Treasury.

Under this category of use only, funds may be used to meet non-federal cost-share or matching requirement of other federal program, some restrictions do apply. Funds available under other categories of uses may not be used to meet the non-federal match or cost-share requirements of other federal programs, unless specifically provided by the statute.

Final Rule Features: Significant simplification for smaller recipients in loss determination, streamlined reporting, and compliance requirements. Recipients may choose one of the two options for determination and cannot switch between approaches after the election is made. Options are 1) A one-time election of the *Standard Allowance* of up to \$10 million, not to exceed award amount, through the period of performance, or 2) Calculation of actual revenue loss using the US Treasury's formula at four distinct points in time, representing the recipient's applicable calendar or fiscal year for four periods throughout the period of performance.

Public Health & Economic Response

Description: This category is for the purpose of providing resources for governments to meet the public health and economic needs impacted by the pandemic. Recipients 1) identify a pandemic public health or economic impact on a group/class disproportionately impacted, and 2) design a program that responds to that impact, proportionally to the applicable impact. Sub-categories recipients may provide eligible assistance to include public health, households, small businesses, nonprofits, designated impacted industries, and public sector capacity.

Final Rule Features: The Final Rule expanded on eligible uses for impacted and disproportional impacted populations and clarified proportional capital expenditures that may be allowable.

Premium Pay for Essential Workers

Description: This category is for the purpose of offering additional support to eligible workers who performed essential work during the pandemic. Essential work is defined as work "needed to maintain continuity of operations of essential critical infrastructure sectors".

Premium pay for eligible workers is defined by using formulas based on residing state and county averages for applicable occupations and is capped at both an hourly rate and a program total, per worker throughout the period of performance. Recipients must 1) identify an eligible worker, 2) verify essential performance of work, and 3) confirm work was/is in response to essential work during the pandemic. Volunteers are not included, and recipients are not allowed to reimburse itself for premium pay or hazard pay already received by the worker(s) (Per Missouri Constitution, local governments cannot pay employees for work previously performed.)

Final Rule Features: Streamlined options to provide premium pay by broadening the essential worker determination without written justification.

Water, Sewer, & Broadband Infrastructure

Description: This category is for the purpose of providing funds to make needed investments in water and sewer infrastructure, addressing expansion and/or deferred maintenance of systems, management and security of systems, lead remediation, and treatment of sewage and stormwater infrastructure, just to name a few. A wide range of water and wastewater projects are eligible under both the EPA's Clean Water State Revolving Fund (CWSRF) and EPA's Drinking Water State Revolving Fund (DWSRF). This category also includes allowable funding for critical high-speed broad infrastructure.

Beyond the CWSRF and DWSRF, other investments in infrastructure deemed necessary, by definition, must 1) be an identified need to achieve or maintain adequate minimum level of service, which may include projection of an increased need, 2) be an identified cost-effective means for meeting determined need, and 3) for investment in drinking water infrastructure due to projected population growth, must be sustainable over the estimated useful life.

Final Rule Features: Expanded eligibility of water and sewer projects and broadened the eligibility of broadband investment to allow recipients to address access, reliability, and affordability challenges.

Osage Beach Funding Considerations

Staff continues to monitor other funding opportunities at the State level, as many of the programs and rules pertaining to both the APRP (American Rescue Plan Act) and the IIJA (Infrastructure Investment and Jobs Act) are still being drafted but include project eligibility through the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (CWSRF), the Drinking Water State Revolving Fund (DWSRF), and the State of Missouri's Local Fiscal Recovery Fund related to water, wastewater and stormwater. As more information is made available about the various programs, the Mayor and Board of Aldermen will be updated accordingly. Internally, we are preparing to act quick once these opportunities are materialized, as deadlines for application of funds once details emerge from the State are expected to be tight.

The drafted projects outlined in the attachment have been identified by staff based on current operating budget details, long-term financial forecasting, capital improvement needs, and infrastructure maintenance and expansion planning. **Further discussion from the Mayor and Board of Aldermen should take place to ensure understanding of ARPA and to determine priorities and needs that fit within the Mayor and Board of Aldermen's priorities that may not be outlined herein.**

As you will notice in the attachment, assessments are underway to appropriately estimate costs for several of the projects noted; cost estimates are needed to determine obligated commitments. As costs are determined based on assessments, the *Project and Expenditure Details* will be updated to aid in planning the City's course of action. It is my recommendation that the Board of Aldermen do not rush into committed obligations until assessments are complete and additional information is known regarding State funding opportunities. It is in the City's best interest to strengthen resources and processes available to us to capitalize on additional funding that we may be eligible.

City of Osage Beach
American Rescue Plan Act (ARPA) Funds
Proposed Project and Expenditure Details
Attachment to ARPA Local Fiscal Recovery Funds Memo April 7, 2022

Project Title	Project Details	ARPA Use Category	Project Costs	ARPA Timeline			
				FY2021 March 3 - December 31, 2021	FY2022 January 1 - December 31, 2022	FY2023 January 1 - December 31, 2023	FY2024 January 1 - December 31, 2024
Water Well Filtration & Improvements*	Assessments on Swiss Village Well #1 and #2 are underway to analyze treatment options, due to their levels of manganese. High levels of manganese in water sources can cause staining of laundry, scaling to plumbing systems, and foul smell or taste. The City is utilizing the newly constructed Swiss Village Well #3 for production, while the assessment of #1 and #2 are underway.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$ TBD; assessments in progress with FY2022 Funds	--	--	TBD	TBD
Water Infrastructure Improvements - Connectivity of Lines*	Connecting dead-end water mains will provide improved water service to City residents. The first of many connective lines is included in the current operation budget. Future needed connections are being analyzed.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$ TBD; engineer's estimates needed	--	--	TBD	TBD
Sewer Infrastructure Improvements - Panel and Pump Upgrades*	Sewer infrastructure upgrades and improvement to major lift stations, including pumps and electrical panels. Upgrades are needed for aging infrastructure which has outlived its useful lifespan.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$ TBD; assessments in progress with FY2022 Funds	--	TBD; <i>Budget Amendment Needed</i>	TBD	TBD
SCADA Improvements for Water & Sewer Infrastructure	SCADA (supervisory control and data acquisition) systems include the networks and computer systems that gather, analyze, and alert on data to manage our water and sewer infrastructure in real-time. Personnel use this real-time data to address problems and analyze system data. Portions of our system are outdated, and upgrades to our existing system are imperative to the management of our infrastructure to provide clean water and sanitary sewer collection effectively.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$ 143,000 - TBD; further assessments TBD	--	\$143,000; <i>Budget Amendment Needed</i>	TBD	TBD
Unserved Area Expansion - Water & Sewer Infrastructure	Expansion of water and/or sewer service to City limits to provide quality water and wastewater collection to our residents. The City currently has gaps in service existing today due to a variety of circumstances, including geographic or cost challenges.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$ TBD; assessments in progress with FY2022 Funds	--	--	TBD	TBD
Equipment Expansion for Sewer Infrastructure	Sewer Vacuum Truck - large scale industrial truck with holding tanks, pumps, and suction hoses used to handle large-scale liquid and sludge for the purpose of effective waste system management, including utility lines, system overloads, and clean up within the wastewater system.	Water, Sewer, & Broadband Infrastructure Category - Investments to improve water quality and support vital wastewater infrastructure	\$350,000**	--	--	\$350,000**	--
Sidewalk Expansion & Improvements - East Side of Osage Beach Parkway with Pedestrian Walk/Access	Complete connectivity of the existing sidewalks from the Hwy 42 intersection area to Mace Road, including the safe passage over the Osage Beach Parkway bridge nearest to Mace Road. This is a highly traveled pedestrian area, connecting the populated areas to services and shopping destinations without the use of motor vehicles.	Provisions for Government Services	\$ TBD; engineer's estimates needed	--	--	TBD	TBD
Parking Lot Expansions - OB City Park and Peanick Park	Parking lot expansions at both the Osage Beach City Park and Peanick Park are necessary to provide safe parking options, meet applicable City codes for parking, and to accommodate growth experienced at both parks.	Provisions for Government Services	\$404,300^	--	\$404,300	--	--
Lake Access Improvements - OB City Park	Infrastructure improvements to upgrade the culvert down stream from the City pond, which flows under the lake access road in the Osage Beach City Park. This is a safety and stormwater expansion project for park users to safely access the lake and improve the City's ability to handle the creek during high water levels. The culvert has been in need of upgrades since the initial damage due to flooding in 2013. Other repairs have been made without the results needed to properly mitigate the water.	Provisions for Government Services	\$143,000~	--	\$143,000	--	--

Notes:

*Monitoring projects for State funding opportunities

**Estimates only; more data TBD

^Projects are included in the FY2022 Operating Budget with CIT subsidy; if allocated for ARPA \$\$, CIT funding would NOT occur, opening up CIT Funds for other uses.

~Project is included in the FY2022 Operatin Budget, funded with General Fund revenues; if project is allocated for ARPA \$\$, General Fund revenues would be open for other uses.

(Sources: US Treasury, Missouri Municipal League, Baker Tilly Municipal Advisors)