



City of Cedar Rapids
Finance & Administrative Services Committee
City Council Chambers
City Hall, 101 1st Street SE
Wednesday, October 26, 2016
4:00 pm – 5:00 pm

Purpose of Finance & Administrative Services Committee: To enable the City Council to discuss and evaluate in greater detail these specific issues that directly impact the financial and organizational strength of the City of Cedar Rapids.

Meeting was brought to order by Council member Gulick at 4:05pm.

Present: Council members Gulick, Shields and Weinacht, Matt Evans & Stuart Haker with TrueNorth, Rebecca Johnson, Purchasing and Casey Drew, Finance Director

- Mayor Ron Corbett is an ex-officio member of all Council Committees per City Charter Section 2.06.

Minutes from the August 24, 2016 meeting were approved as distributed.

1. Matt Evans and Stu Haker with TrueNorth presented December 1st renewal insurance policy options.
 - TrueNorth reminded the committee that risk is measured in three ways (essential, important and optional) and the effect of the loss.
 - TrueNorth reported they met or exceeded each coverage currently in place. Highlights of increased coverage include:
 - Valuable Papers for any one insured location in any one occurrence: currently \$5 million coverage, increased to \$10 million
 - Fine arts: coverage was increased from \$7,235,525 to \$10 million
 - Newly acquired property: current coverage of \$5 million increased to \$25 million
 - Earthquake: \$25 million increased to \$100 million
 - Flood: \$50 million coverage increased to \$100 million
 - Mold: \$1 million coverage now with an increase to \$5 million with TrueNorth
 - Deductibles and limits discussed:
 - Flood: \$500,000 per building and contents currently, \$250,000 occurrence deductible with TrueNorth.
 - Preservation of property for flood: blanket \$1.5 million coverage offered with TrueNorth. There was a discussion of if there was anything done to protect the city, it would be covered by deductible (food, labor, Hesco barriers, but excluding sand at Newbo for residents).

- \$100 million flood policy is TrueNorth's strong recommendation; giving the City an additional \$50 million flood coverage for \$40,000 additional premium.
 - Dec. 1, 2016 is the renewal date, so this will go to Council on Nov. 15th if the committee would like to recommend spending the additional \$40,000.
 - The committee thanked TrueNorth for their work on this policy proposal.
- A motion was made to take the proposal to Council on November 15th and was seconded; all ayes for approval. Casey will take to Council for consideration on November 15th.

2. Review financial information

- Fiscal Year 2016: The City's general fund ended the fiscal year with a \$1.1 million net revenues exceeding expenditures.
 - The 2008 flood fund has a deficit of \$1.2 million at the end of fiscal year 2016.
- September financials are where Casey expected them to be.
 - September 2016 flood expenses will start to come in in October. Approximately \$8 million is projected for expenses in regards to protection measures. City staff still reviewing what permanent work repairs will cost.
 - Some things may change, i.e. berms are still on some trails so they are estimating what may need to be done for repair.
 - Initial walk around with FEMA; they were trying to determine if this qualifies for federal disaster and gathering estimates that will be given to the President for consideration of a disaster declaration.

A motion to approve financial statements was given, followed by a second; all ayes for approval.

3. Buy local discussion—

- The committee reviewed the drafted revised resolution. All on the Committee agreed to the revision of adding 2% for local bidders that also fall into at least one of three criteria: veterans, minority or women. Council member Gulick requested that wording be added to say specifically what classifies as those three criteria.
- Discussion followed about the City's bidding process and how it makes companies 'sharpen their pencil' to compete against competitors. It was discussed that Vendors do ask for current pricing when bids are being prepared by potential vendors on a regular basis. Council Member Weinacht asked what the City could do better to educate/communicate with vendors. It was agreed that communication is key. The Purchasing department has a Procurement Manual which contains best practices for procurement.
- Further discussion was had regarding wording: is it required that a vendor be registered or just meets the requirements of Buy Local? Casey stated that it's preferred they are registered so Finance can check the website registry. Council member Gulick asked that there be better definition listed for 'targeted small business' i.e. women, veterans, etc.
 - The Committee requested there be a definition listed for federally targeted small business.
 - The question was posed by the committee: How hard is it to register a small business? Rebecca will check with Julie, her contact at ISU, and work on creating a 'How To' for registering.

A motion was given, followed by a second, to move this revised Resolution to the full Council; all ayes for approval to move forward.

Outstanding items update:

None

Future Topics:

1. Regional services
2. Development financial incentive process
3. Entrepreneurial development economic development incentives and land use issues
4. Efficiency efforts

The meeting was adjourned at: 5:03pm

Respectfully submitted,
Megan Snitkey
Administrative Assistant II
Department of Finance

Any discussion, feedback or recommendation by Committee member(s) should not be construed or understood to be an action or decision by or for the Cedar Rapids City Council. Further, any recommendation(s) the Committee may make to the City Council is based on information possessed by the Committee at that point in time.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a City program, service, or activity, should contact Casey Drew at 319-286-5097 or email c.drew@cedar-rapids.org as soon as possible but no later than 48 hours before the event.