

City Charter

City Code

Independence Power Light

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Indy Energy Forum

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INDEPENDENCE CITY CHARTER

The City Charter is available
on the city website at

http://www.ci.independence.mo.us/usedocs/law/City_Charter.pdf

CHARTER

of the

CITY OF
INDEPENDENCE,
MISSOURI



ADOPTED BY THE REGISTERED QUALIFIED ELECTORS OF THE CITY OF INDEPENDENCE, AT A SPECIAL CITY ELECTION HELD ON TUESDAY, DECEMBER 3, 1901; AMENDED AT A SPECIAL CITY ELECTION HELD TUESDAY, APRIL 6, 1912; REVISED AT A SPECIAL CITY ELECTION HELD TUESDAY, AUGUST 6, 1918; AMENDED AT A SPECIAL CITY ELECTION HELD AUGUST 6, 1945; AMENDED AT A SPECIAL CITY ELECTION HELD MAY 4, 1983; AMENDED BY THE CIRCUIT COURT, CASE NO. CV85-4106; AMENDED AT A SPECIAL CITY ELECTION HELD APRIL 6, 1999; AMENDED AT A SPECIAL CITY ELECTION HELD NOVEMBER 18, 2002.

City of Independence, MO Charter

Originally adopted in 1961

The people of the City of Independence exercised the powers of home rule granted by the Missouri constitution and adopted the Independence City Charter "to provide for more efficient, adequate, and economical government."

Charter Section 1.3

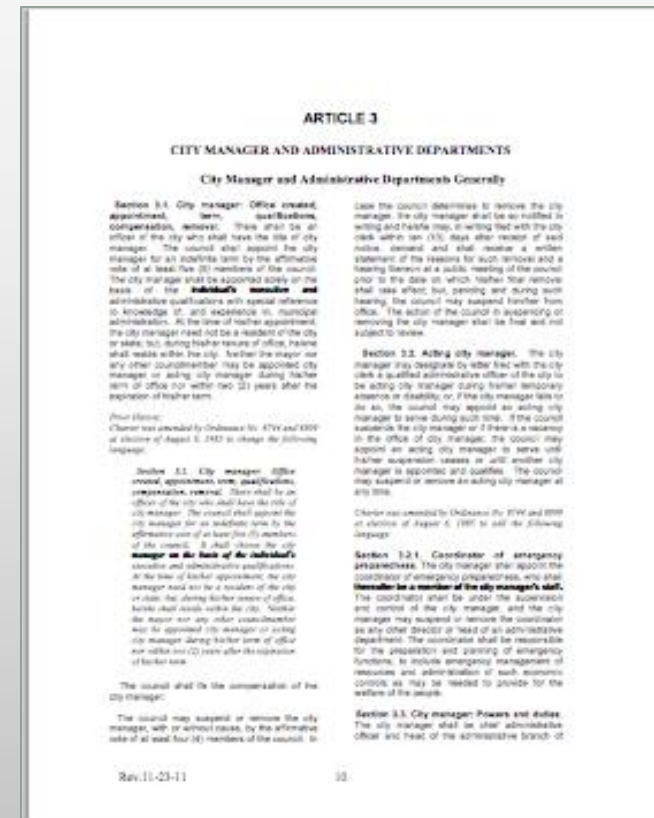
Independence has all powers of local self-government and home rule and all possible powers for any city to have under Missouri law and constitution

Charter Section 5.1

City council and board members **SHALL** accept the fundamental principle that the sole function of local government is the efficient provision of facilities and services deemed essential for the kind of urban living desired by the resident population

Charter Sections 3.12, 3.13, 3.16

- There SHALL be an electric utility department (3.12)
- The electric utility department SHALL operate the electric utility of the city (3.13)
- There SHALL be a public utility advisory board ("PUAB") (3.16)



Charter Section 3.16

PUAB Powers and Duties

- 1) May initiate investigations
- 2) SHALL adopt rules and keep a record
- 3) SHALL hold regular meetings
- 4) May request city manager assign or contract for clerical, legal and investigatory personnel to enable the PUAB to do its work
- 5) May conduct public hearings/administer oaths
- 6) May obtain information from other city departments
- 7) May subpoena witnesses/compel document production
- 8) May inspect public utilities operated within the city

Charter Section 3.16

PUAB Powers and Duties (continued)

- 9) May recommend to council and manager programs for financing, . . . , operation of public utilities, including rate adjustments, long-range planning, hiring consultants, reviewing the recommendations of consultants, debt issuance, construction and expansion of facilities,
- 10) SHALL REPORT its findings/recommendations AT LEAST ANNUALLY, to the COUNCIL, THE PEOPLE OF THE CITY, the city manager, directors of public utilities operated within the city

Charter Section 3.17

The electric system SHALL:

- Be operated in a businesslike manner
- **NOT** be operated for the benefit of other city functions
- **NOT** be directly or indirectly used to generate general revenue for the city
- **APPLY all ANNUAL** profits to **RATE REDUCTIONS** (after providing for depreciation of accruals and amortization of bonds, and for the reasonable accumulation of surplus)

Charter Section 3.18

Council's Relationship to PUAB

- The council, city employees and officers **SHALL COOPERATE** and **CONSULT** with the PUAB on ALL policy and planning matters related to public utilities
- The council **SHALL NOT** pass any ordinance/resolution which relates to any utility-related policy or planning without FIRST giving the PUAB opportunity to submit to the council findings and recommendations
- If the council does that, the PUAB may ask for the council's reasons, in which case the council **SHALL** communicate its reasons to the PUAB
- If the council takes immediate action without consulting the PUAB, it **SHALL** specify the reasons for NOT giving the PUAB the opportunity to submit findings and recommendations

Charter Section 2.11

City Management Analyst ("MA")]

- There **SHALL** be a professionally trained MA
- MA **SHALL** have powers/duties directed/granted by the council
- MA duties **SHALL INCLUDE** continuous investigation of the works of ALL city departments
- MA **SHALL** make a written report at least **ONCE EACH YEAR** to the council about the methods/results of the departments

City Code Article 43

- 1.43.001 A Charter required MA position is created
- 1.43.003 A MA SHALL submit annual audit plan
- 1.43.003 B MA may initiate/conduct any audit or review deemed necessary
- 1.43.006 A MA audits SHALL be reported in writing
- 1.43.007 A MA SHALL systematically/continuously examine the works of ALL city departments to identify opportunities to reduce costs, increase efficiency and effectiveness, and improve management of City programs/resources

City Code Article 43

- 1.43.007 B MA empowered to conduct 2 kinds of audits:
- 1) Performance audits (audits of process: are city departments properly performing their charter mandated functions), and
 - 2) Finance-Related Audits (audits of results: where is the money coming from, going and is it being for proper purposes?)
- 1.43.007.E MA SHALL audit ALL PROPOSED UTILITY RATE INCREASES of city operated utilities PRIOR TO ANY ACTION BEING TAKEN BY THE CITY COUNCIL ON THE PROPOSED RATE INCREASES

Take Aways

Charter requires five players, each with important roles, to participate in operation and governance of the IPL

City Council (IPL Board of Directors)

- Legally and as fiduciaries responsible for IPL
- Policies, management, financing
- Required to cooperate and consult with PUAB

PUAB

- Is expected to perform a broad range of IPL-related functions: including holding hearings, making findings and recommendations regarding IPL's policies, governance, long-range planning, financing, rates and operations

City Manager

- Appoints the IPL Director

IPL Department

- Operates the city-owned electric system

Management Analyst

- IPL performance audits
- IPL finance-related audits
- Proposed rate increase audits