

**Minutes of Meeting  
City of Ladue Finance, Revenue, and Taxation Committee  
December 11, 2013 at 8:30 AM**

A meeting of the Finance, Revenue, and Taxation Committee for the City of Ladue was held on December 11, 2013 at 8:30 a.m. at the Ladue Police Department conference room. The following members were present:

Chairman Jim Schiele  
Dr. John Dehner  
Mr. Joe Gazzoli  
Mr. Jim Thompson

Also present was Ex-Officio member Mayor Nancy Spewak. Collector Anne Gagan and Member David Mueller were absent. Also present were Mr. Mike Wooldridge, Asst. to the Mayor and City Clerk, Mr. Rick Jett, Director of Finance, and Fire Chief John Bailot.

The meeting was called to order by Chairman Schiele at 8:30 a.m.

**Approval of the Agenda:**

Mr. Thompson moved for approval and adoption of the agenda; seconded by Mr. Gazzoli, and the vote thereupon was as follows:

Chairman Jim Schiele	"Aye"
Dr. John Dehner	"Aye"
Mr. Joe Gazzoli	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

**Approval of Minutes:**

No minutes to approve at this meeting.

**Public Forum:**       None

Chairman Schiele stated the reason for this meeting was to update the Committee on the budget impact of the new Firehouse 2 project and explain that what began as a \$1.9 million estimate is now at \$2.7 million. He also expressed appreciation to the committee, Mr. Jett, Mr. Wooldridge, Chief Bailot, and Mayor Spewak for the time and effort put forth during this process.

Mr. Jett discussed the Capital Improvement Fund's long range forecast beginning with the 2013 Budget vs. 2013 estimate and 2013 Budget vs. 2014 Budget Revenue section. He stated Sales Tax revenues were slightly higher than expected as well as Sundry Grants received for the Ladue/Warson Sidewalk projects.

Mr. Wooldridge explained the difference in expenditures in the Administration 2013 Budget vs. 2013 Estimate numbers. He stated that the City Hall server was deferred until 2014 and the City records archive equipment was deferred indefinitely due to non-critical need.

Chief Bailot reviewed the Fire Department difference in expenditures in the 2013 Budget vs. 2013 Estimate. He noted that the \$40,000 expenditure for 3 Heart Monitor/Defibrillators was deferred until 2014, when we would receive grant money to offset most of the purchase. Mr. Gazzoli asked why the Stryker power lift was not purchased. Chief stated that the Fire Department as a whole is trying to reduce spending and defer funds for construction of the new firehouses.

Mr. Gazzoli also asked about the difference in the Public Works Budget vs. Estimate. Mr. Jett explained that an existing truck was modified to be used as a water truck, and the truck lift quoted was found to be inadequate and was deferred until the correct and more expensive lift could be purchased. He also stated that the (2013) estimated expense for the Ladue/Warson Sidewalks was higher than the 2013 Budget by \$90,000 (reflecting a timing misestimate in the Budget) but that offsetting grant money will be higher as well.

Mr. Thompson asked what happened to the original \$2 million estimate for the new Firehouse 2. Mayor Spewak explained that the original \$1.9 million was a bad estimate on the part of Chiodini. She stated though there was no material change in scope, a mezzanine was added, as well as an owner's representative hired. Chairman Schiele reminded the committee of their recommendation to hire a project manager as well as plan a 2 year delay in beginning construction of a new Firehouse 1. He also stated that Chief Bailot noted that tones and signalization were not included in the original estimate and should have been. Mr. Gazzoli then asked if the \$2.7 million total (of which \$2.3 million is in 2014) was firm. Chief said yes, barring any unknown contingencies, that is a good number. Mr. Thompson asked what % was built in for contingencies, Chief stated 10%; 5% for building and 5% for equipment. Mr. Gazzoli asked who approves change orders. Mayor Spewak stated she and the Firehouse committee, but stated Mr. Jett, even though not on the committee, is heavily involved.

Mr. Jett advised that the Council has asked the committee to also review all possible financing alternatives to pay for Firehouse 1. He stated that the City has contracted Dick Smith from Landmark Contract Management to prepare a more detailed cost estimate, taking into consideration possible different station needs, as well as anything learned from the building of the current Firehouse 2 project. He recommended it would be difficult to begin considering funding options until Mr. Smith's report is complete.

Mr. Jett noted the 2013 Capital Budget total expenditures were \$1,430,343, 2013 Estimated Expenditures were \$1,136,346, and 2014 Budget expenditures are \$2,999,220, which includes the cost of the Firehouse 2 project. He also stated that the End of Year estimated Capital Fund Balance for 2013 is \$2,407,425 and is budgeted at \$293,391 by the end of 2014.

Chairman Schiele asked for a motion to adjourn the meeting at 9:25. Mr. Gazzoli made a motion which was seconded by Mr. Thompson and the vote thereupon was as follows:

Chairman Jim Schiele	"Aye"
Dr. John Dehner	"Aye"
Mr. Joe Gazzoli	"Aye"
Mr. Jim Thompson	"Aye"

The next meeting date was set for May 14<sup>th</sup>, 2014 at 8:30 a.m.



James E. Schiele  
Chairman