

CITY COUNCIL OF THE CITY OF LADUE
ST. LOUIS COUNTY, MISSOURI
TUESDAY, JUNE 16, 2020

The meeting of the City Council of the City of Ladue, St. Louis County, Missouri, was held on Tuesday, June 16, 2020, at 4:00 p.m., by Video Conference via Zoom and at City Hall, 9345 Clayton Road. The following members were present:

The Hon. Nancy Spewak, Mayor, presided over the meeting from her office at City Hall via Zoom.

Members of the Council present via Zoom:

Stacey Kamps
John Howell
John Fox
Patrick Hensley
William Brennan
Harold Burroughs

Six Council Members present.

Also present were Ms. Laura Rider, Assistant to the Mayor/City Clerk at City Hall in the Council Chambers via Zoom. Also present via Zoom were Mr. Sam Zes, Finance Director; Police Chief Ken Andreski, Jr.; Assistant Fire Chief Jeff Johnson; Ms. Anne Lamitola, Public Works Director; Ms. Andrea Sukanek, City Planner; Mr. Roger Stewart, Building Official; Mr. Pete Merten, Storm Water Engineer and Ms. Erin Seele, City Attorney. Fire Chief Steven Lynn was absent.

Mayor Spewak announced that due to current and various restrictions ordered by St. Louis County on public gatherings due to Covid-19, the meeting was held by video conference and encouraged those interested in participating to join the meeting via the Zoom link posted on the meeting agenda.

Approval of the Agenda: Council Member Fox moved approval of the agenda, upon second by Council Member Hensley the motion passed unanimously.

Approval of the Minutes: Mayor Spewak asked if there were any amendments, corrections or clarifications to the minutes of the Regular and Closed Meetings of May 18, 2020. Council Member Hensley moved approval of the minutes as submitted for the Regular and Closed Meetings of May 18, 2020, upon second by Council Member Fox the motion passed unanimously.

Oath of Office: Ms. Rider administered the Oath of Office to the newly elected officials.

Public Forum: No one wished to address the Mayor and Council.

Committee Report: (Insurance)

Mr. Zes presented the executive summary regarding the employee medical and dental insurance. All renewals came in under the budget amount. The medical insurance premiums increased by 24.5%. Co-pays remained the same, but the plan deductible increased. Mr. Zes explained the increase in premiums was due to ongoing high prescription costs. Guardian submitted the lowest rates for the employee dental insurance and was a 15% decrease over current rates. Mr. Zes reported the renewal rates for the Workers Compensation and Property and Casualty Insurance with Travelers included a 2.89% increase and a 9.6% increase, respectively.

Mr. Zes reported that the Insurance Committee recommended renewal of employee medical insurance with Cigna, transfer of the employee dental insurance to Guardian, renewal of the employee life and long term disability insurance (LTD) with Mutual of Omaha, renewal of the voluntary insurance products with Mutual of Omaha and renewal of the workers compensation and property and casualty insurance with Travelers. Council Member Fox commented that he had attended meetings of the Insurance Committee and witnessed much effort put forth by the committee members, staff and the City's brokers to obtain the best rates and coverage for the City.

It was noted that the insurance renewal forms with terms are on file in the office of the City Clerk.

Council Member Fox moved approval of renewing the employee medical insurance with Cigna, transferring the employee dental insurance to Guardian, renewing the employee life and LTD insurance and the voluntary insurance products with Mutual of Omaha, the Travelers proposal for Property and Casualty Insurance at a cost of \$325,609.00 and Workers Compensation Insurance at a cost of \$118,299.00, with second by Council Member Burroughs, the motion passed unanimously.

Report regarding the City's 2019 Audit by Botz, Deal & Company: Ms. Michele Graham, with Botz, Deal & Company, presented the audit findings and noted that a single audit was not required because federal funds received by the City did not meet the threshold for a single audit. Ms. Graham reported that the City received a clean, unmodified opinion meaning that the financial statements were accurate and contained all the required components and information. Ms. Graham expressed her gratitude for the cooperation of City staff and the timeliness with which staff provided the requested information and their assistance due to the audit having been conducted entirely remotely. Ms. Graham reported that her firm had no recommendations on any changes in procedures or controls but stressed how important it is for staff to maintain their internal controls while working remotely.

Report by Milliman, Inc. regarding the valuations of the Uniformed and Non-Uniformed Employee Pension Plans as of January 1, 2020: Mr. Bill Winningham of Milliman Inc. presented the valuation report for the Uniform Pension Plan as of January 1, 2020 starting with the contribution summary, noting that the recommended contribution decreased from \$1,834,700 in 2019 to \$1,690,108 in

2020. The primary reason for the decrease was actuarial liability gains and payroll increased by 2.2%, not by the 4.5% assumption.

The unaudited market value of plan assets increased from \$35,377,311 at January 1, 2019 to \$38,451,363 at January 1, 2020. The net market rate of return was 19.4% versus the prior year assumed rate of 7% resulting in a gain for the period. The net actuarial rate of return for the period was 6.6% vs. the assumed rate of 7.0%. Due to the asset smoothing method used, there are \$1,187,313 of investment gains that have not yet been recognized in the Actuarial Value of Assets. There was one minor change in assumptions for both plans; the mortality assumption was changed from MP-2018 to MP-2019.

Mr. Winningham next presented the valuation for the Non-Uniform Pension Plan noting the recommended contribution increased from \$218,921 in 2019 to \$349,374 in 2020. The funding policy contribution increased due to plan changes including an increase in the accrual rate, addition of an unreduced early retirement age and a COLA adjustment.

The final presentation by Mr. Winningham was regarding Government Accounting Standards Board (GASB) 67 and 68 reports which fulfills the City's financial accounting and reporting requirements and highlighted the 10-year history of contributions and historical rates of return. Mr. Winningham touched on the depletion date projection and it was his professional opinion that the detailed depletion date projections outlined in GASB 67 and 68 will show that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

New Business:

Proposed Legislation:

Bill No. 2251 – An ordinance approving the Subdivision Plat for “#11 Warson Terrace Consolidation Plat”.

Mayor Spewak read Bill No. 2251 followed by a second reading by Council Member Fox.

Ms. Sukanek reported that Lots 11 and 12 were previously developed as one lot with a house built over the property line. The consolidation will eliminate non-conformities.

Council Member Hensley moved approval of Bill No. 2251, upon second by Council Member Brennan the roll call vote thereupon was as follows:

Council Member Burroughs	“Aye”
Council Member Howell	“Aye”
Council Member Hensley	“Aye”
Council Member Kamps	“Aye”
Council Member Brennan	“Aye”
Council Member Fox	“Aye”

There being six aye votes and zero nay votes the motion passed unanimously.

Resolution No. 2020-12 – A resolution authorizing the Mayor to enter into a contract on behalf of the City of Ladue, Missouri with Byrne & Jones Construction for Conway Entrance Drainage Improvements at Conway Road.

Ms. Lamitola reported that the City had worked with the School District to review the 2004 Conway Road Drainage improvement Project. It was discovered there were storm water issues identified by MSD but were not addressed at that time by the City. The City performed a field evaluation and determined that a trench drain was needed to intercept stormwater and connect it to the City's enclosed system. This drain should have been installed and connected to the inlet during the 2004 improvements. A bid package was published, and two bids were received. The low bid was for \$39,371 from Byrne & Jones. The cost of the project will be split equally between the Storm Water Fund and the Road & Bridge Fund.

Council Member Hensley moved adoption of Resolution No. 2020-12, upon second by Council Member Brennan the motion passed unanimously.

Financial Matters:

The Mayor and Council reviewed the report of the Finance Director regarding significant financial transactions. The Mayor ordered the report filed for information.

The Mayor and Council reviewed the Vouchers for Payment for the month of May 2020. Council Member Howell moved their approval, upon second by Council Member Burroughs the motion passed unanimously.

The Mayor and Council reviewed the Collector's Report for May 2020. The Mayor ordered the report filed for information.

The Mayor and Council reviewed the Treasurer's Report for May 2020. The Mayor ordered the report filed for information.

The Mayor and Council reviewed the Cash Flow Summary Report for May 2020. The Mayor ordered the report filed for information.

The Mayor and Council reviewed the Delinquent Real Estate Tax Report for May 2020. The Mayor ordered the report filed for information.

Department Reports:

Fire Department: The Mayor and Council reviewed the Fire Department Activity Report for May 2020. The Mayor ordered the report filed.

Police Department: The Mayor and Council reviewed the Police Department Activity Report for May 2020. The Mayor ordered the report filed.

Chief Andreski reported on two recent protest marches that made their way through Ladue. Mayor Spewak commented on City communications to residents via email blasts and Face Book and encouraged residents to subscribe to the email notification service offered through the City's website. Mayor Spewak expressed appreciation to the Chief and the Police Department for their planning and preparation regarding the marches which kept all those involved safe.

Public Works Department: The Mayor and Council reviewed the Public Works Report for May 2020. The Mayor ordered the report filed.

Council Member Fox reported that the Beautification, Open Space & Tree Advisory Committee was reviewing options for education efforts regarding invasive species such as bamboo.

Council Member Kamps left the meeting at 4:35 p.m.

Building Office Report: The Mayor and Council reviewed the Building Office report for May 2020. The Mayor ordered the report filed.

Mr. Stewart reported that there are still quite a few permits submitted and offered to present a map noting new home construction at the next meeting.

Municipal Court: The Mayor and Council reviewed the Municipal Court Report for May 2020. The Mayor ordered the report filed.

Administration/City Clerk: The Mayor and Council reviewed the Administration Department Report.

Election of "Acting President of the Council": Mayor Spewak instructed the City Clerk to call for a vote. Council Member Fox was unanimously elected as Acting President of the Council.

City Attorney: Ms. Seele reported on the wireless telecom act.

Liquor license Renewals: Council Member Fox moved approval of the liquor license renewals for applications as listed on the agenda numbers L-1 to L-17, upon second by Council Member Howell the motion passed unanimously.

Mayor Spewak noted the next Council meetings were scheduled for Monday, July 20, 2020 and Monday, August 17, 2020 and would be held via Zoom until further notice.

Mayor Spewak advised there were items for discussion in executive session involving litigation, legal matters and/or confidential communications between the Council and its attorneys and leasing, purchase or sale of real estate pursuant to RSMo. Section 610.021 (1) (2).

Council Member Fox moved to go into closed session for discussion of litigation, legal actions and/or any confidential or privileged communications from the City Attorney and leasing, purchase or sale of real estate pursuant to RSMo. 610.021 (1) (2), upon second by Council Member Howell the roll call vote there upon was as follows:

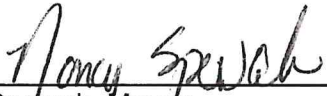
Council Member Howell	"Aye
Council Member Hensley	"Aye"
Council Member Brennan	"Aye"
Council Member Fox	"Aye"
Council Member Burroughs	"Aye"

There being five aye votes and zero nay votes the motion passed unanimously.

The Mayor and Council, with exception of Council Member Kamps who left the meeting earlier, went into closed session at 5:01 PM with Ms. Erin Seele, Ms. Anne Lamitola and Mr. Pete Merten.

The Mayor and Council returned to open session at 6:18 PM with Ms. Erin Seele, Ms. Anne Lamitola and Mr. Pete Merten.

Adjournment: Council Member Hensley moved adjournment, upon second by Council Member Brennan, the motion passed unanimously. The meeting adjourned at 6:19 P.M.



Nancy Spewak, Mayor

ATTEST:



Laura Rider, City Clerk