

MINUTES OF MEETING
CITY COUNCIL OF THE CITY OF LADUE
ST. LOUIS COUNTY, MISSOURI
WORK SESSION
MONDAY, NOVEMBER 21, 2016

The work session of the City Council of the City of Ladue, St. Louis County, Missouri, was held on Monday, November 21, 2016, at 3:05 p.m., at the City Hall, 9345 Clayton Road. The following members were present:

The Hon. Nancy Spewak, Mayor, presiding.

Members of the Council present:

A. Charles Hiemenz
Patrick Hensley
John Fox
Harold Burroughs
William Brennan

Absent:

John Howell

Five Council Members present.

Also present were Ms. Laura Rider, City Clerk/Assistant to the Mayor; Mr. Sam Zes, Finance Director, Police Chief Rich Wooten; Fire Chief Steve Lynn, Assistant Fire Chief Jeff Johnson; Ms. Anne Lamitola, Public Works Director and Mr. Jim Schiele, Chairman of the Finance, Revenue and Taxation Committee.

Approval of the Agenda: Council Member Fox moved approval of the agenda, seconded by Council Member Burroughs, which motion passed unanimously.

Items for discussion: Review of the draft 2017 budget

Finance Director Sam Zes presented a summary of the 2017 budget; the 2016 Estimate shows a surplus of \$562,936.00 and the 2017 Budget shows a deficit of \$575,383.00. The surplus in 2016 will offset the deficit in 2017. Mr. Zes expressed appreciation to the Department Heads for their cooperation and hard work on the budget. The Finance Committee, Mayor Spewak, Department Heads and Mr. Zes reviewed the 2017 budget extensively over the past few months and worked to reduce expenses and eliminate non-essential items from the budget.

The Pension Board adopted new mortality tables, which resulted in an estimated \$376,000.00 increase in pension contributions.

There was discussion regarding utility taxes and the uncertainty of the revenue generated by these taxes.

In the 2016 budget, there was a one-time \$2,400,000.00 transfer from the General Fund to the Capital Fund for the construction of the firehouse. It is the recommendation of the Finance Committee to wait on the transfer and use the designated funds in the Capital Fund first to retire the debt. Mr. Zes informed the Council that budget amendment requests would be presented at the December meeting for the one-time transfer and for legal costs.

Council Member Hiemenz stated his concerns regarding increasing personnel costs. He asked if there are any grants available to the City. Fire Chief Lynn responded that he is going to apply for a grant for \$159,000 for new Self Contained Breathing Apparatus (SCBA) for the Fire Department. He reported that the Fire Department had received a \$1,000 grant from Missouri American Water to purchase hoods.

Discussion ensued regarding the mulch site, expenses for composting leaves and staffing levels for providing these services.

Mayor Spewak stated that she has asked the Department Heads to review their operations and make recommendations on ways to reduce costs. Staff will work with the committees to study recommendations and research opportunities for increasing revenues.

Upon conclusion of discussion of salary increases, the consensus of the Council was to add up to a 2% salary increase to the 2017 budget and refer it back to the Finance Committee for review.

Mr. Schiele stated that he and Mr. Zes would take the Council's recommendation back to the Finance Committee for review at their next meeting.

Adjournment: Council Member Hiemenz moved adjournment, seconded by Council Member Fox, which motion passed unanimously. The work session adjourned at 3:44 PM.

APPROVED THIS 19TH DAY OF DECEMBER 2016.



Nancy Spewak, Mayor

ATTEST:


Laura Rider, City Clerk