

Minutes of Meeting
City of Ladue Finance, Revenue, and Taxation Committee
May 8, 2015 at 8:30 AM

A meeting of the Finance, Revenue, and Taxation Committee for the City of Ladue was held on May 8, 2015 at 8:30 a.m. at the Ladue Police Department conference room. The following members were present:

Chairman Jim Schiele
Mr. Joe Gazzoli
Ms. Gina Hoagland
Mr. Dave Mueller
Mr. Jim Thompson

Also present were Ex-Officio members Mayor Nancy Spewak, City Collector Stacey Kamps, City Treasurer Joseph Rechter, Ms. Laura Rider, City Clerk and Asst. to Mayor, Julie O'Guinn, Director of Finance, and Michelle Graham from Botz, Deal and Company, P.C.

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

Approval of the Agenda:

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

Chairman Jim Schiele	"Aye"
Mr. Joe Gazzoli	"Aye"
Ms. Gina Hoagland	"Aye"
Mr. Dave Mueller	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

Approval of Minutes:

Mr. Thompson moved for approval of the minutes from the November 21, 2014 and December 4, 2014, both open and closed meetings, as amended; seconded by Mr. Mueller and the vote thereupon was as follows:

Chairman Jim Schiele	"Aye"
Mr. Joe Gazzoli	"Aye"
Ms. Gina Hoagland	"Aye"
Mr. Dave Mueller	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

Public Forum: None

Chairman Schiele inquired as to whether or not the Finance Committee had the legal responsibility to review the annual audit and if so, should the committee name be Finance and Audit Committee. Mayor Spewak stated Ms. Rider could review the City ordinance pertaining to the formation of the committee and Ms. O'Guinn could investigate whether it was a "Best Practice".

Ms. Graham presented the Fiscal Year 2014 Draft Audit reports to the committee. She stated the City received a "Clean Opinion" for the Audit year ending 2014; specifically stating, "No new accounting policies were adopted and the applications of existing policies were not changed during 2014. There were no transactions entered in to by the governmental unit during the year for which there was a lack of authoritative guidance or consensus and no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred". However, there were journal entries required in the Taxes Receivable and Deferred Revenue accounts to properly reflect balances at year-end, an adjustment was made to Accrued Wages to correct a liability in the accrued wages schedule, and an adjustment was made to Accounts Payable to correct an invoice recorded twice in the Capital Improvements fund. None of the adjustments affected any cash accounts. She stated it was her professional opinion that this was due to employee turnover. Ms. Graham then briefly reviewed the Financial Highlights for 2014. The net position of the City grew 9% from \$42 million in 2013 to \$45.9 million in 2014. The General Fund had a surplus of \$265,619, the Road and Bridge Fund had a surplus of \$185,260, the Capital Fund had a deficit of \$2,037,366, and the Storm Water Fund had a surplus of \$376,457. The Non-Uniform Retirement Fund had assets of \$4.4 million and the Uniform Fund had assets of \$29.9 million.

Ms. Graham next presented the Single Audit Report for the 2014. She stated the City of Ladue complied in all material respects with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. She stated, they found no deficiencies in internal controls and the schedule of expenditures of federal awards is fairly stated in all material respects in relations to the financial statements as a whole.

Chairman Schiele stated that because of the turnover of key employees within the City, he wanted a review of internal controls. Mayor Spewak stated both Ms. O'Guinn and Ms. Rider had experience in the area and would be responsible for this. Ms. O'Guinn stated she would get all processes in writing.

Chairman Schiele asked for a motion to approve the audit by Botz, Deal, and Company, P.C. Ms. Hoagland made a motion which was seconded by Mr. Mueller and the vote thereupon was as follows:

Chairman Jim Schiele	"Aye"
Mr. Joe Gazzoli	"Aye"
Ms. Gina Hoagland	"Aye"
Mr. Dave Mueller	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

Chairman Schiele advised there were items for discussion in executive session; as provided under RSMo. 610.021 (12). Ms. Hoagland moved to go into closed session, seconded by Mr. Mueller; and the vote thereupon was as follows:

Chairman Jim Schiele	"Aye"
Mr. Joe Gazzoli	"Aye"
Ms. Gina Hoagland	"Aye"
Mr. Dave Mueller	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

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

Chairman Jim Schiele	"Aye"
Mr. Joe Gazzoli	"Aye"
Ms. Gina Hoagland	"Aye"
Mr. Dave Mueller	"Aye"
Mr. Jim Thompson	"Aye"

The motion was passed unanimously.

The meeting adjourned at 9:30 a.m.

James E. Schiele
Chairman

