

**Minutes of Meeting
City of Ladue
Finance, Revenue, and Taxation Committee
Wednesday December 11, 2019 8:00 A.M.**

A meeting of the Finance, Revenue, and Taxation Committee for the City of Ladue was held on December 11, 2019 at 8:00 a.m. in the Ladue Council Chambers. The following members were present:

Chairman Joseph Gazzoli
Mr. Maurice Quiroga
Mr. Jim Schiele
Mr. Jim Thompson
Mayor Nancy Spewak Ex-Officio

Also present were Council Member Stacey Kamps; Mr. Sam Zes, Finance Director; and Ms. Laura Rider, City Clerk/Assistant to the Mayor. Committee Members Gina Hoagland and Joe Rechter were absent.

The meeting was called to order by Chairman Gazzoli at 8:00 a.m.

Approval of the Agenda:

Mr. Quiroga moved approval and adoption of the agenda; seconded by Mr. Schiele which motion passed unanimously.

Approval of the Minutes:

Mr. Thompson moved approval of the minutes from the October 30, 2019 meeting, seconded by Mr. Quiroga, which motion passed unanimously.

Public Forum: Tony Bommarito was present but offered no comment.

Mr. Zes reviewed the 2020 Final Draft Budget. He noted a change in the budgeted deficit in the General Fund mainly due to increases in health insurance and decreases in anticipated sales tax revenue. Many communities are experiencing the same slow growth in sales tax revenue and Mr. Zes suggested that implementing a Use Tax would help with this issue. Mr. Zes noted some new additions to the presentation of the 2020 budget and stated these new documents should be very useful. He then asked the committee for any questions or comments they might have after reviewing the entire document.

Chairman Gazzoli stated he would like to see a thorough narrative explaining the Stormwater Fund expense variances year to year. Ms. Kamps and Mr. Quiroga agreed, and suggested referencing the City's Stormwater Master Plan.

Mr. Gazzoli also asked for justification for additional personnel considering the City's deficit budget. Mayor Spewak stated that one of the City's Police Officers has been re-called to active duty for a period of at least 1 year to Afghanistan, one Police Officer is retiring in January, and another is stationed at the Ladue School District SRO program for 75% of the year. Ladue Police are implementing a more community policing policy and getting more officers on the streets and involved in the community. Mr. Gazzoli suggested that future budget presentations should contain written justifications for all proposed staffing increases.

Mr. Gazzoli also expressed concern about rising personnel costs. Ms. Kamps stated the bulk of the increase is in medical insurance, not salaries. Mr. Zes also explained that the City receives approximately \$400,000 annually to support Public Safety employees and training thanks to Proposition

P, which was passed by St. Louis County voters. Mr. Zes also noted that the Police Department overtime budget was decreased by \$45,000 due to hiring an extra officer.

Mr. Schiele inquired about the state of the roof and gutters on the Police building. Mayor Spewak answered that the building has leaks and other water problems due the roof being built to residential, not commercial standards, during construction.

Ms. Kamps stated that the City has taken several steps to help mitigate the rising costs of health insurance by changing plan structures, instituting FSA and HRA programs, and increasing deductibles. The employees have become much more involved and educated concerning insurance costs.


Mr. Schiele made a motion to recommend adoption of the 2020 Final Draft Budget to the City Council; seconded by Mr. Quiroga, which motion passed unanimously.

The Committee then discussed a possible Use Tax ordinance. Mr. Zes stated this tax could generate approximately \$60,000-\$65,000 annually and is in line with other municipalities in the area.

Mr. Schiele made a motion to recommend to the City Council a Use Tax be placed on the April 7, 2020 ballot; seconded by Mr. Quiroga, which motion passed unanimously.

Mr. Schiele moved adjournment; seconded by Mr. Thompson, which motion passed unanimously.

The meeting adjourned at 9:15 a.m.



Joseph Gazzoli
Chairman