



## RECORD OF PROCEEDING

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### PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF CHESTERFIELD AT 690 CHESTERFIELD PARKWAY WEST

**AUGUST 18, 2008**

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The meeting was called to order at 6:45 P.M.

A roll call was taken with the following results:

PRESENT

ABSENT

Mayor John Nations  
Councilmember Barry Flachsbart  
Councilmember Gene Schenberg  
Councilmember Bruce Geiger  
Councilmember Lee Erickson  
Councilmember Dan Hurt  
Councilmember Mike Casey  
Councilmember Bob Nation  
Councilmember Connie Fults

Mayor John Nations called the Public Hearing to order. There were ten people in attendance. Mayor Nations recognized City Administrator Mike Herring who stated that the purpose of the meeting was to allow for public discussion with regard to the setting of the property tax rate for the general obligation bonds that were approved by the voters in November, 1994, for parks.

City Administrator Herring indicated that State Statutes require that a public hearing be held each year prior to the establishment of the tax rate on real and personal property. Mr. Herring recommended that the current rate of \$.06 per

\$100 assessed valuation be reduced to \$.03 per \$100 (a 50% REDUCTION) and noted that, as required by law, this tax rate had been reviewed/approved by the State Auditor's Office. In fact, the State Auditor had actually authorized a tax rate of \$.057/\$100. Mr. Herring commented that the proposed reduction was made possible, due to the City's total assessed valuation having grown to just over \$1.95 billion, an increase of 10.6%, since 2007. He noted that the City's total assessed valuation was the HIGHEST of all cities in St. Louis County. Part of this growth is due to the Valley TIF closure, as of 12/31/07.

Mayor Nations commended City Staff for their good financial management.

Mayor Nations called for questions and comments.

Councilmember Lee Erickson expressed thanks to Director of Finance and Administration Lori Helle for her work on the property tax rate. Councilmember Erickson asked Ms. Helle for information regarding the split between residential, commercial, in terms of the total assessed valuation. Ms. Helle stated that the commercial amount is \$476 million out of the total assessed valuation of just over \$1.95 billion.

Councilmember Dan Hurt expressed thanks to City Administrator Herring for his presentation. At Councilmember Hurt's request, Mr. Herring again stated that the State Auditor authorizes cities in Missouri to fix a property tax rate that will be high enough to guarantee that, after debt service or payments are made, there is an amount in the debt service payment fund equal to the next year's debt service payment. Mr. Herring stated that, as directed by City Council, the City has consistently had less in its debt service payment fund than authorized by the State Auditor's Office. Mr. Herring further stated that Staff estimated a modest increase of just 3%/year, in total assessed valuation, going forward, when, in fact, total assessed valuation has increased by an average of 6-10%, during non-re-assessment years and 13-18%, during re-assessment years.

Councilmember Bob Nation asked Ms. Helle if the residential portion increased or decreased and asked for the percentage of increase from last year. Ms. Helle stated that she did not have this information with her and would provide the information to Councilmember Nation.

Councilmember Erickson stated that the City has seen an increase in total assessed value even though there might be some decreases in specific property types. Mr. Herring stated that the original property tax rate was \$.13/100 and City Council has consistently and persistently shown attention to reduce the property tax rate whenever possible.

Councilmember Barry Flachsbart stated that he is pleased about the reduction in

the property tax rate.

**ADJOURNMENT**

There being no additional public discussion or comment, Mayor Nations adjourned the meeting at 6:58 p.m.

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Mayor John Nations

**ATTEST:**

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Judith A. Naggjar, City Clerk