

**Draft Minutes  
BOARD OF ALDERMEN  
CITY OF TOWN AND COUNTRY  
JULY 25, 2020**

**RETREAT**

The Board of Aldermen Retreat was held at 9:00 AM on Saturday, July 25, 2020 at the Longview Farm House, 13525 Clayton Road, Town and Country, Missouri, 63141.

Present were: Aldermen Allen, Benigas, Frautschi, Hughes, Mortland, Wiesehan and Wittmaier. Alderman Holman was present via speaker phone.

Mayor Dalton presided.

City Attorney Steve Garrett was present to represent the City.

Also present were: City Administrator Bob Shelton, City Clerk Ashley McNamara and Finance Director Pam Reitz.

**1. WELCOME AND CALL TO ORDER**

**2. ESSENTIAL/PRIORITY PROJECTS AND PUBLIC INFRASTRUCTURE TASK FORCE UPDATE**

Mr. Shelton, Alderman Mortland, and Alderman Allen provided an update on the Public Infrastructure Task Force and their ongoing analysis of major projects/programs, infrastructure, funding, and prioritization. Brief discussion was held about sound abatement along major roadways, a partnership with MoDOT for ramp improvements in the area of 141/Clayton, and the utilization of the stormwater program for projects of various size and scope. Mr. Shelton added that a forthcoming essential project for the Police Department would be the implementation of body worn cameras, purchase and upgrade of in-car cameras, and the associated storage needs. A quick poll of the Board was taken regarding priorities and input included: the Mason Road trail, timing of task force reports, IT infrastructure, property taxes, term limits, public safety, the Fire/EMS contract, deer management, land use, road and trail maintenance, and long term planning.

**3. BUDGET FORECAST AND ANALYSIS**

Utilizing a PowerPoint presentation, Ms. Reitz detailed the approved 2020 Budget including expenditures and revenues by fund. She provided information about the decrease in year-to-date (YTD) sales tax revenues as compared to the previous year, as well as the total sales tax receipts YTD by month and industry for 2020. The estimated changes to both revenues and expenditures were detailed with a projected ending reserve of 58.4% for 2020. The 5 Year Capital Improvement Plan was summarized by fund with deferred projects highlighted.

Mr. Shelton presented several revenue enhancement scenarios and detailed the various assessment options, timelines and mechanisms for possible deployment, as well as comparisons with other municipalities. Scenarios involving an increased property tax were discussed that would include adjusting the current 0% levy rate up to the City's various established caps. A use tax option was discussed for taxing internet sales that would require voter approval. Finally, alternatives regarding a possible fire safety tax or fire district annexation were shown. Lengthy discussion was held about the various options, current budget situation, budget reductions, history of the reserve limit, and projections.

Discussion was held about the timeline, posting requirements, and notice verbiage for the property tax levy rates given the October 1 deadline for certification. After a quick poll of the Board, it was decided that a Ways & Means Commission meeting would be scheduled to provide a recommendation regarding property tax levy rates by July 31, to be followed by a Board of Aldermen Special Meeting to direct staff on the appropriate rate to propose in the formal public hearing notice.

The PowerPoint presentation utilized by Ms. Reitz and Mr. Shelton is attached hereto and made a part of these minutes.

#### **4. CODE REVISIONS AND MODIFICATIONS**

Mayor Dalton provided a brief history of the City Treasurer position and its overlap with the modern-day professional staff. He stated that the elimination of the positions of City Treasurer and City Engineer, as well as the potential amendment of related staff job responsibilities, would be an upcoming item for consideration. He further noted that an update to the City's building codes, animal regulations, fence code, and residential lighting code were likely to come forward in the near future and invited feedback to be submitted.

#### **5. SUNSHINE LAW COMPLIANCE**

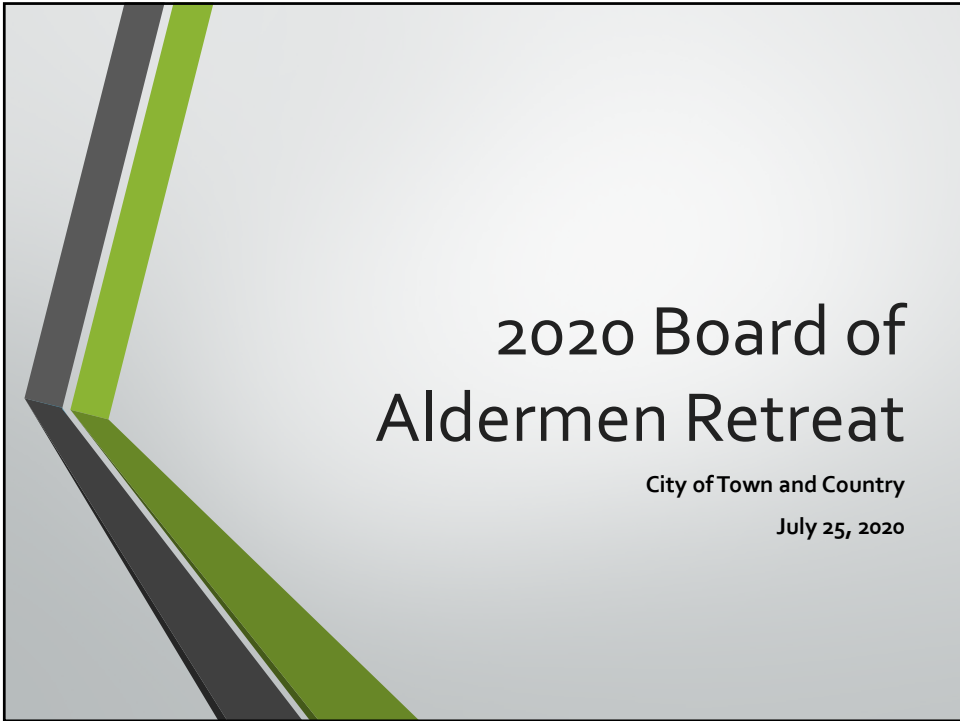
Brief discussion was held about formal Work Sessions, as well as the use of "other" on posted agendas. The Mayor encouraged all Board members to reach out to him directly with suggestions or requests for Work Session items. The City Clerk discussed an informal policy regarding Sunshine Law requests from seated aldermen, and sought general consensus from the Board. She also referenced the Sunshine Law and the Secretary of State's Retention Schedule(s) regarding email communication as a reminder to the Board about the various rules and implications of discussing City business via email, as well as retention of email records.

#### **6. ADJOURN**

No votes were taken.

The retreat concluded at 12:04 PM.

  
Ashley McNamara  
City Clerk



### 2020 BUDGET FUND SUMMARY

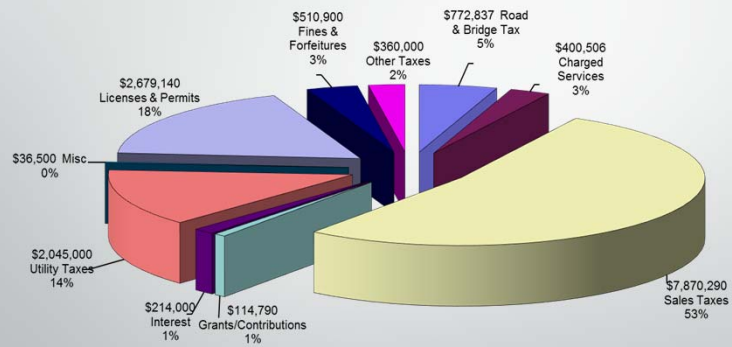
Fund Description	2020 Beginning Balance	Revenue Estimates	Budget Request	Transfer In (Out)	Change in Fund Balance	2020 Ending Fund Balance
General Fund	\$8,261,509	\$10,575,806	\$10,568,268	\$0	\$7,538	\$8,269,047
Road Fund	499,637	839,837	1,230,772	0	(\$390,935)	\$108,702
Capital Improvement Fund	799,962	1,640,355	1,358,054	0	\$282,301	\$1,082,263
Parks & Stonwater Fund	1,301,140	1,937,065	1,925,349	0	\$11,716	\$1,312,856
Safety & Training Fund	12,782	10,900	16,200	0	(\$5,300)	\$7,482
Federal Equitable Sharing	9,100	0	9,100	0	(\$9,100)	\$0
Public Art Fund	14	0	0	0	\$0	\$14
<b>TOTAL ALL FUNDS</b>	<b>\$10,884,144</b>	<b>\$15,003,963</b>	<b>\$15,107,743</b>	<b>\$0</b>	<b>(\$103,780)</b>	<b>\$10,780,364</b>
General Fund Ending Fund Balance as % of Budget Request				78%		

## Items Not Included in Original 2020 Budget

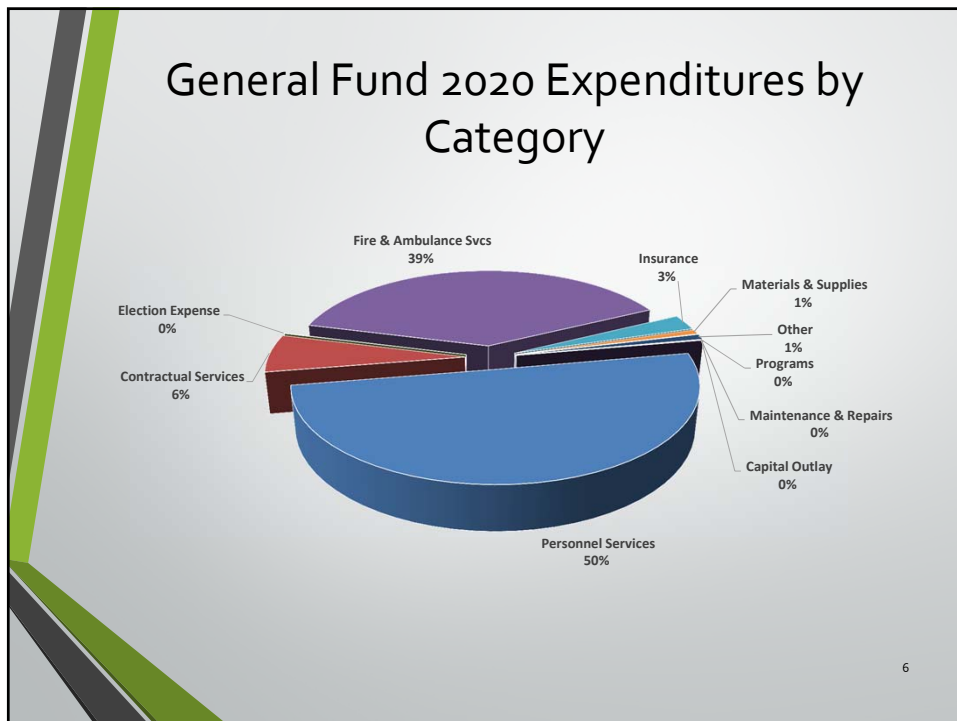
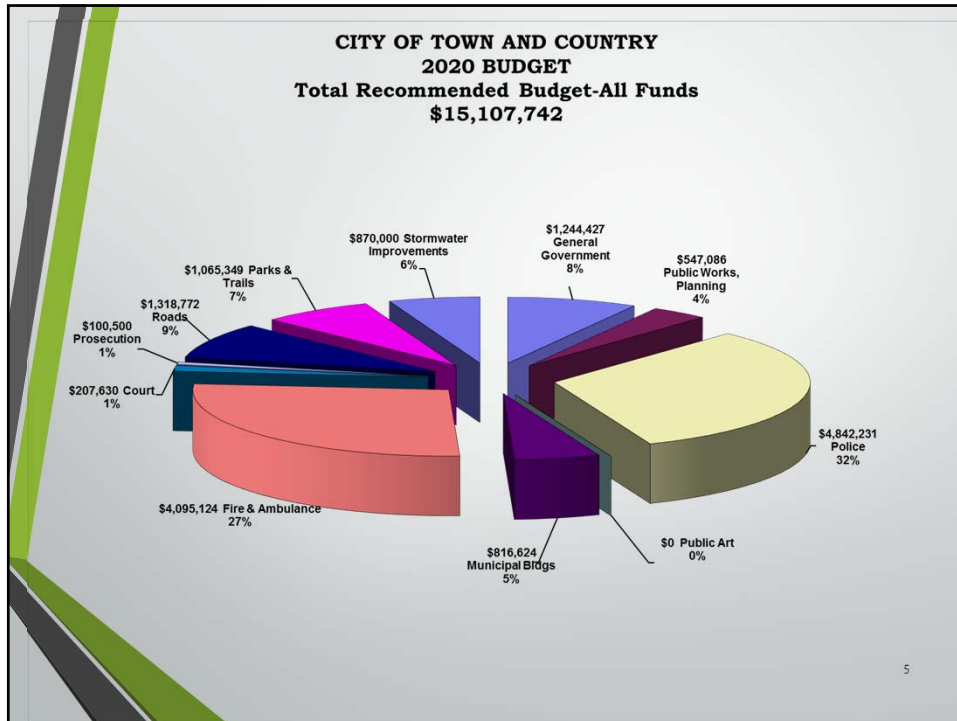
- IT infrastructure upgrades
- Branch chipping – hold for revenues
- Live Stream for Board meetings
- Clayton/Ballas Intersection

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### CITY OF TOWN AND COUNTRY 2020 BUDGET Revenues By Source-All Funds \$15,003,964



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## Sales Tax Receipts – In a COVID World

- Distribution vs. actual month of collection by business
  - Sales taxes are collected and distributed by the State
  - Monthly distributions are received around the 10<sup>th</sup> of the month for collections received by the State two months earlier. (July 10<sup>th</sup> we received sales taxes collected by the State for the time frame ending May 31.)
  - Distributions can include taxes and adjustments for prior months and sometimes prior years.

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## Year-to-Date Sales Tax Receipts

Retail Sales Tax Received- 1.25%						
	Actual Month			Actual Collections YTD		
Received	2019	2020	19-20 % Chg	YTD 2019	YTD 2020	19-20 % Chg
January (Nov. Coll.)	385,602	359,857	-6.7%	385,602	359,857	-6.7%
February (Dec. Coll.)	316,461	332,281	5.0%	702,062	692,137	-1.4%
March (Jan Coll.)	503,335	402,598	-20.0%	1,205,397	1,094,735	-9.2%
April (Feb Coll)	332,500	286,087	-14.0%	1,537,897	1,380,822	-10.2%
May (March Coll)	239,042	305,304	27.7%	1,776,939	1,686,126	-5.1%
June (April)	275,701	300,270	8.9%	2,052,640	1,986,396	-3.2%
July (May)	252,832	259,590	2.7%	2,305,471	2,245,986	-2.6%

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## Year-to-Date Sales Tax Receipts

Capital Improvement Sales Tax Received							
Received	Actual Month			Actual Collections YTD			
	2019	2020	19-20 % Chg	YTD 2019	YTD 2020	19-20 % Chg	
January (Nov. Coll.)	135,140	126,261	-6.6%	135,140	126,261	-6.6%	
February (Dec. Coll.)	184,131	117,521	-36.2%	319,271	243,782	-23.6%	
March (Jan Coll.)	188,425	143,124	-24.0%	507,696	386,906	-23.8%	
April (Feb Coll)	117,267	99,554	-15.1%	624,964	486,460	-22.2%	
May (March Coll)	81,231	104,549	28.7%	706,195	591,009	-16.3%	
June (April)	119,220	133,254	11.8%	825,414	724,262	-12.3%	
July (May)	153,591	109,097	-29.0%	979,005	833,359	-14.9%	

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- ## Sales Tax Receipts – In a COVID World
- Distribution vs. actual month of collection by business
    - To understand the effects of COVID 19 on sales taxes we looked at the top 50 businesses in the City (94% to total collections).
    - Prepared spreadsheet by actual month of collection.
    - Used 1% General Sales tax
    - Categorized business by industry
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2020 Sales Tax Receipts by Industry by Month of Collection					
Industry	Jan	Feb	March	April	May
<b>Automotive Total</b>	25,211	22,286	18,942	16,745	13,118
<b>Bakery Total</b>	728	1,026	611	859	1,108
<b>Clothing Total</b>	2,389	2,229	2,284	-	313
<b>Coffee/Bakery Total</b>	2,266	893	2,049	-	469
<b>Communication Total</b>	6,708	3,407	3,930	3,750	1,292
<b>Entertainment Total</b>	1,682	1,760	1,169	722	2
<b>Financial Total</b>	1,430	1,554	2,491	1,457	565
<b>Grocery Total</b>	70,269	59,536	80,561	80,729	63,906
<b>Hardware Total</b>	24,831	21,157	26,371	44,871	37,074
<b>Home Goods Total</b>	12,683	13,424	7,697	467	7,307
<b>Lodging Total</b>	8,020	7,870	3,280	361	777
<b>Restaurant Total</b>	29,280	30,371	20,238	10,614	13,790
<b>Retail Total</b>	3,722	6,301	5,230	709	1,487
<b>Retail/Grocery Total</b>	57,480	32,679	44,562	32,081	40,767
<b>Service Total</b>	245	207	284	143	232
<b>Utility Total</b>	8,318	8,637	11,645	4,965	5,433
<b>Grand Total</b>	255,262	213,337	231,341	198,473	187,639
Decrease from January 2020		16.4%	9.4%	22.2%	26.5%

COVID-19 ESTIMATED CHANGES TO REVENUES AND EXPENDITURES					
(As of 07/21/2020)					
Fund	General Fund	Road Fund	Capital Improvement Fund	Parks & Stormwater	Total
Current Fund Balance	8,414,743	630,600	1,141,781	1,435,837	11,622,961
2020 Planned Fund Balance Use		(538,988)	(53,616)	(229,270)	(821,874)
2019 Encumbrances moved to 2020		(148,054)	(320,920)	(213,807)	(682,781)
<b>Identified Potential Budget Reductions</b>	136,680	316,800	472,200	532,400	1,458,080
<b>Potential Revenue Loss Sales Tax</b>					
Worse Case	(1,658,501)		(605,902)	(734,434)	(2,998,837)
Intermediate	(1,396,157)		(523,676)	(623,872)	(2,543,706)
Best	(1,029,687)		(406,226)	(485,695)	(1,921,608)
<b>Potential Revenue Loss Other Revenues</b>					
Gross Receipts	(150,000)				(150,000)
Permits	(120,000)				(120,000)
Fire Inspections	(27,000)				(27,000)
Business Licenses due to closures/non payment	(150,000)				(150,000)
Muni Court Fees	(250,000)				(250,000)
Investment Earnings	(100,000)		(6,000)		(106,000)
Parks Pavilion, House, Program Loss				(25,000)	(25,000)
<b>Total Other Revenues</b>	(797,000)	-	(6,000)	(25,000)	(828,000)



## Items Included in Original 2020 Budget Now Held

- General Fund - \$136,680
- Road Fund - \$316,800
- Capital Fund - \$472,200
- Parks and Stormwater Fund - \$532,400
- Includes
  - Meetings, Travel and Training
  - Tuition Reimbursement
  - Overtime
  - Printing of newsletters,
  - Etc.

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## 5 Year Capital Expenditure Program Summary Road Fund Projects

<b>Roadway</b>								
Project Name	% Reim	2020	2021	2022	2023	2024	2025	Total
Road Sealing / Resurfacing / Slab Replacement		175,000	250,000	175,000	250,000			1,080,000
Mason Ridge Rd Improvements (const. 1.15MM in 2024 & 2025)	50%		10,000	5,000	15,000	135,000	1,150,000	1,315,000
Bopp Rd Improvements (const. 1.5MM in 2024)	50%	0	6,000	27,500	247,500	1,500,000		1,781,000
Topping Road Improvements Phase II		160,000	1,210,800					1,381,024
Topping Rd Improvements Phase I	50%	220,000	1,325,000					1,682,372
Clayton / Ballas Intersection (St. Louis County Partnership)	80%							670,249
Parks Funding for Trails - Topping Road			(1,049,200)					(1,049,200)
Parks Funding for Stormwater - Topping Road			(450,000)					(450,000)
<b>Total Cost</b>		<b>555,000</b>	<b>1,302,600</b>	<b>207,500</b>	<b>512,500</b>	<b>1,635,000</b>	<b>1,150,000</b>	<b>6,410,446</b>
Grant / Partnership Reimbursement		58,000	662,500	13,750	131,250	817,500	575,000	2,386,015
City Cost		497,000	640,100	193,750	381,250	817,500	575,000	3,764,227
Project is eligible for funding through the FHWA								

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## 5 Year Capital Expenditure Program Summary Capital Improvement Fund Projects

Capital Improvements								
Project Name	% Reim	2020	2021	2022	2023	2024	2025	Total
Replacement of Administrative Vehicles		0	25,000	25,000	25,000	25,000	25,000	149,462
Development Department Updates								150,000
Town Square								1,046,418
Public Works Maintenance Facility				400,000				400,000
PD Administrative Updates		200,000						200,000
PD Vehicles		163,300	168,199	173,245	178,442	183,796	189,309	1,240,291
PD - In-Car Video System, Server, Software - Replacement		84,000						84,000
PD - In-Car Mobile Data Terminals -- Replacement		43,000						43,000
Skidloader Replacement		88,000						88,000
Municipal Center - Conference Room Renovation		65,000						65,000
Roof Repairs		25,000						25,000
WCEMS Capital per contract		167,149	170,492	173,902	177,380	180,927	184,546	1,218,589
Firehouse Updates		20,000		40,000				60,000
								0
Total Cost		855,449	363,691	812,147	380,822	389,723	398,855	4,769,760
Grant Reimbursement								0
City Cost		855,449	363,691	812,147	380,822	389,723	398,855	4,769,760

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## 5 Year Capital Expenditure Program Summary Parks and Trails Projects

Parks and Trails								
Project Name	% Reim	2020	2021	2022	2023	2024	2025	Total
Longview Farm Park and Drace Park - Playground	80%			400,000				400,000
Trail Overlay - Longview		40,000						40,000
Railing Replacements - Longview		76,000						76,000
Weidman Road Trail								256,410
Mason Trail (North) - Ph 1 - Clayton Road to I-64 (St. Louis County Partnership)	80%		15,000	172,000				193,500
Mason Trail (North) - Ph 2 - I-64 to Ladue Road (St. Louis County Partnership)	80%	0		15,000	172,000			193,500
Mason Trail South								575,777
Conway Road				20,000				20,000
Topping Road Improvements Phase II			569,200					569,200
Topping Rd Improvements Phase I			480,000					480,000
Total Cost		116,000	1,064,200	607,000	172,000	0	0	2,451,920
Grant Reimbursement				320,000				545,000
City Cost		116,000	1,064,200	287,000	172,000		0	1,906,920

Project is eligible for funding through the FHWA or Municipal Parks Grant Commission

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## 5 Year Capital Expenditure Program Summary Stormwater Projects

Storm Water								
Project Name	% Reim	2020	2021	2022	2023	2024	2025	Total
Cost Benefit Analysis and Review		50,000	50,000	50,000	50,000	50,000	50,000	336,000
Storm Water Maintenance Program		30,000	30,000	30,000	30,000	30,000	30,000	210,000
1536 S. Mason								230,000
Summerhill Drainage Channel Stabilization								310,000
Summerhill Drainage Channel Stabilization - West								135,654
Topping Road Improvements Phase II			250,000					250,000
Topping Rd Improvements Phase I			200,000					200,000
TBD		790,000	400,000	600,000	750,000	750,000	750,000	4,196,346
<b>Total Cost</b>		<b>870,000</b>	<b>930,000</b>	<b>680,000</b>	<b>830,000</b>	<b>830,000</b>	<b>830,000</b>	<b>5,868,000</b>
<b>Grant Reimbursement</b>								
<b>City Cost</b>		<b>870,000</b>	<b>930,000</b>	<b>680,000</b>	<b>830,000</b>	<b>830,000</b>	<b>830,000</b>	<b>5,868,000</b>

## Ending 2020 Fund Balance

(Need from Fund Balance) or Added to Balance	General Fund	Road Fund	Capital Improvement Fund	Parks & Stormwater
Worse Case	(2,318,821)	316,800	(139,702)	(227,034)
Intermediate	(2,056,477)	316,800	(57,476)	(116,472)
Best	(1,690,007)	316,800	59,974	21,705
<b>Remaining Fund Balance Worse Case</b>	<b>6,095,922</b>	<b>260,358</b>	<b>627,543</b>	<b>765,726</b>
<b>General Fund Required Reserve</b>	<b>5,215,794</b>			
<b>Percent of 2020 Estimated Expenditures</b>	<b>58.4%</b>			

## Fund Balance 2021 and Beyond

- Revenues in 2021 are anticipated to be 12% below the 2020 original budget estimate
- With a 2021 budget set at the 2020 level the General Fund fund balance would fall to 46%
- Assuming sales tax back to normal and a 2% growth in other revenues starting in 2022 and a 2% growth in expenditures the 2022 fund balance would be 50% but then begin declining again

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## Revenue Scenarios

- Increased Property Tax
- Use Tax
- Fire Safety Tax
- Fire District Annexation

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## Property Tax

- Property tax rates are set each year by the BOA
- Current City property tax rate is set at zero
- City can increase the property tax rate in a non-reassessment year (even numbered years) up to cap
- Increase to the cap would generate \$4.4MM
- Cost to average home owner \$571 per year

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### PROPERTY TAX INCREASE SCENARIOS

#### 2020 TAX RATE

Up to 2019 Maximum

<u>Valuations:</u>							
Residential Real Estate	562,411,090						
Commercial Real Estate	235,431,352						
Personal Property	85,739,300						
<u>Real Estate/Property Tax Rates:</u>							
Residential Real Estate	0.4620						
Commercial Real Estate	0.5550						
Personal Property	0.5790						
<u>Estimated Revenues:</u>							
Residential Real Estate	2,598,339						
Commercial Real Estate	1,306,644						
Personal Property	496,431						
	<b>\$ 4,401,414</b>						

#### Residential Examples

<b>650,000</b>	Appraised Value
123,500	Assessed Value (Appraised Value x \$0.19)
<b>571</b>	Tax = (Assessed Value/100) x Tax Rate

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<b>PROPERTY TAX INCREASE SCENARIOS</b>			
<b>2020 TAX RATE</b>			
<b>Add 0.20 (20 cents)</b>			
<b>Valuations:</b>	<b>Citywide</b>		
Residential Real Estate	562,411,090		
Commercial Real Estate	235,431,352		
Personal Property	85,739,300		
		<b>650,000</b>	Appraised Value
		<u>123,500</u>	Assessed Value (Appraised Value x \$0.19)
		<b>247</b>	Tax = (Assessed Value/100) x Tax Rate
<b>Real Estate/Property Tax Rates:</b>			
Residential Real Estate	0.200		
Commercial Real Estate	0.200		
Personal Property	0.200		
<b>Estimated Revenues:</b>			
Residential Real Estate	1,124,822		
Commercial Real Estate	470,863		
Personal Property	171,479		
	<b>\$ 1,767,163</b>		

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## Property Tax Effect on Fund Balance

- A one time property tax increase of 20 cents would generate \$1.7MM
- Used only for General Fund, would keep fund balance above 50% until 2028

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## Property Tax Comparisons

2019 Typical Property Tax Bill Ranking				
Tax District	City	Property Tax Rate	Typical Bill*	City Share
110CF	Chesterfield (Rockwood)	7.6112	\$9,399.83	\$0.00
108D	Creve Coeur (Parkway)	7.3520	\$9,079.72	\$91.39
108H	Westwood	7.1950	\$8,885.83	\$0.00
117T	Creve Coeur (Ladue)	7.1284	\$8,803.57	\$91.39
108CF	Chesterfield (Parkway)	7.0310	\$8,683.29	\$0.00
116WW	Kirkwood	6.7610	\$8,349.84	\$568.10
116XX	Frontenac (Kirkwood)	6.7000	\$8,274.50	\$543.40
117D	Ladue	6.5884	\$8,136.67	\$765.70
117CC	Crystal Lake Park	6.5614	\$8,103.33	\$0.00
108Z	Country Life Acres	6.5450	\$8,083.08	\$0.00
117GG	Frontenac (Ladue)	6.4064	\$7,911.90	\$543.40
116SS	Des Peres (Kirkwood)	6.2650	\$7,737.28	\$0.00
108AF	Des Peres (Parkway)	6.1950	\$7,650.83	\$0.00
108C	Town & Country	6.1950	\$7,650.83	\$0.00

\*Based on a home appraised at \$650,000 and assessed at 19%

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## Use Tax

- Tax on Internet sales
- Needs voter approval
- Would apply to Capital Improvement Sales Tax (0.50), Parks and Stormwater Tax (0.50) and Local Option (0.025)
- Not County 1% tax
- Estimated to generate \$350,000 annually

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Comparison of Municipal Property/Sales Tax Rates						
TAX TYPE	CHESTERFIELD	CREVE COEUR	DES PERES	FRONTENAC	KIRKWOOD	TOWN & COUNTRY
Property Tax - RE	\$0.000	\$0.074	\$0.000	\$0.440	\$0.460	\$0.000
Sales Tax - General	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Sales Tax - Local Option	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%
Capital Improvements	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Fire Operations	0.00%	0.00%	0.25%	0.25%	0.25%	0.00%
Parks & Stormwater	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Use Tax - Local Option	0.00%	0.00%	1.50%	1.50%	1.50%	0.00%

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## Fire District Annexation

- City's current annual cost for contract with West County Fire and EMS \$4.2MM
- Increases by CPI each year
- Current contract expires 12/31/2021

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West County Fire District Estimate for Town and Country Residents			
<b>Valuations:</b>			
Residential Real Estate	562,411,090		
Commercial Real Estate	235,431,352		
Personal Property	85,739,300		
<b>Real Estate/Property Tax Rates:</b>		<b>Residential Examples</b>	
Residential Real Estate	0.9800	650,000	Appraised Value
Commercial Real Estate	0.9800	123,500	Assessed Value (Appraised Value x \$0.19)
Personal Property	0.9800	1,210	Tax = (Assessed Value/100) x Tax Rate
<b>Estimated Revenues:</b>			
Residential Real Estate	5,511,629		
Commercial Real Estate	2,307,227		
Personal Property	840,245		
	<b>\$ 8,659,101</b>		