



RECORD OF PROCEEDING

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

SEPTEMBER 5, 2012

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

Mayor Bruce Geiger called the Public Hearing to order. All members of City Council were present, as were City Attorney Rob Heggie, Finance Director Brian Whittle and Chief of Police Ray Johnson. There were eight (8) other people in attendance.

Mayor Geiger recognized City Administrator Mike Herring, who noted 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 stated that Chesterfield voters approved the issuance of General Obligation Bonds for Parks in November, 1994, and the voters also authorized the City to levy property taxes sufficient to pay for the retirement of that debt.

Mr. Herring reported that the initial property tax rate was set at \$.13 per \$100 of assessed valuation, in 1995, and that the City has been able to lower the rate several times, due to the fact that the City has experienced significant growth in its total assessed valuation. Mr. Herring stated that the rate was lowered to \$.10 in 2000, to \$.06 in 2001 and then to \$.03, in 2008. Mr. Herring noted that revenues collected from this property tax can only be used for debt service payments on that 1994 Parks Bond Issue.

Mr. Herring stated that the City's tax rate represents less than one-half of one percent of the total property tax rate for residents/businesses, located in either the Parkway or Rockwood School Districts. Mr. Herring stated that the City's 2012 assessed valuation is equal to approximately \$1.8 Billion. Of that total amount, residential equals 61%, commercial equals 26% and personal property equals 12%. Mr. Herring stated that the City of Chesterfield's total assessed valuation remains the highest in St. Louis County.

Mr. Herring stated that the City's assessed valuation has been affected over the last several years by the economic downturn. Since 2009, the City experienced a total drop of 8.4% in assessed valuation, which is significantly lower than many places in St. Louis County. He noted that the value of residential property actually grew, from 2011 to 2012.

Mr. Herring reported that the Debt Service Fund had a balance, as of December 31, 2011, of approximately \$704 Thousand. Mr. Herring stated that, assuming the recommended \$.03 rate is approved by City Council, estimated revenues for 2012 would approximate \$513 Thousand. Mr. Herring stated that the total debt service for 2012 is \$893 Thousand. Mr. Herring stated that the estimated fund balance as of December 31, 2012 is approximately \$324 Thousand and thinks this is a healthy balance going into 2013.

Mr. Herring reported that, based on its calculations, Staff recommends that the 2012 property tax rate be set at \$.03 per \$100 of assessed valuation.

Mayor Geiger called for questions and comments.

ADJOURNMENT

There being no public discussion or comment, Mayor Geiger adjourned the meeting at 6:53 p.m.

Mayor Bruce Geiger

ATTEST:

Judith A. Naggiar, City Clerk