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IN THE CITY OF CREVE COEUR
OF MISSOURI
PUBLIC HEARING
300 NORTH NEW BALLAS
CREVE COEUR, MISSOURI
63141

SEPTEMBER 12, 2016

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CREVE COEUR CITY COUNCIL MEETING

A public hearing was held on the 12 day of
September 2016 before the Creve Coeur City Council at
the Creve Coeur Government Center, 300 North New Ballas
Road, Creve Coeur, Missouri 63141.

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DAN SMITH,

*Having been duly sworn by the Deputy Clerk,
testified as follows:*

MARK PERKINS

*Having been duly sworn by the Deputy Clerk,
testified as follows:*

MR. SMITH: Good evening, Mayor, and Council.
Tonight we are looking at setting the property tax,
which is kind of like Christmas and Thanksgiving, it
always happens once a year with regularity.

This year as you can as you saw when you
showed the proposed memo really there hasn't been -- we
are not proposing not much change in tax rate. There's
a very small decrease proposed from the 2015 tax rate
for the residential tax rate of around 6.9 cents to 6.8
cents per hundred dollars of assessed valuation. There
is a small increase in the commercial property rate from
7.4 cents to 7.6 cents per hundred dollars of assessed

1 valuation.

2 And the agricultural property of which we have
3 an assessed value of \$3,400 in the City of Creve Coeur
4 raise projected to maintain at 5.9 cents per hundred
5 dollars of assessed valuation.

6 As most of you are aware, the state
7 legislation or the Hancock Amendment passed in the 70s,
8 in the mid 70s regulates how the property tax rates are
9 set every year. We are allowed to increase the rate
10 to -- if the assessed valuation goes down you are
11 allowed to increase the tax rate to compensate for the
12 revenue you would have lost because the assessed
13 valuation has gone down. And you are allowed to realize
14 additional revenue as much as there is inflation if the
15 assessed valuation goes up. So this year as I indicated
16 before what the tax rates were proposed, the increase in
17 the commercial tax rate from 7.4 cents to 7.6 results
18 from the fact that the assessed valuation at this point
19 in time for commercial property has decreased from the
20 prior year, and the assessed valuation for residential
21 property has actually increased a slight amount, but
22 because there is also a blending portion where you have
23 to blend the two rates together, there was actually a
24 decrease from 6.9 cents to 6.8 cents.

25 One thing I wanted to point out, a few years

1 ago we took a voluntary reduction to lower the tax rate
2 for the taxpayers. Under the law that was passed or
3 changed in 2008 every other year you could move your tax
4 rate back up to cap. This would be a year that we could
5 move it back up to the cap. Council and for about the
6 past five years has kept it at the lower-level based on
7 the voluntary reduction, and even though we can move it
8 back up to the cap this year given the surplus we're
9 projecting for 2017, staff is not recommending moving
10 that rate back up to cap. But it might be something to
11 think about in the future should the city ever need
12 additional monies. We are not talking about a large
13 amount of monies. I think I would have to figure it
14 out, but I think it might be as much as \$150,000 or so
15 annually that we might be able to move up to the cap,
16 back up to the cap, but at this point in time the
17 additional revenue is not needed.

18 One thing I would point out, by state law we
19 are supposed to use after the Board of Equalization
20 figures, those won't be available for another week, so
21 it's possible that we would bring before you a change in
22 the rate because traditionally the assessed valuation
23 for property drops, and it will maintain our same amount
24 of revenue that we are authorized to get from the
25 Hancock Amendment, we would be able to increase our tax

1 rate due to the drop in the assessed valuation. That
2 would be a decision Council would have to make.

3 We did indicate in our public hearing that the
4 tax rates that we have proposed are subject to possible
5 changes by the Board of Equalization or the County
6 Auditor, or I mean the County collector. So we have to
7 let people know about that potential in the actual
8 public hearing notice.

9 Other than that, in saying as you -- I'm sure
10 most of you are aware the property tax accounts for
11 really a very small portion of the revenues for the
12 City's General Fund. It probably only covers somewhere
13 between 4 to 5 percent of the total revenues. So with
14 that staff is currently recommending based, on the
15 assessed valuations, that the tax rates be set as
16 outlined in the ordinance at 6.8 cents for residential,
17 for \$100 assessed valuation for residential. 7.6 cents
18 per hundred dollars assessed valuation for commercial,
19 and 5.9 cents agricultural -- for hundred dollars
20 assessed valuation for agricultural.

21 I would be glad to answer any questions you
22 might have.

23 THE COURT: Mr. Smith, thank you for that
24 excellent report and very thorough memo.

25 Questions or comments from Member of the City

1 Council?

2 (No hands raised.)

3 THE COURT: Mr. Perkins, is there anything
4 that you would like to add?

5 MR. PERKINS: I think the only thing I want to
6 add is Mr. Smith indicated that property tax is a
7 relatively small portion of our budget, but nonetheless
8 it's still important to have a diversified revenue
9 stream to the extent that we do.

10 I would also point out that just to keep this
11 in perspective what the city's tax rate is I think the
12 levels Mr. Smith indicated that an average home in Creve
13 Coeur valued at around \$400,000 will see a property tax
14 bill for the city of \$51.68, and this represents one and
15 a quarter percent of the total property tax bill for the
16 resident.

17 THE COURT: Thank you, Mr. Perkins.

18 MR. SMITH: Mr. Mayor, and, Council, the other
19 thing I did mean to mention was that the City of Creve
20 Coeur -- a lot of cities that have property taxes also
21 have a personal property levy, and to my knowledge the
22 City of Creve Coeur has never had a personal property
23 tax levy. So that is another levy that we don't levy as
24 part of the property tax.

25 THE COURT: Thank you.

1 Again questions or comments from Members of
2 the City Council?

3 (No hands raised.)

4 THE COURT: Is there anyone in the audience
5 this evening that would like to be heard at this public
6 hearing?

7 (No hands raised.)

8 THE COURT: Mr. Lumley, anything that you
9 would like to add for the record?

10 MR. LUMLEY: Mayor, I offer the following
11 exhibits into the record of this public hearing:
12 Documentation in possession of the city clerk reflecting
13 this public notice, Mr. Smith's staff report, the City's
14 code of ordinances and charter, the City's comprehensive
15 plan and public file regarding the development of the
16 tax rate.

17 THE COURT: Thank you, Mr. Lumley.

18 Once again I will ask if there is anybody in
19 the audience that would like to be heard on this public
20 hearing this evening?

21 (No hands raised.)

22 THE COURT: Anything further from Members of
23 the City Council?

24 (No hands raised.)

25 THE COURT: With that this public hearing is

1 closed.

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REPORTER'S CERTIFICATE

I, SHERRY A. MARSHALL, a certified court reporter, for the State of Missouri, do hereby certify that pursuant to agreement I transcribed the Public Hearing held at the Government Center of the City of Creve Coeur, 300 North New Ballas Road, Creve Coeur, Missouri, 63141 a hearing and several witnesses, to testify to the whole truth of their knowledge touching the matters herein; that the hearing was held and witnesses made presentations, and the hearing and witness's presentations were reduced to writing on the 12th of June, day, between the hours, at the place and that behalf first aforesaid, and later transcribed into typewriting and said transcript is now herewith returned.

IN WITNESS WHEREOF, I have set my hand this 14th of September, 2016.

Sherry A. Marshall

/s/Sherry A. Marshall, CCR #486