

Proposition A: City Property Tax August 3, 2021

Public Safety Initiative -
Proposed to maintain Police, Fire,
EMS, and other critical services



Proposition A: Protecting the Safety and Welfare of Frontenac Residents

Agenda

- ▶ Overview: Proposition A - August 3, 2021
- ▶ Frontenac residents enjoy top-tier public services
- ▶ Attracting and retaining qualified public safety personnel is at risk
- ▶ Capital expenditure delays put safety and revenue at risk
- ▶ Prop A language
- ▶ Q & A
- ▶ How to keep informed
- ▶ Voting information

- ▶ On August 3, 2021, Frontenac residents will vote on Proposition A, a property tax increase to support public safety.
- ▶ Quality police, fire and emergency medical services (EMS) are the most important services cities provide.
- ▶ The cost of goods and services has risen exponentially since 1992, which is the last time the residents of Frontenac approved a property tax increase.
- ▶ City officials know that few people get excited about tax increases of any kind. We also know that public safety is the most critical service a city can provide its residents.
- ▶ Every effort has been exhausted to address the financial shortfall without a tax increase.
- ▶ The City of Frontenac lost more than \$1 million in tax revenue in 2020.

Proposition A: Overview Protecting the Safety and Welfare of Frontenac Residents

- ▶ Frontenac needs a diversified revenue base.
- ▶ The City continues to look for ways to reduce expenses and operate in a cost-effective manner, despite rising costs.
- ▶ Capital expenses have been delayed, and further delay could be detrimental to police, fire and EMS vehicles and services.
- ▶ Pay freezes and benefit reductions have resulted in hiring and retention issues for crucial city employees.
- ▶ Risking life-saving public safety services could result in poor outcomes for residents.

Proposition A: Overview

Protecting the Safety
and Welfare of
Frontenac Residents

Frontenac Enjoys Top-Tier Public Services

- ▶ The Fire Department has been an outstanding performer, earning an ISO rating of 2, which is within the top 4% in the country as a fire department.
- ▶ 68% of sudden-cardiac-arrest patients of Frontenac Fire and EMS have been successfully revived over the past five years compared to just a 10% survival rate nationally.
- ▶ The Fire Department's average response time is four minutes and 28 seconds compared to an average of 15 minutes and 19 seconds nationwide.
- ▶ The Police Department maintains accreditation and has a high clearance rate on violent crimes as compared to agencies across the country, with a 91% clearance rate compared to a 46% nationwide rate.
- ▶ Risking critical public safety services could result in poor outcomes for residents.

Qualified Public Safety Personnel at Risk

- ▶ Police and fire make up the largest part of the City's budget. These are life-saving services that are too important to jeopardize through unwanted turnover and the loss of experienced professionals.
- ▶ Pay freezes and benefit reductions have resulted in hiring and retention issues for Fire/EMS, Police and other City employees.
- ▶ Low pay makes it difficult to attract and retain Fire/EMS staff.
- ▶ Frontenac firefighters and paramedics are the lowest paid among our neighboring communities of Creve Coeur, Des Peres, Kirkwood, Ladue, and Town & Country (West County Fire District).
- ▶ Since 2016, Frontenac's 20-man fire/EMS department has lost 13 firefighter/paramedics to higher-paying jobs in neighboring communities, and more are expected to leave Frontenac.
- ▶ Nearly 30% of Frontenac's Fire and EMS Department is expected to retire within the next two to three years.
- ▶ The August tax proposal would help increase police and firefighter pay to at least the 60th percentile of the pay of neighboring municipalities to help the City attract and retain talent.

Capital Expenditures Delays Put Safety and Revenue at Risk

- ▶ Capital expenditures have been delayed for years.
- ▶ The City has postponed needed capital expenditures including police vehicles, public works equipment, and fire/EMS equipment.
- ▶ The delay of investing in critical infrastructure and technology reduces the ability to turn around permits.
 - ▶ This generates revenue for the City and could also create delays in EMS and police response times in addition to other safety issues.
- ▶ The City refinanced its bonds for City Hall in 2020, reducing the interest rate and then using the savings to finance the purchase of a new ambulance to replace an antiquated 10-year-old version.
 - ▶ The City has been forced to borrow an ambulance from Des Peres while Frontenac's aging ambulance spends more time out of service for repairs.

Proposition A Language

Shall the City of Frontenac be authorized to levy and impose annually upon all subjects and objects of taxation within the City a tax which shall not exceed the maximum rate of one dollar on the one hundred dollars assessed valuation for general municipal purposes including paying increased costs associated with operating a local police department, operating a local fire department, building department, public works department and other services for the health, safety and welfare of the citizens of Frontenac?

Questions and Answers



What has the City done to reduce spending and generate more revenue?

Reduced Spending

- ▶ Frozen employee pay and decreased benefits.
- ▶ Delayed capital expenses that can't be delayed further.
- ▶ Put several current contracts out to bid.
- ▶ Partnered with Town and County, Creve Coeur and Ladue for 911 call center collaboration.
- ▶ Refinanced bonds and reduced the interest rate.
- ▶ Initiated pro-active process to track and recover missing sales, property and utility taxes.

What has the City done to reduce spending and generate more revenue?

Increased Revenue

- ▶ Attracted new businesses such as Lifetime Fitness, Uncle Julio, 801 Local, etc.
- ▶ Increased Grant funding:
 - ▶ for police body cameras - originally budgeted with no grant;
 - ▶ for police bullet proof vest replacements;
 - ▶ Geyer Road phase 3 increased grant funding to 80%; and
 - ▶ Spoede Bridge replacement at phase 3 of grant review at 80%.

*rarely does a city get 2 federal road related grants in any one year

- ▶ 20-year stormwater management plan reviewed and updated; MSD Stormwater funds renewed in April election
- ▶ Reviewed and updated ARB and permitting process to:
 - ▶ streamline unnecessary delays for repairs and replacements;
 - ▶ increase appropriate administrative review and permit approvals;
 - ▶ protect the tree canopy and associated property values.

How do Frontenac property taxes
compare to neighboring cities? **Lower!**

Current City Residential Property Tax Rates

Olivette	1.2790
Creve Coeur*	1.1850
Westwood*	1.0790
Maplewood	0.9510
Glendale	0.8590
Webster Groves	0.7160
Clayton**	0.6990
Ladue	0.6170
Brentwood	0.5550
Richmond Heights	0.5210
Kirkwood	0.4930
Frontenac	0.4350

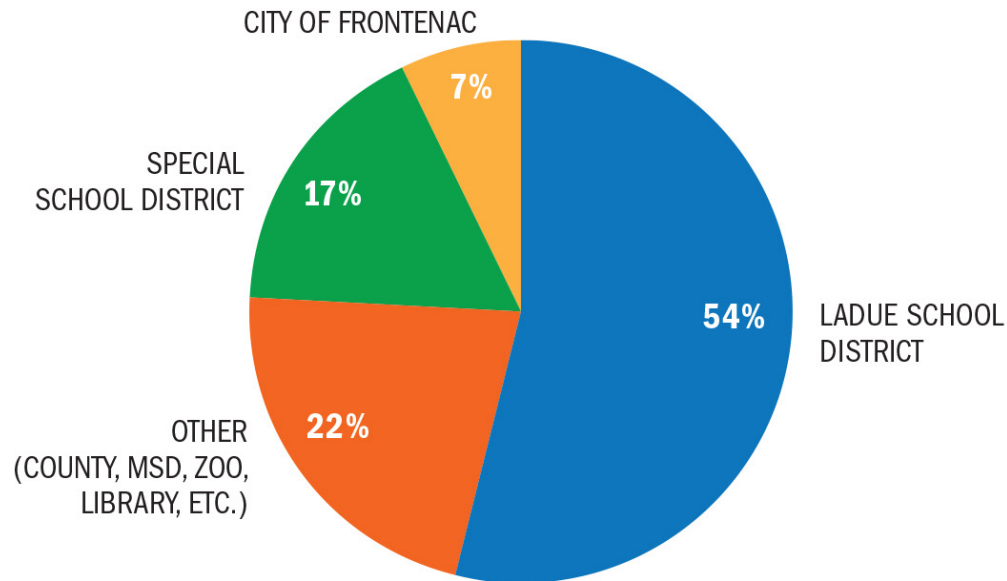
How do Frontenac residential utility taxes compare to neighboring cities? **Lower!**

Current City Residential Utility Tax Rates	
Olivette	10.0
Maplewood	9.0
Glendale	9.0
Clayton	8.0
Kirkwood	7.5
Creve Coeur	7.0
Webster Groves	7.0
Ladue	6.9-7.0
Richmond Heights	5.6-6.0
Des Peres	3.5-5.0
Frontenac	0.5

How much of my property tax bill goes to Frontenac? *Most property taxes go to fund schools.*

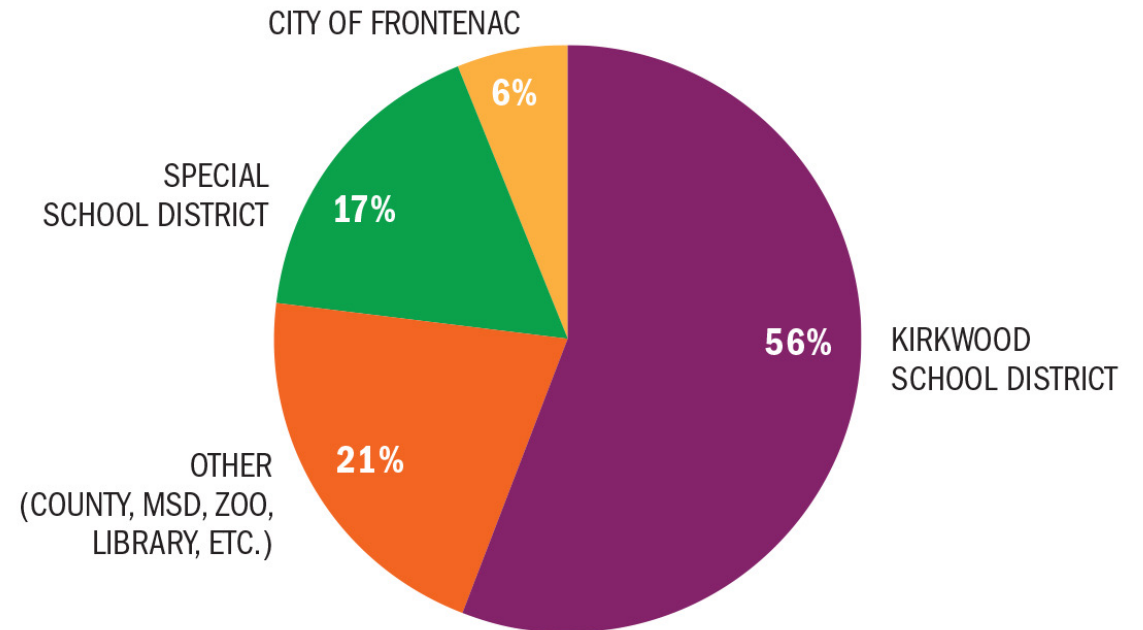
PROPERTY TAX BILL

Frontenac Resident in Ladue School District



PROPERTY TAX BILL

Frontenac Resident in Kirkwood School District



* As a comparison, St. Louis County Library receives \$0.23 per \$100 assessed value, plus revenue from the the bond issue for capital expenses, which is *more than half of* what Frontenac currently receives for all City Operating and Capital expenses at \$0.435.

What will the proposed tax increase cost?

APPRAISED VALUE OF HOME		ASSESSED VALUE OF HOME*		PROJECTED NET RATE INCREASE	PROJECTED DOLLAR INCREASE ON ANNUAL RESIDENTIAL PROPERTY TAX
\$	200,000	\$	38,000	\$ 0.565	\$ 215
\$	300,000	\$	57,000	\$ 0.565	\$ 322
\$	400,000	\$	76,000	\$ 0.565	\$ 429
\$	500,000	\$	95,000	\$ 0.565	\$ 537
\$	750,000	\$	142,500	\$ 0.565	\$ 805
\$	1,000,000	\$	190,000	\$ 0.565	\$ 1,074
\$	1,250,000	\$	237,500	\$ 0.565	\$ 1,342
\$	1,500,000	\$	285,000	\$ 0.565	\$ 1,610
\$	1,750,000	\$	332,500	\$ 0.565	\$ 1,879
\$	2,000,000	\$	380,000	\$ 0.565	\$ 2,147
\$	2,500,000	\$	475,000	\$ 0.565	\$ 2,684
\$	3,000,000	\$	570,000	\$ 0.565	\$ 3,221

* Per Missouri statute, the assessed value for residential property is 19% of the appraised market value.

If approved on August 3, the total rate for Frontenac for taxes collected in December 2021 will be no more than \$1.00 per \$100 assessed valuation. Based on the current effective rate in Frontenac of \$0.435, the rate increase requested is \$0.565 (\$1.00 minus \$0.435).

If approved, 100% of this tax will go to the City of Frontenac.

Why do we need a Prop A right now?

- ▶ The City of Frontenac lost more than \$1 million in tax revenue in 2020.
- ▶ Frontenac needs a diversified revenue base.
- ▶ Unlike some cities, Frontenac is fortunate to have a strong commercial revenue base. Most of the City's revenues are generated from sales tax, with over 70% of total sales tax coming from Plaza Frontenac alone.
- ▶ Sales tax revenue is prone to wide fluctuations depending on the state of the economy and issues like the pandemic, that closed non-essential retail businesses, hotels and banquet facilities.
- ▶ Unlike other surrounding municipalities, Frontenac has no essential businesses, such as grocery stores, that were able to continue generating sales tax revenue.

What happens if Proposition A fails?

The top-tier public safety city services that residents depend upon today such as police, fire and EMS, and street maintenance will be reduced and could potentially be outsourced. At the current and projected rates of revenue, the city cannot sustain the current level of services without an increase in revenue, such as this proposed tax increase.

If Prop A doesn't pass in August, how will that affect me as a resident?

- ▶ The City will continue to experience a decreasing reserve fund balance as a result of decreased revenues and rising costs.
- ▶ The City would have to consider elimination of services currently provided at no cost to residents, such as curbside leaf collection.
- ▶ The City would have to consider outsourcing services such as fire and EMS without the funds to pay for City controlled services, which could result in higher fees to residents.*
- ▶ The City would have to consider reducing the number of police officers who patrol our streets.
- ▶ The City's ability to attract experienced police, fire, EMS professionals is reduced.
- ▶ Turnover of police and fire professionals will continue, which could affect the timeliness and quality of response we get in an emergency.
- ▶ Residents' ability to get permits approved and conduct City business could be delayed due to staffing reductions.

*The IAFF is proposing a Central Metro Fire District, which would be the largest fire district in the State and cost Frontenac \$1.17 per \$100 assessed value and loss of 2 FTE in our Fire Dept. and loss of local control of the Fire and EMS services.

How to Keep Informed

- ▶ Please provide the City with your updated trustee contacts by emailing the City Clerk, Leesa Ross, at lross@cityoffrontenac.org
- ▶ Request to sign up for the City's e-news updates also by emailing Leesa Ross.
- ▶ Frontenac Facebook pages:
 - ▶ Firefighters: <https://www.facebook.com/FirefightersofFrontenac>
 - ▶ Police: <https://www.facebook.com/FRONTENACPD>
 - ▶ General: <https://www.facebook.com/CityofFrontenacMO>
- ▶ Frontenac Website: www.cityoffrontenac.org

Proposition A will be on the Ballot, August 3, 2021

- ▶ **Election Calendar** for the August 3rd election
 - ▶ June 22nd - Absentee Voting Begins
 - ▶ July 7th - Last day to register to Vote in the August 3rd Election
 - ▶ July 21st - last day to request an absentee ballot
 - ▶ Aug. 2nd - Last day to vote absentee (by 5pm)
 - ▶ Aug. 3rd Election Day at Board of Election Polling Places open from 6am to 7pm
- ▶ The link to make sure you are **registered to vote** in the Aug. 3rd election and other information about registering to vote and MO Election Laws: <https://s1.sos.mo.gov/elections/voterlookup>
- ▶ The **Absentee Ballot** application must be received at the St. Louis County Board of Election Commissioners by no later than 5pm, on July 21, 2021. Absentee Ballot Application and directions <https://extcontent.stlouisco.com/BOE/Forms/ABS%20app.pdf>
- ▶ A link to look up a **polling place** is:
<https://stlouiscovotes.maps.arcgis.com/apps/instant/nearby/index.html?appid=f9e4aca5630c4fda82d84c2457661d29>