

Town Hall Meetings

03/06/2019

&

03/10/2019

Better Together Plan

Broad Overview

The Better Together Plan would merge St. Louis City and St. Louis County into one Metropolitan City (Metro City). There would be a Mayor and a 33 member City Council.

Municipalities in St. Louis County would become Municipal Districts providing fire, ambulance, and park services. All other services would be provided by Metro City.

These changes would be accomplished through an amendment to the Missouri State Constitution - requiring a state-wide vote.

What's the problem Better Together is attempting to solve?

In the introduction to the report it states, “Fragmentation of governance over the last 150 years has had myriad detrimental effects on the St. Louis region’s economy, public health and safety, and sense of community.”

It goes on to say, “Wasteful spending, internal competition, and disparities in services result in a region that cannot realize its full potential.”

What is Better Together?

Better Together is largely funded by Rex Sinquefield. Sinquefield is co-creator of the Show-Me Institute, a think-tank labeled libertarian, conservative, and free-market.

In more recent years Sinquefield has focused on tax policy in Missouri - advocating the elimination of the state (and St. Louis and Kansas City) income tax to be replaced by a comprehensive sales tax.

Better Together is a 501(c)3 with a Board of Directors appointed outside any public process.

Members of the Task Force that prepared the Report to the Community and the Amendment were also chosen outside any public process. Task Force members were “endorsed” by County Executive and City Mayor. (*source: bettertogether.org*)

What's the Timeline?

- ▶ Better Together Proposal Issued Publicly at Press Conference on January 25, 2019. The proposal was subsequently amended and re-published on February 11, 2019.
- ▶ Calls for **Statewide Vote** on Constitutional Amendment in November 2020
 - ▶ Creates a new class of city - “A Metropolitan City”
 - ▶ Unify St Louis City & St Louis County as a Metropolitan City
 - ▶ Cities in St Louis County to become “Municipal Divisions” of the Metropolitan City
- ▶ Effective Date is January 1, 2021
 - ▶ Transition Period of Two Year to Full Implementation in January 2023
 - ▶ First elections for Metropolitan City Council in November 2022, Take Office January 2023
 - ▶ First elections for Metro Mayor, Prosecutor and Assessor November 2024 Take Office January 2025

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Governance

What does governance look like?

- ▶ Combined St Louis City and County into Single Government, Population 1.3 million
- ▶ All existing cities (including St Louis and the City Olivette) to become Municipal Districts
- ▶ Partisan Elections for all positions in Metropolitan City
- ▶ Metropolitan City headed by elected Mayor (4 Year Term)
- ▶ Metropolitan City Council Composed of 33 elected Councilmen by districts (4 Year Term)
- ▶ Prosecutor and Assessor Independently Elected at large in 2023
- ▶ During the Transition - St Louis County Officials are Interim Mayor, Prosecutor & Assessor; Mayor of St Louis to be “Transitional Mayor” who jointly with the Interim Mayor (County Executive) shall constitute “the chief executive officer of the metropolitan city”.

What type of governance is this?

- ▶ Is a “strong Mayor” form of government
- ▶ Mayor establishes organizational structure of the Metro-City
- ▶ Mayor appoints all department heads who serve at the pleasure of the Mayor
- ▶ Mayor appoints all members of boards and commissions
- ▶ Mayor SHALL appoint 4 deputy mayors to be called:
 - ▶ Deputy Mayor for Public Health and Safety
 - ▶ Deputy Mayor for Economic Development and Innovation
 - ▶ Deputy Mayor for Community Development and Housing
 - ▶ Deputy Mayor for Community Engagement and Equity
- ▶ Mayor to have line-item veto authority over budget

But who drafts the Charter?

- ▶ The Metropolitan City shall be governed by a CHARTER. The initial charter of the Metro City shall be the Charter of St Louis County except as otherwise provided in this section.
- ▶ During the transition period, the mayor & transition mayor SHALL solicit public input and jointly present a Charter for the Metropolitan City. The plan shall be submitted to the Metropolitan Council and shall be effective within 30 days unless disapproved by resolution adopted by 2/3 of the metropolitan council. **No voter approval involved.**
- ▶ The Charter shall take the place of and supersede all charter provisions, ordinances, rules and regulations and orders inconsistent therewith.
- ▶ Any subsequent amendments to the new Charter proposed by ordinance of the Metro Council will require a 2/3 vote of the electorate.

What are Municipal Districts?

- ▶ Existing municipalities to become “municipal districts” with severely restricted service responsibilities (Fire-EMS, Parks & Recreation, Trash and “Enterprise Funds”)
- ▶ Governing body of existing municipalities at time of adoption of plan (January 2021) to be governing body of municipal districts in office on January 2021 to remain in office until April 2023 (Municipal Elections in 2021 and 2022 cancelled)
- ▶ “Budgets” for municipal districts to be submitted annually for review and approval of Metro City. Transitional budgets for 2021 and 2022 same as 2019 budget
- ▶ Taxes proposed for municipal districts to be submitted for approval of Metro Council prior to submittal to voters

Municipal Services

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What services would be provided by the Olivette Municipal District?

- ▶ Fire
- ▶ Ambulances
- ▶ Parks & Recreation
- ▶ Administration of the Municipal District.

What services does Metro-City provide?

- ▶ “General City Service” shall mean ANY duty, service or function of the Metro City, a county or a city, now or in the future assigned by law, charter or ordinance of the Metropolitan City including
 - ▶ Public Health, Safety and General Welfare;
 - ▶ Police, law enforcement and municipal courts;
 - ▶ Licensing, taxation and regulation of businesses, occupations, professions, activities & things
 - ▶ Transportation, Infrastructure and Public Works;
 - ▶ Economic Development
- ▶ Metro City also responsible for all traditional county functions

What about Olivette employees?

Per the Amendment:

11. General Provisions (2)(a)

Any employee transferred to the metropolitan city pursuant to this section shall be entitled to continue in service with the metropolitan city, with the seniority, rank, compensation, and accrued benefits intact, until otherwise provided by ordinance or order of the metropolitan city.

What does this mean?

At the time of transfer employees will continue to work with the same pay, seniority and benefits until otherwise determined by Metropolitan City.

Will all employees be transferred?

I believe all employees will be a part of the initial transfer on January 1, 2021.

What will this look like?

There will be little noticeable difference in employment or duties on January 1, 2021. The Amendment directly addresses that Municipal Districts will continue to provide municipal and general services until the Metro City provides for the provision of those services.

By April 1, 2021 the departments heads of Metro City will be appointed.

By January 1, 2022 county personnel are transferred to corresponding office of the Metro City.

On or after January 1, 2023 government reorganization plan takes effect.

Olivette Departments

Police Department

There will be one Metro City Police Department. While it is clear that all assets, property, and personnel are transferred, details are not clear.

When does this transfer occur and what does it look like?

Combining the regional police departments will be a very large task: dispatching, software systems, command structure, stations, and other things.

All of this will take time and during the transition, policing will still be necessary.

Public Works

There will be one Metro City Public Works Department. While it is clear that all assets, property, and personnel are transferred, details are not clear.

When does this transfer occur and what does it look like?

Combining the regional public works departments will be a very large task. The scope and quality of services provided by public works departments varies greatly. In addition, regional shops will be needed.

All of this will take time and during the transition plowing and street maintenance will still be necessary.

Planning and Building

Planning, Zoning and Building will move to Metro City. Current Municipal zoning and building ordinance will continue in effect until such time as the Metro Counselor presents a report to Metro Council that attempts to standardize them.

When does this transfer occur and what does it look like?

Until the above mentioned report is presented, all current municipal zoning and building ordinances remain in place. Staff will continue to enforce the regulations.

The Amendment calls for the Municipal District Council to be the planning board. This is a very different role from a planning commission or a zoning board.

Courts

The Amendment calls for the consolidate of Municipal Courts.

This is perhaps one of the less clear sections, only in that the amendment seeks to combine two Circuit Courts. It is unclear whether the Amendment has the authority to direct this merger.

It is clear that Municipal Courts will be merged and that municipal court will be held across the region.

Parks and Recreation

Services provided by the Parks and Recreation Department will remain a function of the Municipal District. Oversight will remain with the District, although operating and capital improvement budgets will be approved at the Metro City level.

While I had originally read the Amendment to mean that staff will remain employees of the Municipal District, I believe I was not correct in that interpretation.

The City Council intends to move forward with implementation of the Parks Master Plan and to seek bond financing for the improvements.

Fire Department

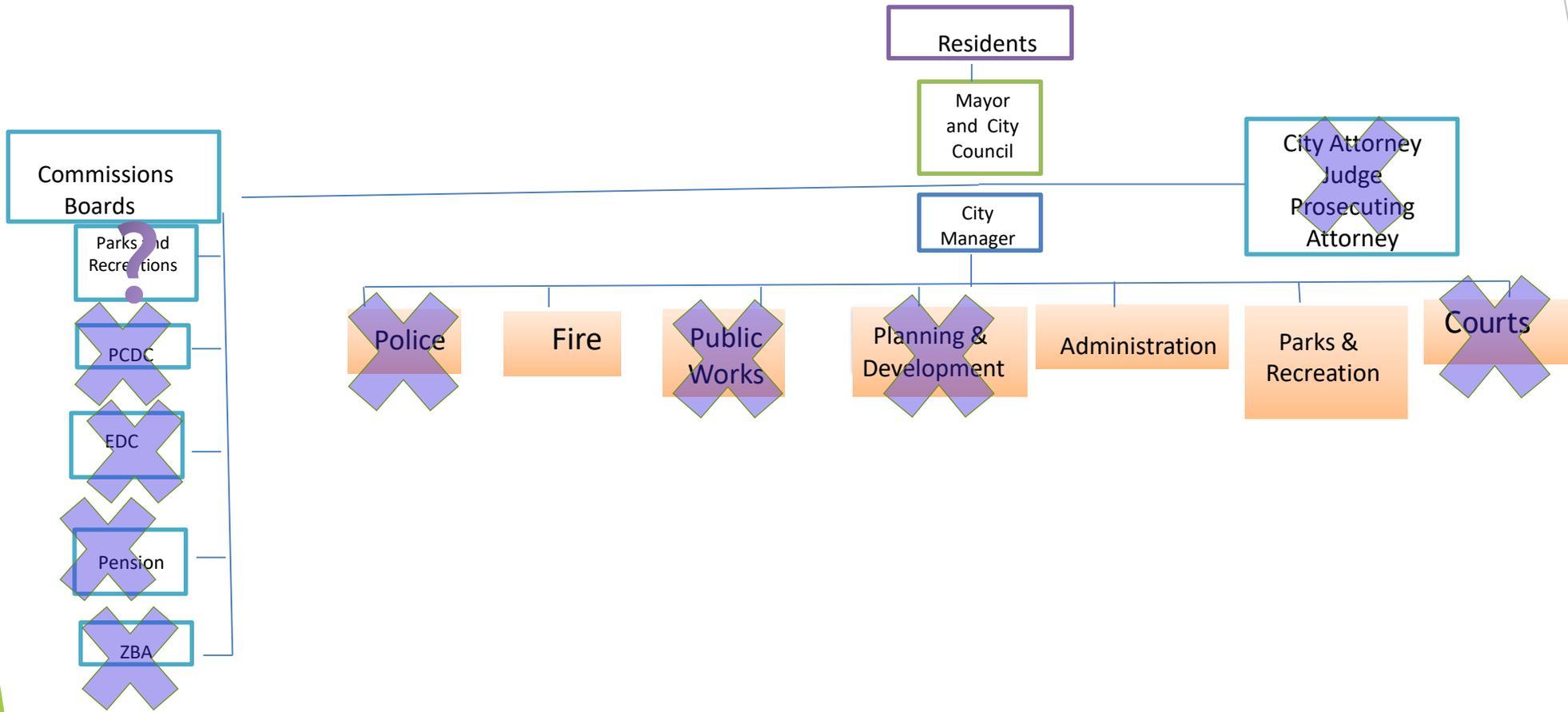
Services provided by the Fire Department will remain a function of the Municipal District. Oversight will remain with the Municipal District, although operating and capital improvement budgets will be approved at the Metro City level.

While I had originally read the Amendment to mean that staff will remain employees of the Municipal District, I believe I was not correct in that interpretation.

Bargaining unit agreements will continue, until such time as the Metro City determines it will control negotiations.

Administration

Administrative services (Finance and HR) will continue to be the responsibility of the Municipal District. I would anticipate no reduction in need over the transition years, it is unclear as to how these services will be administered moving beyond 2023.



What happens to Olivette City Center?

- ▶ Any property securing an outstanding obligation shall remain the property of the municipal district until such obligation is satisfied.

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Finances

Finances During the Transition Period

- ▶ During the transition period, (2021-2022), the Metro City SHALL distribute to the municipal districts funds generated from any tax, fee or special assessment initially levied by the municipality and collected within the municipal district for:
 - ▶ the satisfaction of any outstanding obligations of the district
 - ▶ necessary for the provision of municipal district services in the district
 - ▶ necessary for the provision of general district services in the district until such service is provided by the Metro City.

Finances After Transition

- ▶ The Metro City **SHALL** distribute any tax, fee or special assessment of the Metro City initially levied by a municipality to the municipal district for satisfaction of any outstanding obligation.
- ▶ The Metro City **SHALL** distribute any remaining funds generated by a property tax or special assessment of the Metro City initially levied by the municipality to the municipal district for **municipal district services** or for provision of **general district services** until such service is provided by Metro City.
- ▶ The Metro City **MAY** distribute any remaining fund generated by any sales or use tax of the Metro City initially levied by the municipality to the municipal district as necessary for provision of municipal district services or general district services until such service is provided by Metro City.

Revenues Retained by Municipal Districts

- ▶ Sales Taxes imposed by the Municipality for debt or municipal district service (Fire and Park sales tax)
- ▶ Municipal Property Tax

Revenues “lost” by Municipal Districts

- ▶ Earnings Taxes in the City of St Louis to Metro City but to be phased out over 10 years.
- ▶ Sales & Use Taxes imposed by the Municipality not tied to debt or specific use (Fire and Park sales tax)
- ▶ Taxes shared with “Cities”; County Road & Bridge Refund & Cigarette Tax; State Gasoline, Motor Vehicle and Motor Vehicle Fees
- ▶ Municipal Court Revenues
- ▶ Revenues from Business Licenses
- ▶ Revenues from Land Use Regulations
- ▶ Building Permit & Inspection Fees
- ▶ Sewer Lateral ?

Impact on Olivette

- ▶ 2019 Budget Governs during until 2023 when it would switch from a Fiscal to Calendar year
 - ▶ Switch from June to December Year End
 - ▶ Unclear what 2019 budget would be in place during transition but appears the budget approved during 2019 governs
 - ▶ Olivette's Fiscal Year 2020 budget used during transition but able to be reallocated during transition
- ▶ Preliminary look lowers revenue by at least 31% and expenditures 28%
 - ▶ Revenue = \$4.2 million reduction (\$13.1 million approved FY19 to \$8.9 million)
 - ▶ Expenditures = \$3.5 million reduction (\$12.6 million approved FY19 to \$9.1 million)
- ▶ Minimally a \$219,000 operational funding gap when recreating the FY19 approved budget. Likely higher depending on funding sources captured by Metro City

Debt

- ▶ Current debt remains with the Municipal District until it is repaid or taken over by Metro City
- ▶ Future debt must first be approved by the Metro City Mayor

How does the *Municipal District* approve a Budget?

The Municipal District would submit to the Metro City the following: outstanding obligations (debt); expenditures necessary to provide or secure provisions of municipal district services; funds, revenues, taxes, fees, and special assessments

The Mayor will prepare the annual Metro City budget for approval by Metro City Council. Once approved the mayor will control the rate at which appropriation is expended by allotment, may reduce expenditures below appropriations if necessary, may transfer appropriations to ensure the proper and efficient administration of Metro City. However, the mayor shall not reduce any appropriation for the payment of principal and interest on debt.

What is happening now?

Better Together will begin to collect the 160,000 signatures to place this Constitutional Amendment on the November 2020 statewide ballot.

The Municipal League of Metro St Louis has started collected signatures on a petition that calls for the creation of Board of Freeholders.