IMPACT
Report to the Community
Dear Friends,

As your County Executive, I have had the honor to lead a team of dedicated professionals who oversee more than 1,000 hard-working County employees. Just like a growing business or household, the County must keep updating and expanding County facilities and services for citizens.

Your elected officials in County Government strive to provide you with the facilities and basic critical services you deserve. This annual report, which I am required to provide for you by our County Charter, is intended to update you on our progress and identify problems that we are facing or may face in the future.

Since I took office 12 years ago, I have watched closely as the growth of e-commerce has eroded sales tax collections, which have funded 60 percent of the County’s budget. We have had to shift and re-shift our priorities and resources accordingly to balance our budget.

While we were able to provide some significant improvements to essential services last year, the 2019 budgeting process was extremely difficult because the continued limited growth in sales tax revenues has not kept up with inflation or the cost of an ever-increasing population. While we will continue to scrutinize and prioritize every dollar—just as many of you do at home or in your business—we are especially concerned that the expanding needs of public safety will become more difficult to meet.

As the county continues to grow, there will continue to be challenges. I hope this publication will inform you on how your tax dollars are being spent and that you appreciate our efforts to meet the challenges of the future. If you have questions or concerns, I encourage you to contact my office or the County Councilman who represents your district; they are listed in this report.

Sincerely,

STEVIE EHLMANN
COUNTY EXECUTIVE

Growth of E-Commerce, Erosion of Sales Tax Dollars Threaten Financial Health of County

Governments typically are funded by a mixture of sales and property taxes to ensure diversity of revenues so that as the economy changes, the ability to provide basic services is unaltered. St. Charles County residents currently pay no property taxes to the County to support general operations. Since 1994, the rate has been rolled back and a rate of zero has been in place since 2015. If this tax rate had not been reduced, the County would have collected an additional $35 million since 1994.

Property taxes do support Emergency Communications and the County Highway Department. The County voluntarily rolled back these tax rates as well, foregoing $27 million since 1996.

Because the County collects no property tax for the General Fund, 60 percent of revenues supporting general operations come from sales taxes; the other portion comes from federal and state grants and fees collected for specific services.

While the County was able to roll back property tax rates during the years above because of the sizable rate of growth in sales tax, that growth has slowed tremendously in the last five years with the increase of e-commerce.

Because state and local governments can collect sales tax only from sellers who have a physical presence in the state, the County receives no revenue from many online purchases. The lack of property tax revenue for the General Fund, along with limited growth in the rate of sales taxes collected, means St. Charles County Government will be challenged in the future to keep pace in providing necessary services as the county’s population continues to increase. If inflationary cost increases in essential services, such as public safety, outpace growth in sales tax, the County will not be able to sustain services on sales tax alone.

Sales Tax Growth Rate Declines as Economy Improves

The chart to the right reflects annual growth rates in sales tax received by St. Charles County and the Dow Jones Industrial Average from 2007 through 2018. The three years after 2007 reflect the effect of the Great Recession on sales tax revenues and the Dow. Sales tax growth patterns returned to a more normal pattern from 2011 through 2014.

Since 2015, the U.S. economy has been improving to a point that in 2018 St. Charles County experienced the lowest unemployment in decades, record stock market and economic productivity levels, and a steadily growing population. During this period of prosperity, the chart tells a different story: Annual sales tax growth rates have steadily declined from 5.21 percent in 2015 to 1.57 percent in 2017 and 1.84 percent in 2018.

County Government believes this decline is the result of the rapid growth of e-commerce.

As internet buying continues to expand those tax revenues do not go to the General Fund, which supports County public safety departments such as County Police, County Jail, Public Health, County Courts and the Prosecuting Attorney’s Office. This erosion of the sales tax growth rate is resulting in the General Fund’s inability to keep pace with the rising costs of providing essential services to County residents.

St. Charles County Sales Tax Growth Rate vs. Dow Jones Index, 2007–2019
New Emergency Operations Center Complete

The center provides 24/7 emergency communications and will handle an estimated 1 million calls a year, which is expected to save $800,000 annually. It also includes an area for video conferencing and classrooms and a space for training and drills. Facilities are located in a hardened facility and will withstand EF-4 tornadoes. The center is headed by pro-tempo director George W. "Buck" Schilling, who served as sheriff for 24 years. The center will include a command center, a 24/7 dispatchers, and a state-of-the-art radio system that will allow for more efficient communication with first responders.

Road Projects Keep County Moving

There are three distinct road systems in St. Charles County: state, county and municipal. The state maintains the interstates, freeways and lettered and numbered routes; the county manages the municipalities local roads.

Major Projects

A new bridge over U.S. 61 in Wentzville was completed to eliminate the at-grade intersections of Route P and Ponce. The $11 million project was a safety measure initiated after some tragic deaths at that intersection. The project was funded in equal shares by St. Charles County, Wentzville and the Missouri Department of Transportation (MoDOT).

Additional lanes on Route 504 (Pape Extension) in the Mid Rivers MoA Drive area were added to alleviate traffic congestion. The County contributed 40 percent of the funding for this $1.2 million project. MoDOT’s share was 30 percent and the City of St. Peters funded 10 percent.

Gateway Green Light

The Gateway Green Light (GGL) program, a cooperative traffic control initiative between St. Charles County Government, local municipalities, and MoDOT, continues to coordinate and synchronize more than 300 traffic signals and other traffic control devices throughout the county. GGL operators monitor traffic conditions, identify problems, and implement changes when necessary to improve traffic flow.

Keeping 70 Moving in Wentzville

The County Zoning Commission has been working to improve the Transportation Incentive Program. With this initiative, the County has worked closely with the Missouri Department of Transportation (MoDOT) and local municipalities to create an even more efficient system.

Because of the opioid epidemic:

• The County experienced the second-highest percentage of drug-related crimes in the State of Missouri in 2018.
• St. Charles County Police Department has increased the number of drug-related crimes in the County by 25 percent in the past four years with annual reviews.
• SCCPD complied with the requirements, which include 484 CALEA® standards focused on the areas of policy and procedure, management, operation and support, supervision, health and medical care, and training.
• St. Charles County Government is using it to better serve you. Advanced technology can help us to communicate, to educate, to purchase, to exercise; we use it in business, at home, on the road.

30-Year-Old Jail Sees Significant Increase in Inmates

Study Underway to Determine Needs

In the 30 years since the St. Charles County Justice Center opened, the more than 200,000 inmates who have gone through the system have taken their toll on the structure. In 1988, when the Justice Center (County jail) was built on North Second Street in St. Charles, the population of the county was 200,000. The jail previously had been located in what is now a parking lot at the University of Missouri-St. Louis.

In 2018, while the jail was the site of a $25 million renovation, the County court administrator revealed that the jail has been operating at about 125 percent of its 484-bed capacity.

#StateoftheCounty

The St. Charles County Justice Center is the only public safety facility in St. Charles County that is not part of the county’s Capital Improvement Sales Tax, which is dedicated to capital improvements. The county is seeking a way to fund the $30 million to $40 million in additional construction needed to bring the jail up to code.

County Investors in Advanced Technology

Keeps Residents Safe and Informed

The County made great strides in 2018 with a new 30,000-square-foot building that will provide critical services and enable a better response to emergency situations. This building was paid for by the County’s Capital Improvement Sales Tax, which is dedicated to capital improvements. This prestigious status signifies that the County is using it to better serve you. Advanced technology can help us to communicate, to educate, to purchase, to exercise; we use it in business, at home, on the road.

Three New County Parks Open in 2018

More Amenities Planned for 2019

It was a busier than usual year for the St. Charles County Parks and Recreation Department in 2018. In August, the Riverfront Sailing Center was opened, allowing boaters free access to the Mississippi River near the St. Charles County Park. The new park features 10 miles of sailing lanes and 200 sailable vessels.

The County has initiated a study of jail population trends to determine the feasibility of a new incarceration and renovation of the jail to more adequately house a growing population. The feasibility study will be completed by the end of 2019, and a determination will be made regarding funding strategies or considering other alternatives.

The County has a history of successful funding strategies that have taken a long time to come to fruition. The County has a history of successful funding strategies that have taken a long time to come to fruition. The County has a history of successful funding strategies that have taken a long time to come to fruition. The County has a history of successful funding strategies that have taken a long time to come to fruition.
about the county

Founded in 1812, St. Charles County is one of the fastest growing counties in Missouri, and the state’s third largest county in both population and economic share. With a population of 395,504, it is ranked among the top 25 counties in the nation in high-tech job growth and consistently has the lowest unemployment rate in the Metropolitan St. Louis area.

your elected officials

Scott Shipman
ASSESSOR

Michelle McBride
COLLECTOR OF REVENUE

Kurt Bahr
DIRECTOR OF ELECTIONS

Tim Lohmar
PROSECUTING ATTORNEY

Mary Dempsey
RECORDER OF DEEDS

Scott Lewis
SHERIFF

Joe Cronin
DISTRICT 1

Joe Brazil
DISTRICT 2

Mike Elam
DISTRICT 3

Dave Hammond
DISTRICT 4

Terry Hollander
DISTRICT 5

Mike Klinghammer
DISTRICT 6

John White
DISTRICT 7

To contact a Councilman, call 636-949-7530 or email council@sccmo.org.

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