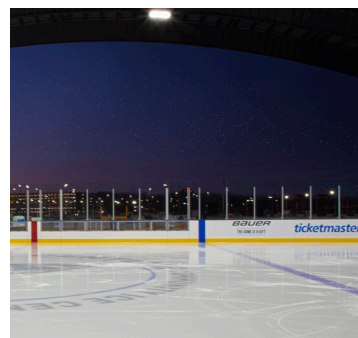
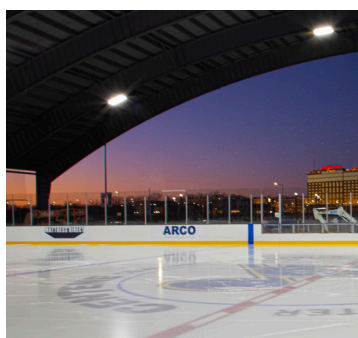
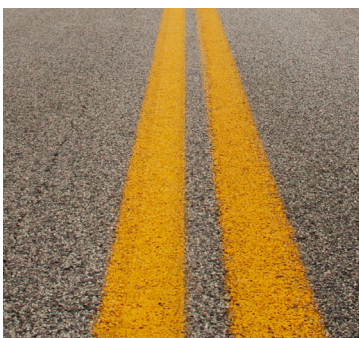
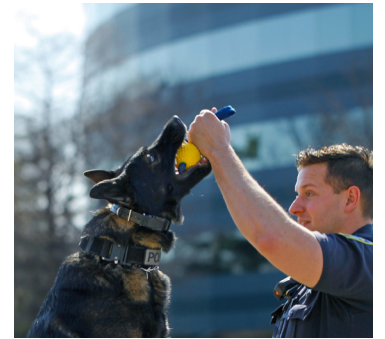




City of  
Maryland Heights

# 2021 Budget in Brief



# Maryland Heights, Missouri

The complete 2021 Budget in available at [www.marylandheights.com/2021Budget](http://www.marylandheights.com/2021Budget).

# General Information

The “Budget in Brief” is designed to give the public a concise overview of the City’s financial status and plans for the coming year.

Balancing revenues and expenditures during the unprecedented COVID-19 pandemic continues to challenge the financial resources of the City. Total 2021 budgeted revenues for all governmental funds is \$35.3 million, an increase of \$1.7 million (5.2%) from the estimate for 2020. This level of increase would normally be met with satisfaction, but we are not in “normal” times. Much of the City’s tax revenues depend on activity in office buildings, hotels, restaurants, youth and adult sports, concert venues and the casino. The uncertainty on the return to work and leisure lessens our confidence in forecasting. However, the healthy fund balances allow the City to continue a high level of service with minimal disruption.

Gaming taxes are projected to be up \$2.05 million to \$8 million in 2021, but considering the casino located in Maryland Heights (Hollywood Casino and Hotel) was closed for three months in 2020 due to the global pandemic, this projection equates to about 80% of pre-COVID-19 levels. Utility taxes and sales taxes are projected at 90% of 2019 actual received as the economy slowly recovers. Recreation user fees are budgeted at \$1.86 million in 2021, up from \$630 thousand in 2020 as demand for recreation programs and the reopening of the City’s newly renovated water park, Aquaport, are expected to generate increased fees. Intergovernmental revenues will be down due to the one-time receipt (\$1.9 million) in 2020 of federal assistance for COVID-19.

Total expenditures, all funds, in 2021 will be \$39.2 million, a decrease of \$3.9 million from 2020. This decrease primarily relates to a decrease of \$3.5 million in the Park Fund. General Fund expenditures are down \$785 thousand (3%) in 2021 in reaction to the expected impacts of COVID-19 on city revenues. Few employee travel-related training activities are provided and capital outlay has been reduced to \$118 thousand from \$509 thousand in 2020. Employee compensation will be frozen at 2020 levels with no movement on the pay scale in 2021.

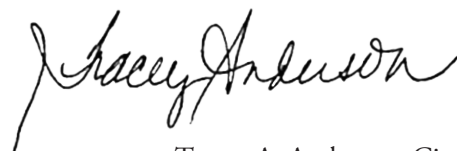
At the end of 2021, the City’s Reserve Fund will be over \$23 million, equal to 95% of 2021 General Fund expenditures; the City’s goal is to maintain a level of 75%. The Capital Improvement Fund will decrease \$2.5 million. The fund will receive a transfer of \$1 million from the Streetlight Fund, but

no gaming taxes are expected in 2021 to be available for capital funding due to the continued impact of COVID-19. All budgetary funds will total \$31.2 million at the end of the year of which \$3.1 million is restricted to tax increment financing activities.

The 2021 budget is structured to include funding for various programs, projects and services to improve the quality of life of our residents and embrace future economic development opportunities. Among the highlights for 2021:

- Renovations to the Fee Fee Baseball Fields will provide a place for children and adults to play field-based sports.
- The Sustainability Center will feature amenities including greenhouses, community garden and space to conduct educational programs on sustainable energy/practices.
- Sidewalk construction will continue to enhance connectivity and accessibility for pedestrians throughout the community.
- Infrastructure projects including local and collector street improvements, annual pavement maintenance and replacement program and stormwater projects.
- Design and implementation of a new financial software system to enhance efficiencies in payroll, accounts receivable/payable, purchase orders, etc.
- Ongoing support of development agreements related to an entertainment district and Maryland Park Lake District, the 1,800 acres on the City’s northwestern edge.
- The Comprehensive Master Plan will guide development decisions and policies throughout the City so we are working within a cohesive vision.

Your input is important to us, and we hope you will share any comments or questions you may have about the budget or other city matters. You can email us at [feedback@marylandheights.com](mailto:feedback@marylandheights.com) or call (314) 291-6550.



Tracey A. Anderson, City Administrator

# General Information

## Annual Budget

The budget is intended to present a complete financial plan for the coming budget year and includes the following information:

1. A budget message describing the important features of the budget and major changes from the prior year.
2. Estimated revenues to be received from all sources for the budget year with a comparative statement of actual or estimated revenues for the preceding two years, itemized by year, fund and source.
3. Proposed expenditures for each department, office, and other classification for the budget year, together with a comparative statement of actual or estimated expenditures for the preceding two years, itemized by year, fund, activity and object of expenditure.
4. The amount required for the payment of interest, amortization, and redemption charges on any debt of the City.
5. A general budget summary.

## Balanced Budget

The budget must conform to the statutory requirement that the total proposed expenditures from any fund shall not exceed the estimated revenues to be received, including debt issuances, transfers from other funds, and advances from other funds plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

## Budget Officer

The City Administrator is the designated Budget Officer charged with preparing a proposed budget for submission to the City Council.

## Fiscal Year

The City's fiscal year begins January 1 and runs through December 31.

## COVID-19 Impact and Economic Outlook

The 2021 budget was prepared with the recognition that the global pandemic's (COVID-19) impact on the international economy and the City's revenue sources will be felt for a significant time. The City relies heavily on the hospitality industry including business and leisure travel to generate tax revenues and other fees. The City estimates that COVID-19 resulted in a revenue loss of over \$6.5 million in 2020.

Specifically, gaming taxes, which has averaged \$10 million annually the last several years, will total less than \$6 million in 2020 due to the closure of the casino for three months. Upon reopening, tax revenues are down 35% compared to the same period in 2019.

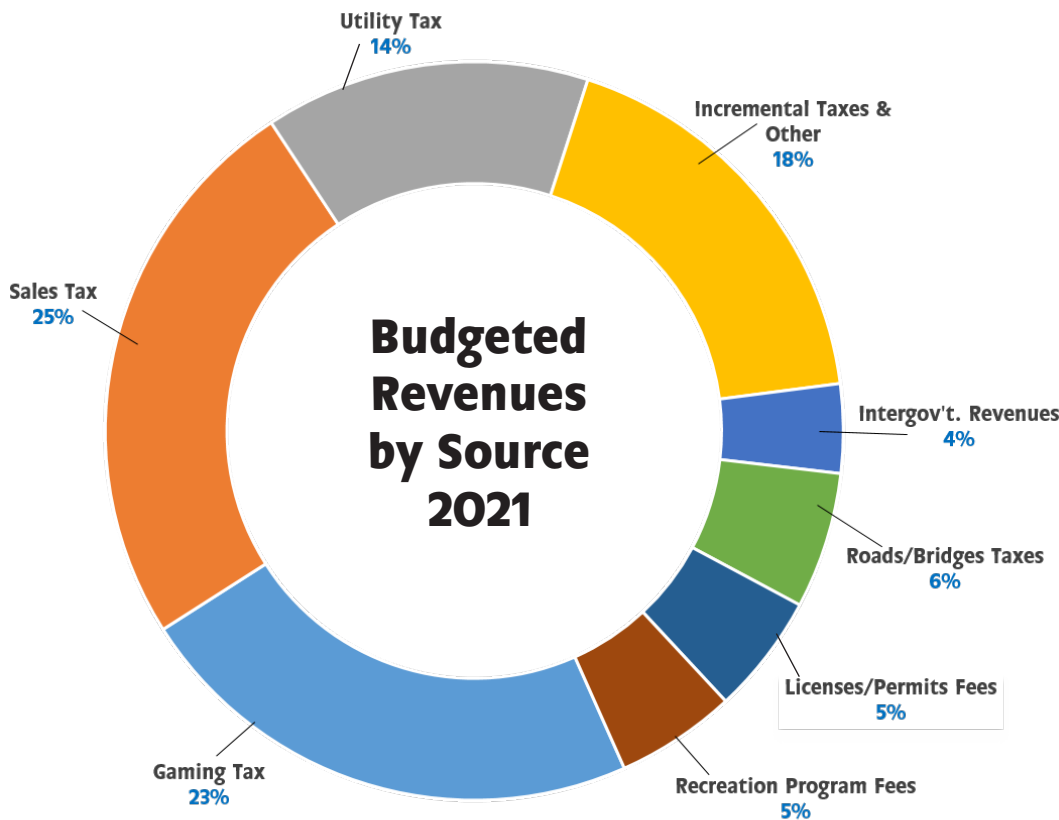
The 2021 revenue budget presumes that sales and utility taxes return to 90% of 2019 levels. A more conservative approach is taken with gaming taxes. The budget forecast is \$8 million, which is 80% of the pre-COVID-19 level. Further, all of the gaming taxes will fund General Fund operations; previously, 30% of gaming taxes were distributed to the Capital Improvement Plan.

The St. Louis Regional Consumer Price Index - Urban Areas (CPI-U) calculated by the U.S. Department of Labor increased .8% for the year ended September 30, 2020. A projected rate of 1% was used in the development of the 2021 budget.

<b>Gaming Tax</b>	\$8,000,000
<b>Half-Cent Sales Tax</b>	\$4,500,000
<b>County Sales Tax</b>	\$4,250,000
<b>County Sales Tax-Public Safety</b>	\$1,365,000
<b>Utility Tax (Electric)</b>	\$3,080,000
<b>Utility Tax (Gas)</b>	\$660,000
<b>Utility Tax (Water)</b>	\$440,000
<b>Utility Tax (Telecom)</b>	\$858,000
<b>Court Fees/Fines</b>	\$800,000
<b>Incremental Taxes</b>	\$3,010,000
<b>County Road Refund</b>	\$1,000,000
<b>Motor Fuel Tax</b>	\$750,000
<b>Recreation Revenue</b>	\$1,163,000
<b>Business Licenses</b>	\$600,000
<b>Building Permits</b>	\$650,000
<b>Occupancy Permits</b>	\$220,000
<b>Investment Income</b>	\$250,000
<b>Aquaport Revenue</b>	\$630,000
<b>Sportport Revenue</b>	\$67,000
<b>Cable Franchise Fee</b>	\$300,000
<b>Vehicle Sales Tax</b>	\$360,000
<b>Tourism Tax</b>	\$320,000
<b>Sewer Lateral Fee</b>	\$375,000
<b>Cigarette Tax</b>	\$50,000
<b>Intergovernmental Rev.</b>	\$1,377,000

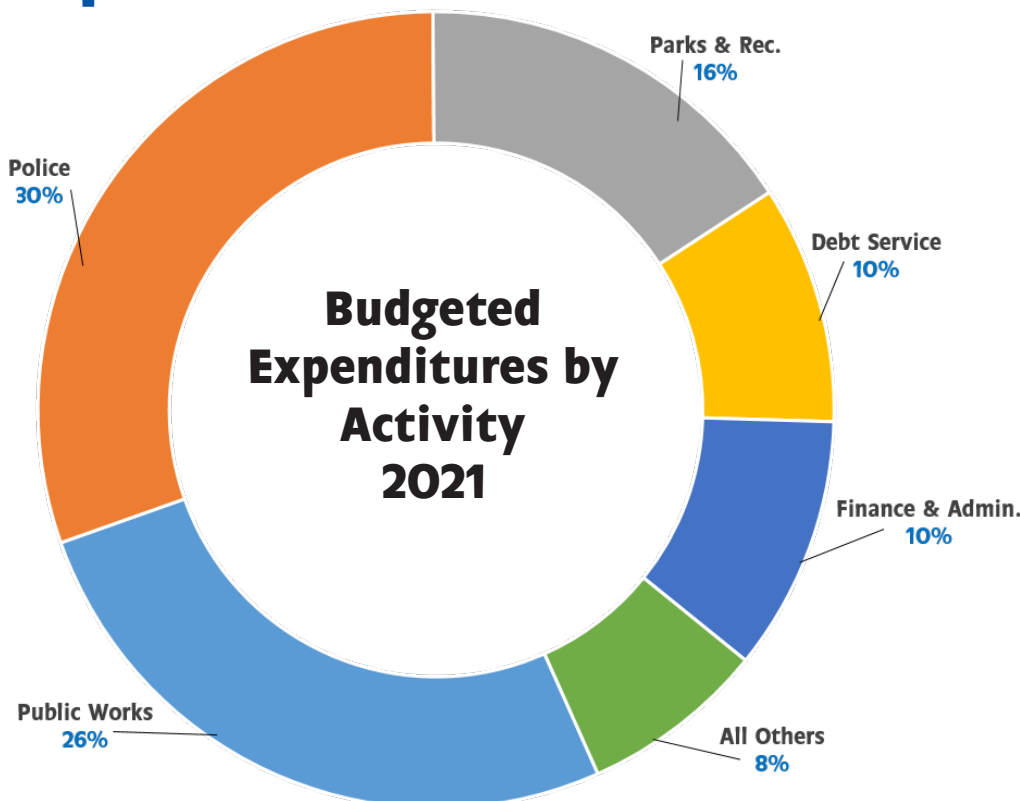
# 2021 Revenue Projections

# Revenues: Where the Money Comes From



Revenue Source	2021 Budget (in thousands)
Gaming Tax	\$8,000
Sales Tax	8,750
Utility Tax	5,038
Incremental Taxes & Other	6,350
Intergov't. Revenues	1,377
Roads/Bridges Taxes	2,110
Licenses/Permits/Fees	1,858
Recreation Program Fees	1,860
<b>Total</b>	<b>\$35,343</b>

# Expenditures: Where the Money Goes



Expenditure Source	2021 Budget (in thousands)
Public Works	\$10,291
Police	11,870
Parks & Rec.	6,244
Debt Service	3,790
Finance/Adm.	4,056
All Others	2,944
<b>Total</b>	<b>\$39,185</b>

# City Budget By Fund

The City's accounts are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

Fund	Description
Beautification	Expenditures restricted to beautification efforts within the City. Revenues consist of a billboard license tax.
Capital Improvement	Funds projects in the Capital Improvement Plan (CIP) with long useful lives (ex. road construction).
Community Center Debt Service	Accounts for the resources used to pay interest and principal on the debt issuance in 2015 related to the construction of the new community center.
Dorsett Road TIF	Accounts for incremental tax revenues generated from the district and for eligible expenditures in the redevelopment area.
General	Covers most day-to-day operational expenditures including administration, public works, police services, facility maintenance, communications and solid waste services. <i>Fund sources: utility, sales, road/bridge, cigarette and gaming taxes; business license fees, building permits, court fines, grants and interest on investments.</i>
Parks	Accounts for revenues from a special one-half cent parks sales tax and user fees charged for activities, programs and events. Transfers \$985,000 annually to Community Center Debt Service Fund.
Police Forfeiture	Accounts for monies or assets received by the City as a result of judgements in federal drug cases. Resources used to fund law enforcement programs.
Police Training	Accounts for money received from the POST Commission Fund of the State of Missouri; funds must be used for training of police officers.
Reserve	Provides resources to other funds in the event of temporary deficits or unforeseen needs.
Sewer Lateral	Expenditures restricted to repair broken sanitary sewer laterals within the City. Funded from a \$50 annual fee collected from each single family residence.
Streetlight	Accounts for a 0.5 percent tax on the gross receipts of utility companies (gas, telephone, water and electric). Monies in this fund are spent on installing and maintaining city streetlights.
Tourism Tax	Accounts for revenues from the half-cent tax collected on hotel rooms. These revenues are dedicated to promoting tourism in the City through the Maryland Heights Convention and Visitor's Bureau.
Westport Plaza TIF	Accounts for incremental and special district tax revenues generated from the area and for eligible expenditures in the redevelopment area.

CITY OF MARYLAND HEIGHTS  
Summary of budget-by fund  
Year ended, December 31, 2021

Fund	Revenues	Expenditures	Transfers/Advances	Change in fund	Begin balance	End balance
General	23,786,820	24,041,428	254,608	0	0	0
Streetlight	458,000	486,200	(1,000,000)	(1,028,200)	2,000,000	971,800
Tourism	320,000	140,000		180,000	(180,000)	0
Capital Improvement	975,000	4,493,369	1,000,000	(2,518,369)	3,500,000	981,631
Police Forfeiture	40,000	187,025		(147,025)	180,000	32,975
Parks	6,360,000	5,559,057	(1,260,000)	(459,057)	2,200,000	1,740,943
Reserve	0	0	220,392	220,392	23,000,000	23,220,392
Sewer Lateral	375,000	250,000	-	125,000	940,000	1,065,000
Police Training	7,000	16,950		(9,950)	18,000	8,050
Beautification	11,000	16,100	-	(5,100)	18,000	12,900
Community Center DSF	0	985,000	985,000	0	30,000	30,000
Westport Plaza TIF	2,860,000	2,860,000		0	3,000,000	3,000,000
Dorsett TIF	150,000	150,000		0	150,000	150,000
	35,342,820	39,185,129	200,000	(3,642,309)	34,856,000	31,213,691

# Budget Summary by Department

## Administration

This area includes the City Administrator, City Clerk, Human Resources, Communications and Legal Services.

The City Administrator is responsible for the daily operations of the City. This position supervises all departments, sees that ordinances are enforced and contracts are performed and makes recommendations to the City Council regarding budget, operations and policy.

The City Clerk's Office maintains all city records, including minutes of City Council, Council Committee and Boards and Commissions meetings. The Clerk's Office processes liquor and business licenses and coordinates municipal elections with the St. Louis County Board of Election Commissioners.

Human Resources administers the City's personnel policies and coordinates training programs for employees. This office also oversees workers' recruitment, hiring, employee wellness and other benefits programs.

The Communications Division works to maintain two-way communication between the City and our residents, business community and visitors. This office produces the monthly newsletter, videos and other publications. Additionally, it maintains the City's website, social media accounts, app and other digital communication.

Legal Services includes the City Attorney, who represents the City and provides legal counsel as necessary, and two part-time City Prosecutors, who prosecute violations of city codes and ordinances. Risk Management activities include costs for property and liability insurance.

Programs/Divisions:	2021 Budget
City Clerk's Office:	\$393,838
Legal Services:	340,539
City Administrator's Office:	367,360
Human Resources:	358,292
Communications:	213,035
Central Services:	91,675
Risk Management:	475,000
<b>Total:</b>	<b>\$2,239,739</b>



## Finance

In addition to finance, this department includes Information Technology (IT) and Geographic Information System (GIS). Finance supports other departments in achieving strategic goals, as well as to provide IT and data collection services to aid in decision-making. In 2021, the City has funded the implementation of a new financial software system.

The City's finance staff manages all financial and accounting functions of the City, including budgets, financial reports, cash management and payroll. The GIS coordinator provides maps for use by all departments. IT staff maintain the City's computer network, phone systems and other technology.

Programs/Divisions:	2021 Budget
Finance:	\$617,352
Geographic Information Services:	173,161
Information Technology:	860,083
Capital Projects:	250,000
<b>Total:</b>	<b>\$1,900,596</b>

## Community Development

This department is responsible for planning and zoning, construction permits, building inspections, code enforcement and economic development.

The Planning and Zoning Division manages future land development in accordance with community needs and the City's Comprehensive Plan; oversees zoning and subdivision codes; and reviews development proposals to ensure compliance with zoning regulations and safety and design standards. The Building and Codes Division reviews all construction plans; conducts building and occupancy inspections; and enforces property maintenance, building and zoning codes. The Economic Development Division manages development incentives and encourages businesses to stay in or relocate to Maryland Heights.

Programs/Divisions:	2021 Budget
Planning and Zoning:	\$358,640
Inspections:	1,423,575
Economic Development:	434,370
Promotion of Tourism:	140,000
<b>Total:</b>	<b>\$2,356,585</b>

## Police

The Police Department strives to provide responsive, proactive and efficient service and create a safe environment for those who live in, work in and visit our city. The Administration Division coordinates training, scheduling, staffing and reporting. The Patrol Division works to prevent crime and responds to existing issues and incidents. The Investigation Division investigates all crime reports, processes evidence and manages juvenile cases. The Communication Division handles all incoming calls and works with other emergency agencies to respond to incidents. The Community Services Division interacts with the public through special programs like D.A.R.E., Citizens Police Academy and Maryland Heights Night Out. The Records Division maintains police reports, booking sheets and other information. The Community Response Unit manages the Department's covert investigations, K-9 Unit, traffic enforcement and hotel liaison programs.

Programs/Divisions:	2021 Budget
Administration:	\$583,028
Patrol Services:	5,959,368
Investigation:	1,700,172
Communications:	1,222,243
Community Services:	1,305,089
Police Records:	202,611
Community Response Unit:	897,675
Total:	\$11,870,186



## Public Works

This department ensures that the City's transportation systems and other infrastructure are safe, efficient and attractive. Public Works activities also include stormwater management, streetlighting, solid waste collection, vehicle and equipment maintenance.

The Roads and Bridges Division maintains all city-controlled roads and bridges by replacing obsolete streets, patching potholes, sweeping streets, sealing cracks and making sure roads, bridges and sidewalks are safe. This division also provides snow removal, mosquito control and the planting and trimming of trees within city rights-of-way.

Programs/Divisions:	2021 Budget
Engineering and Administration:	\$382,606
Roads and Bridges:	1,796,130
Stormwater:	605,931
Streetlighting:	474,200
Solid Waste <i>(Residential trash/recycling/yard waste service):</i>	1,755,000
Vehicle/Equipment Maintenance:	521,314
Sewer Lateral:	250,000
Capital Projects:	4,012,000
Capital Projects Management:	243,369
Total:	\$10,040,550

## Ice Center

In 2018, the City entered into various agreements to finance, construct and operate a new 277,000 square foot multi-purpose ice complex. The facility opened in September of 2019. Pursuant to an operating agreement with the City, the St. Louis Legacy Ice Foundation ("Operator") will manage all aspects of the Ice Arena.

The Ice Arena Fund is an Enterprise Fund of the City and is not included in the governmental fund. The City's annual obligation from governmental funds, subject to appropriation each year, consists of two separate commitments:

### 1. Annual payments that include the City's use of the facility

Pursuant to a financing agreement between the City, the St. Louis Legacy Ice Foundation and the St. Louis Ice Center Community Improvement District to issue \$55.5 million in revenue bonds, the City will make annual payments.

The 2021 budget provides for a transfer of \$175,000 from the Park Fund to the Ice Arena Fund to satisfy the commitment that also includes recreational use of the facility by the Parks and Recreation Department for programming time and special events.

### 2. Backstop to the Debt Service

The financing agreement also provides that the City, subject to appropriation by the City Council, in the event of shortfalls, to provide up to \$625,000 in additional annual payments to replenish the debt service reserve of the Series 2018A bonds. **The 2021 budget includes a transfer of \$625,000 from the Reserve Fund to the Ice Arena Fund in the event this "backstop payment" is necessary.**



## Contact Us

11911 Dorsett Road  
 T: (314) 291-6550  
[www.marylandheights.com](http://www.marylandheights.com)

### Mayor

Mike Moeller  
 (314) 878-6730

### City Council

#### Ward 1

Julia Bietsch  
 (573) 330-0415

Susan Taylor  
 (314) 484-7627

#### Ward 2

Kim Baker  
 (314) 275-4954

Ed Dirck  
 (314) 878-9001

#### Ward 3

Chuck Caverly  
 (314) 566-0424

Nancy Medvick  
 (314) 703-8987

#### Ward 4

Steve Borgmann  
 (314) 393-9448

Norm Rhea  
 (314) 739-0096

### City Administrator

Tracey Anderson

### City Clerk

JoAnn Cova

### Director of Finance

David Watson

### Director of Community Development

Mike Zeek

### Director of Public Works

Cliff Baber

### Interim Director of Parks and Recreation

Adam Peper

### Chief of Police

Col. Bill Carson

## Parks and Recreation

This department administers parks and recreation programs and maintains city recreation facilities, including the Maryland Heights Community Center, Aquaport and Dogport. The Department's mission is to build a greater sense of community and provide residents with a higher quality of life. The Parks Maintenance and Government Center Maintenance Divisions work to clean, maintain and repair city parks and the Government Center.

Programs/Divisions:	2021 Budget
Administration:	\$154,081
Recreation Services:	2,377,891
Community Center Maintenance:	964,977
Government Center Maintenance:	669,114
Aquaport:	731,537
Parks Maintenance:	830,571
Beautification:	16,100
Capital Projects ( <i>Fee Fee Ballfields</i> ):	500,000
<b>Total:</b>	<b>\$6,244,271</b>

## Human Services

The Human Services Division administers utility tax rebates for eligible residents age 62 and over.

**2021 Budget:** \$225,000

## Debt Service

In 2015, the City issued \$15 million in "certificates of participation" to fund about 50 percent of the construction cost of the new community center.

**2021 Budget:**  
 Community Center Debt Service Fund: \$985,000

In 2020, the City issued \$20,355,000 in Tax Increment Financing bonds to refund notes previously issued. Revenues generated in the Westport Plaza Redevelopment Area will be used to pay debt service.

**2021 Budget:**  
 Westport Plaza TIF: \$2,800,000

## Municipal Court

The Municipal Court is the judicial branch of city government. The Municipal Judge is appointed by the Mayor with the consent of the City Council. Traffic, code enforcement and other ordinance violations are tried by the Court. The Violations Bureau provides for the efficient collection of fines and costs assessed by the Municipal Court.

**2021 Budget:** \$358,026