



What Is Proposition P?

See inside for information on this August 7 ballot issue



INSIDE: LOW UTILITY RATES • CELEBRATE ST. PETERS • SHRED IT • ROAD PROJECTS

What Is Proposition P?

It's a Promise for the Future of St. Peters.

St. Peters has come a long way with planning, perseverance and professional management. **We make promises** about what we're going to do and **we keep them**.

Our elected officials and City employees have always been dedicated to bringing our residents top quality services at the lowest possible cost; that's why *Money Magazine* named our City one of "America's Top 100 Best Places to Live."

Now, St. Peters voters are being asked to consider **Proposition P** on Aug. 7, 2012. It's a **new Promise** for the future of St. Peters. Voters will decide whether to approve a four-tenths of a cent sales tax increase for parks, trails and stormwater management projects.

Why Proposition P? Our community is facing two major issues:

- We've identified more than 100 stormwater projects that need to be done. It's going to cost nearly \$120 million to fix them. Right now, our stormwater budget is \$600,000 a year — nowhere near enough. We need an average of \$3.9 million a year to fix these stormwater problems.

- Many of our 25 parks and 20 miles of trails are showing signs of age. As maintenance

costs rise, and revenues from

property taxes decrease, the money isn't there like before to repair our parks or make improvements—especially since we have to pay for the stormwater management projects, no matter what.

Less than two years ago, St. Peters voters approved a no-tax-increase bond issue that authorized the City to borrow \$40 million for stormwater management. These projects would take care of big problems like flooding, erosion, pollution and new federal requirements regarding water quality. When that bond issue passed, we had enough tax revenue coming in to be able to borrow that money to pay for these projects.

But then, we began feeling the impact of the housing crisis. Since 2007, there's been an **11% decline in our property values**. The City of St. Peters has absorbed the loss of more than \$2 million in property tax revenue, while the costs for things like electricity, gasoline, insurance and equipment maintenance and replacement have gone up.

We tackled these budget issues head-on. For the past four years we've reduced personnel, employees contribute more for their benefits, and we've delayed replacing equipment and repairs for our parks. We even held off replacing police cars by extending their replacement

cycle. We've continued to make tough choices and we are still charging the lowest fees, and have one of the lowest tax rates of any City in St. Charles County. (See tax rate charts on pages 3 and 4, and read more on page 5 about our low utility fees.)

At the same time, we're facing a difficult and expensive challenge. We are required by federal law to maintain our stormwater quality so that by the time it empties into our waterways, it is both fishable and swimmable. "Stormwater" is the rainwater that runs off structures, streets and other surfaces, and cuts through our neighborhoods on the way to nearby streams, ponds and lakes. Our responsibility as a community is to get this stormwater from Point A (our neighborhoods) to Point B (nearby waterways) without causing erosion, flooding and pollution.

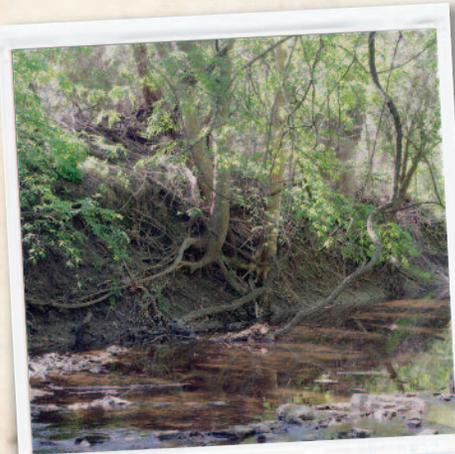
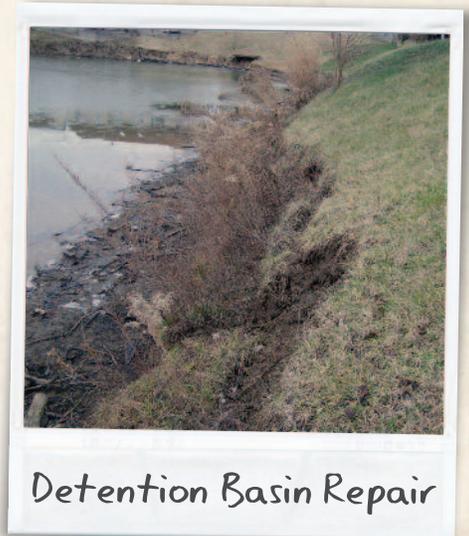
Unfortunately, a study of our community's "green" stormwater systems such as neighborhood detention basins and streams show that we need to spend about:

- \$88 million to stabilize stream banks so that they don't erode further.
- \$21 million-plus to repair detention basins.
- Another \$9.5 million to address specific flooding issues.

Dardenne Creek is already on a federal impaired streams list—it needs to be cleaned up. Many neighborhoods have detention basins that need to be repaired now. Your subdivision associations are responsible for these detention basins—your annual dues are supposed to pay for these costs. But, many neighborhoods don't have enough money to fix their basins.

The City of St. Peters wants to help. We have to solve these problems. If we don't fix them, our community will be facing federal fines and big legal costs. We're already facing problems like increased erosion in the streams and flooding in streets and neighborhoods during storms. The problem will only get worse if we don't tackle them right away.

These stormwater issues are everyone's problem, because everyone lives in a watershed that drains to a detention basin or stream. Stormwater doesn't care—it just backs up ... maybe into your yard or basement.

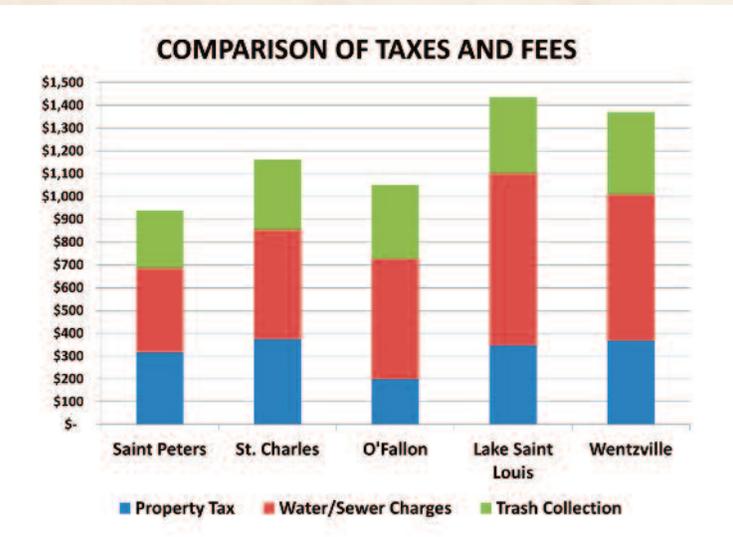


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COMPARISON OF CITY TAXES AND FEES					
	Tax Rate	Property Tax	Water/Sewer Charges	Trash Collection	Total
St. Peters	\$ 0.7700	\$ 317	\$ 368	\$ 254	\$ 939
St. Charles ¹	\$ 0.9115	\$ 376	\$ 479	\$ 308	\$ 1,163
O'Fallon	\$ 0.4838	\$ 199	\$ 528	\$ 324	\$ 1,051
Lake St. Louis ²	\$ 1.0168	\$ 348	\$ 755	\$ 333	\$ 1,436
Wentzville	\$ 0.8958	\$ 369	\$ 640	\$ 362	\$ 1,371
House Value	\$ 180,000				
x 19%	19%				
Assessed Value of House	\$ 34,200				
Value of Cars	\$ 21,000				
x 33%	33%				
Assessed Value of Cars	\$ 6,999				

¹City of St. Charles Provides Fire Protection
²Assumed Combined Water District #2 and ECMWSA for Lake St. Louis



The comparison of taxes and fees above takes a look at property taxes, water/sewer fees and costs for trash collection. This example looks at a house worth \$180,000. See page 4 for sales tax comparisons if Proposition P passes. Learn more about water/sewer and trash collection rate comparisons on page 5.

The question isn't IF we need to address stormwater issues. It's WHEN.

When looking at solutions, City officials considered three options:

- Increasing property taxes
- Charging a stormwater utility fee (this could double or triple your utility bill)
- Increasing the parks and stormwater sales tax by four-tenths of a cent

Increasing property taxes isn't a good option. It would hurt everyone, especially those on fixed incomes. And, increasing property taxes doesn't provide enough money to completely fix the problem.

Charging a special stormwater utility fee would be very expensive for homeowners, businesses, schools and even churches.

For St. Peters resident Chris Winslow, the main issue at hand is whether or not St. Peters goes down the same road as MSD customers in St. Louis County. Chris is chairing the Citizens for a Better St. Peters committee that's supporting Proposition P. He notes that homeowners and businesses across the river are facing large rate hikes to fix stormwater quality issues that have lingered for years. You can easily find many news stories explaining just how expensive that will be for MSD customers.

"We need to handle stormwater issues in a proactive manner rather than a reactive manner like they're doing in St. Louis County," Chris says. "By law, we have to make the water both swimmable and fishable. We need to do that."

Chris says that the committee supports a four-tenths of a cent sales tax increase to meet this challenge because it would spread the costs to non-St. Peters residents who shop in St. Peters. It's the lowest cost option for residents and other property owners compared to a property tax increase or utility fee.

This is our Promise to you: Funding from Proposition "P" would provide the money to:

- Remove the burden of paying for fixing and maintaining detention basins from neighborhood associations.
- Pay for projects that prevent pollution of our streams and erosion of our creek banks into private property.
- Repair and maintain our aging parks and trails.
- Pay for park improvements that would:
 - o Continue to develop 370 Lakeside Park with pavilions, playgrounds and recreational uses.
 - o Provide safe, accessible playgrounds in parks throughout our community (new playgrounds cost an average of \$200,000 each).

With the right planning, good management, and the money to get the job done, we can meet our challenges together.

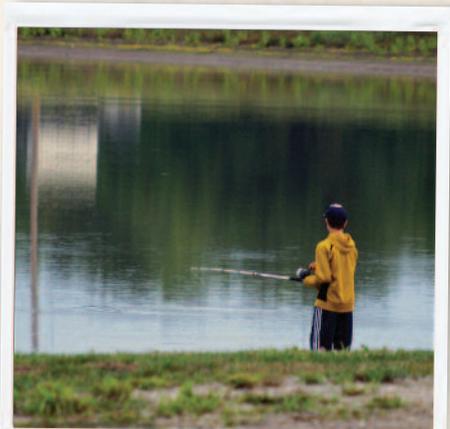
Please remember to vote on Aug. 7.

See page 4 for answers to questions commonly asked about Proposition P.

Learn more at www.stpetersmo.net.



Stormwater



370 Lakeside Park



New Playgrounds

Proposition P Q & A

WHAT IS PROPOSITION P?

Proposition P will be on the Aug. 7, 2012 ballot. Voters will be asked to consider a four-tenths of a cent sales tax increase for parks, trails and storm water management projects. Money from Proposition P can only be used for parks, trails and stormwater projects.

HOW WILL THE MONEY BE USED?

The money raised by Proposition P will pay for maintenance of our parks and trails and for stormwater projects.

St. Peters residents enjoy a great quality of life including 25 beautiful parks on nearly 1,300 acres of parkland across our City; plus 20 miles of hiking and biking trails, the Rec-Plex and St. Charles County's only municipal golf course. As these parks and recreation facilities get older, costs to maintain them will continue to increase.

We are also planning ahead to face a growing number of stormwater issues in neighborhoods, creeks and streams across our City. Federal laws require the City to maintain our stormwater quality to keep water clean, fishable and swimmable. Many neighborhoods have detention basins that need to be repaired now. We have identified more than 100 stormwater projects that need to be fixed at a cost of \$119 million. Right now, our stormwater budget is \$600,000 a year. We need \$3.9 million per year for stormwater projects.

WHY IS THE CITY TRYING TO RAISE THE SALES TAX? AREN'T THERE OTHER OPTIONS?

City officials considered three options to pay for the \$119 million in stormwater projects and the ongoing costs to maintain our parks and recreation facilities and to develop 370 Lakeside Park:

- Increase property taxes—this would especially hurt people on fixed incomes and would not provide enough money to pay for these problems
- Charging a storm water utility fee—this would be very expensive for homeowners, businesses, churches and schools
- Increase the parks and stormwater sales tax by four-tenths of a cent. This would spread the costs to non-St. Peters residents who shop in St. Peters.

WE JUST PASSED A HOTEL TAX IN APRIL TO HELP FUND OUR PARKS, TRAILS AND THE REC-PLEX. WHY DO THEY NEED MORE MONEY?

The hotel tax will generate an estimated \$150,000 per year. That money will help, but it doesn't cover the costs for maintaining and improving our parks or maintaining our trails. For example, it costs an average of \$200,000 to replace or install a new playground. Money raised by the hotel tax was planned to pay for some of the costs of wear and tear on the Rec-Plex and our athletic fields for events like the Missouri State High School Swimming and Diving meets, baseball, softball and hockey tournaments. This is a tourism tax paid only by hotel guests that helps keep our parks a great spot for all our residents to enjoy, helps keep Parks and Recreation fees for our residents low, and helps bring special events to our region.

www.stpetersmo.net

WE PASSED A BOND ISSUE FOR STORMWATER IN 2010. WHAT HAPPENED TO THAT MONEY FOR STORMWATER PROJECTS?

St. Peters voters did approve a no-tax-increase bond issue that authorized the City to borrow \$40 million for stormwater management projects. Then, we began feeling the impact of the housing crisis. We did not issue those bonds because there has been an 11% decrease in our property values—a loss of more than \$2 million dollars in City property tax revenue. That means the City would not have had enough money to pay off the bonds without raising taxes.

WHAT WILL HAPPEN IF PROPOSITION P DOESN'T PASS?

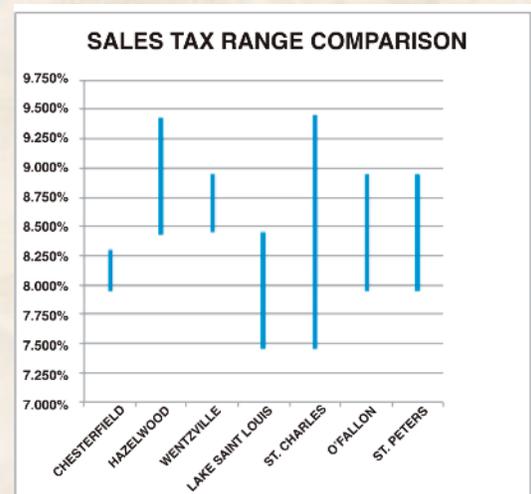
Property taxes could be raised immediately. The City is already allowed by law to raise property taxes by ten cents per hundred dollar assessed value. That would mean that the owners of a \$180,000 home with cars valued at \$21,000 would immediately see a \$41 per year property tax increase. That would only be the beginning. Additional property tax increases would be considered. A stormwater utility fee could be imposed. Other fees would be raised and some services would be cut.

WHAT KIND OF STORMWATER UTILITY FEES COULD BE CHARGED?

Fees could be based on the size of a home, church, school or business. For example, Francis Howell North High School could face a \$90,000 stormwater utility fee. Small businesses, churches, apartments and single-family residences would also face fees based on the size of the building, sidewalks, driveways and parking lots. An average-sized, three-bedroom, two-bath home could see a utility fee of approximately \$120 per year. You would have to spend \$30,000 in order to pay an equivalent amount of additional sales tax if Prop P passes.

IF PROP P PASSES, HOW WILL SALES TAXES IN ST. PETERS COMPARE WITH OTHER CITIES IN OUR AREA?

Sales tax rates have a range depending on where your specific location is within a given city. Some parts of St. Peters will have a higher sales tax rate than others, depending on if they are in a special district. Other cities in our area also have special districts with higher tax rates; for example, you pay higher sales tax in St. Charles on Main Street than you do in other parts of that city. This chart helps show the different rates if Proposition P passes. Generally, St. Peters rates are lower, or about the same, as other cities in our region.





RELIABLE WATER & TRASH SERVICE AT LOWER RATES

In St. Peters, you've always known that the water from your tap is clean and safe, and that your trash will be picked up on time by our friendly trash truck drivers.

Did you also know that St. Peters provides these services at a lower cost?

For years, the City of St. Peters' water/wastewater and trash collection services have not only been top-notch but also cheaper than neighboring communities. Look at the accompanying charts for comparisons.

These fees don't even reflect that St. Peters residents still get FREE trash collection service for four months during the winter thanks to the City of St. Peters' sale of property to developers of the Premier 370 area.

It's not just that we're cheaper. The City of St. Peters does things the right way.

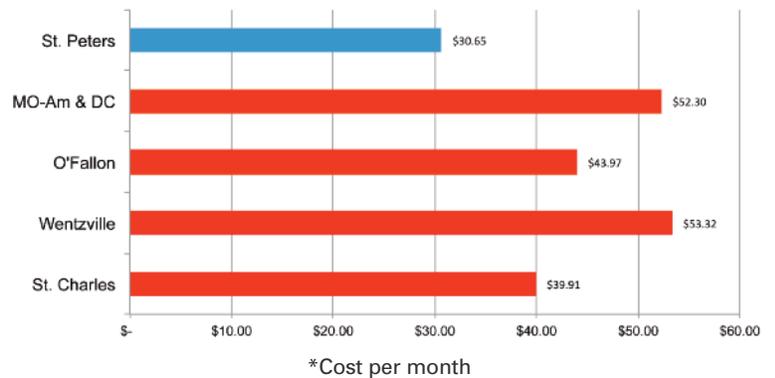
For example, St. Peters has an award-winning recycling program with curbside collection and a major recycling center in Recycle City that gives paper, cans, cardboard and containers a new life on the recycling market. When you recycle curbside using your blue bags, you're doing two things to help yourself: You're avoiding the cost of a landfill charge, and you're giving us a chance to sell the recycled items. This saves money and makes money, which helps St. Peters keep our trash fees low.

Some communities have cut costs by reducing their trash collection to once per week. St. Peters customers still get trash service twice weekly at great rates.

Another thing that some communities do to reduce trash collection costs is make yard waste collection an optional service. The City of St. Peters considers yard waste disposal an essential service, and it's included in your solid waste fee. Just like recycled goods, yard waste collected in St. Peters gets a new life. It's actually combined with organic byproducts from our wastewater treatment process and made into compost. This top-notch Class A compost is then sold back to the community at a great, low price as part of our award-winning Organic Resource Recycling Program.

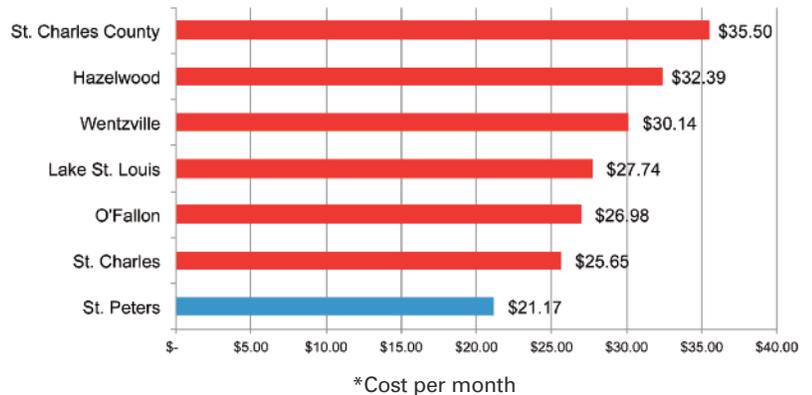
If not collected, yard waste can clog up stormwater drains and get dumped into streams. In fact, we've seen firsthand how dumping yard waste onto a stream bank can harm the stream and aquatic habitat—it could even lead to flooding problems for our community. All you need to do is haul your yard waste to the curb once weekly, or you can bring your yard waste to Earth Centre on Ecology Drive next door to Recycle City. St. Peters residents get FREE yard waste disposal at Earth Centre.

2012 Water/Sewer Rate Comparison



**Rates based on yearly usage of 66,000 gallons*

2012 Solid Waste Fee Comparison



**Monthly collection fees include trash, recycling, yard waste and container costs*

This is all part of our City's green, efficient approach to doing business. We do what makes sense, and saves cents, for our customers and our community.