



REPORT

MAY 2022



TAX BURDEN IN MISSOURI'S 20 LARGEST CITIES

By Corianna Baier

KEY TAKEAWAYS

- Missouri's 20 largest cities vary drastically in the amount of taxes they collect and the services they provide.
- Data on tax collections, general revenues, and expenses provide city residents with useful information on the fiscal soundness of their city, and these data are useful for comparing tax burdens and spending habits amongst cities.

INTRODUCTION

The taxes that Missourians pay to their cities can vary drastically across the state. This publication examines the taxes collected by the 20 largest cities by population in Missouri to inform taxpayers about the taxes they pay, the services they receive, and the fiscal soundness of these cities. Data on several key factors will be presented for each city.

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This publication will highlight a numerical value called “tax revenue per citizen,” which is the city’s total 2020 tax revenues divided by the 2020 population of that city. This can be interpreted as the amount of city tax revenue available to be spent on each person. Of course, this is not a realistic representation of how tax revenue is collected; people have different spending habits and income levels, people spend their money in other cities, and some taxes are paid by businesses and not everyday taxpayers.

Without tracking each person’s spending and income, it is impossible to know exactly how much each person contributes in tax revenue to their city and the cities they visit. There is no way to accommodate these problems with available data. However, a calculated value like this can provide useful comparison information about the cost of living, spending practices, and fiscal soundness of a city. The 20 largest cities and the cities’ tax revenue per citizen can be seen below in Table 1 and Table 2.

Table 1: Population and Tax Revenue per Citizen in Missouri's 20 Largest Cities, Listed Alphabetically

City	Population	Tax Revenue per Citizen
Ballwin	31,103	\$456.15
Blue Springs	58,603	\$694.73
Cape Girardeau	39,540	\$1,055.66
Chesterfield	49,999	\$546.78
Columbia	126,254	\$548.39
Florissant	52,533	\$460.88
Independence	123,011	\$684.47
Jefferson City	43,228	\$855.86
Joplin	51,762	\$1,001.15
Kansas City	508,090	\$1,492.48
Lee's Summit	101,108	\$1,000.61
O'Fallon	91,316	\$557.42
Springfield	169,176	\$1,003.72
St. Charles	70,493	\$841.82
St. Joseph	72,473	\$979.56
St. Louis	301,578	\$2,141.87
St. Peters	57,732	\$884.17
University City	35,065	\$662.25
Wentzville	44,372	\$887.99
Wildwood	35,417	\$335.35

Table 2: Population and Tax Revenue per Citizen in Missouri's 20 Largest Cities, Listed by Tax Revenue per Citizen

City	Population	Tax Revenue per Citizen
St. Louis	301,578	\$2,141.87
Kansas City	508,090	\$1,492.48
Cape Girardeau	39,540	\$1,055.66
Springfield	169,176	\$1,003.72
Joplin	51,762	\$1,001.15
Lee's Summit	101,108	\$1,000.61
St. Joseph	72,473	\$979.56
Wentzville	44,372	\$887.99
St. Peters	57,732	\$884.17
Jefferson City	43,228	\$855.86
St. Charles	70,493	\$841.82
Blue Springs	58,603	\$694.73
Independence	123,011	\$684.47
University City	35,065	\$662.25
O'Fallon	91,316	\$557.42
Columbia	126,254	\$548.39
Chesterfield	49,999	\$546.78
Florissant	52,533	\$460.88
Ballwin	31,103	\$456.15
Wildwood	35,417	\$335.35

As previously mentioned, the tax-revenue-per-citizen value is not a perfect measure of the tax revenue provided by each citizen. Traveling between cities and spending money outside one's city of residence presents one problem. In many cities, it is reasonable to believe that there may be some balance between the city residents that take their money elsewhere and non-citizens that bring their money into the city. It is only the largest cities, St. Louis and Kansas City, where this is probably far from the case. Because of this, it should be noted that the revenue per citizen in these cities is most likely inflated.

It's also important to note the services provided by each city, as this will affect the tax revenue collected. Cities that provide more services for their residents will probably collect more taxes to pay for those services. Cities that have a fire department, as opposed to being served by an independent fire district, will use city tax revenue to finance that fire district, so the city may have a higher tax revenue per citizen. Similarly, a city that is not within a county (the City of St. Louis) must provide services that may be provided at the county level for other cities. A table of some services provided by these 20 cities is included on each page and a comprehensive matrix is found in the appendix. Only a selection of major services is included; it is by no means an exhaustive list, but it provides important information on the use of tax dollars.

Pension programs can place a huge financial burden on cities. Public pensions promise payments to public employees from retirement until death, creating an inescapable financial obligation for taxpayers today, tomorrow, and well into the distant future. Many of the cities in this report have multiple pension programs. The city and city employees pay into the pension fund regularly. But, because these benefits are promised in the future based on an assumed rate of return on monies deposited, at any given point in time a pension fund may be underfunded. This means that the plan is not on track to have enough money to pay out promised benefits. Typically, public pension funds must have at least 80 percent of the anticipated future payouts (in other words, it must be at least 80% funded). If it doesn't, a tax increase or increased contributions from employees might be needed. This report will include two pension-related values for each city: the fiscal year net pension liability and the total pension expense for a fiscal year, meaning how much the city must contribute to the fund each

year. The net pension liability is the amount needed to fund the pensions of those accruing and those receiving benefits as of that fiscal year. Conversely, a net pension asset means the city has enough funds to support current pension benefits. While having a net pension liability isn't necessarily detrimental, the city will eventually need to find that money to pay out benefits.

There are a few additional things to note about the data presented in this report. The first is that *utility tax*, *franchise tax*, and *gross receipts tax* are different names for the same basic tax: a tax on utilities provided in the city. The cities in this report do not use the same name for this tax, and to remain consistent, the report features the name used by each city in its reporting documents. Some cities also include revenue collections for intergovernmental activity taxes in comprehensive annual financial reports (CAFRs). This is revenue that the city receives from a tax levied by a different governmental entity, like the county or the state. The motor fuel tax, a tax levied by the state and then distributed to cities and counties, is an example of a tax that may fall into this category. Though all cities receive some kind of revenue from other levels of government, they don't all include it in tax revenue breakdowns, and some include it by the specific name of the revenue source (like the motor fuel tax). If not included in the pages below, information on intergovernmental revenues may be found in other areas of city financial documents that are not analyzed for this publication. Lastly, while most only see the final tax rate, the sales tax rate that consumers pay at the store is a cumulative rate that encompasses state, county, city, and special taxing district tax rates. The tax rates highlighted here are only those levied by the city, as those are the ones for which the city receives revenue. (An exception to this exists with the St. Louis County sales tax pool, which is noted for the cities that participate in this system.)

Population data were obtained from the United States Census Bureau. All other data for this publication were obtained exclusively from the CAFRs, budget reports, and city websites. Each city is responsible for compiling and producing a CAFR and budget report each year. This publication's data are limited by the availability and accuracy of these reports. All information in this publication is up to date through fiscal year 2020. Tax increases, department establishments, and other occurrences after fiscal year 2020 are not included.

Ballwin

St. Louis County

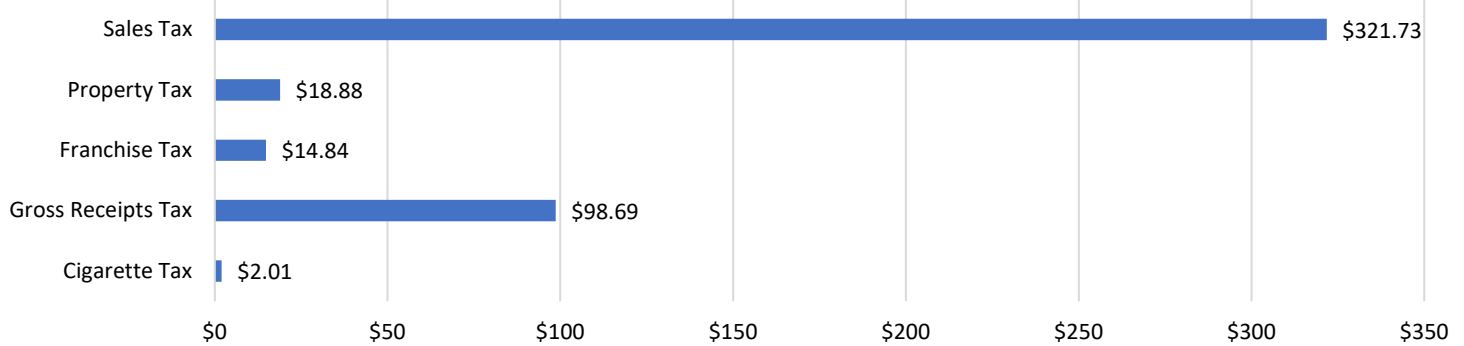
2020 Population: 31,103

Tax Revenue per Citizen: \$456.15

Services Provided

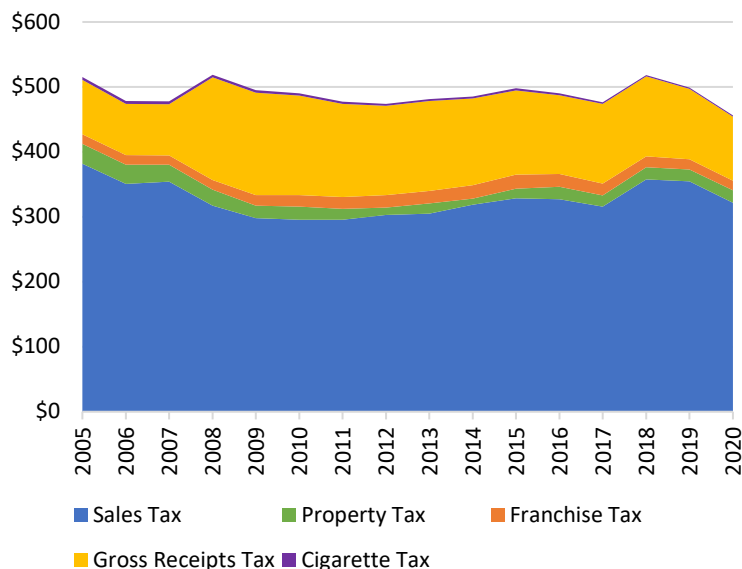
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	No	No	No	No	No

Tax Revenue per Citizen Breakdown



Ballwin is the 20th most populated city in Missouri, and the city's tax-revenue-per-citizen value is ranked 19th of the 20 largest cities in the state. This low tax-revenue-per-citizen value may be because the city does not provide any of the services that many other cities provide, as can be seen above. Because Ballwin is part of the large St. Louis County, it's likely that city residents rely on the county and independent taxing districts to provide services.

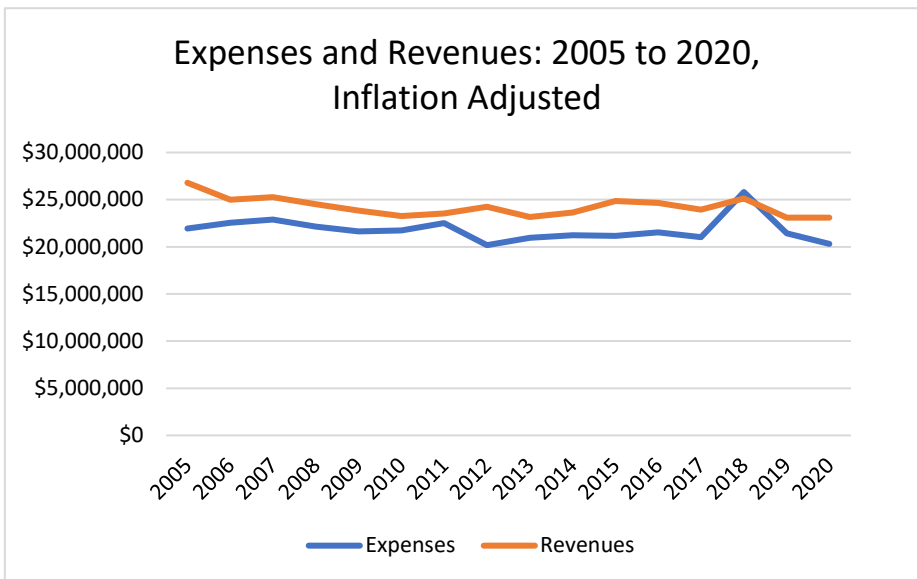
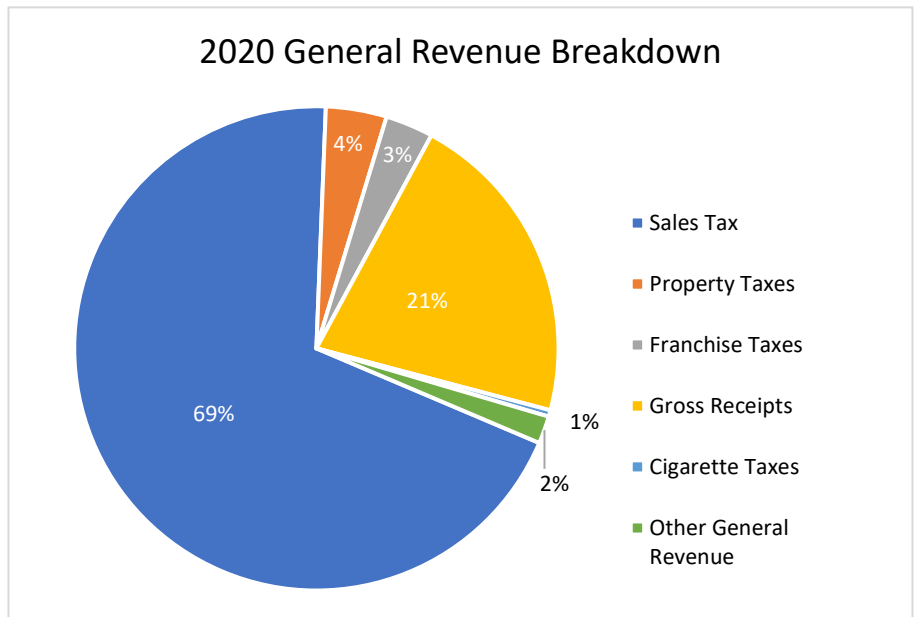
Tax Revenue per Citizen: 2005 to 2020



For the last 15 years, sales taxes have been responsible for most of Ballwin's tax revenue. Parts of Ballwin are within the St. Louis County sales tax pool. From these areas, the city receives a proportional share of the county's general 1 percent sales tax based on a formula that gives significant weight to population. In areas that are not within the sales tax pool, the city collects a general 1% sales tax.¹ Ballwin also levies two other 0.5% sales taxes, one of which is a pooled tax. Ballwin itself did not collect property tax during the period covered here, but the city receives and reports some revenue from St. Louis County's road and bridge tax on property. Other cities in St. Louis County receive this revenue, but it is less obvious in the data as these cities collect their own property tax revenue as well.

¹For the part of the city not within the sales tax pool, Ballwin keeps a substantial majority of the money raised by the general sales tax but is required by law to contribute a portion of that revenue to the sales tax pool each year.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. As shown in the previous graphics, sales taxes provide the overwhelming majority of Ballwin's general revenue. Sales and use tax revenue streams can be volatile, so it may not be ideal for Ballwin to rely so heavily on sales and use taxes over the long term.



Over the past 15 years, the city's reported revenues have generally been above reported expenses, an indicator of good fiscal health. The exception to this is 2018, when police and court expenses were much higher than in previous and subsequent years.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. Ballwin did not report any tax abatements in 2020. While this doesn't necessarily mean that there weren't opportunities available for tax abatement, it's a positive that all individuals and companies contributed their fair share of tax dollars.

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Ballwin has pension obligations for the Missouri Local Government Employees Retirement System. This pension plan is 89.36% funded.

Fiscal Year 2020 Net Pension Liability: \$3,101,003

Fiscal Year 2020 Pension Expenses: \$858,895

Blue Springs

Jackson County

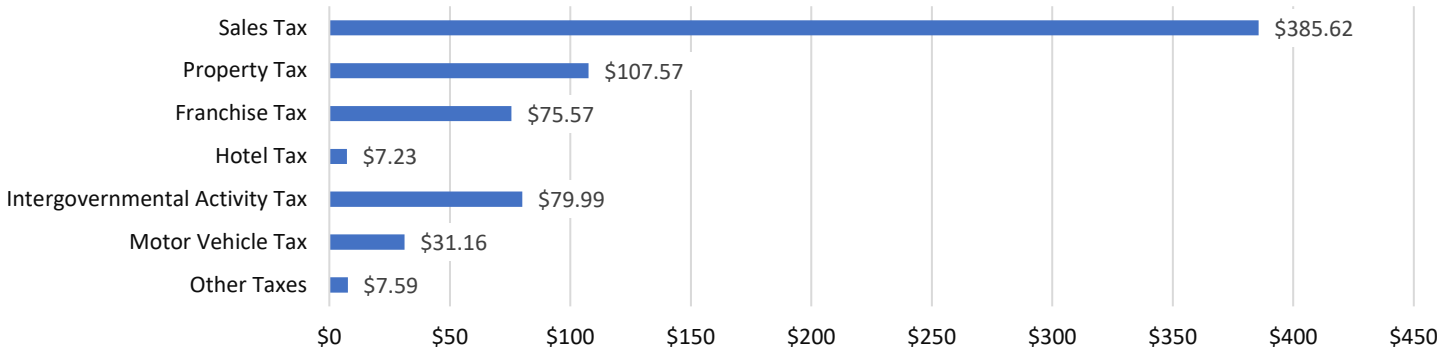
2020 Population: 58,063

Tax Revenue per Citizen: \$694.73

Services Provided

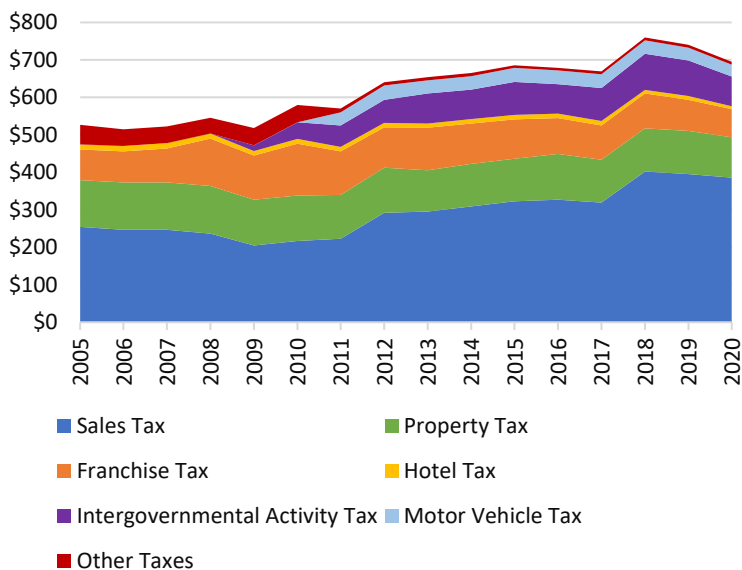
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	Yes	Yes	No	No	No

Tax Revenue per Citizen Breakdown



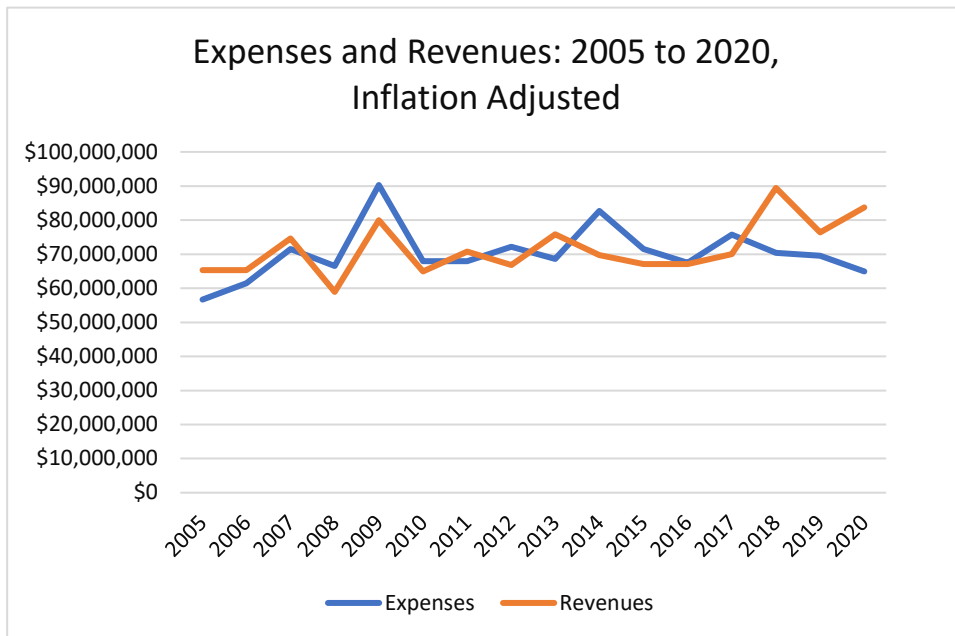
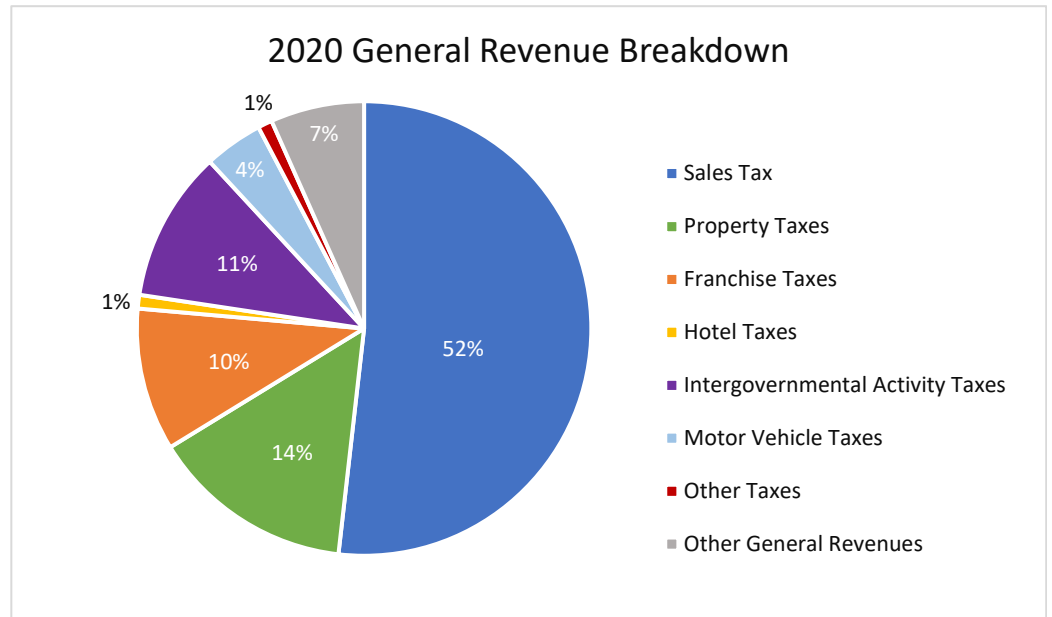
Blue Springs is the 10th most populated city in Missouri, and the city's tax revenue per capita ranks 12th among the 20 largest cities in the state. Blue Springs' tax revenue per citizen is average among the 20 largest cities; however, Blue Springs does not provide many of the services that other cities provide. The city provides sewer and water utilities but does not provide a city fire or health department, for example.

Tax Revenue per Citizen: 2005 to 2020



Blue Springs' tax-revenue-per-citizen value has risen since 2005. Sales tax revenue comprises a large portion of this value. The city has a 2.5% sales tax. The franchise tax is a tax on gross receipts from natural gas, electricity, telephone, and cable TV utility companies.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Blue Springs receives just over 50% of general revenue from sales taxes, which is not nearly as much as some other cities. Sales tax revenue streams can be volatile, so it may not be best for long-term growth to rely heavily on sales taxes. Property tax revenue, which makes up 14% of Blue Springs' general revenue, tends to be a much more stable revenue stream.



Blue Springs has experienced some volatility in revenues and expenses between 2005 and 2020. In several years, reported expenses have been higher than reported revenues, which is not a sign of good fiscal health. The city reports that the large spike in expenses in 2009 was due to costs from tax-increment financing projects. The large increase in revenues in 2018 can be partly attributed to a new 0.5% sales tax.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 4.05% of total tax revenue collected in 2020. This is high compared to other cities. It's not great practice for Blue Springs to forgo so much tax revenue by giving some businesses and individuals tax breaks while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$1,649,592

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Blue Springs has pension obligations for the Missouri Local Government Employees Retirement System. The city has a net pension asset because the plan is overfunded at 109.18% funded.

Fiscal Year 2020 Net Pension Asset: \$6,112,909

Fiscal Year 2020 Pension Expenses: \$1,769,655

Cape Girardeau

Cape Girardeau and Scott Counties

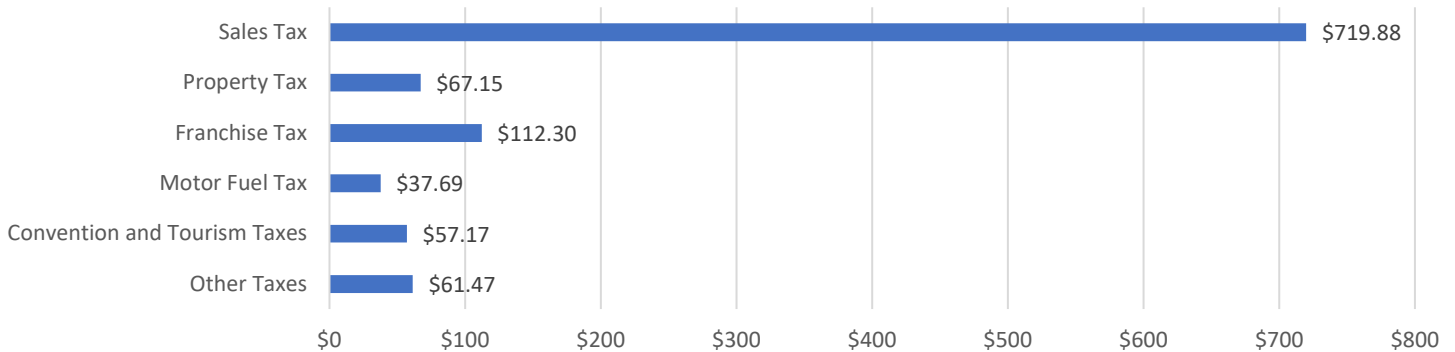
2020 Population: 39,540

Tax Revenue per Citizen: \$1,055.66

Services Provided

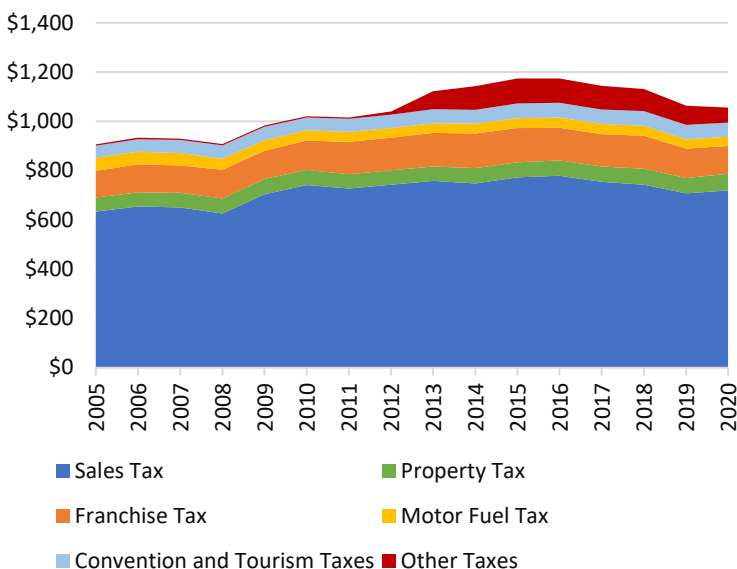
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	Yes	Yes	Yes	No	No	No

Tax Revenue per Citizen Breakdown



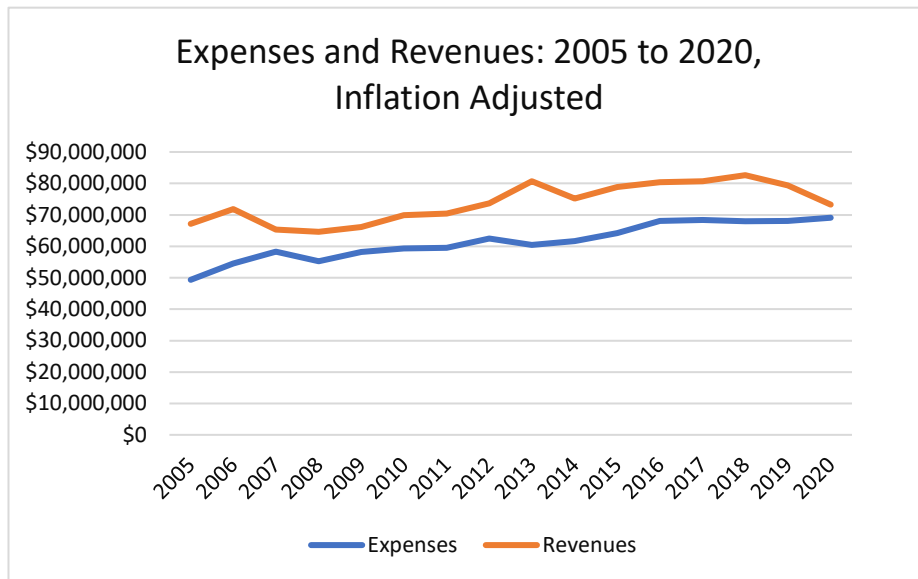
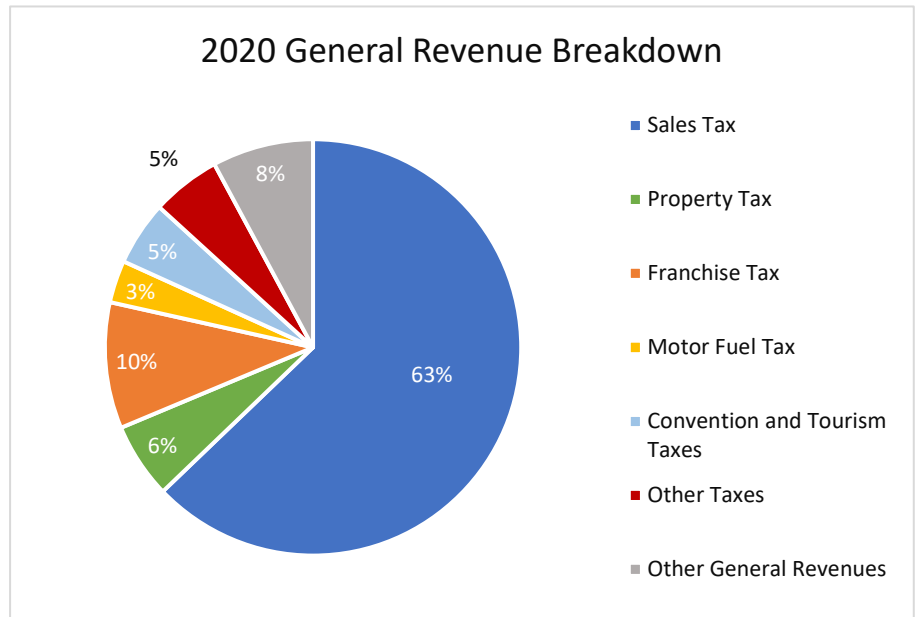
Cape Girardeau is the 17th most populated city in Missouri, and the city's tax-revenue-per-citizen value ranks 3rd among the 20 largest cities in the state. Cape Girardeau's tax-revenue-per-citizen value is higher than Lee's Summit's and Springfield's, and those cities have around three times the population of Cape Girardeau. As seen above, Cape Girardeau provides a number of services, including a city fire department and sewer and water utilities, but does not provide all of the services tracked for this report.

Tax Revenue per Citizen: 2005 to 2020



Sales taxes have made up a large portion of the tax-revenue-per-citizen number for the last 15 years. The city sales tax is 2.75%, which is higher than in many other cities. The franchise tax on utilities and property tax are the next two largest contributors of revenue. Convention and tourism taxes consist of a gross receipts tax of 4% for hotel/motel rooms and 1% on restaurants.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Cape Girardeau relies overwhelmingly on sales taxes for general revenue. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. An economic shutdown, for example, could dramatically affect 65% of the city's general revenue, which may not be good for long-term stability and success.



In the last 15 years, Cape Girardeau has consistently reported higher revenues than expenses. This displays a good sense of fiscal responsibility and can help to prepare the city for future economic downturns or turmoil. Cities should operate this way.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.04% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$15,649.26

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Cape Girardeau has pension obligations for the Missouri Local Government Employees Retirement System. The city has a net pension asset because the plan is overfunded at 102.15% funded.

Fiscal Year 2020 Net Pension Asset: \$2,029,419

Fiscal Year 2020 Pension Expenses: \$2,522,107

Chesterfield

St. Louis County

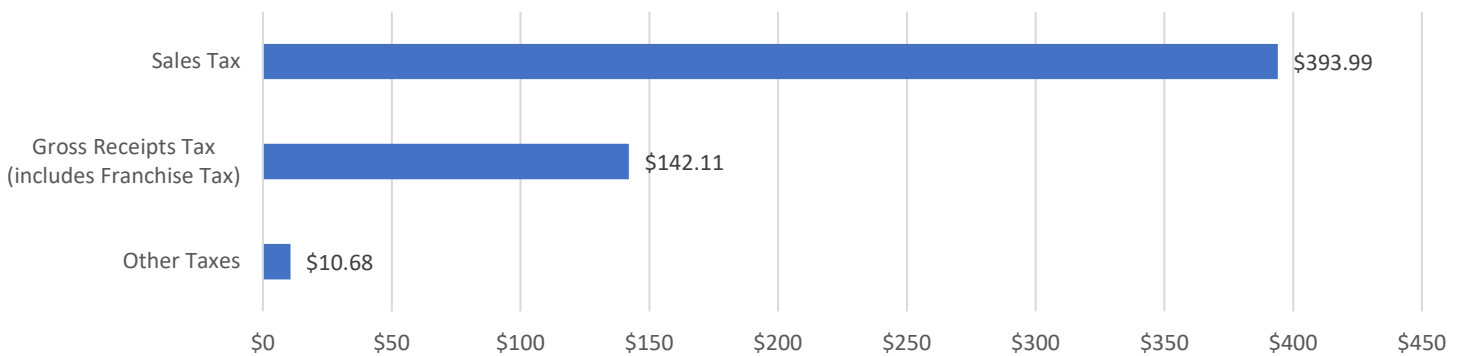
2020 Population: 49,999

Tax Revenue per Citizen: \$546.78

Services Provided

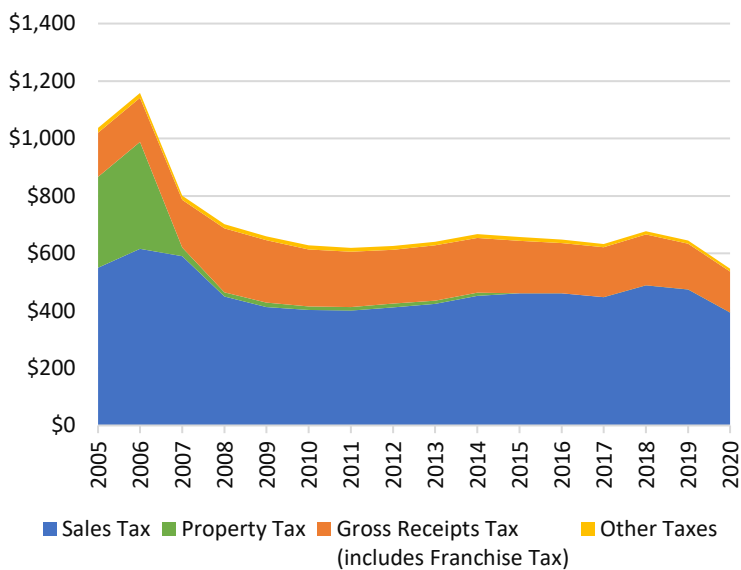
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	No	No	No	No	No

Tax Revenue per Citizen Breakdown



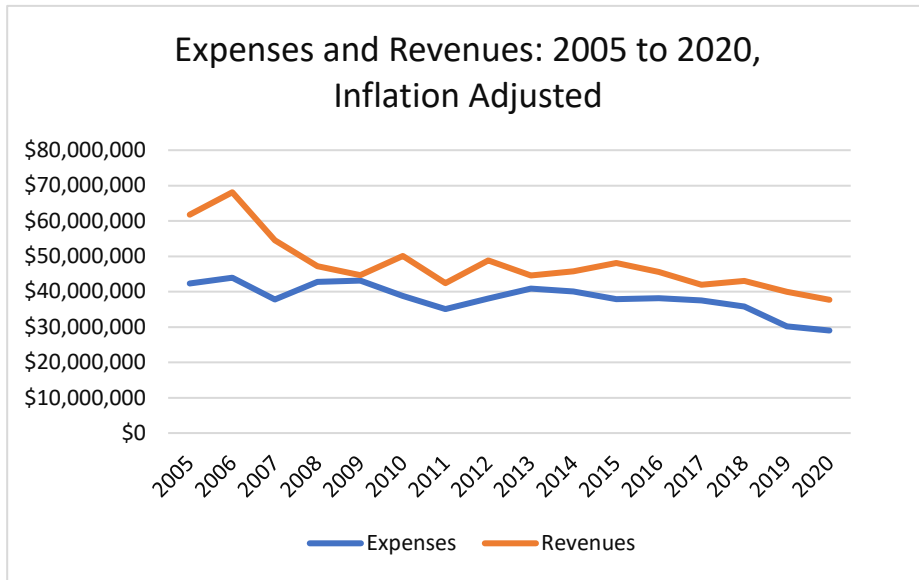
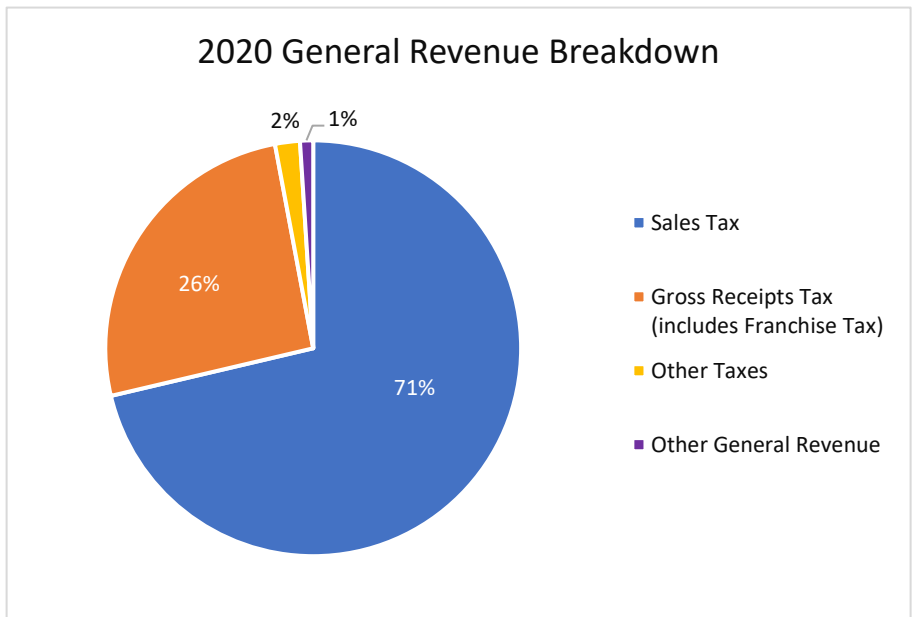
Chesterfield is the 14th most populated city in Missouri and has the 17th highest tax-revenue-per-citizen value. Chesterfield's low tax-revenue-per-citizen value may be explained by the fact that the city provides very few services—it does not provide any of the services included above. Because Chesterfield is part of the large St. Louis County, it's likely that city residents rely on the county and independent taxing districts to provide services.

Tax Revenue per Citizen: 2005 to 2020



Chesterfield consistently relies heavily on sales taxes for revenue. Chesterfield is part of the St. Louis County sales tax pool, so the city receives a proportional share of the general 1% sales tax based on a formula that gives significant weight to population. Chesterfield levies a gross receipts tax on electric, gas, telephone, and water within the city. Chesterfield reduced its property tax in 2008 and eliminated the property tax in 2015, which can be seen in the graph.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Over 70% of Chesterfield's general revenue came from sales taxes in 2020. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation means that an economic shutdown, for example, could dramatically affect the city's general revenue general revenue, which may not be good for long-term stability and success.



Over the last 15 years, Chesterfield has consistently reported higher revenues than expenses, and revenue collections have been trending downward. This may be due to the change in property tax collections.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. Chesterfield did not report any tax abatements in 2020. While this doesn't necessarily mean that there weren't opportunities available for tax abatement, it's a positive that all individuals and companies contributed their fair share of tax dollars.

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Chesterfield has pension obligations for the City of Chesterfield Missouri 401(a) Retirement Plan.

Fiscal Year 2020 Pension Expenses: \$1,117,932

For Fiscal Year 2020, the City of Chesterfield did not report net pension liability figures.

Columbia

Boone County

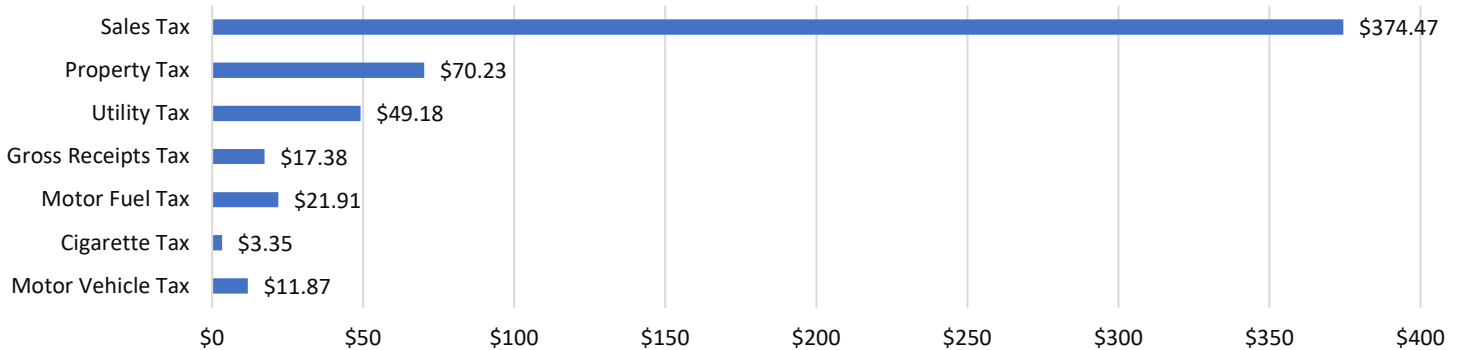
2020 Population: 126,254

Tax Revenue per Citizen: \$548.39

Services Provided

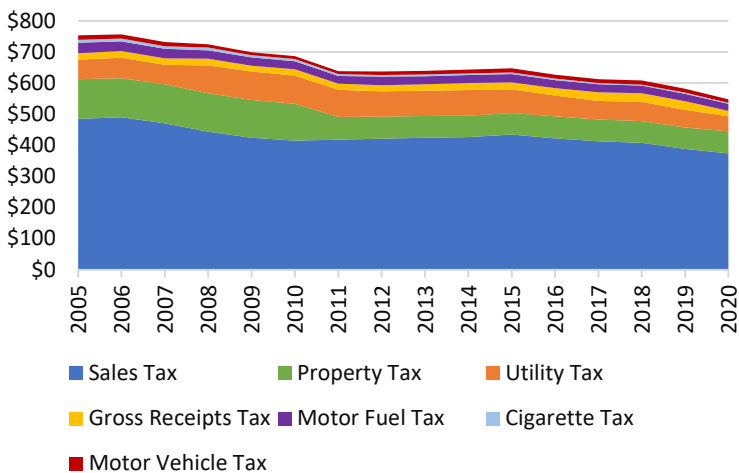
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	Yes	Yes	Yes	No	Yes

Tax Revenue per Citizen Breakdown



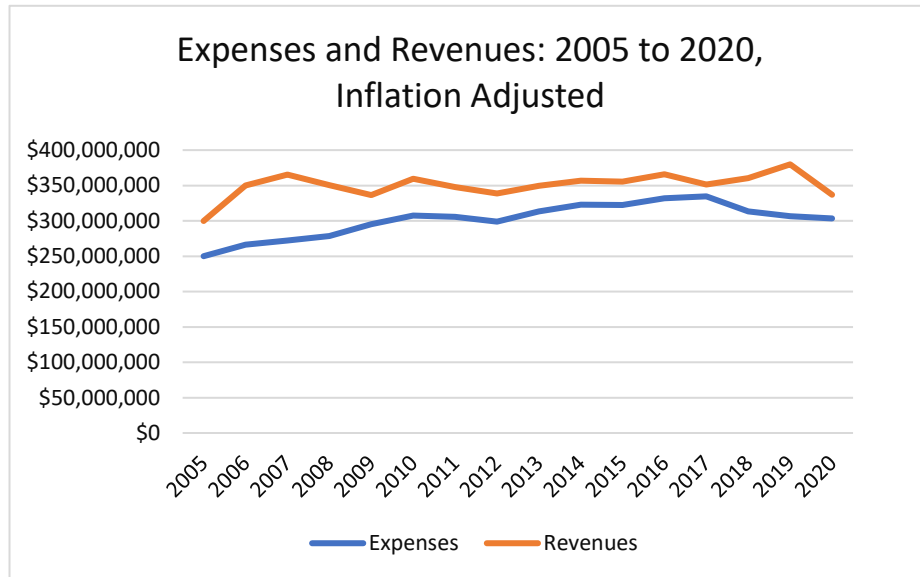
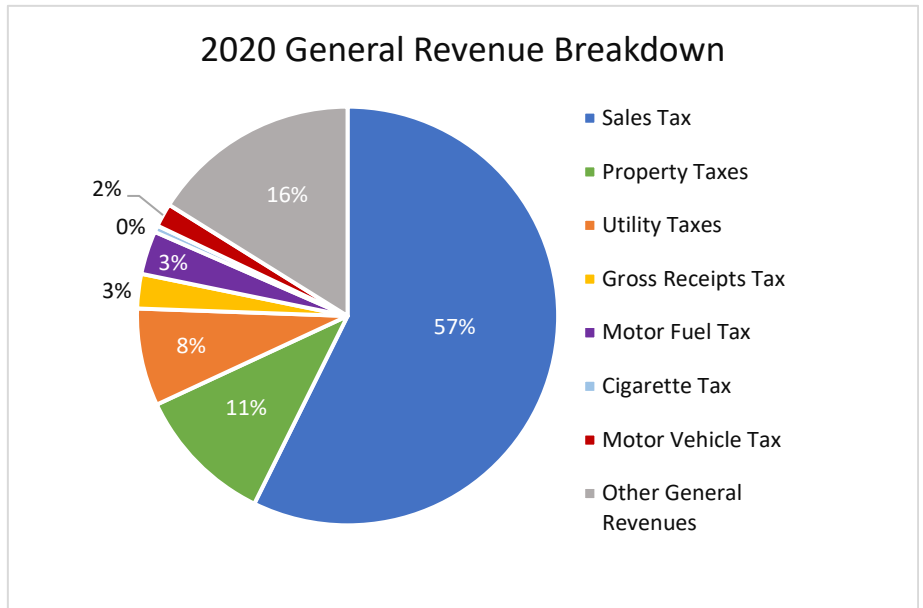
Columbia is the 4th most populated city in Missouri and has the 16th highest tax-revenue-per-citizen value among the 20 largest cities in the state. Columbia has a low tax-revenue-per-citizen value considering that the city provides many essential services to its citizens. Columbia has a fire and health department and provides many utility services, as shown above.

Tax Revenue per Citizen: 2005 to 2020



A large portion of tax revenue comes from sales taxes, but collections from these taxes have been falling over the last 15 years. The city's sales tax rate is 2%. Columbia's gross receipts tax applies to telephone, natural gas, electric, and cable franchise fees.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales taxes make up a large percentage of general revenues, though not as large a percentage as in many other cities. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success. Property tax revenue is an example of a revenue stream that tends to be more stable. However, in Columbia's case, reliance on property taxation is complicated by the fact that a significant amount of the property within the city is part of the University of Missouri, which is exempt from property taxes.



From 2005 to 2020, Columbia's reported revenues have been above expenses. This is a sign of good fiscal health and will help to ensure financial stability in the future. There is also a slight upward trend in revenues and expenses, showing that the city is both bringing in and spending more money.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.06% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$39,329

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Columbia has pension obligations for the Police Retirement Fund, the Firefighters' Retirement Fund, and the Missouri Local Government Employees System. Respectively, these pension plans are 56.31% funded, 57.28% funded, and 96.96% funded. Note that there are conflicting pension expense numbers in Columbia's 2020 CAFR.

Fiscal Year 2020 Net Pension Liability: \$124,439,740

Fiscal Year 2020 Pension Expenses: \$15,461,357

Florissant

St. Louis County

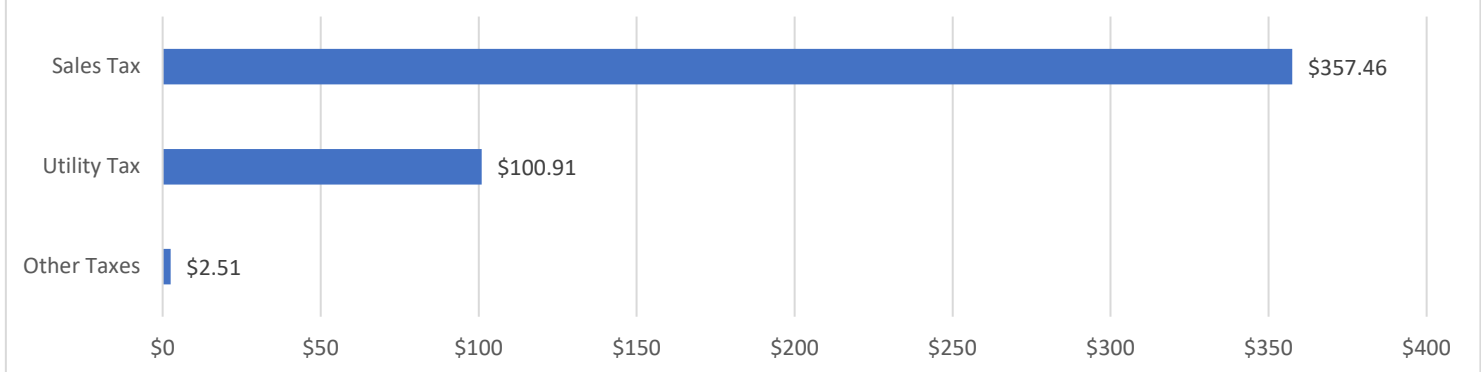
2020 Population: 52,533

Tax Revenue per Citizen: \$460.88

Services Provided

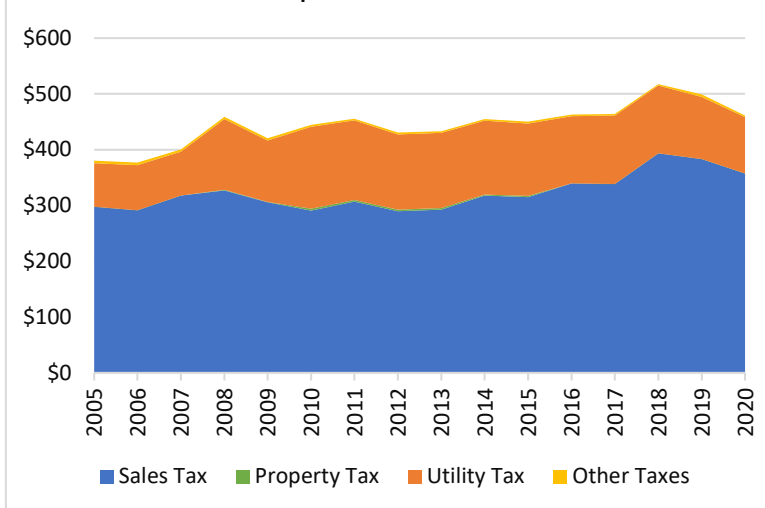
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	No	No	No	No	No

Tax Revenue per Citizen Breakdown



Florissant is the 12th most populated city in Missouri, and the city's tax-revenue-per-citizen value ranks 18th out of the 20 largest cities in the state. Florissant does not provide any of the services tracked in the table above and likely relies on the county to provide services to city residents. The City of Florissant does not levy a property tax.²

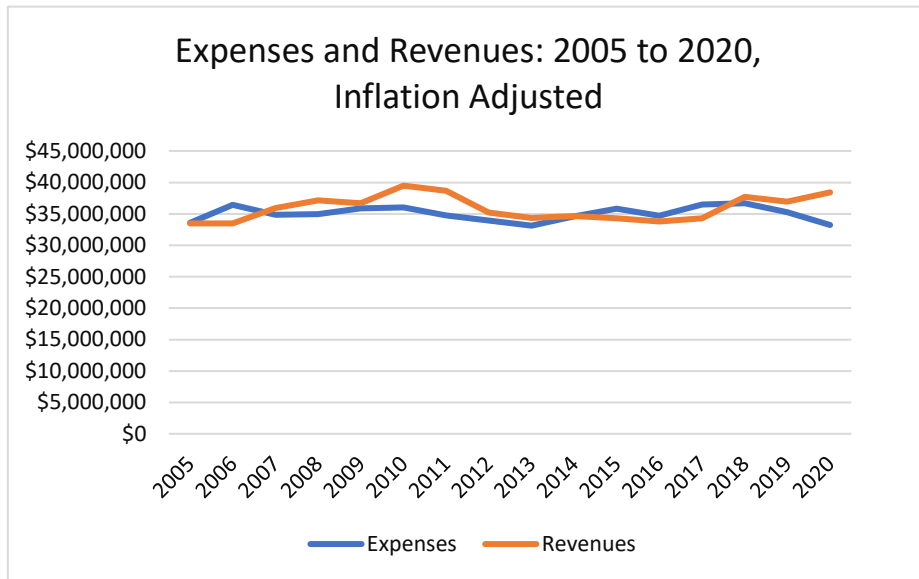
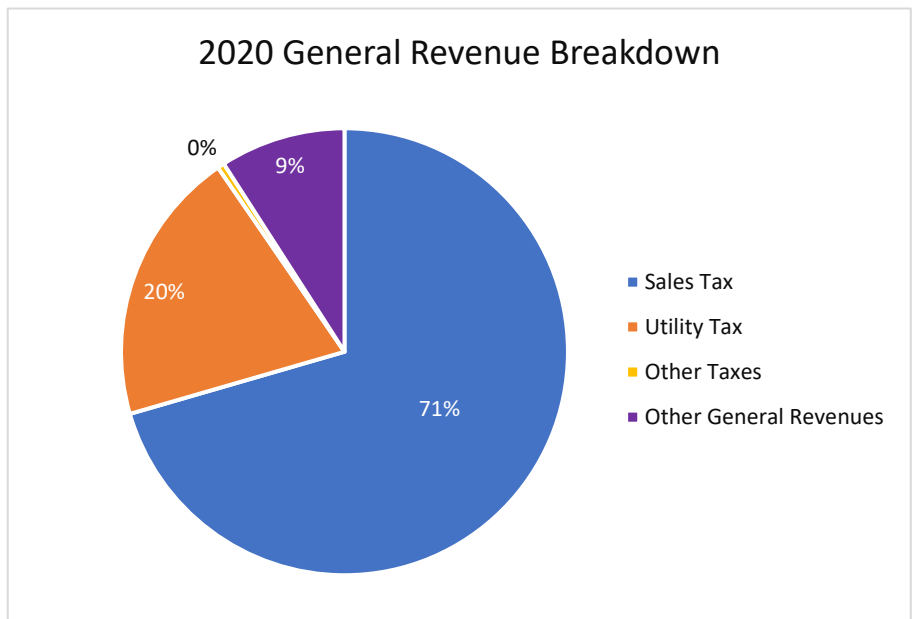
Tax Revenue per Citizen: 2005 to 2020



Even with the exclusion of property taxes from most of the above graph, Florissant has seen its tax-revenue-per-citizen value grow over the last 15 years. Sales taxes have consistently comprised most of that value. Florissant is part of the St. Louis County sales tax pool, meaning it receives a portion of revenues from the general 1% sales tax based on a formula that gives significant weight to population. The city also levies additional sales taxes.

² There is a separate property tax levied on some property by a governmental component unit, a legally separate organization for which the primary government officials are fiscally accountable, called the Industrial Development Authority. For the sake of consistency with the data reported on other cities in this report, these revenues are not included in the 2020 numbers displayed in this publication.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales taxes make up a large percentage of Florissant's general revenues. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success.



Between 2005 and 2020, there were several years when Florissant's reported expenses exceeded reported revenues. This is not a sign of good fiscal health. Keeping revenues above expenses is one way to promote long-term growth and success.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. Florissant did not report any tax abatements in 2020. While this doesn't necessarily mean that there weren't opportunities available for tax abatement, it's a positive that all individuals and companies contributed their fair share of tax dollars.

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Florissant has one plan for employees and it has been closed to new entrants since December 31, 2000. This pension plan is 88.55% funded.

Fiscal Year 2020 Net Pension Liability: \$1,230,328

Fiscal Year 2020 Pension Expenses: -\$447,675

Independence

Jackson County

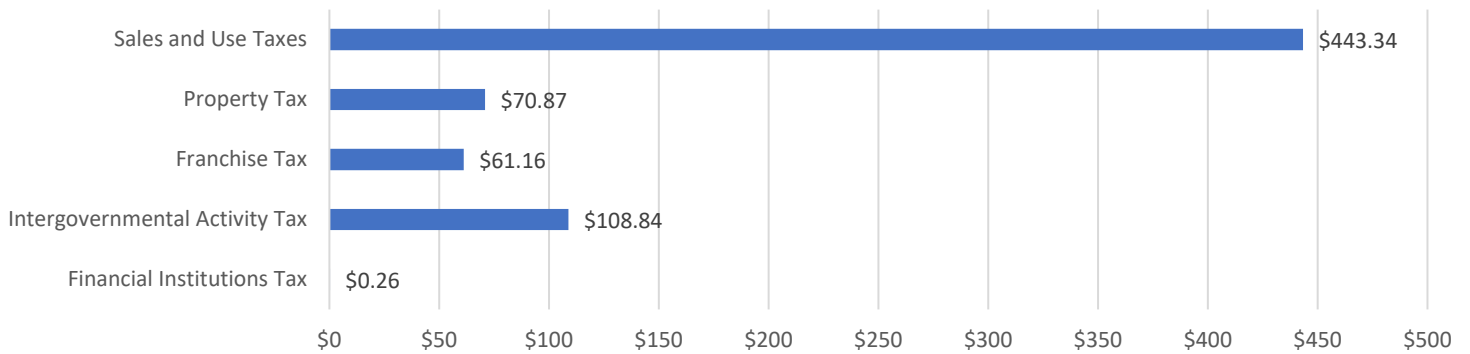
2020 Population: 123,011

Tax Revenue per Citizen: \$684.47

Services Provided

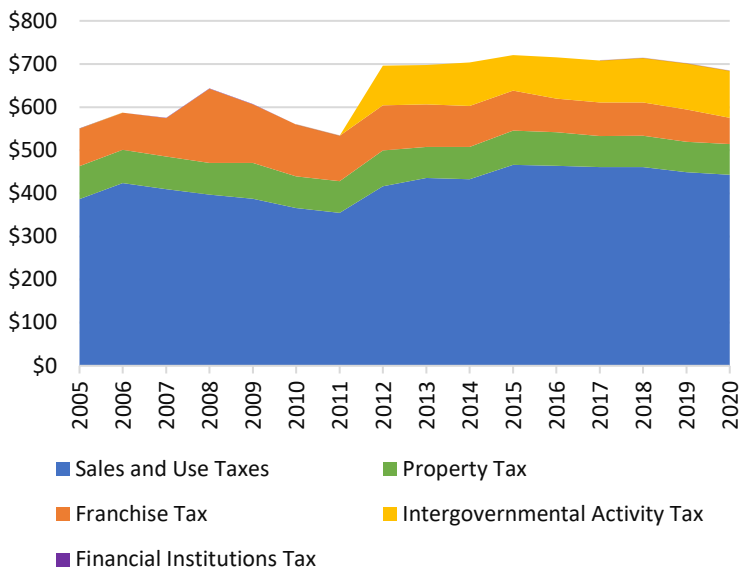
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	No	Yes	Yes	Yes	Yes	Yes

Tax Revenue per Citizen Breakdown



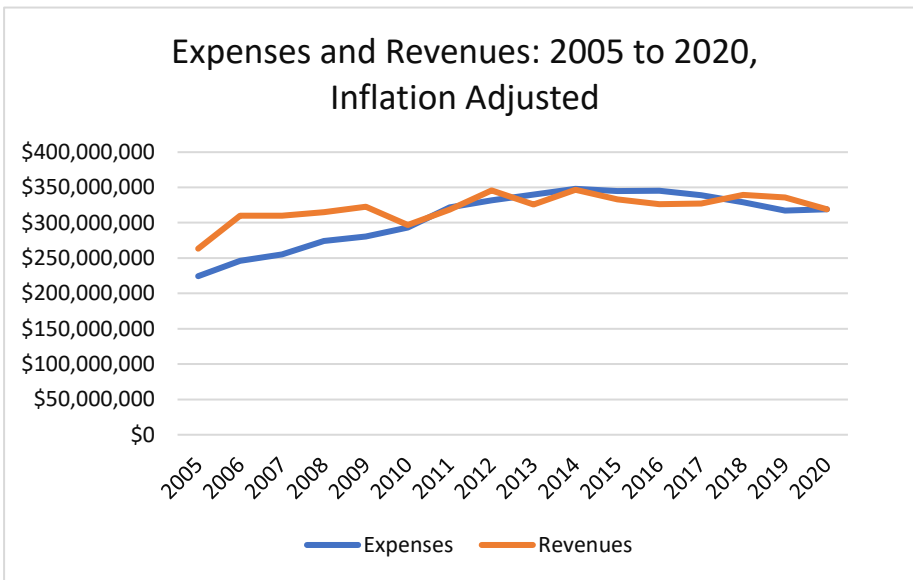
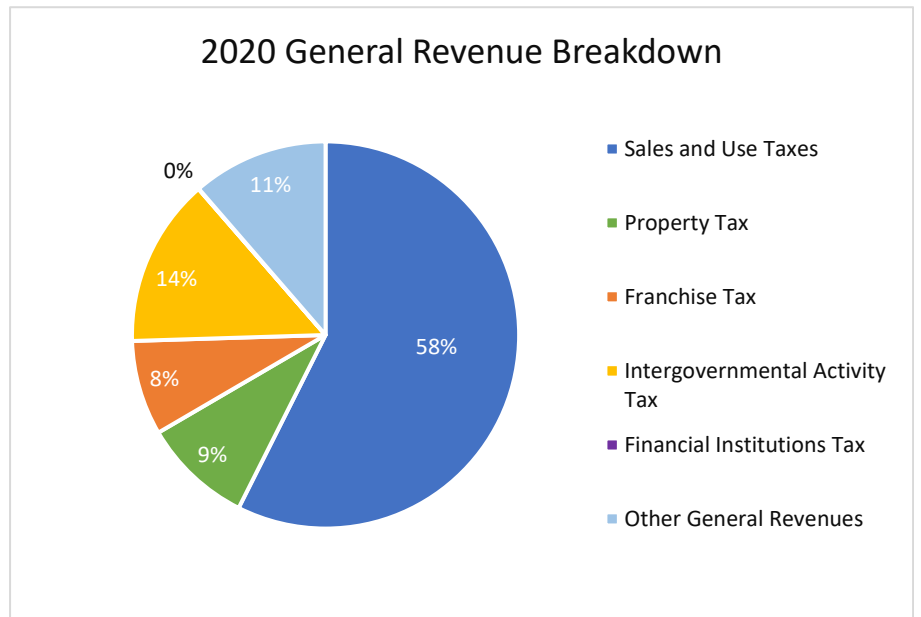
Independence is the 5th most populated city in Missouri and the city's tax-revenue-per-citizen value ranks 13th among the 20 largest cities in the state. Independence's tax revenue per citizen is about average considering the city's size and the services it provides. Independence provides many utility services and has a city fire department.

Tax Revenue per Citizen: 2005 to 2020



Independence's tax revenue per capita value is mostly comprised of sales and use tax revenue. The city has a sales tax rate of 2.25%. The utility franchise tax is levied on water, gas, telephone, electricity, and cable utilities.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales and use taxes make up a large percentage of general revenues, though not as large a percentage as in many other cities. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success.



In several of the last 15 years Independence's reported expenses have been higher than reported revenues. This is not indicative of fiscal health. Controlling expenses so that they are consistently below revenues could lead to long-term growth and financial stability.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 10.09% of total tax revenue collected in 2020. This is high compared to the other cities. It's not ideal for Independence to forgo so much tax revenue by giving some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$8,492,943

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Independence has pension obligations for the Missouri Local Government Employees System. This pension plan is 83.12% funded.

Fiscal Year 2020 Net Pension Liability: \$94,576,057

Fiscal Year 2020 Pension Expenses: \$19,651,065

Jefferson City

Cole County

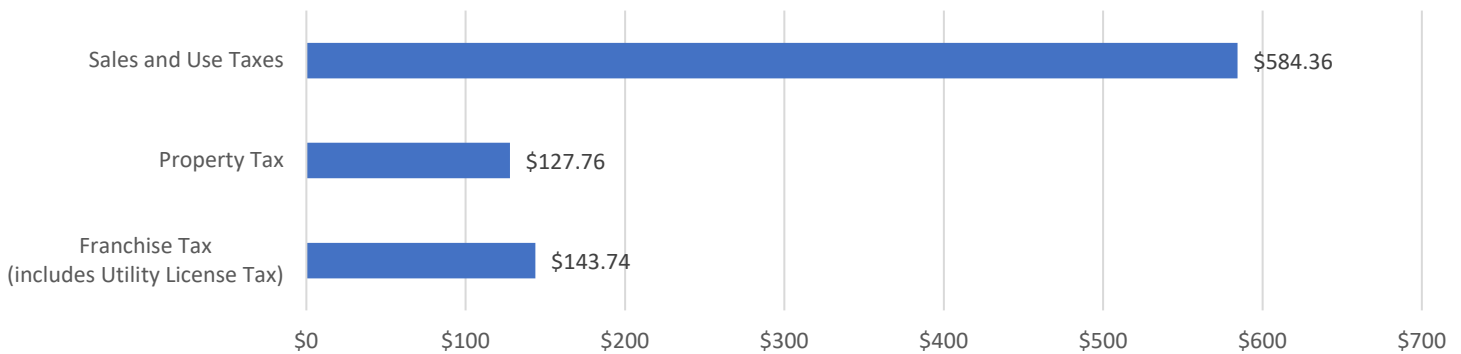
2020 Population: 42,228

Tax Revenue per Citizen: \$855.86

Services Provided

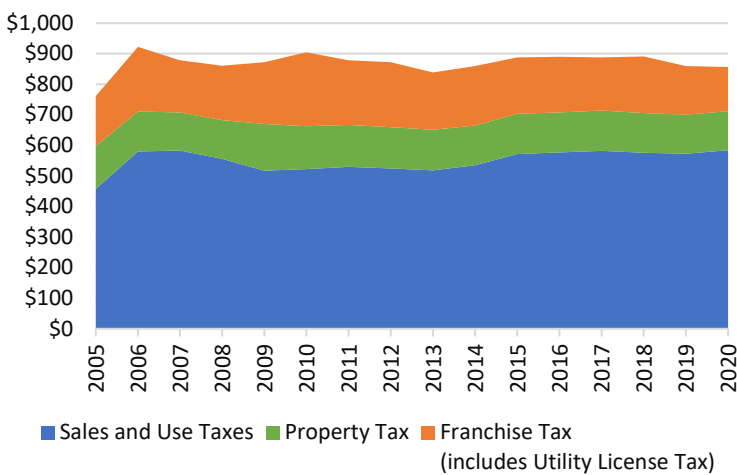
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	Yes	Yes	No	No	No	Yes

Tax Revenue per Citizen Breakdown



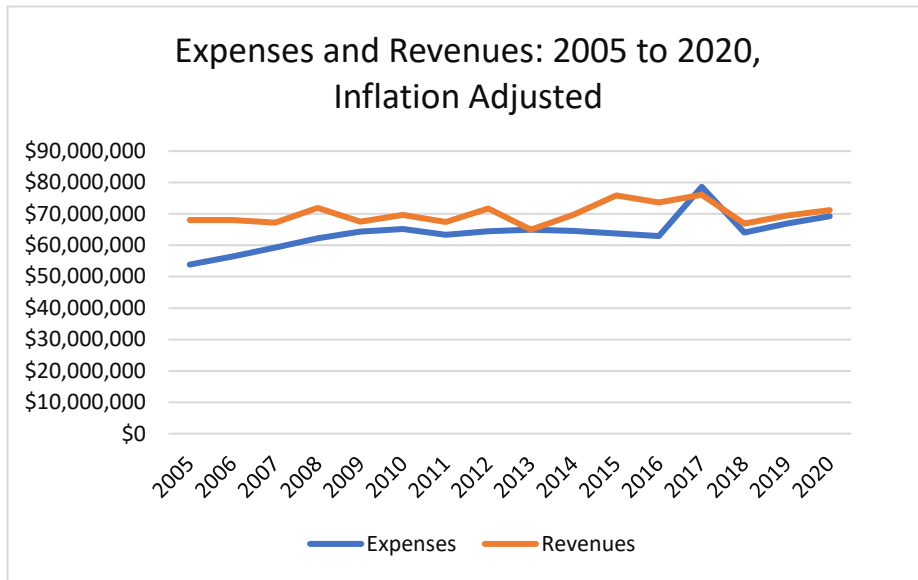
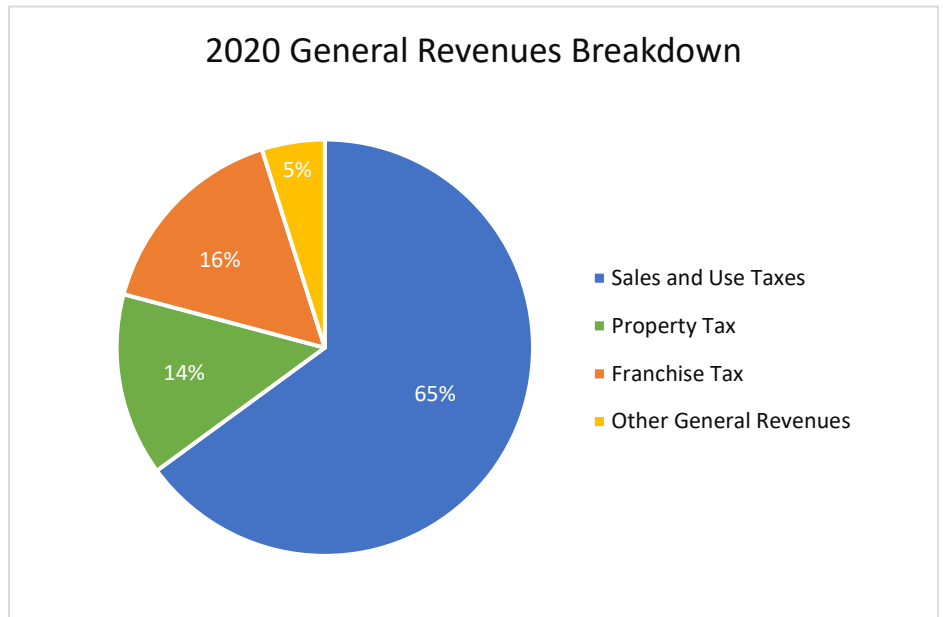
Jefferson City is the 16th most populated city in Missouri, and the city's tax-revenue-per-citizen value ranks 10th among the 20 largest cities. Jefferson City provides a few of the main services tracked in the table above, including a city fire department, an airport, and transit services.

Tax Revenue per Citizen: 2005 to 2020



Jefferson City's tax revenue per citizen has remained relatively steady over the last 15 years. Sales and use taxes make up a large portion of tax revenue. Jefferson City's city sales tax rate is 2%. The franchise tax is a gross receipts tax on telephone, gas, electricity, and a few other utilities.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales and use taxes make up a large percentage of Jefferson City's general revenues. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success. Property taxes tend to be more stable, so at least 14 percent of general revenues will likely be stable. Like Columbia, Jefferson City could have difficulty relying on property taxation when much of the property in the city is owned by the State of Missouri and is tax exempt.



Jefferson City has generally reported higher revenues than expenses over the last 15 years. In 2017, public safety expenses were several million dollars above previous years, which seems to have pushed expenses above revenues in that year. It is a sign of fiscal health to consistently have higher revenues than expenses.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.24% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$90,615

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Jefferson City has pension obligations for the Missouri Local Government Employees System. This pension plan is 90.20% funded.

Fiscal Year 2020 Net Pension Liability: \$16,007,746

Fiscal Year 2020 Pension Expenses: \$266,654

Joplin

Jasper and Newton Counties

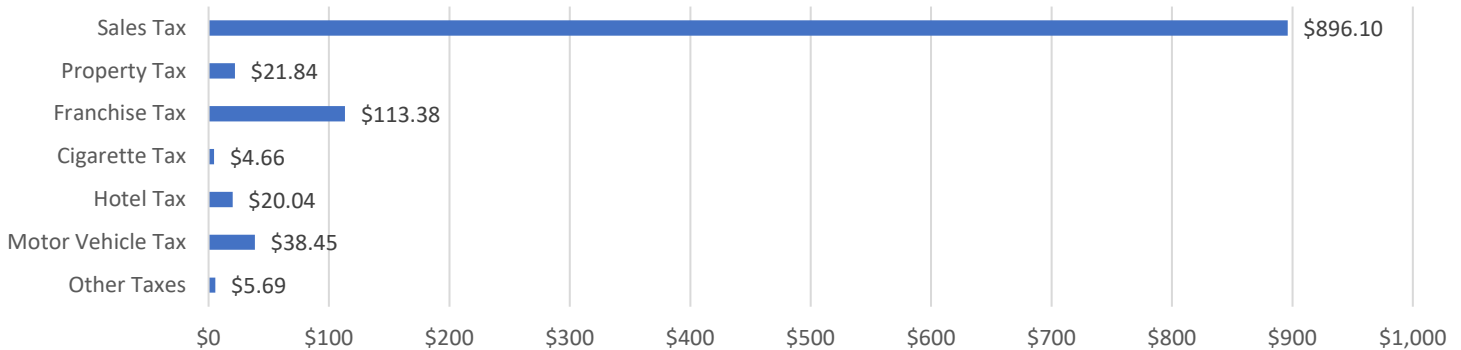
2020 Population: 51,762

Tax Revenue per Citizen: \$1,001.15

Services Provided

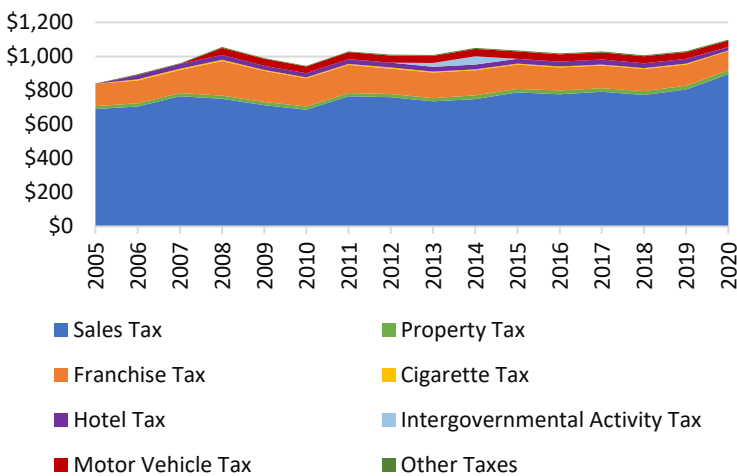
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	Yes	No	No	No	No

Tax Revenue per Citizen Breakdown



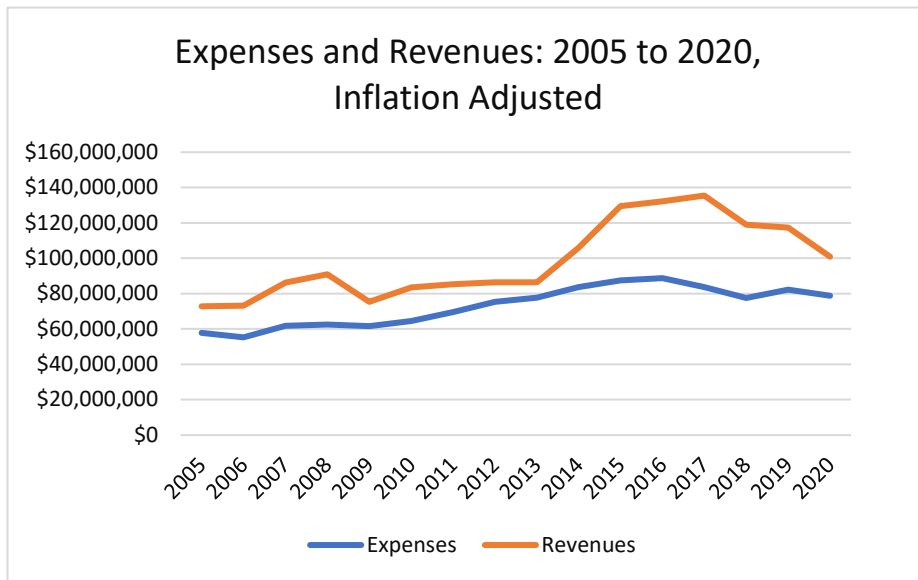
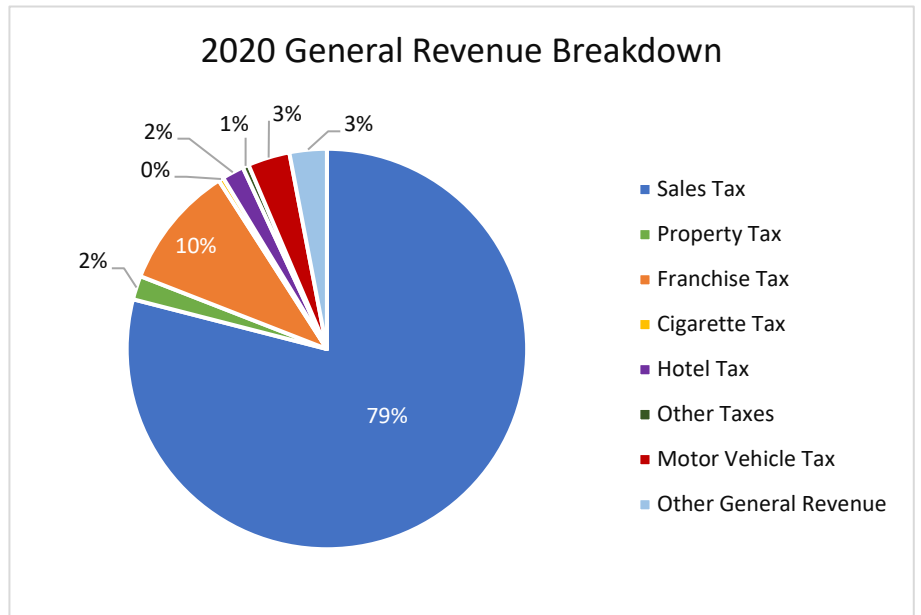
Joplin is Missouri's 13th most populated city, and its tax-revenue-per-citizen value ranks 6th among the 20 largest cities in the state. Joplin's tax-revenue-per-citizen value is relatively high given that the city does not provide all major services. Joplin does provide a fire department, health department, and airport for its citizens.

Tax Revenue per Citizen: 2005 to 2020



Sales taxes have consistently made up a very large portion of Joplin's tax-revenue-per-citizen value, which has increased in the last 15 years. Joplin's city sales tax rate is 3.125%. Joplin also has a franchise tax on utilities and a 4% hotel/motel tax.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Joplin's general revenue is extremely reliant on sales tax revenue. Sales and use tax revenue streams can be volatile, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for Joplin's long-term financial stability and success.



Joplin's reported revenues have consistently been higher than reported expenses. This is indicative of good fiscal health. Joplin should continue these smart financial practices to ensure long-term financial success.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.05% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$26,498³

³ A typo in Joplin's 2020 CAFR reports taxes abated in connection with the Enhanced Enterprise Zone program as \$16,6504. Because the exact amount of taxes abated from this program is not known, it was not included in this total. Therefore, this total is lower than the actual amount of taxes abated by Joplin in 2020.

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Joplin has pension obligations for the Missouri Local Government Employees System and the Policemen's and Firemen's Pension Plan. Respectively, these plans are 98.91% funded and 61.75% funded.

Fiscal Year 2020 Net Pension Liability: \$28,000,479

Fiscal Year 2020 Pension Expenses: \$7,154,093

Kansas City

Jackson, Clay, Platte, and Cass Counties

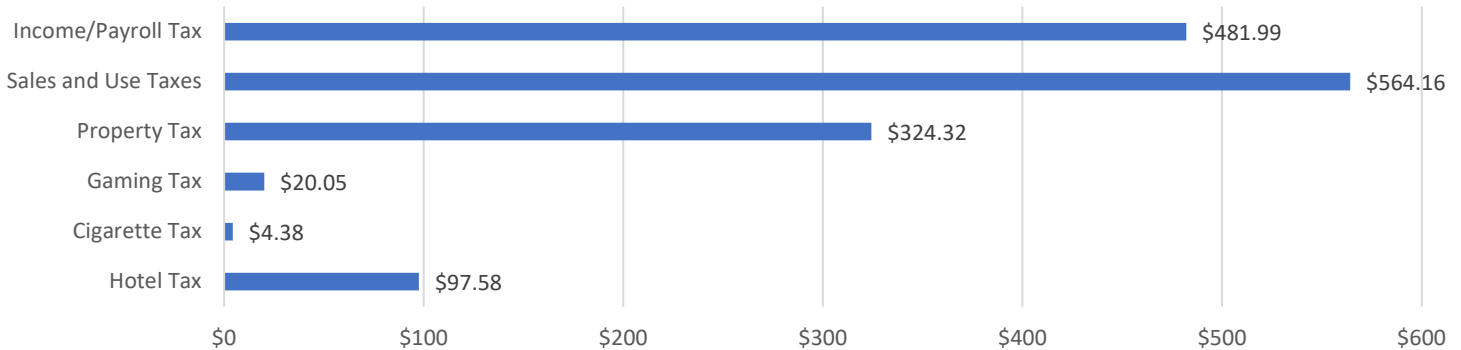
2020 Population: 508,090

Tax Revenue per Citizen: \$1,492.48

Services Provided

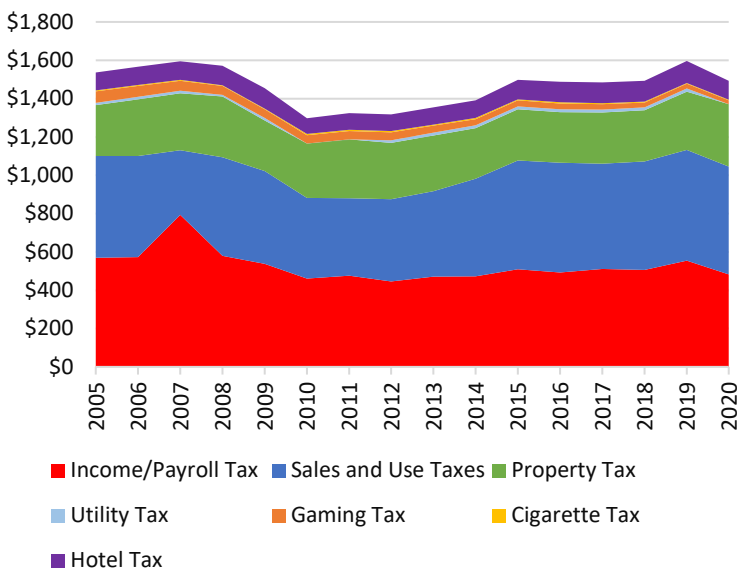
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	Yes	Yes	No	Yes	No

Tax Revenue per Citizen Breakdown



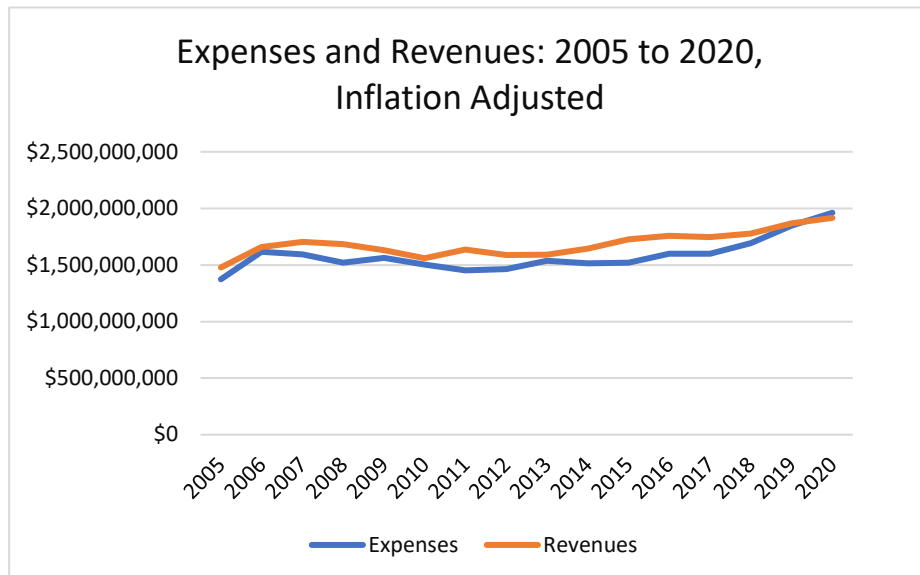
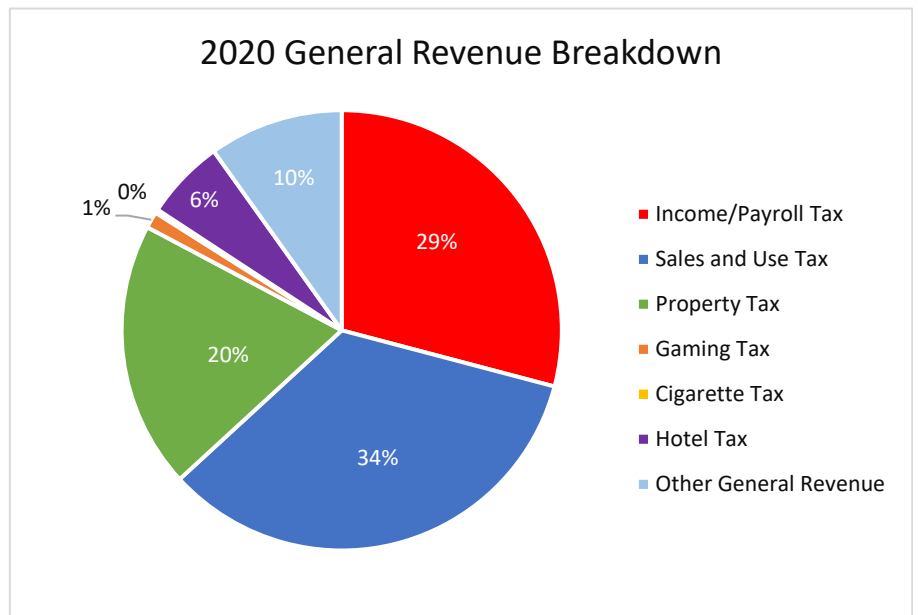
Kansas City is the most populated city in Missouri, and the city's tax-revenue-per-citizen value ranks 2nd among the 20 largest cities. As noted in the introduction, the tax revenue per citizen number is likely inflated by the amount of tourism and daily commuters in the city. Kansas City is one of only two cities in Missouri that has a local income tax and provides almost all major services listed above.

Tax Revenue per Citizen: 2005 to 2020



The earnings tax and sales and use taxes make up a large portion of the tax-revenue-per-citizen value each year. Kansas City's local income tax is 1% and city sales tax rate is 3%. The city also receives a significant amount of revenue from property taxes, especially compared to other large cities in Missouri.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Though Kansas City's general revenue is not overwhelmingly reliant on any one form of taxation, the city's reliance on income and sales taxes may be problematic. Income and sales tax revenue streams tend to be more volatile than property taxes, for example, meaning they are more prone to dramatic swings. A heavy reliance on these forms of taxation may not be good for Kansas City's long-term financial stability and success.



Over the past 15 years, Kansas City's reported revenues have been above reported expenses until the last few years. Expenses seem to have increased at a faster rate than revenues since 2018. Kansas City should reverse this trend for the sake of long-term financial health.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 10.50% of total tax revenue collected in 2020. This is highest value of the cities in this report. It's not great practice for Kansas City to forgo so much tax revenue by giving some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$79,632,230

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Kansas City has pension obligations for the Employees' Retirement System, Firefighter's Pension System, Civilian Employee' Retirement System of the Police Department of Kansas City, Missouri, and Police Retirement System of Kansas City, Missouri. Respectively, these pension plans are 83.75% funded, 70.09% funded, 77.14% funded, and 70.99% funded.

Fiscal Year 2020 Net Pension Liability: \$870,059,000

Fiscal Year 2020 Pension Expenses: \$138,656,000

Lee's Summit

Jackson and Cass Counties

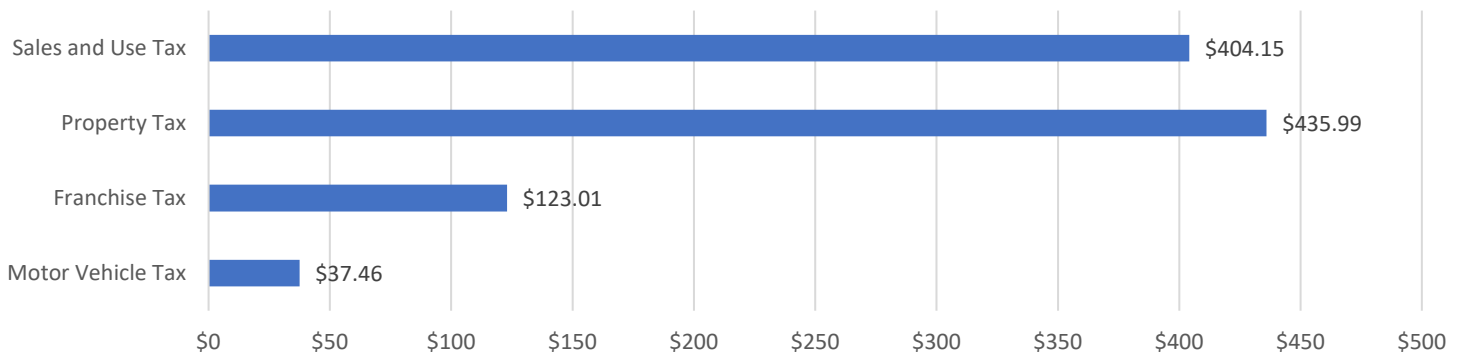
2020 Population: 101,108

Tax Revenue per Citizen: \$1,000.61

Services Provided

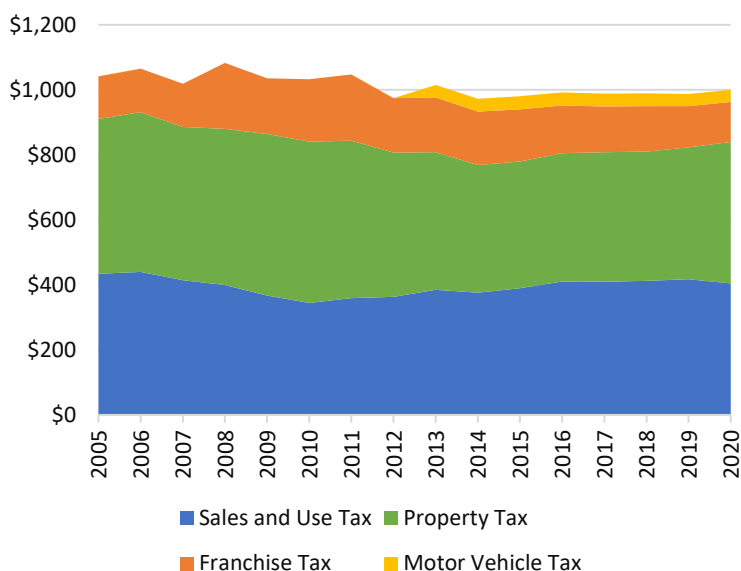
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	Yes	Yes	Yes	No	Yes	No

Tax Revenue per Citizen Breakdown



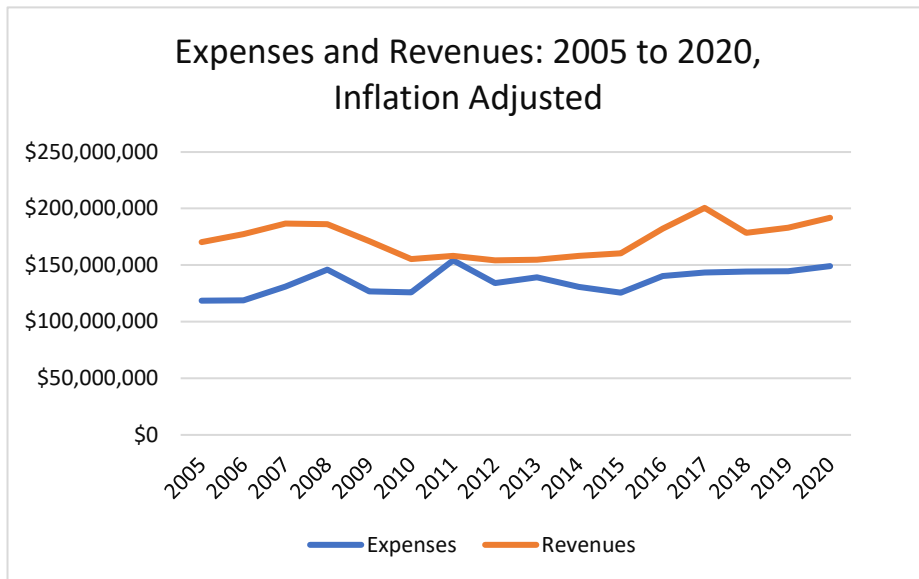
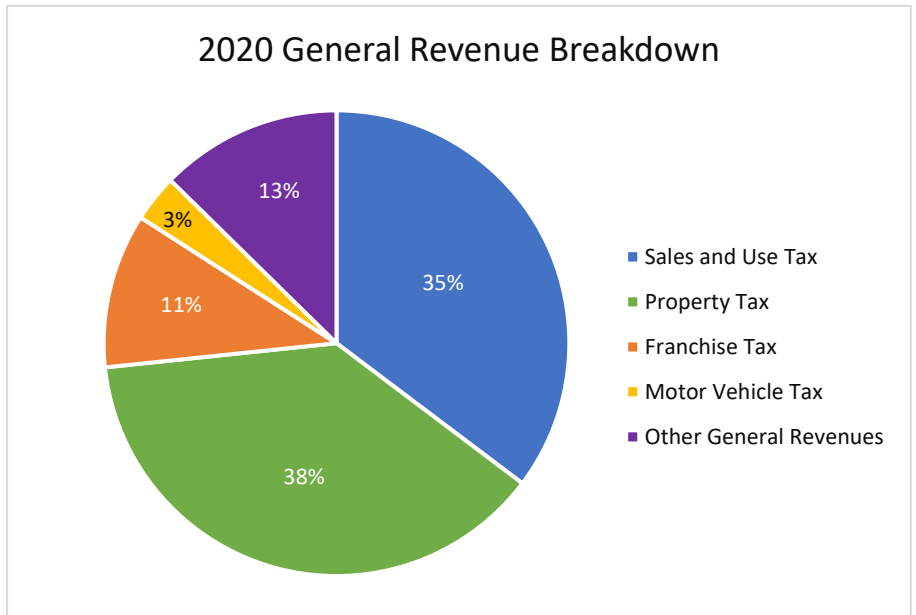
Lee's Summit is the 6th most populated city in Missouri, and the city's tax revenue per citizen ranks 6th among the 20 largest cities in Missouri. Lee's Summit provides many, but not all, common services to its citizens, which may explain the high revenue-per-citizen value.

Tax Revenue per Citizen: 2005 to 2020



Unlike the other cities in this publication, Lee's Summit relies most heavily on property taxes. Lee's Summit property tax levy rate was \$1.4563/\$100 in 2020. Sales and use tax revenue make up the next largest portion, followed by franchise tax revenue. The city's sales tax is 2.25%, and the franchise tax is on natural gas, electric, cable TV, and telephone utilities.

The largest portion of Lee’s Summit general revenues came from property taxes. Property tax revenue streams tend to be more stable than revenue streams from sales taxes, so it’s better for financial stability to rely more heavily on property taxes. Like most cities, Lee’s Summit also receives a lot of general revenue funds from sales and use taxes.



Lee’s Summit has consistently reported revenues that are higher than reported expenses. This is indicative of good fiscal health. The city should continue this trend to ensure long-term stability and success.

Tax Abatements

A tax abatement is a reduction of an individual’s or company’s level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 6.85% of total tax revenue collected in 2020. This is high compared to the other cities. It’s not great practice for Lee’s Summit to forgo so much tax revenue by giving some businesses and individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$7,035,241

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Lee’s Summit has pension obligations for the Missouri Local Government Employees Retirement System. The city has a net pension asset because the plan is overfunded at 109.45% funded.

Fiscal Year 2020 Net Pension Asset: \$20,548,406

Fiscal Year 2020 Pension Expenses: \$3,967,789

O'Fallon

St. Charles County

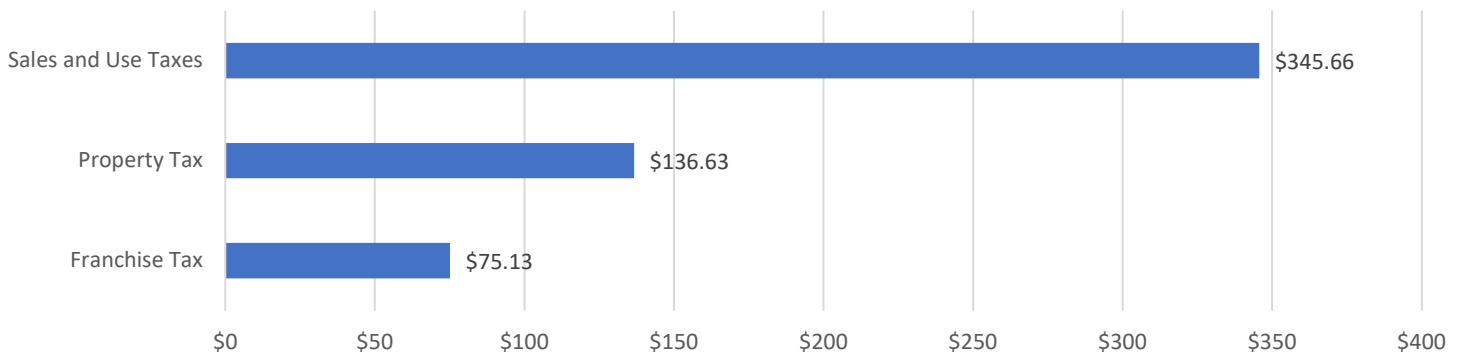
2020 Population: 91,316

Tax Revenue per Citizen: \$557.42

Services Provided

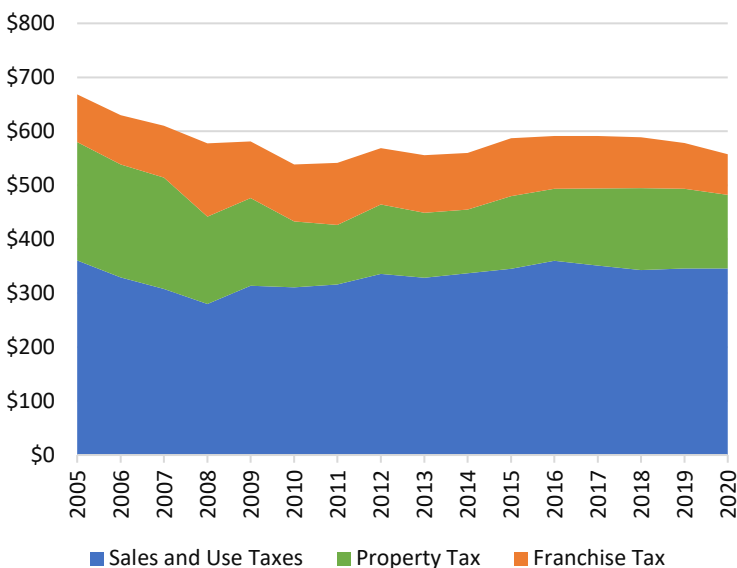
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	Yes	Yes	No	Yes	No

Tax Revenue per Citizen Breakdown



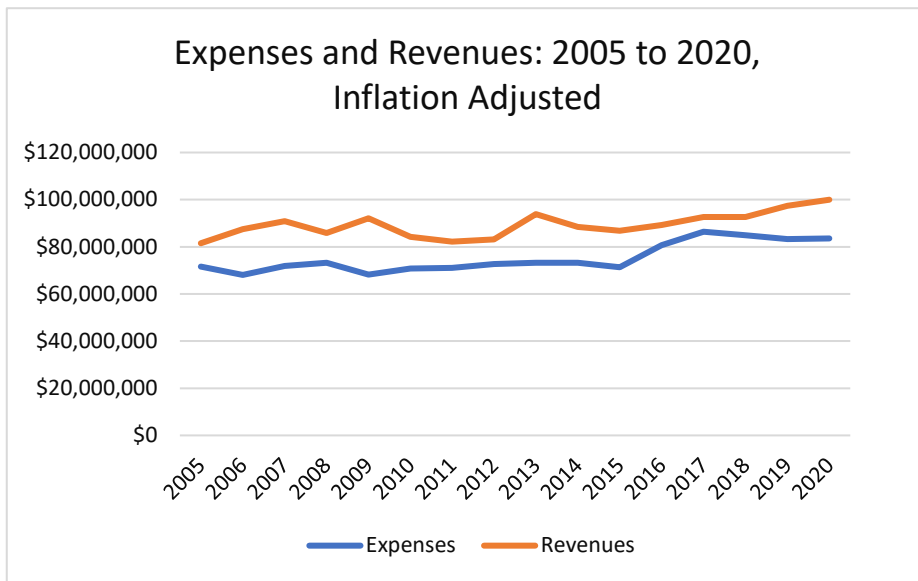
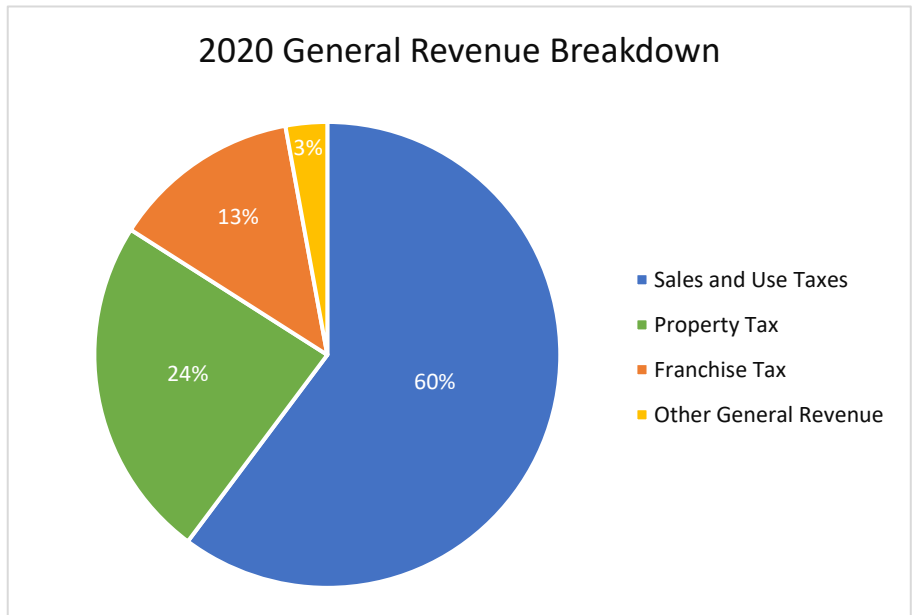
O'Fallon is the 7th most populated city in Missouri, and the city's tax revenue per citizen ranks 15th among the 20 largest cities. This is a relatively low tax-revenue-per-citizen value given the population, but O'Fallon provides very few of the services tracked above. For example, O'Fallon does not have a city fire department, a health department, or transit services.

Tax Revenue per Citizen: 2005 to 2020



Sales and use tax revenues have consistently been the largest contributor to the city's tax-revenue-per-citizen value. The city of O'Fallon currently has a 2% sales tax. The city also receives large amounts of revenue from the property tax and franchise tax, which applies to those supplying electricity, gas, water, telephone, and other utilities within the city.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales and use taxes made up 60% of O'Fallon's general revenues in 2020. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success. However, property tax revenue, which tends to be more stable, makes up a large share of O'Fallon's general revenues compared to other cities.



O'Fallon's reported revenues and expenses have been on a slight upward trend over the last 15 years. Revenues have consistently remained above expenses, which is indicative of good fiscal health.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.09% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$47,215

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. O'Fallon has pension obligations for the Missouri Local Government Employees Retirement System. The city has a net pension asset because the plan is overfunded at 102.28% funded.

Fiscal Year 2020 Net Pension Asset: \$1,812,697

Fiscal Year 2020 Pension Expenses: \$2,737,052

Springfield

Greene County

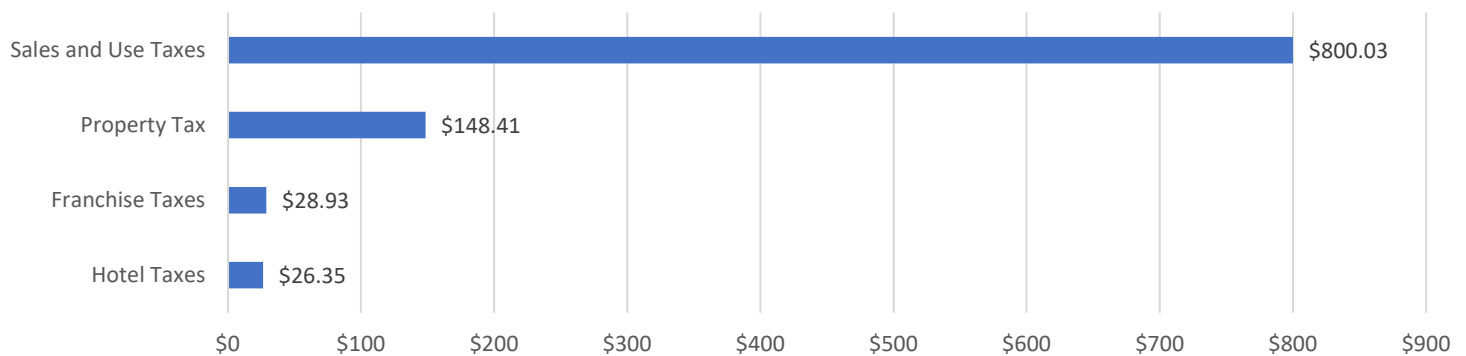
2020 Population: 169,176

Tax Revenue per Citizen: \$1,003.72

Services Provided

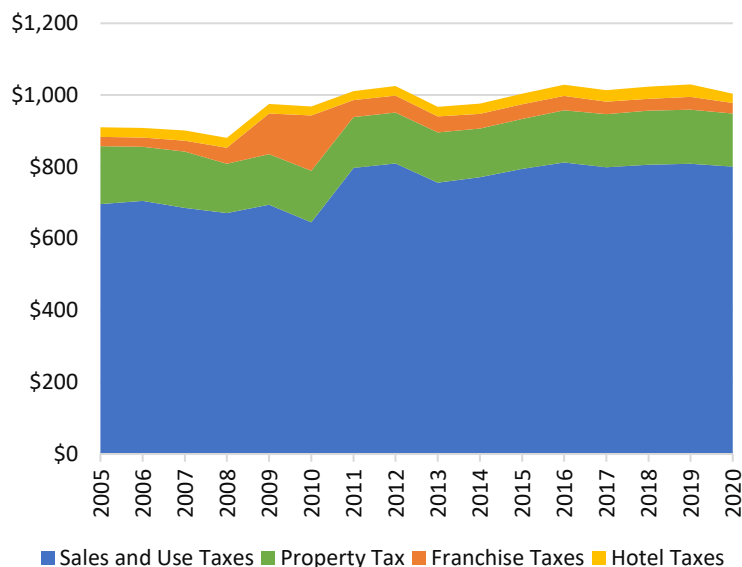
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Tax Revenue per Citizen Breakdown



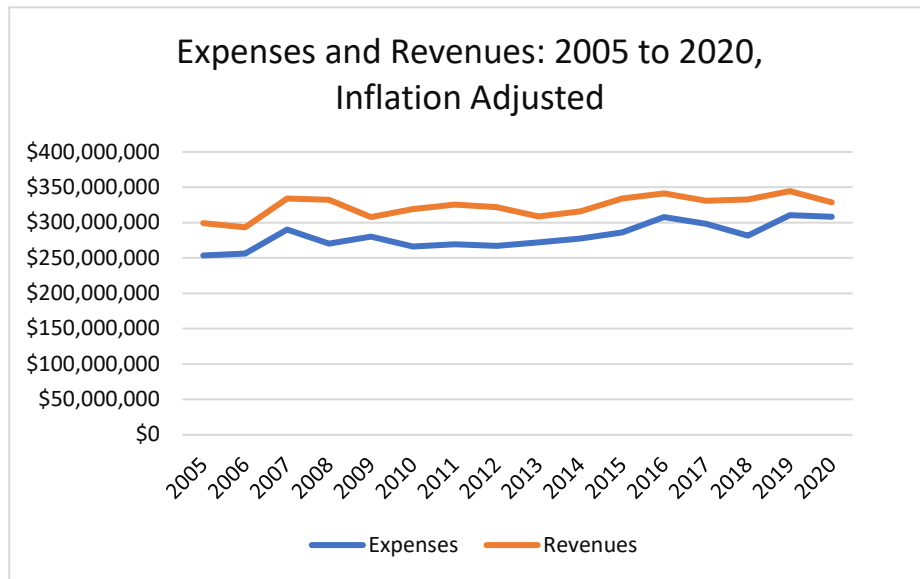
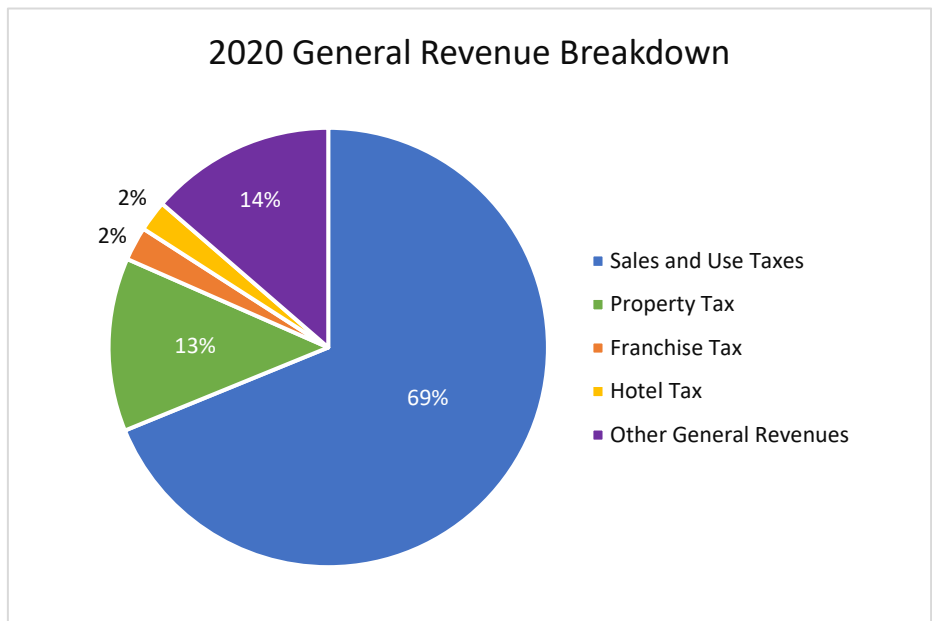
Springfield is the 3rd most populated city in Missouri, and the city's tax revenue per citizen ranks 4th among the 20 largest cities in the state. Springfield provides all the services tracked in the table above, which may help to explain the high tax-revenue-per-citizen value. Some of these services include the city fire department, health department, airport, and major utilities. Springfield is, in fact, the only city on this list that provides every major utility service (gas, water, and electricity).

Tax Revenue per Citizen: 2005 to 2020



Sales tax collections have comprised most of the tax-revenue-per-citizen value for the past 15 years. The city sales tax rate is 2.125%. Property tax revenue provides the next-largest portion of tax revenue.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales and use taxes made up nearly 70% of Springfield's general revenue in 2020. Sales and use taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. A heavy reliance on this form of taxation may not be good for long-term stability and success.



Springfield's reported revenues have been consistently higher than reported expenses. This is generally a sign of good fiscal health and keeping this trend will help to ensure the city's long term financial success.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 3.57% of total tax revenue collected in 2020. This is about average compared to the other cities. It's not great practice for Springfield to forgo so much tax revenue by giving some businesses and individuals tax breaks while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$6,067,623

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Springfield has pension obligations for the Missouri Local Government Employees Retirement System and the Police Officers' and Fire Fighters' Retirement System. Respectively, these pension plans are 95.70% funded and 79.72% funded.

Fiscal Year 2020 Net Pension Liability: \$139,545,338

Fiscal Year 2020 Pension Expenses: \$63,651,730

St. Charles

St. Charles County

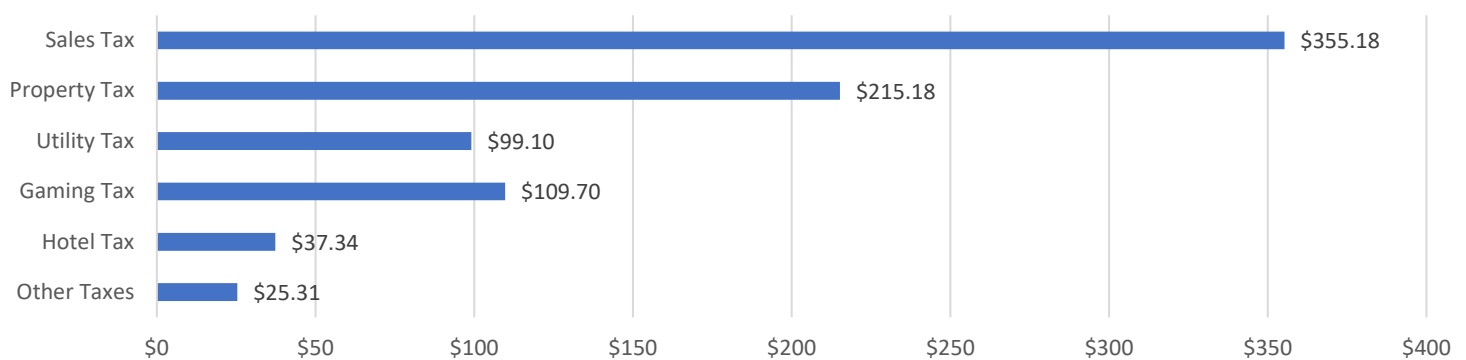
2020 Population: 70,493

Tax Revenue per Citizen: \$841.82

Services Provided

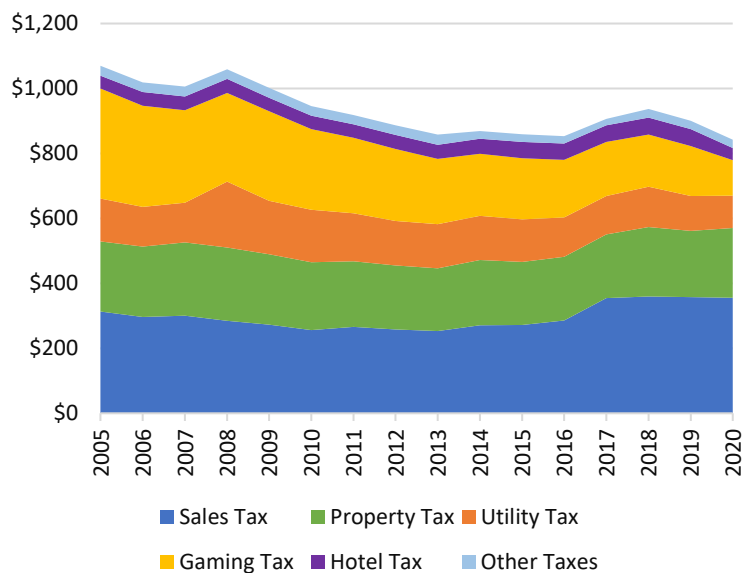
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	No	Yes	Yes	No	No	No

Tax Revenue per Citizen Breakdown



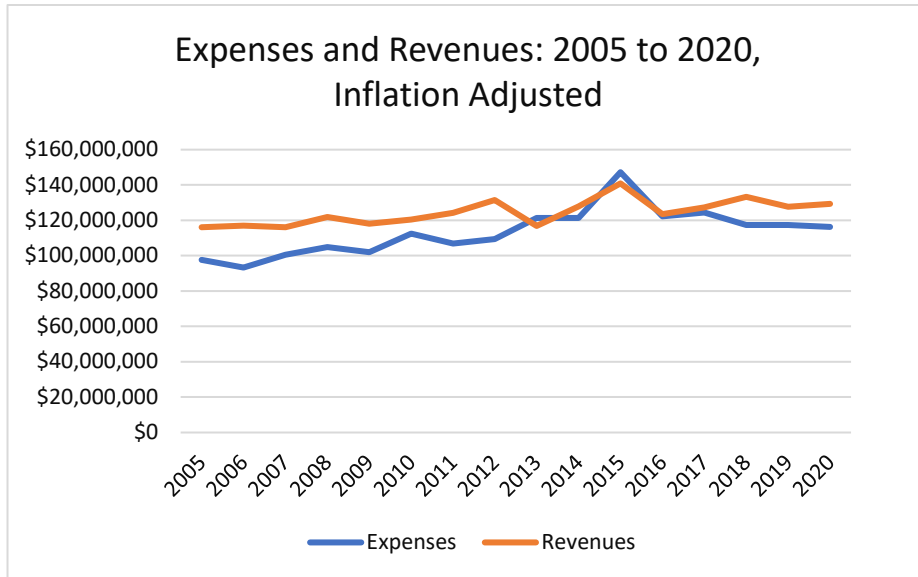
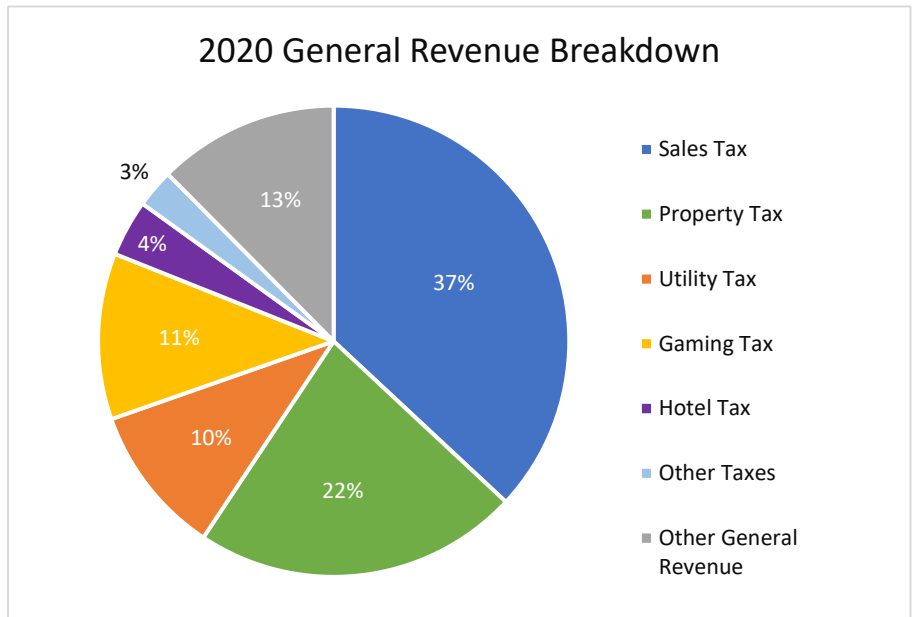
St. Charles is the 9th most populated city in Missouri and the city's tax revenue per citizen ranks 11th among the 20 largest cities in the state. St. Charles only provides a few of the services tracked in the table above, including a city fire department and sewer and water utilities. It is likely that the county or independent taxing districts provides many of the other services.

Tax Revenue per Citizen: 2005 to 2020



St. Charles' tax-revenue-per-citizen value has been generally trending downward since 2005. In recent years, the largest contributor to this value has been sales tax revenue. A new 0.5% sales tax was enacted in the city in 2017, which may account for the increase in sales tax collections in recent years. The utility tax is applied to the gross receipts of commercial and domestic electricity, natural gas, and telephone services. The gaming tax revenue comes from the casino located in the city, but revenue from this stream has been declining.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. St. Charles receives general revenue from a variety of sources. The largest contributor in 2020 was sales taxes, but these taxes do not make up as large a portion of revenue as in many other cities. These types of taxes tend to have volatile revenue streams, so it is beneficial to the city to have more diversified contributions. In an attempt to reduce reliance on gaming taxes for general revenue, the city has capped the amount of gaming tax revenue that goes into general revenue.



In the last 15 years, reported expenses have only exceeded reported revenues twice. It is generally a sign of good fiscal health for revenues to consistently be above expenses. In 2015, general government expenses increased dramatically. This city attributes this to an increase in pension costs from the implementation of Governmental Accounting Standards Board (GASB) No. 68 and GASB Statement No. 71.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. St. Charles did not report any tax abatements in 2020. While this doesn't necessarily mean that there weren't opportunities available for tax abatement, it's a positive that all individuals and companies contributed their fair share of tax dollars.

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. St. Charles has pension obligations for the Missouri Local Government Employees Retirement System. This pension plan is 96.29% funded.

Fiscal Year 2020 Net Pension Liability: \$7,160,317

Fiscal Year 2020 Pension Expenses: \$5,237,845

St. Joseph

Buchanan County

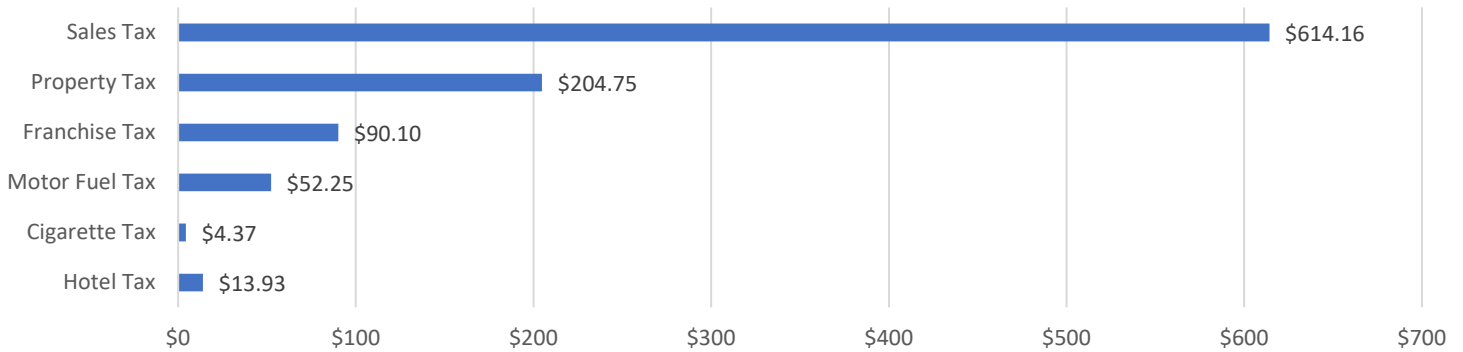
2020 Population: 72,473

Tax Revenue per Citizen: \$979.56

Services Provided

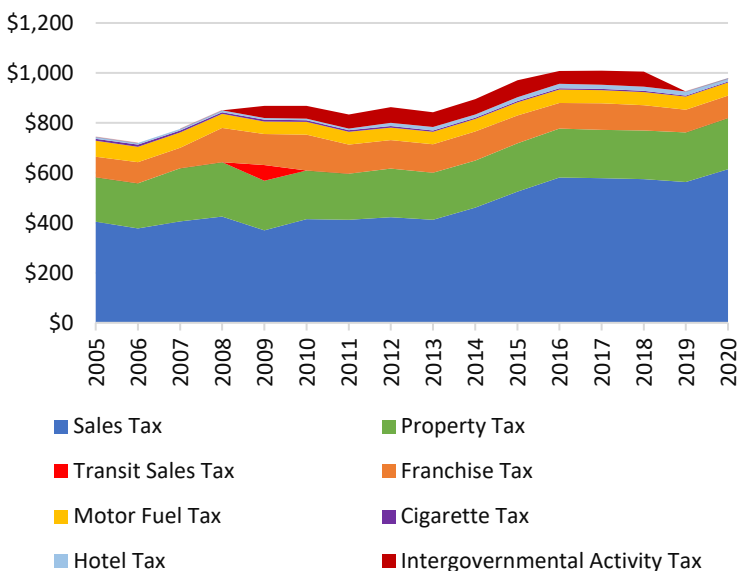
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	Yes	No	No	Yes	Yes

Tax Revenue per Citizen Breakdown



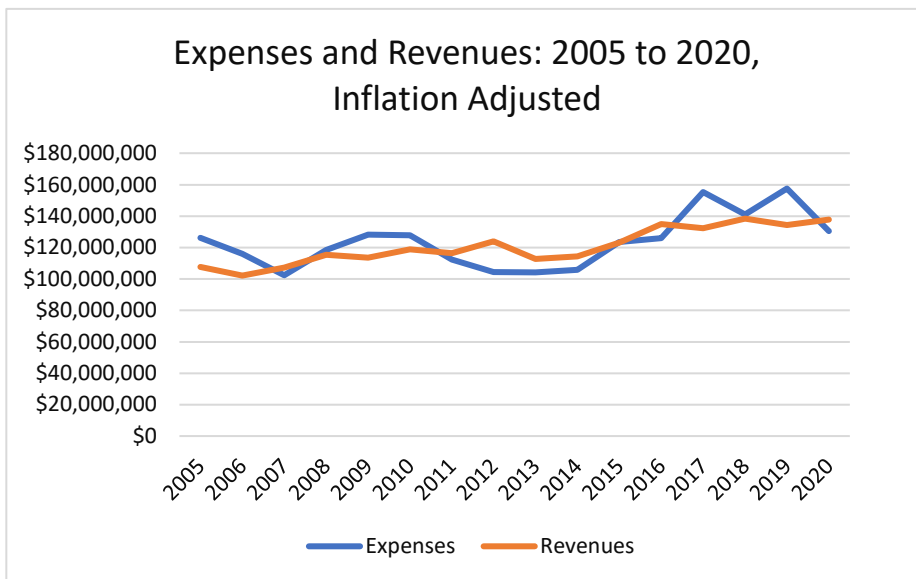
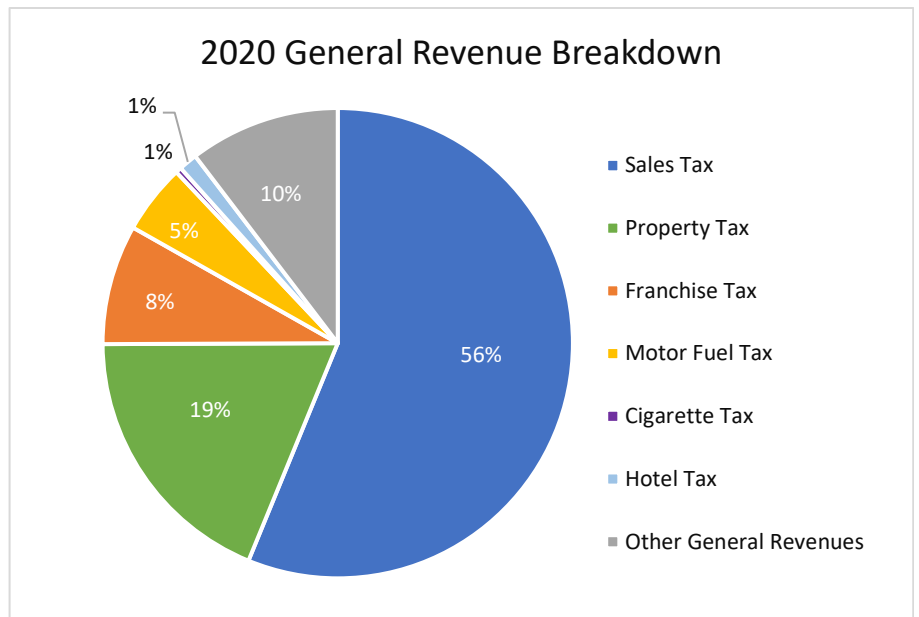
St. Joseph is the 8th most populated city in Missouri, and the city's tax-revenue-per-citizen value ranks 7th among the 20 largest cities in the state. St. Joseph provides many of the services tracked in the table above, including city fire and health departments, an airport, and transit services. This may explain the high tax-revenue-per-citizen number.

Tax Revenue per Citizen: 2005 to 2020



St. Joseph's tax-revenue-per-citizen value has been increasing steadily over the last 15 years. Sales taxes have consistently comprised a large portion of this value. The city's general sales tax is 2.875%. The franchise tax is collected from utility companies. Note that the transit sales tax is still collected in St. Joseph, but it was only reported separately in one year's CAFR.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales taxes comprise over 50% of St. Joseph's general revenue. Sales taxes can have volatile revenue streams, so a heavy reliance on this form of taxation may not be good for long-term stability and success. Property tax revenue tends to be more stable and makes up a larger portion of St. Joseph's general revenue than in many other cities.



St. Joseph's reported expenses have varied dramatically over the last 15 years. Often reported expenses were higher than reported revenues, which is not a sign of good fiscal health. In 2017 and 2019, the city attributed the increase in expenses to developers submitting significant amounts of certified costs for reimbursement through incentive programs.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 7.21% of total tax revenue collected in 2020. This is high compared to the other cities. It's not great practice for St. Joseph to forgo so much tax revenue by giving some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$5,116,388

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. St. Joseph has pension obligations for the Missouri Local Government Employees Retirement System and the Police Pension Fund. Respectively, these pensions funds are 76.82% funded and 112.21% funded.

Fiscal Year 2020 Net Pension Liability: \$43,604,033

Fiscal Year 2020 Pension Expenses: \$10,040,958

St. Louis

The City of St. Louis

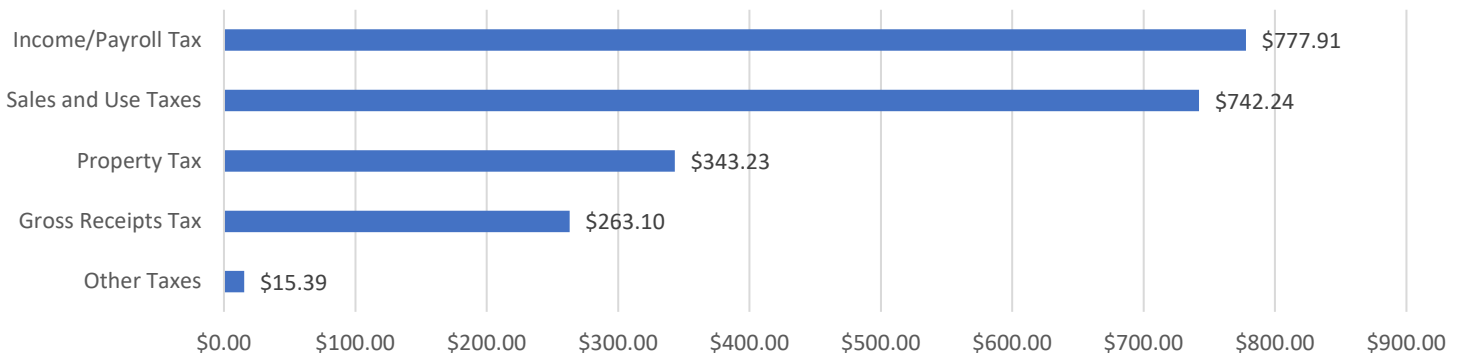
2020 Population: 301,578

Tax Revenue per Citizen: \$2,141.87

Services Provided

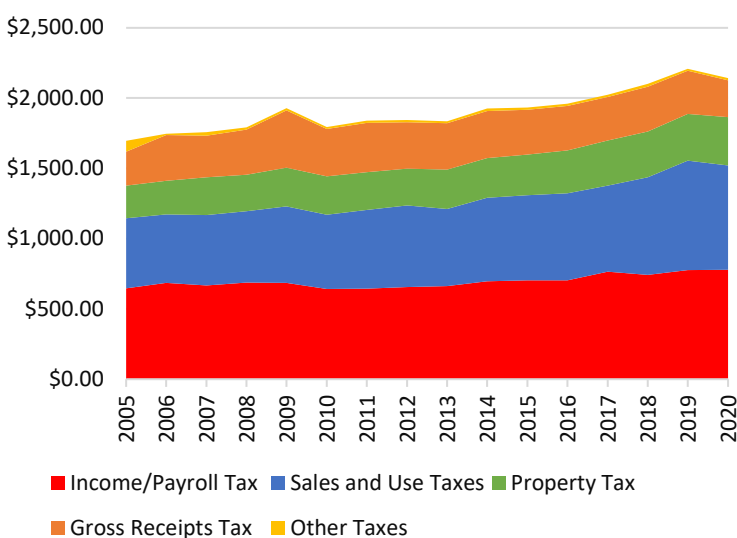
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	Yes	Yes	No	Yes	No	No	Yes

Tax Revenue per Citizen Breakdown



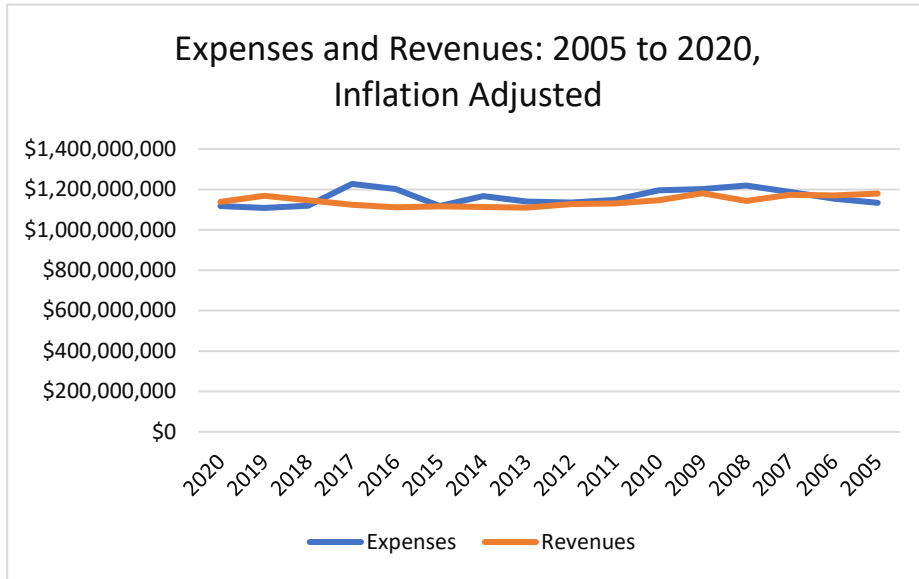
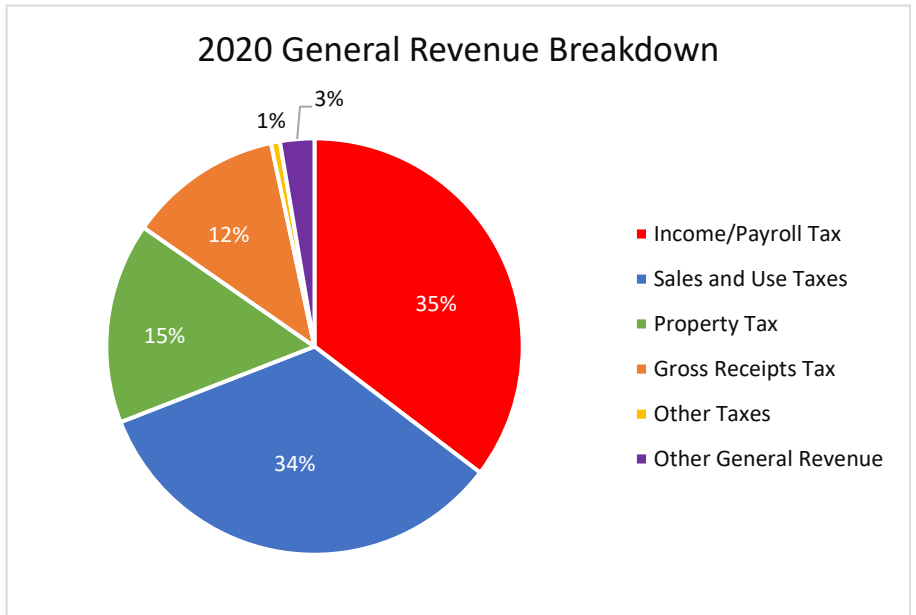
The City of St. Louis is the 2nd most populated city in Missouri and the city's tax-revenue-per-citizen value is the highest among the 20 largest cities in the state. In St. Louis, more than in smaller cities, it's reasonable to assume that this number is inflated due to the high number of visitors, both commuters and tourists, who pay taxes in the city but are not counted in population numbers. Additionally, the City of St. Louis is not within a county, so the city must provide services that may be provided by the county in other cities. St. Louis is also one of the two cities in Missouri that can implement a local income tax, known as the earnings tax.

Tax Revenue per Citizen: 2005 to 2020



The tax-revenue-per-citizen value has been increasing steadily in St. Louis since 2005, with income and sales and use taxes comprising a large portion. The earnings tax is a 1% tax imposed on the income of residents and on the income earned by nonresidents for services performed within the city. The city also has a 0.5% payroll tax on businesses. The city sales tax rate is 5.454%, which is significantly higher than other cities because it includes "county" sales taxes as well as city sales taxes. Furthermore, St. Louis is the only city where the school district is authorized to impose a sales tax.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. In 2020, The City of St. Louis's general revenues were mostly made up of income/payroll and sales and use tax revenue. These types of taxes can have volatile revenue streams, meaning they are more prone to dramatic swings. It may not be best for the long-term growth of the city for roughly 70% of its general revenues to come from these types of taxes.



Over the past 15 years, St. Louis's reported expenses were frequently higher than reported revenues. This was the case in 10 out of the last 15 years. This is not a sign of good fiscal health. St. Louis should reverse this trend for the sake of long-term financial success.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 3.92% of total tax revenue collected in 2020. This is high compared to the other cities. It's not great practice for St. Louis to give up so much tax revenue by giving some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$25,114,000

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. St. Louis has pension obligations for the Firemen's Retirement System of St. Louis, Firefighters' Retirement Plan, Police Retirement System of St. Louis, and the Employees Retirement System of the City of St. Louis. Respectively, these pension plans are 94.63% funded, 66.73% funded, 70.60% funded. (Data were not available to calculate the funding ratio of the Employees Retirement System of the City of St. Louis).

Fiscal Year 2020 Net Pension Liability: \$572,126,000

Fiscal Year 2020 Pension Expenses: \$74,861,000

St. Peters

St. Charles County

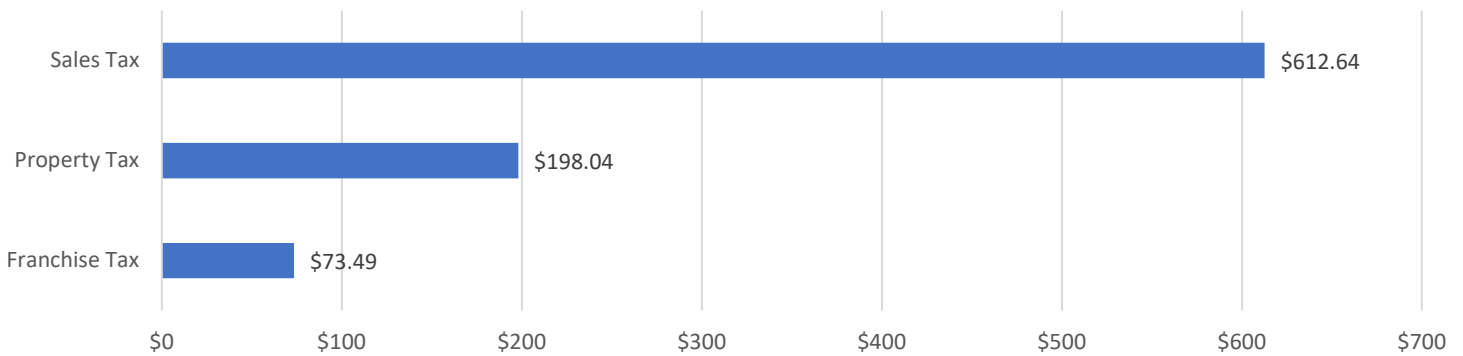
2020 Population: 57,732

Tax Revenue per Citizen: \$884.17

Services Provided

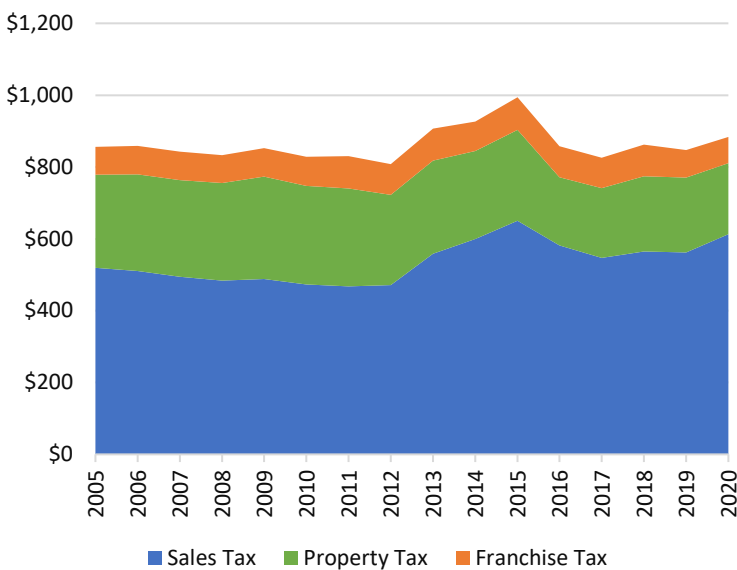
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	Yes	No	Yes	Yes	No	No	No

Tax Revenue per Citizen Breakdown



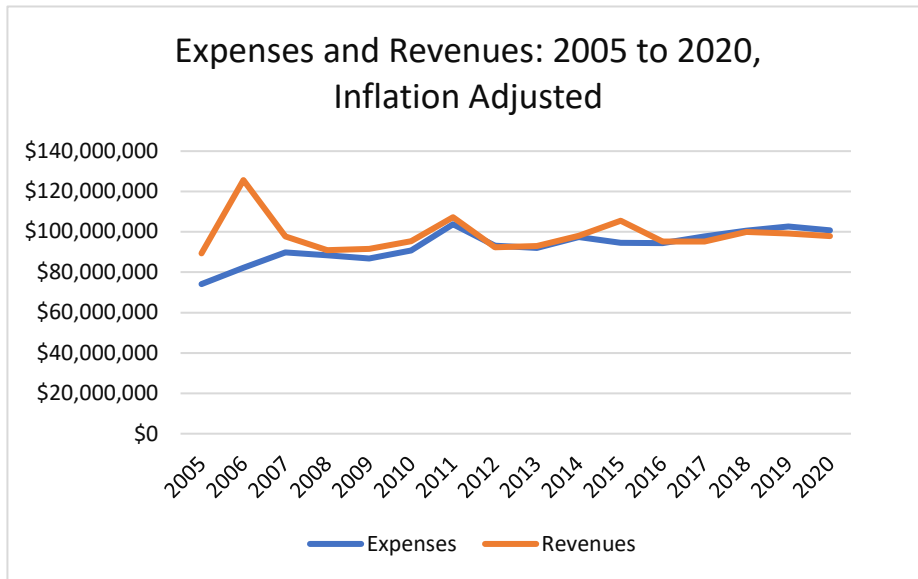
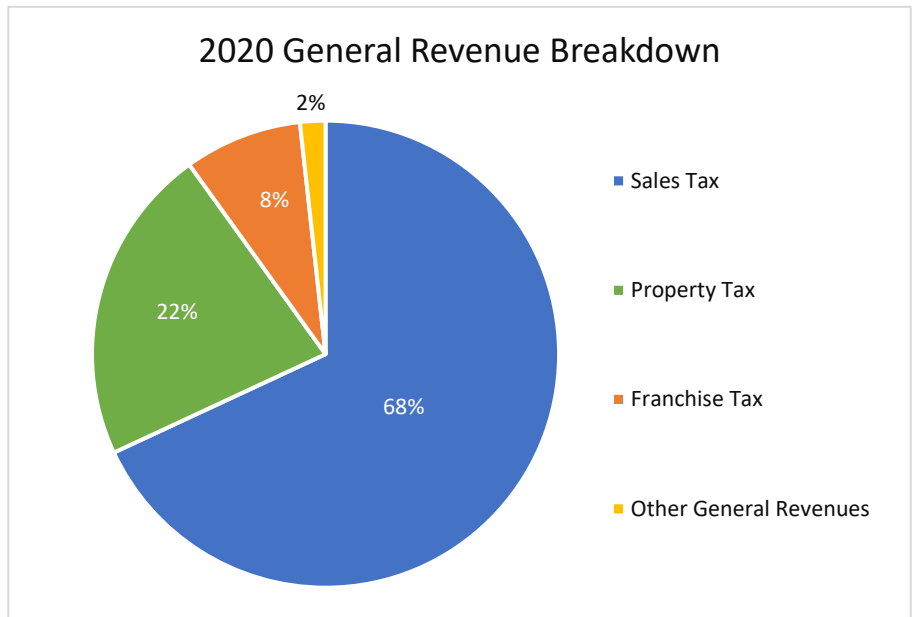
St. Peters is the 11th most populated city in Missouri, and the city's tax revenue per citizen ranks 9th out of the 20 largest cities in the state. St. Peters does not provide many of the services tracked in the table above, but it is part of a large county, so it's likely that the county and independent taxing districts provides many services for city residents. St. Peters provides a health department, though it is more limited in scope than other city health departments.

Tax Revenue per Citizen: 2005 to 2020



Sales tax revenue has comprised a large portion of St. Peters' tax-revenue-per-citizen value over the last 15 years. The city sales tax is 2%. The city's franchise tax is on the gross receipts of electric, gas, and cable television services.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales tax revenue made up a very large portion of St. Peters' general revenues in 2020. Sales taxes can have volatile revenue streams, so it may not be best for the long-term growth to rely so heavily on these tax revenues. On the other hand, property tax revenue tends to be more stable and it makes up a larger portion of St. Peters' general revenue than in many other cities.



St. Peters has reported very similar revenue and expense numbers several times in the last 15 years, with revenues being higher than expenses only a few times. The large spike in revenues in 2006 is due a large amount of revenue from the sale of land. Recently, reported expenses have surpassed reported revenues, which is not a sign of good fiscal health.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 2.58% of total tax revenue collected in 2020. This is about average compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$1,315,923

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. St. Peters has pension obligations for the Missouri Local Government Employees Retirement System. This pension plan is 94.35% funded.

Fiscal Year 2020 Net Pension Liability: \$10,176,557

Fiscal Year 2020 Pension Expenses: \$4,416,961

University City

St. Louis County

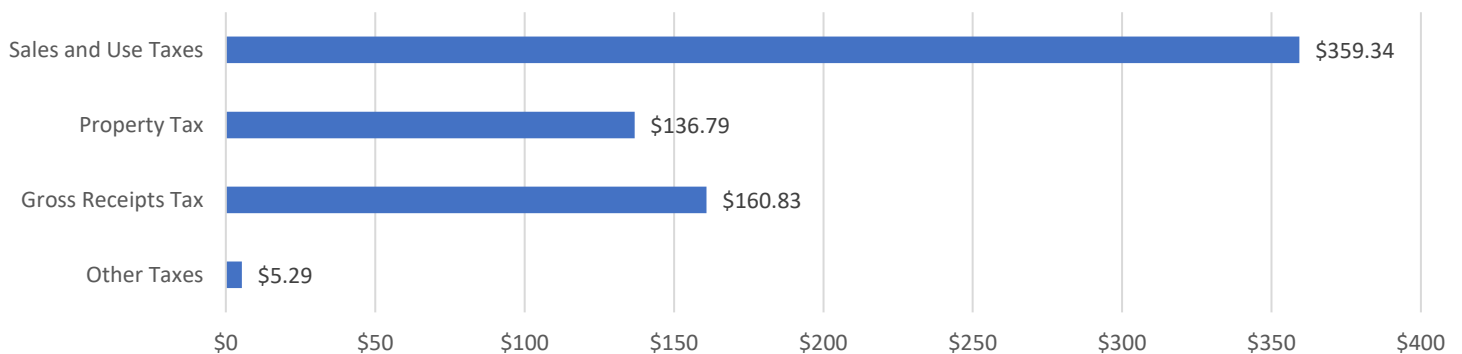
2020 Population: 35,065

Tax Revenue per Citizen: \$662.25

Services Provided

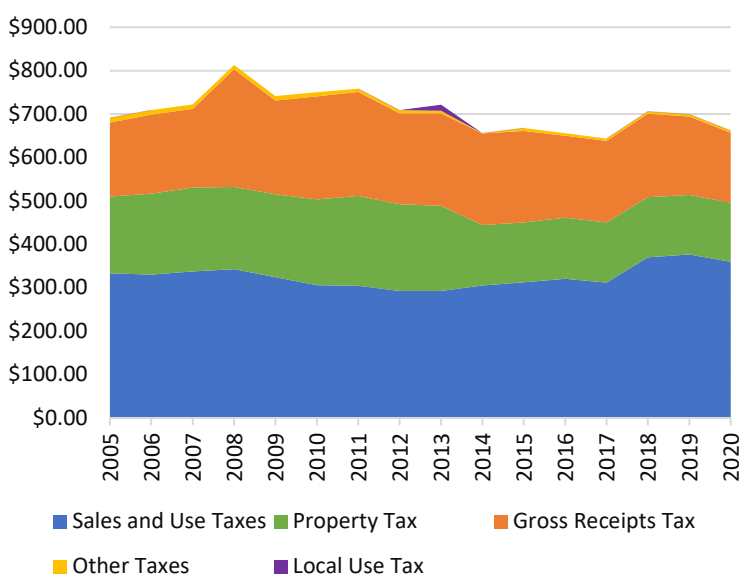
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Yes	No	No	No	No	No	No	No

Tax Revenue per Citizen Breakdown



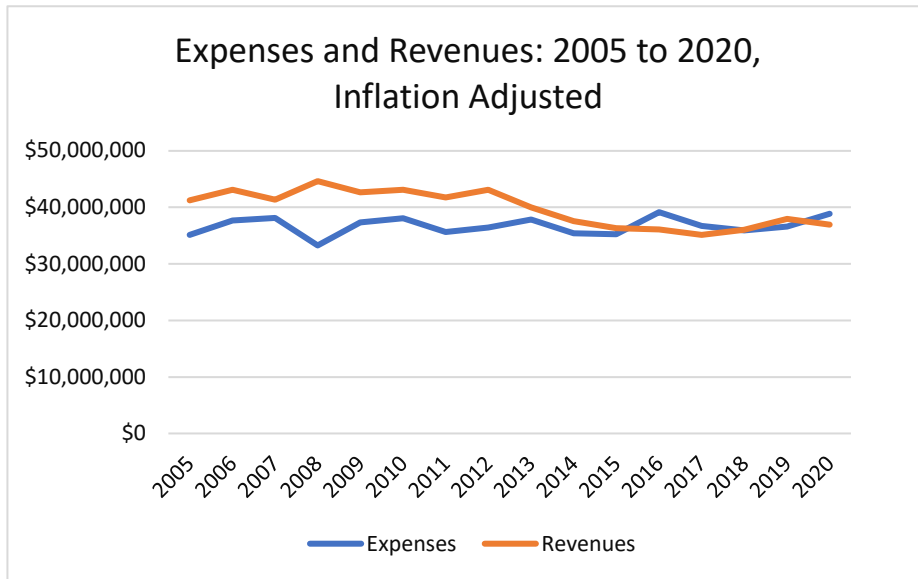
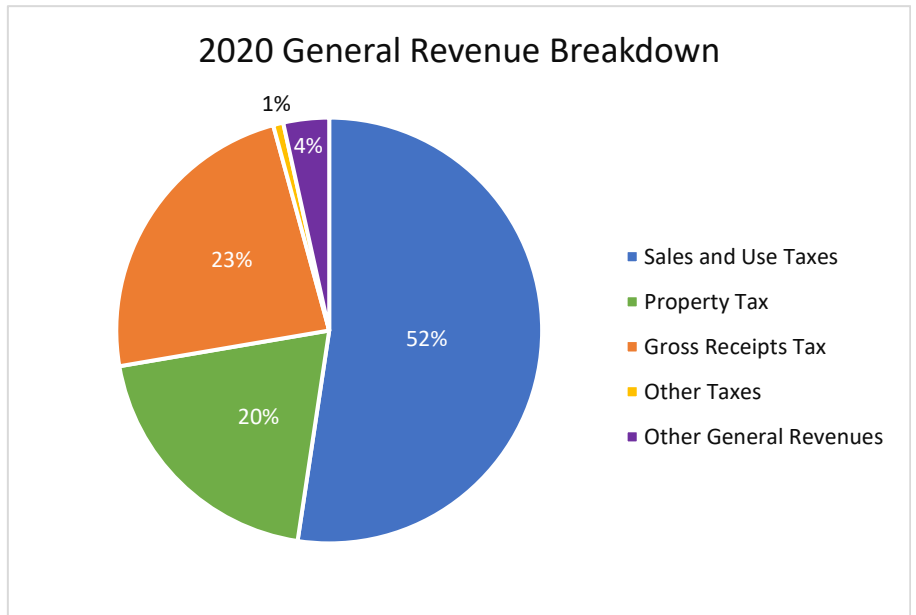
University City is the 19th most populated city in Missouri, and the city's tax revenue per citizen ranks 14th out of the 20 largest cities in the state. Of the services tracked in the table above, University City provides only a city fire department. It is part of St. Louis County, so city residents probably receive many services from the county.

Tax Revenue per Citizen: 2005 to 2020



The largest share of the tax-revenue-per-citizen value is sales and use taxes. University City is part of the St. Louis County sales tax pool, so it receives a portion of the general 1% sales tax based on a formula that gives significant weight to population. University City imposes four sales taxes, one of which is also a pooled tax. Note that the local use tax is still collected in University City, but it was reported separately in only one year's CAFR.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales and use tax revenues comprised slightly more than half of University City's general revenues in 2020. These types of taxes can have volatile revenue streams, so it may not be best for the long-term growth to rely so heavily on these tax revenues. On the other hand, property tax revenue tends to be more stable and makes up a larger portion of University City's general revenue than in many other cities.



University City's reported revenues were consistently above reported expenses for about a decade, but revenues and expenses have converged in recent years. In 2016, 2017, and 2020, University City's expenses were above revenues, which is not indicative of fiscal health.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.14% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$31,707

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. University City has pension obligations for the Non-Uniformed Employees' Retirement Fund and the Police and Firemen's Retirement Fund. Respectively, these pension plans are 74.54% funded and 66.47% funded.

Fiscal Year 2020 Net Pension Liability: \$20,226,732

Fiscal Year 2020 Pension Expenses: \$3,408,233

Wentzville

St. Charles County

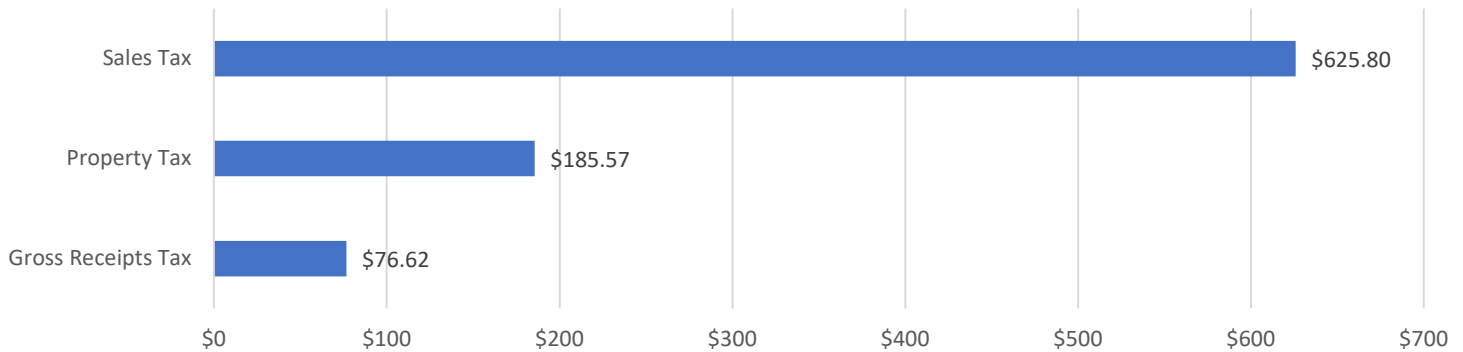
2020 Population: 44,372

Tax Revenue per Citizen: \$887.99

Services Provided

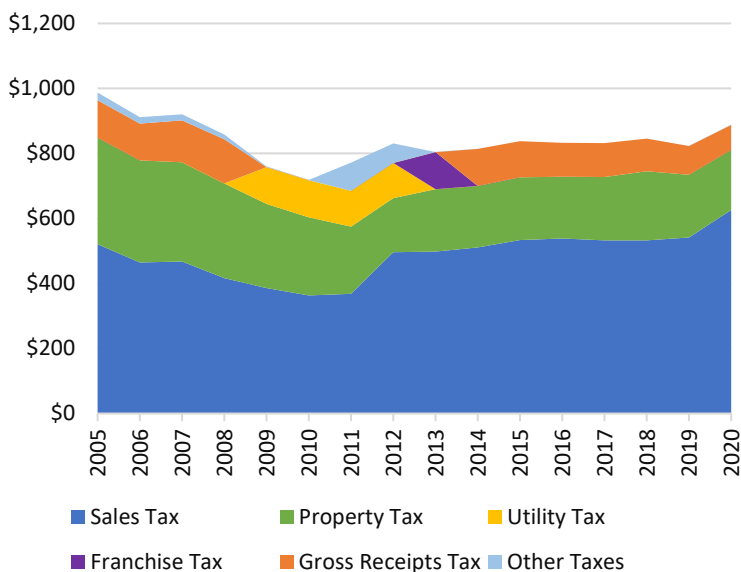
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	Yes	Yes	No	No	No

Tax Revenue per Citizen Breakdown



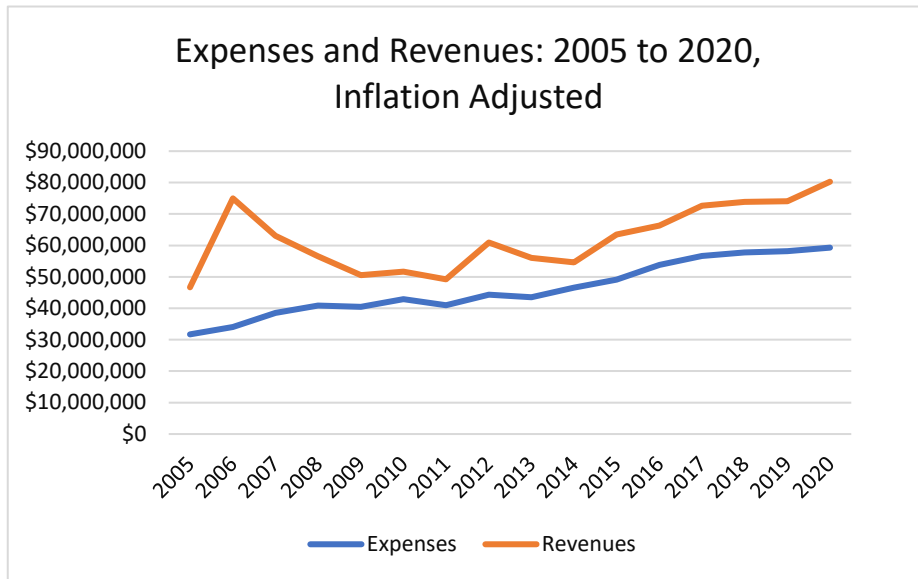
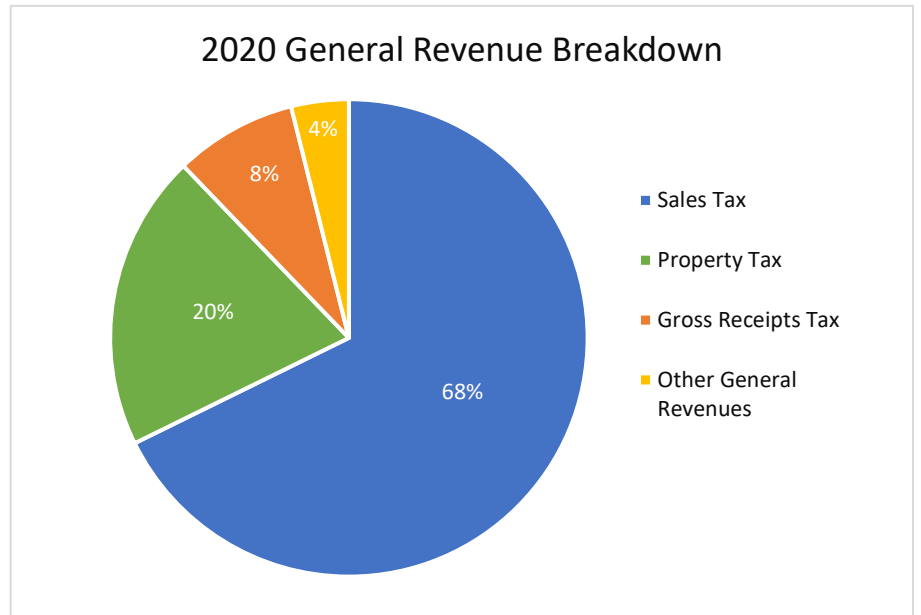
Wentzville is the 15th most populated city in Missouri and the city's tax revenue per citizen ranks 8th among the 20 largest cities in the state. Wentzville has a relatively high tax-revenue-per-citizen value considering that the city does not provide many of the services tracked in the table above. Wentzville provides sewer and water utilities. As part of St. Charles County, city residents likely rely on the county to provide many services.

Tax Revenue per Citizen: 2005 to 2020



Wentzville's tax-revenue-per-citizen value has been high over the last 15 years, with sales tax revenue comprising the majority of that value each year. The city's sales tax is 2.5%. Note that the utility, franchise, and gross receipts tax in the above graph all represent the same tax on utility providers with different names reported in the CAFRs.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Sales tax revenues comprised the majority of Wentzville's general revenues in 2020. Sales taxes can have volatile revenue streams, so it may not be best for the long-term growth to rely so heavily on these tax revenues. On the other hand, property tax revenue tends to be more stable, so 20% of general revenue coming from property tax revenue may make general revenue more stable.



Wentzville's reported revenues and reported expenses have both trended upwards in the last 15 years. The city's revenues have consistently been higher than expenses, which is indicative of good fiscal health.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. The amount of taxes abated in 2020 is equivalent to 0.62% of total tax revenue collected in 2020. This is low compared to the other cities, but it's generally not great practice to give some businesses or individuals a tax break while others pay their fair share.

Taxes Abated Fiscal Year 2020: \$242,698

Pensions

Cities have one or more pension plans for city employees. These plans accumulate as workers retain their jobs, but do not get paid out until retirement. Wentzville has pension obligations for the Missouri Local Government Employees Retirement System. This pension plan is 95.29% funded.

Fiscal Year 2020 Net Pension Liability: \$1,803,440

Fiscal Year 2020 Pension Expenses: \$1,961,699

Wildwood

St. Louis County

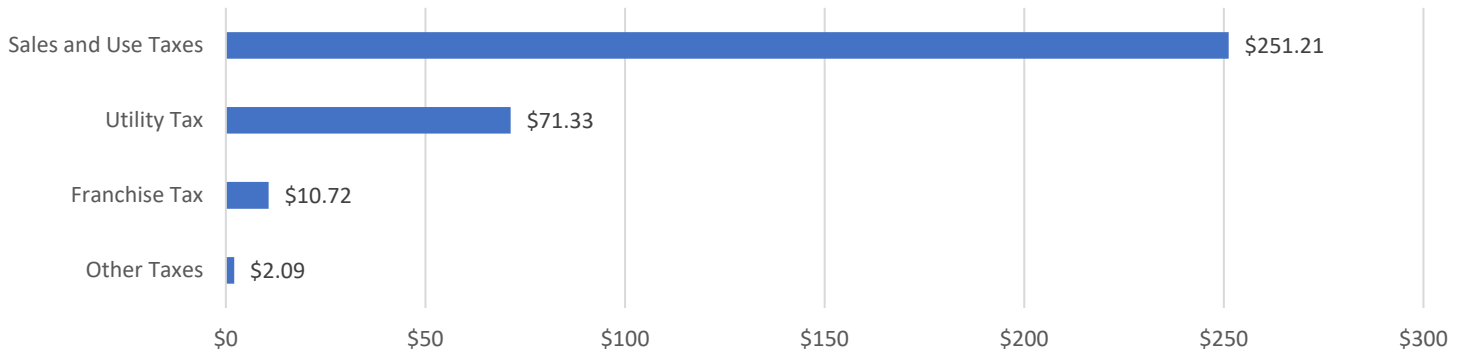
2020 Population: 35,417

Tax Revenue per Citizen: \$335.35

Services Provided

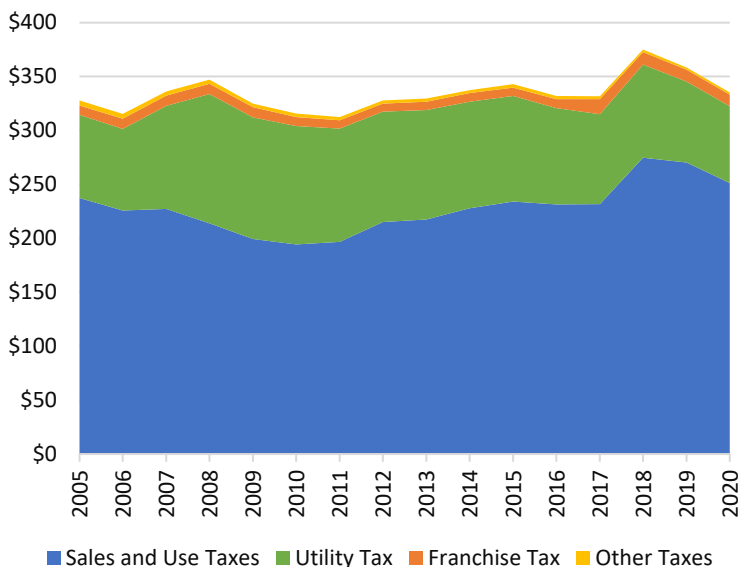
City Fire Department	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
No	No	No	No	No	No	No	No

Tax Revenue per Citizen Breakdown



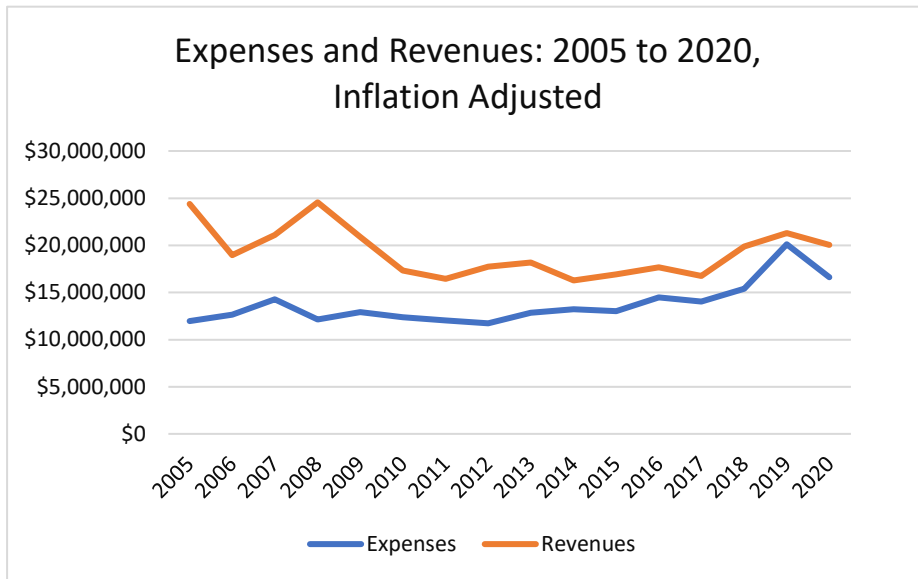
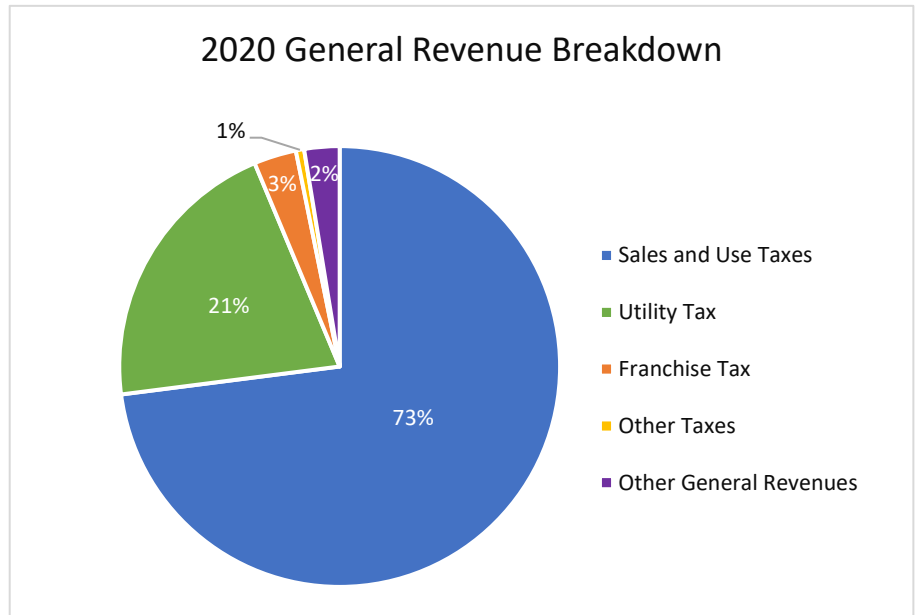
Wildwood is the 18th most populated city in Missouri and the city's tax-revenue-per-citizen value ranks 20th out of the 20 largest cities in the state. It is the newest city on this list, coming into existence as a city in the mid-1990s. Wildwood does not provide any of the services tracked in the table above, which seems consistent with the low tax-revenue-per-citizen value. It is part of a large county, St. Louis County, so it's likely that city residents rely on the county to provide many services, including police services. Wildwood is the only city on this list that does not provide municipal police services.

Tax Revenue per Citizen: 2005 to 2020



Wildwood's tax-revenue-per-citizen value has been mostly comprised of sales and use taxes. Wildwood is part of the St. Louis County sales tax pool, so the city receives a portion of the revenue from the general 1% sales tax based on a formula that gives significant weight to population. Wildwood also levies a few additional sales taxes. The city does not levy any property taxes.

General revenues are a component of total revenues that aren't dedicated by statute to a specific purpose, so lawmakers have some flexibility regarding how such revenue can be spent. Nearly 75% of Wildwood's general revenues comes from sales and use tax revenue. These types of taxes can have volatile revenue streams, so it may not be best for the long-term growth to rely so heavily on these tax revenues.



Wildwood's reported revenues have been higher than reported expenses over the last 15 years, which is a sign of good fiscal health. Revenue and expense values have converged in recent years, but the city should work to keep revenues above expenses for the sake of long-term success.

Tax Abatements

A tax abatement is a reduction of an individual's or company's level of taxation—or an exemption from taxation—granted by the government. Wildwood did not report any tax abatements in 2020. While this doesn't necessarily mean that there weren't opportunities available for tax abatement, it's a positive that all individuals and companies contributed their fair share of tax dollars.

Pensions

None

CONCLUSION

Missouri's 20 largest cities vary greatly in the tax revenues they collect and the services they provide. The key data presented here provide insights into the financial health of these cities and can be used to compare factors across cities.

As these and other Missouri cities continue to strive to be the best they can for their citizens, there are a few things related to the data presented in this publication that they may want to keep in mind.

- Taxes are collected so that cities can provide services for citizens. If a city collects a lot of taxes but provides very few services, citizens may be skeptical of the city's financial practices.
- Fiscal soundness can be maintained by consistently keeping city expenses below city revenues.
- Relying heavily on sales and use taxes may not be the best way to ensure reliable, stable revenue streams. Property taxes tend to provide a more stable revenue stream.
- When tax abatement programs lead to less taxes collected from a select few, everyday citizens suffer by either paying higher taxes to make up for lost revenue or receiving less services due to less revenue.
- All pension obligations will eventually need to be paid.

APPENDIX

Below is a table tracking the major services often provided by cities. While this is certainly not an exhaustive list, these services can be costly, and whether or not a city provides them may have a huge impact on the city's expenses. This table also includes some factors (such as whether city is within a county, and whether a city is able to impose earnings/payroll taxes) that also have an impact on a city's finances. Cities that are not within a county, for example, do not have a county entity to rely on for providing some of these services.

City	City Is within a County	Able to Impose Earnings/ Payroll Taxes	City Fire Department ¹	Health Department	Airport	Sewer System	Water Utility	Electric Utility	Museums	Transit Services
Ballwin	x									
Blue Springs	x					x	x			
Cape Girardeau	x		x		x	x	x			
Chesterfield	x									
Columbia	x		x	x	x	x	x	x		x
Florissant	x									
Independence	x		x			x	x	x	x	x
Jefferson City	x		x		x	x				x
Joplin	x		x	x	x	x				
Kansas City	x	x	x	x	x	x	x		x	
Lee's Summit	x		x		x	x	x		x	
O'Fallon	x					x	x		x	
Springfield	x		x	x	x	x	x	x	x	x
St. Charles	x		x			x	x			
St. Joseph	x		x	x	x	x			x	x
St. Louis		x	x	x	x		x			x
St. Peters	x			x ²		x	x			
University City	x		x							
Wentzville	x					x	x			
Wildwood	x									

¹As opposed to independent fire districts

²Limited scope. Florissant also has a health department, but it is extremely limited compared to the ones included here.



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