



2014

SAINT LOUIS COUNTY PUBLIC POLICY RECOMMENDATIONS

By David Stokes
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References

Section 1 - Budgets

Source of budget data are applicable Saint Louis County Comprehensive Annual Financial Reports (CAFR), Total Annual Expenditures, Changes In Fund Balances of Governmental Funds, modified accrual basis of accounting, 1997 – 2012. The year 1997 was chosen as the starting point because that is the earliest the data was collected using a consistent measure and accounting system.

The exact population for Saint Louis County in 1997 and 2012 are unknown. In 1990, the population of the county was 993,529. In 2000, it was 1,016,318. In 2010, it was 998,954.

Section 1.3

Stokes, David. “St. Louis County, Drugs, and Competitive Bidding: A Privatization Success Story.” Show-Me Institute Case Study No. 2, August 2007.

Stokes, David. “Government Privatization in Missouri.” Show-Me Institute Case Study No. 17, February 2014.

Section 1.5

Parks, Roger B., and Ronald J. Oakerson. “Comparative Metropolitan Organization: Service Production and Governance Structures in St. Louis (MO) and Allegheny County (PA).” *Publius: The Journal of Federalism*, 1993, pp. 19–40.

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Section 1.6

Of course, the same points could be argued about Saint Louis County's pension system. It could transition into the Missouri County Employee Retirement Fund (CERF). However, it is interesting to note that Saint Louis County actually has a larger current market value in its investment portfolio than the statewide equivalent county retirement system, or CERF, which serves 112 other Missouri counties. The benefits of combining into a smaller fund may be minor for Saint Louis County. Saint Louis County's 2012 market value of pension fund assets: \$500,156,496. CERF's 2012 market value of assets: \$348,915,519. Jackson County also has its own pension system. Source: Joint Committee on Public Employee Retirement, 2014 Annual Report.

Section 2 - Taxes

Source: 2013 Saint Louis County Comprehensive Annual Financial Report (CAFR), page 167. The 2012 data used is the most recent rate available in a county-wide average format.

Section 2.1

The average county rate in Missouri is \$0.53. That is the unweighted average. The weighted average, which adjusts for the larger assessed valuations in larger counties, is \$1.02 per county, still far less than Saint Louis County's rate. Unlike other property taxes, the commercial surcharge does not roll back as assessments increase.

Stokes, David. "Flexible Commercial Surcharge Rates Would Promote Economic Growth in Missouri." Show-Me Institute testimony, February 2010.

Section 2.2

Chamley, Christophe. "Optimal Taxation of Capital Income in General Equilibrium with Infinite Lives." *Econometrica*, Vol. 54, No. 3. (May, 1986), pp. 607-622.

Judd, Kenneth. "Redistributive Taxation in a Simple Perfect Foresight Model." *Journal of Public Economics*, Vol. 28 (1985). pp. 59-83.

Waltz, Bill. "Business Equipment Taxes Hurt Growth." *Indiana Post-Tribune*, Dec. 3, 2013.

Jones, Garrett. Library of Economics and Liberty, March 2013. View online here: <http://econlog.econlib.org/archives/2013/03/redistributing.html>.

As mentioned above, Saint Louis County sets different rates for residential, commercial, agricultural, and personal property, but only the City of Saint Louis is authorized to set differing rates for a manufacturing subclass of personal property.

Section 2.3

There is also a pool for the capital improvements sales tax and the quarter-cent optional general sales tax. Our focus here is on the primary general sales tax pool.

Stokes, David. "Sales Tax Pooling Should Be Expanded in Missouri." Show-Me Institute testimony, Sept. 26, 2012.

East-West Gateway Council of Governments. "An Assessment of the Effectiveness and Fiscal Impact of the Use of Local Development Incentives in the St. Louis Region." Final Report. January 2011.

Stokes, David. "TIF Gives Cities An Unfair Advantage Over Other Governments." Show-Me Institute commentary, April 20, 2012.

Section 2.4

RSMo 67.1003, as discussed here: http://www.stltoday.com/news/local/metro/missouri-legislature-blocks-cities-from-adding-new-hotel-room-taxes/article_f175a56d-efc1-5f80-8a6a-4e0969f13805.html.

Section 2.5

Data compiled from several Missouri State Auditor reports on TDDs.

Section 3 – Regulations

Section 3.1

Miller, Joseph. "Excessive Regulation, Not Lyft, Needs To Stop Operating In Kansas City." Show-Me Institute commentary, May 2014.

Section 3.2

This includes county licensing for plumbers, electricians, heating and air conditioning installers, irrigation workers, and more.

Carroll, Sidney L., and Robert J. Gaston. "Occupational Restrictions and the Quality of Service Received: Some Evidence." *Southern Economic Journal*, vol. 47, no. 4, April 1981, pp. 959-976.

Shepard, Lawrence. "Licensing Restrictions and the Cost of Dental Care." *The Journal of Law and Economics*, vol. 21, no. 1, April 1978, pp. 187-201.

LECG Ltd., Restrictions on Competition in the Provision of Professional Services: A Report for the [Canada] Office of Fair Trading, December 2000, p. 22. View online here: http://www.oft.gov.uk/shared_oftr/reports/professional_bodies/oft328.pdf.

Sandefur, Timothy. *The Right To Earn A Living*. CATO Institute, 2010.

Stokes, David. "Occupational Licensing of Massage Therapists in Missouri and Kansas," Show-Me Institute Case Study No. 2, 2008.

Section 3.3

Glaeser, Edward. *Triumph Of The City*. Penguin Books, 2011.

O'Toole, Randal. *The Best-Laid Plans*. CATO Institute, 2007.

Section 3.5

Northern Health (from Canada). View online here: <https://www.northernhealth.ca/YourHealth/EnvironmentalHealth/FoodSafety/TemporaryFoodPermitsandMarkets/FoodSafetyforBakeSales.aspx>.

Saint Louis County Food Code 1.201.10(B) “Food Establishment” 3(D).

Miner, Doug. *40 South News*, March 13, 2014. View online here: <http://40southnews.com/why-are-food-trucks-banned-in-maplewood/>.

Section 3.6

Crichton, Ian, Matt Rosenberg, and Joe Thompson. “Rental Unit Licensing: Applicability to Milwaukee,” La Follette School of Public Affairs, University of Wisconsin, Spring 2003.

Section 4 – Transparency

Section 4.1

Here is the current website with no audit reports: <http://www.stlouisco.com/YourGovernment/CountyCouncil/CountyAuditor>

Here is the old website, which listed audit reports: <http://ww5.stlouisco.com/auditor/audits.html>

Section 4.2

Missouri Accountability Portal. View online here: <http://mapyourtaxes.mo.gov/MAP/Portal/Default.aspx>

Section 4.3

Deere, Stephen. “Missouri History Museum’s purchase of ex-mayor’s St. Louis property is questioned.” *St. Louis Post-Dispatch*, Sept. 16, 2012.



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