

# **Annexation Proposal**

**Submitted  
by  
The City of  
Sunset Hills**

**ANNEXATION PROPOSAL**

SUBMITTED BY: THE CITY OF SUNSET HILLS,  
PROPOSING AGENT

SUBMITTED TO: BOUNDARY COMMISSION,  
ST. LOUIS COUNTY

MAY, 1996

## EXECUTIVE SUMMARY

The area which the City of Sunset Hills seeks to annex (Annexation Area) is southeast and contiguous to the city boundary. It is geographically bounded by Sappington Road on the east, Sappington Barracks Road on the north, Gravois Road on the West and Interstate 270 on the south. As of June 6, 1996, it will be contiguous to Sunset Hills on Gravois Road, Sappington Barracks Road and Interstate 270. The area consists of 421.5 acres.

Within the area are two major roadways, namely: Gravois Road and Interstate 270. It does not include Sappington Road, but rather goes to its west right-of-way line. There are a number of subdivision streets in the area. The area is characterized as a predominantly residential community interspersed with some commercial uses. As pointed out above, three portions of the area will be bounded by Sunset Hills as of June 6, 1996 and the intersections of the streets thus will be partially within Sunset Hills.

The population of the Annexation Area is 1,310 as determined by the 1990 census of the United States Government.

The County Land Use files and zoning plans designate 10 properties as commercial. There are 521 residential properties. The taxable real estate assessed valuation for the Annexation Area is \$14,019,794.00.

The City of Sunset Hills was incorporated as a City of the Fourth Class on June 5, 1957 by order of the St. Louis County Council and presently has 5,876 residents (1990 census). Annexation areas were added to Sunset Hills on November 1, 1994, on November 9, 1995 and an additional area with 777 residents will be added on June 6, 1996. It has a mayor/council form of government, consisting of a mayor elected at large and four wards which each elect two aldermen, one each year for two-year terms. The mayor also serves a two-year term. It has a City Hall located at 3939 South Lindbergh Boulevard which consists of City Administrative Offices, a Police Department and Assembly Hall/Municipal Court. The City presently is undertaking a capital improvements program funded by a 1/2 cent capital improvements sales tax and will issue \$5,765,000 worth of bonds. Included therein will be a new Police Department building, a new Department of Public Works garage and the City Hall will be renovated to include only the City Administrative and Department of Public Works Offices, Assembly Hall and Municipal Court. In addition, extensive park and street improvements will be made.

The wards of the city at the present time are divided along geographical bounds, that is Ward I is north of Watson Road (Old Highway 66), Ward II is east of Lindbergh Boulevard, Ward III is west of Lindbergh Boulevard and east of I-270 and Ward IV is west of I-270 and east of the Meramec River which is the western boundary of the City of Sunset Hills. A map is attached hereto as Exhibit 1 showing the area of the City of Sunset Hills as well as the location of the Annexation Area.

The addition of the area designated Annexation Area III on June 6, 1996 and the addition of the citizens mentioned in this proposal will cause a redistricting plan to be completed for the four wards. The city would intend to put the plan in effect between the date of a successful election on this annexation proposal and the effective date of this annexation.

The city has prepared the proposal and the Plan of Intent in conformance with the Boundary Commission, St. Louis County, rules.

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All references are to Boundary Commission Rules.

**GEOGRAPHICAL INFORMATION**

Metes and Bounds description is attached as Appendix A.

Map of the area depicting the current and proposed boundaries as well as a map of the entire city is attached as Exhibit 1.

The property to be annexed is less than 50% of the combined land subject to the proposal and is unincorporated.

I hereby certify that the above statements are correct.

Ronald J. Williams  
 Ronald Williams  
 City Engineer  
 City of Sunset Hills

Date: 5/8/96

STATE OF MISSOURI )  
 ) SS  
 COUNTY OF ST. LOUIS )

Subscribed and sworn to before me this 8<sup>th</sup> day of May, 1996.



Sandra L. Stolzenbach  
 Notary Public

My commission expires:

**SANDRA L. STOLZENBACH**  
 NOTARY PUBLIC - STATE OF MISSOURI  
 ST. LOUIS COUNTY  
 MY COMMISSION EXPIRES 5/15/98

Names of all platted subdivisions are hereby attached and none are being split in the proposal.

There is no overlap to the knowledge of the proposing agent.

I hereby certify that the above statements are correct.

Ronald J. Williams  
 Ronald Williams  
 City Engineer  
 City of Sunset Hills

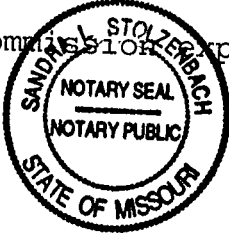
Date: 5/8/96

STATE OF MISSOURI     )  
                                  ) SS  
COUNTY OF ST. LOUIS )

Subscribed and sworn to before me this 8<sup>th</sup> day of May,  
1996.

Sandra L. Stolzenbach  
Notary Public

My commission expires:



SANDRA L. STOLZENBACH  
NOTARY PUBLIC - STATE OF MISSOURI  
ST. LOUIS COUNTY  
MY COMMISSION EXPIRES 5/15/98

*Annexation - Area IV*  
*Subdivision Names*

Barrington Estates

Burrow Court

Cordington Heights

Foursome Place

Grandview Estates

Hilltop Greens

Hilltop Trails Condominium

Joseph Sale Tract

Leebur Acres

St. Catherine LaBoure

Sappington Gardens

SappingtonEstates

Seneca Estates

Sunset Estates

Tyrie Sappington Estates



**PUBLIC HEARING**

Notice is hereby given that the City of Sunset Hills has filed with the Boundary Commission, St. Louis County, a proposal to annex a certain area bounded generally by Sappington Road on the east, Sappington Barracks Road on the north, Gravois Road on the West and Interstate 270 on the south. Said annexation area is further described on the legal description attached hereto as Appendix A and as shown on the map also attached hereto.

The proposal was officially submitted to the Boundary Commission, St. Louis County, Missouri on \_\_\_\_\_, 1996 and a public hearing will be held at \_\_\_\_\_ on the \_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ p.m. pursuant to the official rules of the Boundary Commission, St. Louis County, Missouri.

BOUNDARY COMMISSION,  
ST. LOUIS COUNTY, MISSOURI

\_\_\_\_\_

Date: \_\_\_\_\_

The proposing agent does not seek any change in fire protection and emergency medical services which are now provided to the area by the Mehlville Fire Protection District.

Attached hereto is the official Plan of Intent which addresses the criteria for substantive analysis found in Article IX of the Boundary Commission rules.

Attached hereto is the legal opinion.

JONES, KORUM, WALTRIP & JONES

ATTORNEYS AT LAW

SUITE 1400 CHROMALLOY PLAZA

120 SOUTH CENTRAL AVENUE

ST. LOUIS (CLAYTON), MISSOURI 63105-1705

(314) 727-7755

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ROBERT C. JONES  
DAVID M. KORUM  
DAVID G. WALTRIP\*  
ROBERT E. JONES

CATHERINE M. VALE\*  
JONATHAN A. KESSLER\*  
DANIEL S. RORK

OF COUNSEL  
JACK H. ROSS

\*ALSO LICENSED IN ILLINOIS

May 9, 1996

City of Sunset Hills  
3939 S. Lindbergh  
Sunset Hills, MO 63127

As City Attorney, I have examined the proceedings to date for the annexation of what is designated Area IV, covered by Ordinance No. 1224, and which will be submitted to the Boundary Commission, St. Louis County, Missouri. In addition, I have prepared the proposal and the Plan of Intent which will be filed with the Boundary Commission, and in my opinion all statutory requirements, other than Chapter 72 R.S.Mo., that are applicable to the proposing agent, have been satisfied.

Sincerely yours,

  
Robert C. Jones

RCJss

The undersigned hereby certifies that an identical copy of this Proposal and Plan of Intent has been mailed to the St. Louis County Clerk at 41 S. Central, Clayton, Missouri 63105.

There are no municipalities which are contiguous with the area covered by the proposal other than Sunset Hills which is the proposing agent.

*P.A. Seabaugh*  
Patricia A. Seabaugh  
City Clerk

Date: May 16, 1996

STATE OF MISSOURI     )  
  ) SS  
COUNTY OF ST. LOUIS )

Subscribed and sworn to before me this 16 day of May, 1996.

*Laura A. Rider*  
Notary Public

My commission expires:

**LAURA A RIDER  
NOTARY PUBLIC STATE OF MISSOURI  
ST. LOUIS COUNTY  
MY COMMISSION EXP. AUG. 8, 1998**

Sites available for public hearing are as follows:

Two Hearts Banquet Center  
4532 S. Lindbergh Boulevard  
Sunset Hills, MO 63127

Lindbergh High School  
4900 S. Lindbergh Boulevard  
Sunset Hills, MO 63127

County Health Department  
4580 S. Lindbergh Boulevard  
Sunset Hills, MO 63127

All of these facilities are handicap accessible, and they are within two miles of the area covered by the proposal. None of the facilities are in the annexation area covered by the proposal because the proposing agent could find no public facilities therein. There are two Lutheran Churches in the annexation area, but, the proposing agent and the citizens within the annexation area are not sure as to the terms of their availability, if any.

The City of Sunset Hills City Hall at 3939 S. Lindbergh Boulevard is available and it is handicap accessible, however, it is not within two miles of the area covered by the proposal as it is slightly more in distance from the closest point in the annexation area.

The proposing agent, pursuant to the rules of the Boundary Commission, St. Louis County will bear all costs of the Boundary Commission relating to publications, notifications, copies, etc. and the election.



CERTIFICATION AS TO CONTIGUITY

The undersigned, hereby certifies, that of the territory proposed for annexation, as of June 6, 1996, 72% of its perimeter boundary will be adjacent to Sunset Hills. As of the date of filing this proposal, 34% of its perimeter is adjacent to Sunset Hills.

The undersigned further states that a certified copy of the ordinance adopting the annexation boundary change proposal is attached hereto.

Ronald J Williams  
Ronald Williams  
City Engineer  
City of Sunset Hills

Date: May 10, 1996

STATE OF MISSOURI    )  
                                  ) SS  
COUNTY OF ST. LOUIS )

Subscribed and sworn to before me this 10 day of May, 1996.

Laura A. Rider  
Notary Public

My commission expires:

LAURA A RIDER  
NOTARY PUBLIC STATE OF MISSOURI  
ST. LOUIS COUNTY  
MY COMMISSION EX. AUG. 8, 1998

BILL NO. 4

ORDINANCE NO. 1224

AN ORDINANCE PROVIDING FOR THE ANNEXATION BY THE CITY OF SUNSET HILLS, MISSOURI, OF AN AREA OF UNINCORPORATED LAND DESCRIBED HEREIN AND PROVIDING FOR APPROVAL OF AN ANNEXATION PLAN AND BOUNDARY CHANGE PROPOSAL TO BE SUBMITTED TO THE BOUNDARY COMMISSION OF ST. LOUIS COUNTY, MISSOURI FOR ITS CONSIDERATION AND SUBSEQUENT DIRECTION OF AN ELECTION TO VOTERS OF THE CITY OF SUNSET HILLS AND OF THE AREA PROPOSED TO BE ANNEXED.

WHEREAS, the City has received petitions, requesting annexation of an area generally to the southeast of the city, currently an unincorporated territory adjacent to the existing city limits of the City of Sunset Hills; and

WHEREAS, the City has studied the request for annexation of the area represented by the petitions; and

WHEREAS, the City has decided to seek the annexation of the certain area of unincorporated land, lying generally to the southeast of the existing limits of the City, as more fully described in Appendix A attached hereto and made part hereof (hereinafter referred to as "Annexation Area"); and

WHEREAS, the City has developed an annexation plan to be submitted to the Boundary Commission, St. Louis County, Missouri pursuant to statute and to said Commission's rules;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SUNSET HILLS, MISSOURI, AS FOLLOWS:

Section 1: The City will seek the inclusion of the Annexation Area within the limits of the City through a boundary change proposal as being in the best interests of the City of Sunset Hills, the unincorporated area subject to the boundary change proposal and the areas of St. Louis County adjacent to the area subject to the proposed boundary change.

Section 2: The City has caused to be prepared an Annexation Proposal for submission to the Boundary Commission, St. Louis County,

Missouri.

Section 3: The City is well prepared to effectuate the annexation of the Annexation Area as described in the Annexation Proposal, which the City hereby adopts. The Annexation Proposal, with a certified copy of this Ordinance, together with Appendix A, shall be submitted to the Boundary Commission, St. Louis County, Missouri for its consideration and approval.

Section 4: Subject to the approval by the Boundary Commission, St. Louis County, Missouri and subsequent approval of a majority of legal votes cast in the City and of a separate majority of legal votes cast in the unincorporated area described in Appendix A hereof, at any election to be held as directed by the Boundary Commission, St. Louis County, Missouri and St. Louis County Election Board, the annexation of such unincorporated area shall become effective six (6) months from the date of a favorable election or upon successful conclusion of any litigation over the proposed annexation, whichever last occurs.

Section 5: This Ordinance shall take effect immediately upon its passage and approval.

PASSED THIS 23rd DAY OF April, 1996.

APPROVED THIS 23rd DAY OF April, 1996.

Benneth L Vogel  
MAYOR

ATTEST:

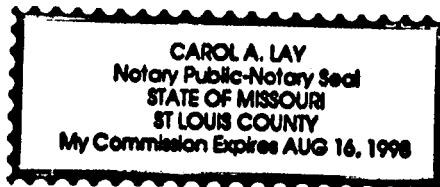
P.A. Seabough  
CITY CLERK

I certify that this is a true and exact copy of Ordinance 1224 as it appears in the City Journal and Code of Ordinances of the City of Sunset Hills, Missouri

P.A. Seabough  
Patricia A. Seabough  
City Clerk

Dated this 5-8-96

Notarized Carol A. Lay



Annexation Description  
421.5 Acres

A tract of land in Sections 29 and 30, Township 44 North, Range 6 East, and in U. S. Surveys 1197 and 3117, Township 44 North, Ranges 5 and 6 East, St. Louis County, Missouri, and being more particularly described as follows:

Beginning at the intersection of the northwesterly line of Gravois (60 feet wide) Road, previous to widening, and the northerly line of Sappington Barracks (60 feet wide) Road; thence along said northerly line South 89 degrees 12 minutes 14 seconds East 2271.96 feet; thence continuing along said northerly line South 74 degrees 38 minutes 14 seconds East 104.53 feet to a point on a line 60 feet southwesterly of and radial to the centerline of Lindbergh Boulevard, as widened; thence crossing aforesaid Sappington Barracks Road South 18 degrees 17 minutes 39 seconds East 72.08 feet to a line 100 feet radial to the centerline of Lindbergh Boulevard, as widened; thence southeasterly on a curve to the left having a radius point which bears North 36 degrees 21 minutes 26 seconds East 1055.37 feet, an arc distance of 355.18 feet to a line 20 feet westerly of and parallel to the centerline of Sappington (40 feet wide) Road; thence along said parallel line South 00 degrees 42 minutes 46 seconds West 2419.67 feet; thence continuing along said parallel line and its southerly extension South 00 degrees 08 minutes 28 seconds West 2703.49 feet to the southwesterly line of Interstate 270; thence along said southwesterly line South 69 degrees 25 minutes 41 seconds West 78.33 feet; thence North 73 degrees 17 minutes 16 seconds West 222.49 feet; thence continuing along said southwesterly line North 19 degrees 04 minutes 00 seconds East 155.00 feet; thence continuing along said southwesterly line North 78 degrees 03 minutes 30 seconds West 443.42 feet; thence continuing along said southwesterly line North 60 degrees 29 minutes 45 seconds West 193.20 feet; thence continuing along said southwesterly line North 74 degrees 57 minutes 57 seconds West 639.90 feet; thence continuing along said southwesterly line on a tangent curve to the right having a radius point which bears North 19 degrees 04 minutes 00 seconds East 5924.65 feet, an arc distance of 140.59 feet; thence continuing along said southwesterly line North 10 degrees 08 minutes 00 seconds East 10.16 feet; thence continuing along said southwesterly line, northwesterly on a curve to the right having a radius point which bears North 20 degrees 26 minutes 38 seconds East 5914.65 feet, an arc distance of 509.94 feet; thence continuing along said southwesterly line North 53 degrees 54 minutes 31 seconds West 312.37 feet; thence continuing along said southwesterly line northwesterly on a curve to the right having a radius point which bears North 28 degrees 23 minutes 01 seconds East 5864.65 feet, an arc distance of 818.85 feet; thence continuing along said southwesterly line North 36 degrees 23 minutes 01 seconds East 10.00 feet; thence continuing along said

southwesterly line northwesterly on a curve to the right having a radius point which bears North 36 degrees 23 minutes 01 seconds East 5854.65 feet, an arc distance of 849.79 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 29.11 feet; thence continuing along said southwesterly line South 44 degrees 42 minutes 00 seconds West 5.00 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 39.24 feet; thence continuing along said southwesterly line North 46 degrees 13 minutes 00 seconds West 625.08 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 240.00 feet; thence continuing along said southwesterly line North 55 degrees 36 minutes 17 seconds West 279.51 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 160.00 feet; thence continuing along said southwesterly line South 44 degrees 42 minutes 00 seconds West 40.00 feet; thence continuing along said southwesterly line South 58 degrees 44 minutes 10 seconds West 123.69 feet; thence continuing along said southwesterly line North 26 degrees 25 minutes 30 seconds West 275.70 feet to the intersection of said southwesterly line with the westerly line of Kennerly Road, as depicted on the "BOUNDARY ADJUSTMENT SURVEY" OF Grandview Park, as recorded in Plat Book 311, Page 37, St. Louis County records; thence along the northeasterly line of Tract C of said plat North 47 degrees 54 minutes 15 seconds West 79.44 feet; thence continuing along said northeasterly line North 60 degrees 38 minutes 00 seconds West 140.80 feet; thence continuing along said northeasterly line North 53 degrees 36 minutes 04 seconds West 313.63 feet; thence continuing along said northeasterly line North 85 degrees 51 minutes 45 seconds West 102.61 feet to the southeasterly line of aforesaid Gravois (60 feet wide) Road, previous to widening; thence crossing said Gravois Road North 16 degrees 38 minutes 00 seconds West 60.00 feet to the aforesaid northwesterly line of said Road; thence along said northwesterly line North 73 degrees 22 minutes 00 seconds East 555.39 feet; thence continuing along said northwesterly line on a tangent curve to the right having a radius point which bears North 16 degrees 38 minutes 00 seconds West 1030.82 feet, an arc distance of 430.89 feet; thence continuing along said northwesterly line North 49 degrees 25 minutes 00 seconds East 862.45 feet; thence continuing along said northwesterly line North 49 degrees 02 minutes 30 seconds East 595.46 feet; thence continuing along said northwesterly line North 49 degrees 05 minutes 00 seconds East 1016.19 feet; thence continuing along said northwesterly line North 48 degrees 49 minutes 00 seconds East 16.71 feet to the point of beginning of this description and containing 421.5 acres, more or less. This description is based upon available records, and is subject to the results of an accurate land survey.

**ARTICLE IX SUBSTANTIVE ANALYSIS**

**Factor 1.** The area subject to the proposed boundary change, and its residents.

The following are services which will be added, changed or lost as a result of annexation by the City of Sunset Hills:

<u>Services</u>	<u>Added</u>	<u>Impact on St. Louis County</u>
Government Administration	Mayor of Sunset Hills, Sunset Hills Board of Aldermen, Sunset Hills Administrative Office	St. Louis County would retain some level of jurisdiction as set out by statute and charter.
Parks and Recreation		Presently located in Sunset Hills are Sunset Hills Parks and Laumeier Park, which is owned by St. Louis County. There will be no changes as there are no parks in the annexed area.
Police	Sunset Hills	St. Louis County would still retain some jurisdiction for the Police Department in the Annexation Area.
Street Maintenance and Snow Removal	Sunset Hills	St. Louis County would lose jurisdiction.
Sanitation and Garbage and Refuse Removal	Sunset Hills has authorized an official hauler for these services and will follow the statute to provide that service to the Annexation Area.	Private/Sunset Hills after 2 years-will stay the same for 2 years.

Planning and  
Zoning

Sunset Hills

St. Louis County  
would lose  
jurisdiction.

Building Code  
Enforcement  
Animal Control/  
Health Code  
Enforcement

Sunset Hills

St. Louis County  
handles these  
matters under  
contract with the  
City of Sunset  
Hills, enforcing  
Sunset Hills  
ordinances that  
are identical to  
those in effect  
in St. Louis County.

The following are services which will not be changed as a result of annexation by the City of Sunset Hills:

Fire and Emergency  
Medical services

Mehlville Fire  
Protection District

Water

St. Louis County  
Water Company

Sewer

Metropolitan St.  
Louis Sewer  
District

Electric

Union Electric

Gas

Laclede Gas

School Districts

Lindbergh R-8

Library

St. Louis County

There are no services which will be lost by Sunset Hills annexation, and not added by Sunset Hills.

There are no pending public improvements in the Annexation Area which would become the responsibility of Sunset Hills.

Changes in taxes, fees and other costs to property owners.

The major changes are the addition of an 8¢ per \$100.00 of assessed valuation real property tax which is currently levied in Sunset Hills. Each of the merchants, manufacturers and businesses would pay a license tax to the City of Sunset Hills, either measured as \$1.25 per \$1,000.00 of gross receipts for the

first \$10,000,000.00, \$1.00 per \$1,000.00 of gross receipts for the next \$10,000,000.00 and 80¢ per \$1,000.00 of gross receipts for all annual sales in excess of \$20,000,000.00, or based upon 20¢ per square foot of leased space or, in some instances, a flat fee. The utilities gross receipts tax on commercial sales in Sunset Hills is 7.5% and on residential sales is 5%, and would apply in the event of annexation.

The City of Sunset Hills will provide planning, site approval and zoning inspection and enforcement, however, the building codes and regulations for the City of Sunset Hills are presently codified in ordinances which are identical to those of St. Louis County, and under contract with St. Louis County the County Departments actually issue building permits, etc. and perform the necessary inspections.

The changes in the government structure will be from the County Executive and County Council to the Mayor and Board of Aldermen of a fourth class city under the statutes of the State of Missouri. (Chapter 79 R.S.Mo.).

Citizen participation exists in the county government structure and administration as it has a full set of offices and abilities to appear at public hearings before the Planning and Zoning Commission and the County Council.

As to Sunset Hills, there is citizen participation before the Council/Mayor form of government, the Planning and Zoning Commission and all other Boards, in a fourth class city and also at the city's offices. All employees and city officials are easily accessible to the public.

The city has no civil service program since it is a fourth class city and has no authority for same.

The municipality and the residents thereof.

There will be no changes in taxes, fees and other costs to residents of Sunset Hills.

Enforcement, regulatory, or operational responsibilities will be provided to the Annexation Area by the current city departments, however, no new enforcement, regulatory or operational responsibilities will be necessary within the present city boundaries.

Effects on:

The Sunset Hills Police Department consists of 20 officers, headed by Chief and Lieutenant, and basically operates in around the clock shifts with at least 2 or 3 officers on the streets at all times. There are 6 civilian personnel. It



is indicated that 3 additional police officers will be necessary to police the annexed area and the city. The additional cost because of the annexation area will be \$126,667.00. See attachment hereto as Exhibit 2 from the Chief of Police.

The present details on the Police Department are as follows, to-wit:

- a) Average patrol officer's salary - \$33,684.00.
- b) Average salary of commissioned officer - \$36,670.00.
- c) Turnover rate: 1 per year.
- d) Ratio of police per 1,000.00 population is 3.156.
- e) Response times are 3 minutes.

The Department of Public Works will need additional equipment and personnel and the cost to the city will be \$133,156.00 as shown on the report of the Department of Public Works attached hereto as Exhibit 3.

It is anticipated that the city administration and operations will continue with a City Clerk, 4 full-time Deputy Clerks, a Director of Public Works, City Engineer and 1 Assistant City Engineer. It is anticipated that no additions will be necessary to this personnel.

The city presently has a full-time Municipal Court Clerk.

An additional ward will not be required, but redistricting will be necessary, once the annexation is approved.

Adjoining areas not involved in the boundary change, and the residents thereof.

- (1) There will be no change in service agreements as the Mehlville Fire Protection District currently provides service to most of the City of Sunset Hills and to the Annexation Area and this would not change.
- (2) The property in the Annexation Area is currently zoned as per Exhibit 4 attached hereto by St. Louis County, Missouri. The City of Sunset Hills presently has the following zoning districts, to-wit:

A-Single-Family Residential - 1 acre;

B-Single-Family Residential - 20,000 sq.ft.;  
C-Single-Family Residential - 10,000 sq.ft.;  
D-Single-Family Residential - 7,000 sq.ft.;  
D-1-Single-Family Residential - 6,000 sq.ft.;  
E-Commercial - 20,000 sq.ft.;  
PD-1-Planned Development - 10 acres;  
PD-2-Planned Development - 10 acres;  
PD-3-Planned Development - 1/2 acre-3 acres;  
PD-4-Attached Cluster Homes - 10 acres;  
PL-1-Planned Light Industrial - 10 acres.

The city will either zone the property in the Annexation Area to the closest similar category presently in the Sunset Hills regulations, or create new district regulations for those that are presently zoned by St. Louis County in a manner that does not exist in Sunset Hills. Thus, there would be no effect on the remaining abutting properties in St. Louis County. The zoning in the Annexation Area will remain as zoned by St. Louis County until changed by Sunset Hills. R.S.Mo. § 89.191.

There should be no change in traffic circulation and access.

There will be no effects on fire protection districts outside the boundary change area as all of it is in the Mehlville Fire Protection District.

There should be no effect on adjoining or adjacent unincorporated pockets, and the annexation will not create unincorporated pockets.

There should be no economic effects on service delivery as this is a small compact area and should not affect the adjoining area's ability to receive the delivery of services from St. Louis County, or any new city coming into existence in South County.

The remainder of the county and its residents.

Impact on services now provided by the county:

- (a) There would be negligible cost increases or savings to St. Louis County because of the size of the Annexation Area.
- (b) The impacts on manpower and equipment should be negligible in St. Louis County because of the size of the Annexation Area.
- (c) Because of (a) and (b) above there should be no alternatives necessary to mitigate negative impacts.

Because the area is fairly well developed and is compact and adjacent to Sunset Hills' borders and joined by well-traveled streets there should be no impacts on regional concerns.

The Park Department anticipates that there will be an annual increase of \$1,400.00 for this area. See the report of the Director of Parks attached hereto as Exhibit 5.

**Factor 2.** Legal Description attached as Appendix A.

**Factor 3.** The proposing agent believes there is no difficulty in making any additions, deletions and modifications which address legal boundaries, technical or service delivery problems or boundaries which overlap those of other proposals because to its knowledge none exists.

**Factor 4.** Inventory

The City of Sunset Hills provides police protection, street maintenance, parks and recreation, structure codes, public works, planning and zoning and human services.

Police protection is provided by the Police Department of the city, street maintenance is provided by the Department of Public Works of the city, parks and recreation is provided by the Department of Parks of the city, structure codes, public works, and human services are provided under contract by St. Louis County utilizing identical ordinances. Planning and zoning is provided by the city of Sunset Hills own Planning and Zoning Commission.

Municipal services such as water, sewer, gas, electric, telephone and related systems are provided by utility companies such as Union Electric, Laclede Gas, St. Louis County Water, Southwestern Bell Telephone and Metropolitan Sewer District. The fire protection and emergency medical services are provided by Mehlville Fire Protection District which will continue to provide same. Refuse collection is provided by private services, although the city has designated an official hauler for Sunset Hills.

There will be no typical municipal services which are not provided by or through the City of Sunset Hills to any portion of the present service area or any portion of the new area of service. As set out above it is anticipated that additional manpower and equipment will be necessary, however, that has been examined by the Chief of Police, Director of Public Works, City Clerk and Director of Parks and their reports are attached hereto as Exhibits 2, 3, 5, and 9.

Itemization:

- (1) The services provided by St. Louis County to the area are police protection, street maintenance, parks and recreation, structure codes, public works, planning and zoning and human services.
- (2) There is no uniqueness to any of the services.
- (3) Mehlville Fire Protection District provides fire and ambulance service, and the normal public utilities and MSD provide their services to the Annexation Area.
- (4) There are no municipal type services which are not currently provided to any part of the unincorporated area except for refuse collection which is done by private contract.

Public Safety services.

Police services:

- (a) The city has a Detective Department and will continue to use this specialized department as well as the beat patrolmen. The remainder of the services presently provided to the Annexation Area will be provided by the city which does its own dispatching from its City Hall at 3939 South Lindbergh Boulevard.
- (b) The accessibility of the area for routine patrol and emergency response is good. The beats will be designed to have a routine patrol of the Annexation Area. The City Hall is located at 3939 South Lindbergh Boulevard approximately 2+ miles from the Annexation Area.

There will be no change in fire protection and emergency medical services from the Mehlville Fire Protection District.

**Factor 5.**

Proposed Time Schedule

- A. The city will provide each service to the annexed area immediately upon the effective date of the annexation.
- B. There are no agreements and arrangements required to attain the scheduled change as the agreements for enforcement of its ordinances by St. Louis County provide the

services within the City of Sunset Hills regardless of its boundaries.

- C. There are no circumstances which would result in any delays which would prohibit a uniform transition.

**Factor 6. Tax Rates**

Exhibit 6 showing the 1995 tax rates is attached hereto. No rates have been set for 1996.

**Factor 7. Current Sources of Revenue**

- |   | <u>City of Sunset Hills</u>  | <u>St. Louis County</u>                |
|---|--|--|
| (a) Real estate: Certain Personal Property: | 8¢ per \$100.00 of assessed valuation  | 19¢ per \$100.00 of assessed valuation |
| (b)   | There is no variation between separate areas of the proposed boundary change.  |  |
| (c)   | All, except exempt property, is taxable in the Mehlville Fire District and the rate is 90¢ per \$100.00 of assessed valuation. |  |
| (d)   | None are close to the statutory maximum.   |  |

Sales Tax and Formula - presently the city is a point of sale city, however, it will receive a per capita amount which is \$103.00 per person in the Annexation Area.

Property tax is 8¢ per \$100.00 of assessed valuation.

Utility tax is 5% of gross receipts on residential sales and 7.5% on commercial sales.

Cigarette tax as per state distribution. \$4.50 per capita.

State road aid as per state distribution. \$27.00 per capita.

Auto license tax - none in Sunset Hills.

Commercial licenses and fees are based on \$1.25 per \$1,000.00 of gross receipts for the first \$10,000,000.00, \$1.00 per \$1,000.00 of gross receipts for the next \$10,000,000.00 and 80¢ per \$1,000.00 of gross receipts for all annual sales in excess of \$20,000,000.00 for merchants

for sales in Sunset Hills, 20¢ per sq. ft. for office buildings and some are flat fees.

Grants - an expected grant of \$160,000.00 for a bridge reconstruction on West Watson Road in Sunset Hills, otherwise, none.

Investments - \$808,185.00 is invested by the city at 3-4% floating.

Assessed valuation for city is \$125,780,746.00.

Revenues on reserve are \$808,185.00.

See 1996 budget and latest independent audit attached as Exhibits 7 and 8.

Direct fiscal impacts of extending services to annexation area.

The net cost to the city is anticipated to be \$266,663.00 broken down by department as follows:

Police	\$126,667.00	(Exhibit 2)
Public Works	133,156.00	(Exhibit 3)
Administration	5,440.00	(Exhibit 9)
Parks	1,400.00	(Exhibit 5)

The city anticipates \$275,199.00 revenue from the Annexation Area which should result in a net gain of \$8,536.00.

#### Proposed Sources of Additional Revenue

The sources have been set out as shown above.

The sources of revenue which will be imposed on parties in the Annexation Area are shown as follows:

The proportion of the city's proposed budget is 5%.

The projected generation of revenues for the next 3 years is \$825,597.00.

We anticipate that the expenditures would be the same as that budgeted for 1996 or slightly higher with the exception that the actual cost to be delivered for services to the annexation area would be increased because they are not in the 1996 budget, nor is the anticipated income reflected therein.

None of the funds would be earmarked.

Report of the Administrative Department attached hereto as Exhibit 9.

**Factor 8.**

There are no extraordinary effects on the distribution of tax revenues in the county nonetheless, the following is a list of what distribution will be affected.

- A. (1) The tax revenues to St. Louis County are either based on population such as the sales tax or on assessed valuation or they are licenses and fees.
- (2) Sales tax - the city will receive \$103.00 per year for each of the 1310 persons in the Annexation Area and St. Louis County will lose that.

Property tax - St. Louis County will not lose any property tax but the city will gain 8¢ per hundred on assessed valuation.

The utility tax paid to the city will be 5% on residential gross receipts and 7.5% on commercial gross receipts. St. Louis County will lose a tax of 5% on gross receipts.

Licenses and fees - the city will be paid all merchants licenses and fees, however, St. Louis County will continue to receive whatever statutory licenses and fees it is entitled to.

- B. To date there has been no response by county officials on the proposed annexation.
- C. There will be no other change in any taxing jurisdictions or tax revenues as the fire district is the same.

**Factor 9.**

Attached hereto are the existing zoning maps in St. Louis County and description of the zoning regulations which apply to the categories as Exhibit 4 and 10.

The proposed zoning by Sunset Hills of the unincorporated area is attached on the map marked Exhibit 11 and also attached are the corresponding code provisions in Sunset Hills as Exhibit 12.

The city does have subdivision and flood plain management ordinances but neither are anticipated to be effective in this area because it is fully developed.

The zoning changes would simply be technical ones to either zone property into the appropriate Sunset Hills commercial or residential category. There is one non-conforming use which will be the condominiums on Benbury Court. There are no development projects to the knowledge of the proposing agent in the Annexation Area.

**Factor 10:**

Since the area is bounded on three sides by Sunset Hills and all of the roads are already in existence there will be no effect on the delivery of services and access to the property.

There should be no effect on community of interest as this property is surrounded on three sides by Sunset Hills, and the residents have expressed a desire to come into Sunset Hills and have appeared from time to time at Sunset Hills Board of Aldermen Meetings on zoning matters. The public and private facilities e.g. churches, parks, elementary schools, grocery stores and shopping facilities will not be changed by the annexation, nor will the citizens pattern of usage.

There are no natural or man-made barriers as boundaries.

Three sides of the Annexation Area border the City of Sunset Hills and the other side is a definitive street (Sappington Road). The city would be annexing all of I-270, Gravois Road and Sappington Barracks Road in the annexation area and none of Sappington Road so that no street centerlines are being used.

All of the areas are served by the same collector street system so it is not necessary to pass through another jurisdiction to reach any parcel in the Annexation Area.

It is believed by the city that the boundaries permit the reasonable and efficient placement of services and that no emergency service delivery should be delayed. In fact, the City Hall is closer to the Annexation Area than the closest St. Louis County Police Department Station, and the Mehlville Fire District Firehouse to serve this



area would be in the same location as before annexation.

This is a compact area and meets the criteria as set out in the Boundary Commission Rules.

**Factor 11.** Effective Date of Boundary Change

It is proposed that the effective date should be six months after the date of a successful election. As shown by this proposal, the city can provide all of the services at that six month date and there is no reason to delay any past that particular time.

**CONCLUSION**

The city submits that the annexation proposal should be approved and placed on the ballot for voters' decision.

EXHIBITS

Appendix A	Legal Description
Exhibit 1	Map/Boundaries
Exhibit 2	Report of Police Department
Exhibit 3	Report of Department of Public Works
Exhibit 4	St. Louis County Zoning
Exhibit 5	Report of Parks Department
Exhibit 6	1995 Tax Rates for other jurisdictions
Exhibit 7	1996 Budget (Sunset Hills)
Exhibit 8	Latest Independent Audit (Sunset Hills)
Exhibit 9	Report of Department of Administration
Exhibit 10	County Zoning Maps/Regulations
Exhibit 11	Sunset Hills Proposed Zoning
Exhibit 12	Sunset Hills Zoning Regulations

Job No. 96031  
April 10, 1996

**Annexation Description**  
421.5 Acres

A tract of land in Sections 29 and 30, Township 44 North, Range 6 East, and in U. S. Surveys 1197 and 3117, Township 44 North, Ranges 5 and 6 East, St. Louis County, Missouri, and being more particularly described as follows:

Beginning at the intersection of the northwesterly line of Gravois (60 feet wide) Road, previous to widening, and the northerly line of Sappington Barracks (60 feet wide) Road; thence along said northerly line South 89 degrees 12 minutes 14 seconds East 2271.96 feet; thence continuing along said northerly line South 74 degrees 38 minutes 14 seconds East 104.53 feet to a point on a line 60 feet southwesterly of and radial to the centerline of Lindbergh Boulevard, as widened; thence crossing aforesaid Sappington Barracks Road South 18 degrees 17 minutes 39 seconds East 72.08 feet to a line 100 feet radial to the centerline of Lindbergh Boulevard, as widened; thence southeasterly on a curve to the left having a radius point which bears North 36 degrees 21 minutes 26 seconds East 1055.37 feet, an arc distance of 355.18 feet to a line 20 feet westerly of and parallel to the centerline of Sappington (40 feet wide) Road; thence along said parallel line South 00 degrees 42 minutes 46 seconds West 2419.67 feet; thence continuing along said parallel line and its southerly extension South 00 degrees 08 minutes 28 seconds West 2703.49 feet to the southwesterly line of Interstate 270; thence along said southwesterly line South 69 degrees 25 minutes 41 seconds West 78.33 feet; thence North 73 degrees 17 minutes 16 seconds West 222.49 feet; thence continuing along said southwesterly line North 19 degrees 04 minutes 00 seconds East 155.00 feet; thence continuing along said southwesterly line North 78 degrees 03 minutes 30 seconds West 443.42 feet; thence continuing along said southwesterly line North 60 degrees 29 minutes 45 seconds West 193.20 feet; thence continuing along said southwesterly line North 74 degrees 57 minutes 57 seconds West 639.90 feet; thence continuing along said southwesterly line on a tangent curve to the right having a radius point which bears North 19 degrees 04 minutes 00 seconds East 5924.65 feet, an arc distance of 140.59 feet; thence continuing along said southwesterly line North 10 degrees 08 minutes 00 seconds East 10.16 feet; thence continuing along said southwesterly line, northwesterly on a curve to the right having a radius point which bears North 20 degrees 26 minutes 38 seconds East 5914.65 feet, an arc distance of 509.94 feet; thence continuing along said southwesterly line North 53 degrees 54 minutes 31 seconds West 312.37 feet; thence continuing along said southwesterly line northwesterly on a curve to the right having a radius point which bears North 28 degrees 23 minutes 01 seconds East 5864.65 feet, an arc distance of 818.85 feet; thence continuing along said southwesterly line North 36 degrees 23 minutes 01 seconds East 10.00 feet; thence continuing along said

southwesterly line northwesterly on a curve to the right having a radius point which bears North 36 degrees 23 minutes 01 seconds East 5854.65 feet, an arc distance of 849.79 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 29.11 feet; thence continuing along said southwesterly line South 44 degrees 42 minutes 00 seconds West 5.00 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 39.24 feet; thence continuing along said southwesterly line North 46 degrees 13 minutes 00 seconds West 625.08 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 240.00 feet; thence continuing along said southwesterly line North 55 degrees 36 minutes 17 seconds West 279.51 feet; thence continuing along said southwesterly line North 45 degrees 18 minutes 00 seconds West 160.00 feet; thence continuing along said southwesterly line South 44 degrees 42 minutes 00 seconds West 40.00 feet; thence continuing along said southwesterly line South 58 degrees 44 minutes 10 seconds West 123.69 feet; thence continuing along said southwesterly line North 26 degrees 25 minutes 30 seconds West 275.70 feet to the intersection of said southwesterly line with the westerly line of Kennerly Road, as depicted on the "BOUNDARY ADJUSTMENT SURVEY" OF Grandview Park, as recorded in Plat Book 311, Page 37, St. Louis County records; thence along the northeasterly line of Tract C of said plat North 47 degrees 54 minutes 15 seconds West 79.44 feet; thence continuing along said northeasterly line North 60 degrees 38 minutes 00 seconds West 140.80 feet; thence continuing along said northeasterly line North 53 degrees 36 minutes 04 seconds West 313.63 feet; thence continuing along said northeasterly line North 85 degrees 51 minutes 45 seconds West 102.61 feet to the southeasterly line of aforesaid Gravois (60 feet wide) Road, previous to widening; thence crossing said Gravois Road North 16 degrees 38 minutes 00 seconds West 60.00 feet to the aforesaid northwesterly line of said Road; thence along said northwesterly line North 73 degrees 22 minutes 00 seconds East 555.39 feet; thence continuing along said northwesterly line on a tangent curve to the right having a radius point which bears North 16 degrees 38 minutes 00 seconds West 1030.82 feet, an arc distance of 430.89 feet; thence continuing along said northwesterly line North 49 degrees 25 minutes 00 seconds East 862.45 feet; thence continuing along said northwesterly line North 49 degrees 02 minutes 30 seconds East 595.46 feet; thence continuing along said northwesterly line North 49 degrees 05 minutes 00 seconds East 1016.19 feet; thence continuing along said northwesterly line North 48 degrees 49 minutes 00 seconds East 16.71 feet to the point of beginning of this description and containing 421.5 acres, more or less. This description is based upon available records, and is subject to the results of an accurate land survey.

City of Sunset Hills Police Department  
Annexation Plan of Intent  
March 1, 1996

Introduction

The City of Sunset Hills is considering the annexation of an area generally south of the existing City. As a part of this process, the Police Department has been asked to review this area to determine the cost of providing police service. The Police Department has reviewed this question based upon the following criteria:

1. Additional equipment expenses;
2. Additional operational expenses;
3. Additional personnel expenses;

Assumptions

This report is based upon certain assumptions regarding the provision of service to the proposed area as well as certain statistical calculations which have been previously derived. They include:

1. The Police Department will already be providing service to a newly annexed area in June of 1996.
2. Committed time estimates are based on projections which involve an area for which we will not have actual data regarding calls for service until June of 1996.
3. The staff availability factor for uniformed patrol personnel has been calculated at 1904 man hours per year.
4. The projected committed time of the uniformed patrol staff for the City as it will be constituted prior to the effective implementation of the proposed annexation area is 9658 man hours.
5. For officer safety, the tendency for calls for service to occur in clusters, the occurrence of two man calls, the ability to perform preventive patrol, and to keep an appropriate response time, the ratio of committed time to staff availability should be around 25% and no more than 30%.
6. The level of police service for the proposed area will be the same as for the existing City.

Methodology

With the annexation of the proposed area, the City will gain about 7 miles of additional streets. This reflects an increase of 21%. With the implementation of the annexation, the police department will be patrolling about 234,875 miles per year. The addition of the annexed area will cause the miles patrolled per year to increase to about 284,199 miles.

Based on fleet expense, I would project a combined factor of \$.1252 for gasoline, maintenance, and repair per mile. When the factor of \$.1252 is applied to the additional 49,324 miles of patrol for the annexed area, the resulting cost increase is \$6,175. The additions made to the vehicle fleet in FY 1996, should be sufficient to cover patrol needs for the proposed area.

There are certain staffing considerations to be made in any potential annexation. Our department is authorized to have twenty police officers and six civilian personnel. Of that staff, seventeen officers and supervisors are assigned to field operations. The remainder of the department is comprised of supervisory, investigative, and communications personnel. When the staff availability factor of 1904 is multiplied by 17, the product is 32,368 man hours per year. The ratio of committed time to staff availability (9658 divided by 32368) is .2956. This means that the committed time of the patrol officers is 29.56% of the time which they are actually available.

According to data received, the population of the proposed area is 1200. The population of the City as it will be constituted upon the implementation of the proposed annexation is 6635. The additional population of the annexation area reflects an increase of about 18%. When that increase is applied to the projected 9658 man hours per year of committed time, the result is 11396 man hours per year. Using existing patrol staff, the ratio of committed time to staff availability is .338 or 33.81%. The addition of three patrol officers would increase the staff availability from 32,368 man hours to 38,080 man hours per year. The committed time ratio would thus be reduced to .2992 or 29.92%. To keep the level of service to the annexed area the same as that received by the existing city, I would recommend the addition of three police officers.

#### Cost Summary

Increased expenses to provide police service to the proposed annexation area are as follows:

1. Personnel expense (salary & benefits)	\$110,592
2. Annual vehicle operating expense	\$ 6,175
3. Recruitment	\$ 3,000
4. Personnel equipment	\$ 6,900
TOTAL	\$126,667

#### Conclusion

We have determined that the proposed annexation area will experience about 1738 man hours per year of committed time from the available staff. If we provide police service with the existing staff, the same amount of time will have to be deducted from the resources available to provide service the existing city. In order to maintain response times at expected levels, the response time consideration becomes a very significant one when planning for staffing needs. Consideration must also be given to projected demands on the existing staff due to the major reconstruction of the I270 / I44 interchange as well as the redevelopment of the Plaza at Sunset Hills.

The additional resources recommended in this report will allow the police department to provide a level of service and response time which the citizens of this community have come to expect.

ANNEXATION OF AREA BETWEEN  
HIGHWAY 30 TO SAPPINGTON ROAD AND  
SAPPINGTON BARRACKS ROAD TO INTERSTATE 270  
APRIL 1996  
PUBLIC WORKS DEPARTMENT

The proposed area for annexation contains 421.5 acres with 7 (seven) miles of roadway. The area is mainly serviced by subdivision streets which are accessed via main roadways such as Sappington Road, Highway 30 and Lindbergh Blvd. Sappington Road will remain within the St. Louis County roadway system as it is designated an arterial. The subdivision streets will be incorporated into the normal street maintenance activities, street repairs, snow removal, capital street repairs, etc. performed by the Public Works Department.

The overall condition of the roadways contained in the proposed annexation area, based on a cursory, visual inspection, would be designated as average to good within the definitions of pavement condition found in the PAVER criteria. It is not foreseen where the roadway system within the proposed annexation area would create any added costs above and beyond the cost currently encountered by the City for the repair and maintenance of City roadways and streets.

Based on the additional lane mileage to be added to the street network, the following additional annual costs will be incurred and expended by the Public Works Department:

Road/Bridge Maintenance	\$ 5,340
Road Construction	\$ 17,800
Snow Removal	\$ 1,424
Street Lighting	\$ 5,874
Road Painting/Striping	\$ 712
Road Sign Maintenance/Replacement	\$ 534
Road Sweeping/Cleaning	\$ 356
Weed Control	\$ 445
TOTAL	<u>\$ 32,485</u>

The above costs were based on 39.4 miles of public roadway currently within the City's jurisdiction. There will be 7 miles or roadway added to the street network with the proposed annexation. The additional annual cost was based on adding 17.8% to the existing 39.4 miles of roadway.

With the increased lane mileage being added to the street network system, in order to keep the snow removal operations and street maintenance activities at nearly the same level of

service, it will be necessary to add the following personnel, with the associated annual costs, to the Street Department:

Driver/Laborer (including benefits)	\$ 27,000
Driver/Laborer (including benefits)	\$ 27,000
TOTAL	<u>\$ 54,000</u>

It should be noted, with Annexation Area III yet to be annexed into the City, the total impact of the area on the snow removal and street maintenance activities is not known. The additional personnel were determined by evaluating current snow removal and street maintenance activities within the street network and applying the cost per mile to the amount of street mileage within the proposed annexation area.

With the increased street mileage being added to the overall street network system, in order to keep the snow removal operations and street maintenance activities at nearly the same level of service, it will be necessary to add the following equipment, with the associated annual costs, to the Street Department:

Two Ton Dump Truck with Plow and Spreader	\$ 11,798
One Ton Dump Truck with Plow	<u>\$ 6,873</u>
TOTAL	\$ 18,671

The above annual cost for the Two Ton Dump Truck with Plow and Spreader were based on a \$60,000 initial cost, a 10% interest rate, a 7 year useful life and a \$5,000 salvage value. For the One Ton Dump Truck with Plow, a \$35,000 initial cost, a 10% interest rate, a 7 year useful life and a \$3,000 salvage value was utilized to achieve the annualized costs.

To keep the snow removal operations at the **exact** same level of service, it would be necessary to add three additional employees. With the impact of Annexation Area III an unknown, two employees will definitely be needed at this time with minimal impact to the overall, city wide snow removal operations. After gaining experience with the snow removal operations within Annexation Area III, a determination can be made regarding any additional personnel and equipment which may be needed.

The major factor in servicing the proposed annexation area for snow removal operations is the length of time needed to travel back and forth from a central salt stockpile. A salt storage facility located within Annexation Area III or the proposed annexation area would greatly decrease the travel times to replenish spreaders with salt for the snow removal operations. The salt storage facility would definitely keep the number of



employees needed at two and the equipment at a two-ton dump truck and one-ton dump truck.

With all capital costs being annualized, the total cost for the Public Works Department, outside of administrative functions, to provide the same level of service to the proposed annexation area will be \$105,156. Based on the overall cash flow of the City at the time the proposed annexation becomes effective, with respect to the capital equipment purchases, the City could purchase the equipment through normal budgeting procedures or under lease-purchase arrangements. Due to the overall budgetary demands of the City at the time and the fact revenue to be received from the annexation area will not immediately be recognized or received, it may be necessary for the City to phase-in the capital equipment purchases over a short time frame. The personnel and equipment will be fitted into the street maintenance and snow removal operations at the time they become available.

Once the necessary equipment has been added to the capital equipment of the Street Department, the maintenance and replacement of the equipment will become part of the normal budgeting procedures of the City.

The administrative portion of the Public Works Department handles administrative functions, complaints, street inspections, dispersal of information, occupancy inspections and zoning compliance through a City Engineer/Director of Public Works and Assistant City Engineer. The number of households, the number of miles in the street network being added and the overall increased administrative demand warrant an additional administrative employee for the Public Works Department. The increased workload can be addressed with an engineering technician to handle minor complaint investigation, field inspection and project administration. The additional cost in personnel would be \$28,000.

Total cost for the Public Works Department under this annexation proposal will be \$133,156.

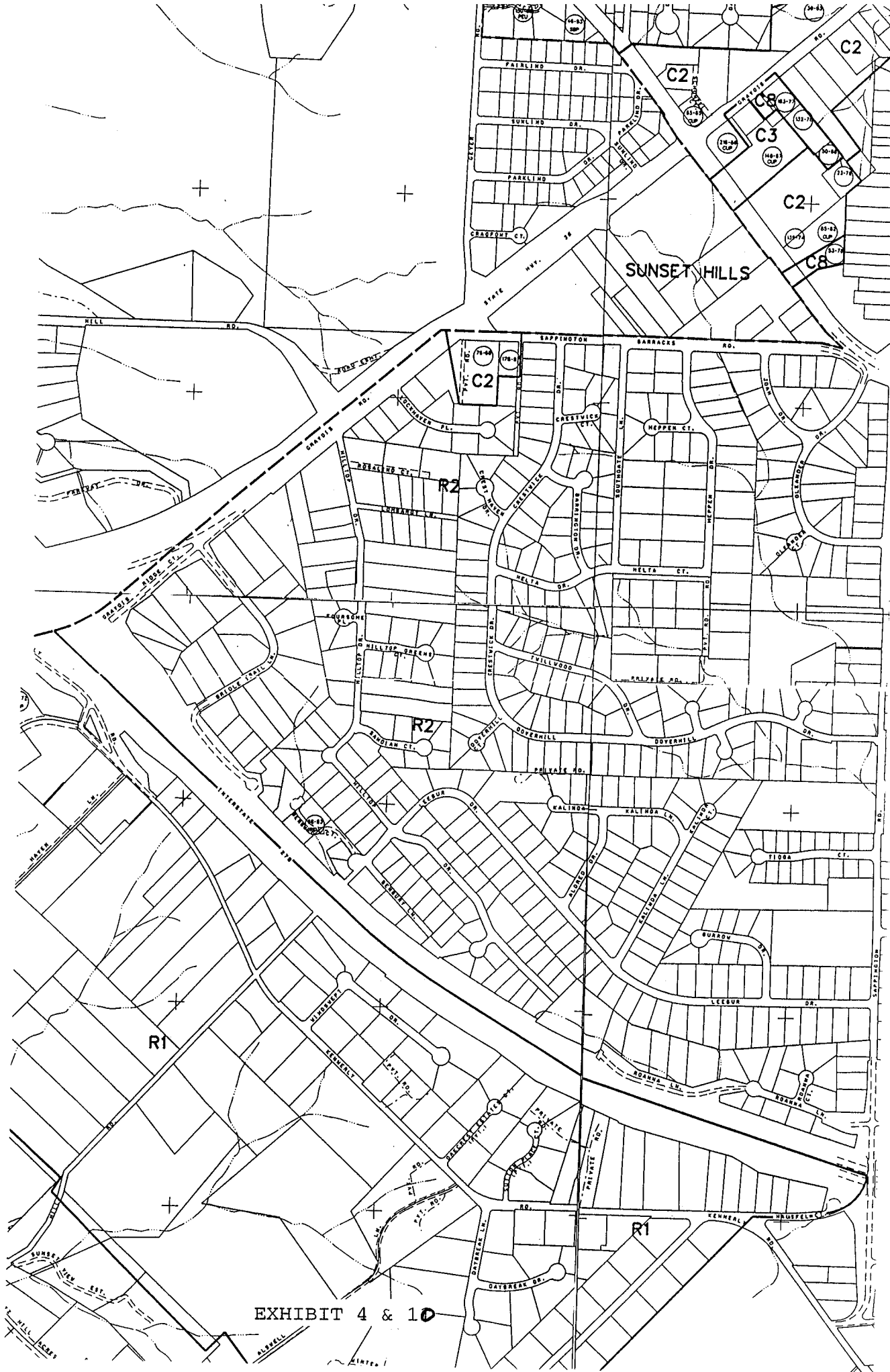


EXHIBIT 4 & 10

... will be needed if the city is successful with the current annexation that is being proposed.

Position	Current Salary Allocation	Proposed Salary Allocation
Part time Summer Park Attendants	\$5,800.00	\$7,200.00
	increase	\$1,400.00

**The increase in Part Time Park Attendant hours will ensure that an employee of the City of Sunset Hills will be on duty at all times for evening and weekend operating hours during the summer.**

1999 Overlapping Tax Rates  
City of Sunset Hills

STATE OF MISSOURI	0.030
COUNTY GENERAL	0.190 ✓
COUNTY PARK MAINT	0.035 ✓
COUNTY BOND RETIRE	0.085 ✓
ROAD & BRIDGES	0.105
COUNTY HOSP/HEALTH	0.165 ✓
ST L COMMUNITY COLL	0.240
SPECIAL SCH DISTRICT	0.620
METRO ZOO	0.228
SHELTERED WORKSHOP	0.085
COUNTY LIBRARY	0.140
<hr/>	
KIRKWOOD SCH DIST	3.810
LINDBERGH SCH DIST	2.650
METRO SEWER DIST	0.070
MISS RIVER ANTI POLL	0.020
MSD EXTENSION	0.020
GRAVOIS CREEK SD	0.080
MERAMEC RIV BAS SD	0.070
MEHLVILLE FPD	0.900
FENTON FPD	0.740
CITY OF SUNSET HILLS	0.08

# CONSOLIDATED 1996 BUDGET

	<u>GENERAL FUND</u>			<u>DESIGNATED FUNDS</u>		
	1995	1995	1996	1995	1995	1996
	BUDGET	ESTIMATE	BUDGET	BUDGET	ESTIMATE	BUDGET
<b>REVENUES</b>	<b>ORIGINAL</b>	<b>ESTIMATE</b>	<b>BUDGET</b>	<b>ORIGINAL</b>	<b>ESTIMATE</b>	<b>BUDGET</b>
TAXES/LICENSE/PERMITS	2,454,700	2,746,300	3,097,400			
COURT FINES & COSTS	90,000	110,000	120,000			
GASOLINE TAX	100,000	110,000	135,500			
PARK INCOME	27,000	27,000	27,000			
POOL INCOME	50,000	50,000	50,000			
MISCELLANEOUS	39,200	60,000	67,000			
COUNTY ROAD FUND				130,000	135,000	147,200
P D TRAINING FUND				800	1,000	1,300
TIF				0	0	147,000
<b>CAPITAL IMPROVEMENT FUND</b>				<b>0</b>	<b>450,500</b>	<b>600,000</b>
<b>TOTAL REVENUES</b>	<b>2,760,900</b>	<b>3,103,300</b>	<b>3,496,900</b>	<b>130,800</b>	<b>586,500</b>	<b>895,500</b>
<b>DISBURSEMENTS</b>						
ADMINISTRATIVE	312,400	495,300	444,791			
COURT	41,000	40,400	47,300			
PARKS & RECREATION	183,607	207,607	170,550			
POOL	66,000	62,500	105,450			
PUBLIC SAFETY	1,171,034	1,167,345	1,298,552			
PUBLIC WORKS	575,212	602,090	772,912			
NON-DEPARTMENTAL	309,940	302,390	380,115			
COUNTY ROAD EXPENSES				170,000	165,000	130,000
P D TRAINING EXPENSES				8,800	8,800	8,800
<b>CAPITAL IMPROVEMENTS EXPENSE</b>						
<b>PARKS &amp; RECREATION</b>				<b>0</b>	<b>0</b>	<b>150,000</b>
<b>POOL</b>				<b>0</b>	<b>0</b>	<b>20,000</b>
<b>PUBLIC SAFETY</b>				<b>0</b>	<b>0</b>	<b>927,275</b>
<b>PUBLIC WORKS</b>				<b>0</b>	<b>0</b>	<b>1,858,000</b>
<b>TOTAL CAPITAL IMPROVEMENTS</b>				<b>0</b>	<b>0</b>	<b>2,955,275</b>
<b>TOTAL DISBURSEMENTS</b>	<b>2,659,193</b>	<b>2,877,632</b>	<b>3,219,670</b>	<b>178,800</b>	<b>173,800</b>	<b>3,094,075</b>
REVENUES OVER DISBURSEMENTS			277,230			
DISBURSEMENTS OVER REVENUES						(2,198,575)
BEGINNING BALANCE INCLUDING DEFERRED BUSINESS LICENSE	699,986	699,986	925,654	150,063	150,063	562,763
ENDING BALANCE INCLUDING DEFERRED BUSINESS LICENSE	801,693	925,654	1,202,884	102,063	562,763	(1,635,812)

**CAPITAL IMPROVEMENTS BONDS TOTAL AMOUNT \$5,765,000**

**CITY OF SUNSET HILLS**

**DECEMBER 31, 1994**



**CONNER ASH P.C.**

Certified Public Accountants

Exhibit 8

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**CITY OF SUNSET HILLS**

GENERAL PURPOSE FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION INCLUDING THE  
INFORMATION REQUIRED BY THE SINGLE AUDIT ACT  
with  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

YEAR ENDED DECEMBER 31, 1994

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and Board of Aldermen  
City of Sunset Hills  
Sunset Hills, Missouri

We have audited the accompanying general purpose financial statements for the City of Sunset Hills, Missouri, as of December 31, 1994, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Sunset Hills, Missouri, at December 31, 1994, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Governmental Auditing Standards, we have also issued a report dated June 2, 1995, on our consideration of the City of Sunset Hills's internal control structure and a report dated June 2, 1995 on its compliance with laws and regulations.

*Conner Ash P.C.*

St. Louis, Missouri  
June 2, 1995

VILL OF SUNSET HILLS

COMBINED BALANCE SHEETS

ALL FUNDS AND ACCOUNT GROUPS

December 31, 1994

	General Fund	Special Revenue Fund	Agency Fund	Fixed asset group of accounts
<b>ASSETS</b>				
Cash and equivalents	\$ 289,951	\$ 60,663	\$ 28,205	\$ -
U. S. Treasury Bill	499,435	-	-	-
Accounts receivable	249,222	149,534	-	-
Due from Agency Fund	1,767	-	-	-
Property and equipment	-	-	-	3,498,875
Due from General Fund	-	24,110	-	-
Deposits with insurance company	-	-	43,160	-
Amounts to be provided for retirement of capital lease obligation	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$1,040,375</b>	<b>\$ 234,307</b>	<b>\$ 71,365</b>	<b>\$ 3,498,875</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 22,480	\$ -	\$ -	\$ -
Due to Special Revenue Fund	24,110	-	-	-
Due to General Fund	-	-	1,767	-
Deferred revenue	157,901	-	-	-
Escrow fund liability	-	-	26,438	-
Employee deferred compensation payable (Note 10)	-	-	-	-
Capital lease obligation (Note 8)	-	-	43,160	-
<b>TOTAL LIABILITIES</b>	<b>204,491</b>	<b>-</b>	<b>71,365</b>	<b>-</b>
<b>FUND EQUITY</b>				
Investments in fixed assets	-	-	-	3,498,875
Fund balances:				
Reserved - memorial landscaping	2,190	-	-	-
Reserved - drug forfeiture	1,068	-	-	-
Reserved - police training	8,932	-	-	-
Unreserved	823,694	234,307	-	-
<b>TOTAL FUND EQUITY</b>	<b>835,884</b>	<b>234,307</b>	<b>-</b>	<b>3,498,875</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$1,040,375</b>	<b>\$ 234,307</b>	<b>\$ 71,365</b>	<b>\$ 3,498,875</b>

	General long-term debt group of accounts	Combined (memo only) December 31, 1994	1993
\$	\$ -	\$ 378,819	\$ 582,366
	-	499,435	-
	-	398,756	306,329
	-	1,767	-
	-	3,498,875	3,361,241
	-	24,110	-
	-	43,160	21,927
	80,333	80,333	42,214
<b>\$</b>	<b>80,333</b>	<b>\$ 4,925,255</b>	<b>\$ 4,314,077</b>
\$	\$ -	\$ 22,480	\$ 30,595
	-	24,110	-
	-	1,767	-
	-	157,901	110,083
	-	26,438	23,345
	80,333	80,333	21,927
	80,333	356,189	228,164
	-	3,498,875	3,361,241
	-	2,190	-
	-	1,068	1,069
	-	8,932	13,334
	-	1,058,001	710,269
<b>\$</b>	<b>80,333</b>	<b>\$ 4,925,255</b>	<b>\$ 4,314,077</b>

See accompanying notes.

# CITY OF SUNSET HILLS

## COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 1994

	General Fund	Special Revenue Fund	Combined (memo only) December 31,	
			1994	1993
<b>REVENUES</b>				
Taxes	\$1,997,312	\$ -	\$1,997,312	\$1,738,150
Licenses and permits	386,498	-	386,498	270,997
Intergovernmental revenue	23,582	335,770	359,352	183,658
Other	231,928	-	231,928	193,913
<b>TOTAL REVENUES</b>	<b>2,639,320</b>	<b>335,770</b>	<b>2,975,090</b>	<b>2,386,718</b>
<b>EXPENDITURES</b>				
Public safety	944,425	-	944,425	932,628
Parks and recreation	144,767	-	144,767	142,201
Pool	60,633	-	60,633	53,200
General government	319,509	-	319,509	286,386
Public works	572,553	360,325	932,878	537,495
Non-departmental	258,942	-	258,942	255,485
Debt - capital lease payments	43,471	-	43,471	23,589
<b>TOTAL EXPENDITURES</b>	<b>2,344,300</b>	<b>360,325</b>	<b>2,704,625</b>	<b>2,230,984</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>295,020</b>	<b>(24,555)</b>	<b>270,465</b>	<b>155,734</b>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from capital lease obligation	75,054	-	75,054	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	<b>370,074</b>	<b>(24,555)</b>	<b>345,519</b>	<b>155,734</b>
<b>BEGINNING FUND BALANCE</b>	<b>465,810</b>	<b>258,862</b>	<b>724,672</b>	<b>568,938</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 835,884</b>	<b>\$ 234,307</b>	<b>\$1,070,191</b>	<b>\$ 724,672</b>

See accompanying notes.

# CITY OF SUNSET HILLS

## STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

Year Ended December 31, 1994

	General Fund				
	Accrual basis actual	Accrual adjust- ments	Cash basis actual	Revised cash basis budget	Over (under) budget
<b>REVENUES</b>					
Taxes	\$ 1,997,312	\$ (41,104)	\$ 1,956,208	\$ 1,668,200	\$ 288,008
Licenses and permits	386,498	-	386,498	271,100	115,398
Intergovernmental revenue	23,582	10,031	33,613	41,000	(7,387)
Other	231,928	383	232,311	202,400	29,911
<b>TOTAL REVENUES</b>	<b>2,639,320</b>	<b>(30,690)</b>	<b>2,608,630</b>	<b>2,182,700</b>	<b>425,930</b>
<b>EXPENDITURES</b>					
Public safety	944,425	(32,518)	911,907	978,520	(66,613)
Parks and recreation	144,767	2	144,769	154,087	(9,318)
Pool	60,633	(20)	60,613	63,200	(2,587)
General government	319,509	(15,553)	303,956	292,884	11,072
Public works	572,553	(57,924)	514,629	549,271	(34,642)
Nondepartmental	258,942	15,145	274,087	277,645	(3,558)
Debt - capital lease payments	43,471	(3,267)	40,204	40,204	-
<b>TOTAL EXPENDITURES</b>	<b>2,344,300</b>	<b>(94,135)</b>	<b>2,250,165</b>	<b>2,355,811</b>	<b>(105,646)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>295,020</b>	<b>63,445</b>	<b>358,465</b>	<b>(173,111)</b>	<b>531,576</b>
<b>OTHER FINANCING SOURCES</b>					
Proceeds from capital lease obligation	75,054	-	75,054	75,054	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	<b>370,074</b>	<b>\$ 63,445</b>	<b>433,519</b>	<b>(98,057)</b>	<b>\$ 531,576</b>
<b>BEGINNING FUND BALANCE</b>	<b>465,810</b>		<b>426,365</b>	<b>426,365</b>	
<b>ENDING FUND BALANCE</b>	<b>\$ 835,884</b>		<b>\$ 859,884</b>	<b>\$ 328,308</b>	

See accompanying notes.

CITY OF SUNSET HILLS

STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUND

Year Ended December 31, 1994

	Special Revenue Fund				
	Accrual basis actual	Accrual adjust- ments	Cash basis actual	Revised cash basis budget	Over (under) budget
<b>REVENUES</b>					
Intergovernmental revenue	\$ 335,770	\$ (61,624)	\$ 274,146	\$ 278,000	\$ (3,854)
<b>EXPENDITURES</b>					
Public works	360,325	-	360,325	350,000	10,325
<b>EXCESS OF (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	(24,555)	\$ (61,624)	(86,179)	(72,000)	\$ (14,179)
<b>BEGINNING BALANCE</b>	258,862		278,972	278,972	
<b>ENDING BALANCE</b>	\$ 234,307		\$ 192,793	\$ 206,972	

See accompanying notes.

## NOTES TO FINANCIAL STATEMENTS

December 31, 1994

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Sunset Hills conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies.

**Basis of accounting** The modified accrual basis of accounting is followed by all funds. The differences between this and the accrual basis are that revenues are recorded when received except for those revenues which are susceptible to accrual and available (e.g., property taxes assessed; receivables from governmental agencies; utility gross receipts taxes; interest on investments). Available means collectible within the current period or soon enough thereafter to pay current liabilities.

**Fund accounting** The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The various funds and account groups are as follows:

**General Fund** The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Fund** This fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City uses this fund to account for road and bridge monies received from other governmental units.

**Fixed Asset Group of Accounts** Fixed asset purchases are recorded as expenditures in the general revenue fund at the time of purchase. Such assets are then capitalized at gross invoice price in the fixed asset group of accounts. No amounts are capitalized for streets and other infrastructure expenditures.

**General Long-term Debt Group of Accounts** This account group is used to record all long-term debt of the City.

**Trust and Agency Fund** The agency fund accounts for refundable assets held by the City as an agent for others. Agency funds are custodial in nature and do not involve measurement of results of operations.

**Budgets** A cash basis budget for revenues and expenditures is maintained for the General Revenue and Special Revenue Funds.

**Total columns on combined statements** Columns on the statements captioned "combined (memo only)" are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Combined data is not comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

**Other required individual disclosures**

Generally accepted accounting principles require disclosure, as part of the combined statements, of certain information concerning individual funds including:

- A. Deficit fund balances of individual funds. No funds reflected such balances at December 31, 1994.
- B. Excesses of expenditures over appropriations in individual funds. The Special Revenue Fund exceeded appropriations by \$10,325.
- C. Summary disclosures of changes in general fixed assets by major asset class. This requirement is met by Note 3.

**Cash and equivalents**

Cash and equivalents include interest bearing checking and money market deposits with a local bank. These accounts have been secured by collateral pledge agreements meeting the requirements of State of Missouri statutes and are held in the City's name by another bank.

2. **BANK DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by the General Fund and the Special Revenue Fund. Each fund type's portion of this pool is displayed on the combined balance sheet. Cash is separately held by the Agency fund.

**Cash**

At year end, the carrying amount of the City's checking account was \$247,396 and the bank balance was \$362,847. Of the bank balance, \$100,000 was covered by federal depository insurance and \$262,847 was covered by collateral held in the pledging bank's trust department in the City's name.

**Investments**

Statutes authorize the City to invest in: open time deposits for ninety days; certificates of deposit if the depository selected has deposited securities under the provisions of Sections 110.010 and 110.020, RSMo; bonds, redeemable at maturity at par, of the State of Missouri, of the United States, or of any wholly-owned corporation of the United States; or in other short-term obligations of the United States.

2. BANK DEPOSITS AND INVESTMENTS - CONTINUED

Investments - Continued

The City's investments are categorized to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

Investments at cost, which approximates market value, at December 31, 1994 consist of the following:

	Category 1	Carrying value
U. S. Treasury Bill; 5.331% yield to market	\$ 499,435	\$ 499,435
	<u>\$ 499,435</u>	<u>\$ 499,435</u>

3. ACCOUNTS RECEIVABLE

The following revenues were recorded as receivables at the end of the year:

	1994	1993
<b>General Fund</b>		
Property taxes receivable	\$ 64,641	\$ 64,557
Accrued interest receivable	915	1,185
Salary reimbursements receivable	-	10,030
Sales, utility and other taxes receivable	183,666	142,647
	<u>\$ 249,222</u>	<u>\$ 218,419</u>
<b>Special Revenue Fund</b>		
Property taxes receivable	\$ 149,534	\$ 87,910



4. CHANGES IN GENERAL FIXED ASSETS

Total additions and deletions to fixed assets for the year are as follows:

	Balance December 31, 1993	Additions	Deletions	Balance December 31, 1994
Land	\$ 326,420	\$ -	\$ -	\$ 326,420
Land and park development	1,056,468	-	-	1,056,468
Street department equipment	454,203	69,816	30,000	494,019
Park building	107,764	-	-	107,764
Park and playground equipment	62,011	15,321	-	77,332
Pool equipment	21,087	-	-	21,087
General office vehicles	2,000	-	-	2,000
Office equipment and furniture	130,983	10,231	5,000	136,214
Police department equipment	270,317	32,212	30,000	272,529
City Hall building and improvements	929,988	-	-	929,988
	<u>\$ 3,361,241</u>	<u>\$127,580</u>	<u>\$ 65,000</u>	<u>\$3,423,821</u>

5. PENSION PLAN

A. Plan Description

The City of Sunset Hills contributes to the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created, and is governed, by state statute. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under Internal Revenue Code Section 401a and is tax exempt.

All full-time employees are eligible to participate in LAGERS. Benefits vest after five years of credited service. Employees who retire on or after age 60 (55 for police) with five or more years of service are entitled to an allowance for life based upon the benefit program then in effect. The allowance is currently equal to a benefit factor multiplied by the final average salary multiplied by the number of years of service. LAGERS also provides for early retirement, death and disability benefits.

If the political subdivision participates under the contributory plan, each member contributes 4% of gross salary. The plan for the City of Sunset Hills is non-contributory. The employer is required by statute to contribute the remaining amounts necessary to finance the coverage of its employees using the actuarial basis specified by state statute. The City's payroll for employees covered by the system for the year ended December 31, 1994, was \$1,117,348 and total payroll was \$1,210,316.

## B. Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to (i) help users assess the plan's funding status on a going-concern basis, (ii) assess progress being made in accumulating sufficient assets to pay benefits when due, and (iii) allow for comparisons among public employee retirement plans.

The measure is independent of the actuarial funding method used to determine contributions to the plan.

The pension benefit obligation was determined as part of an actuarial valuation of the plan as of February 28, 1994. Significant actuarial assumptions used in determining the pension benefit obligation include (a) a rate of return on the investment of present and future assets of 7.0% per year, before retirement and 4.0% per year, compounded annually after retirement, (b) projected salary increases of 4.0% per year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0% to 3.4% per year, depending on age, attributable to seniority/merit, and (d) pre and post-retirement mortality based on the 1984 Group Annuity Mortality table set back 0 years for men and 6 years for women.

At February 28, 1994, the assets in excess of the pension benefit obligation were \$190,040, determined as follows:

Pension Benefit Obligation:	
Terminated employees not yet receiving benefits	\$ 64,980
Retirees and beneficiaries currently receiving benefits (prior service portion of benefits)	-
Current employees:	
Employer financed - Vested	1,066,731
Employer financed - Non-vested	103,340
	<hr/>
Total pension benefit obligation	1,235,051
Net assets available for benefits - at cost	1,425,091
	<hr/>
(Market value of assets: \$1,443,220)	
Assets in excess of the pension benefit obligation	<u>\$ 190,040</u>

## C. Funding Policy

The political subdivision is obligated by state statute to make all required contributions to the plan. The required contributions are actuarially determined using the individual entry-age actuarial cost method. The prior service costs are amortized over an initial amortization period of 40 years, and the amount of the additional unfunded obligations created due to increases in plan benefits, over a period of 30 years. Any refunds of member contributions, as elected by the subdivision, are amortized over a 15-year period.

## C. Funding Policy - Continued

The significant actuarial assumptions used to determine the actuarially determined employer contribution requirements are the same as those used to compute the pension benefit obligation.

The political subdivision's contribution for 1994 of \$77,572 was made in accordance with actuarially determined contribution requirements determined through an actuarial valuation. This amount consisted of normal cost which is 5.6% of covered payroll and amortization of prior service costs which is 1.0% of covered payroll.

At February 28, 1994 (the date of the most recent actuarial valuation), the total unfunded liability for benefits accrued under the method used to fund the plan, was \$207,047. The value of vested benefits was not determined in connection with the actuarial valuation of the plan. A copy of the actuarial valuation is forwarded to the political subdivision on an annual basis.

## D. Trend Information

In accordance with GASB 5, trend information is required for fiscal years beginning after December 15, 1986, and is presented herewith:

Valuation date	Net assets available for benefits (1)	Pension benefit obligation (PBO) (2)	Percent funded (1)/(2)	Over-funded PBO (1)-(2)	Annual covered Payroll
2/28/87	\$ 708,620	\$ 448,906	158%	\$ 259,714	\$ 874,350
2/29/88	848,931	549,905	154%	299,026	935,738
2/28/89	917,874	624,121	147%	293,753	1,042,875
2/28/90	1,041,046	699,465	149%	341,581	1,057,791
2/28/91	938,607	705,161	133%	233,446	1,086,534
2/28/92	1,087,786	862,716	126%	225,070	1,175,179
2/28/93	1,213,677	999,255	121%	214,422	1,185,894
2/28/94	1,425,091	1,235,051	115%	190,040	1,108,598

The above assets and pension benefit obligation do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. All current retiree assets and present values are excluded above, beginning in 1989.

## D. Trend Information - continued

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the plan's funded status on a going-concern basis. Analysis of the percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. The unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan. Since the pension plan for the City of Sunset Hills has an overfunded pension benefit obligation, this percentage is not shown.

Revenues by source			
Fiscal year	Employer		Total
	contri- butions	Investment income	
6/30/87	\$ 71,442	\$ 103,407	\$ 174,849
6/30/88	61,249	57,853	119,102
6/30/89	55,470	82,262	137,732
6/30/90	58,577	116,543	175,120
6/30/91	63,964	80,244	144,208
6/30/92	71,129	85,952	157,081
6/30/93	74,804	139,060	213,864
6/30/94	74,686	118,731	193,417

Expenses by type			
Fiscal year	Benefits	Expenses	Total
6/30/87	\$ 7,597	\$ 513	\$ 8,110
6/30/88	9,084	-	9,084
6/30/89	6,069	2,589	8,658
6/30/90	6,281	13,096	19,377
6/30/91	10,500	180,926*	191,426
6/30/92	18,175	-	18,175
6/30/93	17,021	-	17,021
6/30/94	16,661	-	16,661

\* includes refunds of accumulated employee contributions and allocated investment income from years when plan was contributory.

6. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are payable by December 31. The County collects the property tax and remits it to the City.

The assessed valuation of the tangible taxable property for the calendar year 1994, for purposes of local taxation, was:

Real estate	\$103,095,699
Personal property	20,990,567
	<hr/>
	\$124,086,266
	<hr/> <hr/>

The tax levy for \$100 of assessed valuation of tangible taxable property for the calendar year 1994, for purposes of local taxation, was:

General Fund	<u>\$ .08</u>
--------------	---------------

The above tax levy does not include the surcharge on commercial real estate.

Under Article VI, Sections 26(b) and 26(c) of the Constitution of the State of Missouri, the City, by vote of 2/3 of the qualified electors voting thereon, may incur general obligation bonded indebtedness for City purposes in an amount not to exceed 5% of the assessed valuation of taxable tangible property within the City ascertained by the last completed assessment for State or County purposes. A computation of the legal debt margin at December 31, 1994, is as follows:

Assessed valuation (January 1, 1994)	<u>\$124,086,266</u>
Debt limit - 5% of assessed value	\$ 6,204,313
Total debt applicable to debt limit	<hr/>
Legal debt margin	<u>\$ 6,204,313</u>

7. ESCROWED TAXES AND UNCOLLECTED TAXES

A number of taxpayers have made their tax payments in recent years under protest, causing their payments to be placed in escrow by the County Collector's Office. These escrowed amounts totalled \$16,954 as of January 31, 1995, and are not recorded in the financial statements since their receipt is uncertain.

In addition, at December 31, 1994, the City had uncollected taxes due of \$21,386, which pertain essentially to the years 1988 through 1994. These amounts are not recorded in the financial statements since their receipt is uncertain.

8. CAPITAL LEASE OBLIGATION

The City has entered into various lease-purchase agreements with Commerce Bank for the purchase of street equipment, police vehicles and a computer system.

The gross amount of the leases is \$177,222 of which \$23,795 represents interest and \$153,427 represents the capital cost of the equipment.

The agreement provides for annual principal and interest payments as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1995	\$ 35,382	\$ 1,695	\$ 37,077
1996	14,210	2,405	16,615
1997	14,970	1,645	16,615
1998	15,771	844	16,615
Totals	<u>\$ 80,333</u>	<u>\$ 6,589</u>	<u>\$ 86,922</u>

A payment of \$40,203 was made during the year ended December 31, 1994, of which \$3,268 was interest.

9. CONTINGENCIES

Beginning in late 1991, the City began to receive local use taxes from the State of Missouri. The constitutionality of this tax has been challenged and it is possible that this tax could be overturned, in which case the local use tax monies would be recaptured by the State through future withholding against other taxes normally remitted to the City. Prior to January 1, 1994, \$48,517 in local use taxes had been received by the City and recorded as tax revenues. During 1994 the remittance of these taxes to the City was terminated pending a settlement of this issue.

10. DEFERRED COMPENSATION PLAN

In July 1993, the City offered its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits essentially all employees to defer a portion of their salaries until future years. The deferred compensation is not available to them until termination, retirement, death, or unforeseen emergency.

All amounts of compensation deferred and all income earned attributable to those amounts are solely the property of the City (without being restricted to the provision of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors for the deferred account of each participant. The City believes it is unlikely that it will use the assets of the plan to satisfy the claims of general creditors in the future.

At December 31, 1994, there were 13 participants in the plan.

Summary of Employee Contributions and Plan Earnings

	Year Ended 12/31/94	To Date
Net employee contributions	\$ 21,696	\$ 42,673
Net plan earnings (loss)	(463)	487
	<u>\$ 21,233</u>	<u>\$ 43,160</u>

11. SUMMARY OF REVENUES

The City's General Fund revenues consisted of the following for 1994:

Taxes

Sales	\$ 1,043,091
Public utility gross receipts	718,764
Gasoline	110,685
Cigarette	21,814
Real estate and personal property	100,530
Other	2,428

1,997,312

Licenses and Permits

Merchants licenses	370,913
Permits and fees	9,322
Other licenses	6,263

386,498

Intergovernmental

Police grants and reimbursements	23,582
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Other

Interest income	21,049
Court costs, fees and fines	95,403
Park and pool income	84,579
Cable television	11,273
Miscellaneous	19,624

231,928

\$ 2,639,320

The City's Special Revenue Fund received \$132,964 in real estate and personal property taxes for County roads and \$202,806 in federal monies for bridge reimbursements.

The City is a plaintiff in a suit pending in the Missouri Supreme Court challenging H.S.H.B. 618 which changed the current method of distributing sales tax revenues from a point-of-sale method to an alternative distribution method. In response to this legislation, the City put before its voters on April 5, 1994, a 1/4 cent sales tax to replace the estimated loss of revenues from H.S.H.B. 618. This was approved. If the challenge prevails, the 1/4 cent sales tax will be eliminated and sales tax revenue distribution will revert to that prior to H.S.H.B. 618.

The City was also plaintiff in a case challenging the constitutionality of S94.577 R.S. Mo that allowed all municipalities, except those in St. Louis County, to collect a 1/2 of 1% sales tax to be used for capital improvements. The challenge is based on the exclusion of municipalities in St. Louis County. In April 1994, the City had put this issue before its voters and the 1/2 cent sales tax for capital improvements was approved. These tax monies have been collected and escrowed for the City by the Department of Revenue and amount to approximately \$300,000.

Recent legislation passed by the Missouri legislature on May 12, 1995, known as H.B. 607 and subsequently signed into law by the Governor made the case moot. This new legislation allows municipalities in St. Louis County to institute a sales tax of up to 1/2 cent to be used for capital improvements or for bond payments for capital projects. Cities will have to choose between two options for distribution. Option I allows a city to retain 85% of the sales tax revenue generated within its borders while placing 15% in a new pool to be distributed only to those cities who choose Option II. Option II participants contribute all of the sales tax generated within their borders to the Option II pool, which along with the 15% from Option I cities, is distributed on a per capita basis.

Because the City's voters previously approved a 1/2 cent capital improvements sales tax, additional voter approval will not be required. When the City selects an option, it will be able to proceed with the marketing and issuance of up to \$5,765,000 in bonds for capital improvements.

### 13. SUBSEQUENT EVENTS

The City is a participant in a Tax Increment Financing Commission which was formed to develop two parcels of property at Lindbergh and Watson. A developer for this project was chosen in November 1994, and the property was purchased in December 1994. Agreements with Commerce Bank are being finalized for the issuance and sale of \$7.7 million in bonds by the City with the Bank serving as bonding agent. Development is expected to begin late in 1995. The bonds will be repaid with the incremental sales tax from the developed areas.

On March 31, 1995, the City purchased property as a possible site for a new police station for \$465,000. The City made a down payment of \$100,000 and financed the balance with a loan from Magna Bank.





**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
ON SUPPLEMENTARY INFORMATION**

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The Honorable Mayor and  
Board of Aldermen  
City of Sunset Hills  
Sunset Hills, Missouri

Our report on our audit of the general purpose financial statements of the City of Sunset Hills for the year ended December 31, 1994, appears on page 1. That audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The information on the following schedules is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied on the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Conner Ash P.C.*

St. Louis, Missouri  
June 2, 1995

# CITY OF SUNSET HILLS

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## ANALYSIS OF REVENUES GENERAL FUND

Year Ended December 31, 1994

<b>TAXES</b>	
Sales	\$ 1,043,090
Public utility gross receipts	718,764
Gasoline	110,685
Cigarette	21,814
Real estate	84,822
Personal property	15,708
County utility distribution	2,393
Financial institution	36
	1,997,312
<b>LICENSES AND PERMITS</b>	
Permits and fees	9,322
Merchants licenses	370,913
Liquor licenses	5,513
Video licenses	750
	386,498
<b>INTERGOVERNMENTAL REVENUE</b>	
Police grants and reimbursements	23,582
<b>OTHER</b>	
Interest on investments	21,049
Court costs, fees and fines	95,403
Sale of police reports	3,897
Park income	29,318
Pool income	55,260
Police department training	2,094
Public works income	1,811
Cable television	11,273
Miscellaneous	11,823
	231,928
<b>TOTAL REVENUES</b>	\$ 2,639,320

See accountants' report on supplementary information.

CITY OF SUNSET HILLS

ANALYSIS OF EXPENDITURES  
GENERAL FUND

Year Ended December 31, 1994

**PUBLIC SAFETY**

Salaries	\$ 750,459
Training and seminars	7,037
Insurance	67,534
Office expense	6,048
Communications	27,913
Vehicle maintenance and service	27,234
Telephone	7,849
Uniforms and expendable equipment	10,783
Equipment purchases	33,377
Special investigations	903
Miscellaneous	5,288
	<hr/>
	944,425
	<hr/>

**PARKS AND RECREATION**

Salaries	78,774
Special events and promotions	8,282
Maintenance	11,230
Equipment and supplies	2,937
Vehicles	13,500
Utilities	8,343
Park development & land acquisition	7,210
Insurance	11,538
Miscellaneous	2,953
	<hr/>
	144,767
	<hr/>

Total carryforward	<hr/>
	\$ 1,089,192
	<hr/>

See accountants' report on supplementary information.

CITY OF SUNSET HILLS

ANALYSIS OF EXPENDITURES - CONTINUED  
GENERAL FUND

Year Ended December 31, 1994

Total brought forward

\$ 1,089,192

GENERAL GOVERNMENT

Salaries	
Memberships and subscriptions	162,904
Mayor and Board of Aldermen	3,082
Insurance and bonds	2,407
Copier expense	21,218
Postage and general office supplies	838
Equipment purchases	9,606
Equipment repair and maintenance	9,885
Legal and other professional fees	1,518
Litigation	32,919
Maps and publications	45,063
Communications	14,146
Election	2,923
Special events	3,163
Miscellaneous	6,131
	3,706

319,509

POOL

Management	
Salaries	30,744
Special events and promotions	7,941
Maintenance	412
Pool equipment and supplies	9,046
Utilities	4,149
Miscellaneous	8,090
	251

60,633

Total carryforward

\$ 1,469,334

See accountants' report on supplementary information.

# CITY OF SUNSET HILLS

## ANALYSIS OF EXPENDITURES - CONTINUED GENERAL FUND

Year Ended December 31, 1994

Total brought forward	\$ 1,469,334
<b>PUBLIC WORKS</b>	
Salaries	219,084
Engineering and survey	19,585
General maintenance	3,656
Insurance	24,091
Snow removal	11,456
Street lighting	31,387
Bridge improvements	24,110
Tree removal and replacement	1,045
Sanitation and weed control	7,717
Painting and striping	3,135
Sign maintenance and replacement	2,836
Gasoline and oil	5,018
Vehicle maintenance	29,089
Minor tool purchases and uniforms	3,963
Equipment purchases	70,962
Training and conferences	2,472
Miscellaneous	4,741
Lindbergh/Watson Project (TIF)	52,101
City Hall:	
Improvements	9,174
Utilities	28,960
Repair and maintenance	17,971
	572,553
Total carryforward	\$ 2,041,887

See accountants' report on supplementary information.

CITY OF SUNSET HILLS

ANALYSIS OF EXPENDITURES - CONTINUED  
GENERAL FUND

Year Ended December 31, 1994

Total brought forward	\$ 2,041,887
<b>NON-DEPARTMENTAL EXPENDITURES</b>	
Social Security taxes	92,589
Health insurance	78,629
Pension	78,027
Life insurance	9,697
	<u>258,942</u>
<b>CAPITAL LEASE PAYMENTS</b>	<u>43,471</u>
<b>TOTAL EXPENDITURES</b>	<u>2,344,300</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u><u>\$ 295,020</u></u>

See accountants' report on supplementary information.

# CITY OF SUNSET HILLS

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## ANALYSIS OF REVENUES AND EXPENDITURES SPECIAL REVENUE FUND

Year Ended December 31, 1994

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<b>INTERGOVERNMENTAL REVENUE</b>	
County road and bridge reimbursements	\$ 132,964
Federal bridge reimbursements	202,806
	<hr/>
	335,770
<b>PUBLIC WORKS</b>	
Road and bridge maintenance and improvements	360,325
	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (24,555)</b>
	<hr/> <hr/>

**OMB CIRCULAR A-128 AUDIT REPORTS**





**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

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The Honorable Mayor  
and Board of Aldermen  
City of Sunset Hills  
Sunset Hills, Missouri

We have audited the general purpose financial statements of the City of Sunset Hills, Missouri, as of and for the year ended December 31, 1994, and have issued our report thereon dated June 2, 1995. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Sunset Hills taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Conner Ash P.C.*

St Louis, Missouri  
June 2, 1995

## SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Year Ended December 31, 1994

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Pass-through Number</u>	<u>CFDA Number</u>	<u>Federal Revenues</u>	<u>Expenditures</u>
U.S. Department of Transportation				
Passed through Missouri Highway and Transportation Department				
Off System Bridge Replacement and Rehabilitation Program	BRO-096 (43)	20.205	\$ 202,806	\$ 202,806

See accountants' report on schedule of federal financial assistance.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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The Honorable Mayor  
and Board of Aldermen  
City of Sunset Hills  
Sunset Hills, Missouri

We have audited the general purpose financial statements of the City of Sunset Hills, Missouri, as of and for the year ended December 31, 1994, and have issued our report thereon dated June 2, 1995.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City of Sunset Hills is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the City of Sunset Hills for the year ended December 31, 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Sunset Hills in a separate letter dated June 2, 1995.

This report is intended for the information of the Mayor, Board of Aldermen, the Missouri Department of Transportation and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

*Conner Ash P.C.*

St. Louis, Missouri  
June 2, 1995