



AUDIT & FINANCE COMMITTEE

MINUTES – June 22, 2020

The regular meeting of the Audit & Finance Committee was held Monday, June 22, 2020 at 4:30p.m. Those in attendance included:

Member	In Attendance	Absent
Randy Atkisson	x	
Rich Carver	x	
Ted McNulty		x
Katrina Pon	x	
Katie White	x	
Jim Kleinschmidt	x	

Also in attendance were:
Tracy Hansen, Director of Finance

Sales Tax Update: The Director of Finance presented the sales tax analysis as of June 2020 receipts (April sales tax at the register), Year to Date performance, and budget comparison. June receipts were lower than 2019 by 31.76% over all of the sales tax categories. This large decrease is due to temporary COVID-19 related business closures throughout the City, specifically West County Center. The receipts included a payment correction of a missing February 2019 payment from a large retailer. Without this correction, the monthly decrease would have been much larger. On a year to date accrual basis, Local Sales Tax are coming in 7.42% under last year. Use Tax is 4.93% higher than last year and the Public Safety Sales Tax is 4.17% lower than last year.

May Financial Statements: The Director of Finance emailed the May Financial Statements and Financial Summary to Committee members prior to the meeting. She noted that revenues were down due to lower sales tax and the extended due date for business license renewals. The City has cut \$500,000 in budgeted expenses from the general fund due to COVID-19. The general fund has also incurred an additional \$30,000 in COVID-19 related expenditures for items such as personal protective equipment, cleaning supplies, and computer equipment. The Park Fund's expenses have decreased due to furloughed part time staff and cancelled programs. The City will only complete contractually obligated projects budgeted in the Capital Project Fund during 2020.

Mr. Carver asked if the financial statements reflected the grant the City received to cover a portion of the expenses for the Des Peres Park tennis court project. The Director of Finance explained the final payment on the tennis courts will be paid in the next couple of weeks and the City can request the grant payment once all of the payments have been made.

COVID-19 Update: The Director of Finance presented several year-end sales tax projections based on different levels of recovery as businesses reopen. The August sales tax receipts (June sales tax at the register) will give a better idea of the rate of recovery. The City will continue to closely monitor sales tax payments throughout the year and update projections accordingly. She also noted the City has received a minimal amount of funding through the CARES Act relating to ambulance runs.

Mr. Atkisson asked if the City's sales tax interruption insurance policy covered the pandemic. The Director of Finance stated that the City has filed a claim with the insurance carrier and an attorney is reviewing the policy. She will follow up with information regarding the premium, deductible and amount of claim filed to the Committee members after the meeting.

The Director of Finance will send committee members a copy of the City Administrator's COVID-19 presentation, updated strategic plan, and a link to the Citizen's Financial Report (PAFR) on the City's website.

Adjournment: The committee adjourned at 5:38 p.m.

Next Meeting Date: The next meeting date will be July 27th at 4:30pm. This meeting will also be held via Zoom.

Respectfully Submitted,
Julie Lancaster
Accounting Supervisor

AUDIT AND FINANCE COMMITTEE

AGENDA

Monday, June 22, 2020 at 4:30 PM

Audit and Finance Committee Livestream: <https://us02web.zoom.us/j/84937007195>

In light of ongoing concerns regarding the COVID-19 pandemic, public attendance at Des Peres Audit and Finance Committee meetings has been temporarily suspended in compliance with St. Louis County Executive Order #11 issued by the Department of Health. The city anticipates lifting of the county order limiting attendance to 9 people or less to be lifted June 29, 2020.

The City of Des Peres will be live streaming Audit and Finance Committee meetings during this pandemic to allow the public to observe meetings in real-time. The livestream will commence five (5) minutes prior to the start time of any meeting. Please use the link above for livestream access to our meeting.

- I. Roll Call
- II. Sales Tax Update
- III. May Financial Statements
- IV. COVID-19 Update
- V. Adjournment

AMERICANS WITH DISABILITIES ACT

The City of Des Peres will comply with the Americans with Disabilities Act. Individuals who require ADA modifications due to a disability to attend a meeting should contact the City Clerk at 314-835-6111 or cityclerk@desperesmo.org or use Relay Missouri 711 at least 72 hours in advance of the meeting date to communicate their needs.