



AUDIT & FINANCE COMMITTEE

MINUTES – September 28, 2020

The regular meeting of the Audit & Finance Committee was held Monday, September 28, 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

The Committee did not have a quorum, however, decided to continue with the meeting since no one could attend the August meeting. The Director of Finance noted she would reach out to the Committee members to see if there is a better date or time for future meetings.

August Financial Statements: The Director of Finance emailed the August Financial Statements and Financial Summary to Committee members prior to the meeting. The City has a net decrease in fund balance of \$1,045,225 across all funds as of August 31, 2020. She noted that General Fund revenues were lower than budgeted due to lower sales tax and business license fees. Approximately 19 businesses in Des Peres have closed and 107 businesses have not filed for a 2020 license. General Fund expenditures are 3.12% lower than this time last year, mostly related to employees on Work Comp, vacant positions, and one position converting from full time to part time.

Two CDs matured in August. The Director of Finance stated the City had to move \$1.1 million out of the investment account to cover September expenses such as payroll and accounts payable. Mr. Carver suggested purchasing investments with a shorter term since interest rates have decreased significantly.

The Park Fund revenue is down 34.44% compared to last year. Expenditures in the Park Fund are lower because part-time employees were furloughed while the Lodge was closed. The Park Fund only has an unrestricted fund balance of \$325,010 that can be used for operational expenses. \$1.98 million is restricted for major building

repairs at the Lodge. The Board of Alderman can vote to release the restriction if needed. Lodge memberships are down to approximately 25% compared to 2019. Mr. Atkisson inquired about membership usage at the Lodge. The Director of Finance will follow up with usage numbers in the September Financial Statement Summary.

As of August 31st, the Capital Fund had a decrease in fund balance of \$233,345. Notable August capital expenditures included the Bopp Road Project, computer equipment, and the Des Peres Park tennis court project. The City received about \$300,000 in grants in September to offset some of the expenditures relating to the Des Peres Park tennis court project.

Sales Tax Update: The Director of Finance presented the sales tax analysis as of September 2020 receipts (July sales tax at the register), Year to Date performance, and budget comparison. September receipts were lower than 2019 by 20.27% over all of the sales tax categories. The use tax has increased 35.21% over the prior year. The Director of Finance gave a breakdown of sales tax by category of West County Center, Restaurants and Grocery Stores to show the sources of sales tax revenue. The recovery at West County Center is still around 50% of prior year totals. She noted that while the tax amounts are lower than prior years, it is still following the same trends with an uptick in August for back to school shopping.

COVID-19 and FEMA Update: The Director of Finance noted as of August 31st, the City has incurred \$270,802 in COVID related expenditures. The City has received \$36,959.68 and an additional \$38,200 is pending approval from FEMA. The City has also received funds from the CARES act: \$5,142.18 for reimbursement of COVID related Ambulance runs, and \$27,644.19 reimbursement for half of the 2nd quarter unemployment fees paid.

St. Louis County has dedicated \$42 million of the CARES Act funds they received to be distributed to municipalities. Des Peres is eligible for \$575,000 of these funds based on the per capita distribution. The City waiting on further guidance to determine which expenses qualify for reimbursement.

Des Peres Property Tax: The Finance Director informed the Committee that a public hearing was held at the September 14th Board of Alderman meeting to determine if the City wanted to levy a property tax. The Board of Alderman voted 5-1 to roll the property tax back to \$0 for 2020 and 2021. The City will not have the option of levying a property tax again until 2022.

Capital Improvement Budget: The Director of Finance emailed a copy of the 2021 Capital Budget and the PowerPoint that the City Administrator presented to the Board of Alderman at the September 21st work session. The draft of the Capital

Improvement Budget for 2021 includes a \$75,434 increase in fund balance. The Director of Finance noted that two of the topics discussed by the Board of Alderman were the elevator at City Hall and abatement of the second and third floor at City Hall. The presentation and all budget meetings are available on Zoom. The meetings are recorded and uploaded to the City's website.

Adjournment: The committee adjourned at 5:59pm.

Next Meeting Date: The next meeting date will be October 26th at 4:30pm. This meeting will also be held via Zoom.

Respectfully Submitted,
Julie Lancaster
Accounting Supervisor

AUDIT AND FINANCE COMMITTEE

AGENDA

Monday, September 28, 2020 at 4:30 PM

[Audit and Finance Committee Livestream](#)

In light of ongoing concerns regarding the COVID-19 pandemic, public attendance at Des Peres Audit and Finance Committee meetings has been temporarily suspended. 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. August Financial Statements
- III. September Sales Tax
- IV. COVID-19 and FEMA Update
- V. Des Peres Property Tax
- VI. Capital Improvement Budget
- VII. 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.