



AUDIT & FINANCE COMMITTEE

MINUTES – March 23, 2022

The regular meeting of the Audit & Finance Committee was held Wednesday, March 23rd at 4:30p.m. Those in attendance included:

Member	In Attendance	Absent
Randy Atkisson	x	
Rich Carver	x	
Ted McNulty		x
Katrina Pon	x	
Lori Hartman	x	
Brent Dolezalek		x
Dean Fitzpatrick	x	

Also in attendance were:

- Doug Harms, City Administrator
- Tracy Hansen, Director of Finance

March Sales Tax Update: The Director of Finance provided the sales tax analysis as of March 2022 receipts (January 2022 sales tax at the register), Cash Year to Date Performance, and budget comparison. March receipts were higher than 2021 by 9.78% over all of the sales tax categories. The Park fund is a good indicator of the City's performance because this tax does not include sharing with other municipalities. The Park fund is 6.73% higher than 2021.

The cash year-to-date comparison (November-January activity) is 33.05% higher than 2021. This is a further indication that the recovery is ongoing.

The 2022 projected sales tax is 10.33% higher than budgeted. The 2022 Budget for Sales and Use Taxes are approximately 99% of the 2021 actuals in each category. The City expects to come in above budget for 2022. However, it is still very early in the year to rely heavily on this data.

Draft of 2021 Annual Financial Report: The Director of Finance reviewed a draft of the 2021 Financial Report with the Committee. She went through the different sections of the report and explained the difference between the government wide and government fund financial statements. She noted the ending fund balance for 2021 across all funds is \$21.6 million, which is a \$5.6 million increase in fund balance. This increase is largely in part to sales tax coming in 39% higher than prior

year and grants the City received. All departments were also under budget in expenditures.

She stated she would send the draft to Committee members after the meeting for review and welcomed any feedback on the report. The Director of Finance expects to present the 2021 financial information to the Board of Aldermen and the Audit and Finance Committee in April.

City Buildings Repair/Remodel Project: The Director of Finance distributed meeting minutes from a Board of Aldermen work session, an internal memo and a resolution being presented at Monday's Board of Aldermen meeting. Mr. Harms gave background of the initial City Hall renovation that was cancelled due to COVID. He stated the Board of Aldermen wanted to look at all public buildings to determine necessary repairs and future needs of each building. The City will contract with Navigate Building Solutions to represent the City in finding an architect and managing the design of the buildings.

Mr. Fitzpatrick asked Committee members if they as residents were opposed to building a new City Hall if it was determined to be less expensive than renovating the existing building. Mr. Harms stated that the City of Ballwin and Creve Coeur have both recently built new buildings, rather than renovate existing ones. Mr. Harms stated that the City will have to discuss options with Bound Counsel and Architects and a final decision may not be reached for 3 months.

Mr. Carver asked if the City has received a preliminary estimate on a new building. Mr. Harms stated the City has not, but that will be part of the evaluation by Navigate Building Solutions. The project is still in the early phase of determining what will be done and how it will be paid for.

The Director of Finance explained the resolution on Monday's Board of Aldermen meeting agenda is to allow the City to reimburse itself from bond proceeds for expenditures related to the project that occur prior to issuing bonds. This resolution would be void if the City didn't end up issuing bonds for the project.

Other items discussed: Mr. Atkisson asked how much revenue the City receives from banks in the City. Mr. Harms stated they pay a business license based on the square footage of their location. Mr. Fitzpatrick noted that additional banks cannot be turned away without changing the code to not allow any future banks in Des Peres.

Mr. Fitzpatrick left the meeting at 5:26pm.

A brief discussion commenced regarding utility taxes and a hair salon in Des Peres applying for a liquor license.

Mr. Atkisson asked about the status of the cannabis dispensary. Mr. Harms stated because medical marijuana is legal, the City cannot deny them from opening and can only impose restrictions. One of the restrictions is that it cannot be close to a school, which the City doesn't believe the proposed location is. Mathseium, which is next door to the proposed location, is suing the City because they feel they qualify as a school.

Ms. Hartman asked if the City thought Ameren would donate parts of the Janssen Horse Farm to the City. Mr. Harms stated that Ameren has not yet closed on the property, but have not heard from Ameren if they plan to donate or want to sell a portion of the land.

Ms. Pon left the meeting at 5:38pm.

Adjournment: The committee adjourned at 5:40 pm.

Next Meeting Date: The next meeting will be held on Wednesday, April 27th at 4:30pm via Zoom.

Respectfully Submitted,
Julie Lancaster
Accounting Supervisor

AUDIT AND FINANCE COMMITTEE

AGENDA

Wednesday, March 23rd 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. March Sales Tax Comparison
- III. Draft of 2021 Annual Comprehensive Financial Report
- IV. City Buildings Repair/Remodel Project
 - City Hall
 - Public Safety
 - Street Garage
- 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.