

WAYS & MEANS COMMISSION MINUTES  
CITY OF TOWN & COUNTRY, MO  
January 15, 2021  
Via Zoom Videoconference  
8:30 AM

Given the current public health crisis, various emergency meeting declarations, and in accordance with the provisions of Sec. 610.020, RSMo., this Ways and Means Commission meeting was held via Zoom videoconference and streamed live to YouTube. Public comments on agenda items were solicited via email. Real-time public viewing of the meeting was made available via the City's website at [www.town-and-country.org](http://www.town-and-country.org).

MEMBERS:	<u>Ward 1</u>	<u>Ward 3</u>
Alderman Sue Allen, Chairperson	Randi Weber	Hans Fredrickson
Mayor Jon Dalton	Bob Aikin	John Wichlenski (absent)
Finance Director Pam Reitz	<u>Ward 2</u>	<u>Ward 4</u>
City Administrator Bob Shelton	Oz Conrad	Bob Proost
	Michael Goldberg(absent)	Don Roberts(joined at 9:03)
		Jeff Parrotte, At-Large

OTHERS PRESENT:

Communications and Administrative Assistant Morgan Kuepfert, City Planner Ryan Spencer.

Alderman Allen called the meeting to order at 8:30 a.m. and the roll as noted above was taken. There was a quorum.

1. Pre-Audit presentation by Steve Tripi, Schowalter and Jabouri

Steve Tripi, from Schowalter and Jabouri, introduced himself and gave a brief background on his experience in municipal accounting. He explained the purpose of the annual audit and the need for the single audit this year due to the CARES Act funds received. Mr. Tripi also briefly reviewed the processes of the audit including what controls and operations will be evaluated as well as an emphasized focus on cash and investments, revenues, receivables, receipts, expenditures, disbursements, accounts payable accruals, payroll, and capital assets.

Mr. Tripi asked that Mr. Shelton, Ms. Reitz and Mr. Spencer exit the meeting for brief discussion with the Commission members. Mr. Tripi asked if the Ways and Means Commission had any requests for specific items related to management and operations to be evaluated during the audit. Mr. Fredrickson stated he has no concerns, and believes staff is informative, responsive and provides good oversight on projects. Mr. Parotte added that in previous audits, even minor changes that were recommended have been put in place and noted that he is pleased with how staff responds. Ms. Weber requested that

the bidding process be looked at for Town Square to assure competitive bids were received. Mayor Dalton encouraged Mr. Tripi to give as much advice and recommendation as they see fit.

Mr. Shelton, Ms. Retiz and Mr. Spencer returned to the meeting at 9:02 AM.

Mr. Conrad requested clarification on the single audit. Ms. Reitz explained that there has to be over \$750,000 in grant funds received in a single year to trigger the audit, and the cost is included in the base cost with Schowalter and Jabouri. Ms. Reitz further added that only half has been received, however we anticipate the remainder to be received in the next few weeks, and it will be posted to 2020. She noted that if the second half is not considered by the auditors to be recognizable for the 2020 fiscal year, the single audit will not need to proceed.

Ms. Weber inquired as to if specific projects are looked at in detail during the regular audit. Mr. Tripi stated that procedural policies are checked, but generally an entire project as a whole is not specifically audited. Ms. Reitz, in response to questioning, stated that Hochschild Bloom reviewed Town Square at the last audit, and looked at the original contract, Board of Aldermen Minutes, change orders and addendums, and provided a report to the Ways and Means Commission and the Board of Aldermen during their audit report.

## 2. Information on the State of Missouri, State Auditor's Office Petition Audit

Aldermen Allen stated she spoke with a representative from the State Audit office to gather clarification on what the petition audit could entail. She noted that a performance audit for municipalities is not a financial audit, but the petition audit will look at receipts and financial components first. Once the state audit team receives the petition, they will define the scope. In response to questions, Mr. Tripi stated that previous audit reports would be reviewed to familiarize themselves on Town and Country operations.

Ms. Weber asked if the auditors are able to limit the scope to the specific items that the petitioners are emphasizing. In response, Mr. Tripi stated that they adhere to what the petition is for, but will look at state and federal guidelines. In response to further questioning, Mr. Tripi stated that the scope could be changed depending on initial findings. Ms. Weber further questioned record retention, and noted that some documents go back to 2014, and inquired what the state auditors would do if records were not available. Mr. Tripi stated that they will assess the City's record retention and may make recommendations if concerns are noted; however, they are going to be primarily focused on assessing how business is conducted.

With regard to timing, it was noted that there are currently 22 audits in process, and some mandated audits will take precedence over petition audits. Mr. Tripi stated that in his experience, they generally begin pretty quickly. Alderman Allen stated that at this time, the required number of signatures have not been received to proceed with the audit. Mr. Tripi further noted that specific details such as final cost, scope, etc. may not be provided until the audit begins.

3. Approval of Minutes from November 5, 2020

Mr. Proost moved for approval, seconded by Mr. Conrad. Alderman Allen called for any additions or amendments. Ms. Weber requested to amend Agenda item #4, #16 to add that the monies received for the roof repair was through an insurance settlement, and to adjust #17 to state "...donation **to** the City...". Upon a vote being taken, the minutes were approved as amended.

4. Final 2021 Budget

Ms. Reitz stated that the final budget was approved by the Board of Aldermen in December with no amendments. She explained that the Board did discuss the recommendation by the Ways and Means Commission to remove Fire and Ice, however, after discussion it was determined to keep the event in the budget and re-evaluate later in the year.

5. Selection of a Vice Chairman

Alderman Allen stated that Mr. Parotte expressed interest in serving as the Vice Chairman. Mr. Proost moved to elect Mr. Parotte as Vice Chairman, seconded by Mr. Conrad and unanimously approved.

6. Preliminary December 2020 Financial Report

Ms. Reitz stated that the preliminary report will be distributed to the Commission over the weekend. She reminded the Commission that it is preliminary, and certain invoices are still coming in and being charged to the 2020 budget and that will happen through mid-February.

7. Economic Update

City Planner Ryan Spencer gave a brief summary to the Commission on sales tax income from 2020. He reported on each category, as well as the different shopping centers in the City. Mr. Spencer also reported that 27 businesses closed in 2020, but that there are several new ones interested and/or have started the permitting process to open, including Dogtopia which will occupy spaces that have been vacant for 5 years.

Alderman Allen reported that the Board of Aldermen will have second read on the City Treasurer language which was previously discussed by the Ways and Means Commission, as well as supplemental accounting services.

8. Adjourn

At 10:17 AM, Mr. Conrad moved to adjourn, seconded by Mr. Aikin and approved.