

## **Sales Tax Committee Meeting**

**February 23, 2016**

Present: Sales Tax Committee: Stacy Guthrie, Randy Wells, Andy Waller, Scott Leason, Dan Davis, Wade Wilkinson and Tom Storrer

City Staff: Finance Director Tammy Schaffer, City Clerk Tabitha Sharp, Parks and Recreation Director Kevin Wishart, Assistant City Engineer Scott Rickard, and Police Chief Curt Zieman

Public: Linda Jolly, Kendra Wilkinson, Rodger Decker, Roger Cutsinger, Larry and Nancy McEachern, JD Reinhart, Kathy and Tom Clark, Leon Leachman, Nancy Wagner, Susan Holthaus, and Phil and Kay Wickwire

Andy Waller called the meeting to order.

Wade Wilkinson moved to approve the minutes from February 9, 2016.

Dan Davis seconded the motion.

Motion carried 5 – 0.

Randy Wells and Tom Storrer arrived (4:36 p.m.)

Mr. Waller asked for clarification on the amount available for allocation by the sales tax committee.

Tammy Schaffer, Finance Director, stated that because of all of the confusion, Herb has decided to only allocate what was collected in 2015 which is \$332,221.18 if the committee decides to allocate monies to additional property tax reduction.

Mr. Waller confirmed that they did not have the \$62,000 left from the previous project.

Ms. Schaffer stated that was correct, they have what was collected in 2015.

Mr. Waller asked if the City Manager gave a reason for that.

Ms. Schaffer stated that it was because of all of the confusion that we changed the process.

Mr. Wilkinson asked what process changed.

Ms. Schaffer stated that staff would just give the figure from the excess sales tax and leave it at that.

Mr. Wilkinson confirmed the \$62,000 is sitting in an account.

Ms. Schaffer stated that was correct, at this time.

Mr. Wilkinson asked when they would be able to use it.

Ms. Schaffer stated that she was not sure.

Mr. Davis asked if the City Manager was available.

Ms. Schaffer stated that he was with someone at this moment.

Mr. Wilkinson stated that he did not like causing controversy due to his position in the city. He stated that he has a hard time not understanding how much money is available.

Ms. Schaffer stated that they have \$332,221.18.

Mr. Wilkinson stated that initially they were told there was an additional \$62,000 in excess funds. He stated that it is hard to make a decision that someone will not get the money because a process has been changed. He stated in his opinion, until they get more explanation, they do not need to allocate any money at this time.

Mr. Waller stated that he agreed. He stated that if there is an error in bookkeeping or a rule changed without the City Commission's approval, they need a final number before they can make a decision.

Randy Wells asked if the funds will be available later.

Ms. Schaffer stated that she did not know.

Mr. Davis agreed that the funds should be accounted for, so if the excess funds are out there, they should be able to find out where.

Mr. Wells asked if they could make a decision today, could they amend it.

Ms. Schaffer stated that they will not publish until they get a final vote.

Mr. Waller stated that they can't make a decision until they know for sure how much they have.

Scott Leason stated that he agreed.

Tom Storrer asked about the change in procedure that changed the amount.

Mr. Davis asked where the error occurred.

Ms. Schaffer stated that there is a project that all of the sales tax has been entered into a project each year, she stated that she believes that before her time as the finance director, the additional monies were left in the general fund where it is receipted and only the project money allocated by the committee was moved into the sales tax project. She stated that when she began as finance director, she did not feel that the practice of leaving the money in the general fund provided a clear picture. She stated that each year, she moves all excess money to the sales tax project, and then when the sales tax committee agrees to grant additional property tax reduction, she moves the money back to the general fund in the year it is allocated for. She stated that she believes that the year she began this practice, the previous finance director had left the money in the general fund and then Ms. Schaffer moved it as well, which essentially cause it to be moved twice. She stated that in previous years, the collections have not been as large, and so no one realized the mistake until this year when there should have been a larger difference.

Ms. Schaffer stated that staff are fine with the committee pointing out the error, we just do not currently have the extra time to find the problem. She stated that is why the City Manager decided to just provide the committee with the amount collected in 2015 so that they could move forward and it would give staff time to find the problem.

Mr. Wells asked if they could get the difference at a later point.

Ms. Schaffer stated that as soon as she finished with the end of year, she would investigate the problem and provide them with more information.

Stacy Guthrie asked if we would save a mill from the excess amount to keep in the fund like in past years.

Ms. Schaffer stated that they could if they wanted to.

Mr. Waller stated that they could gather some information from the parties that were here and then they can discuss allocating the existing amount.

### **Ball Fields**

Mr. Waller asked if there were comments about the ball fields.

There were no questions regarding the ball fields.

### **Disc Golf Course**

Mr. Waller stated that personally he would like to see an increase to allow for an 18 hole golf course. He stated that he thought another \$25,000 would cover it.

Mrs. Guthrie stated that she didn't think it is realistic because we don't own the land. She said that she wasn't saying that an 18 hole course was a bad idea, she just didn't think we could make the decision based on the current situation with the land. She stated that the money would sit while the discussion on the land was held.

Mr. Leason stated that he thought the American Legion was working on a project that would make the land unavailable.

Mr. Wilkinson stated that last Monday in the Commission meeting, Herb had stated that there is money available to go ahead and start on the course. He stated that there would also possibly be money from Rotary. He stated that they could do at least the \$65,000 and a recommendation for 18 holes if staff can work out the issues with the land.

Mr. Wells asked what the extra money is for.

Mr. Wilkinson stated that it was for the cart paths.

Mr. Rickard stated that it was a two-part request to complete that park area and the paths.

Mr. Waller stated that he would rather not fund the project at all if they would only do nine holes. He stated that a 9 hole is just a casual community thing, 18 holes would provide a return on investment.

Mr. Wilkinson asked if other committees have allocated money with stipulations.

Ms. Schaffer stated that there have been stipulations on various projects in the past.

Mr. Wilkinson asked if it is unrealistic to put a time limit on the project and so if the money wasn't spent in a year, it goes back into the fund.

Ms. Schaffer stated that they could do it if they wanted to.

Mr. Rickard stated that while the focus is on disc golf, staff are looking at it on a multiple project level to tie in the paths and provide a path for people to walk and run. He stated that it will be an amenity to the disc golf course, but actually serve another purpose.

### **McDonald Stadium**

Mr. Waller asked for thoughts on the Hall of Fame Garage.

No one was in favor of that project.

Mr. Waller stated that \$35,000 is for structure repairs which he thought was important.

Mr. Wells stated that he would like to see a plan to address the water issue. He stated that he called five coaches and they all complained. He stated that he felt it wasn't difficult to solve the problem.

Mr. Rickard stated that a pipe wouldn't work because we couldn't get positive drainage, he stated that the parks and recreation department is doing work on the warning track this year to help with some of the issues.

Mr. Waller asked if they could do an all-inclusive project to get drainage and fence done in the future.

Mr. Rickard stated that staff are working on a way to solve the problems with a concrete barrier.

### **Downtown Development Plan**

Mr. Waller asked for thoughts on the downtown development plan. He stated that he felt there wasn't a clear picture at this point and could take a few years.

Mr. Davis stated that he would like to see forward progress on the parks and recreation master plan before beginning the downtown plan.

There was agreement amongst the committee.

### **6<sup>th</sup> Street Sidewalks**

Mr. Waller asked for thoughts on the sidewalks on 6<sup>th</sup>.

Mr. Davis stated that he saw the need, but the price tag is extensive and they have limited funds for all of the requests.

Mr. Waller stated that he felt there were more important projects this year.

Mrs. Guthrie asked if there was a possibility of splitting this into two projects.

Mr. Rickard stated that they could look at that. He stated that the school district received a grant last week and might be able to find funding for. He stated that he felt that funding could be found elsewhere for this project.

### **Solar Lighting**

Mr. Waller stated that it was a good investment. He thought if they received the other funds, it would be a good project to fund.

Mr. Leason stated that it would be good if it doesn't turn out like the wind turbine.

Mr. Wilkinson stated that only \$18,000 was for the Engineering building, he stated that the rest is for lighting around town. He stated that with a five year payback and a 25 year warranty, it was a good investment.

Mrs. Guthrie confirmed that the lights on the walking path will be more vandal proof.

Mr. Rickard stated that we receive a lot of comments from the public about putting in more lights on the bike path.

### **Police Storage Building**

Mr. Waller confirmed that the solar power for the police department would be about \$15,000.

Police Chief Curt Zieman stated that it was estimated at that amount.

Mrs. Guthrie stated that of all the projects, this was the one that received the most agreement.

Mr. Waller stated that if they requested \$85,000, that would include the solar lighting.

### **Arena**

Mr. Waller stated that the arena could be huge for our community. He stated that he just wanted the stipulation that the money is paid back if the building does not get put in El Dorado.

Ms. Jolly stated that basically the size of land needed has been identified, and there is land available in the business park that would fit the need. She stated that it just depends on what the study says is needed for a footprint and what we have that could support it near amenities. She stated that they have to keep in mind that we anticipate it will be a Butler County funded project, so they will ask other communities if they have a place for it. But they understand that they must pay for it.

Mrs. Guthrie asked who was doing the feasibility study.

Ms. Jolly stated that it will go out for bid under the City's procurement policy.

### **Elks Lodge**

Mr. Waller asked the Elks to explain their economic impact numbers.

Mr. Cutsinger stated that is money that is put back into the community every year through their events.

Mr. Waller asked what the total estimated construction cost is.

Mr. Cutsinger stated that they have a rough estimate of \$500,000.

Mr. Waller stated that his fear is that the money will sit for five years when it could be used elsewhere. He asked what the plan was to continue to raise the money.

Mr. Cutsinger stated that they have some new interest on the foundation board and hopefully will hit the ground running this year.

Mr. Waller asked what the committee thought.

Mr. Leason stated he did not like the idea of leaving the money sit for a few years when it could be used elsewhere.

Mr. Waller stated that the job of the sales tax committee was to allocate the funds for the betterment of the community.

Mr. Wilkinson stated that the committee could consider something similar to what the arena is doing and put stipulations on the money to produce marketing or fund raising materials or to develop a site plan. He stated that they could spur interest or donations that way.

Mr. Storrer asked if they had projections on how much money they would bring in with the new facility.

Mr. Cutsinger stated that they would be able to bring in money with the State meetings and through rentals.

Rodger Decker stated that the Elks State Association plans to bring all of their meetings to El Dorado if the facility can be built.

Mr. Cutsinger stated that the State association has stated that they would hold their meetings here in El Dorado.

Ms. Guthrie suggested coming back to this one when they finish discussing the other projects.

### **Library**

Mr. Waller asked for thoughts on the library.

Mrs. Guthrie stated that she was not in support of that, she stated that they received money last year.

Mr. Waller stated that he would prefer to give money to do something that builds or creates something that would impact the community.

Mrs. Guthrie stated that they were just paying off debt with what was being requested and there were more active projects that needed money.

Mr. Wilkinson also stated that he was not in support of that.

### **Main Street**

Mr. Waller asked for thoughts on the façade grants.

Mr. Wilkinson stated that he thought this was a great program

Mr. Waller and Mrs. Guthrie stated that they were in support of it as well.

### **Ball Fields**

Mr. Waller asked if anyone was in favor of the ball field request, \$20,000 for flipping the boys' fields and \$65,000 for other basic improvements for all fields.

Ms. Guthrie asked if they could give them the \$20,000 for now.

Mr. Wilkinson stated that with the adoption of the Parks and Recreation Master Plan, there would possibly be other funding and he would rather wait.

Mr. Waller stated that we aren't close to implementing that plan yet, and it is not fair to make them wait for three or four years to do that.

Mr. Wilkinson confirmed that the shade structures were part of flipping the ball fields.

Mr. Wishart stated that they could be moved anywhere if the fields were relocated, the structures could also be used at any of the three facilities.

Mr. Waller asked if the work will be done in house.

Mr. Wishart stated that the intention is to do it in house.

Mr. Wilkinson stated that the master plan is a concept and that future decisions about the fields and what will be done with them will be discussed by future committees. He thought the money could be used elsewhere until a plan for all of the facilities can be decided on.

Mr. Waller asked how much of this is for safety and functionality, and how much will be torn out.

Mr. Wishart stated that after a plan is put in place, his intention would be to utilize the existing facilities for practice fields and to move any items that they could to a possible new facility.

Mrs. Guthrie asked how much the flip would cost.

Mr. Wishart stated that it would be between \$20 and 25,000 for the city to do the work themselves.

Mrs. Guthrie stated that maybe it wasn't a good time to flip if they might move.

Mr. Waller stated that the repairs need to be done.

Mr. Wishart stated that one of the largest complaints from potential tournaments is that we don't have adequate restroom facilities and they would like larger concession stands. He stated that they can absolutely use them in the recreation activities as well.

Mr. Waller stated that after hearing the information he agreed that it would not be worth spending the money to flip the fields if they would be moved in the master plan.

Mr. Storrer and Mr. Davis also agreed that it might be better to wait to give money to ball field projects until there was a better understanding of the master plan.

Mr. Waller confirmed that as repairs to bathrooms and shade structures were necessary, they would be done.

Mr. Wishart confirmed that they would repair bathrooms as necessary, there was only one shade structure currently. He stated that staff had planned to implement more shade structures with the requested funds. He stated that a new structure like the existing one at East Park was approximately \$8,000.

Mr. Wilkinson confirmed that they could put more shade structures at East Park because there were no changes anticipated.

Mr. Wishart stated there were no significant changes planned at East Park or at the Lake fields.

Mr. Wells asked if there would be a decision tonight.

Mr. Waller stated that he felt they needed to eliminate some and make a preliminary decision until the final answer on the fund was available.

Mr. Davis agreed, he thought they could make a final decision quickly if they made some cuts tonight.

Mr. Wilkinson stated that he supported the baseball fields, just didn't think it should be done immediately. He thought that because the money wouldn't be spent until 2017 that it would be enough time for staff to move forward with planning.

Mr. Davis stated that he thought they should put a time limit on the disc golf course as well as the stipulation for 18 holes.

Mr. Waller agreed that there should be 18 holes because the return on investment would be better.

Mr. Wilkinson asked how they should move forward because they had already discussed all of the projects.

The Sales Tax Committee agreed on the following recommendations to be finalized after the research was done on the excess fund balance.

- Additional Property Tax Reduction - \$278,306.56
- Ball Fields – \$7,221.18 (more could be allocated if there are more funds available)
- Disc Golf – \$65,000 (18-hole course)

- Mc Donald Stadium – \$35,000 (repairs only, no garage)
- Downtown Development Plan – 0
- Sidewalks on 6<sup>th</sup> – 0
- Solar Lighting – \$77,000
- Storage Building – \$85,000
- Arena – \$30,000
- Elks Lodge – \$30,000
- Library – 0
- Façade Grant - \$3,000

Total funds currently allocated are \$610,527.74.

Wade Wilkinson moved to adjourn until an exact amount of excess sales tax funds could be provided.

Randy Wells seconded the motion.

Motion carried 7 – 0.