

MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
MAYORS CONFERENCE ROOM
NEW CITY HALL
SEPTEMBER 22, 2016, AT 2:00 P.M.

Fred Fitch, Chair, called the meeting to order at 2:00 p.m. in the Mayor's Conference Room. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:

PRESENT: Denham, David; Fitch, Fred; Jackson, Keith; Means, David; Neal, Larry; Sheppard, Ernie (entered late); Wells, Doug

ABSENT: Madigan, David; Nance, Ron.

OTHERS PRESENT: Scott Powers and J.I. Johnson, Financial Services; Richard Rogalski, Planning Director; Denise Ezell, City Clerk's Office.

INTRODUCTION OF GUESTS

Fitch stated there are no visitors.

BUSINESS ITEMS

1. Consider approving invoices, requisitions, and all other submitted materials for payment and take action as deemed necessary.

Fitch stated we signed 2 checks for the interest to CCIDA.

2. Receive Financial Report and take action as deemed necessary.

Powers stated as you see I changed the format and hopefully this will be user friendly. This is the August 2016 Income and Expense Activity Report. The top block is what was actually accrued in August. When a report comes in this is where it is recorded but we have not actually received the funds. The second block is actually the cash that came in. For August the hotel sales tax report shows \$5,464.38 for June and last years it was \$8,096.28 for a decrease of 32.5%. Sales and Use Tax of \$35,901.90 for June and last year it was \$33,695.87 for a 6.5% increase. Matching funds for January through June of \$320,435.05 and last year it was \$309,195.56 for a 3.6% increase. Property tax of \$18,715.50 and last year was \$24,894.00 for a decrease of 24.8%. Interest income of \$332.82 and last year was \$142.36 for an increase of 1.3%. Under expenses we had CCIDA interest as well as the line of credit of \$108,251.67, mowing of \$1,950.00, professional fees of \$690.00 for a total expense of \$110,891.67. Your net income for the month of August was \$269,958.98.

Fitch stated June was a bad month for hotel occupancy but was up tremendously in July. For the month of July the Hilton was at 71%. Sales tax was slow in July but back up in August.

Wells asked does the state reimburse us for the tax free weekend.

Johnson stated I don't believe they give you dollar for dollar.

Denham asked how do they document it.

Fitch stated it would be sales without the tax. You would have some collections of non-exempted items.

Wells stated I would think it is a difficult number to keep track of. We have so many taxed exempted people unlike most cities.

Fitch stated in 1980 there were 10 sales tax exemption categories and today there are 160. That is a bunch of dollars. I understand having tax exemptions but I can't understand it on everything. I do believe the new report addresses the concerns we had.

Rogalski stated it looks really good.

Motion by Wells, Second by Jackson, to accept the financials.

Fitch stated I don't believe he was finished.

Powers stated on the last page I blocked off the current assets. This is your bank accounts. The second block is the receivables. So until we collect the cash it goes in the block on the first page. Once it is collected it is moved to the bank account. The total in the checking at the end of August was \$1,823,046.84. We made a loan payment on the 1st of September of \$1,225,331.16. This left the checking account around \$550,000. In the receivables we have collected everything except June. Under liabilities there is a payable for Lawn Wizards that was dated August but I didn't get the check cut until September.

Ayes: Fitch; Jackson; Means; Neal; Wells; Denham. **Nay:** None. **Motion Passed.**

3. Report on project activities, issues and programs including discussion and possible action on implementation and coordination.

Rogalski stated all we have at this time is the mattress firm that is working on a project north of Dearborn. We have had other inquires but nothing firm.

Fitch asked touch lightly on Retail Coach.

Rogalski stated their first step was to do an analysis of our community. They matched the analysis with retailers and sent us a list of potential retailers that might suit us. They are getting quite a bit of interest. Aaron was really enthusiastic about the response he is getting. He will be attending a conference in Austin and talking to different folks. He has some names of those who are really interested and he felt would be a good match. These things take time and

there is a process you have to go through. I see a lot of movement and some of that movement is downtown.

Fitch stated it's not just downtown but there is a lot of emphasis on downtown.

Denham asked do they contact the property owner.

Fitch stated Warkentin is working it really hard.

Rogalski stated he calls me about once a week and that is how I gage the activity.

Denham stated I know someone who owns space and he hasn't heard anything.

Fitch asked is there any other questions.

DISCUSSION ITEMS AND REPORTS

1. Pursuant to Section 307B4, Title 25, Oklahoma Statutes, consider convening in executive session to discuss a pending arbitration involving the electric utility relocation costs associated with the Lawton Downtown Redevelopment Project within Tax Increment Financing District No. 2, and take appropriate action in open session as necessary.

Motion by Means, Second by Denham, to convene into executive session. **Aye:** Jackson; Means; Neal; Sheppard; Wells; Denham; Fitch. **Nay:** None. **Motion Passed.**

The Authority convened in executive session at 2:19 p.m. and reconvened in regular, open session at 2:30 p.m. Roll call reflected all members present except Madigan and Nance.

Fitch stated pursuant to section 307B4, Title 25, Oklahoma Statutes, we did convene into executive session to discuss a pending arbitration involving the electric utility relocation costs associated with the Lawton Downtown Redevelopment Project within Tax Increment Financing District No. 2, and at this time we have no action to take.

ADJOURNMENT

There being no further business the meeting adjourned at 2:33 p.m.

Motion by Wells, Second by Means, to adjourn. **Aye:** Means; Neal; Sheppard; Wells; Denham; Fitch; Jackson. **Nay:** None. **Motion Passed.**