

**TOWN OF CARLTON LANDING
REGULAR MEETING OF THE BOARD OF TRUSTEES**

Location: 10B Boulevard, Carlton Landing, Oklahoma, also known as
the Carlton Landing Academy Cafeteria
Saturday, November 16, 2019

Immediately following the Regular Meeting of the Carlton Landing Economic Development Trust

MINUTES

1. Call to Order

The meeting was called to order at 8:51 a.m. with Mayor Chinnici presiding.

2. Roll Call

PRESENT: A roll call reflected that Trustees Chinnici, Myrick, Mai, Brule, Clerk-Treasurer, Summers, Town Attorney, Kay Wall and Town Administrator, Greg Buckley were present.

ABSENT: Chapman

Consent Items

3. Approval of Minutes:

- a. Regular Meeting of the CL Board of Trustees of October 19, 2019

4. Acknowledge receipt of Claims and Purchase Orders Report

MOTION: A motion was made by Mai and seconded by Brule to approve the consent agenda as presented with the addition of the Economic Development invoice.

AYE: Chinnici, Myrick, Mai, Brule

NAY: None

5. Items Removed from Consent Agenda

6. Consider, discuss and approve Ordinance **2019-11-40** amending Ordinance No. 26 approving and adopting a minor amendment to the Carlton Landing Economic Development Project Plan; providing for a revision to the project cost budget by transferring budgeted project costs from the "Contingency" category to the "District Administration" category; providing for severability and Declaring an Emergency, or take any other appropriate action.

When the Carlton Landing Economic Development Project Plan was established and adopted a limited amount of funds were allocated toward Administrative Costs, which mainly addressed creating and implementation expense. The Town Administrator has responsibilities and project oversight for TIF projects. While the TIF can cover Administrative costs to properly account for those expenses related to the Town Administrator the Project Plan needs a minor amended shifting funds from Contingency to District Administration.

MOTION: A motion was made by Chinnici and seconded by Mai to amend Ordinance No. 26 for a revision to the project cost budget by transferring budgeted project costs from the "Contingency" category to the "District Administration" category

AYE: Chinnici, Myrick, Mai, Brule
NAY: None

a. Motion to approve or disapprove Declaring an Emergency

MOTION: A motion was made by Chinnici and seconded by Mai to approve declaring an emergency

AYE: Chinnici, Myrick, Mai, Brule
NAY: None

7. Consider, discuss and approve Resolution 2019-11-62 approving a revised Fiscal Year 2019-2020 Budget, or take any other appropriate action.

The Town Board of Trustees adopted a Fiscal Year 2019- 2020 Budget in accordance with the Oklahoma Municipal Budgeting Act. The Board of Trustee requested the town administrator review the Budget. As part of the review process the town administrator developed a Fund basis accounting structure along with a new Chart of Accounts. The Resolution is the official authorization for appropriating revenue and expenditure; however, the supporting documents outline the detail by department, account object type and line item. The supporting documents are for information purposes.

MOTION: A motion was made by Chinnici and seconded by Mai to approve a revised Fiscal Year 2019-2020 Budget.

AYE: Chinnici, Myrick, Mai, Brule
NAY: None

8. Consider, discussion, and action to select a proposition from the GO Bond Election of February 9, 2016 in order to initiate the General Obligation Bond, Series 2020 issue. The propositions approved at the election of February 9, 2016 are:

- No. 1: Arts and Cultural Facilities Complex
- No. 2: Community Buildings Complex
- No. 3: Drainage Control Systems
- No. 4: Fire Station
- No. 5: Parks and Recreational Facilities
- No. 6: Street Lighting

Due to funds available, trustees requested *Street Lighting* as the proposition to support with the Series 2020 GO Bond issuance. Through discussion with the TIF Committee their recommendation is for the Town to approve issuing the GO Bond and using the funds for Street Lighting. The Street Lighting project would include the development of a Master Street Lighting Plan and a project for Street Lights with funds

available. The need for street lights is safety, however: the desire is to maintain a low level of light impact.

Town Administrator advised that there would need to be a quorum present on January 18, 2020, when the bids were opened.

MOTION: A motion was made by Mai and seconded by Chinnici to use the bond monies for street lighting.

AYE: Chinnici, Myrick, Mai, Brule

NAY: None

9. Consider, discuss, and possible action to approve Resolution **2019-11-63**, fixing the amount of General Obligation Bonds, Series 2020 to mature each year; fixing the time and place the Bonds are to be sold; designating a Paying Agent/Registrar; authorizing and approving contracts for Bond Counsel, Financial Advisor and Paying Agent-registrar services and amendments thereto; approving the preliminary official statement and distribution thereof; and authorizing the Clerk to give notice of said sale as required by law and fixing other details of the issue, or take any other appropriate action.

In meeting with the Financial Advisor, Chris Gandor, with BOK Financial and reviewing the 2019 Singing Fund MILL Levy analysis it appeared the Town and TIF revenues could be impacted by not proposing a GO Bond this year. Based on the last GO Bond issuance the intent was to wait a couple years before issuing another Bond. The desire was to possibly issue a BOND larger than \$100,000 because the issuance costs significantly impacts the funds available for a project. Annually the County Treasurer conducts an Estimate of Needs which determines the MILL rate necessary to cover the debt service payment for any outstanding debt. The previous years tax payments resulted in a surplus of approximately \$4,000. The sinking fund used to secure funds for payment of debt service is self-balancing, so that the fund stays as close to zero but does not go negative. Because we are dealing with a small amount of total dollars, the \$4,000.00 carryover surplus reduced the MILL Levy by an amount greater than anticipated.

The MILL Levy of the Town sets the amount of revenue that is generated through the TIF. When the MILL Levy drops by an amount greater than anticipated, the TIF can lose dollars which cannot be recaptured later. Those lost dollars then reduce the funds available for projects and improvements within the TIF area. As outlined in the Sinking Fund MILL Levy Analysis, the impact would be about \$48,000 next year.

Previous discussions have provided the desired average millage (MILL Levy) should be between fifteen (15%) and seventeen (17%) percent. The MILL Levy Analysis shows

the average will remain within the state parameters, but the MILL Levy for tax year 2020 would be 19.93%. Unless another anomaly occurs the Town should not need to issue another GO Bond for four (4) to five (5) years.

MOTION: A motion was made by Mai and seconded by Chinnici to approve Resolution 2019-11-63, fixing the amount of General Obligation Bonds, Series 2020 to mature each year; fixing the time and place the Bonds are to be sold; designating a Paying

Agent/Registrar; authorizing and approving contracts for Bond Counsel, Financial Advisor and Paying Agent-registrar services and amendments thereto; approving the preliminary official statement and distribution thereof; and authorizing the Clerk to give notice of said sale as required by law and fixing other details of the issue.

AYE: Chinnici, Myrick, Mai, Brule

NAY: None

10. Consider, discuss, and possible action to approve Resolution **2019-11-64**, of the Board of Trustees of The Town of Carlton Landing, Oklahoma (The "TOWN") authorizing the Carlton Landing Economic Development Trust (the "AUTHORITY") to assist the Town in carrying out and administering the Carlton Landing Economic Development Project Plan adopted by the Town; approving the incurrence of indebtedness by the Authority issuing its Tax Increment Revenue Note, Taxable Series 2019 (the "Note"); providing that the organizational document creating the Authority is subject to the provisions of the indenture authorizing the issuance of said Note; waiving Competitive Bidding with respect to the sale of said Note and approving the proceedings of the Authority pertaining to the sale of said Note; approving and authorizing execution of a Security Agreement by and between the Town and the Authority pertaining to the pledge of certain Ad Valorem Tax Increment revenue; approving the use of assistance in development financing; and containing other provisions relating thereto, or take any other appropriate action.

The TIF Committee met on October 11, 2019 to discuss recommending a 2019 TIF Revenue Note. Part of the meeting included review existing TIF Notes, projects and outstanding Funding Eligibility Agreements with the Developer. The Committee recognized two current projects from previous Revenue Notes were still a high priority for the community – Alley Beautification and Town Hall- Lincoln Square. The Committee is also sensitive to the needs of the Town to be fiscally prudent along with the desire of the Developer to be reimbursed for projects paid by the developer in accordance with the Master Development Plan. The TIF Committee recommends the Carlton Landing Economic Development Trust and Board of Trustee issue a 2019 TIF Revenue Note with the proceeds to first pay off all approved and outstanding Funding Eligibility Agreement(s) owed to the Developer as of December 1, 2019. Any balance, if any, from the proceeds of the 2019 TIF Revenue Note up to \$50,000 should be used toward a Bathhouse/Bathroom and utility infrastructure in or near the camping area. Any funds, if any, after should be used toward the Nature Facility/Community Center project.

In addition, the TIF Committee recommends reallocating a portion of the 2018 TIF Revenue Note from the Marina Center – Road Access, \$90,000.00, and Town Hall – Phase 1, \$281,200.00, to go toward payment of outstanding Funding Eligibility Agreements, Also, allocate or rename the Town Hall – Lincoln Square to Nature Facility/ Community Center. Other upcoming priority projects include relocating the Marina and Bathhouse facilities for camping area.

MOTION: A motion was made by Brule and seconded by Mai to approve Resolution 2019-11-64 authorizing the Carlton Landing Economic Development Trust (the "AUTHORITY") to assist the Town in carrying out and administering the Carlton Landing Economic Development Project Plan adopted by the Town; approving the incurrence of indebtedness by the Authority issuing its Tax Increment Revenue Note, Taxable Series 2019 (the "Note"); providing that the organizational document creating the Authority is subject to the provisions of the indenture authorizing the issuance of said Note; waiving

Competitive Bidding with respect to the sale of said Note and approving the proceedings of the Authority pertaining to the sale of said Note; approving and authorizing execution of a Security Agreement by and between the Town and the Authority pertaining to the pledge of certain Ad Valorem Tax Increment revenue; approving the use of assistance in development financing; and containing other provisions relating thereto.

AYE: Chinnici, Myrick, Mai, Brule

NAY: None

11. Reports

- a. Sales Tax Revenue and other Financial Reports (See attached)
- b. Town Administrator reported the month of November activities
 - Met with reviewed Building Permit Process with Jim Hassenbeck
 - Met with the Builders on Notice of Sales /Use Tax
 - Had conversations/ answered questions with Utility providers on the Utility Tax Ordinance
 - Had conversation with Crawford and Associates and Anne Elfrink regarding Audit, change to GAAP financial reporting
 - Demo with Municode on their Self-Publishing program for Codification, received/reviewed proposal
 - Conversations with Daryl N. and Corps of Engineers – camping/glamping project
 - Amended Budget – financials, worksheets, Resolution – also spoke with Crawford on proper action for Board to approve new Budget/ Amended Budget
 - Met with Mike Kearney and Johnson and Associates on Alley paving project, performed a walk through with them
 - Met with Gail Rose on building permit process, Town projects
 - Followed up with Pittsburgh County Commissioner on Interlocal Agreement for Entrance Road.
 - Met with Grant H – FEA’s, School property, Entrance Road Drainage Easement,
 - TIF 2019 Revenue Note – prepared recommendation letter and project worksheet for TIF Committee, visited with Chris Gander, Financial Advisor; Leslie Batchelor, Attorney; John Williams, Attorney; Nate Ellis, Bond Attorney
 - GO Bond 2020 – visited with John Williams, Attorney, on possible projects, Resolution; Chris Gander, Financial Advisor
 - Web Demo – Municipal Financial Software, review proposals
 - Volunteer Fire Department status- visited with Jeremy, Daryl, and Mayor about Department going dormant. Jeremy will be providing a written report.
 -
- c. Legal Reports, Comments, and Recommendations to the Governing Body. None

12. Recognize Citizens wishing to comment on non-Agenda Items

Under Oklahoma Law, the Board of Trustees are prohibited from discussing or taking any action on items not on today’s agenda. Citizens wishing to address the Board on items not on the agenda are required to sign-up no later than five (5) minutes prior to the scheduled start time of the meeting. The sign-in sheet will contain space for

citizens name, address, phone number, and topic to discuss. In this way, staff will be able to follow-up on any issues presented, if necessary. Citizens will be provided three (3) minutes. None

13. Comments and questions by Governing Body members regarding items for future consideration.

Chuck Mai expressed gratitude to Grant Humphreys, Developer and Chris Gander, BOK for generosity in reducing fees for the town.

14. Adjournment

There being no further business, a motion was made and seconded to adjourn the meeting at 9:18 a.m., November 16, 2019

Mayor

Attest:

Town Clerk

8:16 AM

11/13/19

Accrual Basis

The Town of Carlton Landing
Profit & Loss Budget Overview
July 2019 through June 2020

| | Jul '19 - Jun 20 |
|---------------------------------|------------------|
| Ordinary Income/Expense | |
| Income | |
| Revenues | |
| Permits and Licensing | 35,000.00 |
| Sales Tax Revenue | 120,000.00 |
| Sinking Fund Receipts | 34,000.00 |
| Transfer in from TIF | 99,404.00 |
| Use Tax | 1,000.00 |
| Utility Tax | 1,000.00 |
| Total Revenues | 290,404.00 |
| Total Income | 290,404.00 |
| Expense | |
| Administration | 123,538.30 |
| Community Support Agreements | 6,000.00 |
| Dues & Memberships | 1,800.00 |
| GO Bond Payments | 34,000.00 |
| Grant Match | 42,000.00 |
| Insurance | 1,800.00 |
| Int - Interest Expense | 8,400.00 |
| Misc - Fees, Events, Activities | 1,900.00 |
| Office Supplies | 8,000.00 |
| Pending Projects Entry Road | 153,505.00 |
| Professional Services | 38,250.00 |
| Publication and Notice Exp | 1,500.00 |
| Rent | 7,800.00 |
| Road & Trail Maintenance | 9,800.00 |
| School, Training, Travel | 800.00 |
| Utilities | 1,800.00 |
| Website Expense | 1,000.00 |
| Total Expense | 441,893.30 |
| Net Ordinary Income | -151,489.30 |
| Net Income | -151,489.30 |

8:27 AM
11/13/19

The Town of Carlton Landing
Transaction List by Vendor
October 20 through November 13, 2019

| Type | Date | Num | Memo | Account | Clr | Spilt | Debit | Credit |
|------------------------------------------------|------------|----------|------------------|-------------------------|-----|---------------------|-------|-----------|
| Carlton Landing Volunteer Fire Dept | | | | | | | | |
| Bill | 10/26/2019 | | October 2019 | Accounts Payable | | Community Sup... | | 500.00 |
| Bill Pmt -Check | 10/26/2019 | 525 | October 2019 | BOK - Checking - *96... | | Accounts Payable | | 500.00 |
| Crawford & Associates, P.C. | | | | | | | | |
| Purchase Order | 11/11/2019 | 1006 | | 90100 - Purchase Cr... | | Professional Se... | | 6,500.00 |
| Johnson & Associates | | | | | | | | |
| Purchase Order | 10/23/2019 | 1005 | | 90100 - Purchase Cr... | | Aly Beautification | | 13,000.00 |
| Kay Robbins Wall | | | | | | | | |
| Bill Pmt -Check | 10/26/2019 | 526 | November 2019 | BOK - Checking - *96... | | Accounts Payable | | 500.00 |
| Landmark | | | | | | | | |
| Bill Pmt -Check | 10/26/2019 | 527 | C10-19.140 | BOK - Checking - *96... | | Accounts Payable | | 392.00 |
| McAlester News Capital | | | | | | | | |
| Bill Pmt -Check | 10/26/2019 | 528 | 00028793 | BOK - Checking - *96... | | Accounts Payable | | 140.00 |
| Oklahoma Employment Security Commission | | | | | | | | |
| Liability Check | 10/29/2019 | 533 | VOID: | BOK - Checking - *96... | X | 24000 - Payroll ... | 0.00 | |
| Liability Check | 10/29/2019 | EFT | | BOK - Checking - *96... | | 24000 - Payroll ... | | 138.86 |
| Oklahoma Tax Commission (2) | | | | | | | | |
| Liability Check | 10/29/2019 | EFT | | BOK - Checking - *96... | | 24000 - Payroll ... | | 527.00 |
| OKMRF | | | | | | | | |
| Liability Check | 10/29/2019 | 532 | 454051 | BOK - Checking - *96... | | -SPLIT- | | 1,043.34 |
| QuickBooks Payroll Service | | | | | | | | |
| Liability Check | 10/31/2019 | | Created by Pa... | BOK - Checking - *96... | | -SPLIT- | | 2,712.49 |
| Renee Norman | | | | | | | | |
| Bill Pmt -Check | 10/26/2019 | 529 | November 2019 | BOK - Checking - *96... | | Accounts Payable | | 800.00 |
| Bill | 11/01/2019 | Novem... | November 2019 | Accounts Payable | | Professional Se... | | 800.00 |
| Tad Sweitzer | | | | | | | | |
| Bill Pmt -Check | 10/28/2019 | 530 | 17380861 | BOK - Checking - *96... | | Accounts Payable | | 50.00 |
| Tony Baker Rental | | | | | | | | |
| Bill Pmt -Check | 10/28/2019 | 531 | Inv 4893 | BOK - Checking - *96... | | Accounts Payable | | 500.00 |
| Bill | 10/29/2019 | Inv 4893 | Inv 4893 | Accounts Payable | | Rent | | 500.00 |
| United States Treasury | | | | | | | | |
| Liability Check | 10/29/2019 | To Print | 46-4633777 | BOK - Checking - *96... | | -SPLIT- | | 879.14 |
| Liability Check | 10/29/2019 | To Print | 46-4633777 | BOK - Checking - *96... | | -SPLIT- | | 797.28 |
| Liability Check | 10/29/2019 | To Print | 46-4633777 | BOK - Checking - *96... | | -SPLIT- | | 885.94 |
| Liability Check | 10/29/2019 | To Print | 46-4633777 | BOK - Checking - *96... | | -SPLIT- | | 797.24 |

8:25 AM
11/13/19
Accrual Basis

The Town of Carlton Landing
Account QuickReport
July 1 through November 13, 2019

| Revenues | Type | Date | Num | Name | Memo | Split | Amount |
|--------------------------------|------|------------|-----|---------------------|-----------|------------------|------------------|
| Sales Tax Revenue | | | | | | | |
| Deposit | | 07/09/2019 | | Oklahoma Tax Com... | June 2019 | BOK - Checkin... | 3,067.59 |
| Deposit | | 07/09/2019 | | Oklahoma Tax Com... | Cigar Tax | BOK - Checkin... | 62.37 |
| Deposit | | 08/09/2019 | | Oklahoma Tax Com... | Sales Tax | BOK - Checkin... | 8,520.10 |
| Deposit | | 08/09/2019 | | Oklahoma Tax Com... | Cigar Tax | BOK - Checkin... | 28.18 |
| Deposit | | 09/16/2019 | | Oklahoma Tax Com... | Sales Tax | BOK - Checkin... | 14,155.52 |
| Deposit | | 10/21/2019 | | Oklahoma Tax Com... | Sales Tax | BOK - Checkin... | 5,628.66 |
| Total Sales Tax Revenue | | | | | | | 31,462.42 |
| Total Revenues | | | | | | | 31,462.42 |
| TOTAL | | | | | | | 31,462.42 |

8:14 AM

11/13/19

Accrual Basis

The Town of Carlton Landing
Profit & Loss Budget vs. Actual
 July 1 through November 13, 2019

| | Jul 1 - Nov 1... | Budget | \$ Over Budget |
|---------------------------------|--------------------------|------------------------|--------------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Revenues | | | |
| Permits and Licensing | 1,922.00 | 12,935.60 | -11,013.60 |
| Sales Tax Revenue | 25,833.76 | 44,333.33 | -18,499.57 |
| Sinking Fund Receipts | 0.00 | 12,563.63 | -12,563.63 |
| Transfer in from TIF | 0.00 | 36,721.73 | -36,721.73 |
| Use Tax | 0.00 | 369.47 | -369.47 |
| Utility Tax | 0.00 | 369.47 | -369.47 |
| Total Revenues | <u>27,755.76</u> | <u>107,293.23</u> | <u>-79,537.47</u> |
| Total Income | 27,755.76 | 107,293.23 | -79,537.47 |
| Expense | | | |
| Administration | 23,273.29 | 45,639.47 | -22,366.18 |
| Community Support Agreements | 2,000.00 | 2,216.67 | -216.67 |
| Contracts & Leases | 0.00 | 0.00 | 0.00 |
| Dues & Memberships | 0.00 | 665.00 | -665.00 |
| GO Bond Payments | 0.00 | 7,366.67 | -7,366.67 |
| Grant Match | 0.00 | 15,516.67 | -15,516.67 |
| Insurance | 0.00 | 665.00 | -665.00 |
| Int - Interest Expense | 6,400.00 | 1,820.00 | 4,580.00 |
| Misc - Fees, Events, Activities | 200.00 | 696.90 | -496.90 |
| Office Supplies | 159.32 | 2,953.03 | -2,793.71 |
| Pending Projects Entry Road | 0.00 | 0.00 | 0.00 |
| Professional Services | 9,480.24 | 14,131.25 | -4,651.01 |
| Publication and Notice Exp | 429.18 | 554.17 | -124.99 |
| Rent | 2,000.00 | 2,881.67 | -881.67 |
| Road & Trail Maintenance | 2,168.00 | 3,618.03 | -1,450.03 |
| School, Training, Travel | 0.00 | 293.03 | -293.03 |
| Utilities | 102.00 | 665.00 | -563.00 |
| Website Expense | 0.00 | 369.47 | -369.47 |
| Total Expense | <u>46,212.03</u> | <u>100,052.03</u> | <u>-53,840.00</u> |
| Net Ordinary Income | <u>-18,456.27</u> | <u>7,241.20</u> | <u>-25,697.47</u> |
| Net Income | <u>-18,456.27</u> | <u>7,241.20</u> | <u>-25,697.47</u> |