



LEE'S SUMMIT PARKS AND RECREATION BOARD MEETING MINUTES

CITY OF LEE'S SUMMIT, MISSOURI

DATE:	January 27, 2021	TIME:	6:00 PM	PLACE:	Via Videoconference	
Board Members Present:		Board Members Absent:		Staff Present:	Other Guests:	
Mindy Aulenbach, President		Casey Crawford		Joe Snook	Hillary Shields, City Council Liaison	
Lawrence Bivins, Vice President		Nancy Kelley		Carole Culbertson	Bette Wordelman	
Jim Huser, Treasurer				David Dean	Jackie McCormick-Heanue	
Jon Ellis				Steve Casey		
Wesley Fields				Brooke Chestnut		
Tyler Morehead				Tede Price		
Samantha Shepard				Devin Blazek		
				Dana Thurber		
				Jodi Jordan		
				Mike Hedrick		
AGENDA ITEM		DISCUSSION (Findings/Conclusions)				RECOMMENDATIONS/ ACTIONS
Special Presentation						
Bette Wordelman, Director of Finance, City of Lee’s Summit		<p>Ms. Wordelman provided a comprehensive explanation of how sales tax revenues are projected, their relation to economic trends, the timing of remittance by the retailers and the timing of when the City of Lee’s Summit (City) receives the proceeds from the Missouri Department of Revenue (State). She noted that Lee’s Summit tends to hold up a little better than surrounding communities, likely due to the solid retail base, the number of restaurants and other factors.</p> <p>She stated sales tax patterns are ultimately driven by retail businesses who collect sales tax at the retail level and remit their sales tax collections to the State. The frequency for which a business remits their collected sales tax varies based on their sales volume. A very small business may only remit their collected sales tax on an annual basis compared to a large retailer, such as Walmart, which may remit on a bi-weekly basis. She noted that a majority of businesses in Lee’s Summit remit monthly. In addition, there is a date pattern for tax remittance, which affects the timing of proceeds received by the City. At the end of each quarter, the due date for retailers that remit monthly is delayed to the end of the month. Therefore, the timing of when the State begins processing and distributing the funds to the City is also delayed. She noted that remittances are processed to the City on the 7th of each month. For the retailers that remit on a monthly basis, their quarter-end remittance due by the end of the following month, may not be included in the payment issued to the City. Additionally, businesses do not always pay on a timely basis; however, significant penalties are incurred as a deterrent.</p> <p>She noted the amount received by the City includes the current month remittances as well as any prior month remittances that were processed by the State after the prior month was sent to the City on the 7th. Therefore, tracking and predicting sales tax accurately has been a challenge. She added, the Finance Department is currently working with the ITS Department to create some analysis tools to better track the timing of sales tax receipts to assist in more accurate sales tax forecasts.</p> <p>Ms. Wordelman also covered the collection of Use Tax, which began October 1, 2020 after being approved by the voters earlier in the year. The Use Tax is a tax on the sale of goods from out of state retailers who are supposed to collect and remit the tax to the State. After the passage of the Use Tax, the challenge was determining a way to notify retailers who sell products to residents of the City of Lee’s Summit of the Use Tax requirement. She explained the State posts an update on their website so retailers can update their processes accordingly, which she</p>				



	<p>believes has been an effective method based on the Use Tax revenues that have been generated thus far.</p> <p>The receipt of collected Use Tax by the City follows the same lag as sales tax, the Use Tax is collected by the retailer, remitted to the State the following month, is processed by the State, and then sent to the City the following month. The Parks department received \$21,000 in December and \$37,000 in January for Use Tax, which reflects sales for October and November.</p> <p>Mr. Snook thanked Ms. Wordelman for her thorough explanation of Sales and Use Tax and the City's process once the proceeds are received from the State. He asked her to provide the Board with a brief overview of EATs (Economic Activity Taxes). Ms. Wordelman noted that EATs generally refer to the TIFs (Tax Increment Finance projects) the City has in place. TIFs are economic development tools used by the City to provide an incentive to the developer for establishing an economic center in the community in which a Tax Incentive District is established. The developer invests their own dollars, however, is eligible for reimbursement for a portion of the project cost. The reimbursements are generally achieved either through EATs, which are related to sales taxes, or through PILOTs, which are related to property taxes. The City's Economic Development Policy places restrictions (no more than 50%) on reimbursable costs. The theory supporting economic development incentives is that the Development would not have occurred but for the incentive provided to the Developer by the City to offset a portion of the costs. Accordingly, if it were not for the business, there would be no sales tax generation to the City on the property. EATs taxes are collected the same manner as regular sales taxes but are credited to a separate account by the State. They are then passed along to the City for the benefit of the taxing district. The City serves as a pass through mechanism, retaining a percentage (usually 1%) for administration of the funds. The remainder of the sales tax is distributed in the same manner as the City's other sales taxes, including the general fund and the Parks fund.</p> <p>Mr. Fields stated the 1% the City retains for Administrative fee for the EATs is coming from the EATs portion not the City retained portion of the sales tax. Ms. Wordelman agreed with Mr. Fields. Mr. Fields also asked if there was a sunset provisions on the sales tax and use taxes. Ms. Wordelman stated the Parks sales tax, which was renewed beginning April 1, 2018, has a 15-year sunset. The use tax does not have a sunset on it.</p>	
Presentations:		
Longview Community Center 2020 End of Activity Report	<p>Ms. Jordan presented a PowerPoint showing highlights of the End of Activity report for the Longview Community Center. The full report will be included in the February 24, 2021 Park Board packet.</p> <p>The following are highlights included in the presentation:</p> <ul style="list-style-type: none"> - Prior to the facility closing on March 16th due to COVID-19, memberships totaled 2,973; memberships currently total 2,251. - Upon reopening the facility, there were several operational changes implemented including reduced hours of operations, moving group exercise classes to the gym to promote social distancing and less classes being offered. - Group swim lessons are not being offered. - Childcare was closed October 1st due to a lack of participation. - A decrease in aquatics rentals - Financial results for fiscal year end 2020 - A summary of patron comments <p>Mr. Fields asked whether the swim teams are private or sponsored by LSPR. Ms. Jordan advised they are private clubs however, staff requires a majority of participants be Lee's Summit residents. Mr. Fields also asked whether LSPR has a contract with the swim teams. Ms. Jordan confirmed there are contracts in place with the swim teams.</p>	



	<p>Treasurer Huser asked for the number of patrons needed to offset the revenue from swim teams. Ms. Jordan did not know and stated that while the swim teams share the lanes, patrons typically do not. She added that during the week, the diving wells are closed to provide two additional lanes for patrons.</p> <p>There were no further questions.</p>	
Lovell Community Center 2020 End of Activity Presentation	<p>Mr. Hedrick presented a PowerPoint showing highlights of the End of Activity report for the Lovell Community Center included in the December 9, 2020 Park Board packet.</p> <p>Treasurer Huser asked whether the touchless doors could be paid from money available due to COVID. Mr. Snook confirmed that all of the touchless upgrades at the facilities are being paid with CARESAct money.</p> <p>Ms. Shepard stated she was glad that attendance had only dropped by 30%.</p>	
AGENDA ITEMS:		
Approval of Minutes of December 9, 2020 Regular Park Board Meeting	Supporting documentation (see pages 1-8). No questions or discussion.	Mr. Morehead made a motion to approve the minutes of December 9, 2020; seconded by Mr. Fields. Motion carried unanimously.
Treasurer's Report – November and December 2020	Supporting documentation (see pages 9-28). Treasurer Huser read the treasurer's report for the November and December financial statements.	Mr. Morehead made a motion to accept the Treasurer's Report for November; seconded by Vice President Bivins. Motion carried unanimously. Vice President Bivins made a motion to accept the Treasurer's Report for December; seconded by Mr. Fields. Motion carried unanimously.
Sales and Use Tax Report – December 2020 and January 2021	Supporting documentation (see pages 29-32). Ms. Culbertson commented that Ms. Wordelman did a great job explaining the sales and use tax revenues received by Parks in her discussion earlier in the meeting. Ms. Culbertson also noted the Sales and Use Tax Reports included in the packet have been revised in a more concise format.	No Board Action.
BOARD APPROVAL ITEMS		
Youth Sports Association 2021 Agreement – Lee's Summit Baseball Association and Lee's Summit Girls Softball Association	<p>Supporting documentation (see pages 33-60). Ms. Chestnut stated the agreements included in the packet had been presented to the Youth Sports Association Committee where a recommendation was made to submit the revised agreements to the Park Board for consideration and approval.</p> <p>Mr. Fields asked whether the Associations receive prior approval for tournaments from LSPR and therefore the agreements to be changed to include "seek and obtain approval." Mr. Snook asked whether the proposed change needed to be brought back to the Board or implemented for next year. Mr. Fields stated next year is acceptable. Mr. Fields asked which part of the park is LSPR staff required to maintain. Mr. Snook advised that the YSA's maintain areas inside the fence of the complex except the fencing, backstops, foul pole fencing, and batting cages. In addition, the L-screens added this year.</p> <p>Mr. Snook thanked Mr. Ellis, Ms. Shepard and Mr. Crawford for their time on the sub-committee.</p> <p>Ms. Shepard asked whether there is a standard or level of service that is required as part of these agreements and whether a survey is conducted with patrons using their service. An example she provided was an expectation for communication with their patrons (ie. timeliness of response, avoiding rudeness, etc). Mr. Snook advised that LSPR conducts a survey to program users every year with the results and comments summarized and shared with the Associations and the Board. He added that the agreements do not currently include language regarding a performance standard. However, it can be discussed at the sub-committee level and at the quarterly meeting with the association presidents where the topic can be addressed over the next twelve months.</p>	Mr. Ellis made a motion to approve the agreements for the Lee's Summit Baseball Association and Lee's Summit Girls Softball Association as presented; seconded by Mr. Morehead. Motion carried unanimously.



Mowing Contract	<p>Supporting documentation (see pages 61-64). Ms. Chestnut advised the contract is utilized by the entire City and since the amount spent by Parks is over \$50,000, Board approval is required. She added that Stirling Lawns has been the City's contractor for years and they were the lowest bid. Mr. Snook advised this has been approved by the City Council since the contract is utilized by the City.</p> <p>Treasurer Huser asked whether these services could be performed in house to reduce the expense. Mr. Snook stated that performing these services in-house is evaluated every couple of years. Ms. Chestnut stated Stirling Lawns has 8 employees and they operate seven days a week. Ms. Culbertson advised with the benefits provided for an LSPR employee, it is more cost effective to contract the services.</p>	Treasurer Bivins moved to award Bid No. 2021-025 for mowing services to Stirling Lawns with the possibility of four (4) additional one-year renewals and further authorize the Administrator of Parks and Recreation to enter into an Agreement with Stirling Lawns as well as to execute any and all documents necessary to effectuate the same; seconded by Mr. Ellis. Motion carried unanimously.
OLD BUSINESS		
Projects and Services Review	Supporting documentation, (See pages 65-72). No discussion or questions.	No Board Action.
Capital Projects Plan	<p>Lowenstein Park Improvements: Supporting documentation (see pages 73-74). Mr. Casey advised that a third shelter is being added; there were only two shelters previously. The work will be performed in March with a shelter and nature play area next to the Butterfly Garden. Treasurer Huser noted that staff did a great job. Vice President Bivins expressed his gratitude for the grant the department received from the Beaudoin Family for the musical instruments.</p> <p>Velie Park Improvements: Supporting documentation (see pages 75). Mr. Casey advised the project is in the design concept phase with input being received from the surrounding neighborhood. He added a proposed plan would be brought forward in February with construction to begin in the fall of this year.</p>	No Board Action.
Fundraising Update	Supporting documentation (see pages 76-78). Mr. Dean stated all payments have been received except from one sponsor. He added that new sponsor, A1 Mortgage, had paid their full three-year commitment upfront totaling \$38,400.	No Board Action.
NEW BUSINESS		
2020 Planning Retreat Summary	Supporting documentation (see pages 79-88). Mr. Snook added the summary contains information from the Board and staff retreats held last fall. He added that staff is considering these priorities when developing their FY22 budgets since some of them have an associated cost.	No Board Action.
4th Quarter Parks Security Report	Supporting documentation (see pages 89-91). Ms. Chestnut added the new liaison with the Police Department, Major Walters, is great to work with.	No Board Action.
PATRON COMMENT REVIEW		
Supporting documentation (see pages 92-107). No questions or comments.		
MONTHLY CALENDARS		
Supporting documentation (see pages 108-110). President Aulenbach advised the next Board meeting would be held on Wednesday, February 24 th at 6pm.		
ROUNDTABLE		
<p>Council Member Shields stated the COVID vaccine is coming into the community and that she is looking forward to this coming year.</p> <p>Mr. Morehead stated the ribbon cutting at Lowenstein was great and added it was nice to get out and enjoy the company.</p> <p>Mr. Fields asked whether the Parks employees are a top-tier for the Covid-19 vaccine. Mr. Snook advised that the City has obtained 240 vaccines and some Park employees will be vaccinated on Friday, January 29th.</p> <p>President Aulenbach stated published article by Mr. Dean and Mr. McCage's was great and added that it is impressive to be represented.</p>		
OTHER ITEMS TO BE BROUGHT BEFORE THE BOARD		
Mr. Snook reminded the Board that staff is working on the FY22 budget and Ms. Culbertson will be working with the sub-committee, which includes Treasurer Huser, Mr. Crawford and Ms. Shepard. He added that communication regarding the schedule for the budget committee would be forthcoming.		



Mr. Snook advised the quarterly breakfast was held earlier in the day. He added that Steve Hayde was recognized as the Employee of the Quarter for the fourth quarter and five employees were recognized for 5, 15 and 25 years of service.

MEETING ADJOURNMENT