

CITY COUNCIL WORK SESSION MINUTES – APRIL 2, 2019

The Enterprise City Council convened in a Work Session on, Tuesday, April 2, 2019, at 4:30 p.m. in the Mayor's Conference Room in City Hall. Notice of the meeting was posted as Per Act 2005-40 Code of Alabama.

Present: Council President Perry Vickers, District #3
Council President Pro-Tem Eugene Goolsby, District #2
Council Member Sonya W. Rich, District #1
Council Member Turner Townsend, District #5
Council Member Wallace "Al" Miller, Jr. District #4

Also Present : Mayor William E. Cooper
Robert J. Dean, Jr., City Clerk/Treasurer
Rainer Cotter, Attorney
Beverly Sweeney, Assistant City Clerk
Donita Peters, Revenue Officer, Minutes
Jason Wright, Communications Director
Tracey Brown, Chief Revenue Officer
Tammy Doerer, Tourism Director
Regina Lacey, Downtown Enterprise Business Assoc. (DEBA)
Vicki L. Gardino, Al. Dept. of Revenue
Cameron Clark, Al Dept. of Revenue
Michelle Mann, Southeast Sun
Josh Richards, Media

Council President Vickers called the session to order at 4:30 p.m.

Roll Call: All Council Members were present.

Discussion:

Council President Vickers asked Mr. Dean to begin the session with the introduction of Ms. Vicki Gardino, State of Alabama Department of Revenue Sales Tax Manager, from the Dothan, Al. District and Mr. Cameron Clark, State of Alabama Department of Revenue, Local Tax Liaison. Mr. Clark began the presentation by saying that he wanted the council to know who the State Department of Revenue was and where they are and that they are people close by and not just in Montgomery, Al. He said that he has been a revenue examiner for the State of Alabama for seventeen years and is the local tax liaison. Mr. Clark said that he travels to different cities and counties concerning sales and use tax, administers tax laws, insures compliance, and makes sure that everyone gets paid. The Department is accountable to the examiners of public accounts and is fully trained, uses strict confidentiality practices, etc. When sales tax is paid, it is paid on a state website or on a third party's website and the money is then sent to the city, etc. The Department makes deposits weekly and twice on the week of 20th of each month because that day is the day that sales tax is due. The city is notified and reports are made about the distributions. There are reconciliation reports, monthly management reports, and tax remittance reports. The most cost efficient way to collect sales tax is by using the Department of Revenue. The Clerks and Revenue Officers can look at the audit reports and everyone that remits the taxes can be seen in these reports. Comparisons can be made from one year to the next and can be broken down by taxpayers and types of businesses. All of the information is available online. Through the My Alabama Taxes System, local and state taxes can be filed and the Department of Revenue will have this information.

The State administration of sales and use tax is 2% of gross collections or \$6.54 per individual account. This calculation is done each month. This includes the auditing and collection services. There are numerous agents throughout the state of Alabama that are aggressively pursuing delinquent tax payers. The cost includes all of these services with no additional charges along with legal representation. Among the other benefits, the Department uses phone calls, letters, face to face visits, forced collection methods, seizures, garnishments, injunctions, etc. The gross sales report is great for the business license department because this helps to recover lost revenue. There were comparisons shown between the current auditing company and the State of Alabama Department of Revenue to the Council Members. Mr. Clark continued to speak about a useful program called the “WRAP” Program (Wholesale Retail Accountability Program). The State now requires the wholesalers of beer, wine, tobacco, and alcohol, to report their information to the State. The State now uses this information to make comparisons of sellers of those items, such as bars, convenience stores, and restaurants. This information has been very effective in collecting taxes. Mr. Cameron asked Ms. Gardino to inform the Council Members of the information concerning the Dothan area. Mrs. Gardino said that since October 1, 2018, there has been a collected amount over \$10,000,000.00 which includes convenience, tobacco, and liquor stores. The WRAP audits aids in recovery of revenue. The State gathers all of the electronic data before the place of business is even visited and is a faster way to collect information. There are ten auditors in the Dothan area and can answers questions in complete confidentiality. Mr. Cameron said that the switch over process happens through Montgomery, Al. There is no contract with the State so the decision can be changed with a sixty day notice. If the decision is made to use the State, there is a thirty to sixty day notice for the switch-over. Montgomery will send out notifications and when questions arise they can be directed to the Dothan, Al. District. Council President Vickers asked Mr. Cameron how long it would take for the switch-over to take effect if the City decided to make the decision today, Tuesday, April 2, 2019. Mr. Cameron said that he might be able to get it all started by May 1, 2019, but would probably be June 1, 2019 because Enterprise is a larger city. The City’s contract with the current revenue entity (Avenu Insights & Analytics – formerly RDS) is July 1, 2019. Council President Vickers asked the Council Members to take this information into consideration. Mr. Dean had no questions. Council President Vickers thanked Mr. Cameron and his staff for coming.

Council President Vickers asked Tammy Doerer, Director of Tourism, to come forward with her presentation and prepared slides concerning Main Street. Ms. Doerer discussed the next steps in moving forward with the Main Street Project and the costs and benefits of the program to the City and Downtown. Part of the application process is that a committee has been created and there are items that need to be discussed for the application process. Now the consideration of the Council and its approval is needed. Ms. Doerer said that the three following items need to be discussed. The Resolution requires signatures from the Mayor, the Clerk of Council, and the City Attorney. The Certification of funding is be signed by the applicant, in which the City would be represented by Ms. Doerer in the application process. This document would have to be notarized and also the budget approval. The budget must be approved by the applicant or the applicant City, which would be the Council along with Ms. Doerer as guidance. All of the other paperwork within the application is more historical and is working with the Downtown Business Association, Chamber of Commerce, Revenue, and Engineering. A series of volunteers are working on the application process. Ms. Doerer said that she is working on a tight time line in which the full application is due May 6, 2019. A group of volunteers are working on an oral presentation which takes place on May 22, 2019. Ms. Doerer asked Jason Wright to discuss the budget. Mr. Wright said that a lot of the City’s tourism is funded by the lodging tax. Mr. Wright said in the year 2015, and each year prior to 2015, the lodging tax has increased each year. In 2015 the overall lodging tax for the City was up to \$419,000.00 and 2016 \$488,000.00. Two percent of the lodging tax goes to tourism.

In 2016 the budget was \$157,000.00 for the tourism budget and with an increase in 2017 it increased from \$488,000.00 to \$514,509.00. The tourism portion in 2017 was \$171,500.00. In 2018 the budget increased from \$514,500.00 to \$557,500.00 with the tourism budget portion just under \$186,000.00. In 2018 there was the biggest increase which was \$43,000.00. This increase included November and December from the incoming Hurricane evacuees. The \$557,000.00 is a total with one hotel that is empty and currently in renovation to hopefully open this summer (2019). It is the Holiday Inn and one of our City's most popular hotels. Mr. Wright continued discussing the budget with January and February 2019. Currently the City is up to an increase of \$21,315.00 so far for this year. If this trend stays, the \$185,852.00 that was for tourism for the 2018 calendar year, will probably be at \$193,000.00 to \$194,000.00 in 2019. A deposit is made approximately every 120 days in the Money Market Account, (Tourism Account), and has a current approximate balance of \$350,000.00. Ms. Doerer said that one of the big questions was if the City was committed to be part of the Main Street Program. The certification of funding is basically supporting the budget created to run the Main Street Office. The Main Street Program requires a full-time Director and is a commitment. This is a dual-hatted position. The position has to be researched and how it is going to be funded. Ms. Doerer said there were several organizational structure proposals for positions. They are as follows:

A full time assistant (OK)

A part time assistant (not ideal))

Main Street Director only (not ideal)

Tourism Director and Main Street Director (preferred)

Both positions would fit in the already established tourism budget. The Main Street Director would directly report to the Tourism Director. Both positions would work in a cooperative and collaborative fashion. Ms. Doerer said that she doesn't want to leave tourism behind. Her preference is to create Main Street under the Tourism Department. Ms. Doerer said that these positions would be possible with the established budget. She said she felt that it was worth the City's commitment and needed to be realistic of the goals. Without Tourism, the City is not funding. Ms. Doerer said that Downtown does not have a building to share and could stay with the City or other real estate avenues to increase revenue. Council President Vickers asked Ms. Doerer about the salaries for the two positions and she said that the salary would be an approximate amount for both at \$60,000.00 for the Tourism Director and \$35,000.00 for the Main Street Director both with benefits included, but the salaries could be adjusted if needed. The positions will be filled with no additional monies from the General Fund. Mr. Wright said that the City gives \$12,500.00 to Wiregrass ADC and \$12,500.00 to the Chamber of Commerce and by contract this money is to be used by those organizations to assist the City in its Tourism modes. Council Member Townsend asked Ms. Doerer if she was a believer in this program and she said she was and has questioned the program hard and has compared the city to other cities and feels that our City needs to take tourism to the next level. The Main Street Program can do this for the City of Enterprise. Ms. Doerer said that this program will be the core of Downtown and an infrastructure for a business as never before. The City has a chance to adapt along the way. Council President Vickers asked what was needed by Ms. Doerer at this time to move forward with The Main Street Program. Mr. Wright answered and said that the resolution did not have to be passed in this meeting, but could be put on the agenda for the next meeting. He also said that the budget would need to be completed and the resolution passed by April 16, 2019. If not ready by this date, the city cannot apply by May 6, 2019. Council Member Townsend asked if DEBA was on board with The Main Street program and Ms. Regina Lacey, representative of DEBA, said that the Association did approve. She said that the untapped opportunity is a big part of the interest in the Main Street Program and this is a proven program.

Council President Vickers suggested to the Council that they have their thoughts together for the Special Called Work Session on Wednesday, April 10, 2019, so a decision can be made and an informal go ahead is given for the Main Street Program. The Council Members were all in agreement. Councilman Goolsby said that everyone needed to realize that even though the Program was called Main Street, it would affect all of the businesses.

Council President Vickers called upon the Mayor to discuss the item of business concerning governing for all municipalities. The Mayor said that he had three names for the Board of Equalization nominations. The names submitted are as follows: Calvin Goff, Kimball Fleming, and Janie Rogers. Council Vickers read a document dated, March 1, 2019, and explained it to the Council Members. Section 40-3-2 Code of Alabama 1975, requires that the governing body of the largest municipality in each county shall nominate three persons and the governing body of each incorporated municipality within the county shall nominate one person for consideration in this election of the County Board of Equalization. One member of the Board of Equalization is to be chosen from the list submitted by the municipalities of your county. This Board's concerns are matters of house appraisals, appealing of property taxes, etc. The nominations should be returned by August 15, 2019, and the Board terms are to begin on October 1, 2019. Council President Vickers asked the Council Members to think about it and make nominations in May 2019. All Council Members were in agreement.

Council President Vickers addressed the vacancy on the Mental Health Board and asked for nominations. He said that he personally did not have a nomination and neither did any of the other Council Members. The Council Members were asked to keep the matter in mind for nominations for a later date.

Council President Vickers said that an appointment would have to be made concerning the Board of Education at the next meeting in April 2019. He asked the Council Members to bring forward nominations to the next meeting.

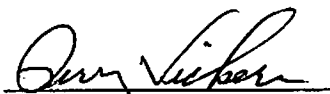
Council President Vickers asked Mr. Dean if he had any financial reports and Mr. Dean said that he would have the reports for the next meeting.

Council President Vickers asked the Council Members if there were any other matters to discuss and there was none. Mr. Dean made a request to go into Executive Session to discuss and review Economic Development with the Council. Council President Vickers asked the Council Members for a motion to go into Executive Session and Councilman Goolsby made a move and a second was made by Council Member Rich and all were AYES and the motion was passed and the Council went into Executive Session.

The City Council Work Session was adjourned at 5:32 p.m.



Robert J. Dean, Jr.
City Clerk/Treasurer



Perry Vickers
Council President