

Arena Tax Oversight Committee  
October 25, 2005 - 3:00pm  
Minutes

Committee members present: Bruce Armstrong, George Arnold, John Clevenger, Mark Dennett, Christina Ricke, Richard Schodorf, Greg Sevier  
Committee members absent: Frank DeSocio, Jose Gutierrez, Tim Short  
Others in attendance: Chris Chronis, Troy Bruun, Ginger Radley, Misha Jacob

Call to Order           The meeting was called to order by Committee Chairman Greg Sevier

Review                   Greg Sevier went through a review of the Arena Oversight Committee notebook that he compiled for each committee member. The notebook contains nine sections: Resolution, Accounting Structure, Accounting Reports, Commissioner Reports, State Reports, Projections, Agenda/Minutes, Correspondence and Member Roster.

Acceptance of Minutes           Greg Sevier asked for a motion to approve the minutes

- Motion made by John Clevenger
- Motion passed

General Committee Business           Greg Sevier suggested that it would be helpful to appoint a Vice-Chairman for the committee in the event that he is unable to attend one of the meetings. This would prevent the committee meetings from needing to be rescheduled.

- The committee agreed that selection of a Vice-Chairman would be helpful, but would prefer to wait until the next meeting in order to have more committee members present to make the decision in regards to who would fill the position.

Review of July reports           Chris Chronis reviewed the current data for July 2005 that contains information current as of October 19, 2005 in regards to expenditures for the arena

- The report entitled Budget-Actual for fund center Arena A & E Services (Fund Center 551) is for that specific part of the arena project
  - o The current budget allotted to this fund center totals \$11,229,042.00 and thus far \$383,094.69 has been expended and \$7,218,774.69 has been committed (released to be used) from this fund
- This Budget-Actual report for Fund Center 551 corresponds to the bottom section on the worksheet entitled Arena/Coliseum Design. This worksheet simply shows in more detail what the \$383,094.69 has been specifically used for. A majority of the expenditures came from the two site visits that were made by design team members and county staff. Chris Chronis was able

to show through use of the county accounting system exactly who went on those site visits. Expenditures regarding the Hinkle Elkouri Law Firm are in regards to condemnation negotiations. Expenditures regarding Wilson, Darnell and Mann relate to contract work, as they are the lead architects for the arena project.

- Other funds listed on the worksheet entitled Arena/Coliseum Design (Funds 402 and 234) are proposed reimbursements to recover funds for design work on the Kansas Coliseum. With committee approval, these funds we will be reimbursed, as was proposed in the original arena budget.

Questions

Greg Sevier asked to see information in regards to the site visits as to who traveled, designers or county staff

- Troy Bruun was able to pull up through the County's accounting system the specific details pertaining to who went on the trips and what expenditures were made in regards to the trip
- Chris Chronis explained that site visit attendees included some County staff as well as some of the designers, which are expenses included in the design contract

Greg Sevier asked if the individual line items could be drilled down in the accounting system even further to see the actual original invoice for the expenditure

- Chris Chronis confirmed that this is indeed possible, however, because the transactions have not yet been processed in regards to the site visits, those invoices are not yet able to be viewed in the system
- Chris Chronis showed an example of how the process of viewing an original invoice will work with a purchase order made for Wilson, Darnell and Mann for architectural and engineering fees
- Chris Chronis also explained that it is when goods are received that an expenditure is created in the system

Greg Sevier asked who the contract was with for design renovations of the Kansas Coliseum

- Chris Chronis confirmed that the design contract for the Coliseum was also with Wilson, Darnell and Mann. He proceeded to provide an example explanation of a transaction generated from Fund Centers 402 and 234. The committee was able to see an original invoice for one of the transactions with Wilson, Darnell and Mann

Explanation of Revenues

Chris Chronis stated that actual revenue for July is higher than the projected revenue. August's totals will most likely be available to view on October 26, 2005

Greg Sevier asked for an explanation as to why there is currently a

Additional  
Questions

discrepancy between the total projected revenue of \$180,036,000 and the total project budget of \$184,528,042.

- Chris Chronis responded that the original project funding plan included sales tax plus interest earned on that amount
- Currently, due to state statute, proceeds of investments (any interest amount) automatically goes into the General Fund. These funds will stay in the General Fund until they need to be used, at which point, they will be transferred out the General Fund into the appropriate fund

Greg Sevier stated that the committee's job is to provide semi-annual reports to the Board of County Commissioners and wondered when the first report needed to be submitted

- Chris Chronis stated that submitting a report after the committee's next meeting in early 2006 would be fine

Discussion followed on when the next committee meeting should be

- Currently, the next meeting was scheduled for the third week in January, however committee members decided that it would be more helpful to hold the meeting on **January 31, 2005 from 3:00-5:00pm at the Ark Valley Lodge**, as by that date the tax receipts for January would be known.

Chris Chronis then stated that since we have not yet gotten very far into this project, now would be the time to make any adjustments to how the information is presented to make it more useful to committee members

- Richard Schodorf stated that he would like to see more detail in regards to individual expenditures and suggested providing a synopsis for each one
- John Clevenger stated that he would like to see a grand total compared to progress-to-date figures so the committee could easily determine how much of the budget has been used
- Both Greg Sevier and John Clevenger stated that they would like individual breakdowns of each fund center as well as a total
  - o Mark Dennett stated that once the process goes beyond reimbursements for the Kansas Coliseum, each Fund Center would have its own Budget-Actual worksheet to be used for analysis
- Greg Sevier wanted to know if it would be possible to compare monthly revenue projections with actual receipts
  - o Chris Chronis stated that he was maintaining such a comparison to show monthly and cumulative variance, and would distribute it to committee members prior to each meeting
- Mark Dennett asked Chris Chronis if any activity that has taken place thus far in regards to reimbursements for the

Kansas Coliseum design have been out of the ordinary  
o Chris Chronis responded that, to date, everything is progressing as expected

Closing Remarks

Chris Chronis stated that he and his staff are very open in regards to how information is presented and wants to make sure that it is in an acceptable format for the committee. If any committee member thinks of additional information that they would like to see, or another format in which the information is presented, please let Chris know.

Adjourn

Greg Sevier adjourned the meeting at 3:40pm