

Agenda
Joint City/County Commission Meeting
Boot Hill Casino and Resort Conference Center
Tuesday, December 1, 2020
6:30 P.M.

Call to Order:

County Commission Roll Call: Chairman Boys

City Commission Roll Call: Mayor Warshaw

Executive Session:

1. Regarding discussion of confidential financial data.

Unfinished Business:

- 1.

New Business:

1. Approval of Agreement for Operation and Promotion of DCRP-Report by Assistant City Manager/Public Affairs, Melissa McCoy
2. Discussion of “Why Not Dodge” Sales Tax Budget and Depreciation/ Replacement Fund-Report by Finance Director, Nicole May

Adjournment



Memorandum

To: City of Dodge City Commission and Ford County Commission

From: Community Facility Advisory Board (CFAB)

Date: November 30, 2020

Subject: Approval of agreement with Craig Dollansky Racing to operate and promote the Dodge City Raceway Park

Agenda Item: New Business

Recommendation: CFAB recommends approval by the Joint Commissions of the Dodge City Raceway Park (DCRP) Agreement with Craig Dollansky Racing for the operation and promotion of the DCRP.

Background: The City of Dodge City issued a request for proposals for an operator/promoter of the DCRP following notification from Tommie Estes of Triple T Promotions, LLC of his intent not to renew his contract. Three proposals were submitted. Interviews with a selection committee made up representatives from the City, County, CFAB, Dodge City/Ford County Development Corporation, and representatives from the racing community were held over Zoom on November 10 with all three applicants.

Following the interviews, the DCRP Selection Committee unanimously recommended moving forward with an agreement with Craig Dollansky Racing for the operation and promotion of the Dodge City Raceway Park. Staff then worked with City and County legal counsel on the agreement which was presented to CFAB on November 24 at a special meeting. CFAB unanimously recommended approval of the agreement to the Joint City and County Commissions.

Justification: Craig and Julie Dollansky have 25 years of building and management of professional racing teams, dirt racetrack promotions, sponsorship sales, promotion, and retention. They are also well versed in the coordination of event dates, scheduling, brand recognition and fan interaction.

Their mission is to host and promote a venue that showcases a creative line-up of motorsports events for people to enjoy exceptional entertainment.

Their goals are to:

- Promote the DCRP as a premier racing complex both locally and nationally.
- Provide a fun and safe facility for competitors and fans.
- Engage the local community and draw people from surrounding communities and states.
- Highlight the uniqueness of Dodge City and Ford County
- Assist the "Why Not Dodge" initiative to bring people to Dodge City

- Build upon their vision of creative entertainment ideas from their 25 years of professional racing and promotions worldwide.

Financial Considerations: Per the agreement, the City and the Operator/Promoter will negotiate the dates for payment of the subsidy prior to the start of each season. The subsidy will be divided into nine (9) payments to be made on nine (9) separate dates. Subsidy for all events, major and local should not exceed the following amounts:

2021- Two Hundred Fifty Thousand Dollars (\$250,000)

2022- Two Hundred Fifty Thousand Dollars (\$250,000)

2023- Two Hundred Fifty Thousand Dollars (\$250,000)

2024-Two Hundred Twenty-five Thousand Dollars (\$225,000)

2025- Two Hundred Thousand Dollars (\$200,000)

Legal Considerations: Both City and County Legal Counsel reviewed the agreement and have found it to be acceptable as to form and have no legal concerns.

Attachments:

DCRP Agreement

November 24, 2020

RACETRACK OPERATING AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Dodge City, Kansas (hereinafter the “City”) acting pursuant to the authority provided for in the Interlocal Agreement dated July 21, 1997 by and between the City and Ford County, Kansas (hereinafter the “Interlocal Agreement”) and Craig Dollansky Racing, a partnership (hereinafter the “Operator”).

WHEREAS, utilizing sales tax revenues as provided for in the Interlocal Agreement, the City issued bonds for and did construct a motorsports complex located in Ford County, Kansas, consisting of a three-eighths (3/8) mile racetrack, grandstand and other racing amenities known as Dodge City Raceway Park (hereinafter the “Facility”); and,

WHEREAS, the City has operated the Facility for the past several years as a recreational complex with sales tax revenues as authorized by the Interlocal Agreement; and,

WHEREAS, the parties to the Interlocal Agreement desire to contract for the promotion and operation of the Facility on behalf of the City, utilizing sales tax revenues as provided for in the Interlocal Agreement to fund such promotion and operations; and,

November 24, 2020

WHEREAS, the Operator has experience and expertise in the promotion and operation of dirt track racing facilities and desires to promote and operate the Facility to the benefit of the parties to the Interlocal Agreement; and,

WHEREAS, the City and the Operator have reached an agreement whereby the Operator would promote and operate the Facility under the terms and conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE MONIES TO BE PAID HEREUNDER, AND THE MUTUAL PROMISES OF THE CITY AND THE OPERATOR, IT IS AGREED AS FOLLOWS:

1. EXCLUSIVE USE OF FACILITY: The City hereby grants to the Operator, during the term of this Agreement and any extension hereof and subject to the conditions set forth herein, the exclusive right and responsibility for the operation, promotion, scheduling and use of the Facility for motor sports racing events and other related events.

2. TERM: The initial term of this Agreement will be for a period of five (5) years, commencing January 1, 2021, and expiring December 31, 2025. This Agreement may be extended beyond the initial term or earlier terminated as provided herein.

3. MAINTENANCE OF DIRT TRACK: The Operator at its sole cost and expense will be responsible for and shall perform any and all maintenance, alterations, preparations and care of the dirt track during the term of this Agreement, and all extensions hereof, so as to provide a dirt track surface equal to the highest standards for

November 24, 2020

like facilities. The Operator shall maintain the dirt track in a safe and proper manner during all events. The Operator shall supply all equipment and materials necessary for all repairs, maintenance and preparation of the dirt track.

Any modification of the dirt track configuration shall be subject to the prior approval of the City. The Operator, at its sole cost and expense, shall restore the dirt track to its original configuration and condition, subject to normal wear and tear.

4. MAINTENANCE OF FACILITY: The City shall provide, at its sole expense through an agreed upon budget with the Operator, for cleanup and care of the structures and grounds located at Dodge City Raceway Park. This responsibility will include grandstands, concession and restroom areas, ticket booths, pit area, parking lot and all other amenities located at the Facility, with the exception of the interior of the general office building.

In addition, the City, at its expense, will provide staff for watering, mowing, trimming and care of all grassy areas, shrubbery and trees at the Facility. Said staff will be directed in these activities by the Operator in coordination with the City Manager or his/her designee for budgetary oversight purposes.

The Operator shall, at its expense, maintain the interior of the general office building in a clean, neat, safe and proper manner at all times throughout the term of this Agreement.

5. FACILITY REPAIRS AND MODIFICATIONS: The City, at its expense, shall provide for all normal day-to-day repairs at the Facility, including but not limited to plumbing repairs, electrical repairs, replacing bulbs including track and security lighting and damage to track fencing. The City will be responsible for the repairs to the Facility

November 24, 2020

caused by normal use or natural deterioration caused by age. Such repairs to the Facility will be the sole responsibility of the City. Such repairs will be performed in a good and workman-like manner, and will be performed at times which would be least disruptive to the operation of the Facility.

The Operator shall immediately notify the City Manager or his/her designee, in writing or by email, of the need for any such repairs to the Facility.

In the event of structural damage to any aspect of the Facility resulting from fire, wind, hail, rain, vandalism, defacement or other casualties, not the fault of the City or the Operator, or the result of a latent structural defect, the City shall pay for such repair costs from sales tax revenues pursuant to the Interlocal Agreement.

Required repairs to the Facility due to neglect of the Operator will be the sole financial responsibility of the Operator. Such repairs will be made by the City and all costs for such repairs will be immediately reimbursed to the City by the Operator. If the Operator proposes to make such repairs itself, such repairs must be approved by the City prior to the commencement of any such work.

6. INSPECTION OF FACILITY AND EQUIPMENT: The Operator understands and agrees that the City is entitled to perform random inspections throughout the race season in order to assure proper maintenance of the general office building. The City shall provide the Operator no less than twenty-four (24) hours' notice prior to any such inspection.

7. MODIFICATIONS AND IMPROVEMENTS: Any modification or other permanent improvements within the Facility will be subject to the prior approval of the City and must be based upon specific plans, specifications and cost estimates, as well as

November 24, 2020

an agreement between the City and the Operator as to the responsibility for payment of such modifications and/or improvements. Any such modifications and/or improvements to the Facility shall become a part of the Facility at the time of their completion and the Operator will have no ownership interest in such modifications and/or improvements.

8. **EQUIPMENT:** The Operator shall provide all equipment necessary for the operation of the Facility, as well as the costs and expense of the maintenance and operation of said equipment. The Operator will be entitled to utilize, on the premises of the Facility, existing City-owned equipment presently located at the Facility. The Operator shall repair and/or replace any and all such City-owned equipment if such equipment is damaged as the result of the Operator's negligence. The Operator may not dispose of any City-owned equipment without the prior written approval of the City Manager or her/his designee.

Any equipment provided or purchased by the Operator and utilized at the Facility will remain the property of the Operator and may be removed from the Facility upon termination of this Agreement, provided that such removal can be accomplished without damage to the Facility.

9. **OPERATIONAL EXPENSES AND REVENUES:** The Operator shall provide all personnel necessary for the proper operation, promotion and use of the Facility as well as the events conducted at the Facility, including but not limited to security, fire, safety and emergency medical, gatekeepers, ticket sales, concessions, fan accommodations, office staff, sales representatives, dirt track surface preparation and maintenance, racing officials and judges, non-racing event supervision and personnel, PA announcer, and all other required personnel.

November 24, 2020

The Operator is solely responsible for the payment of all wages, salaries and/or other benefits provided to such personnel. All such personnel are employees, independent contractors or volunteers of the Operator, and not of the City. The Operator further agrees to save and hold harmless the City of and from any and all claims which might be asserted against the City in any manner whatsoever by or through any such personnel arising out of any injuries or death to such personnel arising out of their duties or services provided at the Facility.

Except as specifically provided herein, the Operator will be solely responsible for the timely payment of any and all operational expenses of the Facility and will retain all revenues resulting from the operation of the Facility, including but not limited to all gate fees, ticket sales, concession sales, advertising sales, sponsorship fees, membership fees and other revenues resulting from the use and operation of the Facility by the Operator.

10. **INSURANCE:** During the term of this Agreement, and all extensions hereof, the Operator shall, at its sole cost and expense, maintain in full force and effect liability insurance providing coverage for liability for any injuries, damages, or death for participants and fans in an amount not less than Two Million Dollars (\$2,000,000.00). Said insurance coverage must list the City and Ford County, Kansas as named additional insureds. The Operator shall also provide workers compensation insurance for all employees and volunteers of the Operator who provide any services at the Facility. All insurance policies provided by the Operator must contain provision for at least thirty (30) days prior written notice to the City of any cancellation or modification of insurance coverage. Copies of all such policies and insurance binders will be provided to the City in advance of the season.

11. UTILITIES: The utility bills relating to the operation of the Facility, including electric, gas, water, sewer and trash pickup services, will be the responsibility of the City from sales tax revenues received pursuant to the Interlocal Agreement; provided, however, the City reserves the right to provide a well to provide water for track preparation and irrigation of Facility grounds from sales tax revenues pursuant to the Interlocal Agreement or other sources, subject to the Operator's approval as to the location of any such well if located within the Facility. Such approval shall not be unreasonably withheld.

The Operator is responsible for phone service and bills relating to such service.

12. TAXES: The City shall pay all real estate taxes assessed against the Facility from sales tax revenues received pursuant to the Interlocal Agreement. The Operator will be responsible for and shall pay in a timely manner, all other taxes, fees, permits or licenses associated with the Operator's use of the Facility, including but not limited to personal property taxes, sales taxes, payroll taxes, concession and beer licenses and any and all other operating permits, licenses or fees.

13. SCHEDULE, NUMBER OF EVENTS AND PROMOTIONAL PLAN: On or before November 1 of each year the, the Operator shall provide the City with a calendar of proposed events scheduled for the Facility for the following season and a marketing plan to promote these events. Said schedule and marketing plan will specify classes and include not less than five (5) major racing events, twelve (12) local racing events and six (6) Little DCRP events during the racing season, all of which will be subject to prior approval by the Racing Advisory Board. Any reduction in the required number of scheduled events must

November 24, 2020

have the prior written approval of the City Manager and County Administrator or their designees. Additional events may be added at any time by the Operator, but shall not be subsidized by the City unless a separate written agreement has been negotiated.

During the course of any year, the City may request the use of the Facility for non-racing events, subject to the Operator's approval and upon such terms and conditions as are mutually acceptable to the parties. The Operator's approval for such events shall not be unreasonably withheld.

14. CONSIDERATION FOR PROMOTIONAL AND OPERATIONAL SERVICES: In consideration of the promotional and operational services to be provided by the Operator in accordance with terms and conditions as set forth in the Paragraph 13 above, the City, in addition to any other payment obligation provided for herein, shall make payments to the Operator from sales tax revenues received pursuant to the Interlocal Agreement, in the time and manner following:

- a. The City and the Operator shall negotiate the dates for payment of the subsidy prior to each season starting.
- b. The subsidy will be divided into nine (9) equal payments to be made on nine (9) separate dates.
- c. The Operator shall provide to the City all attendance, car count, and financial information on a monthly basis during race season and prior to the final subsidy payment. The first subsidy payment of the next racing season shall not be disbursed prior to receipt of the attendance, car count and financial information being received for the previous year. See Paragraph 18 below.

November 24, 2020

- d. Subsidy for all events, major and local should not exceed the following amounts:

2021- Two Hundred Fifty Thousand Dollars (\$250,000)

2022- Two Hundred Fifty Thousand Dollars (\$250,000)

2023- Two Hundred Fifty Thousand Dollars (\$250,000)

2024-Two Hundred Twenty-five Thousand Dollars
(\$225,000)

2025- Two Hundred Thousand Dollars (\$200,000)

15. PERFORMANCE STANDARDS: The Operator will keep accurate attendance records for all events conducted at the Facility and provide to the City monthly during race season. In accordance with Paragraph 14(c) above, the Operator will provide to the City an affidavit and supporting records verifying the total attendance for each event. The total attendance figure for the major racing events will be divided by the number of major racing events actually conducted at the Facility during the year to establish an “average attendance” per major racing event.

If the “average attendance” per major racing event for any year should fall below One Thousand (1000) attendees, then the City will have the option of terminating this Agreement by providing written notice of such intent to terminate within thirty (30) calendar days of receipt of the Operator’s attendance report. If within thirty (30) days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this Agreement will terminate and both parties will be released from any further obligations pursuant to

November 24, 2020

this Agreement, except only for the Operator's obligation for full payment of any outstanding unpaid obligations at the time of such termination.

16. EXTENSIONS OF INITIAL TERM: Upon the expiration of the initial term of this Agreement on December 31, 2025, this Agreement will automatically extend for an additional term of five (5) years, unless either party provides written notice to the other of its intent not to renew this Agreement in accordance with the following procedure.

A terminating party must deliver to the other party, on or before August 1st of the year of expiration of any extended term, written notice of its intent not to extend this Agreement. In the event of such notice the parties agree to immediately enter into good faith negotiations for renewal of an operation agreement based on terms and conditions that are mutually acceptable to both parties. If such negotiations fail to produce a mutually acceptable agreement, this Agreement will expire on December 31 of that year. Upon either such termination both parties shall be released from any further obligations under this Agreement except only for the Operator's full payment of any outstanding unpaid obligations of the Operator at the time of termination.

17. NON-APPROPRIATION OF CITY PAYMENTS: The parties understand and agree that the payment obligations of the City as set forth herein, including the payment obligation described in Paragraph 14 above, are subject to the provisions of the Kansas Cash Basis Law and continued collection of sales tax revenues. The City currently intends to continue this Agreement through its term and to make all payments as provided for herein, and currently intends to make provision for such payments in each annual budget submitted and adopted in accordance with applicable provisions of state law and the provisions of the Interlocal Agreement. Notwithstanding the foregoing, however, the

November 24, 2020

parties acknowledge that the City is obligated only to pay periodic payments as provided herein as may lawfully be made from sales tax funds budgeted and appropriated for that purpose during the current budget year, or funds made available from any lawfully operated revenue producing source. The City agrees to give written notice of such non-appropriation to the Operator at least thirty (30) days prior to December 31 of the year during which such non-appropriation occurs. The City shall pay all payments remaining due through the end of that year, if any. In the event of such non-appropriation, the Operator may terminate this Agreement at any time after receiving notice from the City of such non-appropriation of funds to satisfy the payment obligations. Such non-appropriation will not constitute a default or breach of this Agreement by the City and the Operator may elect to continue this Agreement notwithstanding the City's failure to satisfy its payment obligations due to such non-appropriation.

18. GENERAL CONDITIONS:

a. The Operator shall pay in a timely manner any and all obligations incumbent upon it under the terms and conditions of this Agreement and shall not allow any type of lien or encumbrance to attach to the Facility resulting from nonpayment of any obligations of the Operator.

b. This Agreement may be amended at any time by mutual written agreement of the parties.

c. This Agreement shall not be assigned or transferred to any other person or entity without the prior written consent of the City.

d. This Agreement shall be binding on the parties hereto and their respective successors and assigns.

November 24, 2020

e. The parties hereto do hereby warrant that each party is legally authorized to enter into this Agreement and that all actions necessary to authorize approval of this Agreement by the persons executing the same has been duly obtained so as to legally bind the party so represented.

f. The relationship created by virtue of this Agreement between the City and the Operator is that of an independent contractor, and nothing contained herein is intended to establish and does not establish any relationship other than that of an independent contractor.

g. For purposes of this Agreement, the effective date of said Agreement shall be January 1, 2021, despite the later approval by the parties of said Agreement.

h. All reports, notices or other communications called for pursuant to this Agreement will be between the Operator and the City's City Manager who is hereby designated to administer this Agreement on behalf of the City.

i. The Operator will comply with all federal, state, and local ordinances, statutes, rules and regulations related to the operation of the Facility and the Operator's fitness to operate the Facility. Operator's failure to comply as described shall be an event of default pursuant to this Agreement and shall entitle the City to terminate this Agreement.

i. In the event either party breaches any terms or condition of this Agreement, then said party shall have the option of terminating this Agreement by providing written notice of such intent to terminate within thirty (30) calendar days of receipt of said notice. If within thirty (30) days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this Agreement shall terminate and both parties shall be released from any further

November 24, 2020

obligations under this Agreement, except only for the Operator’s obligation for full payment of any outstanding unpaid obligations at the time of such termination.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates reflected below.

Craig Dollansky Racing, a partnership By _____
Craig Dollansky, Partner

By _____
Julie Dollansky, Partner

ATTEST:

Secretary

Dated this _____ day of _____, 2020.

CITY OF DODGE CITY, KANSAS

By _____
Joyce Warshaw, Mayor

ATTEST:

Connie Marquez, City Clerk

Dated this _____ day of _____, 2020.

APPROVED BY THE FORD COUNTY COMMISSION:

By _____
Chris Boys, Chairman

By _____
Shawn Tasset, County Commissioner

By _____
Kenneth Snook, County Commissioner

November 24, 2020

ATTEST:

Debbie Cox Ford County Clerk

Dated this _____ day of _____, 2020.



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
JD Gilbert, County Administrator and County Commissioners
From: Nicole May, Finance Director City of Dodge City
Date: November 30, 2020
Subject: Sales Tax Budget – Depreciation and Replacement Fund
Agenda Item: New Business

Recommendation: I recommend reducing the City and County distributions, the Organizational Funding, and City admin by one-half, this amount would be \$430,000 total. This same amount, \$430,000, would then be transferred into the Depreciation and Replacement fund.

Background: Due to budgetary and cash flow issues beginning in 2018 there has not been a transfer made from the Sales Tax operating fund to the Depreciation and Replacement fund. During the 2021 budget approval process it was identified by both the City and County Commissions that this is something that needs looked at and corrected in the future. I have presented two versions of the Sales Tax operating budget, Version 1 is cutting the City and County distributions, the Organizational Funding, and City admin by one-half amounting to \$430,000 and transferring \$430,000 to Depreciation and Replacement. Version 2 is eliminating the City and County distributions, the Organizational Funding, and City Admin in the amount of \$860,000 and transferring this amount to Depreciation and Replacement.

There is currently \$1,125,774 in the Depreciation and Replacement fund. City staff recommends that the target goal for cash in the Depreciation and Replacement fund should be \$6,000,000. Transferring \$430,000 per year, it will take approximately 12 years to get to this goal. Due to the age of the Why Not Dodge project facilities, the costs to maintain and replace critical items is only going to go up each year.

Justification: Due to budgetary and cash flows issues, transfers have not been being made to the Depreciation and Replacement fund. It was noted during the budgetary process that this needs to be corrected.

Financial Considerations: The total expenses would not change but the City and County distributions, the Organizational funding, and the City admin would be reduced by one-half and this amount would then be transferred to Depreciation and Replacement.

Purpose/Mission: On-going improvements to provide for community growth.

Legal Considerations: The inter-local agreement would need to be amended.

Attachments: Version 1 and Version 2 of the Sales Tax Budgets and History of Depreciation and Replacement Fund.

SALES TAX FUND - SPECIAL PROJECTS - VERSION 1

Fund Source: 1/2% City Sales Tax; 1/2% County Sales Tax.

Guidelines: On June 10, 1997, the voters went to the polls to approve a 1/2% Citywide Sales Tax and a 1/2% Countywide Sales Tax to fund Civic Center upgrades to air-conditioning and electrical, softball facilities and complex, a motor sports track, a special events center and other projects. 1/4% City and 1/4% County sales tax went into effect on October 1, 1997. The additional 1/4% City tax was added to fund these projects in January 2000, and the additional 1/4% County tax was added in June, 1999. Currently this fund is being funded at the full 1/2% City and 1/2% County Sales Taxes.

SALES TAX - SPECIAL PROJECTS	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	22,074	2,007,934	267,299	194,471	179,472
Revenues:					
Sales Tax	4,652,337	4,716,000	4,716,000	4,806,000	4,902,120
Sales Tax	1,231,835	1,180,000	1,180,000	1,180,000	1,203,600
Interest Income	19,440	20,000	20,000	20,000	7,000
Concessions	9,909	12,000	12,000	12,000	12,000
Field Rental	8,547	0	10,000	20,000	20,000
Other Athletic Field Inc	105,863	105,000	95,000	105,000	105,000
Sign Sponsorships		0			
Aquatics Park Revenue	478,586	505,500	250,000	475,000	475,000
Contributions & Donations	2,300	40,810	40,810	50,810	50,810
Sale of Scrap	0	0	0	13,000	7,000
Sports Commission	27,872	70,660	32,850	70,000	
TOTAL RECEIPTS	6,536,689	6,649,970	6,356,660	6,751,810	6,782,530
RESOURCES AVAILABLE	6,558,763	8,657,904	6,623,959	6,946,281	6,962,002
Expenditures					
FIELD SPORTS					
FIELD MAINTENANCE					
Personal Services	226,973	264,621	261,487	261,487	267,341
Adj current salaries mid year + proposed raise					
Contractual	98,821	113,050	105,050	105,050	97,750
Commodities	80,201	82,850	95,100	95,100	80,600
Capital Outlay	<u>18,910</u>	<u>63,000</u>	0	0	<u>30,000</u>
Total - Field Maintenance	424,905	523,521	461,637	461,637	475,691
TOURNAMENTS					
Personal Services	61,145	83,400	81,483	81,483	68,990
Adj current salaries mid year + proposed raise					
Contractual	89,950	103,750	110,350	118,350	107,500
Sports Commission	39,776	70,660	32,850	70,000	
Commodities	<u>3,710</u>	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>	<u>10,000</u>
Total - Tournaments	194,581	276,810	243,683	288,833	186,490
TOTAL FIELD SPORTS OPERATIONS	619,486	800,331	705,320	750,470	662,181

ADMINISTRATION					
Contractual	860,020	865,300	460,000	865,300	435,300
Commodities	0	0	0	0	
Payment for Expo Center	0	0	0	0	
Aquatics Park (to be reimbursed)		0	0	0	
Transfer to Depreciation & Replacement	0	705,000	0	0	430,000
Series A & B - Debt Service (SEC-2009)	484,266	1,199,275	0	0	0
Series A 2015 - Debt Service (Water Par	601,529	693,925	692,150	692,150	691,200
Series A 2016	1,726,424	1,361,800	2,655,417	2,665,417	2,696,847
Transfer to Event Fund	0	0			80,000
Other Payments	<u>2,658</u>	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>2,800</u>
TOTAL - ADMINISTRATION	3,674,897	4,827,500	3,809,767	4,225,067	4,336,147
MOTOR SPORTS					
Personal Services	9,267	10,800	10,800	10,800	10,800
Contractual	317,949	330,800	328,500	328,500	319,400
Commodities	5,105	14,100	12,600	12,600	6,500
Capital Outlay	6,300	15,300	7,300	7,300	0
Concessions	0	0	0	0	0
Reimbursed Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL - MOTOR SPORTS OPERATIONS	338,621	371,000	359,200	359,200	336,700
SPECIAL EVENTS CENTERS					
Contractual	937,544	895,500	895,500	895,500	895,500
Comm	193	0			
Insurance & Electrical	43,845	43,200	43,200	43,200	44,000
Capital Outlay	<u>67,048</u>	<u>100,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
TOTAL - SPECIAL EVENTS CENTER	1,048,630	1,038,700	958,700	958,700	959,500
SALES TAX PROJECTS-FACILITIES MAINTENANCE					
Personal Services	12,117	16,150	16,200	16,200	44,000
Contractual	0	0	0	0	0
Commodities	<u>2,728</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>
TOTAL-FACILITIES MAINTENANCE	14,845	23,450	23,500	23,500	21,300
Outdoor Regional Aquatics Facility					
Personnel	0	0	0	0	0
Contractual	574,990	553,000	565,500	565,500	588,400
Insurance	10,300	10,000	10,000	10,000	10,000
Commodities	9,695	12,500	12,500	12,500	12,500
Improvements to Buildings	<u>0</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL-OUTDOOR REGIONAL AQUATICS F	594,985	580,500	588,000	588,000	610,900
TOTAL EXPENDITURES	6,291,464	7,641,481	6,444,487	6,904,937	6,926,728
<i>Unreserved Fund Balance, December 31</i>	<i>267,299</i>	<i>1,016,423</i>	<i>179,472</i>	<i>41,344</i>	<i>35,274</i>

SALES TAX FUND-DEPRECIATION & REPLACEMENT

Sales Tax Fund-Depreciation & Replacem	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	1,474,263	2,214,230	1,197,938	1,164,262	1,097,938
Revenues:					
Transfer from Other Funds	12,500	705,000			430,000
TOTAL RECEIPTS	12,500	705,000	0	0	430,000
RESOURCES AVAILABLE	1,486,763	2,919,230	1,197,938	1,164,262	1,527,938
Expenditures:					
Capital Outlay	288,825	600,000	100,000	600,000	20,000
TOTAL EXPENDITURES	288,825	600,000	100,000	600,000	20,000
<i>Unreserved Fund Balance, December 31</i>	<i>1,197,938</i>	<i>2,319,230</i>	<i>1,097,938</i>	<i>564,262</i>	<i>1,507,938</i>

ST FUND - ORGANIZATIONAL FUNDING

ST - ORGANIZATIONAL FUNDING	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	128,692	94,931	193,435	125,206	193,435
Revenues:					
Non-Govt Grants	0	0			
Sale of Labor and Material	0	0			
Transfer from General Fund	0	0	0		0
Transfer from Other Funds	710,000	710,000	460,000	710,000	710,000
TOTAL RECEIPTS	710,000	710,000	460,000	710,000	710,000
RESOURCES AVAILABLE	838,692	804,931	653,435	835,206	903,435
Expenditures					
Personal Services	0	0	0	0	0
Contractual	645,191	710,000	460,000	712,000	712,000
Commodities	66	0	0	1,000	1,000
Capital Outlay	0	0	0		
TOTAL EXPENDITURES	645,257	710,000	460,000	713,000	713,000
<i>Unreserved Fund Balance, December 31</i>	<i>193,435</i>	<i>94,931</i>	<i>193,435</i>	<i>122,206</i>	<i>190,435</i>

Sales Tax Projects-Events Fund

Sales Tax Projects-Events Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	130,504	0	55,048	0	55,048
Revenues:					
Contributions & Donations	0	0	0	0	80000
Transfer from Other Funds	0	0			
TOTAL RECEIPTS	0	0	0	0	80,000
RESOURCES AVAILABLE	130,504	0	55,048	0	135,048
Expenditures					
Contractual	75,456	0	0	0	0
Capital Expenditures	0	0			
TOTAL EXPENDITURES	75,456	0	0	0	0
<i>Unreserved Fund Balance, December 31</i>	<i>55,048</i>	<i>0</i>	<i>55,048</i>	<i>0</i>	<i>135,048</i>

DEBT SERVICE ACCOUNT

ACCOUNT DESCRIPTION

In June of 1998, two series of Revenue Bonds were issued to fund the construction of projects voted on by the citizens of Dodge City. Series A was issued in the amount of \$6,000,000 was issued to fund the construction of a fourplex softball complex, updates to the Cavalier Field baseball complex located behind Sheridan Activity Center, construction of soccer fields, addition of air-conditioning and mechanical and other updates to the Civic Center and updates to other baseball/softball fields in the community. Construction is complete on all of these projects. The Series A Revenue Bonds were paid off early when the new revenue bonds to fund the Special Events Center were issued.

Construction of the Motor Sports Complex was completed in 2000 and the bonds issued for financing the proeject were paid off in 2008.

New Revenue Bonds were issued in 2009 to fund the Special Events Center. The Revenue Bond was issued in the amount of \$40,300,000. A reserve fund and debt service fund was required to be set up.

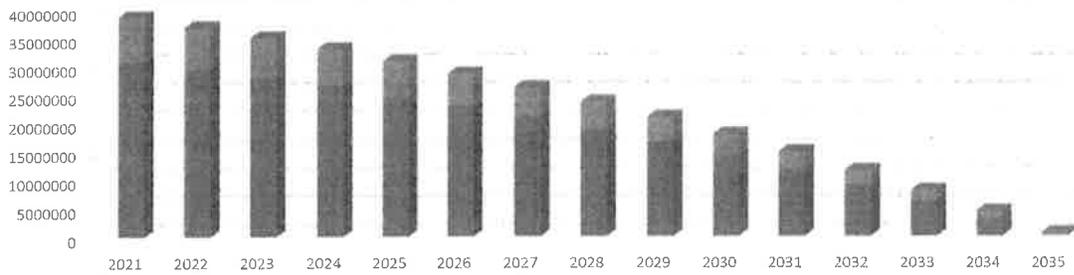
This account services the payment of annual principal and interest payments for those revenue bonds.

SEC Revenue Bond Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Reserve for Debt Service</i>	905,408	0	794,505	0	4,302,175
<i>Bond Reserve</i>	3,620,434	0	3,507,670	0	
Revenues:			Non Budgeted Fund		
Investment Earnings	123,356	0			
Other Financing		0			
Transfer from Other Funds	2,210,690	0			
TOTAL RECEIPTS	2,334,046	0	0	0	0
RESOURCES AVAILABLE	6,859,888	0	4,302,175	0	
Expenditures					
Debt - Principal	1,245,000	0			
Debt-Interest	1,312,713	0			
Debt Service Fees	0	0			
TOTAL EXPENDITURES	2,557,713	0	0	0	0
<i>Reserved Fund Balance, December 31</i>	<i>4,302,175</i>	<i>0</i>	<i>4,302,175</i>	<i>0</i>	

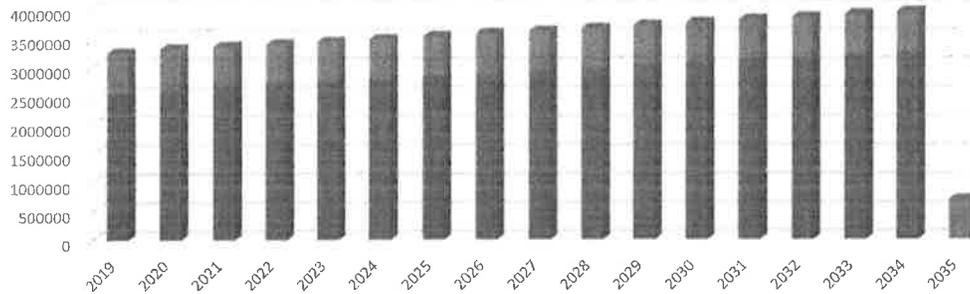
Water Park Revenue Bond Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Reserve for Debt Service</i>	264,993	0	352,257	0	1,008,920
<i>Bond Reserve</i>	736,964	0	656,663	0	
Revenues:			Non Budgeted Fund		
Investment Earnings	92,684	0			
Transfer from Other Funds (for Debt Serv	601,529	0			
Transfer from Other Funds (for Reserve I					
TOTAL RECEIPTS	694,213	0	0	0	0
RESOURCES AVAILABLE	1,696,170	0	1,008,920	0	
Expenditures					
Debt - Principal	380,000	0		0	
Debt-Interest	307,250	0		0	
Debt Service Fees	0	0		0	
TOTAL EXPENDITURES	687,250	0	0	0	0
<i>Reserved Fund Balance, December 31</i>	<i>1,008,920</i>	<i>0</i>	<i>1,008,920</i>	<i>0</i>	

The graphs depict the annual payments as well as the outstanding bond amounts in future years.

Sales Tax Revenue Bonds Outstanding



Sales Tax Revenue Bond Payments



DEPOT

The City took over the operation of the Depot in 2015. Previously, the Depot received the funding from the Sales Tax Project Fund "Organizational Funding" and the Depot Theater Company personnel operated the depot. The funding continues to come from the Sales Tax Project Fund and it was written into the Interlocal Agreement between the City and the County that the Depot would be a priority funding project. The City of Dodge City now operates the Depot.

Depot	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	309,070	199,217	423,357	367,343	215,915
Revenues:					
Other	33,582				
Transfer from Organizational Funding Ac	250,000	250,000	0	250,000	125,000
TOTAL RECEIPTS	283,582	250,000	0	250,000	125,000
RESOURCES AVAILABLE	592,652	449,217	423,357	617,343	340,915
Expenditures					
Personal Services	57,329	55,872	56,842	56,842	58,797
Adj current salaries mid year + proposed raise					
Proposed Raise					
Contractual	71,508	114,850	107,500	107,500	9,500
Commodities	40,458	20,000	43,100	43,100	43,100
Capital Outlay	0	5,000	0	211,500	211,500
Merit salary raise					
TOTAL EXPENDITURES	169,295	195,722	207,442	418,942	322,897
<i>Unreserved Fund Balance, December 31</i>	<i>423,357</i>	<i>253,495</i>	<i>215,915</i>	<i>198,401</i>	<i>18,018</i>

SALES TAX FUND - SPECIAL PROJECTS - VERSION 2

Fund Source: 1/2% City Sales Tax; 1/2% County Sales Tax.

Guidelines: On June 10, 1997, the voters went to the polls to approve a 1/2% Citywide Sales Tax and a 1/2% Countywide Sales Tax to fund Civic Center upgrades to air-conditioning and electrical, softball facilities and complex, a motor sports track, a special events center and other projects. 1/4% City and 1/4% County sales tax went into effect on October 1, 1997. The additional 1/4% City tax was added to fund these projects in January 2000, and the additional 1/4% County tax was added in June, 1999. Currently this fund is being funded at the full 1/2% City and 1/2% County Sales Taxes.

SALES TAX - SPECIAL PROJECTS	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	22,074	2,007,934	267,299	194,471	179,472
Revenues:					
Sales Tax	4,652,337	4,716,000	4,716,000	4,806,000	4,902,120
Sales Tax	1,231,835	1,180,000	1,180,000	1,180,000	1,203,600
Interest Income	19,440	20,000	20,000	20,000	7,000
Concessions	9,909	12,000	12,000	12,000	12,000
Field Rental	8,547	0	10,000	20,000	20,000
Other Athletic Field Inc	105,863	105,000	95,000	105,000	105,000
Sign Sponsorships		0			
Aquatics Park Revenue	478,586	505,500	250,000	475,000	475,000
Contributions & Donations	2,300	40,810	40,810	50,810	50,810
Sale of Scrap	0	0	0	13,000	7,000
Sports Commission	27,872	70,660	32,850	70,000	
TOTAL RECEIPTS	6,536,689	6,649,970	6,356,660	6,751,810	6,782,530
RESOURCES AVAILABLE	6,558,763	8,657,904	6,623,959	6,946,281	6,962,002
Expenditures					
FIELD SPORTS					
FIELD MAINTENANCE					
Personal Services	226,973	264,621	261,487	261,487	267,341
Adj current salaries mid year + proposed raise					
Contractual	98,821	113,050	105,050	105,050	97,750
Commodities	80,201	82,850	95,100	95,100	80,600
Capital Outlay	18,910	63,000	0	0	30,000
Total - Field Maintenance	424,905	523,521	461,637	461,637	475,691
TOURNAMENTS					
Personal Services	61,145	83,400	81,483	81,483	68,990
Adj current salaries mid year + proposed raise					
Contractual	89,950	103,750	110,350	118,350	107,500
Sports Commission	39,776	70,660	32,850	70,000	
Commodities	3,710	19,000	19,000	19,000	10,000
Total - Tournaments	194,581	276,810	243,683	288,833	186,490
TOTAL FIELD SPORTS OPERATIONS	619,486	800,331	705,320	750,470	662,181

ADMINISTRATION					
Contractual	860,020	865,300	460,000	865,300	155,300
Commodities	0	0	0	0	
Payment for Expo Center	0	0	0	0	
Aquatics Park (to be reimbursed)		0	0	0	
Transfer to Depreciation & Replacement	0	705,000	0	0	710,000
Series A & B - Debt Service (SEC-2009)	484,266	1,199,275	0	0	0
Series A 2015 - Debt Service (Water Par	601,529	693,925	692,150	692,150	691,200
Series A 2016	1,726,424	1,361,800	2,655,417	2,665,417	2,696,847
Transfer to Event Fund	0	0			80,000
Other Payments	<u>2,658</u>	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>2,800</u>
TOTAL - ADMINISTRATION	3,674,897	4,827,500	3,809,767	4,225,067	4,336,147
MOTOR SPORTS					
Personal Services	9,267	10,800	10,800	10,800	10,800
Contractual	317,949	330,800	328,500	328,500	319,400
Commodities	5,105	14,100	12,600	12,600	6,500
Capital Outlay	6,300	15,300	7,300	7,300	0
Concessions	0	0	0	0	0
Reimbursed Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL - MOTOR SPORTS OPERATIONS	338,621	371,000	359,200	359,200	336,700
SPECIAL EVENTS CENTERS					
Contractual	937,544	895,500	895,500	895,500	895,500
Comm	193	0			
Insurance & Electrical	43,845	43,200	43,200	43,200	44,000
Capital Outlay	<u>67,048</u>	<u>100,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
TOTAL - SPECIAL EVENTS CENTER	1,048,630	1,038,700	958,700	958,700	959,500
SALES TAX PROJECTS-FACILITIES MAINTENANCE					
Personal Services	12,117	16,150	16,200	16,200	14,000
Contractual	0	0	0	0	0
Commodities	<u>2,728</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>
TOTAL-FACILITIES MAINTENANCE	14,845	23,450	23,500	23,500	21,300
Outdoor Regional Aquatics Facility					
Personnel	0	0	0	0	0
Contractual	574,990	553,000	565,500	565,500	588,400
Insurance	10,300	10,000	10,000	10,000	10,000
Commodities	9,695	12,500	12,500	12,500	12,500
Improvements to Buildings	<u>0</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	
TOTAL-OUTDOOR REGIONAL AQUATICS F	594,985	580,500	588,000	588,000	610,900
TOTAL EXPENDITURES	6,291,464	7,641,481	6,444,487	6,904,937	6,926,728
<i>Unreserved Fund Balance, December 31</i>	<i>267,299</i>	<i>1,016,423</i>	<i>179,472</i>	<i>41,344</i>	<i>35,274</i>

SALES TAX FUND-DEPRECIATION & REPLACEMENT

Sales Tax Fund-Depreciation & Replacem	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	1,474,263	2,214,230	1,197,938	1,164,262	1,097,938
Revenues:					
Transfer from Other Funds	12,500	705,000			710,000
TOTAL RECEIPTS	12,500	705,000	0	0	710,000
RESOURCES AVAILABLE	1,486,763	2,919,230	1,197,938	1,164,262	1,807,938
Expenditures:					
Capital Outlay	288,825	600,000	100,000	600,000	20,000
TOTAL EXPENDITURES	288,825	600,000	100,000	600,000	20,000
<i>Unreserved Fund Balance, December 31</i>	<i>1,197,938</i>	<i>2,319,230</i>	<i>1,097,938</i>	<i>564,262</i>	<i>1,787,938</i>

ST FUND - ORGANIZATIONAL FUNDING

ST - ORGANIZATIONAL FUNDING	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	128,692	94,931	193,435	125,206	193,435
Revenues:					
Non-Govt Grants	0	0			
Sale of Labor and Material	0	0			
Transfer from General Fund	0	0	0		0
Transfer from Other Funds	710,000	710,000	460,000	710,000	710,000
TOTAL RECEIPTS	710,000	710,000	460,000	710,000	710,000
RESOURCES AVAILABLE	838,692	804,931	653,435	835,206	903,435
Expenditures					
Personal Services	0	0	0	0	0
Contractual	645,191	710,000	460,000	712,000	712,000
Commodities	66	0	0	1,000	1,000
Capital Outlay	0	0	0		
TOTAL EXPENDITURES	645,257	710,000	460,000	713,000	713,000
<i>Unreserved Fund Balance, December 31</i>	<i>193,435</i>	<i>94,931</i>	<i>193,435</i>	<i>122,206</i>	<i>190,435</i>

Sales Tax Projects-Events Fund

Sales Tax Projects-Events Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	130,504	0	55,048	0	55,048
Revenues:					
Contributions & Donations	0	0	0	0	80,000
Transfer from Other Funds	0	0			
TOTAL RECEIPTS	0	0	0	0	80,000
RESOURCES AVAILABLE	130,504	0	55,048	0	135,048
Expenditures					
Contractual	75,456	0	0	0	0
Capital Expenditures	0	0			
TOTAL EXPENDITURES	75,456	0	0	0	0
<i>Unreserved Fund Balance, December 31</i>	<i>55,048</i>	<i>0</i>	<i>55,048</i>	<i>0</i>	<i>135,048</i>

DEBT SERVICE ACCOUNT

ACCOUNT DESCRIPTION

In June of 1998, two series of Revenue Bonds were issued to fund the construction of projects voted on by the citizens of Dodge City. Series A was issued in the amount of \$6,000,000 was issued to fund the construction of a fourplex softball complex, updates to the Cavalier Field baseball complex located behind Sheridan Activity Center, construction of soccer fields, addition of air-conditioning and mechanical and other updates to the Civic Center and updates to other baseball/softball fields in the community. Construction is complete on all of these projects. The Series A Revenue Bonds were paid off early when the new revenue bonds to fund the Special Events Center were issued.

Construction of the Motor Sports Complex was completed in 2000 and the bonds issued for financing the project were paid off in 2008.

New Revenue Bonds were issued in 2009 to fund the Special Events Center. The Revenue Bond was issued in the amount of \$40,300,000. A reserve fund and debt service fund was required to be set up.

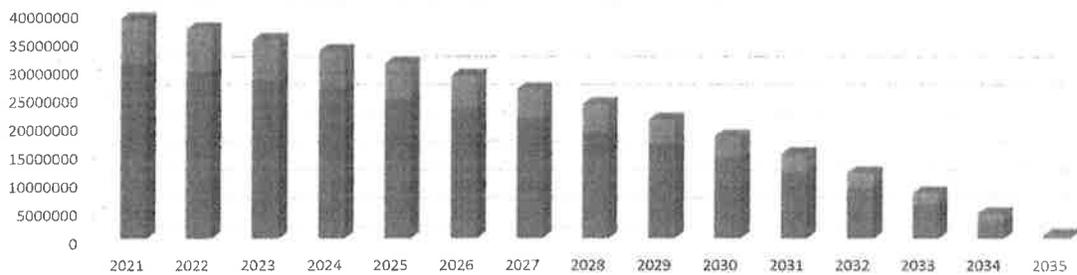
This account services the payment of annual principal and interest payments for those revenue bonds.

SEC Revenue Bond Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Reserve for Debt Service</i>	905,408	0	794,505	0	4,302,175
<i>Bond Reserve</i>	3,620,434	0	3,507,670	0	
Revenues:			Non Budgeted Fund		
Investment Earnings	123,356	0			
Other Financing		0			
Transfer from Other Funds	2,210,690	0			
TOTAL RECEIPTS	2,334,046	0	0	0	0
RESOURCES AVAILABLE	6,859,888	0	4,302,175	0	
Expenditures					
Debt - Principal	1,245,000	0			
Debt-Interest	1,312,713	0			
Debt Service Fees	0	0			
TOTAL EXPENDITURES	2,557,713	0	0	0	0
<i>Reserved Fund Balance, December 31</i>	<i>4,302,175</i>	<i>0</i>	<i>4,302,175</i>	<i>0</i>	

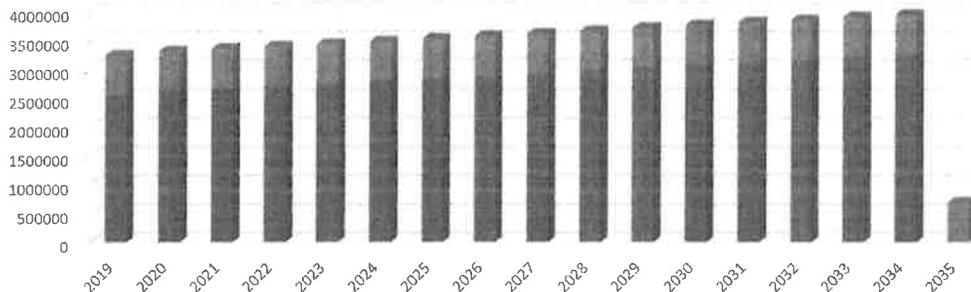
Water Park Revenue Bond Fund	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Reserve for Debt Service</i>	264,993	0	352,257	0	1,008,920
<i>Bond Reserve</i>	736,964	0	656,663	0	
Revenues:			Non Budgeted Fund		
Investment Earnings	92,684	0			
Transfer from Other Funds (for Debt Serv	601,529	0			
Transfer from Other Funds (for Reserve					
TOTAL RECEIPTS	694,213	0	0	0	0
RESOURCES AVAILABLE	1,696,170	0	1,008,920	0	
Expenditures					
Debt - Principal	380,000	0		0	
Debt-Interest	307,250	0		0	
Debt Service Fees	0	0		0	
TOTAL EXPENDITURES	687,250	0	0	0	0
<i>Reserved Fund Balance, December 31</i>	<i>1,008,920</i>	<i>0</i>	<i>1,008,920</i>	<i>0</i>	

The graphs depict the annual payments as well as the outstanding bond amounts in future years.

Sales Tax Revenue Bonds Outstanding



Sales Tax Revenue Bond Payments



DEPOT

The City took over the operation of the Depot in 2015. Previously, the Depot received the funding from the Sales Tax Project Fund "Organizational Funding" and the Depot Theater Company personnel operated the depot. The funding continues to come from the Sales Tax Project Fund and it was written into the Interlocal Agreement between the City and the County that the Depot would be a priority funding project. The City of Dodge City now operates the Depot.

Depot	2019 Actual	2019 Budget	2020 Budget or Estimate	2020 Budget	2021 Budget
<i>Unreserved Fund Balance, January 1</i>	309,070	199,217	423,357	367,343	215,915
Revenues:					
Other	33,582				
Transfer from Organizational Funding Ac	250,000	250,000	0	250,000	0
TOTAL RECEIPTS	283,582	250,000	0	250,000	0
RESOURCES AVAILABLE	592,652	449,217	423,357	617,343	215,915
Expenditures					
Personal Services	57,329	55,872	56,842	56,842	58,797
Adj current salaries mid year + proposed raise					
Proposed Raise					
Contractual	71,508	114,850	107,500	107,500	9,500
Commodities	40,458	20,000	43,100	43,100	43,100
Capital Outlay	0	5,000	0	211,500	100,000
Merit salary raise					
TOTAL EXPENDITURES	169,295	195,722	207,442	418,942	211,397
<i>Unreserved Fund Balance, December 31</i>	<i>423,357</i>	<i>253,495</i>	<i>215,915</i>	<i>198,401</i>	<i>4,518</i>

HISTORY OF DEPRECIATION AND REPLACEMENT FUND

2011 Initial Deposit	3,250,000.00		
2012 Transfer In	750,000.00		
ADA Ramp	-33,753.43		
2013 Transfer In	750,000.00		
USD #443 - Civic Center Doors	-60,000.00		
Architect for Doors	-7,473.00		
2014 Transfer In	345,000.00		
Cavalier Field Turf	-347,590.00		
2015 Transfer In	345,000.00		
2016 Transfer In	345,000.00		
Transfer for Water Park	-3,499,186.65		
Chiller Coil at SEC	-21,450.00		
Storage Building at SEC	-98,600.00		
2017 Transfer In	457,500.00		
Legends Field Turf Project	-614,091.60		
In Field Turf - Legends	-13,560.00		
2018 Transfer In	12,500.00		
Fencing at St. Mary's	-74,072.63		
Musco - Light Repairs at Race Track	-10,960.00		
2019 Transfer In	12,500.00		
Weber Refrigeration	-235,000.00		
Replace Parking lot lights at SEC wi	-65,575.00		
2020 Transfer In	14,500.00		
Transponders for Racetrack	-14,500.00		
Replace VFD Water Park	-1,514.00		
Wingdeck Mower - AFM	-58,900.00		
Cash in Fund	1,125,773.69	Vs. Annual Depreciation per Reviewed Assets	5,934,788.42

The Depreciation and Replacement Fund has been in existence since 2010. The funds are available for short-term or current needs and long term or future expenses for capital improvements or replacements of the Special Sales Tax Projects. Historically, most of the expenditures have been for new projects. Those are: additional funds for the Water Park construction, Cavalier Field turf, storage building at the Special Events Center, turf at Legends Field, total fencing at St. Mary's soccer complex, purchase of new Wingdeck mower for AFM. The replacement or major repair projects that we have funded for facilities that were originally constructed or added on to were: chiller coil at the special events center, light repairs at the race track, upgrades to the HVAC system at the Special Events Center, replacement of parking lot lights at the SEC with LED, and replacement of a VFD drive at the Water Park..

Currently there is \$1,125,773.69 in the Depreciation and Replacement Fund. If we were to measure it against accumulated depreciation, the amount would be \$5,934,788. To answer the question, is there enough in the depreciation and replacement fund? I think the optimal amount would be an amount that is adequate to fund any replacements that would become necessary, because the possibility of multiple problems that would cause major replacements happening in the same year would be very slim. I do not think that any additional new projects should be paid for from this fund until it is built back up. In 2018, we had budgeted to transfer \$645,000 and that transfer was reversed because of the cash problems in the operating fund and a transfer has not been made since. I think approximately \$1,500,000 to \$2,000,000 should be maintained in the fund to replace items for the existing sales tax projects. I think if the goal is to continue to fund additional projects, then a higher balance would seem appropriate.