

A special called meeting of the City Council of the City of Iola was held on November 7, 2011 at 6:00 p.m., at the Riverside Park Community Building, 600 S State, Iola, and Kansas. The purpose of the meeting was to discuss ordinance for hospital sales tax.

CALL MEETING TO ORDER

Mayor Shirley called the meeting to order at 6:00 p.m.

ROLL CALL

Mayor Shirley, Council Members Becker, Kilby, Wicoff, Rowe, Stewart, Callahan, French and Franklin were present. Also present was Administrator Slaugh, and City Clerk Hutton.

City Attorney Apt noted that he and County Counselor Alan Weber have been working together to come up with an amendment that would specify that the \$350,000 is an annual payment from the city to the county. Would like to have the council approve the mayor to execute signing of the Sales Tax Disbursement Agreement following the execution and signatures of the hospital trustees and the county commissioners. Attorney Apt is also requesting that the financial records of the new hospital, when the county takes control, be made available to the council.

Council Member Rowe read from a copy of Allen County Commissioners meeting minutes that stated that if the hospital generates enough revenues to cover costs Iola's sales tax money would not be needed.

Hospital Trustees noted that a member of the city would be an ad hoc member of the trustees.

The attached excess sales tax provisions was drafted by Alan Weber to give an overview of the sales tax money received from the city and what would occur if their was an excess revenue and the money was not needed. City Attorney Apt and Mr. Weber will continue to work on these provisions.

Council Member Rowe made a motion to authorize the mayor to sign the ordinance which amends sections of ordinance 3392 and the sales tax disbursement agreement following the signing the document by the county commissioners and hospital trustees. With the Governing Body of the City of Iola having access of the financial statements of the hospital after it is in the control of the county and if the funds are not needed by the hospital then they will be refunded in the following year. Motion seconded by Council Member Stewart.

Council member Becker questioned why the Mayor could not sign the Sales Tax Disbursement agreement first? Attorney Apt stated that he would prefer the document be signed by the other two entities first to show their compliance with the agreement.

Hospital Trustee stated that the books of HCA couldn't be disclosed. After the county takes control of running the hospital then the books are open.

Hospital Trustee Jay Kretzmeier noted that the county would operate the new hospital. The language used by the financial advisor that the hospital will be a healthy hospital would be a trigger for not needing the city tax funds. Mr. Kretzmeier asked that the council keep this in mind.

The motion was then voted on all voted in favor of the motion. Motion carried.

ADJOURNMENT

6:27 p.m. Motion made by Council Member Stewart and was seconded by Council Member Franklin to adjourn the meeting. The vote was eight ayes. As the vote was unanimous, the meeting was declared adjourned.

Approved by the City Council of the City of Iola, Kansas this 14th day of November 2011.

Mayor, William A. Shirley

City Clerk, Roxanne Hutton