

MINUTES
ABILENE-TAYLOR COUNTY EVENTS VENUE DISTRICT

Public notice having been posted, a meeting of the Board of Directors of the Abilene-Taylor County Events Venue District was held on Wednesday, June 6, 2007, in the Basement Conference Room of City Hall, 555 Walnut, Abilene, Texas, at 3:30 p.m.

Board Members Present: Norm Archibald, Mayor, City of Abilene
 George Newman, Judge, Taylor County
 David Polnick, Superintendent, AISD
 Stan Egger, Commissioner, Taylor County
 Laura Moore, Councilmember, City of Abilene

Others Present: Dan Santee, Interim City Attorney, City of Abilene
 David M. Wright, Director of Finance, City of Abilene
 Larry D. Gilley, City Manager, City of Abilene
 David Vela, Assistant City Manager, City of Abilene
 Mindy Whisenhunt, Deputy Finance Director, City of Abilene
 Linda Smith, Finance Secretary, City of Abilene
 Diane Terrell, Davis Kinard & Co., P.C.
 Grady Barr, Former Mayor and Board Member
 Stan Lambert, AISD, Shotwell Committee
 Representing Frontier *Texas!*: Jeff Salmon, Charlie Black, H.C. Zachry
 Representing Taylor County Expo Center: Tony McMillan,
 Rochelle Johnson, Bill Chaney, Olan Beard, Ikie Taylor,
 Tommy Broyles, Tom O'Neil, Glenn Tallant, Robert
 Atwood, David Mike Pueschel, Jeff Goodin
 Representing Abilene Reporter-News: Sidney Levesque, Harvey
 Johnston

1. The first order of business was the administration of the Oath of Office to the following Board Members: Abilene Independent School District (AISD) Superintendent David Polnick and County Commissioner Stan Egger.
2. The meeting was called to order at 3:30 p.m. by Norm Archibald, President.
3. The Board meeting minutes for September 19, 2006 were presented for approval. A motion was made by Laura Moore to approve the minutes of the September 19, 2006 Board meeting. George Newman seconded the motion, and the motion carried.
4. The next item was presentation of the FY 2006 audit report. David Wright introduced Diane Terrell with Davis Kinard & Co., P.C. Ms. Terrell commented that the Abilene-Taylor County Events Venue District's audit was also reported in the City of Abilene's audit. Ms. Terrell presented the audit report to the Board. Mr. Wright commented that last year the audit fee was \$1,500. This year, due to contract services with Becky Roberts, CPA, the audit cost is \$950. The fee for Davis Kinard & Co. is \$750 and the fee for Becky Roberts, CPA is \$200. A motion was made by George Newman to accept the FY 2006 audit report and authorize payment to Davis Kinard & Co and to Becky Roberts, CPA. David Polnick seconded the motion, and the motion carried.
5. David Wright presented the financial reports for April 30, 2007. No action was taken.

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6. The Board discussed the release of funds from the AISD-Shotwell Stadium Improvement reserve. Following a brief discussion, the Board agreed to hear the presentations before any action was taken. After the presentations, David Polnick reported that the Shotwell Committee, which is an advisory committee to the school board, recommended the following capital projects totaling \$260,000: 1) fascia improvements, 2) concrete under the west side stands, and 3) fencing on the north side of the stadium. Dr. Polnick requested \$80,000 of the \$88,728.40 that is available as of May 2007. He commented that the balance of \$180,000 for the projects will come from AISD's fund balance. David Wright commented that the reserve of \$88,728.40 is after debt payment. A motion was made by Stan Egger to approve the release of funds in the amount of \$80,000 to AISD for the capital improvement projects. Laura Moore seconded the motion, and the motion carried.
7. Presentations regarding programs and venue tax use were made by 1) *Frontier Texas!*, 2) Taylor County Expo Center, and 3) AISD-Shotwell Stadium, as follows:

Frontier Texas! – Charlie Black presented to the Board a PowerPoint presentation. Mr. Black commented that there was a vision by many citizens to start *Frontier Texas!*. It has received attention not only state-wide but also as far away as New York City. It has served the community with its Education Center, which has great programs. *Frontier Texas!* is marketed to people within a 2.5 hour radius of Abilene. Mr. Black reported there has been over 150,000 visitors from 50 U.S. States and 80 foreign countries and attracts the young and old. *Frontier Texas!* is advertising with the Abilene Convention and Visitors Bureau to divert traffic to Abilene, which has helped Abilene to become a top-10 Texas destination. For FY 2006-07 the projected revenue will be 51% from other sources and 49% from the venue tax. Building maintenance and the cost of equipment is increasing. *Frontier Texas!* is continuing with its programs to enhance the utilization of space, the cross promotion of other area venues, and educational programming and exhibits. Mr. Black thanked the Board and asked for a continued level of funding.

Grady Barr commented that he was on the planning committee involved with the creation of *Frontier Texas!* and that he supports all three entities. Mr. Barr commented that at inception the City Council did not want to use the general fund to support *Frontier Texas!* and that the primary funding would be the venue tax. During the planning stages, the committee thought it would be appealing to voters to add the Expo Center and then the Shotwell Stadium paving project was added. The committee first looked at allocating 60% for *Frontier Texas!*, 30% for the Expo Center, and 10% for Shotwell Stadium. Since bonds would be sold for the debt, the committee agreed that the allocations would be 55% for *Frontier Texas!*, 25% for the Expo Center, and 20% for Shotwell Stadium. The committee agreed that the allocations could be revisited to look at actual needs. Mr. Barr remarked that the venue tax is good, paid by the visitors using the hotels, and funds three worthwhile projects. He thanked the Board for allowing his input.

Taylor County Expo Center – Tony McMillan provided the Board a hand-out. He commented to the Board that he appreciated the venue tax and it was a great help operationally. He reported that there have been increases in major expenses over the last five years. Mr. McMillan commented that the facility has to be kept in top shape due to a

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high competitive market, because they are competing with new multi-million dollar facilities. Due to competition, rental fees must be reasonable to attract new events and retain existing events. In FY 2006, there were 298 event days, with total estimated attendees of 437,600, and the total direct spend estimated economic impact was \$34,597,500. Mr. McMillan commented that the Expo Center was grateful for the venue tax, and the Expo Center is very important to the community.

Laura Moore asked what the Expo Center would do if it did not have the venue funds. Stan Egger stated that it would come from the bank or the Commissioners Court. Approximately \$1.2 to \$1.5 million yearly is allocated from the Commissioners Court for debt and in-kind services. He commented that helping the Expo Center will attract more visitors who might also go to *Frontier Texas!*. Ms. Moore asked if the Expo Center had a strategic plan for future needs. Mr. McMillan commented that they were so short-handed they did not have a strategic plan but were in the process of working on future needs. Mr. Egger commented that the Expo Center was not supported by sales tax or property tax. The Expo Center does generate an economic impact throughout Abilene by all the events that are brought to Abilene. George Newman commented that there are many new facilities in other communities that are city owned, and that makes more competition. He reported that the County is limited financially and that Abilene is fortunate to have this facility.

AISD-Shotwell Stadium – Stan Lambert spoke on the future of Shotwell Stadium. He reported that the Shotwell Committee recommends projects for major improvements each year to the stadium. The projects are financed by bonds, venue tax, sponsors, and/or individual citizens. Mr. Lambert reported that future major projects are the press box, concrete work around stands, bus driveways, additional parking, and expanding the dressing room. The stadium was utilized over 220 days last year by local football games, playoff games, band competition, and soccer games. Mr. Lambert thanked the Board and noted that all the entities were important and deserving of funds.

David Polnick commented that the Shotwell Committee really cares about the stadium, and they were responsible for the soft drink contract, new turf, and score board. Due to a \$3 million bond issuance, Shotwell Stadium has received many renovations. Due to funding issues, such as the new state law regarding property tax revenue and changes in state funding, the venue tax is a salvation.

Following the three presentations, Norm Archibald thanked each entity for their presentation. No action was taken.

8. The Board discussed the allocation of the 2% venue tax. George Newman commented that initially the intent was only to pay the obligation for paving at Shotwell Stadium. He noted that he was opposed to AISD-Shotwell Stadium continuing to accumulate reserve funds after the debt was paid. Judge Newman commented that the City has sales tax revenue that the county does not have, and the Expo Center struggles to attract events. There is nothing left for operations. A motion was made by Judge Newman to redistribute the venue tax for FY 2008 as follows: 50% for *Frontier Texas!*, 30% for the Expo Center, and 20% would be split 50-50 between *Frontier Texas!* and the Expo Center after the debt was paid. Stan Egger seconded the motion. Prior to voting the Board

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discussed the allocation. David Wright clarified that the debt issued was revenue bonds, and the debt payment will increase next year. Norm Archibald confirmed that the venue tax was distributed monthly after the debt was paid. Mr. Wright confirmed that was correct.

Laura Moore asked how changing the allocation would affect each of the three entities. The following is the response from each entity:

For AISD-Shotwell Stadium, David Polnick noted that originally it was estimated that it would take 20% to pay the debt. Because the venue tax revenue is higher, everyone is doing better. Originally the paving project was \$1.5 million but was cut back to \$990,000 from the venue tax. AISD wants to continue to make improvements at Shotwell Stadium. AISD has no sales tax and no control over property taxes. The revenue from the venue tax helps to get matching funds for projects. Dr. Polnick commented that without the venue tax, Shotwell Stadium would be hurt and he would be very disappointed.

For Frontier *Texas!*, - Charlie Black noted they are very dependant upon the venue tax and that it is very important. The venue tax was initially started to help with Frontier *Texas!*. If funds are taken away, they will not be able to bring in more people. The purpose is to market the facility. Jeff Salmon noted that taking away funds would have a compound effect. The change in allocation could cost about \$15,000 a year. They might have to cut marketing funds used to bring in visitors, and we are very trim already.

For Taylor County Expo Center – Tony McMillan commented that they have a \$2.6 million annual budget and the venue tax keeps them alive. The Expo Center brings in revenue to the City. Mr. McMillan commented that the venue tax is a life-line and they appreciate it. Stan Egger noted that it was hard to get sponsors because there are many spread-out buildings. The Expo Center is open 24/7 and the cost is great.

Laura Moore commented that it was creative to start the venue tax. Norm Archibald commented that the venue tax was established for Frontier *Texas!* and then to enhance Shotwell Stadium and the Expo Center. The Board directs the venue tax allocations.

Following discussion, the Board voted on the motion. The following voted for the motion: George Newman and Stan Egger. The following voted against the motion: Norm Archibald, Laura Moore, and David Polnick. The motion failed.

David Polnick commented that it was too early since the inception of the venue tax to change the allocations and the Board should wait one more year and look at it again. A motion was made by David Polnick to leave the allocation at 55% for Frontier *Texas!*, 25% for the Expo Center, and 20% for Shotwell Stadium. Laura Moore seconded the motion. The following voted for the motion: Norm Archibald, Laura Moore, David Polnick, and Stan Egger. The following voted against the motion: George Newman. The motion carried.

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9. The next Board meeting will be in August. Prior to August, possible dates will be sent to Board members. No other action was taken.

10. There being no further business, the meeting adjourned at 5:21 p.m.

Linda Smith, Recording Secretary for
Laura Moore, Secretary

Norm Archibald, President