

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 Thursday, June 18, 2009, in the Basement Conference Room of City Hall, 555 Walnut, Abilene, Texas, at 3:00 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, City Attorney, City of Abilene
 Mindy Patterson, Director of Finance, City of Abilene
 Michael Rains, Assistant Director of Finance, City of Abilene
 Linda Smith, Finance Secretary, City of Abilene
 Representing Frontier *Texas!*: Jeff Salmon, Charlie Black, Kim Snyder
 Representing Taylor County Expo Center: Jay Evans,
 Rochelle Johnson, Randy Williams, Dwayne Tucker,
 Randy Bibb, Doug Williamson, Kelly Gill, Patsy Smith,
 Robert Atwood, John Stowe, Glyn Hammons,
 Ikie Taylor, Mike Pueschel, Jack Turner
 Representing ACVB: Nanci Liles, Donna Albus, Brian Green
 Representing Media: Amanda Casanova (Abilene Reporter-News)
 Janet Kwak (KTXS)
 Citizen: Jamie Miers

1. The first order of business was the administration of the Oath of Office to County Commissioner Stan Egger. Since Abilene Independent School District (AISD) Superintendent David Polnick has not been re-appointed, the Oath of Office was not administered to him. Norm Archibald and George Newman will jointly re-appoint or appoint a board member to fill David Polnick's position.
2. The meeting was called to order at 3:03 p.m. by Norm Archibald, President.
3. The election of officers was held. A motion was made by Stan Egger to retain the same slate of officers. Laura Moore seconded the motion. The motion carried. The officers for 2009 are: Norm Archibald, President; George Newman, Vice President; and Laura Moore, Secretary.
4. The Board meeting minutes for July 30, 2008 were presented for approval. A motion was made by Laura Moore to approve the minutes of the July 30, 2008 Board meeting. David Polnick seconded the motion, and the motion carried.
5. The Board discussed the release of funds from the AISD-Shotwell Stadium Improvement reserve. David Polnick commented that the funds will be used to replace the asphalt at the south side of the stadium. Following a brief discussion, Dr. Polnick requested release of \$110,000 of the \$133,479.18 that is available as of May 2009. Mindy Patterson reported that the reserve is after debt payment. George Newman commented that to have reserve funds was not the original intent when the debt was issued. The intent was to use

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the funds to pay off the parking lot debt. A motion was made by Norm Archibald to approve the release of funds in the amount of \$110,000 to AISD for the capital improvement projects. Laura Moore seconded the motion. The following voted for the motion: Norm Archibald, Laura Moore, and David Polnick. The following voted against the motion: George Newman and Stan Egger. The motion carried.

6. 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!* – Jeff Salmon thanked the Board members. Mr. Salmon commented that this is the 5th year for Frontier *Texas!*. There have been over 235 visitors from 50 states and 90 foreign countries. Frontier *Texas!* recently had a long term study completed and the results showed they were performing well above average in all areas with fewer resources than most typical museums. The venue tax pays for approximately 60% of the budget for Frontier *Texas!*. Mr. Salmon commented they are looking to the future concerning assets and depreciation of equipment. Venue tax helps balance all needs including marketing of our region. Marketing is 21% of the Frontier *Texas!* budget. Frontier *Texas!* staff and board have a good working relationship with all the entities involved and hope for the success of everyone.

Charlie Black commented that a group of citizens had a vision to build Frontier *Texas!* and to fund it through the venue tax. The original intent of the venue tax was Frontier *Texas!*. Mr. Black commented that the board is putting together a fund raiser for the fall to benefit Frontier *Texas!*. He thanked the Board for their support.

Laura Moore asked about their marketing approach throughout the region. Mr. Salmon commented that they also promote the round-up pass and cross promote other entities by having advertising flyers in their foyer. Mr. Black reported that their board is committed to promote and advertise other areas.

Stan Egger remarked that the Expo Center and Frontier *Texas!* add to each other. He commented that when the percentages were first set, it was agreed the allocation would be revisited. The allocation is helpful to all entities. Development Corporation of Abilene (DCOA) uses sales tax for economic development but no sales tax goes to the county. The venue tax is used for Expo Center improvements since the county does not receive sales tax. The Expo Center helps hotels and Frontier *Texas!*.

Mr. Black commented that everyone has funding issues and the venue tax percent for Frontier *Texas!* needs to be maintained.

Taylor County Expo Center – Jay Evans thanked the board for its past support and provided the Board a hand-out of the presentation. The Expo Center is working in collaboration with the Abilene Convention and Visitors Bureau (ACVB) for marketing purposes. They have also involved the area universities. Mr. Evans reported there are many long term events such as the West Texas Fair & Rodeo (111 years), Texas State 4H Horse Show (25 years), Western Heritage Classic (25 years), and the Texas High School Finals Rodeo (20 years). Also, the Expo Center hosts the winter circuit cutting show, bonanza cutting show, Coors team roping, barrel races, and livestock shows. It also has

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concerts, circuses, dog/cat shows, training, WWE, monster truck shows, Farm & Ranch Expo, and the Ruff Riders. He reported 150 event days a year are equestrian, 100 event days a year are other events, and 170 event days a year are private parties. There are a total of 420 event days annually, with over 375,000 gate attendance, and a direct spend of approximately \$30 million. The Expo Center's annual operating budget is \$4.8 million. The budget is funded by Taylor County, venue tax, and events. He noted that all it takes is bad weather to adversely affect an event because of a tight budget. Due to competition, the Expo Center competes with new facilities and locations. An increase in the venue tax would help retain events. Mr. Evans commented that the Expo Center is working for and with Abilene/Taylor County and would like to request an increase in the venue tax allocation.

Laura Moore asked what are the strategic measures being taken at the Expo Center. Mr. Evans noted that starting in January the sale of alcohol started. Also, they will have additional costs by adding a Director of Marketing. This position will help when competing with new facilities for events since the Expo Center is operating a facility that is over 40 years old. The air conditioning, seating, restrooms, and concessions need continual upkeep. Also, the facility needs a Jumbo Tron. Visitors have high expectations and additional venue tax would help with improvements to bring in new events. Judge Newman commented that the Expo Center breaks even to get the events. Many events are not money makers. The money generated from the events comes from sales tax and hotel tax. Many areas are building new facilities using sales tax money.

Stan Egger asked how the venue tax money would continue to help the Expo Center. Mr. Evans commented that it would assist in funding a Director of Marketing and give incentives to attract new events.

AISD-Shotwell Stadium – David Polnick provided the Board with a hand-out on Shotwell Stadium projects. He commented that the funds from the bond sale were used to pave the parking lot at Shotwell Stadium. Dr. Polnick reported that the increase in venue tax collections has helped everyone. All the entities have challenges. The venue tax has helped with projects and continued improvements. There are many activities at Shotwell including band contests and soccer games. Improvements are made annually to have an adequate facility to compete with other stadiums. There is still a list of outstanding projects. The reserve is used on capital improvements. Dr. Polnick commented that he was appreciative and glad to be part of the Venue District.

Norm Archibald thanked the 3 entities for their presentations and remarked that these 3 great venues show-off Abilene. No action was taken.

7. The Board discussed the allocation of the 2% venue tax. Norm Archibald reported that currently the allocation is 55% for Frontier *Texas!*, 25% for Expo Center, and 20% for AISD-Shotwell Stadium. Before any money is distributed, the debt is paid first. The Venue District will be gone when the debt is paid, which is for 20 years. The desire of the board is to examine the allocation every year. He commented that he thought it was time to examine the percentages and add 5% to the Expo Center by taking away 4% from Frontier *Texas!* and 1% from AISD-Shotwell Stadium. Mayor Archibald made a motion

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to change the percentages as follows: 51% for Frontier *Texas!*, 30% for Expo Center, and 19% for AISD-Shotwell Stadium. He commented that the Board would continue to review the allocation every year, and the Expo Center was the major driver of hotel room bookings. Judge Newman remarked he would like to second the motion if it could be amended that another 5% would be added next year. Ms. Moore noted that hopefully the venue tax would continue to increase. Mayor Archibald commented that he would like to add 5% next year, but it would depend on the economy, travel and gas prices, which all could affect the venue tax for next year. He remarked that 5% for this year is the first step.

Dr. Polnick remarked that everyone wants Abilene to be the best. AISD saves the venue tax reserve for capital project and does not use it for operations. Since it is not used for operations, he would agree to lower AISD-Shotwell Stadium by 3% from the original 20%, which would make it 17%. This would add back 2% to Frontier *Texas!*, which would make it 53%, and the Expo Center would be 30%. Dr. Polnick commented that if hotel occupancy continues to rise, AISD will continue getting about the same in venue tax. It will just take longer to do the projects.

Mayor Archibald thanked Dr. Polnick and amended the motion based on this discussion to change the percentages for 2010 as follows: 53% for Frontier *Texas!*, 30% for Expo Center, and 17% for AISD-Shotwell Stadium. Judge Newman seconded the motion. The motion carried unanimously. Mr. Egger thanked the Board and reported that giving a 5% increase to the Expo Center was a good business decision.

8. The Board discussed the next meeting to adopt the FY 2010 budget. Possible dates for July will be sent to Board members. No other action was taken.
9. There being no further business, the meeting adjourned at 4:30 p.m.

Linda Smith, Recording Secretary for
Laura Moore, Secretary

Norm Archibald, President