

**City of Angleton, Texas
 Angleton Better Living Corporation
 Meeting Minutes
 Monday, August 22, 2011**

The City of Angleton, Texas Angleton Better Living Corporation held a Regular Meeting at 5:30 p. m. on August 22, 2011 in the Council Chambers at 120 S. Chenango, Angleton, Texas for the following:

1. Declaration of quorum and call to order
 Those in attendance included:

Gregg Dykes	Chairman
Randy Rhyne	Vice Chairman
George Rau	Board Member
Dr. William Jackson	Board Member
Bonnie Church	Board Member
Chris Peltier	Board Member
Members absent:	
Charlyn Rogers	Board Member
OTHERS PRESENT:	
Patti Worfe	Asst. City Manager
Laurie Rodriguez	Asst. City Secretary
Susie Hernandez	Finance Director
Chris Orlea	Rec. Superintendant

2. Discussion and possible action on approving the minutes from the April 25, 2011 meeting.

*Motion by: Chris Peltier
 Second by: Dr. Jackson*

Motion passes: 5 for, 0 against and 2 absent

3. Presentation and discussion and possible action on the 2011-2012 proposed budget.

Susie Hernandez – Council has seen the new budget presentation. We are going to the narrative type of presentation along with the numbers.

The budget proposed for ABLC is \$1,077,713, that revenue incorporates a 3% increase in sales tax. The revenue we have is a \$500 interest income. We still have the \$5000 for professional fees, \$150 for travel and training, \$6000 to the general fund. Your debt service payment is less than it was last year, it is \$430,708.

Patti – Susie, why is that so far down?

Susie – because your bonds are set up that every five years there is a decrease on your payments.

The transfer to the Recreation Center is \$616,000 and that leaves a fund balance of \$1,831 to go into the fund balance of next year.

Patti – and why are we only at \$250,000 this year?

Susie – because I hold off until the end to make the payment and to see what the Rec. Center needs before I transfer any money into it.

The next page is for the Rec. Center.

It just gives you an outline of what their accomplishments are.

Page 114 tells you the totals for the type of expenditures and the number of staff they have and following that is their actual budget and numbers.

They kind of stayed with the same amount of revenues as last year to this year.

Family memberships are \$148,908 and they kept the same. Everything is the same except on the transfer from ABLC and that was the \$616,024. The total revenue there is \$1,080,169 and that is the only thing that has changed for their revenues. Their total revenues are \$1,157,265.

The next page is the expenditures.

Randy Rhyne – how confident are you...now these are all projections...you must have a crystal ball or something because I just cant seem to wrap my head around it that these revenues are just going to be there. They are doing a marvelous job, but there is only so much money and it isn't getting any better.

Chris Orlea – what will help us is the cost of our memberships and day passes that were increased 10% from last budget year to this budget year. So a lot of the figures are based on even somewhat of a lower attendance rate but taking into consideration that the cost per capita has gone up.

Gregg Dykes– have our memberships gone up or down or stayed about the same?

Chris Orlea – memberships are not necessarily plateauing but I think it is safe to say they are nearing a plateau, but it is at a higher level than we anticipated. Not to be too forward, but I think the revenues may be airing on the conservative side.

Patti Worfe – because typically we have a number of new memberships at the beginning of summer as parents are trying to get their kids in programs and swim and those kinds of things. Then when school starts it typically drops off a little bit.

Chris Peltier – what we found when the recession started a couple of years ago is that it is a cheap entertainment. Even with new Rec. Centers being built they are still coming here.

Susie Hernandez – in your personnel services the expenditures that were increased is due to the economy. We have a 12% increase on new health insurance, also we have an increase in our retirement. We also have two employees that we have to pay retirement for because they work more than 20 hours.

Gregg Dykes – this budget includes all positions right?

Susie – right, except for the director that is out of General Fund

Bonne Church just entered the meeting at 5:50 pm

Susie Hernandez – the expenses that are high are your chemical supplies and that is due to the cost of chemicals that are going up.

On page 4 the building is higher than last year, which is due to the maintenance on the building.

Patti Worfe – some of that has to do with the fact that it is getting older.

Chris Peltier – what do you keep for reserve for contingency...didn't we have a big expenditure a year or so ago when something broke? Do we have something set aside for things like that?

Susie – we have that capital maintenance that we can use a little for that, but as far as just set aside for contingency...no.

Bonnie Church – have we thought about doing that?

Chris Peltier – I thought there was something with the filter or something that was going to be real expensive.

Bonnie – I thought we talked about setting money aside.

Chris Orlea – what we have found for these costs is that...not our building policy but our separate content policy would cover the pumps as well, and their replacement cost is well over our \$10,000 deductible, so it kind of became a moot point. It is cheaper to pay our insurance deductible than to set aside money.

Bonnie Church – I think what Chris (Peltier) is saying is that while it may be cheaper to pay the deductible, if you have a contingency fund set aside then we don't have to come up with it on short notice.

Gregg Dykes – at this point though we would have to take it from something else.

Bonnie Church – yeah but we could start putting into one.

Randy Rhyne – we could put a couple thousand dollars in it each year.

Patti – so basically you want her to set up a line item and just pull it out of fund balance and put it in there?

Bonnie Church– and not to be touched unless you need to fix something.

Chris Peltier - we just have had several surprises and pretty big expenses.

Susie Hernandez – what we could do since the Rec. Center does not have a fund balance at the end of the year I only take enough from ABLC to balance it...is take say \$5000 more and leave it in the Rec. Center fund balance so in case something comes up the Rec. Center has the money in their fund.

Patti Worfe – so far at this point it has been six of one, half dozen of the other...because we are pulling it out now or we are pulling it out when something happens.

Bonnie Church – we can start little and it will grow.

Randy Rhyne- where did we get the money...remember when we had the electrical problems...where did that come from?

Patti Worfe – it came out of General Fund, like I said ultimately it is going to come out of general fund one way or the other.

George Rau – We are already putting \$6000 in general fund right?

Susie Hernandez – that is for the legal. We transfer \$6000 for the books and the legal that the General Fund provides for ABLC.

George Rau – but that isn't an outside expenditure right?

Patti Worfe – no it is just a line item showing...when the City Attorney is working for ABLC...I think that was an auditor issue, they wanted some of her time shown, because she is the one that handles anything that comes up with ABLC.

Bonnie Church – but we don't need her unless something comes up correct?

Patti Worfe – that is correct

Bonnie Church – do we set that aside or is that part of her salary?

Patti Worfe – it just comes out of her salary...just like mine or Susie's or anybody else...those things are going to happen and we just go and ask her a question we don't write down her time or whatever.

Susie Hernandez - your utilities are down from \$185,000 to \$180,000

Your travel and training is up.

Chris Orlea – travel and training was substantially increased because the National Recreation & Parks Association is planning their site visit to finalize our accreditation. There are a couple things we are looking into to finalize what the end cost is going to be for it.

Gregg Dykes – you kinda lost me on that one

Chris Orlea – the National Association gives a formal accreditation...there are currently less than 50 nationally accredited Parks & Recreation departments nation wide, 6 in Texas we would be the 7th. Through a couple of years work we have received our preliminary accreditation and we are just pending a final site visit which is scheduled for November 7-11 and we would incur all of the costs of flying the three people that chair the commission in, the three people that chair the commission this year are in Minneapolis, Ashville and somewhere else on the east coast.

Chris Peltier - and that is being shared through the General Fund.

Patti Worfe – correct, and part of the deal is that you pay for their cost.

Bonnie Church – to be accredited means what? How does it benefit us?

Patti Worfe – that is one of the things we are trying to figure out at this point.

Chris Peltier – at one point when it was brought up to the Parks Board there was talk that there could be grants of some sort or money available to accredited city's.

Patti Worfe – we were under the impression it would give us some other grant opportunities, honestly before we tell them we are willing to do all of this we are making certain that is the case that it is worth our while.

Chris Orlea – as times got harder the return on investment became even more significant.

Patti Worfe – and we all know that there was a lot of grant money that was available two years ago that is not today.

Dr. Jackson – how often do we have to go through this accreditation?

Patti Worfe– well...we have never been through it before.

Chris Orlea – they will check up on you...so to speak, every five years and we would not be responsible for that. They will send a delegate from the Texas office.

Randy Rhyne – is this going to help us market our parks like for tournaments and things like that?

Patti Worfe– that is what we hope, although the one thing we have found is that since there is only seven of them in Texas, when we are vying for a tournament obviously it's a feather in your cap and you can say yes we have this, we don't know if it is something that will make them come here because we have that. That is what we are trying to figure out at this point.

Dr. Jackson – it would be nice to look at the other six.

Patti Worfe – they are very large cities

Chris Orlea – it is a very unique endeavor for us, we would be the first city under 100,000 to ever even receive preliminary accreditation. Most of the standards that they look for in smaller cities don't have the department facilities to even compete with or just haven't quite gotten to that level. We have been fortunate through our structuring and what ABLC and the city have given us to be in the running.

Bonnie Church – have ya'll spoken to anyone in any of the other cities?

Chris Orlea – we have when we went to our state conference in Friscoe. Grants are the benefits.

Patti Worfe – the grant opportunities were always the thing that put us towards wanting to do this. We just want to make sure that if are going to spend this money in November, it is going to be something worth our while, or is it something we need to hold off on.

Susie Hernandez – on page 5 of the expenditures we have a new line item and it is for recreational bus services. This line item used to be budgeted in the parks department and since the bus services were for the Summer Jamboree kids we figured it should be in the Rec. Center.

Patti Worfe – this is not for the new senior bus it is specifically for when we contract with the school district to provide school buses to get the kids to their field trips.

Susie Hernandez – on page 6 as you can see they are not requesting any type of equipment or any capital equipment for next year.

George Rau – can we go back to that previous page...I see that there is \$6,400 for credit card charges.

Susie Hernandez – that is the fee that is charged for processing the credit cards used at the Rec. Center.

George Rau – do we actually incur that much expense?

Susie Hernandez – yes sir

Bonnie Church – how much profit do we make?

Patti Worfe – we don't make a profit

George Rau – do we ever charge differently if people pay with check or cash? I am starting to see more and more businesses do that to save that surcharge.

Susie Hernandez – we charge now for the people that pay online but not for the people that pay face to face.

Patti Worfe – we have a lot of people that give us their credit card and pull that monthly membership fee out that way. That is why those charges are as expensive as they are.

Susie Hernandez – the total budget is \$1,157,265

*Motion by: George Rau to approve the budget presented
Second by: Bonnie Church*

Motion passes: 5 for, 0 against and 2 absent

4. Presentation and discussion of Financial Statement for the month of July, 2011.

Susie – your budget presentation was the July financial statement. For ABLC we have received \$653,298.58 in sales tax and \$243.33 in interest. The only expenditures we have had...I took \$5,000 out of legal and professional. The first payment to the bond \$171,378 and \$250,000 was transferred to the Rec. Center.

The Rec. Center is on page 2, as you can see the family membership is at 86.06% and individuals are at 71.39% out of the \$628,425, \$444,768 is recreational revenue that is taking out the \$250,000. Last year for the month of July they were at \$403,000 so they are above \$41,545 in revenue. The programs that Martha and the Rec. Center have done are \$63,317.88. In the professional services payroll they are at \$383,419.48 which is 65.49%. In there supplies you can see the chemical supplies are higher than their budget that is due to the cost of chemicals. In repair and maintenance everything is in tact.

On page 4 under equipment I am getting ready to bundle up all of the equipment and do one lease purchase loan. Which is their expedition and cardio equipment.

Through the month of July the sales were at 5% through August was 4½%.

5. Discussion on Parks/Rec. Staff Report including but not limited to:

a. Staffing

Patti – I think you all know that Chris Saddler resigned and in the interim you got me. The staff does a great job and they are sort of just handling themselves. The beauty of it for us is that summer is over and the things going on at the Rec. Center will calm down a little.

b. Update on Hand, Foot and Mouth

Patti – I think you may have heard...if not you probably read it in the paper or on Facebook, I hope you didn't see all of the comments that came along with it; obviously people have no concept of how people get Hand, Foot and

Mouth. We don't know and won't ever know how it got to the Rec. Center, but obviously someone came in with it got in the pool and it went from there. Mr. Orlea was fortunate enough to be able to contract it also...so it wasn't just kids that may have come in or out. I think any physician will tell you that there is no telling where it came from. It's not like it developed at the Rec. Center. We did shut down and did an extra good job of wiping down and cleaning everything out to make certain that if somebody came that they didn't get it from our Rec. Center.

c. Any other items described in the report

Patti – one other thing I was going to update you on...I'm not sure if Chris Saddler had talked about this.

One of the things we were going to try this year was a Murder Mystery Dinner. It was going to happen towards the end of September. I made the decision last Wednesday or Thursday...there were some complicating factors, it was going to be held at the Museum and the problem with the Museum is that you cannot have alcohol there. We had a number of people call and say I would love to buy tickets for my customers or a table...so what does this include? When it didn't include either wine or they couldn't bring it with them, they were completely not interested. I have talked to the County Commissioner in charge of the Museum and what I have been told is that they are the only entity that is allowed to have alcohol there. So that is how it has been served at their banquet.

Gregg Dykes – can they partner with us since we support them?

Patti – no

We had not sold a single ticket as of last Thursday and because we were going to lose deposits and other things, I made the decision that we were going to cancel it. We would love to do something like that again, I just think we need to do a little bit better research about what people are going to buy a ticket and come to if we have it at a particular venue. The reason we didn't have it at the Rec. Center all along is because #1 it is hard to cover those windows and in something like that you need some ambiance to go along with what you are going to do. That is something we will look into doing at some other point.

Chris Peltier – Chris was going to put together a tournament do we know any more about that?

Patti Worfe – we did a City Sponsored Softball tournament last year.

Chris Peltier – are we going to continue doing that?

Patti – we will absolutely continue doing that, we would like to add a baseball tournament.

Chris Peltier – I also had some calls from the associations about watering the fields if and when we have water restrictions. We can all recall the hassle we had with trying to get the bermuda grass established in Freedom Park.

Gregg Dykes – we are not immune from any of that.

Patti – we are not immune from the mandate that has been handed down to us.

Chris Peltier – so at some point we may have to re-seed some of these parks, if so would that be ABLC or the City general fund...or is that just unknown territory.

Patti – honestly I don't know if any of it is known, before the meeting started I went to the Facts Facebook page and today Brazoria has gone to the same mandate that we are under. Lake Jackson actually went to stage two today, which now allows them to fine people if they are watering when they are not supposed to be.

Randy Rhyne – I think part of the problem is that I think everybody's stages might be a little different in their wording.

Patti Worfe – that's correct because everyone has their own Drought Contingency plan.

6. Adjournment 6:35 pm

Gregg Dykes
ABLC Chairman

Laurie Rodriguez
ABLC Secretary