



City of Lancaster
PARKS AND RECREATION DEPARTMENT



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LANCASTER RECREATIONAL DEVELOPMENT CORPORATION (LRDC – 4B)
JUNE 20, 2011
MINUTES

The Board of Directors of the Lancaster Recreational Development Corporation (LRDC – 4B) met June 20, 2011 at 6:00 p.m. at the Lancaster Recreation Center, Classroom, 1700 Veterans Memorial Parkway, Lancaster, TX 75134.

Lancaster Recreational Development Corporation Directors Present: Spencer Hervey, Willene Watson, Coy Poitier, Abe Cooper, Mary Sykes, Cecelia Rutherford, and Darwin Isham. **Absent:** LaShonjia Harris.

City Staff Present: Parks and Recreation Director Sean Johnson, Parks Superintendent Jodi Griggs, Interim Assistant Finance Director Susan Cluse, and Administrative Secretary Cynthia D. Williams

I. Call to Order

President Spencer Hervey called the meeting to order at 6:01 p.m.

II. Consider Approval of Minutes (April 25, 2011)

Several comments made regarding **Agenda Item #4 – Amphitheatre Update**

The Director gave a status on the Amphitheatre. The project will go back out to bid in the fall. On March 28, 2011, City Council tabled the Amphitheatre construction bid to be revisited no later than October 11, 2011. Mr. Hervey requested an update to include drawings/design of Amphitheatre. Parks and Recreation Director agreed to place on next Agenda.

One comment made regarding **Agenda Item #5 – Subcommittee Update – Development Plan**

Mary Sykes stated that she did not say she would do any research on the KaBoom organization. She said she would do something on the history of LRDC – 4B, which she did get to staff. Mr. Johnson stated that this is what is being addressed here. We need to add the word “grant.” She was only to provide the history of the LRDC - 4B as well as the Friends of the Library. We will call it the Friends of Lancaster Parks. To clarify, she was only to provide the historical information on LRDC - 4B and provide information regarding the creation of the Friends of the Library nonprofit. LRDC – 4B will review the process that the Library went through with the Friends of the Library.

Darwin Isham made a motion seconded by Willene Watson to approve the minutes of April 25, 2011 with the acceptance of the above changes. The motion carried unanimously.

III. Update – Second Quarter Sales Tax (Susan Cluse, Interim Assistant Finance Director)

Interim Assistant Finance Director Susan Cluse asked the Board to look at page one of her submitted LRDC – 4B Financial Report as of June 20, 2011. We have received thus far, \$819,145 and this is money we received in May for March. It is always two months behind. We have not collected June yet.

IV. LRDC – 4B Fund Update (Susan Cluse, Interim Assistant Finance Director)

a. Date the LRDC – 4B Bonds Will Be Paid Off

b. Date it Will Take LRDC – 4B to Pay the City Off for the Money Loaned to Pay Off the Bonds

Mrs. Cluse reported that to date, the LRDC - 4B bonds will be paid off in Fiscal Year 2024. The total of balance remaining is \$12, 878,576.25. As of today, we have a draft that is dependent upon and external audit. It (the Audit) is still not yet complete; therefore, Mrs. Cluse cannot provide the Board with the final numbers for the audit. Mrs. Cluse included in the packet submitted to the Board a trial balance that will give them an idea of 2010. She explained that the trial balance is a financial statement only, not in the form, you would get from the auditor. Mrs. Cluse asked the Board to have a look at the total amount LRDC – 4B paid in principal and interest. There was a total of \$906,350 paid. We are waiting for the end of the audit to see how much we will be required to transfer back into the LRDC - 4B fund. At the end of the year, Mrs. Cluse estimates we will be transferring \$600,000 from the General Fund to LRDC - 4B. Mrs. Cluse estimates \$600,000 (2010) and \$450,000 (2011) if tax revenue comes or if we increase the revenue, we generate. If the Board has any questions, they are welcomed to call Mrs. Cluse. Mr. Johnson added that the LRDC - 4B funds do not cover the actual cost of operations and the debt service. BY increasing revenue generation through enhanced program offerings, we can lessen the burden on the General Fund and balance our budget. Mr. Hervey asked, “When general fund pays the bond off, will the 4B fund be required to then pay back the General Fund?” Mrs. Cluse will research and brief the Board later. Staff will add Mrs. Cluse to a future agenda.

V. Update of Formation of Park Foundation (Mary Sykes)

Mrs. Sykes discussed providing information regarding the Friends of the Library 501 c 3. She would be glad to sit down when we have a meeting and help get the other papers complete. The papers are not hard to complete, you just have to follow the guidelines. Staff will add this information to a future Agenda

Mr. Hervey received a call from Ms. LaShonjia Harris today. Some of her priorities, business wise have changed. Her schedule has been impacted. She will be submitting her Letter of Resignation. She will not be available to attend any of our meetings. Mr. Hervey asked her to coordinate her resignation with the Parks and Recreation Staff.

VI. LRDC – 4B Development Plan Discussion

Mr. Johnson reiterated that this Board would not be in position to spend any 4B funds until after 4B bonds are paid off in 2024, as reported by Susan Cluse, Interim Assistant Finance Director. The LRDC - 4B Bylaws require a Development Plan. Part of the Development Plan is revenues. In addition to this plan, Mr. Johnson asked the Board their thoughts on a Revenue Development Plan. This Plan will help us bring in more revenues. A comprehensive Revenue Development Plan will include a non-profit to cover CIP projects to include playground replacement. Mr. Johnson brought up reviewing or updating the Bylaws. City Council must approve our Bylaws. Mrs. Sykes feels that we need to look at LRDC - 4B money and does not think LRDC - 4B has the power over money that comes from outside sources. The Board would like to see more on how we can make it work. If we just have to have two separate organizations within one, then let us investigate that.

Mr. Johnson will speak with the City Attorney and see if there is any type of stipulations, which prohibits a non-profit, and/or foundation to be under LRDC - 4B.

VII. PTA Development Agreement

Mr. Johnson distributed a copy of the PTA Development Agreement to the Board. PTA desires to develop an additional football field in Community Park whereas they will take full funding obligations for the development, operation, and maintenance of that field and it is for the term of that agreement (three years). The naming comes in line with our current policy. The Board will have to approve the naming rights if in fact PTA desires to put a name on it. The Development Agreement includes an additional football field to address the high usage of football played so they will not have to play into the night. They can have games going on simultaneously. This allows the City an opportunity to build a football complex, so we can compete with Desoto and other cities that have more than one field. The new football field will be in the area adjacent to the existing football field. PTA will come up with the design. It will go through our DRC (Design Review Committee). The City engineers will review it. PTA will cover all associated costs such as the development, operation, and maintenance of the field. We will use the existing restroom. It will remain City property. The Contract is for three years. After those three years, we go out for renewal.

VIII. Set Agenda for Next Meeting

- a. Update on the Formation of the Non Profit/Foundation project and if that is allowable under LRDC - 4B
- b. Look at the Proposed Budget in July and before October 1 adopt the Budget
- c. Amphitheater update

IX. Adjournment

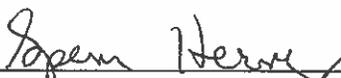
Mary Sykes made a motion seconded by Darwin Isham to adjourn. All present approved and the meeting adjourned at 6:49 p.m.

ATTEST:



Cynthia D. Williams, Administrative Secretary

APPROVED:



Spencer Hervey, President
Lancaster Recreational Development Corporation (LRDC - 4B)