



**MINUTES**

**CLEBURNE 4B ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS REGULAR MEETING  
THURSDAY, JANUARY 17, 2019 AT 6:30 PM  
CITY HALL COUNCIL CHAMBERS  
10 NORTH ROBINSON STREET**

**ROLL CALL AND CALL TO ORDER BY PRESIDING OFFICER AT 6:32 PM**

Board Members			City Staff		
Vance Castles	President	✓	Aaron Dobson	Parks and Recreation Director	✓
Michelle Kennon		✓	Steve Polasek	City Manager/CAO	X
Debby Miller		✓	Shelly Doty	City Secretary/Board Secretary	✓
Steve Shaffer	Vice President	✓	Terry Leake	Finance Director	✓
Dale Sturgeon		✓			
John Warren		✓			
Gayle White		✓			

**WORKSHOP**

1. Introduction of new members (Michelle Kennon, Debby Miller) – Vance Castles
2. Invocation by Reverend John Warren
3. Financial report – Terry Leake, Finance Director

In the September 2018 fiscal period, the 4B Corporation received sales tax revenues of \$248,508 in September, \$276,411 in October, and \$273,666 in November from the State Comptroller. Government Accounting Standards Board rules require that sales tax paid by the State Comptroller to the Corporation in October 2018 and November 2018 be reported as revenue in Fiscal Year 2018 rather than Fiscal Year 2019, since the actual sales occurred in August and September. For those months, the sales tax allocation was up 10.0% for September, up 29.6% for October, and up 7.8%, for November. For the fiscal year ended September 30, 2018, the Corporation exceeded its budgeted sales tax revenue by \$304,455 (11.1% increase), and sales tax revenue was up \$250,989 (9.0%), as compared to the prior year.

Year-to-date through September 2018 (100% of the budget year), actual revenue earned by the 4B funded departments, as compared to budgeted General Fund revenue, is as follows:

Department	Actual Revenue	Budgeted Revenue	Balance to Earn	% of Revenue Earned
Booker T Washington Recreation Center	\$38,135	\$34,000	\$4,135	112%
Splash Station	\$323,655	\$302,000	\$21,655	107%
Sports Complex	\$57,666	\$62,000	(\$4,334)	93%

Total \$419,456 \$398,000 \$21,456 105%  
 Year-to-date through September 2018 (100% of the fiscal year complete), actual expenditures of the 4B funded departments as compared to budgeted General Fund expenditures are as follows:

Department	Actual Expenditures	Budgeted Expenditures	Difference	% of Budget Expended
Booker T Washington Recreation Center	\$192,624	\$254,579	\$61,955	76%
Splash Station	\$760,387	\$813,853	\$53,466	93%
Sports Complex	\$443,414	\$538,998	\$95,584	82%
Railroad Museum	\$35,070	\$37,205	\$2,135	94%
Total	\$1,431,495	\$1,644,635	\$213,140	87%

At the end of the fiscal year, revenues received are netted against expenditures for the 4B funded departments (Booker T Washington Recreation Center, Splash Station, Sports Complex) to calculate the transfer to the General Fund for reimbursement for the net expenditures of the 4B funded departments.

The actual expenditures of the 4B Corporation for the fiscal year were \$2,348,632 versus an operations, transfers and capital budget of \$2,979,947. The major capital expenditures were the third year payment on the exercise equipment at Booker T. Washington Recreation Center, a progress payment on the replacement of the pool dome at Splash Station, resurfacing of the slides at Splash Station, and repairs to the gym floor at Booker T. Washington Recreation Center. Other expenditures were the payment of principal and semi-annual interest on the Series 2017 4B Corporation sales tax refunding bonds (\$1,089,200) and the transfer to the General Fund for the reimbursement of net 4B funded department expenditures (\$1,023,983). The unaudited ending fund balance of the 4B Corporation was \$2,953,912, which was an increase of \$768,088 as compared to the budgeted fund balance draw down of \$241,447.

In December 2018, the 4B Corporation received sales tax revenues of \$257,004 from the State Comptroller. For December 2018, the sales tax allocation is up 10.1%, as compared to the prior year, and is up 10.1% for the fiscal year. Year-to-date, 9.2% of the budgeted sales tax revenue had been earned, as compared to 8.3% that is projected to be earned. Sales tax revenues received in October 2018 and November 2018 are recorded as revenue in the prior fiscal year since the actual sales occurred in August 2018 and September 2018 per Government Accounting Standards Board rules.

Year-to-date through December 2018 (25% of the budget year), actual revenue earned by the 4B funded departments, as compared to budgeted General Fund revenue, is as follows:

Department	Actual Revenue	Budgeted Revenue	Balance to Earn	% of Revenue Earned
Booker T Washington Recreation Center	\$11,337	\$38,250	(\$26,913)	30%
Splash Station	\$877	\$310,000	(\$309,123)	0%

Sports Complex	\$11,546	\$62,000	(\$50,454)	19%
Total	\$23,760	\$410,250	(\$386,490)	6%

Year-to-date through December 2018 (25% of the fiscal year complete), actual expenditures of the 4B funded departments as compared to budgeted General Fund expenditures are as follows:

Department	Actual Expenditures	Budgeted Expenditures	Difference	% of Budget Expended
Booker T Washington Recreation Center	\$41,070	\$243,279	\$202,209	17%
Splash Station	\$67,093	\$812,607	\$745,514	8%
Sports Complex	\$105,673	\$564,863	\$459,190	19%
Railroad Museum	\$5,042	\$60,784	\$55,742	8%
Total	\$218,878	\$1,681,533	\$1,462,655	13%

At the end of the fiscal year, revenues received are netted against expenditures for the 4B funded departments (Booker T Washington Recreation Center, Splash Station, Sports Complex, and Railroad Museum) to calculate the transfer to the General Fund for reimbursement for the net expenditures of the 4B-funded departments.

The actual expenditures and transfers of the 4B Corporation through December 2018 were \$312,711 versus an operations, transfers and capital budget of \$3,144,718. The major capital expenditures are the fourth and final payment on the exercise equipment at Booker T. Washington Recreation Center, security system at Splash Station, and mowers for the Sports Complex.

4. Update on four bleacher shade structures for the Sports Complex - Aaron Dobson, Parks and Recreation Director
  - a. Plans are being reviewed by staff. Installation should begin in the next several weeks, weather permitting.
5. Discuss Splash Station inspections - Aaron Dobson
  - a. Splash Station audit – Councilman-Hunsaker
  - b. Structural assessment – The Core Group  
No major structure issues were found but recommended having a plaster expert evaluate.
6. Review Dome issue at Splash Station – Aaron Dobson
  - a. Charter Matrix was contracted to replace the dome but has not delivered.
  - b. Staff has asked for a refund of the deposit but it has not been refunded.
  - c. The matter was turned over to our attorneys for further action. A letter was forwarded to Charter Matrix, but there has been no response as of this date. The attorneys will move forward with legal action.
7. Discuss various options to cover the competitive pool to allow for off season swimming – Aaron Dobson
  - a. Jim Abt, Cleburne Swim Team, spoke on his concerns and preferred option to cover the pool. He would like to see a more permanent structure than the dome but understands that it may be cost prohibitive. He stated that he would be okay with the replacement of the dome with the same type of material, if that were what the Board decided.
  - b. Presentation by Councilman-Hunsaker – George Deines

Summary of presentation:

Splash Station is 14 years old and many areas need updates and/or renovations to keep the facility operating at a sustainable level.

Many new features and attractions are available in the aquatics market and building and health codes have changed.

Primary concerns include:

Cracks in the leisure and competition pools and the number of amenities not functioning properly.

Immediate needs include:

Address elevation changes and transitions from the pool deck to the grassy areas.

VGBA compliance.

Retain structural engineer to perform a structural analysis of the pools.

Replace missing tiles on competition and leisure pools.

Replace broken pool grates around the competition pool.

Other needs include:

Replacement of children’s play structure.

Lazy river not working properly.

Sand filter replacement within next 5 years.

Repair fallen ceiling in storage room.

Blistering plaster.

\*The Board requested that staff set up a meeting with the City Manager, Aaron Dobson, Vance Castles, Steve Shaffer, Mayor Cain, and CISD official(s) to discuss possibilities of working with other school districts to fund a more permanent structure over the competition pool area.

8. Discuss potential change in Board meeting times

Staff discussed the possibility of changing meeting times from 6:30 p.m. to 5:00 p.m.

The Board directed staff to bring back for action at the next meeting.

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**REGULAR MEETING**

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**I. CONSIDER AND APPROVE MINUTES FOR NOVEMBER 15, 2018 REGULAR MEETING.**

**MOTION: to approve as written**

	Motion	Second	Aye	No	Abstain	Absent		Result
Castles			X				X	Approved as presented
Kennon			X					Approved as amended
Miller			X					Denied
Shaffer			X					Withdrawn
Sturgeon	X		X					
Warren			X					Postponed until:
White		X	X					
<b>X</b>	<b>Motion Carried</b>		<b>Motion Failed</b>					<b>Roll Call</b>

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**CITIZENS COMMENTS**

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**NONE**

**ADJOURNED AT: 8:01 p.m.**