



**CLEBURNE 4B ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS REGULAR MEETING MINUTES  
Thursday, August 11, 2022 at 5:00pm  
City Hall Council Chambers, 10 North Robinson Street, Cleburne, TX 76031**

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**1. Roll call and call to order Presiding Officer at 5:02 PM**

- | <u>Board Members:</u>             | <u>City Staff:</u>                            |
|-----------------------------------|---|
| ✓ Chris Boedeker                  | ✓ Aaron Dobson, Parks and Recreation Director |
| ✓ Michelle Kennon, Vice President | X Steve Polasek, City Manager/CAO             |
| X Kim Lively                      | X Chris Fuller, Deputy City Manager           |
| ✓ Mike Mann                       | ✓ Ivy Peterson, City Secretary                |
| ✓ Debby Miller, President         | ✓ Rhonda Daugherty, Finance Director          |
| ✓ Jean Moss                       | ✓ Marcie Freelen, Assistant Finance Director  |
| ✓ John Warren                     | ✓ Kevin Hennessey, Assistant Finance Director |
|                                   | ✓ Kaity Easdon, Recreation Center Supervisor  |

**2. Invocation by Director John Warren**

**3. ~~City Secretary reads the guidelines to speak before the Board of Directors~~**

President Miller waived the reading of the guidelines until such a time is necessary.

**4. Citizens Comments:** An opportunity for the public to make comments or address concerns for any matter whether or not posted on the agenda. There were no speakers.

**5. Consider and approve minutes for the July 21, 2022 regular meeting.**

Vice President Kennon made a motion to **approve Item #5 as presented** and was seconded by Director Moss. The motion carried with a vote of 6 to 0.

**6. Presentation and consideration of the Financial Report thru July 2022.**

Presented by Marcie Freelen, Assistant Finance Director

Summary: In July 2022, the 4B Corporation received sales tax revenues of \$361,561 from the State Comptroller. The sales tax allocation is up 29.26%, as compared to the same month in the prior fiscal year, and is higher by 16.21% for the fiscal year. Year-to-date, 90.30% of the budgeted sales tax revenue had been earned, as compared to 66.67% that is projected to be earned. Sales tax revenues received in October 2021 and November 2021 are recorded as revenue in the prior fiscal year since the actual sales occurred in August 2021 and September 2021 per Government Accounting Standards Board rules.

Year-to-date (83.33% 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	Prior YTD % of Revenue Earned
Booker T Washington Recreation Center	\$45,147	\$33,500	\$11,647	<b>134.77%</b>	<b>117.67%</b>
Splash Station	\$353,225	\$245,000	\$108,225	<b>144.17%</b>	<b>112.17%</b>
Sports Complex	\$53,477	\$40,000	\$13,477	<b>133.69%</b>	<b>122.08%</b>
<b>Total</b>	<b>\$451,849</b>	<b>\$318,500</b>	<b>\$133,349</b>	<b>141.87%</b>	<b>113.81%</b>

Year-to-date (83.33% 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	Balance to Spend	% of Budget Expended	Prior YTD % of Budget Expended
Booker T Washington Recreation Center	\$219,121	\$299,983	\$80,862	<b>73.04%</b>	<b>67.52%</b>
Splash Station	\$631,605	\$975,441	\$343,836	<b>64.75%</b>	<b>56.80%</b>
Sports Complex	\$502,182	\$716,797	\$214,615	<b>70.06%</b>	<b>69.41%</b>
Railroad Museum	\$49,344	\$78,222	\$28,878	<b>63.08%</b>	<b>54.36%</b>
<b>Total</b>	<b>\$1,402,252</b>	<b>\$2,070,443</b>	<b>\$668,191</b>	<b>67.73%</b>	<b>62.58%</b>

At the end of the fiscal year, revenues received are netted against expenditures for the 4B funded divisions (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 divisions.

The actual expenditures and transfers of the 4B Corporation were \$2,702,066 versus an operations, transfers and capital budget of \$4,029,196. The major capital expenditures are the annual debt principal and interest payment, trash cans at the Sports Complex, sand change at Splash Station, and various pieces of equipment.

Director Boedeker made a motion to **approve Item #6 as presented** and was seconded by Vice President Kennon. The motion carried with a vote of 6 to 0.

## 7. Consider and approve the 4B Economic Development Corporation Sales Tax Fund Budget for Fiscal Year 2023.

Presented by: Aaron Dobson, Director of Parks & Recreation

Summary: The purpose of this item is to review and consider approval of the proposed budget request for the various 4B Divisions, including all CIP items.

The 4B fund is used to account for the proceeds for the 4B sales tax. On August 11, 2001, the citizens of Cleburne approved a ½ cent sales tax increase. This sales tax has funded construction of Splash Station, Sports Complex, Cleburne Conference Center and Theatre, Booker T. Washington Community Center, Railroad Museum, and improvements at parks including sections of the Buffalo Creek trail. 4B sales tax funds are also used to fund the maintenance and operations expenses of Splash Station, Sports Complex, Booker T. Washington Community Center, and Railroad Museum that are budgeted in the General Fund through a transfer to the General Fund.

### Revenues:

4B Sales Tax Fund – \$3,469,000

FY 2022 - \$3,304,000

Fund Balance - \$3,003,580 (\$313,160)

- Conservative sales tax estimates/100% expenditures
- Accounts for increase in the debt reserve, debt bond principal, and debt service bond interest payments associated with recent issuance

### Expenditures:

4B Sales Tax Fund – \$10,747,837

FY 2022 - \$4,029,197

Increase - \$6,718,640

Increase is primarily attributable to:

- inclusion of the full funding (\$6.435M) for Phase I of the Parks Master Plan (Kirtley Park Phase I, Skate Park at Hulen Park, and various neighborhood park improvements)
- debt service for the parks projects
- full funding for the Assistant Parks Director added in August, 2022
- CO2 conversion (\$14,500), cool decking renovation (\$100,000) and new UV system (\$101,000) at Splash Station
- robotic field painter (\$52,000), and field renovations (fields 3, 4, 5, 6, and 7 (\$130,000)) at the Sports Complex

### People:

Employees – our greatest asset

- Merit (step) pay increase of two and one-half percent (2.5%) general employees
- Cost of living increase (COLA) of two and one-half percent (2.5%)
  - Consumer Price Index for all urban users (CPI-U) for the Dallas-Fort Worth-Arlington area rose 9.1% over the last twelve months from May 2021 through May 2022
  - rose 16% between May of 2020 and May of 2022
- Employee Retention Program
  - One-time \$500 for FT employees / \$250 for PT employees
- Position reclassifications

- Eliminate two (2) PT aquatic coordinators and create one (1) FT position (\$17,560)
- IT GIS Technician (4/1/23) General Fund 40%, Water & Wastewater 40%, 4B 20%

Position Regrades / Incentive Program

Splash	Existing	Regrade PT Assisant Coordinator **** would go away if full time approved	\$ 602.29
Splash	Existing	Regrade Seasonal Customer Attendant	\$ 5,169.06
Splash	Existing	RegradeSeasonal Lead Customer Attendant	\$ 782.52
Splash	Existing	Regrade Seasonal Assistant Coordinator	\$ 947.26
Splash	New	Consectutive year returning seasonal splash team members get current rate plus .50	\$ 6,000.00
Splash	New	\$150for seasonal employe es that work the full season from Memorial Day through Labor Day	
Splash	New	\$100referral for referral of seasonal - applies to all employees	

4B Supplemental Requests

Splash Station Capital Improvements:

- CO<sup>2</sup> Conversion (\$14,500) - The conversion from muriatic acid to CO2 will easily allow the Splash Station team to meet the suggested pH balance creating a safer facility. It will reduce the number of hazardous chemicals our team members handle. Over time this conversion will be more cost-effective than muriatic acid.
- Cool Decking Renovation (\$100,000) - A Cool Decking finish will reduce the heat radiating from the concrete our guests walk on and help fill in various cracks in the pool decking. The project calls for filling in and stabilizing cracks, applying trip prevention materials, and cooling the material to reduce heat. These improvements will prolong the useful life of the pool decking.
- Ultraviolet System Replacement (\$101,000) - Ultraviolet light systems and a good chemical program can provide guests with a safe and reliable swimming experience. Our current system is nearly thirteen years old and at the end of its useful life. A replacement is needed to operate our facility at a safe level for our guests and meet all regulations.

Sports Complex Capital Improvements:

- Field Renovations (\$130,000) - Fields 3–7 are some of our most utilized fields by our baseball and softball association and tournament providers. These improvements will address various renovations, including regrading, cutting out lips, laying new sod for the infields, and adding needed topdressing levels. This is the first multi-phase approach to improve the field conditions at the Sports Complex.
- Robotic Field Painter (\$52,000) - Our team independently reviewed a facility that uses a robotic field painter and found that the facility decreased their time painting fields along with a minor reduction of paint supplies. A robotic field painter utilizes GPS information to paint fields. This unit will reduce the time our team puts into painting fields.

**CITY OF CLEBURNE 4B ECONOMIC DEVELOPMENT CORPORATION  
FUND 9  
FY 2023**

This fund is used to account for the proceeds of the 4B Sales Tax. On August 11, 2001, the citizens of Cleburne approved a 1/2 cent sales tax increase. This sales tax has funded construction of Splash Station, the Cleburne Sports Complex, Cleburne Conference Center and Theatre, Booker T Washington Rec Center, Railroad museum

and several parks improvements throughout the City. 4B Sales tax funds are also used to fund the maintenance and operation expenses of these projects that are budgeted in the General Fund through a transfer to the General Fund.

	ACTUAL FY 2020	ACTUAL FY 2021	BUDGET FY 2022	ESTIMATE FY 2022	BUDGET FY 2023
BEGINNING TOTAL FUND BALANCE	\$ 2,935,460	\$ 3,152,907	\$ 3,688,517	\$ 4,243,843	\$ 12,920,547
REVENUES:	3,435,729	3,803,144	3,304,000	12,578,500	3,469,000
SALES TAX REVENUE	3,399,846	3,798,499	3,300,000	3,500,000	3,465,000
PROCEEDS FROM BOND SALES	-	-	-	8,935,000	-
BOND PREMIUM	-	-	-	140,000	-
MISCELLANEOUS INCOME	-	1,500	-	-	-
INTEREST REVENUE	35,883	3,145	4,000	3,500	4,000
EXPENDITURES:	\$ (3,218,282)	\$ (2,712,208)	\$ (4,029,197)	\$ (3,901,796)	\$ (10,747,837)
ADMINISTRATIVE COST ALLOCATION	86,982	107,852	179,100	179,100	171,903
CONTRACTUAL & MISCELLANEOUS	1,848	1,743	3,030	1,500	2,853
BOOKER T WASHINGTON	8,091	16,008	218,450	184,989	-
SPLASH STATION	315,179	73,618	519,100	493,278	215,500
SPORTS COMPLEX	337,329	60,073	189,935	160,952	182,000
RAILROAD MUSEUM	92,855	239,053	5,800	5,435	-
PARKS & REC	25,000	-	82,740	32,500	215,852
CAPITAL PROJECTS	-	-	-	-	6,435,000
DEBT SERVICE BOND PRINCIPAL	735,000	765,000	795,000	795,000	820,000
DEBT SERVICE BOND INTEREST & FISCAL	361,800	331,800	296,600	309,600	771,523
TRANSFER OUT	1,254,198	1,117,061	1,739,442	1,739,442	1,933,206
DEBT RESERVE	273,200	273,200	272,900	272,900	395,631
RESTRICTED FUND BALANCE	1	-	-	9,075,000	2,242,500
ENDING UNRESERVED FUND BALANCE	\$ 2,879,706	\$ 3,970,643	\$ 2,690,420	\$ 3,572,647	\$ 3,003,580
ENDING FUND BALANCE & RESERVE	\$ 3,152,907	\$ 4,243,843	\$ 2,963,320	\$ 12,920,547	\$ 5,641,710

Director Moss made a motion to **approve Item #7 as presented** and was seconded by Director Mann. The motion carried with a vote of 6 to 0.

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**ADJOURNMENT**

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**ADJOURNED AT: 5:31 PM**

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**APPROVAL OF MINUTES**

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**APPROVED BY MAJORITY VOTE OF THE BOARD ON:           OCTOBER 20, 2022**