

MINUTES
CUERO DEVELOPMENT CORPORATION
SPECIAL MEETING
MONDAY, SEPTEMBER 30, 2024 12:00 P.M.

The Cuero Development Corporation Board of Directors met Monday, September 30, 2024, at 214 E. Main Street, Cuero, TX 77954 and virtually via Zoom

PRESENT: Board Members: Tyler McClellan (via Zoom), Lynn Falcone (via Zoom), Mayor Emil Garza (in person), Brad Kocurek (via Zoom), and Ben Zimmerman (via Zoom).

ABSENT: Constance Donels

CDC STAFF: CDC Executive Director Maggie Cromeens (in person) and CDC Coordinator Samantha Bayfus (in person)

I. CALL TO ORDER

President Tyler McClellan called the meeting to order at 12:06 P.M.

II. CITIZENS INPUT

None.

III. BUSINESS

CONSIDER AND ACT UPON BUDGET AMENDMENT #1 OF THE FY 2023-2024

Mrs. Cromeens mentioned that a new draft of Budget Amendment #1 was sent to the Board due to minor adjustments. It was noted that the amendment is shown as 2 and 3 on the handout, but this was the only amendment to the current fiscal year.

The proposed Budget Amendment #1 included the following adjustments:

- Moving money to the Enterprise Fund allocation and to the NestFresh line item, as these two are shown combined in the Enterprise line item as \$848,000.00
- \$750,000.00 was allocated to NestFresh
- \$98,000.00 has been allocated to Stir Soda Shoppe from the Enterprise Fund
- NestFresh has been paid \$750,000.00 to date instead of the listed \$250,000.00
- Additional line items included minor adjustments to the expenses to budget the balance

Attached is the proposed Cuero Development Corporation's Amendment:

		Adopted	Amendment	Amended	
		Budget	#2	Budget	
<u>Revenue:</u>					
4-0801	Interest - TexPool	\$ 20,000	\$ 53,000	\$ 73,000	increase in interest received
4-0802	Interest Revenue - CDC	\$ 4,873	\$ 4,500	\$ 9,373	increase in interest received
4-0965	Sponsorships - SCTEN	\$ -	\$ 5,750	\$ 5,750	new account with no budget
	Business Retention				
4-0966	Payback	-	9,800	9,800	new account with no budget
4-0981	Misc - Reimbursement	-	2,300	2,300	reimb from Gonz Eco Dev for Las Vegas

**Total CDC Fund
Revenues:**

\$		
24,873	\$ 75,350	\$ 100,223

Expenditures:

5-03100	Salaries & Wages	133,931	11,650	145,581	
5-03112	Overtime	1,000	1,500	2,500	
5-03130	Retirement Programs	13,914	1,000	14,914	increase in payroll equal increase in TV
5-03202	Administrative	\$ 1,000	\$ 8,000	\$ 9,000	Team Texas dues
5-03207	Marketing	70,000	10,200	\$ 80,200	Rossman Media - \$17,485/BBM - \$33,1
5-03249	Website Updates & Maintenance	16,000	(16,000)	\$ -	no invoices received
5-03508	Meeting, Seminars & Conferences	8,000	2,500	\$ 10,500	
5-03510	Transportation, Lodging & Meals	7,000	5,000	12,000	
5-03650	Project Recruitment	100,000	(75,000)	25,000	
5-039063	Enterprise Program	-	98,000	98,000	Stir Soda Shoppe
5-03796	Contingency	780	4,300	5,080	
5-03799	Other Miscellaneous	-	-	-	
5-039082	Business Rentention & Expansion	50,000	100,000	150,000	
5-039990	MP - Nestfresh	1,000,000	(250,000)	750,000	Check disbursed to Nestfresh FY 2023-2
	Total CDC Fund Expenses:	\$ 1,401,625	\$ (98,850)	\$ 1,302,775	

Amendment
#1

Revenues: \$ 75,350

Amendment
#1

Expenses: \$ 98,850

Budget

Over/Under: \$ 174,200

Lynn Falcone questioned where the money was being moved from to cover the expenditures that were noted in the amendment. Mrs. Cromeens noted that an example included the \$16,000.00 that was taken from the website updates and maintenance line item because this item was not utilized during the fiscal year, the account was zeroed out.

President McClellan questioned the format of the presented amendment and noted that he too, did not understand where the revenue was generated from to cover the expenses in budget.

It was suggested that Mrs. Hawes the City of Cuero Finance Director explain the proposed changes of the amendment at a later time and that the Board recess for the remainder of the lunch period.

MOTION MADE BY BEN ZIMMERMAN, SECONDED BY LYNN FALCONE, TO RECESS THE CUERO DEVELOPMENT CORPORATION'S SPECIAL CALLED MEETING AT 12:39 UNTIL THEY WERE ABLE TO SEEK FURTHER INFORMATION REGARDING THE AMENDMENT FROM CONNIE HAWES THE CITY OF CUERO FINANCE DIRECTOR. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

MR. MCCLELLAN CALLED THE MEETING TO ORDER FROM RECESS AT 4:00 P.M.

PRESENT: Tyler McClellan (via Zoom), Constance Donels (via Zoom), Lynn Falcone (via Zoom), Mayor Emil Garza (in person), Brad Kocurek (via Zoom), and Ben Zimmerman (via Zoom)

GUESTS: Connie Hawes, City of Cuero Finance Director (in person)

Mrs. Hawes noted that the amendment was requested as there are negative numbers running on the Cuero Development Corporation's (CDC) books. If the books were presented to the auditors in this position, one would assume that the finances were not being monitored in a timely manner. Although the budget was approved with the included revenue, the CDC did not stay in the means of the presented budget, therefore requiring the amendment prior to the end of the fiscal year.

Mrs. Cromeens noted that NestFresh was budgeted \$1million in the current budget. They have provided receipts for their payment of \$750,000.00 but have not turned in collateral for the additional \$250,000.00 payment. Mrs. Cromeens did mention that the job requirements have been met, per the plant manager.

Mrs. Hawes stated that although the amendment seemed to put the CDC over budget, they would actually end the year under budget and will transfer around \$174,200.00 to their fund balance. Mrs. Hawes reiterated that the amendments are done periodically by the City and are not uncommon.

The proposed Budget Amendment #1 included the following adjustments:

- Adding revenue to the community donations
- Adding revenue to the display donations
- Adding revenue to the insurance reimbursement line item due to the flag being damaged

The proposed Budget Amendment #1 included the following adjustments:

- Adding revenue to exit treats line item
- Adding revenue to the hot chocolate line item
- Adding revenue to the meals line item
- Adding revenue to the hardware line item
- Adding revenue to the other miscellaneous supplies line item
- Adding revenue to the December Events display purchases
- Adding revenue to the Christmas displays purchased by the public
- Adding revenue to the infrastructure line item

Attached is the December Events Committee's Amendment:

		Adopted Budget	Amendment #2	Amended Budget
<u>Revenue:</u>				
4-0950	Community Donations/December Events	\$ -	\$ 14,500	\$ 14,500
4-0955	Display Donations/December Events	5,000	17,500	22,500
4-0980	Insurance Reimbursements	-	23,912	23,912
Total December Events Revenues:		\$ 5,000	\$ 55,912	\$ 60,912

Expenditures:

5-04320 Food & Beverage - Exit Treats
5-04321 Food & Beverage - Hot Chocolate
5-04322 Food & Beverage - Meals
5-04398 Other Supplies - Hardware
5-04699 Other Miscellaneous Supplies
5-04909 December Events Scenes
5-04910 Christmas Scenes/Comm/Pub
5-04950 Matt & Supplies - Infrastructure

Total December Events Expenses:

\$ -	\$ 2,500	\$ 2,500
-	2,500	\$ 2,500
-	5,000	\$ 20,000
-	1,000	\$ 1,000
11,500	(11,000)	500
10,000	16,500	26,500
5,000	30,500	35,500
10,000	(7,000)	3,000
\$ 36,500	\$ 40,000	\$ 91,500

Amendment

#1 \$

Revenues: 55,912

Amendment

#1 \$

Expenses: (40,000)

Budget \$

Over/Under: 15,912

The Board thanked Mrs. Hawes for her time on reviewing the proposed amendment.

MOTION MADE BY CONSTANCE DONELS, SECONDED BY MAYOR EMIL GARZA, TO APPROVE BUDGET AMENDMENT #1 OF THE FISCAL YEAR 2023-2024 AS PRESENTED BY THE CITY OF CUERO FINANCE DIRECTOR, CONNIE HAWES. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

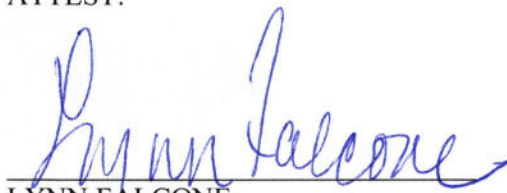
IV. ADJOURN

PRESIDENT TYLER MCCLELLAN ADJOURNED THE MEETING AT 4:22 P.M.



TYLER MCCLELLAN
PRESIDENT

ATTEST:



LYNN FALCONE
VICE-PRESIDENT