



To: Mayor and Town Council

From: Ray Smith, Mayor and EDC Board Member

Through: Harlan Jefferson, Town Manager

Re: Town Council Meeting – September 14, 2021

Agenda Item:

Consider and act upon adopting the FY 2021-2022 Prosper Economic Development Corporation budget.

Description of Agenda Item:

Section 21 of the Development Corporation Act of 1979 (Texas Revised Civil Statutes Article 5190.6), the “Act,” provides that the Town shall approve all programs and expenditures of the development corporation and shall annually review any financial statements of the corporation. It further provides that at all times the Town will have access to the books and the records of the development corporation. Additionally, Section 23(a)(13) of the Act states that the powers of the corporation shall be subject at all times to the control of the Town’s governing body.

Budget Impact:

There is no impact to the Town of Prosper’s General Fund as the Prosper Economic Development Corporation (Prosper EDC) is funded wholly by a half-cent of the local sales tax revenue. Since approved by Prosper citizens in 1996, the Prosper EDC has endeavored as its mission to “create jobs and capital investment” with the aim of expanding the local commercial property tax base and sales tax base, thereby lessening the property tax burden on homeowners.

Attached Documents:

1. FY 2021-2022 Prosper Economic Development Corporation budget as approved by the Prosper EDC Board on August 18, 2021.

Prosper EDC Board Recommendation:

The Prosper EDC Board recommends that the Town Council review and adopt the FY 2021-2022 Prosper Economic Development Corporation budget.

Proposed Motion:

I move to adopt the FY 2021-2022 Prosper Economic Development Corporation budget.

	Final FY 2019-2020	Approved/Amended FY 2020-2021	Actual to Date FY 2020-2021	PROPOSED FY 2021-2022	
REVENUES					
## 4120 65 00 Sales Tax	\$ 2,750,000	\$ 3,129,614	\$ 2,665,703	\$ 4,205,836	
## 4610 65 00 Interest on Investments	\$ 100,000	\$ 39,000	\$ 18,017	\$ 30,000	
## 4910 65 00 Other Revenue	\$ -		\$ 22,500.00		*safety program, Windsong
Total Revenues	\$ 2,850,000	\$ 3,168,614	\$ 2,706,220	\$ 4,235,836	
EXPENSES					
Personnel Services - Salary					
## 5110 65 00 Salaries & Wages	\$ 384,092	\$ 349,850	\$ 202,780	\$ 324,449	
## 5115 65 00 Salaries - Overtime			\$ -		
## 5140 65 00 Salaries - Longevity Pay	\$ 320	\$ 500	\$ 250	\$ 490	
## 5141 65 00 Salary Incentive	\$ 25,000	\$ 40,000	\$ 5,000	\$ 40,000	
## 5142 65 00 Car Allowance	\$ 14,400	\$ 15,600	\$ 8,000	\$ 12,000	
## 5143 65 00 Cell Phone Allowance	\$ 2,880	\$ 2,880	\$ 1,000	\$ 1,500	
## 0000 65 00 Temporary Salaries			\$ -		
Total Salary	\$ 426,692	\$ 408,830	\$ 217,030	\$ 378,439	
Personnel Services - Benefit					
## 5145 65 00 Social Security Expense	\$ 24,905	\$ 22,868	\$ 9,467	\$ 17,817	
## 5150 65 00 Medicare Expense	\$ 5,825	\$ 5,349	\$ 2,985	\$ 4,908	
## 5155 65 00 Unemployment (SUTA)	\$ 486	\$ 486	\$ 576	\$ 486	
## 5160 65 00 Health Insurance	\$ 35,381	\$ 19,296	\$ 25,814	\$ 30,744	
## 5165 65 00 Dental Insurance	\$ 1,398	\$ 872	\$ 790	\$ 1,296	
## 5170 65 00 Life Insurance	\$ 517	\$ 338	\$ 178	\$ 338	
## 5175 65 00 Liability (TML) Worker's Cor	\$ 764	\$ 996	\$ 534	\$ 779	
## 5176 65 00 TML Prop. & Liab. Insurance	\$ -	\$ -	\$ -	\$ -	
## 5180 65 00 TMRS-Expense	\$ 54,430	\$ 50,678	\$ 29,592	\$ 48,228	
## 5185 65 00 Long Term/Short Term Disa	\$ 730	\$ 665	\$ 357	\$ 617	
## 5186 65 00 WELLE-Wellness Prog Reirr	\$ 1,200	\$ 600	\$ 650	\$ 1,200	
Total Benefits	\$ 125,636	\$ 102,148	\$ 70,943	\$ 106,413	
Operating, Land & Incentive Expenses					
## 5189 65 00 Admin. Fees to Town	\$ 15,000	\$ 15,000	\$ 10,000	\$ 15,500	
## 5190 65 00 Contract Labor	\$ 50,000	\$ 10,000	\$ -	\$ 75,000	
## 5191 65 00 Hiring Cost	\$ -	\$ -	\$ -	\$ -	
## 5210 65 00 Office Supplies	\$ 2,500	\$ 2,500	\$ 2,358	\$ 5,000	
## 5212 65 00 Building Supplies	\$ 800	\$ 800	\$ 2,645	\$ 1,000	
## 5220 65 00 Office Equip & Furniture	\$ 15,000	\$ 8,000	\$ 789	\$ 10,000	
## 5230 65 00 Dues & Subscriptions	\$ 40,000	\$ 20,000	\$ 17,218	\$ 20,000	Cowboys/Gentle Creek, maulchins, DMW, CoStar, Adobe, Impact Data Source, DBJ
## 5240 65 00 Postage & Freight	\$ 1,000	\$ 1,000	\$ 77	\$ 1,000	
## 5265 65 00 Promotional Expense	\$ 85,000	\$ 45,000	\$ 32,594	\$ 85,000	Webster - Younger, GoDaddy, Logo items, shirts, videos, stationary, bags, signs
## 5280 65 00 Printing and Reproduction	\$ 5,000	\$ 5,000	\$ 316	\$ 2,500	
## 5305 65 00 Chapter 380 Program Grant	\$ 554,570	\$ 470,972	\$ 551,123	\$ 1,000,000	TIRZ, Lowes, Kroger, Crossland
## 5310 65 00 Rental/Office Lease	\$ 60,000	\$ 28,548	\$ 28,547	\$ 1	
## 5330 65 00 Copier Expense	\$ 5,500	\$ 5,500	\$ 1,907	\$ 5,000	
## 5340 65 00 Building Repairs	\$ 500	\$ 500	\$ -	\$ 500	
## 5410 65 00 Professional Services	\$ 225,000	\$ 415,452	\$ 274,321	\$ 350,000	Hilco, Petty, Cleaning Svc., Board Photos, Ashford, Stantec, Lobby sign, mowing, photography, videos, logo sign, Muni Services
## 5412 65 00 Audit Fees	\$ 2,494	\$ 2,494	\$ 2,375	\$ 2,500	
## 5414 65 00 Appraisal/Tax Fees	\$ -	\$ -	\$ -	\$ -	
## 5418 65 00 IT Fees	\$ -	\$ -	\$ -	\$ -	
## 5430 65 00 Legal Fees	\$ 20,000	\$ 5,000	\$ 912	\$ 10,000	
## 5480 65 00 Contracted Services	\$ -	\$ -	\$ -	\$ -	
## 5510 65 0 Liability Insurance	\$ -	\$ -	\$ -	\$ -	
## 5520 65 00 Telephones-Cable	\$ -	\$ -	\$ -	\$ -	
## 5521 65 00 Cell Phone Expense	\$ -	\$ -	\$ -	\$ -	
## 5523 65 00 Water	\$ -	\$ -	\$ 72	\$ 700	
## 5524 65 00 Gas - Office	\$ -	\$ -	\$ -	\$ -	
## 5525 65 00 Electricity - Office	\$ -	\$ -	\$ 300	\$ 4,000	
## 5526 65 00 Mobile Data Network	\$ 1,000	\$ 1,000	\$ 532	\$ 1,000	
## 5530 65 00 Travel/Lodging/Meals Exper	\$ 30,000	\$ 5,000	\$ -	\$ 20,000	
## 5531 65 00 Prospect Mtgs/Business Me	\$ 10,000	\$ 10,000	\$ 4,096	\$ 10,000	
## 5533 65 00 Mileage Expense	\$ 500	\$ 500	\$ 121	\$ 500	
## 5536 65 00 Training/Seminars	\$ 15,000	\$ 3,000	\$ 605	\$ 10,000	
## 5600 65 0 Special Events				\$ 25,000	
## 6015 65 00 Project Incentives	\$ 100,000	\$ 100,000	\$ 88,126	\$ 1,500,000	Land Purchase Eamest, DPG lease break & deposit.
## 7100 65 0 Operating Transfer Out					
Total Expenses	\$ 1,238,864	\$ 1,155,266	\$ 1,019,035	\$ 3,154,201	
Total Operating Costs	\$ 1,791,192	\$ 1,666,244	\$ 1,307,008	\$ 3,639,053	
Net Income	\$ 1,058,808	\$ 1,502,370	\$ 1,399,212	\$ 596,783	