

**AGENDA REPORT**

**Meeting Date:** July 17, 2024

**Item Number:** 1

**Prepared By:** Jason Greiner

**Subject**

Consider and act upon the approval of the FY 2024-2025 WEDC Budget.

**Recommendation**

Staff recommends that the Board approve the FY 2024-2025 WEDC Budget as presented.

**Discussion**

The FY 24-25 Draft Budget documents have been attached for your review.

For FY25, the WEDC estimates \$17,598,590 in available resources which includes a beginning fund balance of \$8,370,042. Staff estimates the following WEDC Revenues: \$4,990,217 in Sales Tax Receipts, \$4,121,530 in proceeds from the Sale of WEDC-owned properties, \$4,800 in Rental Income and \$112,000 in allocated interest earnings.

Expenses for FY25 are estimated at \$15,276,661. Personnel Services are up from \$629,900 to \$666,499, Incentives are down from \$1,929,250 to \$1,741,250, Debt Service stayed the same at \$1,231,998, and the WEDC’s Capital Outlay (Land/Purchase) has \$1,000,000 budgeted. As City Council will recall, staff has reclassified the WEDC Expenses in Infrastructure Projects (Streets & Alleys) to Special Services. These expenses have always been accounted for in Capital Outlay, however, since the WEDC does not maintain ownership of the street, alley, water, sewer, or natural gas lines, they have been moved to Special Services. The Special Services Account has been split into three sub-categories to more adequately track the taxable vs. non-tax nature of these expenses for reporting purposes due to the Series 2022 Note in the amount of \$8.1MM.

Notable Changes:

- Personnel Services: Up from \$629,900 to \$666,499
- Special Services:
  - SpecServ Misc: up from \$37,270 to \$87,270
  - SpecServ Real Estate: down from \$234,500 to \$71,000
  - SpecServ Infrastructure: down from \$10,324,000 to \$9,020,667
    - Includes remaining infrastructure investment for the 544 Gateway Addition and Cooper Plaza, as well as necessary water, sewer, and gas line extensions
- Travel & Training: up from \$73,000 to \$95,500
- Dues & Subscriptions: up from \$60,733 to \$91,053
- Audit & Legal: up from \$23,000 to \$53,000

- Engineering Services: Up from \$530,175 to \$855,300
  - Includes RBP Drainage Civils, Downtown/Jackson Designs, City's 19 AC Flood Study

Staff estimates the FY25 ending fund balance of \$2,321,929.

Once approved by the WEDC Board of Directors, this budget will come back to City Council for final approval at the July 23<sup>rd</sup> City Council Meeting.

As a reference, below is section 7.02 of the Wylie EDC Bylaws regarding the Budget:

**ARTICLE VII  
FINANCIAL ADMINISTRATION**

The Corporation may contract with the City for financial and accounting services. The Corporation's financing and accounting records shall be maintained according to the following guidelines:

7.01 Fiscal Year

The fiscal year of Corporation shall begin on October 1 and end on September 30 of the following year.

7.02 Budget

A budget for the forthcoming fiscal year shall be submitted to, and approved by, the Board of Directors and the City Council of the City of Wylie. In submitting the budget to the City Council, the Board of Directors shall submit the budget on forms prescribed by the City Manager and in accordance with the annual budget preparation schedule as set forth by the City Manager. The budget shall be submitted to the City Manager for inclusion in the annual budget presentation to the City Council.

7.03 Contracts

As provided in Article V above, the President and Secretary shall execute any contracts or other

Attachments:

- WEDC Narrative
- WEDC Department Overview
- WEDC Fund Balance Summary
- WEDC Debt Service Detail
- WEDC Revenue Projections
- WEDC Expense Projections