

**AGENDA REPORT**

**Meeting Date:** July 19, 2023  
**Prepared By:** Jason Greiner  
**Date Prepared:** 7-12-23

**Item Number:** 1  
**Account Code:** \_\_\_\_\_  
**Exhibits:** 5

**Subject**

Consider and act upon the approval of the FY 2023-2024 WEDC Budget.

**Recommendation**

Staff recommends that the Board approve the FY 2023-2024 WEDC Budget as presented.

**Discussion**

The FY 23-24 Draft Budget has been attached for your review. For FY23, the WEDC estimates \$18,512,898 in available resources which includes a beginning fund balance of \$11,159,767. Staff estimates the following WEDC Revenues: \$4,536,561 in Sales Tax Receipts, \$2,655,970 in proceeds from the Sale of WEDC owned properties, \$48,600 in Rental Income and \$112,000 in allocated interest earnings.

Expenses for FY24 are estimated at \$16,427,451. Personnel Services are up from \$439,008 to \$629,900, Incentives are down from \$3,209,183 to \$1,929,250, Debt Service stayed the same at \$1,231,998, and the WEDC’s Capital Outlay (Land/Purchase) has \$1,000,000 budgeted. The biggest increase again this year can be found in Special Services. Working with the finance department last year, staff reclassified the WEDC Expenses in Infrastructure Projects (Streets & Alleys) to the 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: Up from \$439,008 to \$629,900 with requested new personnel (1 FT & 1 PT)
- Special Services:
  - SpecServ Misc: up from \$34,770 to \$37,270
  - SpecServ Real Estate: down from \$276,300 to \$234,500
    - Includes \$173,500 in Demolition of WEDC Properties
  - SpecServ Infrastructure (Streets & Alleys): up from \$8,375,000 to \$10,324,000
    - Includes infrastructure for the 544 Gateway Addition at \$2,150,000, Cooper Plaza: \$6,650,000, and Eubanks Gas Line Extension for over \$600,000

- Advertising: up from \$129,100 to \$226,125 with additional tourism and regional Mkt efforts
- Engineering: up from \$87,500 to \$530,175 due to the number of active infrastructure projects

Staff estimates a FY24 ending fund balance of \$2,085,447.

Initial City Council discussion took place on 7/11/23. Upon WEDC Board approval, Staff will present the final FY24 Budget to City Council on 7/25/23.

Attachments:

- WEDC Narrative
- WEDC Department Summary
- WEDC Fund Balance Summary
- WEDC Revenue/Expense Base Summary
- WEDC Debt Service Detail