

Meeting Date: July 16, 2025

Item Number: 4

Prepared By: Jason Greiner

Subject

Consider and act upon the approval of the FY 2025-2026 WEDC Budget.

Recommendation

Staff recommends that the Board approve the FY 2025-2026 WEDC Budget as presented.

Discussion

The FY 25-26 Draft Budget documents have been attached for your review.

For FY26, the WEDC estimates \$13,998,431 in available resources, which includes a beginning fund balance of \$5,677,884. Staff estimates the following WEDC Revenues: \$5,389,434 in Sales Tax Receipts, \$2,898,313 in proceeds from the Sale of WEDC-owned properties, \$22,800 in Rental Income, and \$10,000 in allocated interest earnings.

Expenses for FY26 are estimated at \$10,314,213. Personnel Services increased from \$666,499 to \$776,716, and Incentives decreased from \$1,741,250 to \$1,510,000. Debt Service is projected to increase from \$1,231,998 to \$1,883,248 (with a proposed \$7MM increase to debt service at the end of FY25), and the WEDC has an additional \$1,000,000 in reserve for future land acquisition. As the City Council will recall in recent years, staff has reclassified the WEDC Expenses in Infrastructure Projects (Streets & Alleys) to Special Services. These expenses were once 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 accurately track the taxable versus non-taxable nature of these expenses for reporting purposes, due to the Series 2022 Note in the amount of \$8.1 million.

Notable Changes:

- Personnel Services: up from \$666,499 to \$776,716
 - Requesting one position in early FY26 for cross-training due to retirement.
- Special Services Real Estate: up from \$71,000 to \$221,000 due to site development (RBP)
- Special Services Infrastructure: down from \$9,020,667 to \$3,200,000
 - Includes Ballard/Oak/Jackson/Marble Downtown Striping/Parking, Alanis Water/Sewer improvements, RBP- Hooper/Steel Infrastructure, and Hwy 78 sidewalk from Marble to Oak.
- Engineering Services: Up from \$885,300 to \$960,300
 - Includes General Engineering, RBP Construction Plans, Downtown Parking Design, Downtown Building Civils, Downtown Building Architectural, 544 Corridor Civils, Environmental, and Misc Surveys/Concepts.
- Debt Service: Up from \$1,231,998 to \$1,883,249

- Projected increase related to Executive Session discussions and Confidential Project.

Staff estimates the FY26 ending fund balance of \$3,684,218.

Once approved by the WEDC Board of Directors, this budget will come back to City Council for final approval at the July 22nd 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