

# Wylie City Council Regular Meeting

January 24, 2023 – 6:00 PM

Council Chambers - 300 Country Club Road, Building #100, Wylie, Texas 75098



---

## CALL TO ORDER

## INVOCATION & PLEDGE OF ALLEGIANCE

## COMMENTS ON NON-AGENDA ITEMS

*Any member of the public may address Council regarding an item that is not listed on the Agenda. Members of the public must fill out a form prior to the meeting in order to speak. Council requests that comments be limited to three minutes for an individual, six minutes for a group. In addition, Council is not allowed to converse, deliberate or take action on any matter presented during citizen participation.*

## CONSENT AGENDA

*All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

- A. Consider, and act upon, approval of the January 10, 2023 Regular City Council Meeting minutes.
- B. Consider, and act upon, the City of Wylie Monthly Revenue and Expenditure Report for December 31, 2022.
- C. Consider, and place on file, the City of Wylie Monthly Investment Report for December 31, 2022.
- D. Consider, and place on file, the monthly Revenue and Expenditure Report for the Wylie Economic Development Corporation as of November 30, 2022.
- E. Consider, and place on file, the monthly Revenue and Expenditure Report for the Wylie Economic Development Corporation as of December 31, 2022.
- F. Consider, and act upon, approving the revised Financial Management Policies.
- G. Consider, and act upon, the approval of the 2023 Procurement Manual.
- H. Consider, and act upon, Ordinance No. 2023-04 for a change in zoning from Commercial Corridor (CC) to Commercial Corridor - Special Use Permit (CC-SUP) to allow for an auto sales use on 1.27 acres located at 2021 N. State Highway 78 (ZC 2022-15).
- I. Consider, and act upon, Ordinance No. 2023-05 for a change in zoning from Downtown Historic District (DTH) to Downtown Historic District - Special Use Permit (DTH-SUP) to allow for a brewery, food truck park, and events center within the Downtown Historic District, property located at 106 N. Birmingham Street (ZC 2022-16).
- J. Consider, and act upon, Ordinance No. 2023-06 for a change in zoning from Downtown Historic District – Residential only to allow Commercial and/or Residential uses, located at 280 W. Brown St. within the Downtown Historic District (ZC 2022-18).

## REGULAR AGENDA

1. Hold a Public Hearing to discuss the need to continue, abolish or modify the City of Wylie Juvenile Curfew Ordinance No. 2020-22.
2. Present, and place on file, the Wylie Economic Development Corporation 2022 Annual Report.
3. Consider, and act upon, acceptance of the Annual Comprehensive Financial Report (ACFR) for FY 2021-22 following a presentation by the audit firm Weaver, LLP.
4. Consider, and act upon, the acceptance of the resignation of Tim Gilchrist and the appointment of a new board member to the City of Wylie Economic Development Corporation to fill the term of January 2023 to June 30, 2023.

## EXECUTIVE SESSION

### **Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING.**

A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on its negotiating position.

ES1. Consider the sale or acquisition of properties located at Country Club/Brown and FM 544/Sanden.

## RECONVENE INTO OPEN SESSION

*Take any action as a result from Executive Session.*

## READING OF ORDINANCES

*Title and caption approved by Council as required by Wylie City Charter, Article III, Section 13-D.*

## ADJOURNMENT

## CERTIFICATION

I certify that this Notice of Meeting was posted on January 20, 2023 at 5:00 p.m. on the outside bulletin board at Wylie City Hall, 300 Country Club Road, Building 100, Wylie, Texas, a place convenient and readily accessible to the public at all times.

---

*Stephanie Storm, City Secretary*

---

*Date Notice Removed*

The Wylie Municipal Complex is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Secretary's Office at 972.516.6020. Hearing impaired devices are available from the City Secretary prior to each meeting.

If during the course of the meeting covered by this notice, the City Council should determine that a closed or executive meeting or session of the City Council or a consultation with the attorney for the City should be held or is required, then such closed or executive meeting or session or consultation with attorney as authorized by the Texas Open Meetings Act, Texas Government Code § 551.001 et. seq., will be held by the City Council at the date, hour and place given in this notice as the City Council may conveniently meet in such closed or executive meeting

or session or consult with the attorney for the City concerning any and all subjects and for any and all purposes permitted by the Act, including, but not limited to, the following sanctions and purposes:

Texas Government Code Section:

§ 551.071 – Private consultation with an attorney for the City.

§ 551.072 – Discussing purchase, exchange, lease or value of real property.

§ 551.074 – Discussing personnel or to hear complaints against personnel.

§ 551.087 – Discussing certain economic development matters.

§ 551.073 – Discussing prospective gift or donation to the City.

§ 551.076 – Discussing deployment of security personnel or devices or security audit.



# Wylie City Council

---

## AGENDA REPORT

Department: City Secretary  
Prepared By: Stephanie Storm

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, approval of the January 10, 2023 Regular City Council Meeting minutes.

### Recommendation

Motion to approve the Item as presented.

### Discussion

The minutes are attached for your consideration.



# Wylie City Council Regular Meeting Minutes

January 10, 2023 – 6:00 PM

Council Chambers - 300 Country Club Road, Building #100, Wylie, Texas 75098



## CALL TO ORDER

Mayor Matthew Porter called the regular meeting to order at 6:00 p.m. The following City Council members were present: Councilman David R. Duke, Councilman Dave Strang, Mayor *pro tem* Jeff Forrester, Councilman Scott Williams, Councilman Timothy T. Wallis, and Councilman Garrett Mize.

City Manager Brent Parker; Deputy City Manager Renae Ollie; Assistant Police Chief Tommy Walters; Finance Director Melissa Brown; Fire Chief Brandon Blythe; Digital Media Specialist Kristina Kelly; City Secretary Stephanie Storm; Community Services Director Jasen Haskins; Wylie Economic Development Executive Director Jason Greiner; and various support staff.

## INVOCATION & PLEDGE OF ALLEGIANCE

Mayor *pro tem* Forrester led the invocation and Councilman Strang led the Pledge of Allegiance.

## PRESENTATIONS & RECOGNITIONS

### PR1. Shining the Wylie Way Students.

Mayor Porter, WISD School Board President Stacie Smith, and WISD Superintendent David Vinson presented medallions to students demonstrating “Shining the Wylie Way.” Every nine weeks one student from each WISD campus is chosen as the “Wylie Way Student.”

## COMMENTS ON NON-AGENDA ITEMS

*Any member of the public may address Council regarding an item that is not listed on the Agenda. Members of the public must fill out a form prior to the meeting in order to speak. Council requests that comments be limited to three minutes for an individual, six minutes for a group. In addition, Council is not allowed to converse, deliberate or take action on any matter presented during citizen participation.*

Robert Heath addressed Council thanking staff, the EDC, and Council for all that they do.

## CONSENT AGENDA

*All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

- A. Consider, and act upon, approval of the December 13, 2022 Regular City Council Meeting minutes.
- B. Consider, and act upon, the City of Wylie Monthly Revenue and Expenditure Report for November 30, 2022.
- C. Consider, and place on file, the City of Wylie Monthly Investment Report for November 30, 2022.

- D. Consider, and act upon, Ordinance No. 2023-01 amending Ordinance No. 2022-56, which established the budget for fiscal year 2022-2023; providing for repealing, savings and severability clauses; and providing for an effective date of this ordinance.
- E. Consider, and act upon, a Preliminary Plat for City Center, Lot 1, Block A, establishing one commercial lot on 1.169 acres, located at 791 S. State Highway 78.
- F. Consider, and act upon, a Final Plat of Woodbridge Crossing Addition, Lot 17R-3, Block A, being an amended plat of Lot 17R, Woodbridge Crossing Addition, establishing one commercial lot on 7.2915 acres, located at 3026 W. FM 544.
- G. Consider, and act upon, Ordinance No. 2023-02 regarding a change in zoning from Commercial Corridor (CC) to Planned Development - Commercial Corridor (PD-CC) to allow for commercial uses on 11.622 acres generally located on the southwest corner of State Highway 78 and Brown Street (ZC 2022-13).
- H. Consider, and place on file, the Animal Shelter Advisory Board report to City Council.
- I. Consider, and act upon, the approval for the demolition of a residential structure in accordance with Ordinance No. 2022-34. Property located at 200 W. Brown St. within the Downtown Historic District.
- J. Consider, and act upon, the approval of the purchase of uniform clothing, footwear, and uniform services from Cintas Corporation in the estimated annual amount of \$50,000.00 through an annual cooperative purchasing contract with OMNIA Partners Purchasing Cooperative, and authorizing the City Manager to execute any necessary documents.

#### **Council Action**

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Williams, to approve the Consent Agenda as presented. A vote was taken and the motion passed 7-0.

#### **REGULAR AGENDA**

- 1. **Tabled from 12-13-2022**  
*Remove from table and consider*

#### **Council Action**

A motion was made by Councilman Mize, seconded by Councilman Williams, to remove Item 1 from the table to consider. A vote was taken and the motion passed 7-0.

**Hold a Public Hearing, consider, and act upon, a change in zoning from Commercial Corridor (CC) to Commercial Corridor - Special Use Permit (PD-SUP) to allow for an auto sales use on 1.27 acres located at 2021 N. State Highway 78 (ZC 2022-15).**

#### **Staff Comments**

Community Services Director Haskins addressed Council stating on December 13, 2022, the City Council tabled this item in order for staff to discuss with the applicant the financing side of the automotive sales use. The applicant has stated that all financing will be off-site; therefore, the SUP conditions have been updated to ensure that an alternative financial institution will not be allowed on the site.

#### **Council Comments**

Councilman Williams confirmed the proposed number of parking spaces meets the minimum requirements and asked if anything could be included in the Planned Development (PD) to restrict overflow parking at neighboring businesses. Haskins replied verbiage could be added; however, the properties surrounding this area have not been developed yet and added they are not a major automotive repair facility, and the City does have public nuisance

provisions in place. Williams stated if staff feels comfortable with enforcing this potential issue without adding verbiage in the PD he is comfortable with that. Haskins replied there are laws in place that would prohibit this potential issue. Mayor *pro tem* Forrester stated he shared the same concern and gave an example of a minor automotive repair facility in the City that has overflow parking in neighboring businesses. Forrester asked if the staff sees a shared parking agreement in the future between surrounding businesses. Mayor Porter asked if verbiage could be added that cross-parking is prohibited in the PD. Haskins stated the applicant could request a shared parking agreement in the future and staff could prohibit the possibility in the future. Deputy City Manager Ollie added a shared parking agreement would have to come before Council to be considered, and language could be added to the PD for this particular property only (Lot 1, Block A) that states all parking has to be onsite. Councilman Wallis added future businesses may not mind overflow parking on their property if they are not utilizing it and would not want to include verbiage that would prohibit those businesses from bringing a shared parking agreement back to Council for consideration.

### **Public Hearing**

Mayor Porter opened the public hearing on Item 1 at 6:31 p.m. asking anyone present wishing to address Council to come forward.

Barzan Abdulhameed, the applicant, addressed Council stating he owns the entire property and it will all be one business.

Mayor Porter closed the public hearing at 6:34 p.m.

### **Council Action**

A motion was made by Councilman Mize, seconded by Councilman Wallis, to approve Item 1 as presented. A vote was taken and the motion passed 6-1 with Mayor *pro tem* Forrester voting against.

2. **Hold a Public Hearing, consider, and act upon, Ordinance No. 2023-03 regarding an Amendment to the City of Wylie Zoning Ordinance, Article 5.1 Land Use Charts and Article 5.2 Listed Uses as they relate to Accessory and Temporary Uses of Donation Boxes (ZC 2022-19).**

### **Staff Comments**

Community Services Director Haskins addressed Council stating at the November 2022 City Council meeting a work session was held on a potential amendment to the Zoning Ordinance regarding donation boxes. Staff presented proposed amendments which Council generally agreed on and asked staff to finalize the amendments for adoption. Included in the proposed amendments is allowing one donation box per five acres on large developments. The Planning and Zoning Commission voted 5-0 to recommend approval.

### **Council Comments**

Mayor Porter added the temporary permits would be good for 90 days with the potential to apply for an additional 30 days. Mayor *pro tem* Forrester clarified the 90 days with the 30-day extension was annual. Haskins replied that is correct. Councilman Williams confirmed there is a difference between manned and unmanned units written into the proposed Ordinance. Haskins confirmed that the Ordinance does address the two units.

### **Public Hearing**

Mayor Porter opened the public hearing on Item 2 at 6:38 p.m. asking anyone present wishing to address Council to come forward.

No one came forward for the public hearing.

Mayor Porter closed the public hearing at 6:39 p.m.

### **Council Action**

A motion was made by Councilman Strang, seconded by Councilman Mize, to approve Item 2 as presented. A vote was taken and the motion passed 7-0.

3. **Hold a Public Hearing, consider, and act upon, a change in zoning from Downtown Historic District (DTH) to Downtown Historic District - Special Use Permit (DTH-SUP) to allow for a brewery, food truck park, and events center within the Downtown Historic District, property located at 106 N. Birmingham Street (ZC 2022-16).**

### **Staff Comments**

Community Services Director Haskins addressed Council stating the applicant is requesting a Special Use Permit (SUP) to allow for a brewery, food truck park, and events center use at 106 N. Birmingham Street. The SUP conditions allow the Brewery, Food Truck Park, and Events Center as uses while setting hours of operation, parking requirements, and design standards. The SUP standards eliminate the distance requirement from any existing or future schools, churches, or alcohol establishments where normally, those distance requirements are 300 feet. The applicant is requesting that no parking be required on site. There are 22 off-street parking spaces within 150 feet, 75+ additional within 300 feet, and Oak Street is wide enough to allow for some on-street parking. The applicant is requesting that the company's trademark colors be allowed in the design of the building. Those colors are generally represented in the Zoning Exhibit. The Historic Review Commission discussed the zoning request at their November 17, 2022 meeting, ultimately voting 5-0 to recommend approval with conditions on the hours of operation being restricted to closing at 9 p.m. Monday through Thursday and closing at 12 a.m. on Friday through Sunday. The Planning and Zoning Commission voted 5-0 to recommend approval. Haskins reported notices were sent to 13 property owners within 200 feet as required by state law and at the time of posting one response was received in favor and one in opposition of the request. Haskins further explained that currently there are no schools, churches, or alcohol establishments within the distance requirements; however, the applicant is requesting the variance in the SUP in the event of any potential future businesses that may come in before the brewery is opened, which would then require the applicant to come back before Council for separate approval.

### **Council Comments**

Mayor *pro tem* Forrester asked if the offsite parking takes into consideration the recent discussions regarding potential future traffic flow patterns and parking arrangements. Haskins replied staff did review it under the current conditions with the knowledge of future improvements in the area. Forrester asked for the timeline of the project. Haskins replied he was unsure but the applicant was present. Councilman Wallis asked where the food trucks would be parked, and wanted to ensure the theme and decor mesh well with the Downtown Historic District. Haskins replied the applicant will have to provide a site plan and last staff had discussed with the applicant they were thinking about allowing the food truck in a parking space in the alley, and regarding the theme and decor the HRC did request that they lower the signage to be no higher than the surrounding rooftops. Forrester asked about the comment form that was received in opposition stating that the architecture does not fit the historic downtown and asked if the HRC is satisfied with what is proposed downtown. Ollie replied that according to the definitions for the HRC, this building is non-contributing as it has no historical value to the building except that it is old. The Commission focused on what is being proposed which enhances what is currently there, and putting the proposed sign on the building gives it the "old" character.

Steve Schoenekase, the applicant, addressed Council giving a history of the business originating from his great-grandfather's Glen Echo Dairy farm founded in the late 1800s in Illinois sharing the same name and logo. Schoenekase stated the original colors from the dairy farm were orange and brown so to liven it up a little the brown was changed to Bavarian blue as he is a descendant of Germany and his great-grandfather learned the craft of dairy farming in Bavaria. Schoenekase added an old historic font that will be used on the signage and the sign will be lowered and pulled out in front of the business. Schoenekase stated the intent of this business is to provide a gathering place for families and friends to hang out.

Councilman Wallis asked where the parking for food trucks would be. Schoenekase replied a pad in the back of the alley will be a designated food truck parking space. Mayor Porter confirmed power would be provided for the food truck. Schoenekase replied yes it will be provided from the building so that they do not have to utilize generators. Councilman Williams asked what the round blue figures are in the exhibit. Schoenekase replied they are metal barrels that will be used to help delineate the patio space. Williams asked how many employees and patrons will be there at a given time. Schoenekase replied about four to six employees, and there will be seating for 60-80 inside and 40-60 outside. Williams stated he loved the idea but expressed concerns with the lack of parking on Birmingham

and onsite, and asked if the applicant would be open to reducing the patio space. Schoenekase replied if they cut the patio space in half it would no longer be usable and stated some examples of other local breweries that have no onsite parking. Councilman Mize stated he was excited about the idea, and while he understands the parking concerns added there is public parking along Jackson St. as well as two additional parking lots on Jackson St., and with those, feels there should be adequate parking available and people will be willing to walk a block or two. Schoenekase stated they hope to open this summer.

### **Public Hearing**

Mayor Porter opened the public hearing on Item 3 at 7:04 p.m. asking anyone present wishing to address Council to come forward.

James Alexander, owner of the Blend on Ballard, stated he thought this was a great concept but expressed concerns with the food trucks hindering and hurting small businesses in downtown Wylie and added they should try to utilize the downtown food businesses.

Marvin Fuller addressed Council stating he likes the concept and idea, and expressed concerns with no onsite parking and the food truck being located in the alley, and believes a lot of the concerns can be alleviated if the EDC is successful with gaining the additional parking along the railroad and maybe at that time allow food trucks.

DJ Shirley addressed Council stating this would be a good addition to downtown and would bring commerce and people to downtown.

Mayor Porter closed the public hearing at 7:10 p.m.

### **Applicant Comments**

Debbie Schoenekase, the applicant, responded to some of the concerns stating they would not have a food truck every day as their focus would be making beer and providing an area for people to come and hang out. They would only have one to two food trucks at a time and are open to having local businesses set up tables inside the brewery to serve at. Schoenekase stated they want this to be beneficial for all of Wylie and do not want to take anything away from other businesses and will work with other businesses on their hours of operation.

### **Council Action**

A motion was made by Councilman Strang, seconded by Mayor *pro tem* Forrester, to approve Item 3 as presented. A vote was taken and the motion passed 6-1 with Councilman Williams voting against.

- 4. Hold a Public Hearing, consider, and act upon, a change in zoning from Downtown Historic District – Residential only to allow Commercial and/or Residential uses, located at 280 W. Brown Street within the Downtown Historic District (ZC 2022-18).**

### **Staff Comments**

Community Services Director Haskins addressed Council stating per Section 6.3 of the Zoning Ordinance, the Downtown Historic (DTH) District allows for both commercial and/or residential uses in the same structure; however, some properties are restricted to residential uses only as adopted by Ordinance No. 2015-08. This request is to rezone 280 W. Brown Street from DTH-residential only to DTH-commercial and/or residential. In March 2022, the adjacent lot at 401 N. Keefer was rezoned by Ordinance No. 2022-25 to allow for commercial and/or residential uses. The Historic Review Commission and the Planning and Zoning Commission both voted 5-0 to recommend approval as presented. Notifications were mailed to 24 surrounding property owners with one response received in favor of the request.

### **Public Hearing**

Mayor Porter opened the public hearing on Item 4 at 7:15 p.m. asking anyone present wishing to address Council to come forward.

No one came forward for the public hearing.

Mayor Porter closed the public hearing at 7:15 p.m.

### **Council Action**

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to approve Item 4 as presented. A vote was taken and the motion passed 7-0.

- 5. Consider, and act upon, Resolution No. 2023-01(R) establishing a public newspaper of general circulation to be the “Official Newspaper” for the City of Wylie.**

### **Staff Comments**

City Secretary Storm addressed Council stating each year the Council has to establish an official newspaper for the City of Wylie for publication purposes, and staff included pricing for both the Wylie News and Dallas Morning News in the agenda packet for Council’s consideration.

### **Council Action**

A motion was made by Councilman Strang, seconded by Mayor *pro tem* Forrester, to approve Resolution No. 2023-01(R) establishing the Wylie News as the “Official Newspaper” of the City of Wylie. A vote was taken and the motion passed 7-0.

## **EXECUTIVE SESSION**

Mayor Porter convened the Council into Executive session at 7:18 p.m.

### **Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING.**

A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on its negotiating position.

- ES1. Consider the sale or acquisition of properties located at Ballard/Brown, Brown/Eubanks, FM 544/Cooper, FM 544/Sanden, Jackson/Oak, Regency/Steel, State Hwy 78/Alanis, State Hwy 78/Ballard, and State Hwy 78/Brown.**

### **Sec. 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING.**

This chapter does not require a governmental body to conduct an open meeting:

- (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or
- (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

- ES2. Deliberation regarding commercial or financial information that the WEDC has received from a business prospect and to discuss the offer of incentives for Projects: 2013-9a, 2017-6a, 2021-2d, 2021-5a, 2021-6a, 2021-6c, 2021-8a, 2021-9a, 2021-9b, 2021-9f, 2021-11a, 2022-1b, 2022-4d, 2022-7b, 2022-7c, 2022-8b, 2022-9f, 2022-10d, 2022-11a, and 2022-12a.**

## **RECONVENE INTO OPEN SESSION**

*Take any action as a result from Executive Session.*

Mayor Porter reconvened the Council into Open Session at 7:51 p.m.

**Council Action**

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to authorize the Wylie EDC to enter into a Performance Agreement with Project 2021-11a in an amount not to exceed \$30,000. A vote was taken and the motion passed 7-0.

**READING OF ORDINANCES**

*Title and caption approved by Council as required by Wylie City Charter, Article III, Section 13-D.*

City Secretary Storm read the captions to Ordinance Nos. 2023-01, 2023-02, and 2023-03 into the official record.

**ADJOURNMENT**

A motion was made by Councilman Strang, seconded by Mayor *pro tem* Forrester, to adjourn the meeting at 7:54 p.m. A vote was taken and the motion passed 7-0.

---

**Matthew Porter, Mayor**

**ATTEST:**

---

**Stephanie Storm, City Secretary**



# Wylie City Council

---

## AGENDA REPORT

Department: Finance  
Prepared By: Melissa Beard

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, the City of Wylie Monthly Revenue and Expenditure Report for December 31, 2022.

### Recommendation

Motion to accept Item as presented.

### Discussion

The Finance Department has prepared the attached reports for the City Council as required by the City Charter.



## CITY OF WYLIE

## MONTHLY FINANCIAL REPORT

December 31, 2022

ACCOUNT DESCRIPTION	ANNUAL BUDGET 2022-2023	CURRENT MONTH ACTUAL 2022-2023	YTD ACTUAL 2022-2023	YTD ACTUAL AS A PERCENT OF BUDGET	Benchmark 25.00%
<b>GENERAL FUND REVENUE SUMMARY</b>					
TAXES	37,234,844	16,054,520	17,831,998	47.89%	A
FRANCHISE FEES	2,802,400	411,394	411,394	14.68%	B
LICENSES AND PERMITS	1,442,750	94,187	224,684	15.57%	C
INTERGOVERNMENTAL REV.	2,429,011	30,765	309,089	12.72%	D
SERVICE FEES	4,338,970	353,470	700,490	16.14%	E
COURT FEES	339,000	20,302	58,522	17.26%	F
INTEREST INCOME	60,000	89,237	225,132	375.22%	G
MISCELLANEOUS INCOME	215,417	8,310	18,223	8.46%	
OTHER FINANCING SOURCES	2,563,305	2,238	2,586,770	100.92%	H
<b>REVENUES</b>	<b>51,425,697</b>	<b>17,064,423</b>	<b>22,366,302</b>	<b>43.49%</b>	
USE OF FUND BALANCE	0	0	0	0.00%	
USE OF CARRY-FORWARD FUNDS	1,711,613	NA	NA	NA	I
<b>TOTAL REVENUES</b>	<b>53,137,310</b>	<b>17,064,423</b>	<b>22,366,302</b>	<b>42.09%</b>	
<b>GENERAL FUND EXPENDITURE SUMMARY</b>					
CITY COUNCIL	95,165	11,141	20,874	21.93%	
CITY MANAGER	1,302,321	137,720	299,826	23.02%	
CITY SECRETARY	391,877	31,167	64,722	16.52%	
CITY ATTORNEY	170,000	0	24,321	14.31%	
FINANCE	1,359,949	357,474	482,898	35.51%	J
FACILITIES	1,051,596	119,612	208,015	19.78%	
MUNICIPAL COURT	580,378	51,062	109,068	18.79%	
HUMAN RESOURCES	817,788	77,578	178,769	21.86%	
PURCHASING	330,531	22,031	52,803	15.98%	
INFORMATION TECHNOLOGY	2,300,559	127,536	711,800	30.94%	K
POLICE	13,371,073	1,501,773	3,217,427	24.06%	
FIRE	12,804,776	1,318,596	2,921,095	22.81%	
EMERGENCY COMMUNICATIONS	2,397,904	205,136	423,637	17.67%	
ANIMAL CONTROL	729,459	67,403	154,052	21.12%	
PLANNING	373,797	38,398	87,072	23.29%	
BUILDING INSPECTION	599,708	39,918	86,679	14.45%	
CODE ENFORCEMENT	279,004	18,327	42,371	15.19%	
STREETS	5,230,598	494,406	805,091	15.39%	
PARKS	2,792,586	283,775	534,058	19.12%	
LIBRARY	2,319,659	237,003	547,227	23.59%	
COMBINED SERVICES	4,403,459	497,815	734,827	16.69%	
<b>TOTAL EXPENDITURES</b>	<b>53,702,187</b>	<b>5,637,871</b>	<b>11,706,632</b>	<b>21.80%</b>	
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>-564,877</b>	<b>11,426,552</b>	<b>10,659,670</b>	<b>20.29%</b>	
A. Property Tax Collections for FY22-23 as of December 31, 2022 are 59.21%, in comparison to FY21-22 for the same time period of 65.16%. Sales tax is on a 2 month lag and only one month has been received and it was 28.51% higher than last year.					
B. Franchise Fees: The majority of franchise fees are recognized in the third and fourth quarter with electric fees making up the majority.					
C. Licenses and Permits: New Dwelling Permits are down 80% from the same period last fiscal year, partially due to rising interest rates.					
D. Intergovernmental Rev: The majority of intergovernmental revenues come from WISD reimbursements and Fire Services which are billed quarterly.					
E. Service Fees: Trash fees are on a one month lag and only two months have been received. The remaining fees are from other seasonal fees.					
F. Court Fees are down 29% from December YTD. Code Fines are down 57% from the same period last fiscal year.					
G. Interest Rates have gone from 1% when the budget was prepared to almost 4% in December 2022. Interest was budgeted conservatively.					
H. Yearly transfer from Utility Fund.					
I. Largest Carry Forward items: \$150,000 for Department Software Solution, \$217,000 for advance vehicle replacements, \$338,840 for ambulance, \$390,000 for Stone Road Rehab.					
J. Colln County Appraisal fee of \$244,870 was paid in December.					
K. Annual maintenance agreements					

## CITY OF WYLIE

## MONTHLY FINANCIAL REPORT

December 31, 2022

ACCOUNT DESCRIPTION	ANNUAL BUDGET 2022-2023	CURRENT MONTH ACTUAL 2022-2023	YTD ACTUAL 2022-2023	YTD ACTUAL AS A PERCENT OF BUDGET	Benchmark 25.00%
<b>UTILITY FUND REVENUES SUMMARY</b>					
SERVICE FEES	25,933,619	2,167,596	4,808,355	18.54%	L
INTEREST INCOME	24,000	58,932	147,357	613.99%	M
MISCELLANEOUS INCOME	70,000	1,635	4,801	6.86%	
OTHER FINANCING SOURCES	0	0	0	0.00%	
<b>REVENUES</b>	<b>26,027,619</b>	<b>2,228,163</b>	<b>4,960,513</b>	<b>19.06%</b>	
USE OF FUND BALANCE	0	NA	0	0	
USE OF CARRY-FORWARD FUNDS	2,276,241	NA	NA	NA	N
<b>TOTAL REVENUES</b>	<b>28,303,860</b>	<b>NA</b>	<b>4,960,513</b>	<b>17.53%</b>	
<b>UTILITY FUND EXPENDITURE SUMMARY</b>					
UTILITY ADMINISTRATION	619,070	75,990	134,194	21.68%	
UTILITIES - WATER	4,458,970	162,004	629,901	14.13%	
CITY ENGINEER	1,111,681	85,210	183,214	16.48%	
UTILITIES - SEWER	1,333,727	84,422	181,135	13.58%	
UTILITY BILLING	1,250,915	94,800	308,305	24.65%	
COMBINED SERVICES	18,380,749	1,178,626	5,680,005	30.90%	O
<b>TOTAL EXPENDITURES</b>	<b>27,155,112</b>	<b>1,681,052</b>	<b>7,116,754</b>	<b>26.21%</b>	
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>1,148,748</b>	<b>547,112</b>	<b>-2,156,241</b>	<b>-8.68%</b>	
<p>L. Most Utility Fund Revenue is on a one month lag and only two months have been received.</p> <p>M. Interest Rates have gone from 1% when the budget was prepared to almost 4% in December 2022. Interest was budgeted conservatively.</p> <p>N. Largest Carry Forward items: Department Software Solutions \$135,730, Pump Station Backup Generators \$1.6M, Newport Harbor Tank Repairs \$130,000 and TXDOT payment \$260,172.</p> <p>O. Annual transfer to the General Fund of \$2.56 million. Other expenses are payments to NTMWD for water minimum and sewer treatment.</p>					



# Wylie City Council

---

## AGENDA REPORT

Department: Finance  
Prepared By: Melissa Beard

Account Code: \_\_\_\_\_

### Subject

Consider, and place on file, the City of Wylie Monthly Investment Report for December 31, 2022.

### Recommendation

Motion to accept the Item as presented.

### Discussion

The Finance Department has prepared the attached reports for the City Council as required by the City Charter.

# City Of Wylie

## 2022-2023 Investment Report December 31, 2022

Money Market Accounts:  
Certificates of Deposit:  
Treasury Bills:  
Treasury Notes:  
Government Agency Notes:

MMA
CCD
T-Bills
T-Notes
AN

Invest. Number	Principal Amount	Type Of Security	Interest Rate	Issuer	Purchase Date	Maturity Date
1	\$15,646,935.33	MMA	3.9799%	Texpool	12/31/2006	NA
2	\$16,192,339.00	MMA	3.9681%	TexStar	3/15/2011	NA
	\$31,839,274.33					

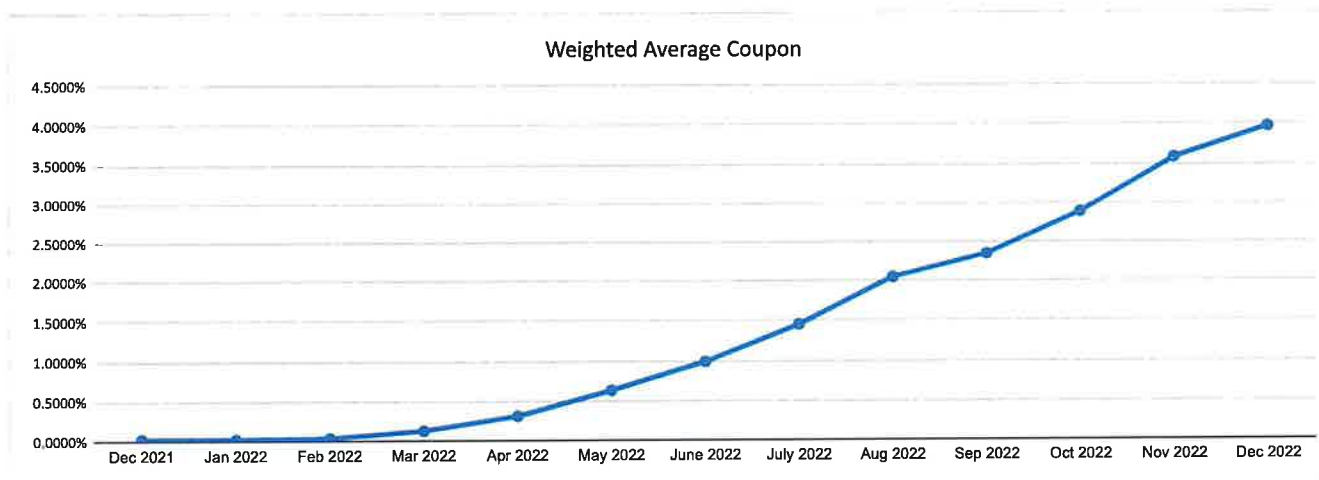
Total

Weighted Average Coupon:  
Weighted Average Maturity (Days):

3.9739%
1.00

Money Markets:  
Certificates of Deposits:

\$31,839,274.33
\$0.00
\$31,839,274.33



*Melina Brown* 1-18-23  
Finance Director/Investment Officer



# Wylie City Council

---

## AGENDA REPORT

Department: WEDC  
Prepared By: Jason Greiner

Account Code: \_\_\_\_\_

### Subject

Consider, and place on file, the monthly Revenue and Expenditure Report for the Wylie Economic Development Corporation as of November 30, 2022.

### Recommendation

Motion to approve the Item as presented.

### Discussion

The Wylie Economic Development Corporation (WEDC) Board of Directors approved the attached financials on December 21, 2022.

# November Rev/Exp Report

## Account Summary

For Fiscal: 2022-2023 Period Ending: 11/30/2022

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>							
<b>Revenue</b>							
<b>Category: 400 - Taxes</b>							
<a href="#">111-4000-40210</a>	SALES TAX	4,124,241.00	4,124,241.00	0.00	0.00	-4,124,241.00	100.00 %
	<b>Category: 400 - Taxes Total:</b>	<b>4,124,241.00</b>	<b>4,124,241.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-4,124,241.00</b>	<b>100.00%</b>
<b>Category: 460 - Interest Income</b>							
<a href="#">111-4000-46110</a>	ALLOCATED INTEREST EARNINGS	6,000.00	6,000.00	0.00	18,470.40	12,470.40	307.84 %
	<b>Category: 460 - Interest Income Total:</b>	<b>6,000.00</b>	<b>6,000.00</b>	<b>0.00</b>	<b>18,470.40</b>	<b>12,470.40</b>	<b>207.84%</b>
<b>Category: 480 - Miscellaneous Income</b>							
<a href="#">111-4000-48110</a>	RENTAL INCOME	134,220.00	134,220.00	1,900.00	1,900.00	-132,320.00	98.58 %
<a href="#">111-4000-48430</a>	GAIN/(LOSS) SALE OF CAP ASSETS	3,915,685.00	3,915,685.00	0.00	0.00	-3,915,685.00	100.00 %
	<b>Category: 480 - Miscellaneous Income Total:</b>	<b>4,049,905.00</b>	<b>4,049,905.00</b>	<b>1,900.00</b>	<b>1,900.00</b>	<b>-4,048,005.00</b>	<b>99.95%</b>
	<b>Revenue Total:</b>	<b>8,180,146.00</b>	<b>8,180,146.00</b>	<b>1,900.00</b>	<b>20,370.40</b>	<b>-8,159,775.60</b>	<b>99.75%</b>
<b>Expense</b>							
<b>Category: 510 - Personnel Services</b>							
<a href="#">111-5611-51110</a>	SALARIES	310,346.40	310,346.40	23,419.20	36,780.53	273,565.87	88.15 %
<a href="#">111-5611-51130</a>	OVERTIME	0.00	0.00	208.37	541.76	-541.76	0.00 %
<a href="#">111-5611-51140</a>	LONGEVITY PAY	914.00	914.00	916.00	916.00	-2.00	-0.22 %
<a href="#">111-5611-51310</a>	TMRS	48,245.30	48,245.30	3,804.27	5,926.96	42,318.34	87.71 %
<a href="#">111-5611-51410</a>	HOSPITAL & LIFE INSURANCE	51,987.17	51,987.17	4,155.35	8,329.71	43,657.46	83.98 %
<a href="#">111-5611-51420</a>	LONG-TERM DISABILITY	1,768.97	1,768.97	52.87	52.87	1,716.10	97.01 %
<a href="#">111-5611-51440</a>	FICA	19,298.12	19,298.12	1,391.99	2,166.94	17,131.18	88.77 %
<a href="#">111-5611-51450</a>	MEDICARE	4,513.27	4,513.27	325.56	506.81	4,006.46	88.77 %
<a href="#">111-5611-51470</a>	WORKERS COMP PREMIUM	854.85	854.85	0.00	970.21	-115.36	-13.49 %
<a href="#">111-5611-51480</a>	UNEMPLOYMENT COMP (TWC)	1,080.00	1,080.00	0.00	0.00	1,080.00	100.00 %
	<b>Category: 510 - Personnel Services Total:</b>	<b>439,008.08</b>	<b>439,008.08</b>	<b>34,273.61</b>	<b>56,191.79</b>	<b>382,816.29</b>	<b>87.20%</b>
<b>Category: 520 - Supplies</b>							
<a href="#">111-5611-52010</a>	OFFICE SUPPLIES	5,000.00	5,000.00	89.69	89.69	4,910.31	98.21 %
<a href="#">111-5611-52040</a>	POSTAGE & FREIGHT	300.00	300.00	0.00	0.00	300.00	100.00 %
<a href="#">111-5611-52810</a>	FOOD SUPPLIES	3,000.00	3,000.00	21.15	21.15	2,978.85	99.30 %
	<b>Category: 520 - Supplies Total:</b>	<b>8,300.00</b>	<b>8,300.00</b>	<b>110.84</b>	<b>110.84</b>	<b>8,189.16</b>	<b>98.66%</b>
<b>Category: 540 - Materials for Maintenance</b>							
<a href="#">111-5611-54610</a>	FURNITURE & FIXTURES	2,500.00	2,500.00	0.00	0.00	2,500.00	100.00 %
<a href="#">111-5611-54810</a>	COMPUTER HARD/SOFTWARE	7,650.00	7,650.00	0.00	0.00	7,650.00	100.00 %
	<b>Category: 540 - Materials for Maintenance Total:</b>	<b>10,150.00</b>	<b>10,150.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,150.00</b>	<b>100.00%</b>
<b>Category: 560 - Contractual Services</b>							
<a href="#">111-5611-56030</a>	INCENTIVES	3,209,183.00	3,209,183.00	0.00	37,069.00	3,172,114.00	98.84 %
<a href="#">111-5611-56040</a>	SPECIAL SERVICES	34,770.00	34,770.00	157.50	3,462.38	31,307.62	90.04 %
<a href="#">111-5611-56041</a>	SPECIAL SERVICES-REAL ESTATE	276,300.00	276,300.00	1,598.42	1,598.42	274,701.58	99.42 %
<a href="#">111-5611-56042</a>	SPECIAL SERVICES-INFRASTRUCTURE	8,375,000.00	8,375,000.00	1,394.88	1,394.88	8,373,605.12	99.98 %
<a href="#">111-5611-56080</a>	ADVERTISING	129,100.00	129,100.00	7,657.77	10,657.77	118,442.23	91.74 %
<a href="#">111-5611-56090</a>	COMMUNITY DEVELOPMENT	54,950.00	54,950.00	4,472.34	5,872.34	49,077.66	89.31 %
<a href="#">111-5611-56110</a>	COMMUNICATIONS	7,900.00	7,900.00	176.96	176.96	7,723.04	97.76 %
<a href="#">111-5611-56180</a>	RENTAL	27,000.00	27,000.00	2,250.00	2,250.00	24,750.00	91.67 %
<a href="#">111-5611-56210</a>	TRAVEL & TRAINING	73,000.00	73,000.00	186.65	5,483.61	67,516.39	92.49 %
<a href="#">111-5611-56250</a>	DUES & SUBSCRIPTIONS	57,824.00	57,824.00	11,193.88	28,405.26	29,418.74	50.88 %
<a href="#">111-5611-56310</a>	INSURANCE	6,303.00	6,303.00	0.00	6,146.31	156.69	2.49 %
<a href="#">111-5611-56510</a>	AUDIT & LEGAL SERVICES	23,000.00	23,000.00	0.00	1,210.00	21,790.00	94.74 %
<a href="#">111-5611-56570</a>	ENGINEERING/ARCHITECTURAL	87,500.00	87,500.00	0.00	0.00	87,500.00	100.00 %

## Budget Report

For Fiscal: 2022-2023 Period Ending: 11/30/2022

	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<a href="#">111-5611-56610</a> UTILITIES-ELECTRIC	2,400.00	2,400.00	211.44	461.31	1,938.69	80.78 %
<b>Category: 560 - Contractual Services Total:</b>	<b>12,364,230.00</b>	<b>12,364,230.00</b>	<b>29,299.84</b>	<b>104,188.24</b>	<b>12,260,041.76</b>	<b>99.16%</b>
<b>Category: 570 - Debt Service &amp; Capital Replacement</b>						
<a href="#">111-5611-57410</a> PRINCIPAL PAYMENT	575,973.97	575,973.97	24,255.03	71,356.05	504,617.92	87.61 %
<a href="#">111-5611-57415</a> INTEREST EXPENSE	656,023.67	656,023.67	22,684.82	78,250.27	577,773.40	88.07 %
<b>Category: 570 - Debt Service &amp; Capital Replacement Total:</b>	<b>1,231,997.64</b>	<b>1,231,997.64</b>	<b>46,939.85</b>	<b>149,606.32</b>	<b>1,082,391.32</b>	<b>87.86%</b>
<b>Category: 580 - Capital Outlay</b>						
<a href="#">111-5611-58110</a> LAND-PURCHASE PRICE	2,090,000.00	2,090,000.00	5,000.00	5,000.00	2,085,000.00	99.76 %
<b>Category: 580 - Capital Outlay Total:</b>	<b>2,090,000.00</b>	<b>2,090,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>2,085,000.00</b>	<b>99.76%</b>
<b>Expense Total:</b>	<b>16,143,685.72</b>	<b>16,143,685.72</b>	<b>115,624.14</b>	<b>315,097.19</b>	<b>15,828,588.53</b>	<b>98.05%</b>
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>-113,724.14</b>	<b>-294,726.79</b>	<b>7,668,812.93</b>	<b>96.30%</b>
<b>Report Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>-113,724.14</b>	<b>-294,726.79</b>	<b>7,668,812.93</b>	<b>96.30%</b>

## Budget Report

For Fiscal: 2022-2023 Period Ending: 11/30/2022

## Group Summary

Categor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>						
<b>Revenue</b>						
400 - Taxes	4,124,241.00	4,124,241.00	0.00	0.00	-4,124,241.00	100.00%
460 - Interest Income	6,000.00	6,000.00	0.00	18,470.40	12,470.40	207.84%
480 - Miscellaneous Income	4,049,905.00	4,049,905.00	1,900.00	1,900.00	-4,048,005.00	99.95%
<b>Revenue Total:</b>	<b>8,180,146.00</b>	<b>8,180,146.00</b>	<b>1,900.00</b>	<b>20,370.40</b>	<b>-8,159,775.60</b>	<b>99.75%</b>
<b>Expense</b>						
510 - Personnel Services	439,008.08	439,008.08	34,273.61	56,191.79	382,816.29	87.20%
520 - Supplies	8,300.00	8,300.00	110.84	110.84	8,189.16	98.66%
540 - Materials for Maintenance	10,150.00	10,150.00	0.00	0.00	10,150.00	100.00%
560 - Contractual Services	12,364,230.00	12,364,230.00	29,299.84	104,188.24	12,260,041.76	99.16%
570 - Debt Service & Capital Replacement	1,231,997.64	1,231,997.64	46,939.85	149,606.32	1,082,391.32	87.86%
580 - Capital Outlay	2,090,000.00	2,090,000.00	5,000.00	5,000.00	2,085,000.00	99.76%
<b>Expense Total:</b>	<b>16,143,685.72</b>	<b>16,143,685.72</b>	<b>115,624.14</b>	<b>315,097.19</b>	<b>15,828,588.53</b>	<b>98.05%</b>
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>-113,724.14</b>	<b>-294,726.79</b>	<b>7,668,812.93</b>	<b>96.30%</b>
<b>Report Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>-113,724.14</b>	<b>-294,726.79</b>	<b>7,668,812.93</b>	<b>96.30%</b>



## Budget Report

For Fiscal: 2022-2023 Period Ending: 11/30/2022

## Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
111 - WYLIE ECONOMIC DEVEL COR	-7,963,539.72	-7,963,539.72	-113,724.14	-294,726.79	7,668,812.93
Report Surplus (Deficit):	-7,963,539.72	-7,963,539.72	-113,724.14	-294,726.79	7,668,812.93

Wylie Economic Development Corporation  
Statement of Net Position  
As of November 30, 2022

**Assets**

Cash and cash equivalents	\$ 11,127,834.40	
Receivables	\$ 40,000.00	Note 1
Inventories	\$ 16,271,495.53	
Prepaid Items	\$ -	
<b>Total Assets</b>	<b>\$ 27,439,329.93</b>	

**Deferred Outflows of Resources**

Pensions	\$ 75,630.55	
<b>Total deferred outflows of resources</b>	<b>\$ 75,630.55</b>	

**Liabilities**

Accounts Payable and other current liabilities	\$ 8,148.26	
Unearned Revenue	\$ 1,200.00	Note 2
Non current liabilities:		
Due within one year	\$ 543,774.87	Note 3
Due in more than one year	\$ 15,681,473.23	
<b>Total Liabilities</b>	<b>\$ 16,234,596.36</b>	

**Deferred Inflows of Resources**

Pensions	\$ (45,385.41)	
<b>Total deferred inflows of resources</b>	<b>\$ (45,385.41)</b>	

**Net Position**

Net investment in capital assets	\$ -	
Unrestricted	\$ 11,234,978.71	
<b>Total Net Position</b>	<b>\$ 11,234,978.71</b>	

Note 1: Includes incentives in the form of forgivable loans for \$40,000 (LUV-ROS)

Note 2: Deposits from rental property

Note 3: Liabilities due within one year includes compensated absences of \$32,301

# Balance Sheet

## Account Summary

As Of 11/30/2022

Account	Name	Balance
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>		
<b>Assets</b>		
<a href="#">111-1000-10110</a>	CLAIM ON CASH AND CASH EQUIV.	11,164,747.20
<a href="#">111-1000-10115</a>	CASH - WEDC - INWOOD	0.00
<a href="#">111-1000-10135</a>	ESCROW	0.00
<a href="#">111-1000-10180</a>	DEPOSITS	2,000.00
<a href="#">111-1000-10198</a>	OTHER - MISC CLEARING	0.00
<a href="#">111-1000-10341</a>	TEXPOOL	0.00
<a href="#">111-1000-10343</a>	LOGIC	0.00
<a href="#">111-1000-10481</a>	INTEREST RECEIVABLE	0.00
<a href="#">111-1000-11511</a>	ACCTS REC - MISC	0.00
<a href="#">111-1000-11517</a>	ACCTS REC - SALES TAX	0.00
<a href="#">111-1000-12810</a>	LEASE PAYMENTS RECEIVABLE	0.00
<a href="#">111-1000-12950</a>	LOAN PROCEEDS RECEIVABLE	0.00
<a href="#">111-1000-12996</a>	LOAN RECEIVABLE	0.00
<a href="#">111-1000-12997</a>	ACCTS REC - JTM TECH	0.00
<a href="#">111-1000-12998</a>	ACCTS REC - FORGIVEABLE LOANS	40,000.00
<a href="#">111-1000-14112</a>	INVENTORY - MATERIAL/ SUPPLY	0.00
<a href="#">111-1000-14116</a>	INVENTORY - LAND & BUILDINGS	16,271,495.53
<a href="#">111-1000-14118</a>	INVENTORY - BAYCO/ SANDEN BLVD	0.00
<a href="#">111-1000-14310</a>	PREPAID EXPENSES - MISC	0.00
<a href="#">111-1000-14410</a>	DEFERRED OUTFLOWS	683,934.00
<b>Total Assets:</b>		<b>28,162,176.73</b>
		<b><u>28,162,176.73</u></b>
<b>Liability</b>		
<a href="#">111-2000-20110</a>	FEDERAL INCOME TAX PAYABLE	0.00
<a href="#">111-2000-20111</a>	MEDICARE PAYABLE	0.00
<a href="#">111-2000-20112</a>	CHILD SUPPORT PAYABLE	0.00
<a href="#">111-2000-20113</a>	CREDIT UNION PAYABLE	0.00
<a href="#">111-2000-20114</a>	IRS LEVY PAYABLE	0.00
<a href="#">111-2000-20115</a>	NATIONWIDE DEFERRED COMP	0.00
<a href="#">111-2000-20116</a>	HEALTH INSUR PAY-EMPLOYEE	5,972.42
<a href="#">111-2000-20117</a>	TMRS PAYABLE	5,522.30
<a href="#">111-2000-20118</a>	ROTH IRA PAYABLE	0.00
<a href="#">111-2000-20119</a>	WORKERS COMP PAYABLE	0.00
<a href="#">111-2000-20120</a>	FICA PAYABLE	0.00
<a href="#">111-2000-20121</a>	TEC PAYABLE	0.00
<a href="#">111-2000-20122</a>	STUDENT LOAN LEVY PAYABLE	0.00
<a href="#">111-2000-20123</a>	ALIMONY PAYABLE	0.00
<a href="#">111-2000-20124</a>	BANKRUPTCY PAYABLE	0.00
<a href="#">111-2000-20125</a>	VALIC DEFERRED COMP	0.00
<a href="#">111-2000-20126</a>	ICMA PAYABLE	0.00
<a href="#">111-2000-20127</a>	EMP. LEGAL SERVICES PAYABLE	0.00
<a href="#">111-2000-20130</a>	FLEXIBLE SPENDING ACCOUNT	1,624.96
<a href="#">111-2000-20131</a>	EDWARD JONES DEFERRED COMP	0.00
<a href="#">111-2000-20132</a>	EMP CARE FLITE	12.00
<a href="#">111-2000-20133</a>	Unemployment Comp Payable	0.01
<a href="#">111-2000-20151</a>	ACCRUED WAGES PAYABLE	0.00
<a href="#">111-2000-20180</a>	ADDIT EMPLOYEE INSUR PAY	90.02
<a href="#">111-2000-20199</a>	MISC PAYROLL PAYABLE	0.00
<a href="#">111-2000-20201</a>	AP PENDING	0.00
<a href="#">111-2000-20210</a>	ACCOUNTS PAYABLE	0.00
<a href="#">111-2000-20530</a>	PROPERTY TAXES PAYABLE	0.00
<a href="#">111-2000-20540</a>	NOTES PAYABLE	683,934.00
<a href="#">111-2000-20810</a>	DUE TO GENERAL FUND	0.00

## Balance Sheet

As Of 11/30/2022

Account	Name	Balance
<a href="#">111-2000-22270</a>	DEFERRED INFLOW	0.00
<a href="#">111-2000-22275</a>	DEF INFLOW - LEASE PRINCIPAL	0.00
<a href="#">111-2000-22280</a>	DEFERRED INFLOW - LEASE INT	0.00
<a href="#">111-2000-22915</a>	RENTAL DEPOSITS	1,200.00
<b>Total Liability:</b>		<b>698,355.71</b>

## Equity

<a href="#">111-3000-34110</a>	FUND BALANCE - RESERVED	0.00
<a href="#">111-3000-34590</a>	FUND BALANCE-UNRESERV/UNDESIG	27,758,547.81
<b>Total Beginning Equity:</b>		<b>27,758,547.81</b>
Total Revenue		20,370.40
Total Expense		315,097.19
<b>Revenues Over/Under Expenses</b>		<b>-294,726.79</b>
<b>Total Equity and Current Surplus (Deficit):</b>		<b>27,463,821.02</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>		<b><u>28,162,176.73</u></b>

## Balance Sheet

As Of 11/30/2022

Account	Name	Balance
<b>Fund: 922 - GEN LONG TERM DEBT (WEDC)</b>		
<b>Assets</b>		
<a href="#">922-1000-10312</a>	GOVERNMENT NOTES	0.00
<a href="#">922-1000-18110</a>	LOAN - WEDC	0.00
<a href="#">922-1000-18120</a>	LOAN - BIRMINGHAM	0.00
<a href="#">922-1000-18210</a>	AMOUNT TO BE PROVIDED	0.00
<a href="#">922-1000-18220</a>	BIRMINGHAM LOAN	0.00
<a href="#">922-1000-19050</a>	DEF OUTFLOW TMRS CONTRIBUTIONS	39,535.29
<a href="#">922-1000-19051</a>	DEF OUTFLOW SDBF CONTRIBUTIONS	3,027.00
<a href="#">922-1000-19075</a>	DEF OUTFLOW - INVESTMENT EXP	-37,953.52
<a href="#">922-1000-19100</a>	DEF OUTFLOW - ACT EXP/ASSUMP	71,021.78
<a href="#">922-1000-19125</a>	(GAIN)/LOSS ON ASSUMPTION CHGS	-44,574.41
<a href="#">922-1000-19126</a>	DEF INFLOW SDBF CONTRIBUTIONS	-811.00
<b>Total Assets:</b>		<b>30,245.14</b>
		<b><u>30,245.14</u></b>
<b>Liability</b>		
<a href="#">922-2000-20310</a>	COMPENSATED ABSENCES PAYABLE	2,264.95
<a href="#">922-2000-20311</a>	COMP ABSENCES PAYABLE-CURRENT	32,300.82
<a href="#">922-2000-21410</a>	ACCRUED INTEREST PAYABLE	29,863.28
<a href="#">922-2000-28205</a>	WEDC LOANS/CURRENT	504,617.92
<a href="#">922-2000-28220</a>	BIRMINGHAM LOAN	0.00
<a href="#">922-2000-28230</a>	INWOOD LOAN	0.00
<a href="#">922-2000-28232</a>	ANB LOAN/EDGE	0.00
<a href="#">922-2000-28233</a>	ANB LOAN/PEDDICORD WHITE	0.00
<a href="#">922-2000-28234</a>	ANB LOAN/RANDACK HUGHES	0.00
<a href="#">922-2000-28235</a>	ANB LOAN	0.00
<a href="#">922-2000-28236</a>	ANB CONSTRUCTION LOAN	0.00
<a href="#">922-2000-28237</a>	ANB LOAN/ WOODBRIDGE PARKWAY	0.00
<a href="#">922-2000-28238</a>	ANB LOAN/BUCHANAN	0.00
<a href="#">922-2000-28239</a>	ANB LOAN/JONES:HOBART PAYOFF	0.00
<a href="#">922-2000-28240</a>	HUGHES LOAN	0.00
<a href="#">922-2000-28242</a>	ANB LOAN/HWY 78:5TH ST REDEV	0.00
<a href="#">922-2000-28245</a>	ANB LOAN/DALLAS WHIRLPOOL	0.00
<a href="#">922-2000-28246</a>	GOVCAP LOAN/KIRBY	7,551,644.87
<a href="#">922-2000-28247</a>	JARRARD LOAN	112,611.20
<a href="#">922-2000-28248</a>	GOVCAP LOAN/SERIES 2022	7,817,937.04
<a href="#">922-2000-28250</a>	CITY OF WYLIE LOAN	0.00
<a href="#">922-2000-28260</a>	PRIME KUTS LOAN	0.00
<a href="#">922-2000-28270</a>	BOWLAND/ANDERSON LOAN	0.00
<a href="#">922-2000-28280</a>	CAPITAL ONE CAZAD LOAN	0.00
<a href="#">922-2000-28290</a>	HOBART/COMMERCE LOAN	0.00
<a href="#">922-2000-29150</a>	NET PENSION LIABILITY	185,989.17
<a href="#">922-2000-29151</a>	SDBF LIABILITY	11,026.00
<b>Total Liability:</b>		<b>16,248,255.25</b>
<b>Equity</b>		
<a href="#">922-3000-34590</a>	FUND BALANCE-UNRESERV/UNDESIG	-16,169,102.16
<a href="#">922-3000-35900</a>	UNRESTRICTED NET POSITION	-120,264.00
<b>Total Beginning Equity:</b>		<b>-16,289,366.16</b>
Total Revenue		0.00
Total Expense		-71,356.05
<b>Revenues Over/Under Expenses</b>		<b>71,356.05</b>
<b>Total Equity and Current Surplus (Deficit):</b>		<b>-16,218,010.11</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>		<b><u>30,245.14</u></b>

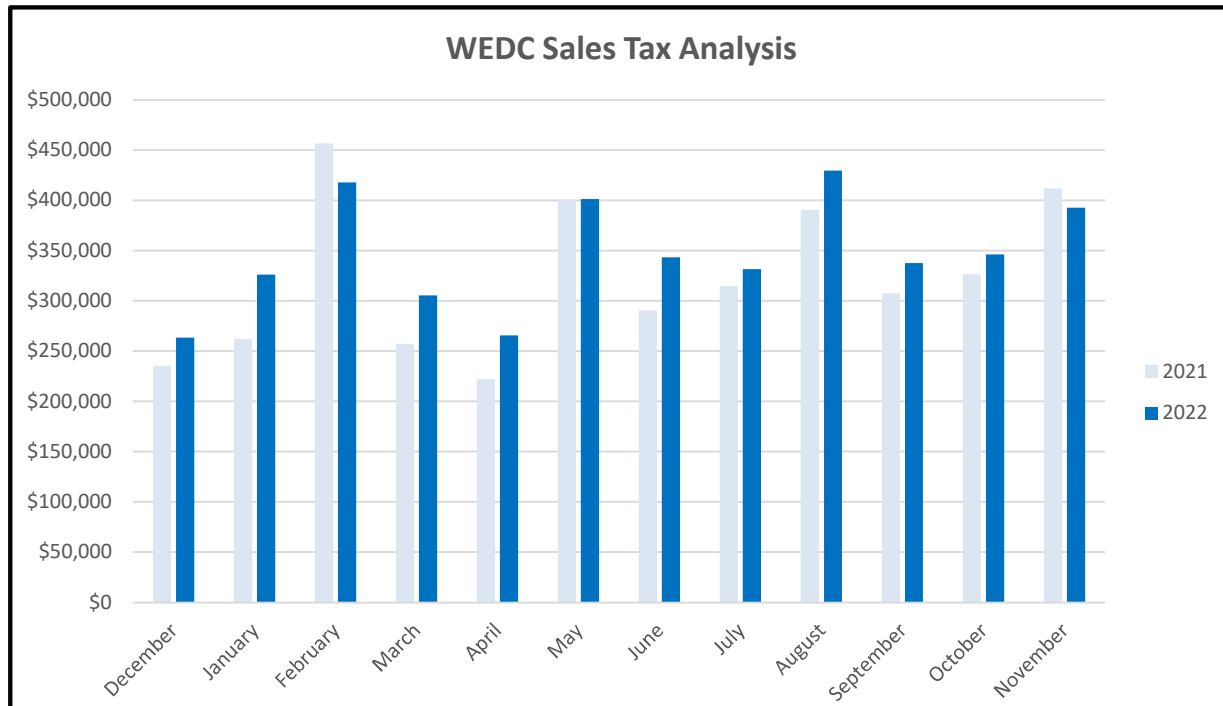
## Wylie Economic Development Corporation

## SALES TAX REPORT

November 30, 2022

## BUDGETED YEAR

MONTH	FY 2019	FY 2020	FY 2021	FY 2022	DIFF 21 vs. 22	% DIFF 21 vs. 22
DECEMBER	\$ 214,867.15	\$ 226,663.94	\$ 235,381.33	\$ 263,577.66	\$ 28,196.33	11.98%
JANUARY	\$ 223,749.61	\$ 218,520.22	\$ 262,263.52	\$ 326,207.92	\$ 63,944.40	24.38%
FEBRUARY	\$ 307,366.66	\$ 362,129.18	\$ 456,571.35	\$ 417,896.79	\$ (38,674.56)	-8.47%
MARCH	\$ 208,222.32	\$ 228,091.34	\$ 257,187.91	\$ 305,605.50	\$ 48,417.59	18.83%
APRIL	\$ 182,499.53	\$ 203,895.57	\$ 221,881.55	\$ 265,773.80	\$ 43,892.25	19.78%
MAY	\$ 274,299.18	\$ 289,224.35	\$ 400,371.70	\$ 401,180.20	\$ 808.50	0.20%
JUNE	\$ 234,173.88	\$ 239,340.35	\$ 290,586.92	\$ 343,371.26	\$ 52,784.34	18.16%
JULY	\$ 215,107.94	\$ 296,954.00	\$ 314,559.10	\$ 331,432.86	\$ 16,873.76	5.36%
AUGUST	\$ 283,602.93	\$ 325,104.34	\$ 390,790.76	\$ 429,696.16	\$ 38,905.40	9.96%
SEPTEMBER	\$ 243,048.40	\$ 259,257.89	\$ 307,681.15	\$ 337,512.61	\$ 29,831.46	9.70%
OCTOBER	\$ 224,875.38	\$ 249,357.02	\$ 326,382.38	\$ 346,236.36	\$ 19,853.99	6.08%
* NOVEMBER	\$ 308,324.41	\$ 384,953.89	\$ 411,813.32	\$ 392,790.84	\$ (19,022.48)	-4.62%
<b>Sub-Total</b>	<b>\$ 2,920,137.37</b>	<b>\$ 3,283,492.09</b>	<b>\$ 3,875,470.98</b>	<b>\$ 4,161,281.96</b>	<b>\$ 285,810.98</b>	<b>9.28%</b>
<b>Total</b>	<b>\$ 2,920,137.37</b>	<b>\$ 3,283,492.09</b>	<b>\$ 3,875,470.98</b>	<b>\$ 4,161,281.96</b>	<b>\$ 285,810.98</b>	<b>9.28%</b>



\* November decrease is due to an audit collections adjustment in the amount of \$179,533.05. Without consideration of the adjustment, collections are still up 6.28% for the month.

\*\*\* Sales Tax collections typically take 2 months to be reflected as Revenue. SlsTx receipts are then accrued back 2 months. Example: November SlsTx Revenue is actually September SlsTx and is therefore the 12th allocation in FY22.



# Wylie City Council

---

## AGENDA REPORT

Department: WEDC  
Prepared By: Jason Greiner

Account Code: \_\_\_\_\_

### Subject

Consider, and place on file, the monthly Revenue and Expenditure Report for the Wylie Economic Development Corporation as of December 31, 2022.

### Recommendation

Motion to approve the Item as presented.

### Discussion

The Wylie Economic Development Corporation (WEDC) Board of Directors approved the attached financials on January 18, 2023.

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>							
<b>Revenue</b>							
<b>Category: 400 - Taxes</b>							
<a href="#">111-4000-40210</a>	SALES TAX	4,124,241.00	4,124,241.00	338,726.54	338,726.54	-3,785,514.46	91.79 %
	<b>Category: 400 - Taxes Total:</b>	<b>4,124,241.00</b>	<b>4,124,241.00</b>	<b>338,726.54</b>	<b>338,726.54</b>	<b>-3,785,514.46</b>	<b>91.79%</b>
<b>Category: 460 - Interest Income</b>							
<a href="#">111-4000-46110</a>	ALLOCATED INTEREST EARNINGS	6,000.00	6,000.00	26,102.17	66,534.84	60,534.84	1,108.91 %
	<b>Category: 460 - Interest Income Total:</b>	<b>6,000.00</b>	<b>6,000.00</b>	<b>26,102.17</b>	<b>66,534.84</b>	<b>60,534.84</b>	<b>1,008.91%</b>
<b>Category: 480 - Miscellaneous Income</b>							
<a href="#">111-4000-48110</a>	RENTAL INCOME	134,220.00	134,220.00	36,267.68	38,167.68	-96,052.32	71.56 %
<a href="#">111-4000-48430</a>	GAIN/(LOSS) SALE OF CAP ASSETS	3,915,685.00	3,915,685.00	0.00	0.00	-3,915,685.00	100.00 %
	<b>Category: 480 - Miscellaneous Income Total:</b>	<b>4,049,905.00</b>	<b>4,049,905.00</b>	<b>36,267.68</b>	<b>38,167.68</b>	<b>-4,011,737.32</b>	<b>99.06%</b>
	<b>Revenue Total:</b>	<b>8,180,146.00</b>	<b>8,180,146.00</b>	<b>401,096.39</b>	<b>443,429.06</b>	<b>-7,736,716.94</b>	<b>94.58%</b>
<b>Expense</b>							
<b>Category: 510 - Personnel Services</b>							
<a href="#">111-5611-51110</a>	SALARIES	310,346.40	310,346.40	35,231.74	72,012.27	238,334.13	76.80 %
<a href="#">111-5611-51130</a>	OVERTIME	0.00	0.00	0.00	541.76	-541.76	0.00 %
<a href="#">111-5611-51140</a>	LONGEVITY PAY	914.00	914.00	0.00	916.00	-2.00	-0.22 %
<a href="#">111-5611-51310</a>	TMRS	48,245.30	48,245.30	5,519.82	11,446.78	36,798.52	76.27 %
<a href="#">111-5611-51410</a>	HOSPITAL & LIFE INSURANCE	51,987.17	51,987.17	4,099.36	12,504.07	39,483.10	75.95 %
<a href="#">111-5611-51420</a>	LONG-TERM DISABILITY	1,768.97	1,768.97	0.00	52.87	1,716.10	97.01 %
<a href="#">111-5611-51440</a>	FICA	19,298.12	19,298.12	2,078.21	4,245.15	15,052.97	78.00 %
<a href="#">111-5611-51450</a>	MEDICARE	4,513.27	4,513.27	486.05	992.86	3,520.41	78.00 %
<a href="#">111-5611-51470</a>	WORKERS COMP PREMIUM	854.85	854.85	0.00	970.21	-115.36	-13.49 %
<a href="#">111-5611-51480</a>	UNEMPLOYMENT COMP (TWC)	1,080.00	1,080.00	0.00	0.00	1,080.00	100.00 %
	<b>Category: 510 - Personnel Services Total:</b>	<b>439,008.08</b>	<b>439,008.08</b>	<b>47,415.18</b>	<b>103,681.97</b>	<b>335,326.11</b>	<b>76.38%</b>
<b>Category: 520 - Supplies</b>							
<a href="#">111-5611-52010</a>	OFFICE SUPPLIES	5,000.00	5,000.00	296.97	386.66	4,613.34	92.27 %
<a href="#">111-5611-52040</a>	POSTAGE & FREIGHT	300.00	300.00	32.90	32.90	267.10	89.03 %
<a href="#">111-5611-52810</a>	FOOD SUPPLIES	3,000.00	3,000.00	293.96	315.11	2,684.89	89.50 %
	<b>Category: 520 - Supplies Total:</b>	<b>8,300.00</b>	<b>8,300.00</b>	<b>623.83</b>	<b>734.67</b>	<b>7,565.33</b>	<b>91.15%</b>
<b>Category: 540 - Materials for Maintenance</b>							
<a href="#">111-5611-54610</a>	FURNITURE & FIXTURES	2,500.00	2,500.00	0.00	0.00	2,500.00	100.00 %
<a href="#">111-5611-54810</a>	COMPUTER HARD/SOFTWARE	7,650.00	7,650.00	0.00	0.00	7,650.00	100.00 %
	<b>Category: 540 - Materials for Maintenance Total:</b>	<b>10,150.00</b>	<b>10,150.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,150.00</b>	<b>100.00%</b>
<b>Category: 560 - Contractual Services</b>							
<a href="#">111-5611-56030</a>	INCENTIVES	3,209,183.00	3,209,183.00	0.00	37,069.00	3,172,114.00	98.84 %
<a href="#">111-5611-56040</a>	SPECIAL SERVICES	34,770.00	34,770.00	7,715.00	11,177.38	23,592.62	67.85 %
<a href="#">111-5611-56041</a>	SPECIAL SERVICES-REAL ESTATE	276,300.00	276,300.00	2,995.42	4,593.84	271,706.16	98.34 %
<a href="#">111-5611-56042</a>	SPECIAL SERVICES-INFRASTRUCTURE	8,375,000.00	8,375,000.00	7,886.58	9,281.46	8,365,718.54	99.89 %
<a href="#">111-5611-56080</a>	ADVERTISING	129,100.00	129,100.00	3,181.75	13,839.52	115,260.48	89.28 %
<a href="#">111-5611-56090</a>	COMMUNITY DEVELOPMENT	54,950.00	54,950.00	12,572.36	18,444.70	36,505.30	66.43 %
<a href="#">111-5611-56110</a>	COMMUNICATIONS	7,900.00	7,900.00	765.20	942.16	6,957.84	88.07 %
<a href="#">111-5611-56180</a>	RENTAL	27,000.00	27,000.00	4,500.00	6,750.00	20,250.00	75.00 %
<a href="#">111-5611-56210</a>	TRAVEL & TRAINING	73,000.00	73,000.00	4,136.02	9,619.63	63,380.37	86.82 %
<a href="#">111-5611-56250</a>	DUES & SUBSCRIPTIONS	57,824.00	57,824.00	7,126.81	35,532.07	22,291.93	38.55 %
<a href="#">111-5611-56310</a>	INSURANCE	6,303.00	6,303.00	0.00	6,146.31	156.69	2.49 %
<a href="#">111-5611-56510</a>	AUDIT & LEGAL SERVICES	23,000.00	23,000.00	3,035.00	4,245.00	18,755.00	81.54 %
<a href="#">111-5611-56570</a>	ENGINEERING/ARCHITECTURAL	87,500.00	87,500.00	13,420.00	13,420.00	74,080.00	84.66 %



## Budget Report

For Fiscal: 2022-2023 Period Ending: 12/31/2022

	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<a href="#">111-5611-56610</a> UTILITIES-ELECTRIC	2,400.00	2,400.00	0.00	461.31	1,938.69	80.78 %
<b>Category: 560 - Contractual Services Total:</b>	<b>12,364,230.00</b>	<b>12,364,230.00</b>	<b>67,334.14</b>	<b>171,522.38</b>	<b>12,192,707.62</b>	<b>98.61%</b>
<b>Category: 570 - Debt Service &amp; Capital Replacement</b>						
<a href="#">111-5611-57410</a> PRINCIPAL PAYMENT	575,973.97	575,973.97	47,423.90	141,787.10	434,186.87	75.38 %
<a href="#">111-5611-57415</a> INTEREST EXPENSE	656,023.67	656,023.67	55,242.57	166,212.31	489,811.36	74.66 %
<b>Category: 570 - Debt Service &amp; Capital Replacement Total:</b>	<b>1,231,997.64</b>	<b>1,231,997.64</b>	<b>102,666.47</b>	<b>307,999.41</b>	<b>923,998.23</b>	<b>75.00%</b>
<b>Category: 580 - Capital Outlay</b>						
<a href="#">111-5611-58110</a> LAND-PURCHASE PRICE	2,090,000.00	2,090,000.00	340,441.57	345,441.57	1,744,558.43	83.47 %
<a href="#">111-5611-58995</a> CONTRA CAPITAL OUTLAY	0.00	0.00	-345,441.57	-345,441.57	345,441.57	0.00 %
<b>Category: 580 - Capital Outlay Total:</b>	<b>2,090,000.00</b>	<b>2,090,000.00</b>	<b>-5,000.00</b>	<b>0.00</b>	<b>2,090,000.00</b>	<b>100.00%</b>
<b>Expense Total:</b>	<b>16,143,685.72</b>	<b>16,143,685.72</b>	<b>213,039.62</b>	<b>583,938.43</b>	<b>15,559,747.29</b>	<b>96.38%</b>
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>188,056.77</b>	<b>-140,509.37</b>	<b>7,823,030.35</b>	<b>98.24%</b>
<b>Report Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>188,056.77</b>	<b>-140,509.37</b>	<b>7,823,030.35</b>	<b>98.24%</b>

## Budget Report

For Fiscal: 2022-2023 Period Ending: 12/31/2022

## Group Summary

Categor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>						
<b>Revenue</b>						
400 - Taxes	4,124,241.00	4,124,241.00	338,726.54	338,726.54	-3,785,514.46	91.79%
460 - Interest Income	6,000.00	6,000.00	26,102.17	66,534.84	60,534.84	1,008.91%
480 - Miscellaneous Income	4,049,905.00	4,049,905.00	36,267.68	38,167.68	-4,011,737.32	99.06%
<b>Revenue Total:</b>	<b>8,180,146.00</b>	<b>8,180,146.00</b>	<b>401,096.39</b>	<b>443,429.06</b>	<b>-7,736,716.94</b>	<b>94.58%</b>
<b>Expense</b>						
510 - Personnel Services	439,008.08	439,008.08	47,415.18	103,681.97	335,326.11	76.38%
520 - Supplies	8,300.00	8,300.00	623.83	734.67	7,565.33	91.15%
540 - Materials for Maintenance	10,150.00	10,150.00	0.00	0.00	10,150.00	100.00%
560 - Contractual Services	12,364,230.00	12,364,230.00	67,334.14	171,522.38	12,192,707.62	98.61%
570 - Debt Service & Capital Replacement	1,231,997.64	1,231,997.64	102,666.47	307,999.41	923,998.23	75.00%
580 - Capital Outlay	2,090,000.00	2,090,000.00	-5,000.00	0.00	2,090,000.00	100.00%
<b>Expense Total:</b>	<b>16,143,685.72</b>	<b>16,143,685.72</b>	<b>213,039.62</b>	<b>583,938.43</b>	<b>15,559,747.29</b>	<b>96.38%</b>
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>188,056.77</b>	<b>-140,509.37</b>	<b>7,823,030.35</b>	<b>98.24%</b>
<b>Report Surplus (Deficit):</b>	<b>-7,963,539.72</b>	<b>-7,963,539.72</b>	<b>188,056.77</b>	<b>-140,509.37</b>	<b>7,823,030.35</b>	<b>98.24%</b>

Budget Report

For Fiscal: 2022-2023 Period Ending: 12/31/2022

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
111 - WYLIE ECONOMIC DEVEL COR	-7,963,539.72	-7,963,539.72	188,056.77	-140,509.37	7,823,030.35
Report Surplus (Deficit):	-7,963,539.72	-7,963,539.72	188,056.77	-140,509.37	7,823,030.35

Wylie Economic Development Corporation  
Statement of Net Position  
As of December 31, 2022

**Assets**

Cash and cash equivalents	\$ 10,966,162.22	
Receivables	\$ 40,000.00	Note 1
Inventories	\$ 16,616,937.10	
Prepaid Items	\$ -	
<b>Total Assets</b>	<b>\$ 27,623,099.32</b>	

**Deferred Outflows of Resources**

Pensions	\$ 75,630.55	
<b>Total deferred outflows of resources</b>	<b>\$ 75,630.55</b>	

**Liabilities**

Accounts Payable and other current liabilities	\$ 8,170.14	
Unearned Revenue	\$ 1,200.00	Note 2
Non current liabilities:		
Due within one year	\$ 496,350.97	Note 3
Due in more than one year	\$ 15,681,473.23	
<b>Total Liabilities</b>	<b>\$ 16,187,194.34</b>	

**Deferred Inflows of Resources**

Pensions	\$ (45,385.41)	
<b>Total deferred inflows of resources</b>	<b>\$ (45,385.41)</b>	

**Net Position**

Net investment in capital assets	\$ -	
Unrestricted	\$ 11,466,150.12	
<b>Total Net Position</b>	<b>\$ 11,466,150.12</b>	

*Note 1: Includes incentives in the form of forgivable loans for \$40,000 (LUV-ROS)*

*Note 2: Deposits from rental property*

*Note 3: Liabilities due within one year includes compensated absences of \$32,301*

# Balance Sheet

## Account Summary

As Of 12/31/2022

Account	Name	Balance
<b>Fund: 111 - WYLIE ECONOMIC DEVEL CORP</b>		
<b>Assets</b>		
<a href="#">111-1000-10110</a>	CLAIM ON CASH AND CASH EQUIV.	10,964,162.22
<a href="#">111-1000-10115</a>	CASH - WEDC - INWOOD	0.00
<a href="#">111-1000-10135</a>	ESCROW	0.00
<a href="#">111-1000-10180</a>	DEPOSITS	2,000.00
<a href="#">111-1000-10198</a>	OTHER - MISC CLEARING	0.00
<a href="#">111-1000-10341</a>	TEXPOOL	0.00
<a href="#">111-1000-10343</a>	LOGIC	0.00
<a href="#">111-1000-10481</a>	INTEREST RECEIVABLE	0.00
<a href="#">111-1000-11511</a>	ACCTS REC - MISC	0.00
<a href="#">111-1000-11517</a>	ACCTS REC - SALES TAX	0.00
<a href="#">111-1000-12810</a>	LEASE PAYMENTS RECEIVABLE	0.00
<a href="#">111-1000-12950</a>	LOAN PROCEEDS RECEIVABLE	0.00
<a href="#">111-1000-12996</a>	LOAN RECEIVABLE	0.00
<a href="#">111-1000-12997</a>	ACCTS REC - JTM TECH	0.00
<a href="#">111-1000-12998</a>	ACCTS REC - FORGIVEABLE LOANS	40,000.00
<a href="#">111-1000-14112</a>	INVENTORY - MATERIAL/ SUPPLY	0.00
<a href="#">111-1000-14116</a>	INVENTORY - LAND & BUILDINGS	16,616,937.10
<a href="#">111-1000-14118</a>	INVENTORY - BAYCO/ SANDEN BLVD	0.00
<a href="#">111-1000-14310</a>	PREPAID EXPENSES - MISC	0.00
<a href="#">111-1000-14410</a>	DEFERRED OUTFLOWS	683,934.00
<b>Total Assets:</b>		<b>28,307,033.32</b>
		<b><u>28,307,033.32</u></b>
<b>Liability</b>		
<a href="#">111-2000-20110</a>	FEDERAL INCOME TAX PAYABLE	0.00
<a href="#">111-2000-20111</a>	MEDICARE PAYABLE	0.00
<a href="#">111-2000-20112</a>	CHILD SUPPORT PAYABLE	0.00
<a href="#">111-2000-20113</a>	CREDIT UNION PAYABLE	0.00
<a href="#">111-2000-20114</a>	IRS LEVY PAYABLE	0.00
<a href="#">111-2000-20115</a>	NATIONWIDE DEFERRED COMP	0.00
<a href="#">111-2000-20116</a>	HEALTH INSUR PAY-EMPLOYEE	5,590.11
<a href="#">111-2000-20117</a>	TMRS PAYABLE	0.00
<a href="#">111-2000-20118</a>	ROTH IRA PAYABLE	0.00
<a href="#">111-2000-20119</a>	WORKERS COMP PAYABLE	0.00
<a href="#">111-2000-20120</a>	FICA PAYABLE	0.00
<a href="#">111-2000-20121</a>	TEC PAYABLE	0.00
<a href="#">111-2000-20122</a>	STUDENT LOAN LEVY PAYABLE	0.00
<a href="#">111-2000-20123</a>	ALIMONY PAYABLE	0.00
<a href="#">111-2000-20124</a>	BANKRUPTCY PAYABLE	0.00
<a href="#">111-2000-20125</a>	VALIC DEFERRED COMP	0.00
<a href="#">111-2000-20126</a>	ICMA PAYABLE	0.00
<a href="#">111-2000-20127</a>	EMP. LEGAL SERVICES PAYABLE	0.00
<a href="#">111-2000-20130</a>	FLEXIBLE SPENDING ACCOUNT	2,437.44
<a href="#">111-2000-20131</a>	EDWARD JONES DEFERRED COMP	0.00
<a href="#">111-2000-20132</a>	EMP CARE FLITE	12.00
<a href="#">111-2000-20133</a>	Unemployment Comp Payable	0.01
<a href="#">111-2000-20151</a>	ACCRUED WAGES PAYABLE	0.00
<a href="#">111-2000-20180</a>	ADDIT EMPLOYEE INSUR PAY	130.58
<a href="#">111-2000-20199</a>	MISC PAYROLL PAYABLE	0.00
<a href="#">111-2000-20201</a>	AP PENDING	0.00
<a href="#">111-2000-20210</a>	ACCOUNTS PAYABLE	78,912.61
<a href="#">111-2000-20530</a>	PROPERTY TAXES PAYABLE	0.00
<a href="#">111-2000-20540</a>	NOTES PAYABLE	683,934.00
<a href="#">111-2000-20810</a>	DUE TO GENERAL FUND	0.00

## Balance Sheet

As Of 12/31/2022

Account	Name	Balance
<a href="#">111-2000-22270</a>	DEFERRED INFLOW	0.00
<a href="#">111-2000-22275</a>	DEF INFLOW - LEASE PRINCIPAL	0.00
<a href="#">111-2000-22280</a>	DEFERRED INFLOW - LEASE INT	0.00
<a href="#">111-2000-22915</a>	RENTAL DEPOSITS	1,200.00
<b>Total Liability:</b>		<b>772,216.75</b>

## Equity

<a href="#">111-3000-34110</a>	FUND BALANCE - RESERVED	0.00
<a href="#">111-3000-34590</a>	FUND BALANCE-UNRESERV/UNDESIG	27,675,325.94
<b>Total Beginning Equity:</b>		<b>27,675,325.94</b>
Total Revenue		443,429.06
Total Expense		583,938.43
<b>Revenues Over/Under Expenses</b>		<b>-140,509.37</b>
<b>Total Equity and Current Surplus (Deficit):</b>		<b>27,534,816.57</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>		<b><u>28,307,033.32</u></b>

## Balance Sheet

As Of 12/31/2022

Account	Name	Balance
<b>Fund: 922 - GEN LONG TERM DEBT (WEDC)</b>		
<b>Assets</b>		
<a href="#">922-1000-10312</a>	GOVERNMENT NOTES	0.00
<a href="#">922-1000-18110</a>	LOAN - WEDC	0.00
<a href="#">922-1000-18120</a>	LOAN - BIRMINGHAM	0.00
<a href="#">922-1000-18210</a>	AMOUNT TO BE PROVIDED	0.00
<a href="#">922-1000-18220</a>	BIRMINGHAM LOAN	0.00
<a href="#">922-1000-19050</a>	DEF OUTFLOW TMRS CONTRIBUTIONS	39,535.29
<a href="#">922-1000-19051</a>	DEF OUTFLOW SDBF CONTRIBUTIONS	3,027.00
<a href="#">922-1000-19075</a>	DEF OUTFLOW - INVESTMENT EXP	-37,953.52
<a href="#">922-1000-19100</a>	DEF OUTFLOW - ACT EXP/ASSUMP	71,021.78
<a href="#">922-1000-19125</a>	(GAIN)/LOSS ON ASSUMPTION CHGS	-44,574.41
<a href="#">922-1000-19126</a>	DEF INFLOW SDBF CONTRIBUTIONS	-811.00
<b>Total Assets:</b>		<b>30,245.14</b>
		<b><u>30,245.14</u></b>
<b>Liability</b>		
<a href="#">922-2000-20310</a>	COMPENSATED ABSENCES PAYABLE	2,264.95
<a href="#">922-2000-20311</a>	COMP ABSENCES PAYABLE-CURRENT	32,300.82
<a href="#">922-2000-21410</a>	ACCRUED INTEREST PAYABLE	29,863.28
<a href="#">922-2000-28205</a>	WEDC LOANS/CURRENT	434,186.87
<a href="#">922-2000-28220</a>	BIRMINGHAM LOAN	0.00
<a href="#">922-2000-28230</a>	INWOOD LOAN	0.00
<a href="#">922-2000-28232</a>	ANB LOAN/EDGE	0.00
<a href="#">922-2000-28233</a>	ANB LOAN/PEDDICORD WHITE	0.00
<a href="#">922-2000-28234</a>	ANB LOAN/RANDACK HUGHES	0.00
<a href="#">922-2000-28235</a>	ANB LOAN	0.00
<a href="#">922-2000-28236</a>	ANB CONSTRUCTION LOAN	0.00
<a href="#">922-2000-28237</a>	ANB LOAN/ WOODBRIDGE PARKWAY	0.00
<a href="#">922-2000-28238</a>	ANB LOAN/BUCHANAN	0.00
<a href="#">922-2000-28239</a>	ANB LOAN/JONES:HOBART PAYOFF	0.00
<a href="#">922-2000-28240</a>	HUGHES LOAN	0.00
<a href="#">922-2000-28242</a>	ANB LOAN/HWY 78:5TH ST REDEV	0.00
<a href="#">922-2000-28245</a>	ANB LOAN/DALLAS WHIRLPOOL	0.00
<a href="#">922-2000-28246</a>	GOVCAP LOAN/KIRBY	7,551,644.87
<a href="#">922-2000-28247</a>	JARRARD LOAN	112,611.20
<a href="#">922-2000-28248</a>	GOVCAP LOAN/SERIES 2022	7,817,937.04
<a href="#">922-2000-28250</a>	CITY OF WYLIE LOAN	0.00
<a href="#">922-2000-28260</a>	PRIME KUTS LOAN	0.00
<a href="#">922-2000-28270</a>	BOWLAND/ANDERSON LOAN	0.00
<a href="#">922-2000-28280</a>	CAPITAL ONE CAZAD LOAN	0.00
<a href="#">922-2000-28290</a>	HOBART/COMMERCE LOAN	0.00
<a href="#">922-2000-29150</a>	NET PENSION LIABILITY	185,989.17
<a href="#">922-2000-29151</a>	SDBF LIABILITY	11,026.00
<b>Total Liability:</b>		<b>16,177,824.20</b>
<b>Equity</b>		
<a href="#">922-3000-34590</a>	FUND BALANCE-UNRESERV/UNDESIG	-16,169,102.16
<a href="#">922-3000-35900</a>	UNRESTRICTED NET POSITION	-120,264.00
<b>Total Beginning Equity:</b>		<b>-16,289,366.16</b>
Total Revenue		0.00
Total Expense		-141,787.10
<b>Revenues Over/Under Expenses</b>		<b>141,787.10</b>
<b>Total Equity and Current Surplus (Deficit):</b>		<b>-16,147,579.06</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>		<b><u>30,245.14</u></b>

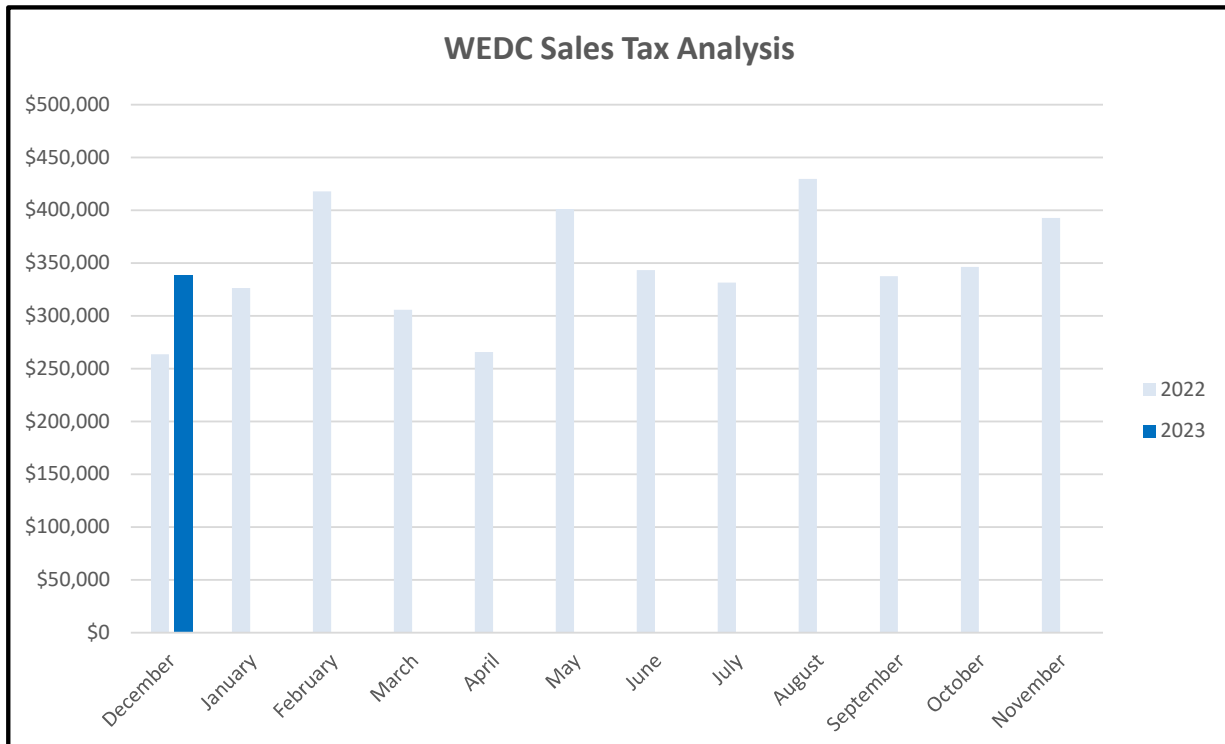
## Wylie Economic Development Corporation

## SALES TAX REPORT

December 31, 2022

## BUDGETED YEAR

MONTH	FY 2020	FY 2021	FY 2022	FY 2023	DIFF 22 vs. 23	% DIFF 22 vs. 23
DECEMBER	\$ 226,663.94	\$ 235,381.33	\$ 263,577.66	\$ 338,726.54	\$ 75,148.88	28.51%
JANUARY	\$ 218,520.22	\$ 262,263.52	\$ 326,207.92			
FEBRUARY	\$ 362,129.18	\$ 456,571.35	\$ 417,896.79			
MARCH	\$ 228,091.34	\$ 257,187.91	\$ 305,605.50			
APRIL	\$ 203,895.57	\$ 221,881.55	\$ 265,773.80			
MAY	\$ 289,224.35	\$ 400,371.70	\$ 401,180.20			
JUNE	\$ 239,340.35	\$ 290,586.92	\$ 343,371.26			
JULY	\$ 296,954.00	\$ 314,559.10	\$ 331,432.86			
AUGUST	\$ 325,104.34	\$ 390,790.76	\$ 429,696.16			
SEPTEMBER	\$ 259,257.89	\$ 307,681.15	\$ 337,512.61			
OCTOBER	\$ 249,357.02	\$ 326,382.38	\$ 346,236.36			
NOVEMBER	\$ 384,953.89	\$ 411,813.32	\$ 392,790.84			
<b>Sub-Total</b>	<b>\$ 3,283,492.09</b>	<b>\$ 3,875,470.98</b>	<b>\$ 4,161,281.96</b>	<b>\$ 338,726.54</b>	<b>\$ 75,148.88</b>	28.51%
<b>Total</b>	<b>\$ 3,283,492.09</b>	<b>\$ 3,875,470.98</b>	<b>\$ 4,161,281.96</b>	<b>\$ 338,726.54</b>	<b>\$ 75,148.88</b>	28.51%



\*\*\* Sales Tax collections typically take 2 months to be reflected as Revenue. SlsTx receipts are then accrued back 2 months.  
 Example: December SlsTx Revenue is actually October SlsTx and is therefore the 1st allocation in FY23.



# Wylie Economic Development Corporation

Inventory Subledger (Land)  
December 31, 2022

	Property	Purchase Date	Address	Acreage	Improvements		Cost Basis		Sub-totals
<b>Cooper St.</b>	McMasters	7/12/05	709 Cooper	0.4750	\$	-	n/a	\$	202,045.00
	Heath	12/28/05	706 Cooper	0.4640	\$	32,005.00	3,625	\$	186,934.22
	Perry	9/13/06	707 Cooper	0.4910	\$	-	n/a	\$	200,224.00
	Bowland/Anderson	10/9/07	Cooper Dr.	0.3720	\$	-	n/a	\$	106,418.50
	Duel Products	9/7/12	704 Cooper Dr.	0.5000	\$	-	n/a	\$	127,452.03
	Randack	10/23/12	711-713 Cooper Dr.	1.0890	\$	217,500.00	8,880	\$	400,334.00
	Lot 2R3	7/24/14	Cooper Dr.	0.9500	\$	-	n/a	\$	29,056.00
									\$ 1,252,463.75
<b>Regency Dr.</b>	Regency Pk.	6/4/10	25 Steel Road	0.6502	\$	-	n/a	\$	25,170.77
	Steel/Hooper	12/29/22	Lot 2R Helmberger Industrial Park	3.6885			n/a	\$	345,441.57
									\$ 370,612.34
<b>Commerce Dr.</b>	Hobart Investments	11/12/13	Commerce	1.6000	\$	-	n/a	\$	156,819.50
	Hobart	1/6/14	605 Commerce	1.0650	\$	396,263.00	20,000	\$	386,380.00
	Dallas Whirlpools	11/22/16	900-908 Kirby	4.7600	\$	128,925.00	9,000	\$	2,182,080.30
	City of Wylie	10/22/21	802 Kirby	4.7900	\$	-	n/a	\$	3,000,000.00
									\$ 5,725,279.80
<b>Downtown</b>	Heath	3/17/14	104 N. Jackson	0.1720	\$	-	n/a	\$	220,034.00
	Udoh	2/12/14	109 Marble	0.1700	\$	-	n/a	\$	70,330.00
	Peddicord	12/12/14	100 W. Oak St	0.3481	\$	155,984.00	4,444	\$	486,032.00
	City Lot	12/12/14	108/110 Jackson	0.3479	\$	-	n/a		
	Jones (K&M)	9/3/15	106 N. Birmingham	0.2100	\$	42,314.00	4,125	\$	190,596.10
	Pawn Shop/All The Rave	1/7/22	104 S. Ballard	0.0860	\$	5,420.00	1,885		\$475,441.20
	FBC Lot	6/15/16	111 N. Ballard St	0.2000	\$	-	n/a	\$	150,964.00
	FFA Village	1/7/18	102. N. Birmingham	0.1700	\$	-	n/a	\$	99,804.00
	Boyd	7/28/21	103 S. Ballard	0.0760	\$	49,231.00	Demo	\$	328,792.20
	Keefer	10/27/21	401 N Keefer Dr	0.4890	\$	83,084.00	Demo	\$	237,951.39
	Parupia	8/19/22	200 W Brown	0.0770	\$	-	Demo	\$	159,325.57
	UP Lot	9/30/22	UP Lot	0.4760	\$	-	832	\$	82,126.92
									\$ 2,501,397.38
<b>Alanis Dr.</b>	White Property	12/12/14	Alanis	6.6328	\$	-	n/a	\$	420,336.00
									\$ 420,336.00
<b>South Ballard</b>	Birmingham Trust	6/3/15	505 - 607 S. Ballard	1.1190	\$	-	n/a	\$	409,390.00
	Murphy	3/7/19	701 S. Ballard	0.2000	\$	115,724.00	1,312	\$	172,487.04
	Marlow	3/31/22	305 S. Ballard	0.1865			1,008	\$	185,457.52
	Braley	7/22/19	503 S. Ballard	0.2558	\$	-	n/a	\$	177,397.96
									\$ 759,275.00
<b>Squire Dr.</b>	Gallagher	3/14/18	Squire-lot 2-4	2.6720	\$	100,404.00	6,000	\$	573,844.35
									\$ 573,844.35
<b>Brown &amp; 78</b>	Turner	12/5/18	504 E. Brown	1.0220	\$	-	n/a	\$	308,179.81
	Wallace	12/18/18	502 E. Brown	0.1870	\$	24,637.00	Demo	\$	204,775.00
	Karan	12/28/18	300 E. Brown	2.3866	\$	-	n/a	\$	1,250,391.20
	O'Donald	1/7/19	410 E. Brown	0.1870	\$	64,421.00	Demo	\$	177,043.75
	Weatherford	2/12/19	303 Marble	2.1740	\$	-	n/a	\$	757,488.00
	Brothers JV	2/26/19	306 & 308 N. 2nd Street	0.3770	\$	-	n/a	\$	145,923.04
	Pulliam	2/27/19	300 N. 2nd Street	0.2570	\$	122,764.00	1,364	\$	218,472.20
	Swayze	4/18/19	208 N. 2nd Street	0.2580	\$	-	n/a	\$	187,501.40
	Swayze	5/9/19	204 N. 2nd Street	0.2580	\$	-	n/a	\$	187,658.20
	Kreymer	10/9/19	302 N. 2nd Street	0.1290	\$	72,609.00	1,386	\$	187,941.76
	KCS	11/22/19	Hwy 78 Frontage	2.5363	\$	-	n/a	\$	674,110.20
	City of Wylie	5/14/20	ROW Purchase/Alleys	1.8800	\$	-	n/a	\$	81,713.00
	Collin County	5/7/20	SWC Hwy 78 & Marble	0.3590	\$	-	n/a	\$	75,964.20
	Collin County	5/7/20	414 S. 2nd Street (NWC Hwy 78 &	1.2260	\$	-	n/a	\$	296,152.20
	TxDOT	2/21/21	SWC Hwy 78 & Brown	0.2209	\$	-	n/a	\$	78,540.00
									\$ 4,831,853.96
<b>Total</b>				<b>48.2406</b>	<b>\$</b>	<b>1,611,285.00</b>	<b>63,861</b>	<b>\$</b>	<b>16,620,520.10</b>
									<b>\$ 16,064,450.24</b>

# Wylie Economic Development Corporation

## PERFORMANCE AGREEMENT REPORT

December 31, 2022

PERFORMANCE AGREEMENTS		TOTAL INCENTIVE	BUDGETED YEAR						REMAINING AFTER CURRENT FY	PREVIOUS FY PAYMENTS	TOTAL INCENTIVE								
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026												
CSD WOODBRIDGE	\$	1,100,000.00	\$	154,548.56	\$	29,377.51	\$	-	\$	-	\$	-	\$	29,377.51	\$	916,073.93	\$	1,100,000.00	A
BALLERS ELITE- THE LAB, LLC	\$	20,000.00	\$	20,000.00	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	20,000.00	
DW WYLIE	\$	15,000.00	\$	15,000.00	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	15,000.00	
CBC PROPERTY HOLDINGS	\$	50,000.00	\$	13,140.34	\$	-	\$	-	\$	-	\$	-	\$	-	\$	25,000.00	\$	38,140.34	
SAVANNAH WOODBRIDGE	\$	90,000.00	\$	45,000.00	\$	-	\$	-	\$	-	\$	-	\$	-	\$	45,000.00	\$	90,000.00	
CARDINAL STRATEGIES	\$	106,800.00	\$	16,933.00	\$	24,934.00	\$	-	\$	-	\$	-	\$	24,934.00	\$	49,433.00	\$	91,300.00	B
AVANTI, LLC	\$	120,000.00	\$	30,000.00	\$	30,000.00	\$	-	\$	-	\$	-	\$	30,000.00	\$	60,000.00	\$	120,000.00	
GDA INVESTMENTS	\$	30,500.00	\$	20,000.00	\$	10,500.00	\$	-	\$	-	\$	-	\$	10,500.00	\$	-	\$	30,500.00	
LUV-ROS	\$	10,000.00	\$	5,000.00	\$	5,000.00	\$	-	\$	-	\$	-	\$	5,000.00	\$	-	\$	10,000.00	
AMERICAN ENTITLEMENTS I	\$	33,000.00	\$	33,000.00		---	\$	-	\$	-	\$	-	\$	-	\$	-	\$	33,000.00	
NORTH DALLAS WYLIE LAND	\$	120,000.00	\$	20,000.00	\$	20,000.00	\$	20,000.00	\$	-	\$	-	\$	40,000.00	\$	60,000.00	\$	120,000.00	C
AXL	\$	65,000.00	\$	46,500.00	\$	9,250.00	\$	9,250.00	\$	-	\$	-	\$	18,500.00	\$	-	\$	65,000.00	
FUEL CITY	\$	500,000.00	\$	-	\$	500,000.00	\$	-	\$	-	\$	-	\$	500,000.00	\$	-	\$	500,000.00	
AMERICAN ENTITLEMENTS II	\$	35,000.00	\$	-	\$	35,000.00	\$	-	\$	-	\$	-	\$	35,000.00	\$	-	\$	35,000.00	
		\$	2,295,300.00	\$	419,121.90	\$	664,061.51	\$	29,250.00	\$	-	\$	-	\$	693,311.51	\$	1,155,506.93	\$	

Deferred Out Flow \$ 683,934.00

A. SLSTX Reimbursement Qrtly Pmnts

B. Performance Agreement (\$10,000) and Forgiveable Land Grant (\$60,000 forgiven over 3 years). \$20,000/year in 2021, 2022, & 2023.

C. Performance Agreement Requirements were met. Removed the future obligation from FY23.



# Wylie City Council

## AGENDA REPORT

Department: Finance  
 Prepared By: Melissa Brown

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, approving the revised Financial Management Policies.

### Recommendation

Motion to approve the Item as presented.

### Discussion

The purpose of the Financial Management Policies is to formalize financial guidelines for the City. They will assist City staff in planning and directing the City's financial affairs and provide a document that codifies these policies in one place.

The overriding goal of the Financial Management Policies is to enable the City to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council-Manager form of government established in the City Charter. The basis for the City's Financial Management Policies includes integrity, prudent stewardship, planning, accountability, and full disclosure.

The Financial Management Policies were previously approved on September 27, 2022. The revision request is in Section VII - Expenditure Control, Letter E - Purchasing. Staff is requesting to increase authorization levels for appropriations previously approved by City Council in the Operating Budget. These levels are as follows:

- Division Staff up to \$1,000 (previously \$500)
- Directors up to \$3,000 (previously \$1,000)
- Purchasing up to \$10,000 (previously \$3,000)
- Finance Director up to \$15,000 (previously \$7,500)
- City Manager over \$15,000 with any purchases exceeding \$50,000 approved by City Council (previously over \$7,500)

Staff recommends approval of the Financial Management Policies.

Approval of the new authorization levels will streamline the purchasing process and make purchasing items that are appropriated in the budget simpler. The goal is to improve functioning of departments and to move approved projects through the process in a more timely manner.

FY 2022-23

## City of Wylie

Financial Management Policies

## I. PURPOSE STATEMENT

The overriding goal of the Financial Management Policies is to enable the city to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council-Manager form of government established in the City Charter. The watchwords of the city's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policies is to provide guidelines for the financial management staff in planning and directing the city's day-to-day financial affairs and in developing recommendations to the City Manager.

The scope of the policies spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management, expenditure control and debt management.

## II. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

**A. ACCOUNTING** - The city's Assistant Finance Director is responsible for establishing the chart of accounts, and for properly recording financial transactions.

**B. FUNDS** - Self-balancing groups of accounts are used to account for city financial transactions in accordance with generally accepted accounting principles. Each fund is created for a specific purpose except for the General Fund, which is used to account for all transactions not accounted for in other funds. Funds are created and fund names are changed by City Council.

**C. EXTERNAL AUDITING** - The city will be audited annually by outside independent auditors. The auditors must be a CPA firm of national reputation, and must demonstrate that they have the breadth and depth of staff to conduct the city's audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements. The auditors' report on the city's financial statements including any federal grant single audits will be completed within 120 days of the city's fiscal year end, and the auditors' management letter will be presented to the city staff within 150 days after the city's fiscal year end. An interim management letter will be issued prior to this date if any materially significant internal control weaknesses are discovered. The city staff and auditors will jointly review the management letter with the City Council within 60 days of its receipt by the staff.

**D. EXTERNAL AUDITORS RESPONSIBLE TO CITY COUNCIL** – The external auditors are accountable to the City Council and will have access to direct communication with the City Council if the city staff is unresponsive to auditor recommendations or if the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

**E. EXTERNAL AUDITOR ROTATION** - The city will not require external auditor rotation, but will circulate requests for proposal for audit services periodically, normally at five-year intervals or less. An award of services to the same audit firm is allowable but will require rotation of the audit partner and audit manager after five consecutive years. The rest period for the audit partner will be a minimum of two years and the rest period for the audit manager will be a minimum of five years.

**F. EXTERNAL FINANCIAL REPORTING** - The city will prepare and publish an Annual Comprehensive Financial Report (ACFR). The ACFR will be prepared in accordance with generally accepted accounting principles, and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and possibly awarding of the Certification of Achievement for Excellence in Financial Reporting. The ACFR will be published and presented to the City Council within 120 days after the end of the fiscal year. City staffing limitations may preclude such timely reporting. In such a case, the Finance Director will inform the City Manager and the City Manager will inform the City Council of the delay and the reasons therefore.

### III. INTERNAL CONTROLS

**A. WRITTEN PROCEDURES** - The Finance Director is responsible for developing city-wide written guidelines on accounting, cash handling, and other financial matters which will be approved by the City Manager.

The Finance Department will assist department managers as needed in tailoring these guidelines into detailed written procedures to fit each department's requirements.

**B. INTERNAL AUDIT** - The Finance Department may conduct reviews of the departments to determine if the departments are following the written guidelines as they apply to the departments. Finance will also review the written guidelines on accounting, cash handling and other financial matters. Based on these reviews Finance will recommend internal control improvements as needed.

**C. DEPARTMENT MANAGERS RESPONSIBLE** - Each department manager is responsible to the City Manager to ensure that good internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented, and that all independent and internal auditor internal control recommendations are addressed.

### IV. OPERATING BUDGET

**A. PREPARATION** - The city's "operating budget" is the city's annual financial operating plan. It consists of governmental and proprietary funds, including the general obligation Debt Service Fund, but excluding capital projects funds. The budget is prepared by the City Manager with the assistance of the Finance Department and cooperation of all city departments. The City Manager transmits the document to the City Council. The budget should be presented to the City Council no later than August 5 or a date to be determined by the City Council, and should be enacted by the City Council prior to fiscal year end. The operating budget will be submitted to the GFOA annually for evaluation and possible awarding of the Award for Distinguished Budget Presentation.

**B. BALANCED BUDGETS** -An Operating budget will be balanced, with current revenues, exclusive of beginning resources, greater than or equal to current expenditures/expenses.

**C. PLANNING** - The budget process will be coordinated so as to identify major policy issues for City Council.

**D. BUDGETED DRAWDOWN OF RESERVES** - One-time purchases may be requested by the City Manager through the budget process, subject to the Fund Balance Policy in section IX of the Policies.

**E. REPORTING** - Periodic financial reports will be prepared to enable the department managers to manage their budgets and to enable the Budget Manager to monitor and control the budget as approved by the City Council. Monthly financial reports will be presented to the City Council. Such reports will include current year revenue and expenditures.

**F. CONTROL** - Operating Expenditure Control is addressed in Section VII of the Policies.

**G. PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** – Where appropriate, performance measures and productivity indicators will be used as guidelines and reviewed for efficiency and effectiveness. This information will be included in the annual budgeting process.

## **V. CAPITAL BUDGET AND PROGRAM**

**A. PREPARATION** - The city's capital budget will include all capital projects funds and all capital resources. The budget will be prepared annually on a fiscal year basis and adopted by ordinance. The capital budget will be prepared by the City Manager with assistance from the Finance Department and involvement of all required city departments.

**B. CONTROL** - All capital project expenditures must be appropriated in the capital budget. Finance must certify the availability of resources so an appropriation can be made before a capital project contract is presented by the City Manager to the City Council for approval.

**C. PROGRAM PLANNING** - The capital budget will include capital improvements programs for future years. The planning time frame should normally be five years. The replacement and maintenance for capital items should also be projected for the next five years at a minimum. Future maintenance and operations will be fully costed, so that these costs can be considered in the operating budget.

**D. ALTERNATE RESOURCES** - Where applicable, assessments, impact fees, or other user-based fees should be used to fund capital projects which have a primary benefit to certain property owners.

**E. DEBT FINANCING** - Recognizing that debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, capitalized labor for design and construction of capital projects, and small component parts which are attached to major equipment purchases.

**F. STREET MAINTENANCE** - The city recognizes that deferred street maintenance increases future capital costs by an estimated 5 to 10 times. Therefore, the City's goal is to allocate a portion of the General Fund budget each year to maintain the quality of streets. The amount will be

established annually so that repairs will be made amounting to a designated percentage of the value of the streets.

**G. WATER/WASTEWATER MAIN REHABILITATION AND REPLACEMENT** - The city recognizes that deferred water/wastewater main rehabilitation and replacement increases future costs due to loss of potable water from water mains and inflow and infiltration into wastewater mains. Therefore, to ensure that the rehabilitation and replacement program is adequately funded, the City's goal will be to dedicate an amount equal to at least 1 % of the undepreciated value of infrastructure annually to provide for a water and wastewater main repair and replacement program.

**H. REPORTING** - Periodic financial reports will be prepared to enable the department managers to manage their capital budgets and to enable the finance department to monitor the capital budget as authorized by the City Manager.

## **VI. REVENUE MANAGEMENT**

**A. SIMPLICITY** - The city will strive to keep the revenue system simple which will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay. The city will avoid nuisance taxes, fees, or charges as revenue sources.

**B. CERTAINTY** - An understanding of the revenue source increases the reliability of the revenue system. The city will try to understand its revenue sources, and enact consistent collection policies so that assurances can be provided that the revenue base will materialize according to budgets and plans.

**C. EQUITY** - The city will strive to maintain equity in the revenue system structure. That is, the city will seek to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances, e.g., senior citizen property tax exemptions or partial property tax abatement.

**D. ADMINISTRATION** - The benefits of revenue will exceed the cost of producing the revenue. The cost of collection will be reviewed annually for cost effectiveness as a part of the indirect cost, and cost of services analysis.

**E. REVENUE ADEQUACY** - The city will require that there be a balance in the revenue system. That is, the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

**F. COST/BENEFIT OF ABATEMENT** - The city will use due caution in the analysis of any tax, fee, or water and wastewater incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as a part of such analysis and presented to the appropriate entity considering using such incentive.



**G. DIVERSIFICATION AND STABILITY** - In order to protect the government from fluctuations in revenue source due to fluctuations in the economy, and variations in weather (in the case of water and wastewater), a diversified revenue system will be maintained.

**H. NON-RECURRING REVENUES** - One-time revenues will not be used for ongoing operations. Non-recurring revenues will be used only for non-recurring expenditures. Care will be taken not to use these revenues for budget balancing purposes.

**I. PROPERTY TAX REVENUES** - Property shall be assessed at 100% of the fair market value as appraised by the Collin County Central Appraisal District. Reappraisal and reassessment shall be done regularly as required by State law. A 100% collection rate will serve as a minimum for tax collection.

All delinquent taxes will be aggressively pursued, with delinquents greater than 150 days being turned over to the City Attorney or a private attorney, and a penalty assessed to compensate the attorney as allowed by State law, and in accordance with the attorney's contract. Annual performance criteria will be developed for the attorney regarding the collection of delinquent taxes.

**J. PARKS AND RECREATION 4B SALES TAX REVENUE** - Parks and Recreation 4B sales tax revenue shall supplement but not supplant the funding for the Parks and Recreation System in the General Fund and the Recreation Center Department of the Parks and Recreation 4B Sales Tax Revenue Fund.

**K. USER-BASED FEES** - For services associated with a user fee or charge, the direct and indirect costs of that service will be offset by a fee where possible. There will be an annual review of fees and charges to ensure that fees provide adequate coverage of costs and services. User charges may be classed as "full cost recovery," "partial costs recovery," and "minimal cost recovery," based upon City Council policy.

**L. IMPACT FEES** - Impact fees will be imposed for water, wastewater, and transportation in accordance with the requirements of State law. The staff working with the particular impact fee shall prepare a semi-annual report on the capital improvement plans and fees. Additionally, the impact fees will be re-evaluated at least every three years as required by law.

**M. GENERAL AND ADMINISTRATIVE CHARGES** - A method will be maintained whereby the General Fund can impose a charge to the enterprise funds for general and administrative services (indirect costs) performed on the enterprise funds' behalf. The calculation will be based upon the percentage of personnel time and other resources attributed to the Enterprise Fund by each department of the General Fund. The details will be documented and said information will be maintained in the Finance Department for review.

**N. UTILITY RATES** - The city will review utility rates annually and, if necessary, adopt new rates to generate revenues required to fully cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital needs. This policy does not preclude drawing down cash balances to finance current operations. However, it is best that any extra cash balance be used instead to finance capital projects.

**O. PARKS AND RECREATION 4B FUND BALANCE** - The Parks and Recreation 4B Fund Balance shall be established to protect property tax payers from excessive volatility caused by the fluctuations in the Parks and Recreation 4B sales tax revenue. It will be funded with revenues of the Parks and Recreation 4B Fund. The city's goal will be to maintain the Fund Balance at 25% of the annual Parks and Recreation 4B sales tax budgeted revenue.

**P. UTILITY FUND BALANCE** - The Utility Fund shall maintain a Fund Balance to protect ratepayers from excessive utility rate volatility. It may not be used for any other purpose. It will be funded with surplus revenues of the Utility Fund. The City's goal will be to maintain the Utility Fund Balance at 90 days of budgeted expenditures.

**Q. INTEREST INCOME** - Interest earned from investment of available monies, whether pooled or not, will be distributed to the funds in accordance with the operating and capital budgets which, wherever possible, will be in accordance with the equity balance of the fund from which monies were provided to be invested.

**R. REVENUE MONITORING** - Revenues actually received will be regularly compared to budgeted revenues and variances will be investigated. This process will be summarized in the appropriate budget report.

## **VII. EXPENDITURE CONTROL**

**A. APPROPRIATIONS** - The level of budgetary control is the department level budget in the General Fund, and the fund level in all other funds. When budget adjustments (i.e., amendments), among departments and/or funds are necessary these must be approved by the City Council. Budget appropriation amendments at lower levels of control shall be made in accordance with the applicable administrative procedures.

**B. CONTINGENCY ACCOUNT EXPENDITURES** - The General Fund Contingency Account will be budgeted and approved by the City Council as a part of the budget process. The City Manager must approve all contingency account expenditures.

**C. VACANCY FUNDS** – Savings from position vacancies will be reviewed as a part of the midyear budget amendments and savings will be either allocated to other accounts by Council approval or become unbudgeted funds to add to the ending fund balance.

**D. CENTRAL CONTROL** - Significant vacancy (salary) and capital budgetary savings in any department will be centrally controlled by the City Manager.

**E. PURCHASING** - All purchases shall be made in accordance with the city's purchasing policies as defined in the Purchasing Manual. Authorization levels for appropriations previously approved by the City Council in the Operating Budget are as follows: Division Staff up to \$1,000, for Directors up to \$3,000, for Purchasing up to \$10,000.00, for Finance Director up to \$15,000.00. The City Manager can authorize expenditures over \$15,000.00 with any purchases exceeding \$50,000.00 to be approved by the City Council.

**F. PROFESSIONAL SERVICES** - Professional services contracts will be coordinated through the purchasing agent in compliance with statutory regulations.

**G. CONTRACT AUTHORITY** – By statute, contracts greater than or equal to \$50,000.00 must be approved by Council, after which either the Mayor or the City Manager may then sign any necessary documents. By ordinance, contracts less than \$50,000.00 may be authorized and signed by the City Manager, provided there is an appropriation for such contract. Signature authority for contracts equal to or less than \$10,000 has been delegated by the City Manager to the Purchasing Manager.

**H. PROMPT PAYMENT** - All invoices will be paid within 30 days of receipt in accordance with the prompt payment requirements of State law. Procedures will be used to take advantage of all purchase discounts where considered cost effective. However, payments will also be reasonably delayed in order to maximize the city's investable cash, where such delay does not violate the agreed upon terms.

**I. INFORMATION TECHNOLOGY** - Certain information technology acquisitions will be centrally funded from the Information Technology Division. Acquisitions from this division may include all related professional services costs for researching and/or implementing an information technology project. Annual funding for replacements and for new technology will be budgeted in the IS department with the exception of the Utility Fund. Additional funding above the base amount may be provided for major projects with available one-time sources including debt proceeds and/or grants.

**J. PREPAID EXPENDITURES** – Final determination of expenditure coding in the General Ledger will be assigned to the Finance Department. Expenditure coding must remain consistent. Purchased items must fit the description of the line item they are being charged to. Amounts of \$10,000 or more paid in advance or across budget years will be coded as prepaid items and charged to the next budget year. Department Directors are responsible for budgeting and paying these items accordingly.

## **VIII. ASSET MANAGEMENT**

**A. INVESTMENTS** - The city's investment practices will be conducted in accordance with the City Council approved Investment Policies.

**B. CASH MANAGEMENT** - The city's cash flow will be managed to maximize the cash available to invest.

**C. INVESTMENT PERFORMANCE** - A monthly report on investment performance will be provided by the Finance Director to the City Manager for presentation to the City Council.

**D. FIXED ASSETS AND INVENTORY** - These assets will be reasonably safeguarded, properly accounted for, and prudently insured.

## **IX. FINANCIAL CONDITION AND RESERVES**

**A. NO OPERATING DEFICITS** - Current expenditures will be paid with current revenues. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies on non-recurring expenditures, except when balances can be reduced because their levels exceed guideline minimums.

**B. INTERFUND LOANS** - Non-routine interfund loans shall be made only in emergencies where other temporary sources of working capital are not available and with the approval of the City Council. At the time an interfund loan is considered, a plan to repay it prior to fiscal year end shall also be considered. A fund will only lend money that it will not need to spend for the next 365 days. A loan may be made from a fund only if the fund has ending resources in excess of the minimum requirement for the fund. Loans will not be made from the city's enterprise funds (Water/Wastewater, etc.), except for projects related to the purpose of the fund. Total interfund loans outstanding from a fund shall not exceed 15% of the target fund balance for the fund. If any interfund loan is to be repaid from the proceeds of a future debt issue, a proper reimbursement resolution will be approved at the time the loan is authorized.

### **C. FUND BALANCE POLICY**

1. **Committed Fund Balance** – The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City's Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.
2. **Assigned Fund Balance** – The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by this fund balance policy.
3. **Order of Expenditure of Funds** – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.
4. **Minimum General Fund Unassigned Fund Balance** – It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council.
5. **Minimum Utility Fund Balance** – The Utility Fund shall maintain a Fund Balance to protect ratepayers from excessive utility rate volatility. It will be funded with surplus revenues of the Utility Fund. The City's goal will be to maintain the Utility Fund ending Fund Balance at 90 days of budgeted expenditures.
6. **Minimum Parks and Recreation 4B Fund Balance** – The Parks and Recreation 4B Fund Balance shall be established to protect property tax payers from excessive volatility.

caused by the fluctuations in the Parks and Recreation 4B sales tax revenue. It will be funded with revenues of the Parks and Recreation 4B Fund. The City's goal will be to maintain the Parks and Recreation 4B Fund ending Fund Balance at 25% of budgeted 4B sales tax revenues.

**D. RISK MANAGEMENT PROGRAM** - The city will aggressively pursue every opportunity to provide for the public's and city employees' safety and to manage its risks.

**E. ENTERPRISE FUND SELF-SUFFICIENCY** - The city's enterprise funds' resources will be sufficient to fund operating and capital expenditures. The enterprise funds will pay (where applicable) their fair share of general and administrative expenses, in-lieu-of-property taxes and/or franchise fees. If an enterprise fund is temporarily unable to pay all expenses, then the City Council may waive general and administrative expenses, in-lieu-of-property taxes and/or franchise fees until the fund is able to pay them. The City Council may pay out-of-pocket expenses that a fund is temporarily unable to pay with interfund loans, to be repaid at a future date.

#### **X. DEBT MANAGEMENT**

Debt Management is addressed in a separate Debt Management Policy.

#### **XI. STAFFING AND TRAINING**

**A. ADEQUATE STAFFING** - Staffing levels will be adequate for the fiscal functions of the city to function effectively. Overtime shall be used only to address temporary or seasonal demands that require excessive hours. Workload scheduling alternatives will be explored before adding staff.

**B. TRAINING** - The city will support the continuing education efforts of all financial staff including the investment in time and materials for maintaining a current perspective concerning financial issues. Staff will be held accountable for communicating, teaching, and sharing with other staff members all information and training materials acquired from seminars, conferences, and related education efforts.

#### **XII. GRANTS FINANCIAL MANAGEMENT**

**A. GRANT SOLICITATION** - The City Manager will be informed about available grants by the departments and will have final approval over which grants are applied for. The grants should be cost beneficial and meet the city's objectives.

**B. RESPONSIBILITY** - Departments will oversee the day to day operations of grant programs, will monitor performance and compliance, and will also keep the Finance Department and Purchasing informed of significant grant-related plans and activities. Departments will also report re-estimated annual revenues and expenses to the Finance Department as needed. Finance Department staff members will serve as liaisons with grantor financial management personnel, will prepare invoices, and will keep the books of account for all grants. All goods and services obtained through grants are subject to City purchasing policies and must be coordinated with the purchasing agent.

**XIII. ANNUAL REVIEW AND REPORTING**

**A.** These Policies will be reviewed administratively by the City Manager at least annually, and will be presented to the City Council by the Finance Department for confirmation of any significant changes.

**B.** The Finance Director will report annually to the City Manager on compliance with these policies.



# Wylie City Council

## AGENDA REPORT

**Department:** Purchasing      **Account Code:** 100-5154  
**Prepared By:** Glenna Hayes

### Subject

Consider, and act upon, the approval of the 2023 Procurement Manual.

### Recommendation

Motion to approve Item as presented.

### Discussion

The purpose of the Procurement Manual is to provide the City with the requisite parameters for purchasing goods and services. The policies are based on Texas statutory provisions as found in the Texas Government Code, Texas Local Government Code, Texas Insurance Code, Texas Labor Code, the City Charter, and support the Finance Policies.

Updates:

Chapter 4 – Authority Limits/Paragraph C (Requisition Authority Limits)

Changed from:

\$0.01 - \$500.00 Division  
 \$500.01 - \$1,000.00 Director  
 \$1,000.01 - \$7,500.00 Purchasing & Finance Director  
 \$7,500.01 + City Manager (including all over budget)

Changed to:

Up to \$1,000.00 Division  
 \$1,000.01 - \$3,000.00 Director  
 \$3,000.01 - \$10,000.00 Purchasing  
 \$10,000.01 - \$15,000.00 Finance Director  
 \$15,000.01 + City Manager (including all over budget)

Staff recommends the approval of the 2023 Procurement Manual as amended. The policies are intended to:

- Simplify and clarify the laws governing purchasing by the City
- Permit the continued development of purchasing policies and practices
- Provide consistency in the purchasing practices of the City
- Increase public confidence in public purchasing
- Ensure the fair and equitable treatment of all persons who participate in the purchasing process
- Provide increased economy and efficiency in purchasing activities by avoiding unnecessary, unwarranted, and duplicative purchases.



# PROCUREMENT MANUAL 2023

## OUR MISSION

To be responsible stewards of the public trust,  
to strive for excellence in public service and  
to enhance the quality of life for all.

## OUR PLEDGE

Accept and fulfill responsibilities with integrity, professionalism and accountability ♦ Acknowledge and value the contributions of all ♦ Build on the foundation of our predecessors ♦ Provide consistent, cost-effective and quality service to our community ♦ Continuously reach for the highest level of service ♦ Communicate effectively with our citizens and employees ♦ Care about the needs of others ♦ Treat everyone with courtesy, respect and understanding ♦ Promote responsible and diversified economic growth.

## OUR PROCUREMENT GOALS

To promote fiscal responsibility by obtaining the right product, for the right purpose, at the right time, for the right price ♦ To actively seek fair competition in the procurement process ♦ Ethical compliance with Federal, State and local laws ♦ To treat suppliers fairly and equitably ♦ Increase public confidence in public purchasing



## PROCUREMENT POLICY

## TABLE OF CONTENTS

		Page
<b>CHAPTER 1</b>	<b>PURPOSE</b>	<b>5</b>
<b>CHAPTER 2</b>	<b>ETHICS</b>	<b>6</b>
Section A	Employee Standard of Conduct	
Section B	Employee Conflict or Substantial Interest	
Section C	Vendor Conduct	
Section D	Violations and Remedies	
Section E	References	
<b>CHAPTER 3</b>	<b>ORGANIZATIONAL RESPONSIBILITY, AUTHORITY AND ENFORCEMENT</b>	<b>9</b>
Section A	City Council	
Section B	City Manager	
Section C	Finance Director	
Section D	Purchasing Manager	
Section E	Directors	
Section F	Department Staff	
Section G	Administration of Budget	
<b>CHAPTER 4</b>	<b>AUTHORITY LEVELS</b>	<b>13</b>
Section A	General Procurement Authority	
Section B	Signature Authority	
Section C	Requisition Approval Authority	
<b>CHAPTER 5</b>	<b>PAYMENTS, INSURANCE, PUBLIC RECORDS</b>	<b>14</b>
Section A	Payments	
	Vendors / Contractors/ Payment of Subcontractors and Allowable	
Section B	Miscellaneous Expenses	
Section C	Criminal Penalties	
Section D	Insurance Requirements	
Section E	Public Records	
<b>CHAPTER 6</b>	<b>PROCUREMENT THRESHOLDS: SUPPLIES, EQUIPMENT AND NON-PROFESSIONAL SERVICES</b>	<b>16</b>
Section A	Non-contract Purchases	
Section B	Contract Purchases	
Section C	Requisition Documentation	
	Purchases from Cooperative Agreement or Interlocal Purchasing	
Section D	Agreements	
Section E	Vendor On-Line Terms/Conditions	

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 2

## PROCUREMENT POLICY

<b>CHAPTER 7</b>	<b>METHODS OF PROCUREMENT</b>	<b>19</b>
Section A	Methods of Procurement	
Section B	Exemptions	
Section C	Competitive Sealed Bids	
Section D	Non-Responsive / Non-Responsible	
Section E	Identical Bids	
Section F	Department Director or Designee Responsibilities	
Section G	Purchasing Responsibilities	
Section H	City Council Agenda Items	
<b>CHAPTER 8</b>	<b>PUBLIC WORKS/CONSTRUCTION PROJECTS</b>	<b>22</b>
Section A	Bid Type	
Section B	Prevailing Wage Rates	
Section C	Bonding Requirements	
Section D	Insurance and Indemnification Requirements	
<b>CHAPTER 9</b>	<b>PROFESSIONAL SERVICES</b>	<b>23</b>
Section A	Definition of Professional Services	
Section B	Procurement of Architectural, Engineering or Land Surveying Services	
Section C	Pre-Qualified Various Professional and Engineering Firms	
Section D	All Other Professional and Personnel Services	
<b>CHAPTER 10</b>	<b>GRANTS, REBATES and SUBSIDIES</b>	<b>25</b>
<b>CHAPTER 11</b>	<b>CHANGE ORDERS</b>	<b>26</b>
Section A	Threshold for Change Orders	
Section B	General Process	
Section C	Approval for Change Orders	
Section D	Contingency Fee Policy	
<b>CHAPTER 12</b>	<b>CONSTRUCTION CONTRACTS CONTINGENCY FEE POLICY</b>	<b>27</b>
Section A	Policy Purpose	
Section B	Bid Aware Procedure	
Section C	Change Orders	
Section D	Invoice Payment Procedure	
<b>CHAPTER 13</b>	<b>SOLE SOURCE PURCHASES</b>	<b>28</b>
Section A	Single Source and Brand Name Clarification	
Section B	Written Justification	
Section C	Notice of Intent to Award a Sole Source Procurement	
<b>CHAPTER 14</b>	<b>EMERGENCY PURCHASES</b>	<b>29</b>
Section A	Emergency Disaster Declaration	
Section B	Emergency Purchase Process (not processed through the City's EOC)	
Section C	Non-Emergency	

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 3

## PROCUREMENT POLICY

<b>CHAPTER 15</b>	<b>COOPERATIVE PURCHASES</b>	<b>30</b>
<b>CHAPTER 16</b>	<b>PROCUREMENT CARD PROGRAMS</b>	<b>31</b>
Section A	General Policies	
Section B	Violations and Remedies	
<b>CHAPTER 17</b>	<b>GENERAL ITEMS</b>	<b>34</b>
Section A	Tax Exempt Certificates	
Section B	Various Other Procurement Programs	
Section C	Petty Cash Purchases	
Section D	Fiscal Year Procurement Cut Off	
<b>CHAPTER 18</b>	<b>BONDS, INSURANCE AND INDEMNIFICATION</b>	<b>35</b>
Section A	Bond Policy	
Section B	Types of Bonds	
Section C	Insurance and Indemnification Policy	
Section D	Insuring City Assets	
<b>CHAPTER 19</b>	<b>CONTRACTS</b>	<b>37</b>
Section A	Purchase Orders	
Section B	Contracts greater than \$40,000	
Section C	Annual/Term Contracts	
<b>CHAPTER 20</b>	<b>CONTRACT MANAGEMENT &amp; VENDOR PERFORMANCE</b>	<b>38</b>
Section A	General Responsibilities	
Section B	Non-Performing Vendors	
<b>CHAPTER 21</b>	<b>ASSET AND SURPLUS DISPOSAL</b>	<b>39</b>
Section A	Transfer of Surplus Goods within the City	
Section B	Disposal of Goods, Salvage or Surplus Property	
<b>CHAPTER 22</b>	<b>REQUISITIONS &amp; PURCHASE ORDERS</b>	<b>40</b>
Section A	Access to Incode	
Section B	Requisition Process	
Section C	Purchase Orders	
Section D	Deletion of Purchase Orders	
<b>CHAPTER 23</b>	<b>RECEIPT OF GOODS &amp; SERVICES</b>	<b>23</b>
Section A	Inspecting Goods or Services	
Section B	Partial Deliveries	
Section C	Defective or Damaged Merchandise	
<b>FORM</b>	<b>PROCUREMENT MANUAL – ACKNOWLEDGMENT OF RECEIPT</b>	<b>43</b>

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 4

## CHAPTER 1 – Purpose

The Purchasing Department will serve as the central procurement office of the City and will determine which method of procurement provides the best value for the City, adopt operational procedures consistent with sound business practices and state law which govern the procurement and management of all materials, services and construction to be procured by the City, and manage disposal of materials.

The purpose of the Procurement Policy is to provide the City with the requisite parameters for purchasing goods and services. The policy is based on Texas statutory provisions as found in the Texas Government Code, Texas Local Government Code, Texas Insurance Code, and Texas Labor Code, as amended.

These policies are intended to:

- Simplify and clarify the laws governing purchasing by the City;
- Permit the continued development of purchasing policies and practices;
- Provide consistency in the purchasing practices of the City;
- Increase public confidence in public purchasing;
- Ensure the fair and equitable treatment of all persons who participate in the purchasing process;
- Provide increased economy and efficiency in purchasing activities by avoiding unnecessary, unwarranted, and duplicative purchases

### **Policy:**

It is the policy of the City to conduct procurement functions efficiently, effectively, and in full compliance with all federal and state laws, City Charter, and City administration policy and procedures. The City Council's authority to contract for all goods and services and make all sales is delegated to the City Manager as set forth in this manual and to those employees to whom the City Manager delegates that responsibility. The Purchasing Manager has been delegated by the City Manager to contract for the City in accordance with this manual.

Department Directors may choose to delegate procurement responsibilities only within their full-time staff. All such personnel are required to complete mandatory training provided by the Purchasing Department and access to the City's financial system will be granted once that training is completed.

Unauthorized personnel who attempt to contract in the name of the City, or personnel making unauthorized purchases outside of the scope of this manual, may be subject to disciplinary action, legal action, and personal financial liability.

If a person fails to comply with the competitive bidding or competitive proposal procedures required by law, that person may be convicted of a Class B misdemeanor. This includes a situation in which a person knowingly makes or authorizes separate, sequential, or component purchases in an attempt to avoid competitive bidding requirements.

### **General Enforcement:**

It shall be the responsibility of the Finance Director and Purchasing Manager to enforce all purchasing procedures. Texas Local Government Code § 252.062, 252.063 and 271.029 provide criminal penalties for officers and employees who knowingly violate state statutes.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

## CHAPTER 2 – Ethics

A special responsibility is imposed on all City officers, employees, and agents (hereafter referred to as “employees”) entrusted with the allocation of City funds. In government procurement, employees are held to the highest degree of integrity required to secure best economic results, and required to comply with the procurement process.

It is critical that all City employees involved in procurement and procurement-related functions remain independent, free of obligation or suspicion, and completely fair and impartial. Credibility and public confidence are vital. A shadow of doubt can be as harmful as the conduct itself and employees should make every effort to:

- Avoid the intent and/or appearance of unethical or compromising practice in relationships, actions, and communications. If a situation is perceived as real, then it is in fact real in its consequences.
- Avoid business relationships with personal friends and relatives.
- Avoid holding business meetings with suppliers outside the office. If such a meeting is necessary, carefully choose the location so there will be no perception by others in the business community or your peers of impropriety.

### **A. Employee Standards of Conduct**

City Employees will:

- Promote positive vendor relations through courtesy and impartiality in all phases of the procurement process.
- Actively strive to comply with City policies, federal and state laws regarding purchases from HUB (Historically Underutilized Businesses)
- Handle confidential or proprietary information belonging to the City, fellow employees or vendors with care and proper consideration of ethical and legal ramifications, and governmental regulations.
- Never use information gained confidentially in the performance of duties for profit.
- **Prohibited Conduct:**  
City employees shall not participate in the negotiation, selection, discussion, award or administration of a contract or procurement supported by public funds if:
  - That individual has a substantial interest in a person or entity (Chapter 171 of the Texas Local Government Code) that is the subject of the contract or procurement.
  - A conflict of interest exists. A conflict arises when a City employee, officer or agent, or any relative or potential relative thereof (family members), a partner or a person or an organization that employs or may employ in the near future any of these individuals, has a financial or other interest (directly or indirectly) in the sale to the City of any materials, supplies or services, including any proposed or existing contract, purchase, work, sale, or service to, for, with, or by the City.
- **Personal and Non-Profit Agency Use Prohibited:**  
The purchase of goods, equipment or services for personal use by a City officer, employee, agent, or family members, or made by same on behalf of a non-profit agency, from City business accounts and/or contracts is prohibited.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 6

## PROCUREMENT POLICY

- Employees that are involved in contract negotiations should not purchase merchandise or services for personal use with a vendor that is currently working, seeks to work, or has worked for the City.
- Employees shall NOT use the City of Wylie tax exemption forms for personal or non-profit use, nor set up accounts with a City tax exemption form in their personal name.
- A City officer, employee, agent, or family member may purchase merchandise or services from a vendor doing business with the City provided that the price at which the item is purchased is the same price charged to a designated segment of the public regardless of place of employment, or all officers and employees of the City.
- If a City officer, employee, agent, or family member acquires merchandise or services for the employee's personal use from a vendor doing business with the City, such merchandise or services may not be delivered to the employee or another City employee unless the acquisition is paid directly to the vendor by the employee. No personal invoices are to be mailed to an employee (or another City employee for or on behalf of the employee) at the employee's (or other employee's) place of work. Neither the vendor nor the employee may process the purchase under the City's tax exempt status. Employee is responsible for payment of applicable sales tax.
- **Gratuities (Gift and Entertainment):**  
City employees shall not:
  - Solicit and/or accept benefits or gifts of any kind from vendors, actual or potential.
  - Provide special favors or privileges to anyone, either as payment or under any other circumstances.
  - Be in violation of any City ordinances or HR Policies regarding ethics/gifts.

**B. Employee Conflict or Substantial Interest**

In the event of a conflict of interest or substantial interest, as set forth above, the affected employee must adhere to the following procedures:

- Sign a declaration of possible Conflict of Interest form;
- Abstain from participating in the procurement process, which includes, but is not limited to, discussions, lobbying, rating, scoring, recommending, explaining or assisting in the design or approval of the procurement process, selection of vendors, or the award of the contract:
  - Where the officer, employee, agent or family member directly represents an organization or may receive an economic benefit;
  - Where the officer, employee, agent or family member may directly receive an economic benefit;
  - Where the officer, employee, agent or family member is in direct competition with a proposal or bid which would provide a direct financial benefit;

Any deviation from this policy must be submitted in writing by the Director, providing departmental procedures detailing how the conflict will be managed, and approved by the Purchasing Manager and Finance Director.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 7

## PROCUREMENT POLICY

**C. Vendor Conduct**

Vendors, their officers, employees, agents, partners or sub-contractors, seeking to do business with the City or contracted to do business with the City must:

- At all times be in compliance with all federal, state and local laws;
- Conduct themselves ethically and refrain from any exchange of favors, money, gifts or other forms of favor with any City officers, agents, employees, employee family members or potential family members;
- Maintain an accurate "Conflict of Interest Questionnaire" (Texas Ethics Commission) with the City Secretary's office;
- Vendors, their officers, employees, agents, partners or sub-contractors, who are directly involved with the writing of any type of specification created for the purposes of a fair and open procurement process, may not submit an offer or response.

Violation of this policy may result in the Vendor, their officers, employees, agents, partners or sub-contractors being barred from working with the City, or in the voiding of any contracts. Violations of state or federal law shall be referred to the proper authority having jurisdiction over same.

**D. Violations and Remedies**

Violations of policy may constitute misconduct, subjecting the violator to any and all penalties prescribed by federal and/or state law, the City's HR Manual, City Ordinance or City Charter; up to and including termination.

Penalties, sanctions or other disciplinary actions, to the extent permitted by federal, state or local law, rules or regulations, shall be imposed for violations of the code of conduct/conflict of interest standards, by a City officer, employee or agent, or by persons, contractors or their agents, when the procurement involves state or federal programs and/or funds.

Violations of state or federal law shall be referred to the proper authority having jurisdiction over same.

**E. Disclosure of Certain Relationships:**

City employees and officials must become familiar with the requirements in Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers; and Texas Local Government Code Chapter 171, Regulation of Conflicts of Interest of Officers of Municipalities; and the penalties provided therein.

### CHAPTER 3 – Organizational Responsibility, Authority and Enforcement

**This chapter covers the responsibility delegated to various staff, their respective approval authority, and enforcement.**

#### **A. City Council**

The City Council shall be responsible for:

- Establishing the rules and regulations for the purchase of all goods and services by means of this manual.
- Authorizing all purchases at or exceeding the competitive requirements as stated by law.
- Authorizing all written contracts and agreements at or exceeding the competitive requirements as stated by law.
- Considering and adopting rules for electronic receipt of bids/proposals.
- By means of this manual, delegate approval authority to the City Manager for approval of alternative bidding methods to be used for the construction of a facility, as described by Chapter 2269 (Government Code) after determining it to be a better value than competitive bidding.

Authority includes:

- Approval of budgeted items at or greater than the competitive requirements.
- Approval of budget amendments as required.
- Approval of change orders at or greater than the competitive requirements.
- Approval of emergency expenditures at or greater than the competitive requirements.

#### **B. City Manager**

The City Manager is responsible for:

- Ensuring compliance by all departments with the policies and procedures outlined in this manual, and promoting and protecting governmental purchasing integrity.
- By means of this manual delegate to the Purchasing Manager:
  - The authority to procure goods and services, authority to approve alternative bidding methods to be used for the construction of a facility, as described by chapter 2269 (government code) after determining it to be a better value than competitive bidding; and
  - Authority to manage disposal of materials and/or assets no longer needed, and administer the purchasing rules and regulations as established by all federal law, state law, and city charter and ordinance provisions.

Authority includes:

- Approval of purchases less than the competitive requirements limit.
- Approval of non-budgeted items.
- Execution of all contracts, agreements, change orders or necessary documents as approved and authorized by City Council (see Signature Authority).
- Execution of all contracts, agreements, change orders or necessary documents where the total amount(s) are less than the current competitive requirement.



## PROCUREMENT POLICY

**C. Finance Director**

The Finance Director and/or designee provides and oversees compliance for financial components with regard to procurement activities.

Authority includes:

- Ensuring the proper expenditures of funds, both budgeted and unbudgeted.
- Verifying the availability of funds for City Council recommendations and awards before being placed on the City Council Agenda.
- Approval of all alternative financial arrangements (leases, grants, bank notes, etc.).
- Approval and authorization of access for City employees to the City's financial systems
- Approval of cardholder financial levels for the City procurement card program (p-card).
- Assignment of project codes for procurement tracking.
- Approval of the disposal of assets via donations.

**D. Purchasing Manager**

The Purchasing Manager performs or oversees compliance with all procurement requirements for goods and services as prescribed in this manual. The Purchasing Manager ensures all procurement activities are conducted with the highest level of ethical standards in a fair, open, inclusive and transparent environment, and provides suppliers a fair opportunity to compete for City business and protects public funds.

The Purchasing Manager is responsible for:

- Developing and administering the City's purchasing policy and procedures.
- Providing guidance and assistance for all City employees regarding the purchasing process.
- Managing the City's purchasing programs to include compliance with all statutory and internal policies.
- Procuring goods and services budgeted at **\$40,000** and above in collaboration with the requesting Department;
  - Developing final specification documents and methods to ensure competition.
  - Managing the bid and evaluation processes
  - Facilitating recommendations for award (administrative and Council)
- Determining which method of procurement provides best value for the City; including
  - Authority to approve alternative bidding methods to be used for the construction of a facility, as described by Chapter 2269 (Government Code) after determining it to be a better value than competitive bidding.
- Preparing all documentation required for purchases requiring approval by the City Council, City Manager or appropriate staff.
- Monitoring the terms and conditions of purchases.
- Reviewing requisition documents and approving requisitions of \$1,000 or greater.
- Managing the disposal of materials and/or assets no longer needed.
- Updating all procurement forms, templates, policies, and procedures.
- Providing training to City employees on requisitions, credit cards and various procurement related topics.
- Administering contracts and agreements for goods and services.
- Maintaining purchasing files and records.
- Consulting with the City Attorney for review of all procurement related issues.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 10

## PROCUREMENT POLICY

Authority includes:

- Determining which method of procurement provides the best value for the City and making recommendations to the City Manager and/or the City Council, as appropriate.
- Rejecting any and all bids, in concurrence with requesting department, when in the best interest of the City, and making recommendation to the City Manager and/or City Council, as appropriate. (Items over \$50,000 require a formal rejection by City Council.)
- Program Administrator for the City Procurement Card Program, and other City-wide procurement programs (Amazon, Office Depot, Home Depot, etc.)
- Executing all Interlocal or Cooperative Purchasing Agreements as have been approved by the City Council and/or the City Manager, as appropriate.
- Purchasing budgeted goods or services from cooperative or other inter-local agreements as have been approved by the City Council, City Manager, and/or other appropriate staff.
- Signature Authority to execute contracts and change orders up to \$10,000
- Approving requisitions of \$3,000 and greater (as approved by appropriate staff).

#### **E. Directors**

Directors are responsible for:

- Ensuring procurement policy compliance within their department and safe guarding against misappropriation of City funds.
- Ensuring adequate funds are appropriated prior to the procurement process.
- Submitting budget transfer requests if funds are insufficient, **prior** to entering a requisition or committing to the vendor. **Expenditures not included in the budget must have approval of the City Manager before quotes are obtained and purchase order commitment. Evidence of the approval shall be in the form of a memo or email issued by the City Manager.**
- Planning the department's annual purchase requirements to allow sufficient time to complete the appropriate procurement process (quotes, bids or proposals).
- Determining whether a contract exists or would be beneficial to the City for the item(s) or service(s).
- Ensuring Historically Underutilized Business (HUB) participation in accordance with the provisions of Texas Local Government Code Chapter 252.
- Managing and reviewing department P-Card use for compliance to policies.
- Delegating authority as appropriate to prepare requisitions and specifications.
- Delegation of authority to access the City's Financial systems:
  - Providing names of all departmental individuals authorized to enter or approve requisitions and purchase orders and ensuring the approval process is maintained within the electronic system, and
  - Providing any changes in delegation of such authority

Authority includes:

- Authorization of requisitions within the current limits set by the Finance Department.
- Purchases made in accordance with the City Procurement Card Program (p-card).
- Authorization of Emergency Purchases (as defined by statute).

#### **F. Department Staff**

Staff members are responsible for:

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 11

## PROCUREMENT POLICY

- Obtaining proper training through Purchasing on procurement laws, basic procedures, insurance and shipping directions, how to issue requisitions, write specifications, participation in the City's various procurement programs, and procurement ethics.
- Managing the P-Card reconciliation in accordance with this manual and current Finance procedures.
- Developing the technical portion of bid specifications.
- Providing "Tier 1" contract administration for various contracts in the areas of:
  - Overall vendor performance
  - On-time delivery of goods or services
  - Accuracy of invoicing
- Ensuring that current vendor insurance certificates which meet the City's requirements are current and on file with the department before any work is started.
- Providing complete documentation to Purchasing of any vendor's failure to perform as contracted.
- Maintaining any associated procurement records per retention schedule.

Authority includes:

- Input and authorization of requisitions within the current limits set by the Finance Department.
- Purchases that are made through the issuance of purchase orders in accordance with these Policies.
- Purchases that are made in accordance with the City Procurement Card Program (p-card).

#### **G. Administration of Budget:**

All employees are responsible for the proper administration of the City's budget within the limits delegated to their positions.

- Compliance:
  - No verbal or other obligations shall be incurred or payment made except in accordance with the adopted annual budget and these policies, and unless the City Manager or designee first certifies that there is a sufficient unencumbered balance and that sufficient funds are or will be available to cover the claim or meet the obligation when it becomes due and payable. Any authorization of payment or incurring of verbal or other obligations in violation will be void and any payment so made illegal.
  - Such action shall be the cause for removal of any employee who knowingly authorized or made such payment or incurred such obligations, and he shall also be liable to the City for any amount so paid. However, this prohibition shall not be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds, time warrants, certificates of indebtedness, or certificates of obligation, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, provided that such action is made or approved by ordinance (Article XII, Section 10).
- Variances:
  - Any variance in quantities or expenditure amount, beyond what was approved in the annual budget will require written approval (email) from either the City Manager or an Assistant City Manager. Such approval will be forwarded to the Purchasing Department prior to approval of requisitions.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 12

## CHAPTER 4 –Authority Levels

### A. General Procurement Authority:

- Procurement authority may be delegated by Department Directors to department staff as deemed necessary.
- Purchases may be made by either:
  - use of a City issued purchase order; or
  - use of a City issued procurement card (P-card)
- Except where authorized by law, City employees do not have the authority to verbally place orders or verbally bind the City to debt. (See Emergency Purchases)

### B. Signature Authority: \*

#### Signature authority resides solely with:

- **Mayor or Mayor Pro-Tem:** (City Charter/Article III/Section 5)
  - The mayor is authorized to sign any and all documents, agreements and contracts related to expenditures.
  - In the absence of the mayor, the mayor pro-tem shall have all the rights conferred upon the mayor.
- **City Manager** (Ordinance 2008-38)
  - Signature authority for any and all documents, agreements and contracts related to expenditures approved in the annual operating budget up to \$50,000.
  - Signature for any and all documents, agreements and contracts related to expenditures approved by a lawfully held City Council meeting.
- **Purchasing Manager (Adoption of these policies)**
  - Signature authority for any and all documents, agreements and contracts related to expenditures approved in the annual operating budget up to \$10,000.

### C. Requisition Approval Authority:

The following approval levels shall be utilized within the City's financial system in all procurement related matters.

- Temporary Delegation:  
If an approver will be out of the office, their approval authority may be temporarily assigned to another employee. Delegations may only be given "upward" within their management chain to another manager with existing approval authority.

For audit purposes, all approvals made as a delegate must be noted in the "internal notes" box of the requisition. ("Approving on behalf of First Name Last Name")

## PROCUREMENT POLICY

## FINANCIAL SOFTWARE - REQUISITION APPROVAL LEVELS

Amount	Requisition Approval Authorities				
\$1 - \$1000	DIVISION STAFF				
\$1000+ < \$3000		DIRECTOR			
\$3,000 - \$10,000			PURCHASING		
\$10,001 - \$15,000				FINANCE	
\$15,000 +					CITY MGR.; ASSIST. CITY MGR *including all over-budget

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 14

## CHAPTER 5 – PAYMENTS, INSURANCE & PUBLIC RECORDS

### A. **Payments, Texas: (Government Code, §2251.021 through 2251.030)**

A payment by a governmental entity under a contract executed on or after September 1, 1987, is overdue on the **31st day after the later of:**

- the date the governmental entity receives the goods under the contract; or
  - the date the performance of the service under the contract is completed; or
  - the date the governmental entity receives a correct invoice for the goods or service.
- All invoices will be reviewed by the Department for receipt of goods/services, accuracy and compliance to the issued purchase order, and processed promptly.
  - If goods or services are incomplete City staff must document any issues/shortages and notify the vendor in writing. All deliveries should be verified upon receipt.
  - **Payments are not made until goods and services are received and accepted.**
    - Pre-payments for services such as professional speakers, artists, and/or performers may be authorized by the Purchasing department where the provisions are clearly defined in a mutually executed agreement.
  - Departments are encouraged to take advantage of prompt or early payment discounts. Notice of prompt payments should be highlighted on the invoice and clearly marked on the front of the purchase order submitted to Accounting for payment.
  - The approved purchase order and invoice will be forwarded to Accounting for processing.
  - It is the Finance Department's responsibility to monitor the prompt payment of invoices.

### **Goods, Services and Invoice Discrepancies:**

Departments will ensure that all goods and services are correct and received on time. Should there be a discrepancy in the invoice it is the responsibility of the department to:

- Notify the vendor immediately of any discrepancies and ask for a resolution. If the vendor is notified by phone, the department should follow-up with a written communication summarizing the phone call.
- If the vendor is correct, the original payment deadline still applies.
- If the discrepancy is acknowledged by the vendor:
  - the department must obtain either a credit memo or a corrected invoice from the vendor.
  - the payment period starts when the new invoice is received.
- If the department is unsuccessful in resolving the issues, please notify the Purchasing Department at the earliest date possible for assistance.

### **B. Vendors / Contractors/ Payment of Subcontractors and Allowable Miscellaneous Expenses**

Vendor and contractors must pay subcontractor(s) or supplier(s) who provide goods/services for which payment is made within ten (10) days after receipt of payment from the City. See Chapter 17 Bonds, Insurance and Indemnification.

Vendors, contractors, and/or subcontractors are eligible for reimbursement for travel expenses when covered by written contract. Reimbursements for travel will be in accordance with current IRS guidelines, per diem rates as published by the U.S. General Services Administration (GSA) for the City's zip code and County, and miscellaneous expenses are published by Purchasing.

**C. Criminal penalties, Texas Local Government Code, §252.062**

- A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements of Section 252.021. An offense under this subsection is a Class B misdemeanor.
- A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates Section 252.021, other than by conduct described by Subsection (a). An offense under this subsection is a Class B misdemeanor.
- A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates this chapter, other than by conduct described in Subsection (a) or (b). An offense under this subsection is a Class C misdemeanor.

**Removal / Ineligibility, Texas Local Government Code, §252.063**

- The final conviction of a municipal officer or employee for an offense under Section 252.062 (a) or (b) results in the immediate removal from office or employment of that person.
- For four years after that date of the final conviction, the removed officer or employee is ineligible:
  - to be a candidate for or to be appointed or elected to a public office in this state;
  - to be employed by the municipality with which the person served when the offense occurred; and
  - to receive any compensation through a contract with that municipality.

**D. Insurance requirements: (Texas Labor Code, §406.096)**

**All contractors and subcontractors shall have insurance coverage (including worker's compensation as required). Proof of coverage must be provided prior to any work beginning. Certificates must be submitted to Purchasing.**

Minimum Required Insurance: Workers Compensation, General Liability, and Auto Liability. Other types of insurance may be required depending on the type of work or service requested. A "Public Works" Building or construction is defined as:

- erecting or preparing to erect a structure, including a building, bridge, roadway, public utility facility, or related appurtenance; or
- remodeling, extending, repairing, or demolishing a structure; or
- otherwise, improving real property or an appurtenance to real property through similar activities.

**E. Public records:**

Vendors or a member of the public may request a copy of a Bid Tabulation that is compiled when bids are opened in accordance with Chapter 552 of the Texas Government Code. The Purchasing Department is responsible to publicly post such documents.

The City will not release copies of bid submissions or bid evaluations until after the contract has been awarded in accordance with §552.104 of the Texas Government Code. Once awarded, all requests submitted under the Freedom of Information Act will be processed in accordance with all applicable

## PROCUREMENT POLICY

laws. Department staff shall not release procurement or contact documentation (in part or in whole), and will refer any inquiries to the Purchasing Department.



## CHAPTER 6 – PROCUREMENT THRESHOLDS SUPPLIES, EQUIPMENT AND NON-PROFESSIONAL SERVICES

The Purchasing Department will select the procurement method based upon amounts approved in the annual operating budget or as amended during the year. (Exceptions: Chapter 12 – Emergency Purchases)

**NOTE:** It is unlawful for any City employee to split purchases to circumvent the competitive requirements. Split purchases are defined as:

- Component Purchases: purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.
- Separate Purchases: Purchases made separately of items that in normal purchasing practices would be purchased in one purchase.
- Sequential Purchases: Purchases made over a period of time, of items that in normal purchasing practices would be purchases in one purchase.

### **A. Non-Contract Purchases of Supplies, Equipment or Non-Professional Services:**

Where no City, interlocal or cooperative contract exists.

\* All purchase orders must be issued to the vendor prior to the ordering, start of, or receipt of goods or services.

- **Purchases Less Than \$3000**

A onetime or cumulative purchase of supplies, equipment or non-professional services may be made with either a City issued purchasing card or by a purchase order:

- Competitive quotes are recommended, but not required
- Departments are responsible for securing the required insurance certificates from vendors performing work on City property. Work should not be started until a purchase order has been issued and sent to the vendor, and a copy of the insurance verified.

- **Purchases Between \$3000 and \$39,999**

- A onetime purchase or cumulative purchase for supplies, equipment or non-professional services requires a minimum of three (3) written quotes to ensure competition. The quotes will include a search for HUB vendors (Historically Underutilized Businesses) located in Collin County as required in Section 252.0215 of the Texas Local Government Code). If no HUB vendors exist for the supplies, the department will obtain a minimum of three (3) quotes.
- Departments are responsible for securing the required insurance certificates from vendors performing work on City property. Work should not be started until a purchase order has been issued and sent to the vendor, and a copy of the insurance verified.

- **Purchases of \$40,000 and above**

- A onetime purchase or cumulative purchase for supplies, equipment or non-professional services will be processed by the Purchasing Department in conjunction with the department, to determine the most advantageous procurement process and compliance with applicable federal, state and local laws.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 18

**B. Contract Purchases**

All requests for annual contracts will be processed through the Purchasing Department (regardless of amount; including interlocal purchasing agreements and cooperative agreements. The appropriate threshold and process will be determined by reviewing the current and future requirements of the Department.

- **Annual Contracts – Cumulative Value of Less Than \$3000**
  - Competitive written quotes are recommended, but not required
  - Vendor insurance certificates are required when performing work on City property.
  - Work should not be started until a purchase order has been issued and a copy of the insurance verified.
- **Annual Contracts – Cumulative Value Between \$3,000 and \$39,999**
  - Will be processed by the Purchasing Department in conjunction with the department, to determine the most advantageous procurement process and compliance with applicable federal, state and local laws.
  - Competitive written quotes will be solicited from an adequate number of vendors to ensure competition, including at least two (2) Historically Underutilized Businesses (HUBs) if available as required in Section 252.0215 of the Texas Local Government Code.
  - Purchases may be made through interlocal purchasing agreements or from cooperative purchasing organizations.
  - Vendor insurance certificates are required when performing work on City property. Work should not be started until a purchase order has been issued and a copy of the insurance verified.
- **Annual Contracts - Cumulative Value of \$40,000 or Greater**
  - Unless otherwise specified by law, annual agreements and contracts valued at \$40,000 and above shall be awarded by competitive bidding, the use of interlocal purchasing agreements or cooperative purchasing groups, or reverse auction procedures pursuant to current state law, and shall be issued by the Purchasing Department.
  - Vendor insurance certificates are required when performing work on City property. Work should not be started until a purchase order has been issued and a copy of the insurance verified.
- **Software Purchases – to support responsible spending of City funds:**
  - Departments are required to obtain quotes in accordance with the thresholds above.
  - While some software licenses may be proprietary, departments will obtain quotes from companies that provide a product similar in function before making a final decision.

**C. Requisition Documentation**

Departments are responsible for compiling and storing all documentation in support of purchases. This information will be linked to the requisition prior to the completion of any financial approvals.

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 19

## PROCUREMENT POLICY

Note: long term storage of documentation will be migrating to Laserfiche, as licenses and training are available. See Chapter "Requisitions & Purchase Orders".

**D. Purchases from Cooperative Agreements or Interlocal Purchasing Agreements**

Texas Government Code, Chapter 791, and the Texas Local Government Code, Chapter 271, authorize the use of cooperative purchasing programs, including interlocal purchasing agreements with other governmental agencies. See Chapter "Cooperative Purchases".

**E. Vendor On-line Terms/Conditions**

Vendor on-line terms and conditions, "click to accept", are treated as legal documents requiring an approved signature (per Chapter 4). Department should contact the vendor and request that the quote be sent as an attachment.

## CHAPTER 7 – METHODS OF PROCUREMENT

### **A. Methods of Procurement**

The Purchasing Manager will determine the best method of procurement based on the purchasing threshold and the nature of the goods or services required. The methods of procurement utilized by the City include, but are not limited to:

- Competitive Sealed Bids (CSB) or Competitive Sealed Bid performed by a Cooperative agency
- Competitive Sealed Proposals (CSP) or Competitive Sealed proposal performed by a Cooperative agency
- Request for Proposals (RFP)
- Request for Statement of Qualifications (RFQ)
- Request for Quotes
- Alternative Construction Methods (as defined by Gov. Code 2269)

### **B. Exemptions**

Exemptions from the methods of procurement listed, are identified in Section 252.022 of the Texas Local Government Code as amended. Requests for exemptions will be submitted in writing to the Purchasing Manager for final approval.

### **C. Competitive Sealed Bids: (\$40,000 and above)**

Purchases may be made by competitive sealed bid or proposal, and shall be referred to the City Council for award as required (See Chapter II, "Laws & Statutes Governing Purchasing").

Note: The requirement for competitive bidding may also be satisfied by purchasing through an existing contract with another government entity or through cooperative purchasing programs, such as the State of Texas, HGAC, U.S. Communities, TCPN, TIPS or TASB Buyboard.

### **D. Non Responsive / Non Responsible:**

Where the bid specification is written as award to the "Lowest Responsive, Responsible Bidder", the evaluation of all bids will include the following vendor "responsibility" requirements:

- A. Have adequate financial resources, or the ability to obtain such resources as required;
- B. Be able to comply with the required or proposed delivery schedule;
- C. Have satisfactory record of performance;
- D. Have a satisfactory record of integrity and ethics;
- E. Otherwise qualified and eligible to receive an award
- F. Must have a current Certificate of Filing through the Texas Secretary of State Office at the time of bid submission (Texas Business Organization Code; Chapter 9)

If the Department evaluation concludes that the lowest bid is not responsive to the bid specifications, the Department will provide a written explanation of the deficiencies. In the event the Department evaluation concludes that a bidder is not "responsible", the Department will provide a written explanation in the award recommendation which will be reviewed and acted upon by the City Council.

**E. Identical Bids:**

If all factors, conditions, values and expenses relating to the bids are equal, then the award recommendation will be made for the “local” bidder (defined as a business presence within, 1) the City of Wylie; and 2). Collin County).

- If two or more of the bidders submitting the lowest bids are residents of the city or district, or from out of state, the award recommendation shall be made by the casting of lots conducted by the Purchasing Manager with at least one witness.

**F. Department Director or Designee Responsibilities:**

- The requesting department shall notify the Purchasing Manager. Such notification will provide the following information:
  - Items or services desired
  - Budgeted amount
  - Request for a pre-acquisition meeting with Purchasing
  - If the item was not approved in the department’s budget, written approval by the City Manager must be secured prior to solicitation of bids.
- Once the notification has been made and the Procurement process is started, it is the Department’s responsibility to:
  - Cease communications or requests for additional information from vendors who may submit offers in response to the bid.
  - Treat all City communications, documents and drafts of the bid as “confidential / not for public information”.
  - Refer any and all calls for information to the Purchasing Department
- The Department is responsible for establishing the technical portion of the bid specifications. The Purchasing Manager will assist the departments in writing clear, concise and competitive specifications, and will make a final determination as to the specification content.
- The Department must be available during the bid process to attend pre-bid meetings, site visits, provide responses to bid questions, attend the bid opening, and participate on any required evaluation teams.
- The Department will make a written award recommendation based upon the evaluation method stated in the bid specifications. The Department shall provide additional explanation for:
  - Reasons as to why the item is over-budget.
  - Reasons as to why the low bidder is not recommended for the award.

**G. Purchasing Responsibilities:**

- Determining the most appropriate bid distribution method.
- Finalizing all bid specification documents, including dates and meetings.
- Responsibility for scheduling all bid openings and for setting the time and date thereof. Bid opening dates will be scheduled to allow for proper review and analysis of all pertinent information prior to the request for placement on the Council agenda.
- Placing and verifying of required public advertisements.

## PROCUREMENT POLICY

- Receiving of sealed bids through either physical submission or on-line submission (as allowed by law)
- Oversight of all bid openings (as required by law).
- All bids, with the exception of some construction bids, shall be tabulated by the Purchasing Manager with the assistance of the requesting department. Bids for construction may be tabulated by the Purchasing Manager, City Engineer or the Engineer of Record. Upon review of the submitted bids, a final bid tabulation will be certified by the Purchasing Department and posted for public information.
- All original bid documents and related material must be on file in the Purchasing Department prior to award being made.

**H. City Council Agenda Items:**

All procurement related agenda items will be processed by the Purchasing Department (unless specifically authorized by the City Manager). This includes purchasing interlocal agreements, procurement awards, change orders, resolutions and/or ratifications, and other documents as required by statute.

- The Purchasing Department will review the submitted documents and ensure that all information has been received and properly tabulated and generate the agenda paperwork.
- The Department Director will review and approve the agenda item prepared by Purchasing.
- Once approved, the Purchasing Department will submit all the necessary documents to the City's Secretary's office and request that the item be placed on the next available City Council Meeting Agenda.
- A Department representative will be present at the Council meeting to address any issues regarding the vendor selection, pricing, or technical specifications.
- The Purchasing Manager will be present at the Council meeting to address any issues regarding the procurement process utilized.

## CHAPTER 8 – PUBLIC WORKS/CONSTRUCTION PROJECTS

Public Works projects are those projects that require the construction, repair, or renovation of a structure, building, street, highway, bridge, park, water and wastewater distribution facility, airport runway or taxiway, drainage project, or other improvement or addition to real property.

### **A. Bid Type:**

Several bid processes are defined in Texas Government Code Chapter 2269. The Purchasing Manager will work in cooperation with the Department to determine which method will provide the best value for the City.

### **B. Prevailing Wage Rates:**

Texas Government Code Chapter 2258 mandates the any Public Work contract awarded by the City include the requirement to pay prevailing wage rates. The statute requires the payment of a prevailing wage rate for laborers and mechanics and applies to both contractors and subcontractors. Wages for workers on construction projects shall not be paid less than the schedule of general prevailing rates of per diem wages as mandated. The prevailing wage rate or a link to the wage rates with the date shall be included in public works projects. Rates may be accessed at: <http://www.wdol.gov/dba.aspx>.

### **C. Bonding Requirements:**

Bonds shall be in accordance with Texas Government Code Chapter 2253.

- The bond must be executed by a corporate surety in accordance with the policies of and on forms approved City form.
- The corporate surety must be licensed by the State of Texas to issue surety bonds and appear on the U.S. Treasury List of acceptable sureties.
- A Power of Attorney must be included.
- Bonding shall be verified by the Purchasing Manager prior to the start of any project.

### **D. Insurance and Indemnification Requirements:**

- The minimum insurance required will be specified by the Purchasing Department.
- For construction-related projects, all contractors and sub-contractors, including those delivering equipment or materials or performing a service shall provide workers' compensation for all employees. General contractors are responsible for ensuring that sub-contractors carry the same or higher insurance amounts as those required.
- All contractors shall provide proof of coverage which meets the requirements published by the Purchasing Department. Contractors shall post required signs at job site(s) informing all workers of their right to workers' compensation coverage. Texas Labor Code § 406.096
- Workers Compensation coverage is required by Texas Labor Code Texas Labor Code 406 for all Public Works contracts.

## CHAPTER 9 – PROFESSIONAL SERVICES

The following policies are designed to assist the City’s staff in the selection of individuals or firms to perform professional services. The desire is to establish fairness and consistency in the selection process while obtaining the best value (quality services at a reasonable price) for the City in accordance with applicable legal requirements.

### **A. Definition of Professional Services:**

Professional services generally refer to those services performed by an individual or group of individuals where education, degrees, certification, license, and/or registration are required for qualification to perform the service. The term “professional services” includes labor and skill that is predominantly mental or intellectual, rather than physical or manual in nature. (See Texas Attorney General Opinion No. JM-940, at p. 3 (1988)).

Certain professions are specifically named in the Professional Services Procurement Act (ACT), Texas Government Code Chapter 2254, Subchapter A. This includes services within the scope of the practice, as defined by state law (and amended), of:

1. Accounting
2. Architecture
3. Landscape Architecture
4. Land Surveying
5. Medicine
6. Optometry
7. Professional Engineering
8. Real Estate Appraising
9. Professional Nursing
10. Interior Design Services

If a department is not sure if a service is a “professional service,” the department should contact the Purchasing Manager before securing such services.

### **B. Procurement of Architectural, Engineering, or Land Surveying Services:**

When procuring architectural, engineering or land surveying services, the City shall use a two-step selection process (see Texas Government Code § 2254.004).

#### **General Procedure:**

- First, the City shall select, through the RFQ process, the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and
- Second, attempt to negotiate with that provider a contract at a fair and reasonable price. Negotiations will be facilitated by Purchasing as lead for a team of stakeholders.
- If the City is unable to negotiate a satisfactory contract with the most highly qualified provider of architectural, engineering or land surveying services:
  - First, the City shall formally end negotiations with that provider;

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 25



## PROCUREMENT POLICY

- Second, select the next most highly qualified provider;
- Third, attempt to negotiate a contract with that provider at a fair and reasonable price.  
The City must continue this process until a contract is entered into.
- A purchase order must be issued upon award of contract.

**C. Pre-Qualified Various Professional and Engineering Firms:**

The Purchasing Department maintains a list of pre-qualified professional and engineering firms. Departments are encouraged to:

- Contact the Purchasing Department for guidelines, assistance and appropriate forms.
- Review the list of firms for the appropriate category, and rank the firms from most qualified to least for the specific project.
- Request a proposal from the firm most qualified for the project, and enter into negotiations. Note that firms must utilize the City's proposal form under this process.
- If the Department is unable to complete a successful negotiation that firm is notified in writing that they are permanently set aside. The Department may repeat the process with the next most qualified pre-qualified firm.
- All projects and resulting contracts which meet or exceed the competitive bid limit will require approval and award by the City Council (see Chapter 7).
- If the Department does not make a final selection from the list of pre-qualified firms, a request for a new RFQ/RFP will be submitted to the Purchasing Department.
- A signed contract and purchase order is required before work can begin.

**D. All Other Professional and Personal Service Agreements:**

The Department will contact the Purchasing Department to determine the most advantageous method.

**CHAPTER 10 – GRANTS, REBATES and SUBSIDIES**

Grants, rebates, and subsidies may be available to off-set the City's purchase expense or to provide other forms of assistance. Departments applying for grants, rebates or subsidies must notify the Finance and Purchasing Department prior to submission of any required paperwork.

**Finance Responsibilities:**

- Determining the source of the funds. Various sources may have different audit requirements
- Determining the appropriate accounting codes to record/receive revenues.

**Purchasing Department Responsibilities:**

- Review the documents for purchasing and disposal requirements
- May be restriction on sole source or brand name purchases
- EDGAR (Education Department General Administrative Regulations) requirements

**Department is the Grant Administrator**

- Reporting requirements
- Asset tracking
- Repurposing or disposal requirements

## CHAPTER 11 – CHANGE ORDERS

A change order is the written documentation and approval process that must be performed when changes (increases or decreases) in the scope of a project are proposed after the performance of a contract has begun. Such changes may include a significant change in the quantity of work to be performed, the cost of work to be performed, or of the materials, equipment, or supplies to be furnished. A change order is usually written for a construction contract but may be necessary in other types of contracts.

### **A. Threshold for Change Orders:**

A “threshold” is defined as a financial limit on the amount of expenditures which can be authorized by the City Manager on a construction project before requiring City Council approval. See Texas Local Government Code Chapters 252 and 271.

- **Cumulative Change Orders Greater than \$50,000** – If the change order is greater than \$50,000 it must be approved by the City Council.
- **Cumulative Change Orders Less than \$50,000** – If the change order is less than \$50,000 it may be approved by the City Manager or designee.

### **B. General Process:**

- All change orders and or contract modification will be processed by the Purchasing Department and must be submitted in writing for execution by all parties.
- Change orders shall not exceed 25% of the original contract amount, or decrease the original contract price by more than 25%, without consent of the contractor (except for exempt purchases as defined).
- The scope of work addressed by the contract change cannot be started prior to either City Council approval or execution of the written change; with the exception of contracts complying with the “**Construction Contracts Contingency Fee Policy**”).
- Purchase orders will be updated by the Purchasing Department.

### **C. Approval for Change Orders:**

If a change order is greater than \$50,000 and is extremely time sensitive and qualifies as an emergency, the City Manager may approve such a change order prior to City Council approval; however, such change order still must be processed through the Purchasing Department as soon as possible for City Council approval as a ratification. Emergency conditions are defined in Chapter 12.

### **D. Contingency Fee Policy:**

The City Council may establish a contingency fund for a construction project at the time of award of a bid to be used during the course of a project. A contingency fund may be established as recommended by staff and processed by the Purchasing Department in the form of a City Council agenda item at an amount not to exceed 25% of the original bid price. SEE CHAPTER 11 – CONSTRUCTION CONTRACTS CONTINGENCY FEE POLICY.

## CHAPTER 12 – CONSTRUCTION CONTRACTS CONTINGENCY FEE POLICY

This Purchasing Policy applies to all public works and construction bids awarded (as required by law) by the City of Wylie.

### **A. Policy Purpose:**

To facilitate the timely completion of changes in plans or specifications after the performance of the contract is begun, or if it is necessary to decrease or increase the quantity of work performed or of materials, equipment or supplies to be furnished. The City may choose to include a portion (by percentage) of the maximum 25% increase ("Contingency Fee") of the original bid price in the award of the contract.

### **B. Bid Award Procedure:**

- The Department director will evaluate the submitted bids, and make an award recommendation to the Purchasing Department. The award recommendation will include the name of the contractor, the portion of the work awarded, and the amount bid for the portion of work identified in the bid specification.
- Based on the complexity of the scope of work, the Department director may elect to include a portion (by percentage) of the maximum 25% increase allowable by law. The dollar amount of the "Contingency Fee" will be listed separately in the memo, and included in the total award.
- The Purchasing department will determine if the award of the bid requires City of Wylie Council approval based on the total (bid + "Contingency Fee"), and applicability of bond requirements.

### **C. Change Orders:**

- All change orders shall be documented and submitted in writing to the Purchasing Department.
- Purchasing Department will obtain the required signatures and distribute as required.
- The value of each change order shall be documented and applied against any pre-awarded "Contingency Fee".
- Change orders which exceed the "Contingency Fee" in part or in whole will be processed according to Section 252.048 of the Local Government Code.

### **D. Invoice Payment Procedure:**

- A purchase order will be issued, keeping the original bid/contract amount separate from the "Contingency Fee" amount.
- All original scope of work shall be invoiced and paid against the original contract amount.
- All change orders will be invoiced against the "Contingency Fee".

Gov Code: 2269 (Contracting & Delivery Procedures for Construction Projects)

Gov Code: 2253 (Bonds)

Local Gov Code: 252.044 (Contractor's Bond)

Local Gov Code: 252.048 (Change Orders)

ISSUED: OCTOBER 2020

REVISED: JANUARY 2023

Approved by Wylie City Council: 9/27/2022; 1/24/2023

page 29

## CHAPTER 13 – SOLE SOURCE PURCHASES

Sole source purchases are allowed by statute (Texas Local Government Code §252.022.a.7), as a “General Exemption” to the competitive bid laws for the following specific situations:

- A) Items that are available from only one source because of patents, copyrights, secret processes or natural monopolies.
- B) Films, Manuscripts or Books
- C) Gas, Water and other Utility Services
- D) Captive replacement parts or components or equipment
- E) Books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials.
- F) Management services provided by a non-profit organization to a municipal museum, park, zoo or other facility to which the organization has provided significant financial or other benefits.

### **A. Single Source and Brand Name Clarification:**

Single source or brand name requirements do not automatically fall in to the sole source exemption category, specifically when other products may exist that meet the needs of the department. Final determination on the procurement process will be made by the Purchasing Manager.

- Sole source purchases are not the same as a “single source”. A single source usually involves restricted or assigned sales territories for authorized dealers or distributors of a manufacturer; where dealers are not allowed to cross over into another’s territory.
- A “brand name” requirement may or may not be a sole source purchase depending on the nature of the purchase and the method of sales or distribution.

### **B. Written Justification:**

The City is responsible for obtaining and retaining documentation from the vendor that clearly states the reasons the purchase must be made on a “sole source” basis.

- All sole source purchases require written justification in the form of an affidavit which must be completed by the vendor and notarized. This form is available from the Purchasing Department and must be submitted and approved by the Purchasing Manager prior to the purchase being made.

### **C. Notice of Intent to Award a Sole Source Procurement**

All purchases in excess of \$40,000 will be processed by the Purchasing Department and require City Council approval prior to the ordering of goods and services, or start of work.

## CHAPTER 14 – EMERGENCY PURCHASES

Emergency Purchases are allowed by statute (Texas Local Government Code §252.022.a), as a “General Exemption” to the competitive bid laws for the following specific situations:

- 1) A procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality’s residents or to preserve the property of the municipality;
- 2) A procurement necessary to preserve or protect the public health or safety of the municipality’s residents
- 3) A procurement necessary because of unforeseen damage to public machinery, equipment, or other property.

An emergency condition creates an immediate and serious need for materials, services, or construction that cannot be met through normal procurement methods and that seriously threatens the functioning of the City or the protection of property or the health or safety of any person.

### **A. Emergency Disaster Declaration:**

In an event involving a disaster, an emergency declaration will be made by the Mayor. All purchases must be documented through proper state & federal forms and authorized by the Emergency Operations Center Resource Manager or designee. **Purchasing for declared disaster situations will be handled as dictated by the Code of Federal Regulations 2CFR200, and current FEMA publication(s), or any other relevant or subsequent law or policy.**

### **B. Emergency Purchase Process: (Texas Local Government Code Chapter 252)**

Departments are encouraged to contact the Purchasing Manager to discuss available options, and are authorized to proceed with an emergency purchase as defined by statute.

- Emergency Expenditure between \$3,000 and \$39,999  
The Department may contact a vendor to initiate repair services, or purchase or order materials as needed. Immediately or as soon as feasible, notify Purchasing of the situation and enter the required requisition to facilitate payment noting in the PO Description Box “Emergency Purchase”.
- Emergency expenditure of \$40,000 or Above  
The Department may contact a vendor to initiate repair services, or purchase or order materials as needed. Immediately or as soon as feasible, the Department must submit a memo of explanation, including any vendor documentation, and the associated budget codes to the Purchasing Department. Purchasing will create the required agenda resolution to ratify the expense and place it on the next available City Council Meeting Agenda.

### **C. Non-Emergency:**

An emergency created through a lack of planning or neglect will not be processed as an emergency. Typical examples of such neglect are:

- Depletion of stock due to lack of planning.
- Building or equipment needing repairs for some time, suddenly becoming an emergency overnight.

## PROCUREMENT POLICY

- Orders of materials for projects most of which must be planned weeks or months ahead of time, and requested just before desired use.

**CHAPTER 15 – COOPERATIVE PURCHASES**

Texas Government Code, Chapter 791, and Texas Local Government Code, Chapter 271, authorize the use of cooperative purchases through programs established with another governmental agency (piggy-backing) or an established cooperative agency.

These chapters grant the City authorization to utilize contracts that have completed a bid process and been awarded where:

- The bid is for the same goods and/or services; and
- The bid was completed in accordance with procurement laws that would govern the City's purchase; and
- An Interlocal Purchasing Agreement has been approved by both governing bodies.

It is the policy of the Purchasing Department to utilize cooperative agencies and interlocal purchasing agreements where a clear and definitive benefit exists. The City must be a member of the cooperative agency which may require Council approval prior to placing an initial order.

Interlocal Purchasing Agreements are normally restricted to other governmental agencies located within the Dallas/Fort Worth Metroplex. Purchasing interlocal agreements will not be executed to merely avoid the competitive bid process. Departments should contact the Purchasing Department for assistance with cooperative purchases and any reporting requirements.



## CHAPTER 16 – PROCUREMENT CARD PROGRAMS

The procurement card programs are a payment mechanism designed to reduce the administrative costs associated with processing small purchases generally less than \$1,000. The program is not intended to avoid or bypass appropriate purchasing or payment procedures; but are intended to complement the existing purchasing processes. The procurement card program administrator is the Purchasing Manager.

### A. General Policies

- Program Eligibility:
  - Must be a full time City employee
  - Individual must complete purchasing training prior to issuance of the card
- Obtaining Procurement Cards:  
The request must be submitted in writing by the Department Director and sent to the Purchasing Manager. Cards and access to the City's financial system will be issued for eligible full time employees once the cardholder has:
  - Received the appropriate level of training from the Program Administrator; and
  - Signed the Cardholder Agreement for the appropriate program, confirming receipt of the card, understanding of the program, and acknowledgement that improper use of the card may result in disciplinary action up to and including termination of employment.
- Cardholder Limits and Commodity Restrictions:  
The Program Administrator, in coordination with the Finance Director, will assign authorization levels to each card.  
  
Monthly dollar limits and commodity restrictions will be assigned to all City cards. Some restrictions will apply to the entire program, such as cash advances, alcohol, cigar/tobacco products, casinos/gambling facilities, and international travel or businesses. If a purchase is declined due to an exclusion, contact the Program Administrator.
- Program Administrator Responsibilities: (Purchasing Manager)
  - Serving as the official City liaison with the credit card processing company
  - Determining appropriate merchandise category exclusions to minimize risk to the City
  - Maintaining the online card system
  - Issuing cards and related program information
  - Replacement of lost, stolen or compromised cards
  - Assisting departments with appropriate transactions which may exceed their card limits
- Department Director Responsibilities:
  - Approving cardholder requests
  - Reviewing and approving monthly statements and purchase orders for adherence to policies prior to submission for payment.
  - End of employment - Prior to an employee's final work day, the Department Director or manager will collect any issued cards and return it to the Program Administrator for cancellation.

## PROCUREMENT POLICY

- **Cardholder Responsibilities:**

While the cardholder's name is printed on the card, cards are issued to the City and will have no impact of the cardholder's personal credit. City funds are committed each time the card is used and each individual cardholder is responsible for all charges made to their card. Therefore, by participating in any card program, all cardholders are responsible for:

- Compliance with the City of Wylie Credit Card Program Cardholder Agreement and User's Guide.
- Cards will be assigned to individual cardholders and are issued within the parameters of a specific fund and department.
- Purchases are limited to those within the cardholder's assigned budget, and may not be used to purchase goods or services outside of those the cardholder has access to within the City's financial system.
- Cards should not be loaned or given to other employees.
- Determining if the transaction is an acceptable use of the card, and if the total expenditure, including delivery or freight charges, is within the cardholder's spending limit
- Ensuring that the card is utilized for legitimate City business only; the card is not for personal use
- Ensuring that transactions are not split to circumvent the limits assigned to the card, or to circumvent other procurement policies.
- Ensuring that the City is not charged sales tax; informing the merchant of the City's tax exempt status **prior** to placing the order. If sales tax is charged, it is the cardholder's responsibility to contact the vendor and obtain the credit.
- Ensuring that transactions that are processed through PayPal (or other 3<sup>rd</sup> party payment processes) are supported with detailed documentation as to what the purchase is and what it is used for.
- Resolving any disputes or billing errors directly with the merchant. Cardholders may notify the Program Administrator if the disputes cannot be resolved.
- Submitting the required statement and receipts for payment processing within the required deadlines.
- Immediately contacting either the Program Administrator or the bank (using the phone number on the back of the card) of a lost or stolen card, or fraudulent charges.

## **B. Amazon Procurement Program**

The City participates in the Amazon Procurement Program, and accounts are assigned and managed by the Purchasing Department as the Program Administrator. Department accounts have been assigned to a specific cardholder to make purchases within the financial limits of the named cardholder. Amazon purchases made from accounts or credit cards other than those authorized by the Program Manager are prohibited.

## **C. Violations and Remedies:**

Violations to the card program may result in disciplinary action, up to and including termination. At a minimum, violations to the card program will result in the following remedies:

- **First Offense:** Written warning of the infraction will be send to the cardholder

## PROCUREMENT POLICY

- Second Offense: Written warning of the infraction will be sent to the cardholder and the department director.
- Third Offense: Card privileges will be suspended for 30 days, and the cardholder will surrender the card to the Program Administrator for the duration of the suspension period.
- Fourth Offense: Card privileges will be suspended permanently and the cardholder will surrender the card to the Program Administrator

## CHAPTER 17 – GENERAL ITEMS

### **A. Tax Exempt Certificates:**

Department will contact the Purchasing Department via email ([purchasing@wylietexas.gov](mailto:purchasing@wylietexas.gov)) to request tax exempt certificates. To enable Purchasing to provide the best procurement solution, the request must include:

- Vendor Name, Address
- Products or services to be purchased
- Amount of money budgeted, and the vendor's quote (if available)
- Is this a one-time purchase, or will it be repetitive

Departments should allow sufficient time for the request to be completed, and forms will be emailed back to the Department unless otherwise requested.

### **B. Various Other Procurement Programs:**

The Purchasing Department is responsible for setting up various other procurement programs such as:

- Copiers
- Office Supplies
- Sam's memberships
- Amazon Business Account (personal accounts may not be used for City purchases)
- Home Depot Account
- City issued credit cards (see Chapter 15)
- Fuel Programs

Department requests for access to these programs should be sent via email through the Department Director to Purchasing. Once completed, the Department staff will be notified.

### **C. Petty Cash Purchases**

If the department maintains a petty cash fund, purchases are usually for items which are not maintained in stock, and are \$25.00 or less in value. Departments should note that items purchased through petty cash may be more expensive due to the payment of sales tax; therefore, the use of petty cash should be limited. A City Purchasing Card should be used for most small transactions.

When a vendor will allow employees to make a tax exempt purchase, the vendor may require a Tax Exemption Form. Contact the Purchasing Department or Accounts Payable for copies of this exemption certification.

### **D. Fiscal Year Procurement Cut Off:**

Departments will complete all budgeted purchases no later than August 31<sup>st</sup> of each fiscal year. Only contracted recurring monthly expenses, break-fix/maintenance, or emergency requisitions will be approved. All exceptions must be pre-approved in writing by the City Manager and submitted to the Purchasing Department.

## CHAPTER 18 – BONDS, INSURANCE AND INDEMNIFICATION

### **A. Bond Policy:**

Bidders may be required (at the statutory limit or less) to provide certain bonds for Public Works/Construction Contracts. This ensures that if the bidder attempts to withdraw after the bid is accepted, the City will not suffer loss. The City will only accept corporate sureties duly qualified and authorized. Personal sureties will not be accepted. All required bonds must be approved by the Purchasing Manager prior to contractors or vendors commencing work.

The City may require bonding on other projects to mitigate risk.

The City requires payment, performance, and maintenance bonding to be provided on City approved forms in accordance with statute.

### **B. Types of Bonds:**

Bid Bonds –The Bid Bond minimum limit is five percent (5%) of the total amount bid and would typically apply to construction contracts. It is the City's option whether or not to require bidders to provide a Bid Bond. Certified or cashier's checks will NOT be accepted in lieu of a Bid Bond. Bid Bonds are provided on surety forms. Bid Bonds will be returned to the issuing vendor upon request. Bond must be requested within ten days of award.

Payment Bonds are required for Public Works Contracts in excess of fifty thousand dollars (\$50,000) and must be written for one hundred percent (100%) of the total bid price. The Payment Bond is for the protection of those performing work as subcontractors or suppliers for the prime vendor/contractor. See Texas Government Code § 2253.021

Performance Bonds are required for all Public Works Contracts when the vendor's bid exceeds one hundred thousand (\$100,000), and they must be written for one hundred percent (100%) of the total bid price. These bonds are solely for the protection of the City in the event of a contractor/vendor default under Contract terms and conditions. See Texas Government Code § 2253.021

Maintenance Bonds can be written for a term relevant to the project. The coverage provided by a Maintenance Bond is to guarantee against defective workmanship and materials.

### **C. Insurance and Indemnification Policy:**

The Purchasing Department maintains the City's insurance requirements. Contractors performing work on City property or public right-of-way shall provide indemnification and certificates of insurance or a copy of their insurance policy(s) including a copy of the endorsements necessary to meet contract requirements, and hold harmless and defense clauses. The required language is inserted in solicitation documents by the Purchasing division or owner of the specifications.

Contractual agreements must contain a provision that transfers the risk of the project from the City to the contractor. Because the contractor may not have the financial resources to handle the risks that are

## PROCUREMENT POLICY

transferred in the contract, the City requires that insurance be purchased and maintained by the contractor for financial security.

- Workers' Compensation Insurance – Per statute, contractors, and subcontractors hired for building and construction projects must provide Workers' Compensation Insurance for their employees regardless of the project's cost. See Texas Labor Code, § 406.096.
- Purchasing will verify and approve all insurance documents prior to the contract, purchase order, or commencement of work to be performed.

**\*NOTE:**

**These documents may vary based on the perceived exposure, and are constantly updated. City employees should not maintain copies of the insurance requirements for distribution purposes; but should obtain the most current documents from Purchasing on an as needed basis.**

**D. Insuring City Assets:**

The Purchasing Department is responsible for maintaining insurance coverage for the City's assets including vehicles, mobile equipment, buildings, building contents, playgrounds, parks, water delivery structures, etc. Inventories will be reviewed and confirmed on an annual basis, to allow for adequate coverage and accurate billing.

Departments are responsible for maintaining their detail inventory lists and notifying Purchasing of any deletions, additions or changes that would impact the insurance coverages. Examples would include bringing a new water storage tank on-line or removal of an old tank; upgrading of playground equipment located at a park; adding additional lights or parking lot at a park; acquiring new vehicles, heavy equipment or mobile equipment.

## CHAPTER 19 – CONTRACTS

A contract is a written, legally binding document or obligation to do or abstain from doing an act. The contractor must perform and meet the requirements of the contract. All guidance provided to a contractor must be within the scope of the contract.

### **A. Purchase Orders:**

A Purchase Order is a legal contract. Purchase orders are generated and approved before goods or services are ordered and received. This ensures purchases are approved and within budget. A Purchase Order or Contract is required when insurance and indemnification is required. See Chapter “Requisitions and Purchase Orders”.

### **B. Contracts Greater than \$40,000:**

All purchases greater than \$40,000 may require a written contract, insurance, and/or bonds. City Council approval is required at \$50,000 and Legal review of the contract may be required. All contracts will be processed by Purchasing.

### **C. Annual/Term Contracts:**

The City may use an annual/term fixed price contract to obtain required goods or services from a chosen vendor for a specified time period. These contracts eliminate the necessity of bidding commodities and performing HUB searches each time they are needed. Annual contracts require a bid solicitation (or use of a cooperative contract), award process, and purchase order.

- Purchases of items or services that may be readily quantified (such as a fixed hourly rate or a fixed price per linear foot) will be awarded on a competitive sealed bid or competitive sealed proposal (CSP) basis and approved according to expenditure authority.
- Requested items should be detailed by description and unit cost on the P.O. or an attached document, with the remarks section stating that the items are under contract to the specified vendor. Releases will then be reconciled with invoices.

**Note:** Items or a service purchased from a source other than the vendor awarded the work is a direct violation of purchasing policy unless such purchase is an emergency purchase. If there are issues with a vendor’s performance, contact the Purchasing department. (An emergency is defined in Chapter “Emergency Purchases”.)

## CHAPTER 20 – CONTRACT MANAGEMENT & VENDOR PERFORMANCE

### **A. General Responsibilities:**

Purchasing will be responsible for all contract documents that are issued through the Purchasing Department. These documents will include:

- D. Bid related documents
- E. Insurance certificates
- F. Bonds
- G. Any written contract
- H. Change Orders
- I. Relevant correspondence; including copies of “Notice to Proceed” documents issued by the department
- J. Tier 2 Contract Administration (habitual or unresolved contract issues)
  - a. Vendor performance issues (department will be required to submit written documentation)
  - b. Legal issues, including notice to terminate (which may include City Council action)

City Staff will be responsible for:

- Issuing the purchase order
- Issuing a written “Notice to Proceed”, and copying the assigned Purchasing staff
- Tier 1 Contract Administration
  - Monitoring contract compliance; including meeting minutes/notes
  - Accurate and timely deliveries and invoicing
- Submitting change orders to Purchasing for processing
- Requests for payments
- Inspection and Testing
- Documentation or reporting as required by local, state or Federal grants
- Acceptance of goods, work or services performed

Vendors play a crucial role in the City’s day-to-day operations. As such, maintaining communication during the vendor obligation period is important. Both City staff and the vendor should provide open communication on project status, current issues, and potential issues.

### **B. Non-Performing Vendors:**

When a vendor fails to perform according to the Agreement (Purchase Order, Annual Agreement, Contract, and/or Specification), the Department Director (or designee) and Purchasing will:

- Document the issues in writing to the vendor.
- Schedule a meeting to discuss the issues.
- Document a mutually agreed upon resolution in writing and signed by the department and the vendor. A copy will be forwarded to the Purchasing Department for the bid file.

If a vendor’s performance remains non-compliant or otherwise unsatisfactory, the department will notify the Purchasing Manager who will attempt to facilitate a resolution. If Purchasing cannot resolve the issues, the Purchasing Manager and the Department Director will make a joint determination to cancel the contract per its terms and conditions. Purchasing will then work with the department to obtain a substitute vendor or issue a new solicitation in accordance with purchasing policy.



## CHAPTER 21 – ASSET AND SURPLUS DISPOSAL

Surplus property is property owned by the City that is no longer needed. There are multiple formats for the disposal process such as auction, trade-in, recycling, and destruction. All methods require written approval.

- Departments must contact the Purchasing Manager or designee prior to the relocation or disposal of property so that accounting records are accurately maintained. This is particularly important when the item was originally purchased as a capital asset to be depreciated
- Disposition forms / Capital Asset Forms are available from Finance or Purchasing.
- After approval by the Purchasing Department, equipment should be stored by the department until the property can be removed for auction.

### **A. Transfer of Surplus Goods Within The City**

- Equipment (vehicles, trailers, etc.)

Directors may request that an item be transferred between departments. Such requests should be indicated on the Purchasing Disposal Form and sent to Purchasing requesting a transfer of all desired equipment. If the transfer of equipment is approved, the Purchasing Division shall notify Accounting for updates to the Fixed Asset List, and make other inventory, billing and insurance changes as necessary.

### **B. Disposal of Goods, Salvage or Surplus Property**

The Purchasing Manager or designee shall be responsible for the disposal of City owned real property and salvage/surplus personal property (excluding property or evidence in possession of the City of Wylie Police Department which is governed by court order). Neither employees of the City, their family members nor the general public may acquire City owned property outside of one of the following methods.

- Personal property that has been deemed salvage or surplus may be disposed of by one the following methods, as deemed appropriate by the Purchasing Manager:
  - sold at a public auction
  - sold by soliciting competitive bids
  - sold or donated to a political subdivision of this state, a state agency of this state, or an entity of the federal government
  - traded-in on new property of the same type during the purchasing process
  - Library sponsored used book sales or donations to the Friends of the Library
  - destroyed, if such property has a value of less than \$500
- Real Property (all land, structures, firmly attached and integrated equipment) shall be disposed of in accordance with Texas Local Gov. Code 253 and 272, including:
  - Requirements for public notification,
  - Notice of intent to sell at public auction or
  - Notice of intent to sell by soliciting competitive bids.

### **C. Donations**

Contact the Purchasing Department prior to making donations outside agencies or organizations.-

## CHAPTER 22 - REQUISITIONS & PURCHASE ORDERS

### **A. Access to Incode: For full time employees of the City of Wylie**

Request for access will be submitted by the Department Director to the Purchasing Manager. Upon approval, the Purchasing Manager will notify the employee to schedule a date/time to complete the mandatory Purchasing Training. When the training has been completed the Purchasing Manager shall forward the access request to the Assistant Finance Director for access to the City's financial system.

### **B. Requisition Process:**

The requisition is the first step in the creation of a legal binding contract with the vendor. The resulting purchase order must contain sufficient information to allow the vendor to fulfill the order. Departments must not rely upon verbal conversations to ensure that the goods or services ordered are correct.

Upon receipt of the appropriate documentation (quotes, bids, contracts, etc.), the authorized Department representative will:

- Review the documentation to ensure compliance with contract requirements, shipping terms, payment terms, insurance requirements, etc.
- Review Incode Vendor file to see if vendor is listed and active. Be sure to verify address (some vendors have several addresses).
- If vendor name and address is not listed, contact the vendor for a W9 and complete the New Vendor forward. Forward those forms to the Purchasing Department (purchasing@wylitetexas.gov).
- Compile and store all supporting documentation in accordance with Chapter 6 "Procurement Thresholds". Note: Long term storage of documentation will be migrating to Laserfiche, as licenses and training are available.
- Requisition information must be detailed and goods and/or services should generally be itemized. Where there is insufficient field space to include a complete description, departments should utilize the "P.O. Description" box for additional information, or reference an attached quote.
- The "P.O. Description" box must also include such items as:
  - Dates of services or term coverage (example: June 1, 20XX – May 31, 20XX)
  - Contract numbers
  - Delivery instructions
  - Insurance Requirements
- Complete the requisition process and print the purchase order.

### **C. Purchase Orders:**

As stated in Chapter 18 (Contracts), purchase orders are legal binding documents. For the terms of the contract to be fulfilled, the purchase order **must** be printed and sent to the vendor (emailing is acceptable). Verbal orders are not acceptable, and in many cases may expose the City to unnecessary insurance and financial risks.

### **D. Deletion of Purchase Orders:**

For deletion of a purchase order prior to any payments, the department must contact Purchasing to request the deletion.

## PROCUREMENT POLICY

Contact A/P for the exceptions:

- Closing out of un-used funds of an existing purchase order (where payments have already been made).
- Year-end closing.

## CHAPTER 23 – RECEIPT OF GOODS/SERVICES

### **A. Inspecting Goods or Services:**

It is the responsibility of the using department to inspect all equipment and supplies and to initiate the payment process.

- All deliveries should be inspected promptly, and whenever possible, in the presence of the vendor or shipper. The individual inspecting the merchandise or service performed should pay particular attention to the following:
  - The quantity shipped is consistent with the quantity ordered.
  - Note any damaged or defective merchandise on both the receipt (loading) ticket and/or the Purchase Order.
  - Verify that merchandise received meets the specifications defined on the purchase order specifications or annual contract agreement. Verify that the scope of services detailed on the purchase order has been performed to the department's satisfaction.
- After verifying that the materials received are accurate and in good condition, or that services have been performed, the using department shall sign a copy of the Purchase Order, attach the invoice and forward to Accounts Payable within 3-5 days.

### **B. Partial Deliveries:**

When partial deliveries are made, the Department shall indicate a partial delivery on the Purchase Order receiving copy, noting the items and quantities received.

- Departments should attach a copy of the Purchase Order to the receiving documents, clearly mark that it is a "partial payment" and submit to Accounts Payable within 5 days of receipt of merchandise. **Using departments may not hold any paperwork pending delivery of back-ordered merchandise. The department should contact Purchasing if there are any questions.**
- Accounting will process payment for quantities delivered.
- Payment for back-ordered items will be processed after receipt of forms indicating that delivery is complete.
- Upon delivery of all back-ordered merchandise, the using department should note on the receiving copy of the purchase order the items to be paid for and that the delivery is complete.

### **C. Defective or Damaged Merchandise:**

When an item is defective, damaged, or does not meet specifications, the department will notified the vendor in writing within 2 days (unless otherwise noted) of discovery of the discrepancy to discuss remedies and invoices.

- Any merchandise in need of return that was ordered by Purchasing will be handled by the Purchasing Division.
- Returns for orders placed by the using departments will be the responsibility of the department.



# PROCUREMENT MANUAL

## ACKNOWLEDGMENT OF RECEIPT

The undersigned employee acknowledges that they have received the City of Wylie Purchasing Manual and that they understand the provisions therein and, in consideration of their employment or continued employment, acknowledge and agree that:

1. The policies in the manual are not contractual in nature.
2. Failure or refusal to sign this acknowledgement may result in termination of your participation in procurement activities and access to the City's procurement financial system.
3. The City can unilaterally rescind, modify or add to the policies in the manual at any time without notice.
4. You have read and understand the policies contained in this manual, including those related to purchasing card usage (and its associated documents).
5. No rule contained herein or adopted pursuant hereto guarantees any employee of the City a right to continued employment. The City always retains the right to exercise discretion in amending these rules and in interpreting them reasonably.
6. Any agreement(s) or assurance(s) concerning the terms, conditions or duration of any individual's employment are not binding unless they are in writing and signed by the appropriate official (City Manager).

Accepted this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, by:

\_\_\_\_\_  
Employee Name (print)

\_\_\_\_\_  
Department (print)

\_\_\_\_\_  
Signature



# Wylie City Council

## AGENDA REPORT

Department: Planning  
 Prepared By: Jasen Haskins, AICP

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, Ordinance No. 2023-04 for a change in zoning from Commercial Corridor (CC) to Commercial Corridor - Special Use Permit (CC-SUP) to allow for an auto sales use on 1.27 acres located at 2021 N. State Highway 78 (ZC 2022-15).

### Recommendation

Motion to approve the Item as presented.

### Discussion

Final approval of Zoning Case 2022-15 requires an Ordinance to amend the zoning accordingly in the Official Zoning map of the City; and providing a penalty clause, a repeal clause, a savings clause, a severability clause, and an effective date.

The subject Ordinance allows for the rezoning. Exhibit A (Legal Description), Exhibit B (SUP Conditions), and Exhibit C (Zoning Exhibit) are included and made a part of this Ordinance.

The above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**ORDINANCE NO. 2023-04**

**AN ORDINANCE OF THE CITY OF WYLIE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF WYLIE, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTY, ZONING CASE NUMBER 2022-15, FROM COMMERCIAL CORRIDOR (CC) TO COMMERCIAL CORRIDOR - SPECIAL USE PERMIT (CC-SUP) TO ALLOW FOR AN AUTO SALES USE; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission and the governing body of the City of Wylie, Texas, in compliance with the laws of the State of Texas with reference to the amendment of the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally and to owners of the affected property, the governing body of the City is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WYLIE, TEXAS:**

SECTION 1: That the Comprehensive Zoning Ordinance of the City of Wylie, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Wylie, to give the hereinafter described property a new zoning classification of Commercial Corridor - Special Use Permit, said property being described in Exhibit A (Legal Description), hereto and made a part hereof for all purposes.

SECTION 2: That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3: That the above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification as described in Exhibit B (SUP Conditions) and Exhibit C (Zoning Exhibit).

SECTION 4: Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, commits an unlawful act and shall be subject to the general penalty provisions of Section 1.5 of the Zoning Ordinance, as the same now exists or is hereafter amended.

SECTION 5: Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 6: This ordinance shall be in full force and effect from and after its adoption by the City Council and publication of its caption as the law and the City Charter provide in such cases.

**SECTION 7:** The repeal of any ordinance, or parts thereof, by the enactment of this Ordinance, shall not be construed as abandoning any action now pending under or by virtue of such ordinance; nor shall it have the effect of discontinuing, abating, modifying or altering any penalty accruing or to accrue, nor as effecting any rights of the municipality under any section or provisions of any ordinances at the time of passage of this ordinance.

**DULY PASSED AND APPROVED** by the City Council of the City of Wylie, Texas, this 24th day of January, 2023.

---

Matthew Porter, Mayor

ATTEST:

---

Stephanie Storm, City Secretary

*DATE OF PUBLICATION:* February 1, 2023, in the Wylie News



## EXHIBIT A

### Legal Description

2021 N. State Highway 78 Wylie TX 75098  
Being Block A, Lot 1 of the Wylie Auto Addition

**Wylie Auto & Tire Shop Lot 1, Block A****EXHIBIT "B"****Conditions For Special Use Permit****I. PURPOSE:**

The purpose of this Special Use Permit is to allow for a limited accessory Vehicle Display, Sales, or Service Use and the continued use of a Automobile Repair, Minor use.

**II. GENERAL CONDITIONS:**

1. The site shall be developed and uses allowed shall be in accordance with Commercial Corridor (CC) design standards, as provided in Article 4 and 5 of the City of Wylie Zoning Ordinance as adopted April 2021, except as specifically provided herein.
2. This Special Use Permit shall not affect any regulations within the Zoning Ordinance (adopted as of April 2021), except as specifically provided herein.
3. The design and development of the Wylie Auto & Tire Shop Lot 1, Block A development shall take place in general accordance with the Zoning Exhibit (Exhibit C).

**III. SPECIAL CONDITIONS:**

1. The Automotive Repair, Minor use shall become legally conforming.
2. Vehicle Display, Sales, and Service shall be allowed, only as an accessory use to the Automobile Repair, Minor Use and shall only be allowed until the main use ceases.
  - a. The Vehicle Display, Sales, and Service Use shall apply to new and used passenger automobiles, sport utility vehicles, and light trucks only.
  - b. The above use shall be prohibited from providing financial services for the purchase, lease, or transfer of vehicles. Financial services, if required, shall be provided through third parties.
  - c. Servicing of said vehicles shall be limited to those services allowed under the Automotive Repair, Minor Use.
  - d. A maximum of 10 parking spaces for auto sales shall be allowed as depicted on Lot 1, Block A of the Zoning Exhibit (Exhibit C)
3. The overall parking for the site shall be at a ratio of 1:400 requiring a minimum of 23 parking spaces.

4. The Zoning Exhibit (Exhibit C) shall serve as the Site Plan for the development.  
Approval of the SUP shall act as site plan approval.





# Wylie City Council

## AGENDA REPORT

Department: Planning

Account Code: \_\_\_\_\_

Prepared By: Jasen Haskins, AICP

### Subject

Consider, and act upon, Ordinance No. 2023-05 for a change in zoning from Downtown Historic District (DTH) to Downtown Historic District - Special Use Permit (DTH-SUP) to allow for a brewery, food truck park, and events center within the Downtown Historic District, property located at 106 N. Birmingham Street (ZC 2022-16).

### Recommendation

Motion to approve the Item as presented.

### Discussion

Final approval of Zoning Case 2022-16 requires an Ordinance to amend the zoning accordingly in the Official Zoning map of the City; and providing a penalty clause, a repeal clause, a savings clause, a severability clause, and an effective date.

The subject Ordinance allows for the rezoning. Exhibit A (Legal Description), Exhibit B (SUP Conditions), and Exhibit C (Zoning Exhibit) are included and made a part of this Ordinance.

The above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**ORDINANCE NO. 2023-05**

**AN ORDINANCE OF THE CITY OF WYLIE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF WYLIE, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTY, ZONING CASE NUMBER 2022-16, FROM DOWNTOWN HISTORIC DISTRICT (DTH) TO DOWNTOWN HISTORIC DISTRICT - SPECIAL USE PERMIT (DTH-SUP) TO ALLOW FOR A BREWERY, EVENTS CENTER, AND FOOD TRUCK PARK ; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission and the governing body of the City of Wylie, Texas, in compliance with the laws of the State of Texas with reference to the amendment of the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally and to owners of the affected property, the governing body of the City is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WYLIE, TEXAS:**

SECTION 1: That the Comprehensive Zoning Ordinance of the City of Wylie, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Wylie, to give the hereinafter described property a new zoning classification of Downtown Historic District - Special Use Permit, said property being described in Exhibit A (Legal Description), hereto and made a part hereof for all purposes.

SECTION 2: That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3: That the above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification as described in Exhibit B (SUP Conditions) and Exhibit C (Zoning Exhibit).

SECTION 4: Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, commits an unlawful act and shall be subject to the general penalty provisions of Section 1.5 of the Zoning Ordinance, as the same now exists or is hereafter amended.

SECTION 5: Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 6: This ordinance shall be in full force and effect from and after its adoption by the City Council and publication of its caption as the law and the City Charter provide in such cases.

**SECTION 7:** The repeal of any ordinance, or parts thereof, by the enactment of this Ordinance, shall not be construed as abandoning any action now pending under or by virtue of such ordinance; nor shall it have the effect of discontinuing, abating, modifying or altering any penalty accruing or to accrue, nor as effecting any rights of the municipality under any section or provisions of any ordinances at the time of passage of this ordinance.

**DULY PASSED AND APPROVED** by the City Council of the City of Wylie, Texas, this 24th day of January, 2023.

---

Matthew Porter, Mayor

ATTEST:

---

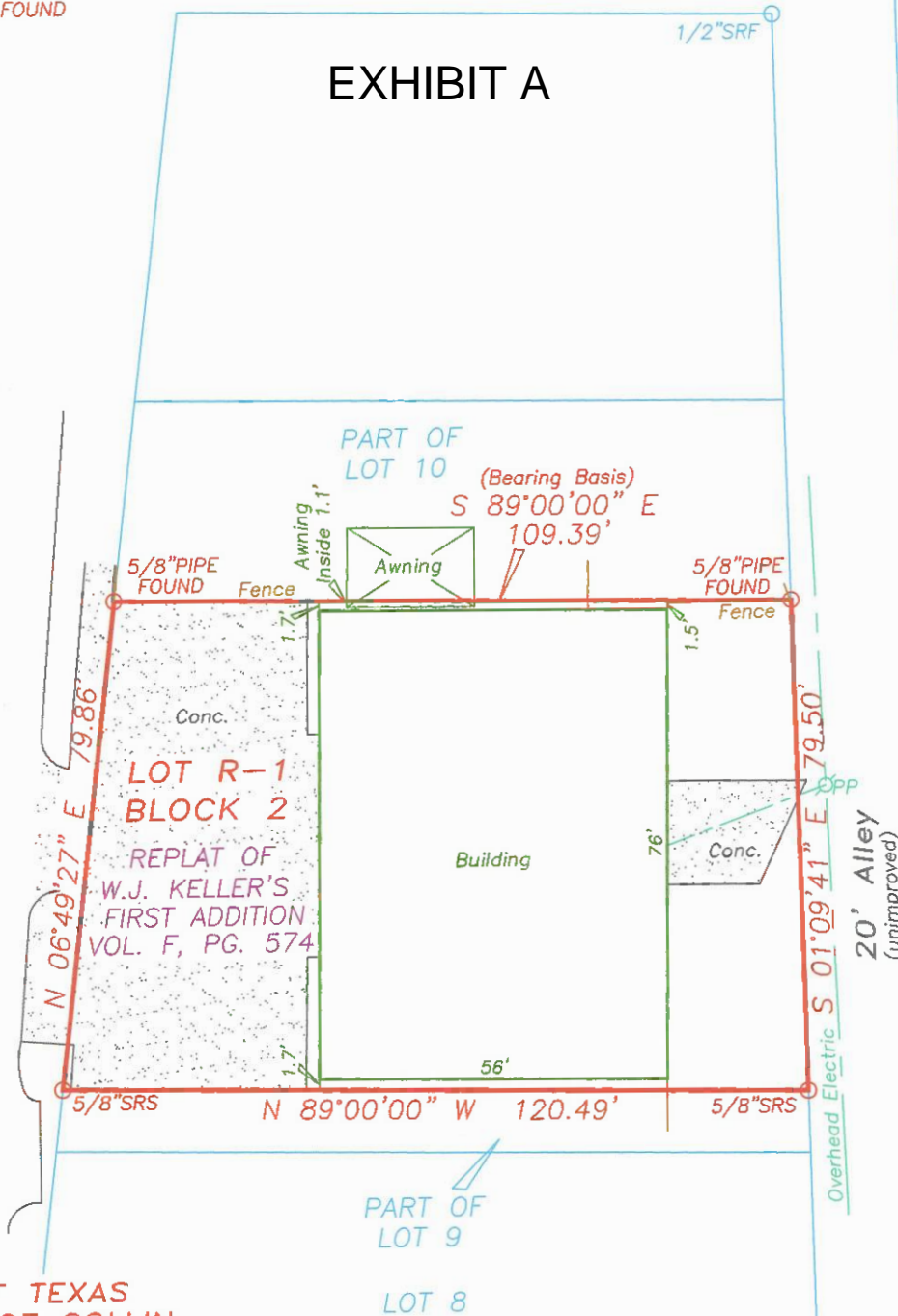
Stephanie Storm, City Secretary

*DATE OF PUBLICATION:* February 1, 2023, in the Wylie News

SRS = STEEL ROD SET  
SRF = STEEL ROD FOUND

## EXHIBIT A

North Birmingham Street



1"=30'

STATE OF TEXAS  
COUNTY OF COLLIN

Lot R-1, Block 2, of a REPLAT OF PART OF LOT 9 AND PART OF LOT 10, BLOCK 2 OF W.J. KELLER'S FIRST ADDITION, an Addition to the City of Wylie, Collin County, Texas, according to the map or plat thereof recorded in Volume F, Page 574, Plat Records, Collin County, Texas.

Note: Bearings based on recorded plat (Vol. F, Pg. 574).

Note: Verify exact location of underground utilities prior to construction.

Note: All 5/8 inch steel rods set have red plastic cap stamped "Boundary Solutions"

Certified to: Wylie Economic Development Corporation, and/or assigns and Fidelity National Title Insurance Company

The plat as shown hereon was prepared from an on-the-ground survey performed under my supervision during the month of June, 2015; the visible improvements on the ground are as shown on the survey; there are no visible intrusions, protrusions, overlapping of improvements or conflicts found except as shown on the survey plat.

June 2, 2015  
Revised, 8-5-15  
Add Certified to



*Matthew Busby*  
Matthew Busby  
R.P.L.S. No. 5751

G.F.# 1901351500047  
Address: 106 N. Birmingham  
BND.SOL. Job# 1505-032

© Copyright 2015 Boundary Solutions, Inc. The content, color, and style of this plat protected by Copyright and all rights are reserved.



**EXHIBIT "B"****Special Use Permit – Downtown Historic District (DTH)****106 N Birmingham Street****ZC 2022-16****I. PURPOSE:**

1. The purpose of this Special Use Permit is to allow for the Brewery, Brew Pub, Food Truck Park, and Events Center uses within the Downtown Historic District using the existing building located at 106 N Birmingham Street
2. By definition, a Brewery and Brew Pub, unless otherwise preempted by state law, is a facility for the manufacture, packaging, labeling, storage, distribution, and selling for on- and off-premises consumption of beer and malted beverages.

**II. GENERAL CONDITIONS:**

1. This exhibit shall not affect any regulations within the Zoning Ordinance (adopted as of April 2021 and amended April 2022), except as specifically provided herein.
2. The design and development of the Brewery shall be in accordance with Section III below and the Zoning Exhibit (Exhibit B).

**III. SPECIAL CONDITIONS:****A. Permitted Uses**

1. This SUP will allow Brewery & Brew Pub as a permitted use within Downtown Historic District as follows:
  - Beer and/or wine may be sold for on- and off-premises consumption in accordance with the Texas Alcohol Beverage Code, as it exists or may be amended.
  - The total revenue from the sale of beer and/or wine may be up to 100% of the total revenue of the business.
  - The location of the use shall not be restricted by the distances to other Beer & Wine Package Sales establishments, churches, schools, city parks, or residences, as defined in Section 5.2.F.23 or any other distance restriction to other businesses defined in the Zoning Ordinance.

- The manufacturing of beer and/or malt beverages will be allowed on site. The production and packaging of beer and/or malt beverages will take place inside the facility, however, the fermentation process may be allowed to take place in specially designed tanks located outside the building. If outside tanks are used in the future, they will be secured by fencing but not screened from public view as they add to the aesthetic of the Brewery. Fencing will consist of chain link or similar open-web wire mesh material secured to a metal frame and located in close proximity to the tanks.
2. The Food Truck Park Use shall be allowed on site to provide service during the defined hours of operation of the Brewery.
  3. The Events Center Use shall be allowed on site. Some or all the site may be used to host a private event, celebration, ceremony, reception, corporate function, or similar activity subject to a use agreement between a private group or individual and the facility owner.
  4. Hours of operation for the purpose of serving customers or events shall be limited to the following hours of operation for the sale of beer and wine as allowable by the Texas Alcoholic Beverage Commission, currently:
    - 8:00 AM – 9pm Monday thru Thursday
    - 10:00 AM – midnight on Friday-Sunday

Hours of operation for the manufacture, packaging, labeling, storage, and distribution of beer and malted beverages may extend outside of these times and will be limited to activities inside the facility if occurring during non-standard hours.

#### B. Downtown Historic District Development and Design Standards

1. Site Design Standards
  - The shade cover proposed shall be constructed within 4 feet of the front property line.
  - Parking for Nonresidential Uses – Onsite parking will not be required for the subject property.
2. Architectural Design Standards –

- The color palette for the building shall be in general compliance with the exhibits provided in Attachment C, which match the trademarked colors of the proposed Craft Brewery and add to the image and appeal of the structure.
3. Signs – The provisions of Section 6.3 of the Zoning Ordinance shall not apply to this SUP and shall be replaced with the following:
- Signs shall be constructed of materials that are not subject to deterioration as determined by the International Building Code and/or the City of Wylie Building Official. Internally illuminated signs must be constructed of non-combustible material or approved plastics.
  - A single, decorative sign will be allowed to be installed on the roof, above the cornice line of the building face, similar to the exhibits contained in Attachment C. The maximum allowable area of this sign shall not exceed 100 square feet and the sign shall be limited in height to the top of the adjacent buildings.
  - Additional signage, including artwork and murals, will be allowed on all building facades. Content of such artwork shall be related to the business and/or the historic nature of the City of Wylie.

#### IV. General Development Regulations

1. Screening of mechanical equipment is not required for this existing structure.
2. Residential Style Trash receptacles will be placed behind the existing building without screening.
3. A Traffic Management Study will not be required.
4. The requirements of Section 7.7 Landscape Requirements do not apply.

# EXHIBIT C

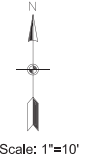


**SITE PLAN**  
106 N. BIRMINGHAM ST.  
9/26/22

**PROPERTY OWNER:**  
WYLIE EDC  
250 S SH 78  
WYLIE, TX 75088  
(972) 442-7901  
JASON@WYLIEEDC.COM

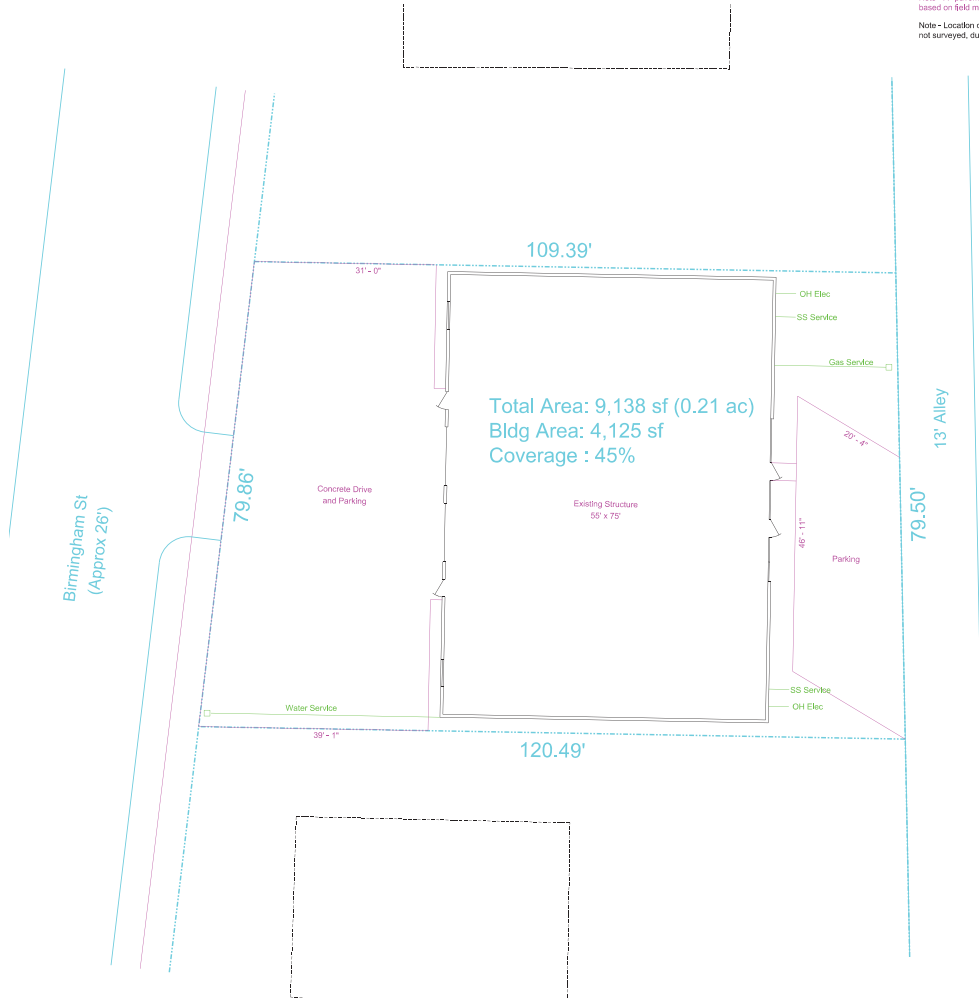
**DRAWINGS PREPARED BY:**  
STEVEN P. SCHONENKASE, PE  
7289 MOSS RIDGE ROAD  
PARKER, TX 75082  
(214) 649-7742  
SCHONENKASE@VERIZON.NET

- Legend**
- Property Boundaries
  - Streets / Alleys
  - On-site Pavement
  - Utility Services
  - Adjacent Buildings

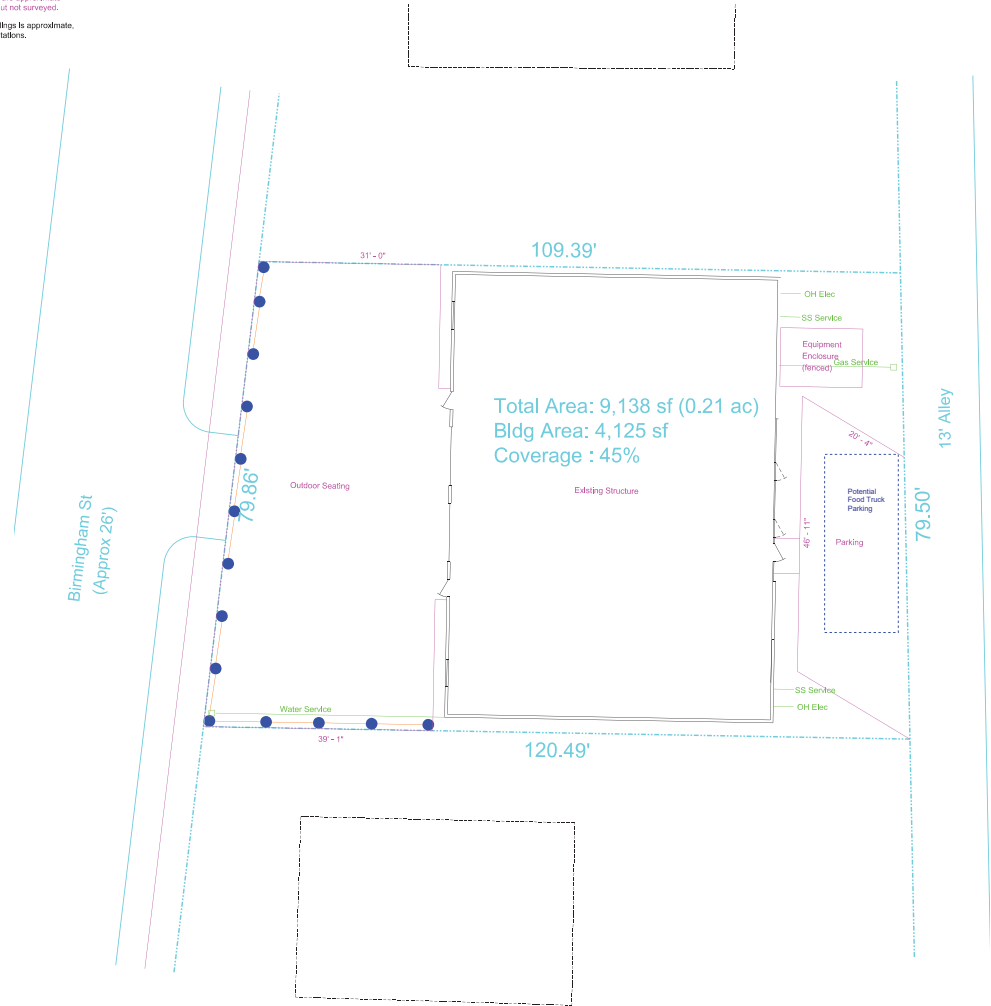


Scale: 1"=10'

Note - All pavement dimensions are approximate based on field measurements, but not surveyed.  
Note - Location of adjacent buildings is approximate, not surveyed, due to access limitations.



EXISTING SITE PLAN



PROPOSED SITE PLAN



# BIRMINGHAM RENDERS

106 N. BIRMINGHAM ST.  
9/26/22

PROPERTY OWNER:  
WYLLIE EDC  
250 S SH 78  
WYLLIE, TX 75088  
(972) 442-7901  
JASON@WYLLIEEDC.COM



NW PERSPECTIVE



SW PERSPECTIVE



PATIO PERSPECTIVE



WEST ELEVATION (FRONT)



# Wylie City Council

## AGENDA REPORT

Department: Planning  
 Prepared By: Jasen Haskins, AICP

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, Ordinance No. 2023-06 for a change in zoning from Downtown Historic District – Residential only to allow Commercial and/or Residential uses, located at 280 W. Brown St. within the Downtown Historic District (ZC 2022-18).

### Recommendation

Motion to approve the Item as presented.

### Discussion

Final approval of Zoning Case 2022-18 requires an Ordinance to amend the zoning accordingly in the Official Zoning map of the City; and providing a penalty clause, a repeal clause, a savings clause, a severability clause, and an effective date.

The subject Ordinance allows for the rezoning. Exhibit A (Legal Description) is included and made a part of this Ordinance.

The above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**ORDINANCE NO. 2023-06**

**AN ORDINANCE OF THE CITY OF WYLIE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF WYLIE, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTY, ZONING CASE NUMBER 2022-18, FROM DOWNTOWN HISTORIC DISTRICT – RESIDENTIAL ONLY TO ALLOW COMMERCIAL AND/OR RESIDENTIAL USES; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission and the governing body of the City of Wylie, Texas, in compliance with the laws of the State of Texas with reference to the amendment of the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally and to owners of the affected property, the governing body of the City is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WYLIE, TEXAS:**

**SECTION 1:** That the Comprehensive Zoning Ordinance of the City of Wylie, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Wylie, to give the hereinafter described property a new zoning classification of Downtown Historic District, said property being described in Exhibit A (Legal Description), hereto and made a part hereof for all purposes.

**SECTION 2:** That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3:** That the above described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**SECTION 4:** Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, commits an unlawful act and shall be subject to the general penalty provisions of Section 1.5 of the Zoning Ordinance, as the same now exists or is hereafter amended.

**SECTION 5:** Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

**SECTION 6:** This ordinance shall be in full force and effect from and after its adoption by the City Council and publication of its caption as the law and the City Charter provide in such cases.

**SECTION 7:** The repeal of any ordinance, or parts thereof, by the enactment of this Ordinance, shall not be construed as abandoning any action now pending under or by virtue of such ordinance; nor

shall it have the effect of discontinuing, abating, modifying or altering any penalty accruing or to accrue, nor as effecting any rights of the municipality under any section or provisions of any ordinances at the time of passage of this ordinance.

**DULY PASSED AND APPROVED** by the City Council of the City of Wylie, Texas, this 24th day of January, 2023.

---

Matthew Porter, Mayor

ATTEST:

---

Stephanie Storm, City Secretary

*DATE OF PUBLICATION:* February 1, 2023, in the Wylie News





10.s Grant of Easement and Agreement (Fibre Optics) by and between Dallas Area Rapid Transit Property Acquisition Corporation and St. Louis Southwestern Railway Company recorded in Volume 91008, Page 1597, Deed Records, Dallas County, Texas, recorded in Volume 3424, Page 183, Land Records, Collin County, Texas, recorded in Volume 10146, Page 690, Deed Records, Tarrant County, Texas. (May affect the subject property)

PROPERTY DESCRIPTION

THENCE with the south line of Meadowview Estates, the north line of said 7.33 acre tract and a north line of said 16.003 acre tract, South 88°54'58" East, passing at 52.12 feet a "BH&C" capped iron rod found and continuing for a total distance of 98.91 feet to the place of beginning and containing 0.476 acres of land.

CCMR	Collin County Map Records
CCLR	Collin County Land Records
RRCG	Railroad Crossing Gate
RRCS	Railroad Crossing Signal
UP/EM	Utility Pole / Electric Meter
SSMH	Sanitary Sewer Manhole
SDMH	Storm Drain Manhole
WV	Water Valve
CIRF	Capped Iron Rod Found
IRF	Iron Rod Found

### Surveyor's Certificate

This survey complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey.

F.E. Bemenderfer Jr.  
Registered Professional Land  
Surveyor No. 4051  
Title Survey Date: 03.03.2022  
Revised: 03.07.2022  
Revised: 08.12.2022 (undq. utility location)



P:\AC\2022Q1\AC889107.dwg



2000 Avenue G, Suite 810  
Plano, Texas 75074  
Phone (972) 423-4372 / Fax (972) 423-7523  
www.roomsurveying.com / Firm No. 10013100



# Wylie City Council

## AGENDA REPORT

**Department:** Police

**Prepared By:** Anthony Henderson

**Account Code:** \_\_\_\_\_

### Subject

Hold a Public Hearing to discuss the need to continue, abolish or modify the City of Wylie Juvenile Curfew Ordinance No. 2020-22.

### Recommendation

Public Hearing only, no action required.

### Discussion

Texas Local Government Code 3a70.002 states that before the third anniversary of the date of adoption of a juvenile curfew ordinance by a general-law municipality or a home-rule municipality or an order of a county commissioners court, and every third year thereafter, the governing body of the general-law municipality or home-rule municipality or the commissioners court of the county shall:

1. Review the ordinance or order's effects on the community and on problems the ordinance or order was intended to remedy;
2. Conduct public hearings on the need to continue the ordinance or order; and
3. Abolish, continue, or modify the ordinance or order.

Section 3b7.002 states:

b) Failure to act in accordance with Subsections (a) (1)-(3) shall cause the ordinance or order to expire.

The first of two public hearings to receive input from citizens and staff is scheduled for January 24, 2023. The second public hearing and action regarding Ordinance No. 2020-22 will be held at the February 14, 2023 City Council Meeting.

This Ordinance gives officers a tool to reduce juvenile crime by specifying times and locations where unsupervised juveniles under the age of 17 can be. Statistics have shown that when unsupervised juveniles gather late at night they are at higher risk of becoming a victim of crime or becoming involved in criminal activity.

Since the last ordinance review, Wylie officers have responded to seven calls in regard to curfew violations and issued 16 citations.

## **ORDINANCE NO. 2020-22**

### **AN ORDINANCE OF THE CITY OF WYLIE, TEXAS, CONTINUING THE CITY'S JUVENILE CURFEW ORDINANCE AND MAKING FINDINGS RELATED THERETO; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.**

WHEREAS, on February 28, 2017, the City Council of the City of Wylie, Texas ("City Council") last reviewed and continued the curfew ordinance for minors in the City of Wylie, Texas ("Wylie"), which is codified at Article III of Chapter 74 of the Wylie Code of Ordinances, Ordinance No. 2005-07, as amended ("Code of Ordinances"); and

WHEREAS, the City Council has reviewed the ordinance's effects on the community and on the problems the ordinance was intended to remedy; and

WHEREAS, the City Council has held two public hearings on the need to continue the ordinance; and

WHEREAS, the City Council finds that the continuance of the curfew ordinance is necessary to provide for the protection of minors from each other and from other persons, for the enforcement of parental control over and responsibility for children, for the protection of the general public and for the reduction of the incidence of juvenile violence and criminal activity; and

WHEREAS, the City Council finds that it is in the best interest of the citizens of Wylie to continue the curfew ordinance in accordance with Section 370.002 of the Texas Local Government Code.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WYLIE, TEXAS:**

**SECTION 1: Findings Incorporated.** The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

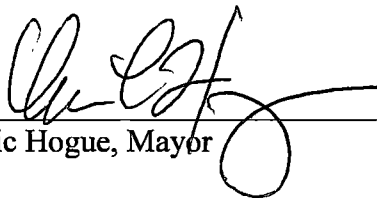
**SECTION 2: Continuation of Ordinance.** In accordance with Section 370.002 of the Texas Local Government Code, the City Council has reviewed the City's juvenile curfew ordinance and its effects on the community and on the problems the ordinance was intended to remedy, has conducted two public hearings and desires to continue the ordinance. Accordingly, Wylie's juvenile curfew ordinance, codified at Article III of Chapter 74 of the Wylie Code of Ordinances, is hereby continued.

**SECTION 3: Savings/Repealing.** All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

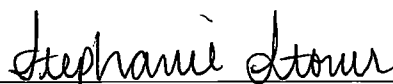
**SECTION 4: Severability.** Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

**SECTION 5: Effective Date.** This Ordinance shall take effect immediately upon its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF WYLIE, TEXAS** on this 25th day of February 2020.

  
Eric Hogue, Mayor

**ATTESTED TO AND  
CORRECTLY RECORDED BY:**

  
Stephanie Storm, City Secretary





# Wylie City Council

---

## AGENDA REPORT

Department: WEDC  
Prepared By: Jason Greiner

Account Code: \_\_\_\_\_

### Subject

Present, and place on file, the Wylie Economic Development Corporation 2022 Annual Report.

### Recommendation

Motion to accept the Item, and place on file, as presented.

### Discussion

As per the WEDC Bylaws, the WEDC must present an annual report to the Wylie City Council no later than January 31 of each year. The report must include, but is not limited to, a review of all expenditures made by the Board, a review of accomplishments, and a review of other than direct economic development. Staff believes the attached Report meets the intent of the requirement of the Bylaws with the same being presented to the WEDC Board of Directors on January 23, 2023.



# Wylie City Council

## AGENDA REPORT

**Department:** Finance  
**Prepared By:** Melissa Brown

**Account Code:** \_\_\_\_\_

### Subject

Consider, and act upon, acceptance of the Annual Comprehensive Financial Report (ACFR) for FY 2021-22 following a presentation by the audit firm Weaver, LLP.

### Recommendation

Motion to the Item as presented.

### Discussion

The City Charter in Article VII, Municipal Finance, Section 13: Independent Audit, requires that at the end of the fiscal year an independent audit be made of all accounts of the City by a certified public accountant. In compliance with the City Charter, our outside auditor, Weaver LLP has performed an audit as of September 30, 2022.

The goal of the audit is to provide reasonable assurance that the financial statements of the City are free of material misstatement. This is achieved through testing of accounting controls, internal controls, and compliance. There is also testing of significant accounting balances using a combination of vouching material transactions, sampling transactions, and applying analytical procedures.

Interim Fieldwork for the audit began the week of August 29th and the final fieldwork was performed November 14th through December 9th.

This is the third year for the audit to be performed by Weaver after their selection to continue as the City's independent auditors following an RFP process completed in 2020. The 2022 audit is the fifteenth year for Weaver to perform our audit. Three RFP processes have been completed in that 15-year time period. In accordance with Financial Management Policies, audit partners have been rotated and audit managers and staff have changed frequently. This year's audit was completed with a new manager and all new staff.

Staff recommends acceptance of the Annual Comprehensive Financial Report (ACFR) as presented.





# ACFR

## Annual Comprehensive Financial Report

For the Year Ended September 30, 2022  
City of Wylie, Texas



**CITY OF WYLIE, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**AS PREPARED BY THE  
FINANCE DEPARTMENT**





**CITY OF WYLIE, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**TABLE OF CONTENTS**

	<u><b>Exhibit</b></u>	<u><b>Page</b></u>
<b>I. INTRODUCTORY SECTION</b>		
Letter of Transmittal		i
GFOA Certificate of Achievement		vi
Organizational Chart		vii
Principal Officials		viii
<b>II. FINANCIAL SECTION</b>		
Independent Auditor's Report		1
<b>A. MANAGEMENT'S DISCUSSION AND ANALYSIS</b>		5
<b>B. BASIC FINANCIAL STATEMENTS</b>		
<b>Government-Wide Financial Statements</b>		
Statement of Net Position	A-1	15
Statement of Activities	A-2	16
<b>Fund Financial Statements</b>		
<b>Governmental Fund Financial Statements</b>		
Balance Sheet	A-3	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	A-4	20
Statement of Revenues, Expenditures, and Changes in Fund Balance	A-5	21
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	A-6	22
<b>Proprietary Fund Financial Statements</b>		
Statement of Net Position	A-7	24
Statement of Revenues, Expenses, and Changes in Fund Net Position	A-8	26
Statement of Cash Flows	A-9	27
<b>Notes to the Basic Financial Statements</b>		29
<b>C. REQUIRED SUPPLEMENTARY INFORMATION</b>		
Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget (GAAP Basis) and Actual- General Fund	A-10	64
Notes to Budgetary Comparison Schedule		66
Schedule of Changes in Net Pension Liability and Related Ratios - TMRS	A-11	68
Schedule of Pension Contributions - TMRS	A-12	70
Schedule of Changes in Total OPEB Liability and Related Ratios - TMRS	A-13	72
Schedule of OPEB Contributions - TMRS	A-14	73
<b>D. COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>		
<b>Major Governmental Funds</b>		
Budgetary Comparison Schedule - General Obligation Debt Service Fund	A-15	75

## TABLE OF CONTENTS – CONTINUED

	<u>Exhibit</u>	<u>Page</u>
<b>Nonmajor Governmental Funds</b>		
Combining Balance Sheet	B-1	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	B-2	80
<b>Nonmajor Special Revenue Funds</b>		
Budgetary Comparison Schedules:		
4B Sales Tax Revenue Fund	C-1	82
Park Acquisition and Improvement	C-2	83
Fire Training Center	C-3	84
Fire Development Fees	C-4	85
Municipal Court Technology Fund	C-5	86
Municipal Court Building Security Fund	C-6	87
Hotel Tax Fund	C-7	88
Federal Seizure Fund	C-8	89
Judicial Efficiency Fund	C-9	90
Truancy Court Fund	C-10	91
Municipal Judicial Fund	C-11	92
<b>Nonmajor Debt Service Funds</b>		
Budgetary Comparison Schedules:		
4B Debt Service 1996 Fund	D-1	93
4B Debt Service 2005 Fund	D-2	94
<b>III. STATISTICAL SECTION</b>		
	<u>Table</u>	
Net Position By Component	1	98
Expenses, Program Revenues, and Net (Expense)/Revenue	2	100
General Revenues and Total Change in Net Position	3	102
Fund Balances of Governmental Funds	4	104
Changes in Fund Balances of Governmental Funds	5	106
Tax Revenues by Source, Governmental Funds	6	108
Assessed Value and Estimated Actual Value of Taxable Property	7	109
Direct and Overlapping Property Tax Rates	8	110
Principal Property Tax Payers	9	111
Property Tax Levies and Collections	10	112
Direct and Overlapping Sales Tax Rate	11	113
Taxable Sales by Category	12	114
Ratios of Outstanding Debt by Type	13	116
Ratios of General Bonded Debt Outstanding	14	118
Direct and Overlapping Governmental Activities Debt	15	119
Legal Debt Margin Information	16	120
Pledged-Revenue Coverage	17	122
Demographic and Economic Statistics	18	124
Principal Employers	19	126
Full-Time Equivalent Employees by Function/Program	20	127
Operating Indicators by Function/Program	21	128
Capital Asset Statistics by Function/Program	22	130

## INTRODUCTORY SECTION





### Our Mission...

*...to be responsible stewards of the public trust,  
to strive for excellence in public service  
and to enhance the quality of life for all.*

January 24, 2023

The Honorable Matthew Porter, Mayor  
Members of the City Council  
And the Citizens  
City of Wylie, Texas

Financial policies of the City of Wylie require that the City's Finance Department prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Accordingly, the Annual Comprehensive Financial Report (ACFR) for the City of Wylie, Texas for the fiscal year ended September 30, 2022, is hereby issued.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial records have been audited by Weaver LLP, Certified Public Accountants, as required by the City Charter. This ACFR has been prepared based upon those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022 are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

### Profile of the City

The City of Wylie is located in the south-central portion of Collin County, approximately 23 miles northeast of downtown Dallas. Incorporated in 1887, the City adopted its Home Rule Charter on January 19, 1985 and operates under a council-manager form of government. The City Council is comprised of a Mayor and six council members. All members are elected at-large on a staggered and nonpartisan basis for three-year terms. They are responsible to enact local legislation, provide policy, and annually adopt the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court and members of various boards and

commissions. The City Manager, under the oversight of the City Council, is responsible for the proper administration of the daily operations of the City.

The City provides a full range of municipal services including general government, public safety (police, fire, and emergency communications), streets, library, parks and recreation, planning and zoning, code enforcement, animal control, and water and sewer utilities. Sanitation services are provided by the City but are privately contracted. The Wylie Economic Development Corporation (WEDC) is included in the financial statements as a discrete component unit. Its purpose is to aid, promote and further economic development within the City. The Wylie Park and Recreation Facilities Development Corporation (4B Corporation) is also combined within the financial statements of the City. Both WEDC and the 4B Corporation are primarily funded with sales tax revenues. Both corporations are discussed more fully in the notes to the financial statements.

The annual budget of the City serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances and state law. The budget process begins early in the year with a presentation to the council of a ten-year plan that incorporates current and future capital needs and allows for planning of future debt considerations and/or planning for General Fund fund balance drawdowns for one-time expenditures. A five-year plan is also presented so that property tax rate considerations may be analyzed with revenue and expenditure projections. The last several years, it has been a goal to maintain or lower the property tax rate so that Wylie remains at a competitive level with other area cities while still providing adequate revenue to fund the needs of our steady growth. Department budgets are reviewed by the City Manager who will develop a proposed budget for presentation to the City Council. The City Council reviews the budget in subsequent work sessions and a formal budget is prepared and made available to the public for review by August 5 each year or a date to be determined by the City Council. Prior to official adoption of the budget by Council, a public hearing on the proposed budget is held to allow for public input. Of the twenty-four governmental funds the City maintains, sixteen of them are annually appropriated. These include the General Fund, twelve Special Revenue Funds and the three Debt Service Funds.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Wylie operates.

#### Local economy

Suburbs continue to experience record growth across the region. In early 2022, Collin County was named the second fastest growing county in the US. In fact, Collin County saw the largest population growth in North Texas, increasing by over 100,000 people between 2016 and 2021. In the recent census, Collin and Rockwall Counties both grew by more than 36%, and Wylie outpaced them both with growth of 38% over the last decade. The recent data also showed that the DFW Metro Area grew by 20%, adding more than 1.2 million residents during the same time period.

In early 2022, the DFW housing market was setting records with skyrocketing home prices and increasing construction starts. However, interest rates climbed throughout the year and the housing market had cooled off as 2022 came to a close. In the recent report by Texas Real Estate Research Center at Texas A&M and the North Texas Real Estate Information Systems, the DFW MSA's single family home sales fell 30% and Collin County fell by 33% by year end. Even with the decreased sales, median sales prices remained up for the year. Year over year median sales prices for the DFW MSA remained up 10% and Collin County up 12%. Overall, Collin County single family sales prices averaged \$590,504 with a median sales price of \$514,000, making it the most expensive County in the region.

While the housing market has cooled off, residential development is still accelerating in Eastern Collin County. Lavon has 7,452 home lots that are in varying stages of development just east of Wylie, along State Hwy 78, east of State Hwy 205. Additionally, residential growth in Wylie remained steady, ending the year at 410 new residential construction permits issued. Wylie's population outpaced the previous year, increasing to 60,876, up 3.5% from 2021.

The DFW retail market continued its growth in 2022. According to a recent CBRE commercial report, DFW delivered 3.6 million square feet of commercial space in 2022, making it the largest recorded annual absorption since 2017. Wylie's economy followed suit, with sales tax receipts topping \$16.6 million, up nearly 7.4% from the previous year. Additional economic indicators remained strong, evidenced again with growth in the local tax base. Analyzing residential and commercial growth, our total tax base increased by 14.2% over the previous year. Our taxable value this year, as provided by the Collin Central Appraisal District, Dallas Central Appraisal District, and Rockwall Central Appraisal District, was \$6,529,453,023.

In 2021, DFW continued its record-breaking trend for new industrial construction and leasing, and 2022 proved to be no different. According to a recent CBRE industrial report, DFW has experienced 12 straight years of significant industrial growth. Q4 2022 actually marked the 49<sup>th</sup> consecutive quarter of positive net industrial absorption, and through four quarters the DFW metro area absorbed more than 36.4 million square feet and was only bested by the absorption total from the previous year which was 39.6 million square feet of industrial space. In 2021, KCS announced a possible \$31 billion merger with Canadian Pacific. The proposed merger between CP and KCS will only further the discussions surrounding the 220-acre Wylie Logistics Park. Located at the KCS David L. Starling Wylie Intermodal Terminal, the future development will include roughly 2.4 million square feet of industrial product and provide a variety of employment opportunities here in Wylie.

Wylie's growing population, strengthening retail trade area, and increasing daytime population will continue to support a strong local economy well into the future.

#### Long-term financial planning

In 2006, the City developed a Long-Range Financial Plan that evolves with each budget cycle. The plan included street and park improvements, a new city hall, library, fire station, recreation center and sidewalks. The voters of the City of Wylie authorized the City to issue \$73,950,000 in General Obligation Bonds to fund this capital improvement program. The first series of General Obligation bonds were sold in late March of 2006 and the remaining bonds were sold in August of 2008. Since that time the City has refunded these bonds to obtain more favorable interest rates without extending the life of the bonds. All of these projects have come to fruition and only \$5 million remains unspent, but designated to help fund the expansion of Stone Road.

Certificates of Obligation in the amount of \$7,175,000 were sold in FY 2017 that provided funding for new capital assets in the City's water storage and metering systems. In 2021, the City completed a long-awaited project of replacing the old metering system with Advanced Metering Infrastructure (AMI). This project is advantageous because it addresses aging infrastructure, improves water conservation and reduces unaccounted for water. The new meters automate meter-reading processes and provide more accurate information to the Utility Billing Department. More importantly, it has empowered our residents and business owners to manage their water use and costs with real-time data via the customer portal. The system has been a success and the Utility Billing Department still receives accolades for their successful transition and their high adoption rate for the online customer portal service.

Partial funding of the Public Safety Building remodel and expansion was provided by Certificates of Obligation issued in 2018 for \$8,500,000. This construction project was completed in FY2020 and re-opening of the building occurred in November 2020. Police, Fire Administration and Municipal Court are now serving the public in a much-anticipated new space which also includes our Emergency Operations Center.

Construction of Fire Station #4 was completed and a grand opening ceremony was held in May 2022. The new facility includes office space, vehicle stalls, storm shelter and a training area. Along with the grand opening, the department also unveiled a sculpture commissioned in remembrance of the 343 firefighters who lost their lives on 9/11. The station was partially funded with \$3 million previously transferred from the General Fund fund balance that was above the required minimum fund balance policy. The remaining portion of this project was funded with Certificates of Obligation issued early 2021 in the amount of \$5.3 million.

During FY2021, it was determined through a work session with City Council that it would be prudent to use a portion of the unassigned fund balance in the General Fund for specific capital needs. The unassigned fund balance had been above policy requirements for several years. As a result, in FY 2022 the Library received a new book sorter and the Fire Department purchased several LifePak Heart Monitors. Additionally, \$6.2 million was transferred from the General Fund to a Community Investment Fund for a new Capital Improvement Program. This program will fund remodeling of the Senior Center (\$750,000), construction of two water



splashpads (\$1.3 million) and construction of a dog park (\$700,000). Design for the Senior Center is still in the works, but the splashpads and dog park designs are complete and approved by council. Construction will begin early Spring 2023. \$600,000 was assigned to repair neighborhood sidewalks and over \$500,000 in repairs have been completed so far. \$500,000 was allocated to improve storm drainage facilities and a study is underway to determine areas most in need of repair. It was also determined that Wylie Fire Rescue would use \$2.4 million to purchase two quint replacements, both currently on order and being custom built. At a later work session, council assigned an additional \$636,000 for the purchase of a fire utility truck which has also been ordered and expected to be delivered in 2023. Upon receipt of these new vehicles, the oldest front-line large vehicle for WFR's fleet will be 2019, with two 2013 quints in reserve.

In November 2021, voters approved \$50.1 million of general obligation bonds which supports three propositions. These three propositions were based on input from a 14-member Citizens Bond Committee. The City Council reviewed and discussed recommendations and voted unanimously to put forth the following propositions:

Proposition A - \$35,100,000 Expansion and reconstruction of McMillen Dr., Park Blvd., and S. Ballard Ave./Sachse Rd.

Proposition B - \$10,000,000 City-wide street and alley repair/replacement

Proposition C - \$5,000,000 Improvements to Wylie's Historic Downtown District

Bonds will be issued as needed when projects are ready to move forward.

In February 2022, the City issued \$12.1 million of General Obligation Refunding & Improvement Bonds. This issue included refunding for the 2012 PPFCO and 2012 General Obligation Refunding Bonds. Both were refunded for a lower interest rate and the life of the bonds was not extended. \$5.1 million was issued to begin work on the projects voted on in the 2021 election.

#### Relevant financial policies

Financial Management Policies are reviewed by staff and adopted annually by the City Council. There were no changes made upon adoption in Fiscal Year 2022.

During Fiscal Year 2020, the City Council approved the Financial Management Policies with one significant change. Previously, the City was not required to rotate external auditors, only to circulate requests for proposals upon expiration of the contract. The new policy still does not require rotation of the audit firm, but does require rotation of the audit partner and audit manager after five consecutive years. The rest period for the partner is two years and the rest period for the manager is five years. The FY 2022 audit was completed with a new audit manager and new staff.

Financial Management Policies state that, "It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council."

Texas Government Code requires the governing body of an investing entity to review its' investment policy not less than annually. The governing body must adopt a written instrument by rule, order, ordinance or resolution stating that it has reviewed the investment policy and that the written instrument so adopted shall record any changes made to the investment policy. City Council approved by Resolution the Investment Policy with no changes this year.

City Council approved, for the first time in 2020, a separate Debt Management Policy. Previously, debt management was addressed only as a section of the Financial Management Policies and did not have any specific benchmarks of measure. The new policy establishes parameters and provides guidance governing the issuance, management, continuous evaluation of and reporting on all debit obligations issued by the City Council.

### Major initiatives

The City Council worked together to continue efforts on their previously adopted mission, vision and values that are used for strategic planning purposes. The budget for Fiscal Year 2022-23 approved by the City Council reflected a decrease in the property tax rate of \$0.081418 per \$100 of assessed property valuation. This rate was the no new revenue tax rate and was the eleventh consecutive year the Council has decreased the tax rate.

### **Awards and Acknowledgements**

#### Recognition

Various awards came to the City throughout the year. Wylie Parks & Recreation received the TRAPS North Region Communications Award for "A Week in 30 Seconds" which is their way of communicating weekly recap videos in bite-sized portions of information to management, City Council and patrons. They also received Tree City USA designation for the 9th year in a row, as well as Better Cities for Pets designation. The Senior Recreation Center was recognized as ICAA Top 5 Best in Wellness Community Centers in America. Wylie Fire Rescue maintained their ISO 1 ranking by the property/casualty insurance industry. They also maintained the coveted designation of "Recognized Best Practices Fire Department" from the Texas Fire Chiefs Association. The City of Wylie water system maintained its Superior Public Water System status with TCEQ. The Rita and Truett Smith Public Library earned the "Library of Excellence Award" by the Texas Municipal Library Directors Association.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received from GFOA, the Distinguished Budget Presentation Award for our 2021-22 budget document. To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide, and communication tool. The 2022-23 budget has also been submitted for eligibility of the award.

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Finance Department. We would also like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Acknowledgement is also given to representatives of Weaver, LLP, Certified Public Accountants, for their dedicated assistance in producing this report.

Special acknowledgement is given to the City Manager, Mayor and the members of the City Council for their support for maintaining the highest standards of professionalism in the management of the City of Wylie finances.

Respectfully submitted,



Melissa Brown  
Finance Director



Ron Arp  
Assistant Finance Director



Government Finance Officers Association

**Certificate of  
Achievement for  
Excellence in  
Financial  
Reporting**

Presented to

**City of Wylie Texas**

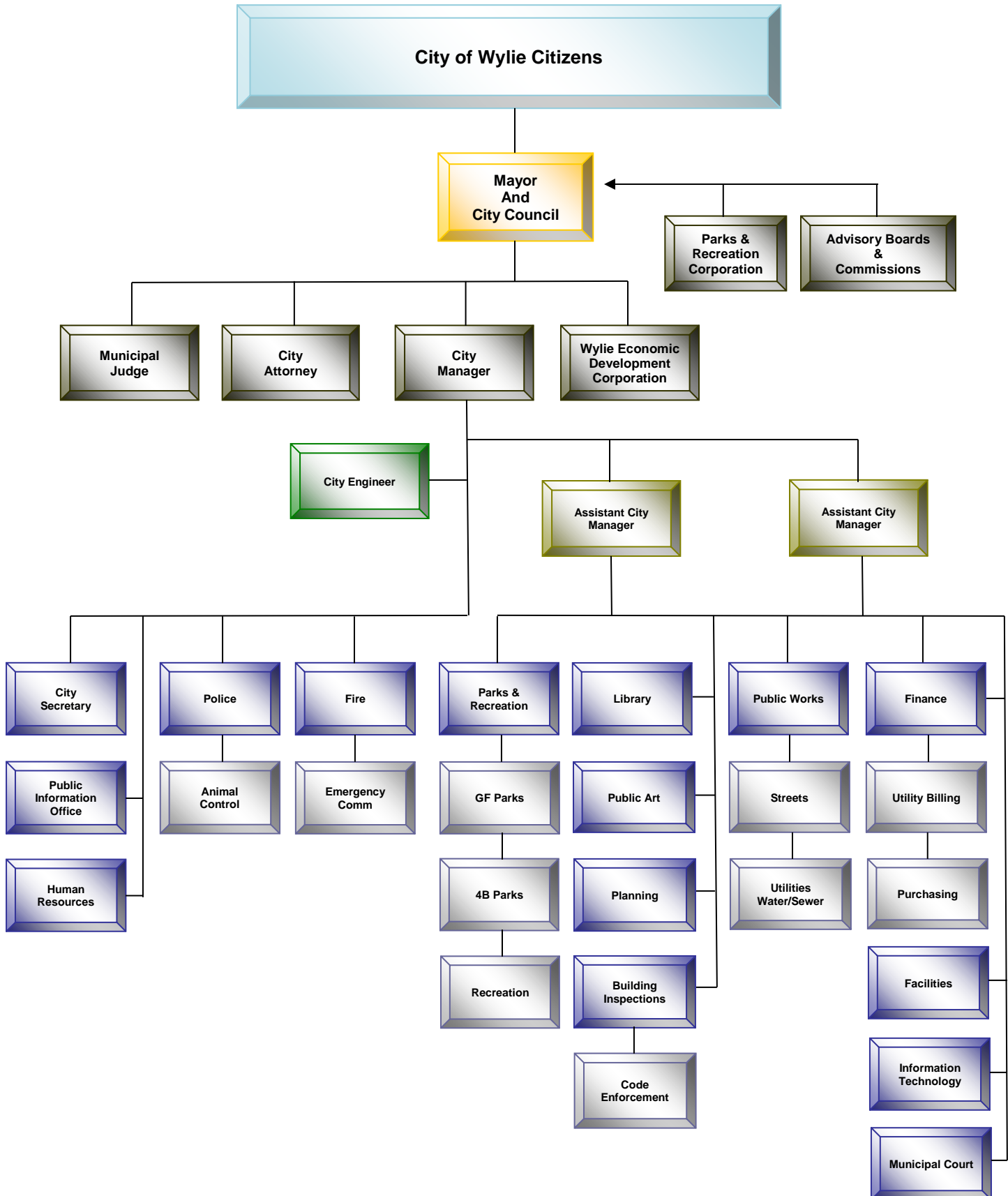
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morrell*

Executive Director/CEO

# FY 2022 CITY OF WYLIE ORGANIZATIONAL CHART



# **CITY OF WYLIE, TEXAS**

## **PRINCIPAL OFFICIALS**

September 30, 2022

### **City Council**

Matthew Porter, Mayor  
 Jeff Forrester, Mayor Pro Tem  
 David R. Duke, Councilmember  
 Dave Strang, Councilmember  
 Scott Williams, Councilmember  
 Dr. Timothy T. Wallis, Councilmember  
 Garrett Mize, Councilmember

### **City Staff**

Brent Parker, City Manager  
 Renae' Ollie, Deputy City Manager  
 Lety Yanez, Assistant City Manager  
 Stephanie Storm, City Secretary  
 Melissa Brown, Finance Director  
 Jennifer Beck, Human Resources Director  
 Anthony Henderson, Police Chief  
 Brandon Blythe, Fire Chief  
 Tim Porter, City Engineer  
 Thomas Weir, Public Works Director  
 Carmen Powlen, Parks & Recreation Director  
 Ofilia Barrera, Library Director  
 Jason Greiner, WEDC Director

### **Other Appointed Officials**

Weaver, LLP, Auditors  
 Abernathy, Roeder, Boyd & Hullett, PC, City Attorney  
 Norton Rose Fulbright US LLP, Bond Counsel  
 Hilltop Securities Inc., Financial Advisors

## FINANCIAL SECTION



## Independent Auditor's Report

Members of the City Council  
City of Wylie, Texas

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wylie, Texas (the "City") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



Members of the City Council  
City of Wylie, Texas

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and other postemployment benefits information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to this required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Members of the City Council  
City of Wylie, Texas

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Information Included in the Annual Comprehensive Financial Report*

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* the City's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
January 18, 2023



## City of Wylie, Texas Management's Discussion and Analysis September 30, 2022

---

As management of the City of Wylie, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages one through five of this report.

### Financial Highlights

- The unassigned portion of the General Fund fund balance at the end of the year was \$30,411,011 or 65.20 percent of total General Fund expenditures. This includes the 25% of General Fund expenditures which is required to be held in General Fund fund balance per the City Council approved Financial Management Policies. That amount is \$11,661,548. The remainder represents funds which may be used for one-time expenditures or unforeseen needs which the Council allocates for a specific purpose. The unassigned General Fund fund balance can be seen on page 18 of this report on the Balance Sheet-Governmental Funds. It is part of the total General Fund fund balances, September 30, 2022, shown on page 21 of this report on the Statement of Revenues, Expenditures, and Changes in Fund Balance.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year ended September 30, 2022, by \$313,515,288 (net position). Of this amount, \$51,329,562 (unrestricted portion of net position) may be used to meet the government's ongoing obligations to citizens and creditors. Included in the unrestricted portion of net position are monies from all the City's various funds which are not restricted for other purposes.
- Total assets were \$418,897,391 which includes capital assets and current assets such as cash, prepaids, inventory, and receivables. Total liabilities were \$105,170,427 which includes long-term liabilities from debt, compensated absences, pension liabilities, and OPEB liabilities and other liabilities such as accrued interest, accounts payables, unearned deposits and accrued liabilities. The statement of net position also includes deferred outflows and inflows from pension and OPEB liabilities along with deferred losses from refunding of debt.
- The City's total net position increased by \$21,992,970 primarily due to developer contributions of over \$6.7 million for streets, alleys, drainage and water/sewer infrastructure. Service charges for business type activities exceeding operating costs also contributed to the net position increase as well as an increase in sales and property tax receipts. Property tax receipts increased only by the additional tax of new construction. The effects of these changes can be seen in Table 2.
- The City's governmental funds reported combined ending fund balances of \$66,208,112, an increase of \$9,638,308 in comparison to the previous year. The General Fund ending balance was higher than 2021 by \$0.4 million, while Capital Projects Funds increased by \$7.7 million. Over \$7 million was transferred to capital projects funds from the General Fund's excess fund balance. \$5.1 million was issued to begin projects designated in the 2021 bond program and \$5 million was spent for construction of Fire Station #4.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City of Wylie's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

**City of Wylie, Texas**  
**Management's Discussion and Analysis**  
**September 30, 2022**

---

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide statements distinguish between governmental activities and business-type activities. Governmental activities basically account for those activities supported by taxes and intergovernmental revenues. On the other hand, business-type activities are basically supported by user fees and charges. Most City services are reported in governmental activities while business-type activities are reported in the Enterprise Fund.

The government-wide statements include not only the City but also a discrete component unit, the Wylie Economic Development Corporation (WEDC). Although legally separate, WEDC is financially accountable to the City.

**Fund financial statements.** The City, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the General Obligation Debt Service Fund. All Capital Projects Funds are combined for a single, aggregated presentation. Data from the other non-major funds are also combined and reported in a single column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

*Proprietary funds.* The City maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail.

**City of Wylie, Texas**  
**Management's Discussion and Analysis**  
**September 30, 2022**

Notes to the financial statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements.

**Government-Wide Financial Analysis**

At the end of fiscal year 2022, the City's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$313,515,288. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

**Net Position.** The largest portion of the City's net position, \$222,304,283, or 70.9%, reflects its investment in capital assets (land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$39,881,443, or 12.7% represents resources that are subject to external restrictions on how they may be used. The unrestricted portion of net position which is \$51,329,562 (16.4%) may be used to meet the government's ongoing obligations to citizens and creditors.

**Table 1**  
**Condensed Statement of Net Position**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 78,143,603	\$ 65,059,977	\$ 46,207,233	\$ 40,897,985	\$ 124,350,836	\$ 105,957,962
Capital assets	227,107,436	224,816,102	67,439,119	67,406,155	294,546,555	292,222,257
Total Assets	305,251,039	289,876,079	113,646,352	108,304,140	418,897,391	398,180,219
Deferred outflows of resources	5,231,159	5,889,254	396,049	470,539	5,627,208	6,359,793
Long term liabilities	79,917,759	86,719,945	12,983,984	14,537,295	92,901,743	101,257,240
Other liabilities	10,967,982	7,521,474	1,300,702	2,225,729	12,268,684	9,747,203
Total liabilities	90,885,741	94,241,419	14,284,686	16,763,024	105,170,427	111,004,443
Deferred inflows of resources	5,381,017	1,847,270	457,867	165,981	5,838,884	2,013,251
Net Position:						
Net investment in capital assets	165,022,233	163,767,912	57,282,050	56,032,882	222,304,283	219,800,794
Restricted for debt service	766,308	1,051,205	-	-	766,308	1,051,205
Restricted for capital projects	19,085,639	8,622,371	12,100,734	11,072,169	31,186,373	19,694,540
Restricted for economic development	6,599,921	5,121,099	-	-	6,599,921	5,121,099
Restricted for tourism	753,188	549,370	-	-	753,188	549,370
Restricted for other	575,653	128,974	-	-	575,653	128,974
Unrestricted	21,412,498	20,435,713	29,917,064	24,740,623	51,329,562	45,176,336
Total Net Position	\$214,215,440	\$199,676,644	\$99,299,848	\$91,845,674	\$ 313,515,288	\$291,522,318

**City of Wylie, Texas**  
**Management's Discussion and Analysis**  
**September 30, 2022**

**Changes in Net Position**

**Governmental Activities.** Governmental activities increased the City's net position by \$14,538,796 from the prior year. This was primarily due to developer contributions of streets, alleys and drainage totaling \$4,836,301. There also was a slight increase in ad valorem revenue from new residential construction and an increase in sales taxes due to favorable economic conditions.

**Business-type Activities.** Net position from business-type activities increased by \$7,454,174 from the prior year. Utility revenues from the growth of our customer base are partially responsible, as well as developer contributions for water and sewer infrastructure of approximately \$1.9 million. Also contributing is a current year increase of \$3 million in charges for services with current year operational expenses increasing by \$1.8 million from the prior year.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 9,137,190	\$ 8,125,454	\$27,371,622	\$24,400,005	\$ 36,508,812	\$ 32,525,459
Operating grants and contributions	663,356	730,139	-	-	663,356	730,139
Capital grants and contributions	7,619,607	10,810,966	3,189,643	3,317,635	10,809,250	14,128,601
General revenues:						
Ad valorem taxes	36,723,108	35,629,027	-	-	36,723,108	35,629,027
Sales taxes	12,951,476	11,832,404	-	-	12,951,476	11,832,404
Other taxes and fees	2,929,590	2,675,866	-	-	2,929,590	2,675,866
Interest	307,155	31,845	195,126	62,113	502,281	93,958
Gain (loss) disposal of capital assets	2,706,165	1,109	-	-	2,706,165	1,109
Miscellaneous	610,600	276,181	63,359	150,213	673,959	426,394
Total revenues	73,648,247	70,112,991	30,819,750	27,929,966	104,467,997	98,042,957
Expenses:						
General government	13,682,957	12,690,079	-	-	13,682,957	12,690,079
Public safety	25,164,617	23,478,532	-	-	25,164,617	23,478,532
Urban development	1,020,885	1,121,650	-	-	1,020,885	1,121,650
Streets	10,393,464	9,133,138	-	-	10,393,464	9,133,138
Community service	9,217,814	9,309,304	-	-	9,217,814	9,309,304
Interest on long-term debt	2,118,360	2,235,277	-	-	2,118,360	2,235,277
Water and sewer operations	-	-	20,876,930	19,053,908	20,876,930	19,053,908
Total expenses	61,598,097	57,967,980	20,876,930	19,053,908	82,475,027	77,021,888
Increase in net position before transfers	12,050,150	12,145,011	9,942,820	8,876,058	21,992,970	21,021,069
Transfers	2,488,646	2,416,161	(2,488,646)	(2,416,161)	-	-
Increase in net position	14,538,796	14,561,172	7,454,174	6,459,897	21,992,970	21,021,069
Net position - October 1	199,676,644	185,115,472	91,845,674	85,385,777	291,522,318	270,501,249
Net position - September 30	<u>\$214,215,440</u>	<u>\$199,676,644</u>	<u>\$99,299,848</u>	<u>\$91,845,674</u>	<u>\$313,515,288</u>	<u>\$291,522,318</u>

**Government-Wide Financial Analysis**

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

## City of Wylie, Texas Management's Discussion and Analysis September 30, 2022

---

As of the end of the current fiscal year, the City's governmental funds reported combined fund balances of \$66,208,112.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance was \$30,411,011. The overall fund balance of the General Fund increased by \$445,495 during the current fiscal year. The reason for the increase is multi-faceted. Overall, General Fund revenues were higher due to an increased property tax base (new construction), increased sales tax revenue and an expansion of the customer base for service fees, while expenditures were also less than anticipated.

The General Obligation Debt Service Fund reported a decrease of \$279,289 in fund balance. This was due in part to an application of the fund balance intentionally used to reduce the I&S portion of the tax rate. The Capital Projects Fund increased \$7,692,339 due primarily to bonds that were issued to begin projects designated in the 2021 Bond Program, as well as \$7 million transferred from the General Fund's excess fund balance. Additionally, \$5 million was spent for construction of Fire Station #4. Other governmental funds' combined fund balances increased \$1,779,763 primarily due to increased revenue from sales tax in the 4B Sales Tax Revenue Fund.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year was \$29,917,064. This represents an increase of \$5,176,441. This is largely attributable to the increases in water and sewer operating revenues. The year included a planned rate increase, which is based on a five-year water and sewer rate study. There also was an increase in the system's customer base. This year's operating income was \$6,845,087.

**General Fund Budgetary Highlights.** In FY2022, the General Fund expenditure budget was increased by \$4,154,441 over the 2021 budget, with approximately \$1.5 million funding new personnel requests. Approved positions included two detention officers, a training coordinator, a part-time mental health coordinator, a part-time quartermaster and a part-time administrative assistant for the Police Department. The Fire Department had six new firefighter positions approved. A signal technician and equipment operator were approved for the Streets Department, a maintenance technician was approved for Facilities and a senior buyer position was approved for the Purchasing Department. There were also over \$1.5 million of non-personnel requests that were funded. Highlights included eight Police patrol vehicle replacements, one Fire Division Chief vehicle replacement and one replacement vehicle for Streets. Also approved were tech upgrades for the Council Chambers, an outdoor warning siren replacement, one ambulance replacement, an asphalt roller, tennis court lighting, security for the Park Maintenance facility as well as other small equipment purchases for various departments. Each year the City performs a mid-year review of the budget. If the City Manager determines that funds are available, certain amendments are proposed to the City Council for their review and approval. Expenditures were amended throughout the year with the majority occurring during mid-year reviews. These amendments increased General Fund appropriations by \$474,796 or 0.94 percent.

In the General Fund, the actual revenue received in comparison to the final budget was over by \$1,725,001. This positive variance is most noticeable in sales tax, service fees, and licenses and permits. General Fund expenditures had a final budget-to-actual positive variance of \$4,301,772 prior to other financing sources/uses. This amount is attributable to intentional savings made by all departments, incomplete or postponed projects and personnel savings due to turnover and unfilled vacancies.

### Capital Assets and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to \$ 294,546,555(net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, right-to-use machinery and equipment, machinery and equipment, and construction in progress. The total increase in the City's investment in capital assets for the current year was \$2,185,489 .



**City of Wylie, Texas**  
**Management's Discussion and Analysis**  
**September 30, 2022**

**Table 3**  
**Capital Assets at Year-end**  
**Net of Accumulated Depreciation (000's)**

Asset	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 43,091	\$ 41,789	\$ 101	\$ 101	\$ 43,192	\$ 41,890
Other non-depreciable assets	1,231	1,160	-	-	1,231	1,160
Buildings	53,286	47,668	2,610	2,743	55,896	50,411
Improvements	118,499	122,346	62,634	63,133	181,133	185,479
Right-to-use machinery and equipment *	79	139	-	-	79	139
Machinery and equipment	6,242	5,143	1,111	1,139	7,353	6,282
Construction in progress	4,679	6,710	983	290	5,662	7,000
	<u>\$ 227,107</u>	<u>\$ 224,955</u>	<u>\$ 67,439</u>	<u>\$ 67,406</u>	<u>\$ 294,546</u>	<u>\$ 292,361</u>

\* The 2021 balance has been restated to reflect the implementation of GASB Statement No. 87, Leases

Additional information on the City's capital assets can be found in the notes to the financial statements on pages 42-43.

Debt Administration. At the end of the current fiscal year, the City of Wylie had total bonded debt outstanding of \$78.1 million, all of which is backed by the full faith and credit of the City.

**Table 4**  
**Outstanding Bonded Debt at Year End (000's)**

Type of Debt	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation	\$ 50,250	\$ 51,020	\$ 2,295	\$ 2,725	\$ 52,545	\$ 53,745
Combination Tax & Revenue	12,520	12,980	6,395	6,715	18,915	19,695
Contractual Obligations	-	980	-	-	-	980
Unamortized premium (discount)	6,168	6,035	473	548	6,641	6,583
Total	<u>\$ 68,938</u>	<u>\$ 71,015</u>	<u>\$ 9,163</u>	<u>\$ 9,988</u>	<u>\$ 78,101</u>	<u>\$ 81,003</u>

Total bonded debt of the City decreased primarily due to principal payment of debt and amortization of premiums.

The City continues to maintain favorable ratings from bond rating agencies. The current General Obligation, Combination Tax and Revenue Certificates of Obligation, and Revenue Bonds ratings are as follows.

	Moody's Investors Service	Standard & Poor's
General obligation bonds	Aa1	AA
Certificates of obligation	Aa1	AA
Revenue bonds	A1	A+

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 44-48.

**City of Wylie, Texas  
Management's Discussion and Analysis  
September 30, 2022**

---

**Economic Factors and Next Year's Budgets and Rates**

During FY2022, 402 building permits were issued and 500 building permits are projected for FY2023. Steady growth is the predominant characteristic of the City with \$171,511,500 of new assessed valuation added to the tax roll from new construction for FY2023. This value brought an additional \$962,429 to the budget, allowing the City to maintain service levels while decreasing the average taxpayer's burden. As steady growth continues, the upward trend in property values remains evident. The City's Freeze-adjusted taxable property values showed an increase of 17.2% from FY2022 to FY2023. Our growth pattern is also projected to continue into FY2023 but the City recognizes that as we get closer to build-out, redevelopment will fuel the City's growth of tax base. As is the City's pattern, fiscal conservatism continues to play a major role in the development of the FY2023 operating budget.

In FY2023, General Fund revenues and expenditures are budgeted to increase by 3.9% and 6.1% prior to other financing sources and transfers out, respectively, over FY2022 revenues and expenditures. This will provide a 42% estimated fund balance at FY2023 year-end, which exceeds the goal of 25%.

FY2023 Utility Fund revenues are budgeted to increase by 3.3% from FY2022 revenues and expenses were projected to increase by 2.2% from FY2022.

The City works with an independent firm to annually review water and sewer rates. The rates needed to fund current and future operating and infrastructure needs were identified. Also included in the study were estimated future water and sewer charges from North Texas Municipal Water District as well as future capital needs. Therefore, in the Utility Fund, water and sewer rates were adjusted for the FY2023 budget year in accordance with this study.

During FY2006, voters authorized the City to issue \$73,950,000 in bonds. \$35,325,000 was issued in 2006 with the remaining \$38,625,000 issued in 2008. The issuance of these bonds was expected to cause an increase in the I & S tax rate to cover the principal and interest payments on the additional debt. However, the total tax rate went unchanged from FY2009 through FY2012. FY2013 began the trend of a tax rate reduction and 2023 was the eleventh consecutive year the Council has decreased the tax rate. The current reduction was \$.081418 bringing the eleven-year rate reduction total to \$.336567. The current rate of \$.562333 per \$100 of assessed property valuation allows Wylie to be at a competitive level with other area cities while still providing adequate revenue to fund the needs of our growth.

In November of 2021, voters authorized the City to issue \$50,100,000 in bonds for expansion and reconstruction of three major roads: McMillen Drive, Park Boulevard and South Ballard Avenue/Sachse Road. The propositions also included city-wide street and alley repair/replacement as well as improvements to Wylie's Historic Downtown District. Bonds will only be issued when projects are ready to proceed to minimize the impact on the I&S tax rate. \$5.1 million was issued in FY 2022 and the additional debt was absorbed in the M&O rate instead of increasing the I&S.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 300 Country Club Road, Wylie, Texas, 75098.



## **BASIC FINANCIAL STATEMENTS**



**CITY OF WYLIE, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

**EXHIBIT A-1**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 72,836,421	\$ 29,012,968	\$ 101,849,389	\$ 10,747,507
Receivables (net of allowance for uncollectibles)	5,057,275	4,792,686	9,849,961	812,707
Due from primary government	-	-	-	279,047
Inventories	179,473	300,844	480,317	16,271,496
Prepaid items	-	-	-	2,000
Restricted assets:				
Cash and cash equivalents	70,434	11,435,322	11,505,756	
Receivables	-	665,413	665,413	-
Capital assets (net of accumulated depreciation):				
Land	43,090,692	101,045	43,191,737	-
Other non-depreciable assets	1,231,294	-	1,231,294	-
Construction in progress	4,678,918	982,791	5,661,709	-
Buildings	53,286,232	2,610,242	55,896,474	-
Improvement other than buildings	118,498,734	62,634,703	181,133,437	-
Right-to-use machinery and equipment	79,177	-	79,177	-
Machinery and equipment	6,242,389	1,110,338	7,352,727	-
<b>Total assets</b>	<b>305,251,039</b>	<b>113,646,352</b>	<b>418,897,391</b>	<b>28,112,757</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on refunding	1,890,149	77,610	1,967,759	-
Deferred outflows - pensions	3,174,471	302,820	3,477,291	64,720
Deferred outflows - OPEB	166,539	15,619	182,158	3,028
<b>Total deferred outflows of resources</b>	<b>5,231,159</b>	<b>396,049</b>	<b>5,627,208</b>	<b>67,748</b>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	3,443,132	929,448	4,372,580	158,396
Accrued interest payable	370,115	42,459	412,574	29,863
Due to component unit	279,047	-	279,047	
Due to other governments	90,584	-	90,584	-
Liabilities payable from restricted assets	-	328,795	328,795	-
Unearned revenue	6,785,104	-	6,785,104	-
Non current liabilities:				
Due within one year	8,734,838	1,274,454	10,009,292	610,540
Due in more than one year	71,182,921	11,709,530	82,892,451	15,618,762
<b>Total liabilities</b>	<b>90,885,741</b>	<b>14,284,686</b>	<b>105,170,427</b>	<b>16,417,561</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows - pensions	5,330,095	453,137	5,783,232	83,874
Deferred inflows - OPEB	50,922	4,730	55,652	843
<b>Total deferred inflows of resources</b>	<b>5,381,017</b>	<b>457,867</b>	<b>5,838,884</b>	<b>84,717</b>
<b>NET POSITION</b>				
Net investment in capital assets	165,022,233	57,282,050	222,304,283	-
Restricted for:				
Debt service	766,308	-	766,308	-
Capital projects	19,085,639	12,100,734	31,186,373	-
Economic development	6,599,921	-	6,599,921	-
Tourism	753,188	-	753,188	-
Other	575,653	-	575,653	-
Unrestricted	21,412,498	29,917,064	51,329,562	11,678,227
<b>Total net position</b>	<b>\$ 214,215,440</b>	<b>\$ 99,299,848</b>	<b>\$ 313,515,288</b>	<b>\$ 11,678,227</b>

The accompanying notes to the basic financial statements  
are an integral part of this statement.

**CITY OF WYLIE, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental activities:				
General government	\$ 13,682,957	\$ 3,376,459	\$ -	\$ -
Public safety	25,164,617	3,505,797	194,926	4,724
Urban development	1,020,885	1,727,784	-	-
Streets	10,393,464	-	-	2,647,422
Community service	9,217,814	527,150	468,430	4,967,461
Interest on long-term debt	2,118,360	-	-	-
Total governmental activities	61,598,097	9,137,190	663,356	7,619,607
Business-type activities:				
Utility	20,876,930	27,371,622	-	3,189,643
Total business-type activities	20,876,930	27,371,622	-	3,189,643
Total primary government	\$ 82,475,027	\$ 36,508,812	\$ 663,356	\$ 10,809,250
<b>Component unit:</b>				
Wylie Economic Development Corp	\$ 3,940,768	\$ -	\$ -	\$ -
Total component units	\$ 3,940,768	\$ -	\$ -	\$ -
General revenues:				
Ad valorem taxes				
Sales taxes				
Franchise taxes				
Unrestricted investment earnings				
Miscellaneous income				
Gain on disposal of assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - Beginning of year				
Net position - Ending				

The accompanying notes to the basic financial statements are an integral part of this statement.

## EXHIBIT A-2

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (10,306,498)	\$ -	\$ (10,306,498)	\$ -
(21,459,170)	-	(21,459,170)	-
706,899	-	706,899	-
(7,746,042)	-	(7,746,042)	-
(3,254,773)	-	(3,254,773)	-
(2,118,360)	-	(2,118,360)	-
(44,177,944)	-	(44,177,944)	-
-	9,684,335	9,684,335	-
-	9,684,335	9,684,335	-
\$ (44,177,944)	\$ 9,684,335	\$ (34,493,609)	\$ -
\$ -	\$ -	\$ -	\$ (3,940,768)
\$ -	\$ -	\$ -	\$ (3,940,768)
36,723,108	-	36,723,108	-
12,951,476	-	12,951,476	4,161,282
2,929,590	-	2,929,590	-
307,155	195,126	502,281	33,804
610,600	63,359	673,959	420,077
2,706,165	-	2,706,165	-
2,488,646	(2,488,646)	-	-
58,716,740	(2,230,161)	56,486,579	4,615,163
14,538,796	7,454,174	21,992,970	674,395
199,676,644	91,845,674	291,522,318	11,003,832
\$ 214,215,440	\$ 99,299,848	\$ 313,515,288	\$ 11,678,227



**CITY OF WYLIE, TEXAS**  
**BALANCE SHEET-GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2022**

	<b>General Fund</b>	<b>General Obligation Debt Service</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 37,816,021	\$ 837,815
Receivables (net of allowance for uncollectibles):		
Ad valorem taxes	224,385	80,335
Franchise taxes	1,042,467	-
Sales taxes	1,494,861	-
Accounts	492,214	-
Other	697,567	2,004
Restricted cash	70,434	-
Inventories, at cost	179,473	-
<b>Total assets</b>	<b>\$ 42,017,422</b>	<b>\$ 920,154</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
LIABILITIES:		
Accounts payable	\$ 1,559,550	\$ -
Other payables and accruals	1,043,936	-
Due to component unit	279,047	-
Due to other governments	90,584	-
Unearned revenue	6,099,649	-
<b>Total liabilities</b>	<b>9,072,766</b>	<b>-</b>
DEFERRED INFLOWS OF RESOURCES:		
Unavailable resources	1,260,396	77,228
<b>Total deferred inflows of resources</b>	<b>1,260,396</b>	<b>77,228</b>
<b>FUND BALANCES:</b>		
Nonspendable		
Inventory	179,473	-
Restricted		
Debt service	-	842,926
Capital projects	-	-
Economic development	-	-
Municipal court	-	-
Tourism	-	-
Law enforcement	499,218	-
Committed		
Park acquisition and improvement	-	-
Fire training	-	-
Fire development	-	-
Public arts	510,191	-
Assigned		
Law enforcement	63,842	-
Streets	20,525	-
Unassigned	30,411,011	-
<b>Total fund balances</b>	<b>31,684,260</b>	<b>842,926</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 42,017,422</b>	<b>\$ 920,154</b>

The accompanying notes to the basic financial statements  
are an integral part of this statement.

## EXHIBIT A-3

Capital Projects Fund	Non major Governmental Funds	Total Governmental Funds
\$ 25,483,143	\$ 8,699,442	\$ 72,836,421
-	-	304,720
-	-	1,042,467
-	739,027	2,233,888
-	-	492,214
-	284,415	983,986
-	-	70,434
-	-	179,473
<u>\$ 25,483,143</u>	<u>\$ 9,722,884</u>	<u>\$ 78,143,603</u>
\$ 338,633	\$ 73,761	\$ 1,971,944
344,488	82,764	1,471,188
-	-	279,047
-	-	90,584
<u>511,697</u>	<u>173,758</u>	<u>6,785,104</u>
<u>1,194,818</u>	<u>330,283</u>	<u>10,597,867</u>
-	-	1,337,624
<u>-</u>	<u>-</u>	<u>1,337,624</u>
-	-	179,473
-	216,269	1,059,195
24,288,325	-	24,288,325
-	6,599,921	6,599,921
-	75,606	75,606
-	753,188	753,188
-	829	500,047
-	506,161	506,161
-	274,325	274,325
-	966,302	966,302
-	-	510,191
-	-	63,842
-	-	20,525
<u>-</u>	<u>-</u>	<u>30,411,011</u>
<u>24,288,325</u>	<u>9,392,601</u>	<u>66,208,112</u>
<u>\$ 25,483,143</u>	<u>\$ 9,722,884</u>	<u>\$ 78,143,603</u>

**CITY OF WYLIE, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
SHEET TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

**EXHIBIT A-4**

Total fund balance-governmental funds balance sheet	\$ 66,208,112
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	227,107,436
Deferred losses on refunding are reported as deferred outflows of resources in the government-wide statement of net position.	1,890,149
Revenues earned but not available within sixty days of the fiscal year-end are not recognized as revenue in the fund financial statements.	1,337,624
Deferred outflows of resources \$3,174,471 related to the City's net pension liability result in an increase in net position in the government-wide financial statements while deferred inflows (\$5,330,095) result in a decrease in net position.	(2,155,624)
Deferred outflows of resources \$166,539 related to the City's net OPEB liability result in an increase in net position in the government-wide financial statements while deferred inflows (\$50,922) result in a decrease in net position.	115,617
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.	(370,115)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the fund financial statements.	<u>(79,917,759)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES - statement of net position</b>	<b><u>\$ 214,215,440</u></b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

EXHIBIT A-5

	General Fund	General Obligation Debt Service	Capital Projects Fund	Non major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Ad valorem taxes	\$ 28,048,745	\$ 8,660,744	\$ -	\$ -	\$ 36,709,489
Sales taxes	8,373,812	-	-	4,577,664	12,951,476
Franchise fees	2,897,152	-	-	-	2,897,152
Licenses and permits	1,350,938	-	803,709	37,863	2,192,510
Intergovernmental	2,759,195	-	1,843,713	-	4,602,908
Service fees	4,292,868	-	-	807,835	5,100,703
Court fees	315,067	-	-	17,142	332,209
Development fees	-	-	-	317,734	317,734
Interest income	174,728	6,109	91,465	34,853	307,155
Miscellaneous income	526,831	-	-	29,566	556,397
Total revenues	48,739,336	8,666,853	2,738,887	5,822,657	65,967,733
<b>EXPENDITURES</b>					
Current:					
General government	11,645,070	-	-	-	11,645,070
Public safety	25,434,629	-	-	100,133	25,534,762
Urban development	1,052,931	-	-	-	1,052,931
Streets	3,563,540	-	-	-	3,563,540
Community service	4,950,022	-	-	3,532,206	8,482,228
Capital outlay	-	-	7,557,044	-	7,557,044
Debt service:					
Principal	-	6,345,000	-	345,000	6,690,000
Interest and fiscal charges	-	2,524,725	-	38,625	2,563,350
Bond issuance costs	-	74,169	47,654	-	121,823
Total expenditures	46,646,192	8,943,894	7,604,698	4,015,964	67,210,748
Excess (Deficiency) of revenues under expenditures	2,093,144	(277,041)	(4,865,811)	1,806,693	(1,243,015)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	2,518,646	-	7,003,251	386,695	9,908,592
Transfers out	(7,006,321)	-	-	(413,625)	(7,419,946)
Proceeds from sale of property	2,706,165	-	-	-	2,706,165
Issuance of long-term debt	-	6,770,000	5,235,000	-	12,005,000
Payment to refunded bond escrow agent	-	(7,558,830)	-	-	(7,558,830)
Premium on bonds issued	-	786,582	319,899	-	1,106,481
Insurance recovery	133,861	-	-	-	133,861
Total other financing sources (uses)	(1,647,649)	(2,248)	12,558,150	(26,930)	10,881,323
Net change in fund balances	445,495	(279,289)	7,692,339	1,779,763	9,638,308
Fund balances October 1, 2021	31,238,765	1,122,215	16,595,986	7,612,838	56,569,804
Fund balances September 30, 2022	\$ 31,684,260	\$ 842,926	\$ 24,288,325	\$ 9,392,601	\$ 66,208,112

The accompanying notes to the basic financial statements  
are an integral part of this statement.

**CITY OF WYLIE, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO**  
**THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-6**

Net change in fund balances- total governmental funds.	\$ 9,638,308
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	8,209,117
Depreciation and amortization expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation and amortization expense is not reported as expenditures in the governmental funds.	(10,892,893)
The repayment of the principal of long term debt consumes the current financial resources of governmental funds, but has no effect on net position. The amortization of bond premiums and deferred gain/loss on refunding of long term debt is reported in statement of activities but does not require the use of current financial resources. Therefore, the effect of the amortization of these various items are not reported in the statement of revenues, expenses, and changes in fund balance. This amount represents the net effect of the following items:	
o Bonds issued (\$12,005,000)	
o Premium on bonds issued (\$1,106,481)	
o Refunded bonds, \$7,525,000	
o Principal payments of \$6,690,000 on bonds, \$76,044 on financed purchases and \$59,280 on leases	
o Amortization of premium on bonds of \$973,603 and deferred loss on refunding of (\$373,550)	
o Current year addition to deferred loss on refunding, \$33,829	1,872,725
GASB 68 requires certain expenditures to be de-expended to account for the changes in pension liabilities and deferred inflows/outflows. There was a decrease in pension liabilities of \$5,001,576, an increase in deferred inflows of (\$3,531,149), and a decrease in deferred outflows of (\$318,492).	1,151,935
GASB 75 requires certain expenditures to be de-expended to account for the changes in OPEB liabilities and deferred inflows/outflows. There was an increase in OPEB liabilities of (\$69,802), an increase in deferred inflows of (\$2,598), and a decrease in deferred outflows of \$118.	(72,289)
Current year changes in accrued interest payable does not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	(5,376)
Current year changes in the long-term liability for compensated absences do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	(203,218)
Governmental funds do not recognize assets contributed by developers. However, in the statement of activities, the fair market value of those assets is recognized as revenue, then allocated over the useful life of the assets and reported as depreciation expense.	4,836,301
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.	4,186
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES - statement of activities</b>	<b>\$ 14,538,796</b>

The accompanying notes to the basic financial statements are an integral part of this statement.



**CITY OF WYLIE, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2022**

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 29,012,968
Accounts receivables (net of allowances for uncollectibles)	4,359,493
Other receivables	433,193
Inventories, at cost	300,844
Restricted assets	
Cash and cash equivalents	11,435,322
Accounts receivable	665,413
	<u>46,207,233</u>
Total current assets	
Non-current assets	
Capital assets:	
Land	101,045
Buildings	3,956,303
Waterworks system	57,206,440
Sewer system	44,307,911
Machinery and equipment	3,173,792
Construction in progress	982,791
Accumulated depreciation	<u>(42,289,163)</u>
Total capital assets (net of accumulated depreciation)	<u>67,439,119</u>
Total non-current assets	<u>67,439,119</u>
Total assets	<u>113,646,352</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred loss on refunding	77,610
Pensions	302,820
OPEB	15,619
Total deferred outflows of resources	<u>396,049</u>

The accompanying notes to the basic financial statements  
are an integral part of this statement.

**EXHIBIT A-7**

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 603,664
Retainage payable	16,616
Other payables and accruals	309,168
Compensated absences payable - current	215,709
General obligation bonds payable - current	415,000
Combination bonds - tax and revenue - current	330,000
Capital lease - current	313,745
Accrued interest payable	42,459
Payable from restricted assets	
Customer deposits	328,795
Total current liabilities	<u>2,575,156</u>
Non-current liabilities:	
General obligation bonds payable	1,880,000
Combination bonds - tax and revenue	6,538,032
Capital lease	2,388,988
Net pension liability	837,039
OPEB	65,471
Total noncurrent liabilities	<u>11,709,530</u>
Total liabilities	<u>14,284,686</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions	453,137
OPEB	4,730
Total deferred inflows of resources	<u>457,867</u>
<b>NET POSITION</b>	
Net investment in capital assets	57,282,050
Restricted for construction	12,100,734
Unrestricted	29,917,064
Total net position	<u>\$ 99,299,848</u>



**CITY OF WYLIE, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND**  
**NET POSITION – PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-8**

	<u>Enterprise Fund</u>
	<u>Utility Fund</u>
<b>OPERATING REVENUES</b>	
Water	\$ 13,215,167
Sewer	13,835,736
Penalties	217,675
Water taps	56,664
Sewer taps	13,580
Reconnect fees	32,800
	<u>27,371,622</u>
Total operating revenues	
<b>OPERATING EXPENSES</b>	
Water purchases	5,508,470
Sewer treatment	6,316,039
Utility administration	705,257
Water department	2,551,685
Sewer department	954,177
Utility billing	1,001,142
Engineering	148,738
Combined services	534,539
Depreciation	2,806,488
	<u>20,526,535</u>
Total operating expenses	
Operating income	<u>6,845,087</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment revenue	195,126
Miscellaneous income	63,359
Interest expense	(350,395)
	<u>(91,910)</u>
Total non-operating revenues (expenses)	
Net income before transfers and contributions	<u>6,753,177</u>
<b>TRANSFERS AND CONTRIBUTIONS</b>	
Capital contributions	1,909,938
Impact fees	1,279,705
Transfers out	(2,488,646)
	<u>700,997</u>
Total transfers and contributions	
Change in net position	7,454,174
<b>Net position, October 1</b>	<u>91,845,674</u>
<b>Net position, September 30</b>	<u>\$ 99,299,848</u>

The accompanying notes to the basic financial statements  
are an integral part of this statement.

**CITY OF WYLIE, TEXAS**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-9**

	<b>Enterprise Fund</b>
	<b>Utility Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 26,801,563
Cash payments to employees for services	(2,184,776)
Cash payments to other suppliers for goods and services	(16,417,400)
Net cash provided by operating activities	8,199,387
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
Transfers to other funds	(2,488,646)
Net cash used in non-capital financing activities	(2,488,646)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal and interest paid	(1,468,670)
Acquisition or construction of capital assets	(929,514)
Water and sewer impact fee revenue	1,279,705
Net cash used in capital and related financing activities	(1,118,479)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest and dividends on investments	195,126
Net cash provided by investing activities	195,126
Net decrease in cash and cash equivalents	4,787,388
Cash and cash equivalents at beginning of year	35,660,902
Cash and cash equivalents at end of year	\$ 40,448,290
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>	
Cash and cash equivalents	\$ 29,012,968
Restricted cash and cash equivalents	11,435,322
Total cash and cash equivalents	\$ 40,448,290
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 6,845,087
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	2,806,488
Miscellaneous income	63,359
Pension and OPEB expense	(448,572)
Effects of changes in assets and liabilities:	
Decrease (increase) in receivables	(654,034)
Decrease (increase) in inventories	(71,543)
Decrease (increase) in restricted receivables	203,717
Decrease (increase) in deferred outflows for pensions and OPEB	58,487
Increase(decrease) in deferred inflows for pensions and OPEB	291,886
Increase (decrease) in accounts payable	(1,005,060)
Increase (decrease) in other payables and other accruals	61,495
Increase (decrease) in compensated absences	27,461
Increase (decrease) in customer deposits	20,616
Total adjustments	1,354,300
Net cash provided by operating activities	\$ 8,199,387
<b>NONCASH ITEMS</b>	
Developer contributions of capital assets	\$ 1,909,938



**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Wylie (the City) was incorporated in 1887. The City operates under a Council-Manager form of government as a duly incorporated home rule city as authorized under the constitution of the State of Texas, and provides the following services: public safety (police and fire), streets, water, sewer and sanitation, public improvements, culture, planning and zoning, parks and recreation, and general administrative services.

The City reports in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the notes are organized to provide concise explanations, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the City's financial activities for the fiscal year ended September 30, 2022.

**A. Financial Statement Presentation**

The basic financial statements are prepared in conformity with GASB Statement No. 34, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component unit on the statement of net position and statement of activities. Significantly, the City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expenses on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City also presents Management's Discussion and Analysis, which includes an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended General Fund budget with actual results.

**B. Financial Reporting Entity**

The City's basic financial statements include the accounts of all City operations. In evaluating how to define the government for financial reporting purposes, management has considered all entities for which the City is considered to be financially accountable. The City is a home rule municipality governed by an elected Mayor and six-member City Council, who appoint a City Manager. As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**B. Financial Reporting Entity – Continued**

Blended Component Unit

The Wylie Park and Recreation Facilities Development Corporation (“the 4B Corporation”) is presented in the basic financial statements as a blended component unit of the City. The 4B Corporation’s board is substantively the same as the City Council. All members of the 4B Corporation other than the board are City employees. The City Manager is the Chief Executive Operating Officer of the 4B Corporation. The purpose of the 4B Corporation, which is financed with a voter-approved half-cent sales tax, is to promote economic development within the City through the construction of park and recreation facilities. The 4B Corporation has a September 30 year-end. The 4B Corporation’s financial budget, treasury, and personnel functions are totally integrated with the City’s (thus the City has operational responsibility for the 4B Corporation). All of the 4B Corporation’s financial information is presented in the basic and combining financial statements along with the notes to these financial statements. The 4B Corporation does not issue separate financial statements.

Discretely Presented Component Unit

The Wylie Economic Development Corporation (WEDC) is a discretely presented component unit in the combined financial statements. The governing body of the WEDC is appointed by the City Council and the WEDC’s operating budget is subject to approval of the City Council. The WEDC’s board is not substantially the same as the City Council. The purpose of the WEDC, which is financed with a voter-approved half-cent City sales tax, is to aid, promote and further the economic development within the City. The WEDC is presented as a governmental fund type and has a September 30 year-end. Under a contract with the WEDC, the financial, budget, treasury and personnel functions of the WEDC are integrated with the City. All of WEDC’s financial information is presented in the combined and combining financial statements along with the notes to these financial statements. There are no separately issued financial statements of the WEDC.

**C. Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support. Additionally, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Urban Development, etc.) or program are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or program. Program revenues include: a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, b) grants and contributions that are restricted to meeting the operational requirements of a particular function or program, or c) grants and contributions that are restricted to meeting the capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues rather than as program revenues.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Government-Wide and Fund Financial Statements – Continued**

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund, the general obligation debt service fund, and the capital projects fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The non-major funds are detailed in the combining section of the financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The government-wide and proprietary fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The governmental fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board.

Property taxes, franchise fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales taxes collected and held by the State and merchants at year-end on behalf of the City are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

**CITY OF WYLIE, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued**

**Fund Accounting**

The following major funds are used by the City:

**1. Governmental Funds:**

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than on net income determination. The following is a description of the major Governmental Funds of the City:

- a. The **General Fund** is the operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.
- b. The **General Obligation Debt Service Fund** is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general obligation long-term debt paid from taxes levied by the City.
- c. The **Capital Projects Fund** is used to account for the acquisition or construction of capital facilities, except those being financed by proprietary funds.

In addition, the City reports the following non-major governmental funds.

- a. **4B Sales Tax Revenue Fund** accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.
- b. **Parks Acquisition and Improvement Fund** accounts for the development and improvement of City parks.
- c. **Fire Training Center Fund** accounts for First Responder fees specifically designated for the construction of the Fire Training Center.
- d. **Fire Development Fees Fund** accounts for contributions specifically designated for use of the fire department.
- e. **Municipal Court Technology Fund** accounts for court fines specifically designated for improvements in court technology.
- f. **Municipal Court Building Security Fund** accounts for court fines specifically designated for additions/improvements to court security.
- g. **Hotel Tax Fund** accounts for occupancy taxes charged to hotels.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued**

- h. **Federal Seizure Fund** accounts the City's share of forfeiture proceeds at the federal level and is restricted for law enforcement additions/improvements only.
- i. **Judicial Efficiency Fund** accounts court fines specifically restricted to improving the efficiency of the administration of justice.
- j. **Tuancu Court Fund** accounts for court fines designated for the efficiency of Juvenile Court truancy cases.
- k. **Municipal Judicial Fund** accounts for fines designated for efficiency of the municipal court.
- l. **4B Debt Service Funds** account for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996 and 2005.

Governmental funds with legally adopted annual budgets include the General Fund, the General Obligation Debt Service Fund, two (2) 4B Debt Service Funds, and all special revenue funds.

**2. Proprietary Funds:**

Proprietary Funds are accounted for using an economic resources measurement focus. The accounting objectives are a determination of net income, financial position, and changes in cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its statement of net position.

The proprietary funds are financed and operated in a manner similar to private business enterprise. The costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. Periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The following is a description of the major proprietary fund of the City:

**The Utility Fund** is used to account for the operations of the water distribution system, wastewater pumping stations and collection systems. The City contracts with North Texas Municipal Water District for wastewater treatment.

**E. Cash and Cash Equivalents**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligation, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or (B) secured by obligations that are described by (1), pledged with third party selected or approved by the City, and placed through a primary government securities dealer.



**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**E. Cash and Cash Equivalents - Continued**

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

**F. Inventories and Prepaid Items**

Inventory is valued at cost (first-in, first-out). The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Reported inventories are equally offset by non-spendable fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of fund balance. The City is not required to maintain a minimum level of inventory. Inventories in the Proprietary Funds consist of supplies and are recorded at the lower of cost or market.

Prepaid balances represent payments made by the City for which benefits extend beyond fiscal year-end, and non-spendable fund balance is reported to signify that a portion of fund balance is not available for other subsequent expenditures.

**G. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

**H. Restricted Assets**

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements. Customer deposits received for water and wastewater service are, by law, considered to be restricted assets. These balances are included in the Utility Fund. Certain deposits recorded in the general fund are restricted for investigative and other purposes.

**I. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$15,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**I. Capital Assets – Continued**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	20 - 30
Improvements other than buildings	20 - 50
Machinery and equipment	5 - 20

**J. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A percentage of accrued sick leave is payable on a longevity basis at the time of termination. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**K. Long-term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding are deferred and amortized over the life of the new issuance or the existing debt using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**L. Pensions and Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**L. Pensions and Other Postemployment Benefits (OPEB)– Continued**

Information regarding the City's Total Pension Liability and Total OPEB Liability is obtained from TMRS through reports prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

**M. Leases**

The City is a lessee for noncancellable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**N. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting as deferred outflows:

**Deferred Loss on Refunding** – these deferred outflows result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Pensions/ OPEB** – these deferred outflows result from pension/OPEB contributions after the measurement date (deferred and recognized in the following fiscal year) and/or differences between expected and actual economic experience (amortized over the average remaining

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**N. Deferred Outflows/Inflows of Resources - continued**

service lives of the members).

Deferred inflows of resources represent the acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The City reports certain deferred inflows related to pensions and OPEB on the government-wide statement of position and unavailable tax revenues at the fund level. Deferred inflows related to differences between projected and actual investment earnings are amortized over a closed 5-year period.

**O. Fund Equity**

The City has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing government fund type definitions. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54 are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

*In accordance with GASB 54, the City classifies governmental fund balances as follows:*

Nonspendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. (i.e. inventories, prepaid items)

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation (i.e. debt service, capital projects, economic development, municipal court security, municipal court technology, tourism).

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Council). Commitments may be changed or lifted only by the government taking the same formal action (resolution) that imposed the constraint originally. (i.e. park acquisition and improvement, recreation, fire training, fire development, public arts).

Assigned fund balance – comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by the fund balance policy. Assigned fund balance includes balances for streets, renovations, project for public safety buildings, and law enforcement. Restricted funds for law enforcement must be spent before assigned monies for law enforcement may be spent.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**O. Fund Equity – Continued**

Unassigned fund balance – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The general fund is the only fund that reports a positive unassigned fund balance. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned balance in that fund.

Order of Expenditure of Funds – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Minimum General Fund Unassigned Fund Balance – It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council.

Net Position – In the statement of net position, the amount of net position restricted for other consists of the following as of September 30, 2022:

Municipal court	\$ 75,606
Law enforcement	<u>500,047</u>
Total	<u>\$ 575,653</u>

**P. Adoption of New Accounting Standards**

During fiscal year 2022, the City adopted GASB Statement No. 87, Leases (GASB 87), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of GASB 87 resulted in no impact to the City's beginning fund balance/net position.

**Q. Subsequent Events**

The City has evaluated all events or transactions that occurred after September 30, 2022 up through January 18, 2023, the date the financial statements were issued.

**NOTE 2. CASH AND INVESTMENTS**

At year end, the carrying amount of the City's deposits was \$92,438,095 and the bank balance was \$93,726,317. All of the bank balances were covered by Federal deposit insurance and collateralized by the pledging financial institution's City's safekeeping account at the Federal Reserve or held by a third party custodian. The custodian serves contractually as the City's agent.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 2. CASH AND INVESTMENTS – CONTINUED**

Cash and investments as of September 30, 2022 consist of and are classified in the accompanying financial statements as follows:

Statement of net position:

Primary Government	
Cash and cash equivalents	\$ 101,849,389
Restricted cash and cash equivalents	11,505,756
Total Primary Government	113,355,145
Component Unit	
Cash and cash equivalents	10,747,507
Total cash and investments	\$ 124,102,652
Cash on hand	\$ 103,128
Deposits with financial institution	92,438,095
Investments	31,561,429
Total cash and investments	\$ 124,102,652

The table below identifies the investment types that are authorized for the City by the Public Funds Investment Act. (Government Code Chapter 2256) The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury obligations	5 years	100%	None
U.S. Agency obligations	5 years	100%	None
Certificates of deposit	18 months	25%	None
Direct repurchase agreements	2 years	100%	None
Investment pools	90 days	None	None

**Disclosures relating to interest rate risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolio to less than three years.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 2. CASH AND INVESTMENTS – CONTINUED**

**Disclosures relating to interest rate risk – Continued**

As of September 30, 2022, the City had the following investments:

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity</u>
TexPool	\$ 15,509,437	25 Days
TexStar	16,051,992	16 Days
	<u>\$ 31,561,429</u>	

**Disclosures relating to credit risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>
TexPool	\$ 15,509,437	N/A	AAA-m
TexStar	16,051,992	N/A	AAA-m
	<u>\$ 31,561,429</u>		

**Concentration of credit risk**

The City's investment policy does not allow for an investment in any one issuer (other than investment pools) that is in excess of five percent of the fair value of the City's total investments.

**Custodial credit risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 2. CASH AND INVESTMENTS – CONTINUED**

**Custodial credit risk – Continued**

The City requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the City's depository in the City's name and held by the depository's agent.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The City has no recurring fair value measurements.

As of September 30, 2022 the City deposits with financial institutions in excess of federal depository insurance limits were fully collateralized.

The City is a voluntary participant in TexPool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule2A7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than the fair value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. There are no significant limitations or restrictions on participant withdrawals.

TexStar is administered by First Southwest Asset Management, Inc. and JPMorgan Chase. Together these organizations bring to the TexStar program the powerful partnership of two leaders in financial services with a proven and noted track record in local government investment pool management. TexStar is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. TexStar uses amortized costs rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in TexStar is the same as the value of TexStar shares. There are no significant limitations or restrictions on participant withdrawals.



**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 3. PROPERTY TAXES**

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and certain personal property located within the City. Appraised values are established by the Collin County Central Appraisal District at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value upon which the tax year 2021 levy was based was \$5,348,871,238. Taxes are due on October 1 and are delinquent after the following January 31.

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. The combined tax rate to finance general governmental services including the payment of principal and interest on long-term debt for the year ended September 30, 2022 was \$0.643751 per \$100 of assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values.

The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the no new revenue tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 3.5%, it triggers an automatic election to determine whether to limit the tax rate to no more than 3.5% above the tax rate of the previous year.

**NOTE 4. RECEIVABLES**

Year-end receivables balances for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities				Business-Type
	General	General Obligation Debt Service	Non Major Governmental Funds	Total	Utility
Governmental Funds					
Receivables					
Property taxes	\$ 306,732	\$ 112,301	\$ -	\$ 419,033	\$ -
Franchise taxes	1,042,467	-	-	1,042,467	-
Sales taxes	1,494,861	-	739,027	2,233,888	-
Accounts	786,598	-	-	786,598	6,200,437
Other	740,811	2,004	284,415	1,027,230	433,193
Gross receivables	4,371,469	114,305	1,023,442	5,509,216	6,633,630
Less: allowance	(419,975)	(31,966)	-	(451,941)	(1,840,944)
Net total receivables	<u>\$ 3,951,494</u>	<u>\$ 82,339</u>	<u>\$ 1,023,442</u>	<u>\$ 5,057,275</u>	<u>\$ 4,792,686</u>

The Enterprise Fund accounts receivable balance includes unbilled charges for services rendered of \$2,523,358 at September 30, 2022.

Receivables in the discretely presented component unit consist of \$739,027 of sales taxes receivable due from the State, \$40,000 in loans receivable from private businesses and \$33,680 of miscellaneous receivables. If certain contractual obligations are met by some of these private businesses at a future date, a portion and/or all of the amounts owed from the private businesses may be forgiven.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2022 was as follows:

**Primary Government**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated/amortized:					
Land	\$ 41,788,808	\$ 1,301,884	\$ -	\$ -	\$ 43,090,692
Other non-depreciable assets	1,160,294	71,000	-	-	1,231,294
Construction in progress	6,710,211	5,851,039	-	(7,882,332)	4,678,918
Total capital assets, not being depreciated/amortized	49,659,313	7,223,923	-	(7,882,332)	49,000,904
Capital assets being depreciated/amortized:					
Buildings	66,025,822	-	-	7,882,332	73,908,154
Improvements other than buildings	228,655,168	3,838,075	-	-	232,493,243
Right-to-use asset - machinery and equipment *	138,809	-	-	-	138,809
Machinery and equipment	17,564,875	1,983,420	-	-	19,548,295
Total capital assets being depreciated/amortized	312,384,674	5,821,495	-	7,882,332	326,088,501
Less accumulated depreciation/amortization for:					
Buildings	(18,358,326)	(2,263,596)	-	-	(20,621,922)
Improvements other than buildings	(106,309,242)	(7,685,267)	-	-	(113,994,509)
Right-to-use asset - machinery and equipment	-	(59,632)	-	-	(59,632)
Machinery and equipment	(12,421,508)	(884,398)	-	-	(13,305,906)
Total accumulated depreciation/amortization	(137,089,076)	(10,892,893)	-	-	(147,981,969)
Total capital assets being depreciated/amortized, net	175,295,598	(5,071,398)	-	7,882,332	178,106,532
Governmental activities capital assets, net	\$ 224,954,911	\$ 2,152,525	\$ -	\$ -	\$ 227,107,436

\* Beginning balance has been restated to reflect implementation of GASB Statement No. 87, Leases

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 101,045	\$ -	\$ -	\$ -	\$ 101,045
Construction in progress	290,139	692,652	-	-	982,791
Total capital assets, not being depreciated	391,184	692,652	-	-	1,083,836
Capital assets being depreciated:					
Buildings	3,956,303	-	-	-	3,956,303
Water system	56,336,589	869,851	-	-	57,206,440
Sewer system	43,233,161	1,074,750	-	-	44,307,911
Machinery and equipment	2,971,593	202,199	-	-	3,173,792
Total capital assets being depreciated	106,497,646	2,146,800	-	-	108,644,446
Less accumulated depreciation for:					
Buildings	(1,213,350)	(132,711)	-	-	(1,346,061)
Water system	(18,648,558)	(1,376,993)	-	-	(20,025,551)
Sewer system	(17,787,994)	(1,066,103)	-	-	(18,854,097)
Machinery and equipment	(1,832,773)	(230,681)	-	-	(2,063,454)
Total accumulated depreciation	(39,482,675)	(2,806,488)	-	-	(42,289,163)
Total capital assets being depreciated, net	67,014,971	(659,688)	-	-	66,355,283
Business-type activities capital assets, net	\$ 67,406,155	\$ 32,964	\$ -	\$ -	\$ 67,439,119

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 5. CAPITAL ASSETS – CONTINUED**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 2,433,189
Public safety	829,860
Streets	6,036,602
Community service	<u>1,593,242</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 10,892,893</u>
Business-type activities:	
Water and Sewer	<u>\$ 2,806,488</u>

**Construction Commitments**

The City has active construction projects as of September 30, 2022. The projects include construction, park improvements, and drainage improvements.

Commitments for construction in progress are composed of the following:

Project	Funding Source	Project Budget Appropriation	Spent-to-date	Remaining Commitment
McMillen Road	(A), (C), (D)	\$ 26,890,000	\$ 2,317,793	\$ 24,572,207
Stone Road Phase 3	(A), (C), (D)	14,800,000	658,286	14,141,714
Park Boulevard	(A), (C), (D)	12,000,000	37,318	11,962,682
Eubanks Road	(E), (G)	2,011,000	485,784	1,525,216
Dog Park & Splash Pads	(B)	2,000,000	112,055	1,887,945
Brown House Improvements	(I)	101,000	94,093	6,907
Ballard Elevated Storage Tanks	(G), (H)	5,260,000	566,474	4,693,526
Pump Generators	(F)	1,342,000	247,896	1,094,104
Total		<u>\$ 64,404,000</u>	<u>\$ 4,519,699</u>	<u>\$ 59,884,301</u>

(A) General Obligation Bonds	(D) Future Bonds Issuances	(G) Impact Fees
(B) GFFB Community Investment	(E) NTMWD Interlocal Agreement	(H) Certificates of Obligation
(C) County Proceeds	(F) Utility Fund Revenue	(I) Hotel Occupancy Tax

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 6. TRANSFERS AND INTERFUND RECEIVABLES AND PAYABLES**

Transfers are used to provide funds for debt service, contributions for capital construction, cost allocations and other operational costs as determined by the City's annual budget. Transfers between funds during the year were as follows:

Transfer In	Transfer Out	Amount	Purpose
General fund	Utility fund	\$ 2,488,646	From utility fund to cover indirect costs associated with utility fund operations
General fund	Nonmajor governmental funds	30,000	From hotel tax fund to cover costs associated with City events
Capital projects fund	General fund	7,003,251	For capital projects associated with community investment and infrastructure
Nonmajor governmental funds	General fund	3,070	From general fund to support the purchase of public safety equipment
Nonmajor governmental funds	Nonmajor governmental funds	383,625	To 4B debt service fund to cover annual debt service payments and park improvements
Total		<u>\$ 9,908,592</u>	

**NOTE 7. UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES**

Governmental funds report *deferred inflows of resources* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue). At the end of the current fiscal year, the various components of unearned revenue and deferred inflows of resources reported in the governmental funds were as follows:

	General Fund	General Obligation Debt Service	Capital Projects Fund	Non major Governmental Funds	Total
Deferred inflows of resources:					
Property taxes	\$ 225,904	\$ 77,228	\$ -	\$ -	\$ 303,132
Court fines	177,607	-	-	-	177,607
Franchise fees	856,885	-	-	-	856,885
Total	<u>\$ 1,260,396</u>	<u>\$ 77,228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,337,624</u>
Unearned revenue:					
Advance construction payment	\$ -	\$ -	\$ 511,697	\$ -	\$ 511,697
Grant funding	6,099,649	-	-	-	6,099,649
Recreation center memberships	-	-	-	173,758	173,758
Total	<u>\$ 6,099,649</u>	<u>\$ -</u>	<u>\$ 511,697</u>	<u>\$ 173,758</u>	<u>\$ 6,785,104</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 8. LONG-TERM DEBT**

**General Obligation Bonds, Combination Tax and Revenue Bonds, Financed Purchases Payable and Leases**

The City of Wylie issues general obligation bonds and combination tax and revenue bonds and enters into financed purchase and lease agreements to provide funds for the acquisition and construction of major capital facilities and equipment. Financed purchase agreements have been entered into for equipment purchased for governmental activities and for a water meter project for business-type activities. These issues are direct obligations and pledge the full faith and credit of the City.

<u>General Obligation Bonds</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business- Type</u>
\$7,400,000 Series 2013 Refunding	2029	1.50 - 3.00%	2,390,000	-
\$21,240,000 Series 2015 Refunding	2027	2.00 - 5.00%	12,035,000	-
\$34,250,000 Series 2016 Refunding	2028	2.00 - 5.00%	19,565,000	2,295,000
\$4,855,000 Series 2021 Refunding	2028	3.00 - 4.00%	4,255,000	-
\$12,005,000 Series 2022 Refunding	2042	3.00 - 4.00%	<u>12,005,000</u>	<u>-</u>
Total General Obligation Bonds			<u>\$ 50,250,000</u>	<u>\$ 2,295,000</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 8. LONG-TERM DEBT – CONTINUED**

**General Obligation Bonds, Combination Tax and Revenue Bonds, Financed Purchases Payable and Leases- Continued**

<u>Combination Tax and Revenue Bonds</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business- Type</u>
\$7,175,000 Series 2017 Improvements	2025	2.00 - 4.00%	\$ -	\$ 6,395,000
\$8,500,000 Series 2018 Improvements	2038	1.75 - 3.375%	7,340,000	-
\$5,310,000 Series 2021 Improvements	2041	1.50 - 4.00%	5,180,000	-
Total Combination Tax and Revenue Bonds			<u>\$ 12,520,000</u>	<u>\$ 6,395,000</u>

During 2022, the City issued \$12,005,000 of General Obligation Refunding and Improvement Bonds, Series 2022. \$7,558,830 of the proceeds will be used for various capital projects in the City. \$5,500,000 of the proceeds were placed in an irrevocable trust and will be used to refund \$905,000 of Public Property Finance Contractual Obligations, Series 2012, and \$6,620,000 of General Obligation Refunding Bonds, Series 2012. The refunding produced a debt service savings of \$565,633 which resulted in an economic gain of \$504,869.

**Financed Purchases**

The City reports one financed purchase outstanding for governmental activities used to acquire public safety equipment. The City entered into a financed purchase agreement on November 12, 2019 for \$384,243 at an interest rate of 3.85% to acquire equipment with principal and interest payments of \$85,170 due on September 15 starting in 2020 and ending in 2024. The carrying value of the assets acquired through financed purchases by governmental activities at September 30, 2022 was \$349,403.

Business type activities reports a \$3,333,667 financed purchase agreement entered into on June 30, 2020 for the City's meter replacement project. Principal and interest payments of \$370,597 are due on March 1 starting in 2021 until 2030. The carrying amount of the assets acquired through financed purchases by business-type activities at September 30, 2022 was \$3,250,382.

<u>Financed Purchases</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Governmental</u>	<u>Business- Type</u>
Watchguard Law Enforcement Equipment	2024	3.85%	\$ 160,983	\$ -
Meter Project Replacement	2030	2.10%	-	2,702,733
Total Financed Purchases			<u>\$ 160,983</u>	<u>\$ 2,702,733</u>

**Leases**

The City has entered into lease agreements as a lessee. The leases allow the right to use copiers and postage machines over the term of the leases. The City is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending balance are as follows:

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 8. LONG-TERM DEBT – CONTINUED**

**General Obligation Bonds, Combination Tax and Revenue Bonds, Financed Purchases Payable and Leases- Continued**

<u>Governmental Activities - Leases</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Liability at Commencement</u>	<u>Ending Balance</u>
Copiers	2024	1.58%	\$ 127,675	\$ 71,495
Postage machine	2025	2.04%	11,134	8,034
			<u>\$ 138,809</u>	<u>\$ 79,529</u>

**Changes in Long-term Liabilities:**

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due within One year</u>
Governmental activities:					
General obligation bonds	\$ 51,020,000	\$ 12,005,000	\$ (12,775,000)	\$ 50,250,000	\$ 6,640,000
Combination tax and revenue bonds	12,980,000	-	(460,000)	12,520,000	540,000
Contractual obligations	980,000	-	(980,000)	-	-
Unamortized bond premium	6,034,648	1,106,481	(973,603)	6,167,526	-
Total bonds payable	71,014,648	13,111,481	(15,188,603)	68,937,526	7,180,000
Financed purchases payable	237,027	-	(76,044)	160,983	78,971
Leases *	138,809	-	(59,280)	79,529	60,239
Compensated absences	2,796,147	1,962,422	(1,759,204)	2,999,365	1,415,628
OPEB liability	633,573	69,809	-	703,382	-
Net pension liability	12,038,550	-	(5,001,576)	7,036,974	-
Total governmental activities	<u>\$ 86,858,754</u>	<u>\$ 15,143,712</u>	<u>\$ (22,084,707)</u>	<u>\$ 79,917,759</u>	<u>\$ 8,734,838</u>

\* Beginning balance has been restated to reflect implementation of GASB Statement No. 87, Leases

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due within One year</u>
Business-type activities:					
General obligation bonds	\$ 2,725,000	\$ -	\$ (430,000)	\$ 2,295,000	\$ 415,000
Combination tax and revenue bonds	6,715,000	-	(320,000)	6,395,000	330,000
Unamortized bond premium	547,861	-	(74,829)	473,032	-
Total bonds payable	9,987,861	-	(824,829)	9,163,032	745,000
Financed purchases payable	3,010,104	-	(307,371)	2,702,733	313,745
Compensated absences	188,248	184,110	(156,649)	215,709	215,709
OPEB liability	59,122	6,349	-	65,471	-
Net pension liability	1,291,960	-	(454,921)	837,039	-
Total business-type activities	<u>\$ 14,537,295</u>	<u>\$ 190,459</u>	<u>\$ (1,743,770)</u>	<u>\$ 12,983,984</u>	<u>\$ 1,274,454</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 8. LONG-TERM DEBT – CONTINUED**

**Changes in Long-term Liabilities - continued**

The annual aggregate maturities for each long-term liability type are as follows:

General Obligation Bonds

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 6,640,000	\$ 2,256,066	\$ 8,896,066	\$ 415,000	\$ 104,375	\$ 519,375
2024	7,020,000	1,773,025	8,793,025	435,000	83,125	518,125
2025	7,355,000	1,444,925	8,799,925	460,000	60,750	520,750
2026	7,325,000	1,107,050	8,432,050	480,000	37,250	517,250
2027	7,680,000	755,100	8,435,100	505,000	12,625	517,625
2028 - 2032	11,140,000	889,600	12,029,600	-	-	-
2033 - 2037	1,430,000	358,950	1,788,950	-	-	-
2038 - 2042	1,660,000	127,500	1,787,500	-	-	-
Total	\$ 50,250,000	\$ 8,712,216	\$ 58,962,216	\$ 2,295,000	\$ 298,125	\$ 2,593,125

Combination Tax and Revenue Bonds

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 540,000	\$ 372,987	\$ 912,987	\$ 330,000	\$ 218,319	\$ 548,319
2024	560,000	350,987	910,987	340,000	204,919	544,919
2025	585,000	328,087	913,087	350,000	191,119	541,119
2026	605,000	304,287	909,287	360,000	176,919	536,919
2027	630,000	279,587	909,587	370,000	162,319	532,319
2028 - 2032	3,525,000	1,035,961	4,560,961	2,090,000	591,189	2,681,189
2033 - 2037	4,170,000	501,372	4,671,372	2,555,000	219,562	2,774,562
2038 - 2041	1,905,000	56,175	1,961,175	-	-	-
Total	\$ 12,520,000	\$ 3,229,443	\$ 15,749,443	\$ 6,395,000	\$ 1,764,346	\$ 8,159,346

Financed Purchases

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 78,971	\$ 6,198	\$ 85,169	\$ 313,745	\$ 56,853	\$ 370,598
2024	82,012	3,157	85,169	320,345	50,253	370,598
2025	-	-	-	327,083	43,514	370,597
2026	-	-	-	333,963	36,634	370,597
2027	-	-	-	340,988	29,609	370,597
2028 - 2030	-	-	-	1,066,608	45,184	1,111,792
Total	\$ 160,983	\$ 9,355	\$ 170,338	\$ 2,702,732	\$ 262,047	\$ 2,964,779

Leases

Fiscal Year Ending September 30,	Governmental Activities			Business Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 60,239	\$ 857	\$ 61,096	\$ -	\$ -	\$ -
2024	17,648	104	17,752	-	-	-
2025	1,642	10	1,652	-	-	-
Total	\$ 79,529	\$ 971	\$ 80,500	\$ -	\$ -	\$ -

**Compensated Absences**

Compensated absences represent the estimated liability for employees' accrued sick and vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General Fund and Enterprise Funds based on the assignment of an employee at termination.



**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 8. LONG-TERM DEBT – CONTINUED**

**Net Pension Liability/ OPEB liability**

The general fund has typically been used to liquidate governmental activities' pension and OPEB liabilities.

**Discretely Presented Component Unit – Wylie Economic Development Corporation (WEDC)**

The following is a summary of WEDC long-term transactions for the year ended September 30, 2022:

Description	Balance 9/30/2021	Increases	Decreases	Balance 9/30/2022	Due Within One Year
Loans payable	\$4,883,291	\$ 16,216,000	\$ (5,041,124)	\$ 16,058,167	\$ 575,974
Compensated Absences	32,301	29,181	(26,916)	34,566	34,566
OPEB liability	11,026	856	-	11,882	-
Net pension liability	185,989	-	(61,302)	124,687	-
Total long-term liabilities	<u>\$5,112,607</u>	<u>\$ 16,246,037</u>	<u>\$ (5,129,342)</u>	<u>\$ 16,229,302</u>	<u>\$ 610,540</u>

WEDC Loans Payable as of September 30, 2022 are as follows:

Description	Balance
\$300,000, payable to bank, made September 2016, payable in monthly installments of \$3,109, including interest at 4.50%, through final payment in December 2026.	\$ 144,081
\$8,100,000, payable to bank, made October 2021, payable in monthly installments of \$46,940 through October 2041, including interest at 3.48%	7,846,538
\$8,100,000, payable to bank, made August 2022, payable in monthly installments of \$52,617 through July 2042, including interest at 4.80%	8,067,548
	<u>\$ 16,058,167</u>

Annual debt service requirements to maturity for WEDC debt is:

Year	Principal	Interest	Total
2023	\$ 575,974	\$ 656,024	\$ 1,231,998
2024	600,096	631,902	1,231,998
2025	625,254	606,744	1,231,998
2026	651,493	580,504	1,231,997
2027	650,457	553,559	1,204,016
2028-2032	3,632,071	2,365,757	5,997,828
2033-2037	4,462,769	1,493,709	5,956,478
2038-2042	4,860,053	474,250	5,334,303
Total	<u>\$ 16,058,167</u>	<u>\$ 7,362,449</u>	<u>\$ 23,420,616</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 9. PENSION PLAN**

**A. Plan Description**

The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the City are required to participate in TMRS.

**B. Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and city matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 9. PENSION PLAN – CONTINUED**

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	122
Inactive employees entitled to but not yet receiving benefits	217
Active employees	<u>352</u>
	<u>691</u>

**C. Contributions**

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7.0% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.50% and 15.39% in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022 (including \$43,652 of contributions by WEDC) were \$3,958,173, and were equal to the required contributions.

**D. Net Pension Liability**

The City's Net Pension Liability (NPL) was measured as of December 31, 2021 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

**Actuarial Assumptions:**

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Actuarial cost method	Entry Age Normal
Amortization Method	Level percentage of payroll; closed

Salary increases were based on a service-related table. Mortality rates for post-retirement were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Mortality rates for pre-retirement were based on PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 9. PENSION PLAN – CONTINUED**

**D. Net Pension Liability - Continued**

Actuarial assumptions used in the December 31, 2021 valuation were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were first adopted in 2019 and first used in the December 31, 2019 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of arithmetic real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

**Discount Rate**

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**Allocations**

The City's net pension liability, pension expense, and deferred outflows of resources related to TMRS have been allocated between governmental activities, business-type activities, and the discretely presented component unit using a contribution-based method.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 9. PENSION PLAN - CONTINUED**

**D. Net Pension Liability – Continued**

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/20	\$ 92,826,424	\$ 79,309,925	\$ 13,516,499
Changes for the year:			
Service Cost	4,267,960	-	4,267,960
Interest	6,315,835	-	6,315,835
Change of benefit terms	-	-	-
Difference between expected and actual experience	(439,930)	-	(439,930)
Changes of assumptions	-	-	-
Contributions - employer	-	3,678,159	(3,678,159)
Contributions - employee	-	1,668,335	(1,668,335)
Net investment income	-	10,362,682	(10,362,682)
Benefit payments, including refunds of employee contributions	(2,784,954)	(2,784,954)	-
Administrative expense	-	(47,839)	47,839
Other changes	-	327	(327)
Net Changes	7,358,911	12,876,710	(5,517,799)
Balance at 12/31/21	\$ 100,185,335	\$ 92,186,635	\$ 7,998,700

**Changes in the Net Pension Liability**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City	\$ 28,862,144	\$ 7,874,013	\$ 766,572
WEDC	457,039	124,687	12,139
Total	\$ 29,319,183	\$ 7,998,700	\$ 778,711

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at [www.tmrs.com](http://www.tmrs.com).

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 9. PENSION PLAN – CONTINUED**

**E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2022, the City recognized pension expense of \$2,649,669 (including \$29,437 recognized by WEDC). At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City		WEDC		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 446,332	\$ 555,224	\$ 8,307	\$ 8,052	\$ 454,639	\$ 563,276
Changes in actuarial assumptions	177,412	-	3,302	-	180,714	-
Difference between projected and actual investment earnings	-	5,228,008	-	75,822	-	5,303,830
Contributions subsequent to the measurement date	2,853,547	-	53,111	-	2,906,658	-
<b>Total</b>	<b>\$ 3,477,291</b>	<b>\$ 5,783,232</b>	<b>\$ 64,720</b>	<b>\$ 83,874</b>	<b>\$ 3,542,011</b>	<b>\$ 5,867,106</b>

The \$2,906,658 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will reduce the net pension liability during the year ending September 30, 2023. The other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended Sept. 30:	City	WEDC	Total
2023	\$ (825,006)	\$ (11,555)	\$ (836,561)
2024	(2,027,175)	(28,393)	(2,055,568)
2025	(1,177,642)	(16,494)	(1,194,136)
2026	(1,099,025)	(15,393)	(1,114,418)
2027	(30,640)	(430)	(31,070)
<b>Total</b>	<b>\$ (5,159,488)</b>	<b>\$ (72,265)</b>	<b>\$ (5,231,753)</b>

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN**

**A. Plan Description**

Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The City has elected to participate in the SDBF for its active members including retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded single-employer OPEB plan (i.e. no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75) for City reporting.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN – CONTINUED**

**B. Benefits Provided**

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit ("OPEB") and is a fixed amount of \$7,500.

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	70
Inactive employees entitled to but not yet receiving benefits	37
Active employees	<u>352</u>
	<u>459</u>

**C. Contributions**

The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

Contributions are made monthly based on the covered payroll of employee members of the participating member city. The contractually required contribution rate is determined annually for each city. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the city. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect. The funding policy of this plan is to assure that adequate resources are available to meet all death benefit payments for the upcoming year.

The retiree portion of contribution rates to the SDBF for the City was 0.03% and 0.04% in calendar years 2021 and 2022, respectively. The City's contributions to the SDBF for the year ended September 30, 2022 (including \$106 of contributions by WEDC) were \$2,580, and were equal to the required contributions.

**D. Total OPEB Liability**

The City's Total OPEB Liability (TOL) was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN – CONTINUED**

**E. Actuarial Assumptions**

The Total OPEB Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Salary increases	3.50% to 11.50% including inflation
Discount rate	1.84%
Retiree's share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates -service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Salary increases were based on a service-related table. Mortality rates for post-retirement were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis by scale UMP.

Actuarial assumptions used in the December 31, 2021 valuation were developed primarily from the actuarial experience study for the period from December 31, 2014 to December 31, 2018.

The discount rate used to measure the Total OPEB Liability was 1.84% and was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021. This was a 0.16% reduction from the 2.00% discount rate used in the December 31, 2020 valuation.

**F. Changes in Total OPEB Liability**

	Total OPEB Liability
Balance at 12/31/2020	\$ 703,721
Changes for the year:	
Service Cost	57,192
Interest on Total OPEB Liability	14,575
Difference between expected and actual experience	(14,293)
Changes of assumptions or other inputs	26,689
Benefit payments	(7,149)
Net changes	77,014
Balance at 12/31/21	\$ 780,735
Total OPEB Liability as a Percentage of Covered Payroll	3.28%



**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN – CONTINUED**

**G. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (0.84%) or 1 percentage-point higher (2.84%) than the current rate:

	1% Decrease in Discount Rate (0.84%)	Discount Rate (1.84%)	1% Increase in Discount Rate (2.84%)
City	\$ 861,711	\$ 768,853	\$ 562,194
WEDC	13,317	11,882	8,688
Total OPEB Liability	<u>\$ 875,028</u>	<u>\$ 780,735</u>	<u>\$ 570,882</u>

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2022, the City recognized OPEB expense of \$92,685. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City		WEDC		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 37,868	\$ -	\$ 574	\$ -	\$ 38,442
Changes in assumptions and other inputs	174,778	17,784	2,905	269	177,683	18,053
Contributions subsequent to the measurement date	7,380	-	123	-	7,503	-
Total	<u>\$ 182,158</u>	<u>\$ 55,652</u>	<u>\$ 3,028</u>	<u>\$ 843</u>	<u>\$ 185,186</u>	<u>\$ 56,495</u>

The \$7,503 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will reduce the Total OPEB liability during the year ending September 30, 2023. The other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended Sept. 30:	City	WEDC	Total
2023	\$ 20,562	\$ 356	\$ 20,918
2024	20,562	356	20,918
2025	20,562	356	20,918
2026	16,890	292	17,182
2027	21,251	368	21,619
Thereafter	19,299	334	19,633
Total	<u>\$ 119,126</u>	<u>\$ 2,062</u>	<u>\$ 121,188</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 11. NORTH TEXAS MUNICIPAL WATER DISTRICT**

The North Texas Municipal Water District (the District) is a conservation and reclamation district and political subdivision of the State of Texas, created and functioning under Chapter 62, Acts of 1951, 52<sup>nd</sup> Legislature, Regular Session, as amended, originally compiled as Vernon's Article 8270-141 (the Act), pursuant to Article 16, Section 59 of the Texas Constitution. The District comprises all of the territory of its member cities, viz., Allen, Garland, Princeton, Plano, Mesquite, Wylie, Rockwall, Farmersville, McKinney, Richardson, Forney and Royse City (the "Member Cities"). The District was created for the purpose of providing a source of water supply for municipal, domestic and industrial use and for the treatment processing and transportation of such water to its Member Cities and to its other customers located in North Central Texas, all within the Dallas Standard Metropolitan Statistical Area.

Under the Act, including specifically Section 27 thereof, and under the Constitution and Statutes of the State of Texas, the District has broad powers to (1) impound, control, store, preserve, treat, transmit, and use storm and flood water, the water of rivers and streams and underground water, for irrigation, power and all other useful purposes and to supply water for municipal, domestic, power, industrial and commercial uses and purposes and all other beneficial uses and purposes; and (2) collect, transport, process, treat, dispose of, and control all municipal, domestic, industrial or commercial waste whether in fluid, solid or composite state, including specifically the control, abatement or reduction of all types of pollution. The City retains no ongoing financial interest equity investments and/or responsibilities for the District other than the contractual arrangements discussed more fully herein.

**NOTE 12. MUDDY CREEK REGIONAL WASTEWATER SYSTEM**

In May 1999, the Cities of Wylie and Murphy in Collin County entered into a contract with the District to provide for the acquisition, construction, improvement, operation, and maintenance of the Regional Muddy Creek Wastewater System (System) for the purpose of providing facilities to adequately receive, transport, treat, and dispose of wastewater. The District will own the System with Wylie and Murphy as the initial participants. The District will issue approximately \$20 million in bonds to construct this new facility. Budget calculations for operating costs and debt service for the System on the service commencement date is based on the following estimated flow ratio: City of Wylie – 2/3 and Murphy – 1/3. "Service Commencement Date" means the first date upon which the System is available to treat wastewater from the participants. Wylie's long-term commitment to the System's debt service component is approximately \$13.3 million.

The District will send each participant a letter detailing the annual requirement necessary to operate the System each year. The annual requirement budget will include an operation and maintenance component and a bond service component. The budgeting ratio described earlier is only valid for the first year of System operations. In subsequent years, budgets and year-end audits will be based on actual flow ratios. For example, if the flow measurements indicate that 60% of the flow is produced by Wylie and 40% by Murphy, then the next year's operating and debt service components would be allocated using a 60/40 split. If in the future, additional participants are added, then the flow ratios will be adjusted using the above method.

The contract with the District has a clause for "Credit for Payments Relating to the System." This clause states: "Each participant shall be entitled to a credit in an amount equal to any funds advanced by such Participant with the approval of the District for land, engineering, construction or other costs related to the System and/or the financing thereof". All credits for advance made prior to the Service Commencement Date shall bear interest from the date of such advance at a rate equal to the net effective interest rate on the initial issue of the bonds hereunder. The City of Wylie has four such credits at this time. All credits for advances made prior to the Service Commencement Date shall be amortized over a period of twenty years, with such amortization to commence on October 1 of the Fiscal Year following the Service Commencement Date. At September 30, 2005, the City recorded \$3,188,849 as a restricted accounts receivable. This amount is being amortized over a twenty-year period commencing with fiscal year 2006. The amortization was \$203,717 for 2022, leaving an unamortized balance of \$665,413 as of September 30, 2022.

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

---

**NOTE 13. CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City periodically is a defendant in various lawsuits. At September 30, 2022, after consultation with the City's attorney, the City is not aware of any pending litigation.

As described in Note 8 above, the general revenues of the City are contingently liable for the \$2,295,000 payable in General Obligation Bonds which are currently outstanding and recorded as obligations of the Enterprise Fund.

The City contracts for garbage disposal with a third party. Under the terms of the agreement the City bills and collects the residential billing and remits that amount to the contracting party. The contractor bills the commercial customers and remits a franchise fee to the City based on total revenues received from the contract.

The Wylie Economic Development Corporation provides monetary incentives to companies to relocate within the City of Wylie. At September 30, 2022, these commitments totaled \$683,934.

**NOTE 14. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City purchases commercial insurance to indemnify it in event of loss. For the past three years, settlements did not exceed coverage.

**NOTE 15. TAX ABATEMENTS**

The City enters into economic development agreements authorized under Chapter 380 of the Texas Local Government Code and Chapter 312 of the Texas Tax Code. These agreements are planning tools designed to stimulate economic activity, redevelopment, community improvement, and provide a return on investment for the community. These programs abate or rebate property and/or sales taxes and may include other incentive payments such as fee reductions or construction costs reimbursements. Economic development agreements are considered on a case by case basis by the City Council and generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

**Other Economic Agreements**

Chapter 380 of the Texas Local Government Code allows the City to provide grants for the purpose of promoting local economic development. These grants are based on a percentage of property and/or sales tax received by the City. For the fiscal year ending September 30, 2022, the City rebated \$210,146 in sales taxes (including \$154,549 rebated by WEDC).

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 16. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNIT**

Following is selected condensed financial statement information for the fund basis financial statements of the Wylie Economic Development Corporation:

<u>Balance Sheet</u>	<u>WEDC</u>
Assets	
Cash and equivalents	\$ 10,747,507
Due from primary government	279,047
Receivables	812,707
Inventory	16,271,496
Prepays	2,000
Total Assets	<u>\$ 28,112,757</u>
Liabilities	
Accounts payable	\$ 144,611
Accrued liabilities	13,785
Total Liabilities	<u>158,396</u>
Deferred inflow of resources - unavailable revenue	<u>279,047</u>
Fund Balance	<u>27,675,314</u>
Total Liabilities and Fund Balance	<u>\$ 28,112,757</u>
 <u>Statement of Revenues, Expenditures and Changes in Fund Balance</u>	 <u>WEDC</u>
Revenues:	
Sales tax revenue	\$ 4,161,282
Interest income	33,804
Miscellaneous income	141,030
Total Revenues	4,336,116
Expenditures:	
Expenditures	<u>8,972,600</u>
Other financing sources:	
Note proceeds	<u>16,216,000</u>
Net change in fund balance	11,579,516
Fund balance 10/1/21	<u>16,095,798</u>
Fund balance 9/30/22	<u>\$ 27,675,314</u>

**CITY OF WYLIE, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 16. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNIT – CONTINUED**

Following are reconciliations between the government-wide financial statements and the fund basis financial statements for WEDC:

Reconciliation of fund balance to net position:

Total fund balance	\$ 27,675,314
Deferred outflows - pensions, \$72,603, and OPEB, \$3,027	67,748
Deferred inflows - pensions (\$44,574) and OPEB (\$811)	(84,717)
Due from primary government is unavailable and not recognized as revenue at the fund level	279,047
Payables for compensated absences	(34,566)
Accrued interest payable	(29,863)
Payable for loan principal, net pension liability and OPEB liability	<u>(16,194,736)</u>
Net position	<u>\$ 11,678,227</u>

Reconciliation of change in fund balance to change in net position:

Change in fund balance	\$ 11,579,516
Change in payables for compensated absences	(2,265)
Change in deferred inflow related to due from primary government	279,047
Change in accrued interest payable	(20,259)
Net effect of GASB 68 and 75 implementation	13,232
Issuance of debt	(16,216,000)
Payment of loan principal	<u>5,041,124</u>
Change in net position	<u>\$ 674,395</u>

**NOTE 17. LAND ACQUISITION**

The WEDC owns real property with a carrying value of \$16,271,496 as of September 30, 2022. This property is recorded as inventory as it is held for resale and as an incentive to attract businesses.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WYLIE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-10**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amount	
REVENUES				
Ad valorem taxes	\$ 28,142,536	\$ 28,142,536	\$ 28,048,745	\$ (93,791)
Non-property taxes	7,609,932	7,609,932	8,373,812	763,880
Franchise fees	2,896,800	2,896,800	2,897,152	352
Licenses and permits	1,079,430	1,079,430	1,350,938	271,508
Intergovernmental	2,128,034	2,673,532	2,759,195	85,663
Services fees	4,008,588	4,008,588	4,292,868	284,280
Court fees	248,950	248,950	315,067	66,117
Interest income	25,228	25,228	174,728	149,500
Miscellaneous income	217,500	329,339	526,831	197,492
Total revenues	46,356,998	47,014,335	48,739,336	1,725,001
EXPENDITURES				
Current				
General government				
City council	97,257	72,263	45,989	26,274
City manager	1,219,191	1,329,836	1,252,329	77,507
City secretary	386,976	388,450	308,482	79,968
City attorney	170,000	195,000	186,818	8,182
Finance	1,282,361	1,221,631	1,159,851	61,780
Building and fleet maintenance	981,013	978,273	887,288	90,985
Municipal court	553,517	530,514	453,956	76,558
Human resources	677,753	743,111	730,098	13,013
Purchasing	295,653	284,296	221,498	62,798
Information technology	2,017,615	2,127,721	1,667,771	459,950
Combined services/general	6,433,840	4,753,920	4,730,990	22,930
Total general government	14,115,176	12,625,015	11,645,070	979,945
Public safety				
Police	11,544,468	12,468,653	11,978,373	490,280
Fire	11,023,796	11,770,803	11,018,199	752,604
Emergency communications	1,986,310	2,251,800	1,947,587	304,213
Animal control	603,944	559,267	490,470	68,797
Total public safety	25,158,518	27,050,523	25,434,629	1,615,894
Urban development				
Planning	323,024	330,908	309,124	21,784
Building inspection	591,600	588,629	520,361	68,268
Code enforcement	259,057	262,419	223,446	38,973
Total urban development	1,173,681	1,181,956	1,052,931	129,025
Streets				
Streets	5,116,182	5,073,738	3,563,540	1,510,198
Total streets	5,116,182	5,073,738	3,563,540	1,510,198

**CITY OF WYLIE, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-10**  
**(CONCLUDED)**

Community service				
Parks	2,871,985	2,838,034	2,934,174	(96,140)
Library	2,037,626	2,178,698	2,015,848	162,850
Total community service	4,909,611	5,016,732	4,950,022	66,710
Total expenditures	50,473,168	50,947,964	46,646,192	4,301,772
Excess (deficiency) of revenues over expenditures	(4,116,170)	(3,933,629)	2,093,144	6,026,773
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,518,645	2,518,645	2,518,646	1
Transfers out	-	(7,006,672)	(7,006,321)	351
Insurance recovery	-	-	133,861	133,861
Proceeds from sale of property	-	-	2,706,165	2,706,165
Total other financing sources (uses)	2,518,645	(4,488,027)	(1,647,649)	2,840,378
Net change in fund balances	(1,597,525)	(8,421,656)	445,495	8,867,151
<b>Fund balances, October 1</b>	31,238,765	31,238,765	31,238,765	-
<b>Fund balances, September 30</b>	<u>\$ 29,641,240</u>	<u>\$ 22,817,109</u>	<u>\$ 31,684,260</u>	<u>\$ 8,867,151</u>



**CITY OF WYLIE, TEXAS  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

---

**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The City follows the following procedures in establishing the budgetary date reflected in the financial statements:

1. Public hearings are conducted to obtain taxpayer comments.
2. Prior to October 1, the budget is legally enacted through passage of an ordinance.
3. The City Manager is authorized to transfer budgeted amounts between programs within a department; however, any revisions between departments, or that alter the total expenditures of any fund must be approved by the City Council. Therefore the department level is the legal level of control.
4. Budgeted amounts are as originally adopted or as amended by the City Council. During 2022, individual amendments were not material in relation to the original appropriations. All budget appropriations automatically lapse at year-end.
5. Formal budgetary integration is employed as a management control device during the year. The legally adopted budget is adopted on a basis consistent with generally accepted accounting principles.



**CITY OF WYLIE, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST EIGHT MEASUREMENT YEARS**  
**(UNAUDITED)**

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016
Total pension liability:			
Service cost	\$ 2,556,890	\$ 2,884,478	\$ -
Interest	3,219,187	3,586,805	3,725,815
Changes of benefit terms	-	-	-
Difference between expected and actual experience	184,163	215,566	4,180,949
Change in assumptions	-	(245,250)	-
Benefit payments, including refunds of employee contributions	(745,575)	(999,126)	(1,085,194)
Net change in total pension liability	5,214,665	5,442,473	6,821,570
Total pension liability - beginning	45,082,724	50,297,389	55,739,862
Total pension liability - ending (a)	50,297,389	55,739,862	62,561,432
Plan fiduciary net position:			
Contributions - employer	2,058,618	2,291,479	2,630,201
Contributions - employee	1,102,273	1,149,849	1,274,657
Net investment income	2,024,176	58,730	2,858,337
Benefit payments, including refunds of employee contributions	(745,575)	(999,126)	(1,085,194)
Administrative expense	(21,127)	(35,762)	(32,250)
Other	(1,737)	(1,766)	(1,738)
Net change in plan fiduciary net position	4,416,628	2,463,404	5,644,013
Plan fiduciary net position - beginning	35,373,254	39,789,882	42,253,286
Plan fiduciary net position - ending (b)	39,789,882	42,253,286	47,897,299
Net pension liability - ending (a) - (b)	\$ 10,507,507	\$ 13,486,576	\$ 14,664,133
Plan fiduciary net position as a percentage of total pension liability	79.11%	75.80%	76.56%
Covered payroll	\$ 15,746,759	\$ 16,426,414	\$ 18,184,351
Net pension liability as a percentage of covered payroll	66.73%	82.10%	80.64%

Note: Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

## EXHIBIT A-11

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021
\$ 3,534,169	\$ 3,732,706	\$ 3,856,949	\$ 4,164,056	\$ 4,267,960
4,298,623	4,761,659	5,258,675	5,818,955	6,315,835
-	-	-	-	-
404,285	577,776	524,371	(321,331)	(439,930)
-	-	406,608	-	-
(1,290,431)	(1,662,660)	(1,879,475)	(1,919,943)	(2,784,954)
6,946,646	7,409,481	8,167,128	7,741,737	7,358,911
62,561,432	69,508,078	76,917,559	85,084,687	92,826,424
69,508,078	76,917,559	85,084,687	92,826,424	100,185,335
2,978,969	3,142,231	3,287,746	3,479,670	3,678,159
1,392,972	1,470,396	1,538,384	1,627,099	1,668,335
6,646,053	(1,728,139)	9,105,849	5,384,137	10,362,682
(1,290,431)	(1,662,660)	(1,879,475)	(1,919,943)	(2,784,954)
(34,403)	(33,340)	(51,343)	(34,763)	(47,839)
(1,744)	(1,741)	(1,542)	(1,356)	327
9,691,416	1,186,747	11,999,619	8,534,844	12,876,710
47,897,299	57,588,715	58,775,462	70,775,081	79,309,925
57,588,715	58,775,462	70,775,081	79,309,925	92,186,635
\$ 11,919,363	\$ 18,142,097	\$ 14,309,606	\$ 13,516,499	\$ 7,998,700
82.85%	76.41%	83.18%	85.44%	92.02%
\$ 19,887,590	\$ 21,008,953	\$ 21,977,303	\$ 23,236,919	\$ 23,830,037
59.93%	86.35%	65.11%	58.17%	33.57%

**CITY OF WYLIE, TEXAS  
TEXAS MUNICIPAL RETIREMENT SYSTEM  
SCHEDULE OF PENSION CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Actuarially determined contribution	\$ 2,235,994	\$ 2,611,189	\$ 2,924,821
Contribution in relation to the actuarially determined contribution	2,235,994	2,611,189	2,924,821
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 16,311,322	\$ 18,212,187	\$ 19,547,995
Contributions as a percentage of covered payroll	13.71%	14.34%	14.96%

Note: GASB #68, paragraph 81.2.b requires that the data in this schedule be presented as of the City's fiscal year as opposed to the time period covered by the measurement date.

Note: Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

**EXHIBIT A-12**

Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
\$ 3,144,978	\$ 3,283,399	\$ 3,359,419	\$ 3,596,280	\$ 3,958,173
3,144,978	3,283,399	3,359,419	3,596,280	3,958,173
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 20,843,290	\$ 21,773,201	\$ 22,277,304	23,369,269	25,796,021
15.09%	15.08%	15.08%	15.39%	15.34%

**CITY OF WYLIE, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST FIVE MEASUREMENT YEARS**  
**(UNAUDITED)**

**EXHIBIT A-13**

	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021
Total OPEB liability:					
Charges for the year					
Service cost	\$ 27,859	\$ 35,710	\$ 30,768	\$ 44,150	\$ 57,192
Interest	13,862	14,885	16,242	15,686	14,575
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	-	(22,724)	(15,356)	(6,015)	(14,293)
Change in assumptions	39,365	(35,164)	96,541	102,727	26,689
Benefit payments	(1,990)	(2,101)	(2,198)	(2,324)	(7,149)
Net change in total OPEB liability	79,096	(9,394)	125,997	154,224	77,014
Total OPEB liability - beginning	353,798	432,894	423,500	549,497	703,721
Total OPEB liability - ending	<u>\$ 432,894</u>	<u>\$ 423,500</u>	<u>\$ 549,497</u>	<u>\$ 703,721</u>	<u>\$ 780,735</u>
Covered-employee payroll	\$ 19,887,590	\$ 21,008,953	\$ 21,977,303	\$ 23,236,919	\$ 23,830,037
Total OPEB liability as a percentage of covered-employee payroll	2.18%	2.02%	2.50%	3.03%	3.28%

Note: Only five years of data is presented in accordance with GASB #75. Additional years' information will be displayed as it becomes available.

The TMRS Supplementary Death Benefit Fund (SDBF) is considered to be an unfunded OPEB plan (there are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan); therefore, no plan fiduciary net position and related ratios are reported in the above schedule.

**CITY OF WYLIE, TEXAS  
TEXAS MUNICIPAL RETIREMENT SYSTEM  
SCHEDULE OF OPEB CONTRIBUTIONS  
LAST FIVE FISCAL YEARS  
(UNAUDITED)**

**EXHIBIT A-14**

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Actuarially determined contribution	\$ 2,086	\$ 2,160	\$ 2,228	\$ 2,337	2,580
Contributions in relation to the actuarially determined contribution	2,086	2,160	2,228	2,337	2,580
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 20,843,290	\$ 21,773,201	\$ 22,277,304	\$ 23,369,269	25,796,021
Contributions as a percentage of covered-employee payroll	0.01%	0.01%	0.01%	0.01%	0.01%

Note: GASB #75, paragraph 57 requires that the data in this schedule be presented as of the City's fiscal year as opposed to the time period covered by the measurement date.

Note: Only five years of data is presented in accordance with GASB #75. Additional years' information will be displayed as it becomes available.

The TMRS Supplementary Death Benefit Fund (SDBF) is considered to be an unfunded OPEB plan (there are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan).



## **COMBINING STATEMENTS AND BUDGETARY COMPARISON SCHEDULES**

**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**GENERAL OBLIGATION DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT A-15**

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Ad valorem taxes	\$ 8,696,273	\$ 8,696,273	\$ 8,660,744	\$ (35,529)
Interest income	3,800	3,800	6,109	2,309
Total revenues	8,700,073	8,700,073	8,666,853	(33,220)
<b>EXPENDITURES</b>				
Debt service				
Principal	6,345,000	6,345,000	6,345,000	-
Interest and fiscal charges	2,649,212	2,649,212	2,524,725	124,487
Bond issuance costs	-	-	74,169	(74,169)
Total debt service	8,994,212	8,994,212	8,943,894	50,318
Excess (deficiency) of revenue over (under) expenditures	(294,139)	(294,139)	(277,041)	17,098
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of long-term debt	-	-	6,770,000	6,770,000
Premium on bonds issued	-	-	786,582	786,582
Payment to refunded bond escrow agent	-	-	(7,558,830)	(7,558,830)
Total other financing sources (uses)	-	-	(2,248)	(2,248)
Net change in fund balances	(294,139)	(294,139)	(279,289)	14,850
Fund balances, October 1	1,122,215	1,122,215	1,122,215	-
Fund balances, September 30	\$ 828,076	\$ 828,076	\$ 842,926	\$ 14,850

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

#### **4B SALES TAX REVENUE FUND**

Accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.

#### **PARKS ACQUISITION AND IMPROVEMENT FUND**

Accounts for the development and improvement of City Parks.

#### **FIRE TRAINING CENTER FUND**

Accounts for First Responder fees specifically designated for the construction of the Fire Training Center.

#### **FIRE DEVELOPMENT FEES FUND**

Accounts for contributions specifically designated for use of the fire department.

#### **MUNICIPAL COURT TECHNOLOGY FUND**

Accounts for court fines specifically designated for additions/improvements in court technology.

#### **MUNICIPAL COURT BUILDING SECURITY FUND**

Accounts for court fines specifically designated for additions/improvements in court building security.

#### **HOTEL TAX FUND**

Accounts for occupancy taxes charged to hotels.

#### **FEDERAL SEIZURE FUND**

Accounts for the City's share of forfeiture proceeds at the federal level and is restricted for law enforcement additions/improvements only.

#### **JUDICIAL EFFICIENCY FUND**

Accounts for court fines specifically restricted to improving the efficiency of the administration of justice.

#### **TRUANCY COURT FUND**

Accounts for court fines designated for the efficiency of Juvenile Court truancy cases.

#### **MUNICIPAL JUDICIAL FUND**

Accounts for court fines designated for the efficiency in municipal court.

### **DEBT SERVICE FUNDS**

#### **4B DEBT SERVICE FUND 1996**

Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996.

#### **4B DEBT SERVICE FUND 2005**

Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 2005.



**CITY OF WYLIE, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	SPECIAL REVENUE FUNDS					
	4B Sales Tax Revenue	Park Acquisition and Improvement	Fire Training Center	Fire Development Fees	Municipal Court Technology	Municipal Court Building Security
<b>ASSETS</b>						
Cash and cash equivalents	\$ 6,162,636	\$ 508,489	\$ 272,221	\$ 966,302	\$ 21,811	\$ 27,703
Receivables: (net of allowances for uncollectibles)						
Other	26,134	-	2,183	-	-	-
Sales tax	739,027	-	-	-	-	-
Total assets	<u>\$ 6,927,797</u>	<u>\$ 508,489</u>	<u>\$ 274,404</u>	<u>\$ 966,302</u>	<u>\$ 21,811</u>	<u>\$ 27,703</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 73,682	\$ -	\$ 79	\$ -	\$ -	\$ -
Other payables and accruals	80,436	2,328	-	-	-	-
Unearned revenue	173,758	-	-	-	-	-
Total liabilities	<u>327,876</u>	<u>2,328</u>	<u>79</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Restricted						
Debt service	-	-	-	-	-	-
Economic development	6,599,921	-	-	-	-	-
Municipal court	-	-	-	-	21,811	27,703
Tourism	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-
Committed						
Park acquisition and improvement	-	506,161	-	-	-	-
Fire training	-	-	274,325	-	-	-
Fire development	-	-	-	966,302	-	-
Total fund balances	<u>6,599,921</u>	<u>506,161</u>	<u>274,325</u>	<u>966,302</u>	<u>21,811</u>	<u>27,703</u>
Total liabilities and fund balances	<u>\$ 6,927,797</u>	<u>\$ 508,489</u>	<u>\$ 274,404</u>	<u>\$ 966,302</u>	<u>\$ 21,811</u>	<u>\$ 27,703</u>

## EXHIBIT B-1

DEBT SERVICE FUNDS							
Hotel Tax	Federal Seizure	Judicial Efficiency	Truancy Court	Municipal Judicial	4B Debt Service 1996	4B Debt Service 2005	Total Nonmajor Governmental Funds
\$ 497,090	\$ 829	\$ 7,142	\$ 18,608	\$ 342	\$ 186,919	\$ 29,350	\$ 8,699,442
256,098	-	-	-	-	-	-	284,415
-	-	-	-	-	-	-	739,027
<u>\$ 753,188</u>	<u>\$ 829</u>	<u>\$ 7,142</u>	<u>\$ 18,608</u>	<u>\$ 342</u>	<u>\$ 186,919</u>	<u>\$ 29,350</u>	<u>\$ 9,722,884</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,761
-	-	-	-	-	-	-	82,764
-	-	-	-	-	-	-	173,758
-	-	-	-	-	-	-	330,283
-	-	-	-	-	186,919	29,350	216,269
-	-	-	-	-	-	-	6,599,921
-	-	7,142	18,608	342	-	-	75,606
753,188	-	-	-	-	-	-	753,188
-	829	-	-	-	-	-	829
-	-	-	-	-	-	-	506,161
-	-	-	-	-	-	-	274,325
-	-	-	-	-	-	-	966,302
<u>753,188</u>	<u>829</u>	<u>7,142</u>	<u>18,608</u>	<u>342</u>	<u>186,919</u>	<u>29,350</u>	<u>9,392,601</u>
<u>\$ 753,188</u>	<u>\$ 829</u>	<u>\$ 7,142</u>	<u>\$ 18,608</u>	<u>\$ 342</u>	<u>\$ 186,919</u>	<u>\$ 29,350</u>	<u>\$ 9,722,884</u>

**CITY OF WYLIE, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE- NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	SPECIAL REVENUE FUNDS					
	4B Sales Tax Revenue	Park Acquisition and Improvement	Fire Training Center	Fire Development Fees	Municipal Court Technology	Municipal Court Building Security
<b>REVENUES</b>						
Sales taxes	\$ 4,161,282	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	37,863	-	-	-
Intergovernmental	-	-	-	-	-	-
Service fees	807,835	-	-	-	-	-
Court fees	-	-	-	-	6,227	7,383
Development fees	-	122,808	-	194,926	-	-
Interest income	24,612	1,786	1,112	3,976	87	112
Miscellaneous income	29,566	-	-	-	-	-
Total revenues	5,023,295	124,594	38,975	198,902	6,314	7,495
<b>EXPENDITURES</b>						
Current:						
Public safety	-	-	3,024	81,900	743	4,396
Community service	3,160,848	186,752	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	3,160,848	186,752	3,024	81,900	743	4,396
Excess (deficiency) of revenues over (under) expenditures	1,862,447	(62,158)	35,951	117,002	5,571	3,099
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	(383,625)	-	-	-	-	-
Total other financing sources (uses)	(383,625)	-	-	-	-	-
Net change in fund balances	1,478,822	(62,158)	35,951	117,002	5,571	3,099
Fund balances October 1, 2021	5,121,099	568,319	238,374	849,300	16,240	24,604
Fund balances September 30, 2022	\$ 6,599,921	\$ 506,161	\$ 274,325	\$ 966,302	\$ 21,811	\$ 27,703

## EXHIBIT B-2

DEBT SERVICE FUNDS							
Hotel Tax	Federal Seizure	Judicial Efficiency	Truancy Court	Municipal Judicial	4B Debt Service 1996	4B Debt Service 2005	Total Nonmajor Governmental Funds
\$ 416,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,577,664
-	-	-	-	-	-	-	37,863
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	807,835
-	-	1,690	1,700	142	-	-	17,142
-	-	-	-	-	-	-	317,734
2,042	-	29	78	1	787	231	34,853
-	-	-	-	-	-	-	29,566
418,424	-	1,719	1,778	143	787	231	5,822,657
-	10,070	-	-	-	-	-	100,133
184,606	-	-	-	-	-	-	3,532,206
-	-	-	-	-	-	345,000	345,000
-	-	-	-	-	-	38,625	38,625
184,606	10,070	-	-	-	-	383,625	4,015,964
233,818	(10,070)	1,719	1,778	143	787	(383,394)	1,806,693
-	3,070	-	-	-	-	383,625	386,695
(30,000)	-	-	-	-	-	-	(413,625)
(30,000)	3,070	-	-	-	-	383,625	(26,930)
203,818	(7,000)	1,719	1,778	143	787	231	1,779,763
549,370	7,829	5,423	16,830	199	186,132	29,119	7,612,838
\$ 753,188	\$ 829	\$ 7,142	\$ 18,608	\$ 342	\$ 186,919	\$ 29,350	\$ 9,392,601



**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**4B SALES TAX REVENUE FUND**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-1**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Sales taxes	\$ 3,789,966	\$ 3,789,966	\$ 4,161,282	\$ 371,316
Service fees	552,500	594,000	807,835	213,835
Interest income	1,700	1,700	24,612	22,912
Miscellaneous income	17,250	17,250	29,566	12,316
Total revenues	4,361,416	4,402,916	5,023,295	620,379
<b>EXPENDITURES</b>				
Current				
Community service				
4B Parks	716,133	1,029,006	613,168	415,838
4B Brown House	477,962	481,133	200,865	280,268
4B Recreation	2,571,516	2,842,977	2,346,815	496,162
Total community service	3,765,611	4,353,116	3,160,848	1,192,268
Total expenditures	3,765,611	4,353,116	3,160,848	1,192,268
Excess (deficiency) of revenues over (under) expenditures	595,805	49,800	1,862,447	1,812,647
Other financing sources (uses)				
Transfers out	(383,625)	(383,625)	(383,625)	-
Total other financing sources (uses)	(383,625)	(383,625)	(383,625)	-
Net change in fund balances	212,180	(333,825)	1,478,822	1,812,647
Fund balances, October 1	5,121,099	5,121,099	5,121,099	-
Fund balances, September 30	\$ 5,333,279	\$ 4,787,274	\$ 6,599,921	\$ 1,812,647

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
PARK ACQUISITION AND IMPROVEMENT  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-2**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Development fees	\$ 614,500	\$ 614,500	\$ 122,808	\$ (491,692)
Interest income	353	353	1,786	1,433
Total revenues	614,853	614,853	124,594	(490,259)
<b>EXPENDITURES</b>				
Current				
Community service				
Park acquisition - central zone	192,419	192,419	186,752	5,667
Total expenditures	192,419	192,419	186,752	5,667
Excess (deficiency) of revenues over (under) expenditures	422,434	422,434	(62,158)	(484,592)
Net change in fund balances	422,434	422,434	(62,158)	(484,592)
Fund balances, October 1	568,319	568,319	568,319	-
Fund balances, September 30	\$ 990,753	\$ 990,753	\$ 506,161	\$ (484,592)

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
FIRE TRAINING CENTER  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-3**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 29,000	\$ 29,000	\$ 37,863	\$ 8,863
Interest income	108	108	1,112	1,004
Total revenues	29,108	29,108	38,975	9,867
<b>EXPENDITURES</b>				
Current				
Public safety				
Fire training center	30,000	30,000	3,024	26,976
Total public safety	30,000	30,000	3,024	26,976
Net change in fund balances	(892)	(892)	35,951	36,843
Fund balances, October 1	238,374	238,374	238,374	-
Fund balances, September 30	\$ 237,482	\$ 237,482	\$ 274,325	\$ 36,843

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
FIRE DEVELOPMENT FEES  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-4**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Interest income	\$ 716	\$ 716	\$ 3,976	\$ 3,260
Development fees	260,000	260,000	194,926	(65,074)
Total revenues	260,716	260,716	198,902	(61,814)
<b>EXPENDITURES</b>				
Current				
Public safety				
Fire development	214,267	214,267	81,900	132,367
Total public safety	214,267	214,267	81,900	132,367
<b>Excess (deficiency) of revenues over (under) expenditures</b>	46,449	46,449	117,002	70,553
Fund balances, October 1	849,300	849,300	849,300	-
Fund balances, September 30	\$ 895,749	\$ 895,749	\$ 966,302	\$ 70,553

**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**MUNICIPAL COURT TECHNOLOGY FUND**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-5**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Court fees	\$ 5,000	\$ 5,000	\$ 6,227	\$ 1,227
Interest income	-	-	87	87
Total revenues	5,000	5,000	6,314	1,314
<b>EXPENDITURES</b>				
Current				
Public safety	2,000	2,000	743	1,257
Total public safety	2,000	2,000	743	1,257
Excess (deficiency) of revenues over (under) expenditures	3,000	3,000	5,571	2,571
Net change in fund balances	3,000	3,000	5,571	2,571
Fund balances, October 1	16,240	16,240	16,240	-
Fund balances, September 30	\$ 19,240	\$ 19,240	\$ 21,811	\$ 2,571

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
MUNICIPAL COURT BUILDING SECURITY FUND  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-6**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Court fees	\$ 5,000	\$ 5,000	\$ 7,383	\$ 2,383
Interest income	-	-	112	112
Total revenues	5,000	5,000	7,495	2,495
<b>EXPENDITURES</b>				
Current				
Public safety	6,250	6,250	4,396	1,854
Total public safety	6,250	6,250	4,396	1,854
Excess (deficiency) of revenues over (under) expenditures	(1,250)	(1,250)	3,099	4,349
Net change in fund balances	(1,250)	(1,250)	3,099	4,349
Fund balances, October 1	24,604	24,604	24,604	-
Fund balances, September 30	\$ 23,354	\$ 23,354	\$ 27,703	\$ 4,349

**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**HOTEL TAX FUND**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-7**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Sales taxes	\$ 200,000	\$ 200,000	\$ 416,382	\$ 216,382
Interest income	200	200	2,042	1,842
Total revenues	200,200	200,200	418,424	218,224
<b>EXPENDITURES</b>				
Current				
Community service	210,700	210,700	184,606	26,094
Total expenditures	210,700	210,700	184,606	26,094
Excess (deficiency) of revenues over (under) expenditures	(10,500)	(10,500)	233,818	244,318
Other financing uses				
Transfers out	(30,000)	(30,000)	(30,000)	-
Total other financing uses	(30,000)	(30,000)	(30,000)	-
Net change in fund balances	(40,500)	(40,500)	203,818	244,318
Fund balances, October 1	549,370	549,370	549,370	-
Fund balances, September 30	\$ 508,870	\$ 508,870	\$ 753,188	\$ 244,318

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
FEDERAL SEIZURE FUND  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-8**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous income	-	3,070	-	(3,070)
Total revenues	-	3,070	-	(3,070)
<b>EXPENDITURES</b>				
Current				
Public safety	-	10,070	10,070	-
Total public safety	-	10,070	10,070	-
<b>Excess of revenues over expenditures</b>	-	(7,000)	(10,070)	(3,070)
Other financing uses				
Transfers in	-	-	3,070	3,070
<b>Total other financing uses</b>	-	-	3,070	3,070
Net change in fund balances	-	(7,000)	(7,000)	-
Fund balances, October 1	7,829	7,829	7,829	-
Fund balances, September 30	<u>\$ 7,829</u>	<u>\$ 829</u>	<u>\$ 829</u>	<u>\$ -</u>



**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**JUDICIAL EFFICIENCY FUND**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-9**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Court fees	\$ 1,000	\$ 1,000	\$ 1,690	\$ 690
Interest income	-	-	29	29
Total revenues	1,000	1,000	1,719	719
<b>EXPENDITURES</b>				
Current				
Court	-	-	-	-
Total court	-	-	-	-
Net change in fund balances	1,000	1,000	1,719	719
Fund balances, October 1	5,423	5,423	5,423	-
Fund balances, September 30	\$ 6,423	\$ 6,423	\$ 7,142	\$ 719

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
TRUANCY COURT FUND  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-10**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Court fees	\$ 1,500	\$ 1,500	\$ 1,700	\$ 200
Interest income	-	-	78	78
Total revenues	1,500	1,500	1,778	278
<b>EXPENDITURES</b>				
Current				
Court	1,000	1,000	-	1,000
Total court	1,000	1,000	-	1,000
Net change in fund balances	500	500	1,778	1,278
Fund balances, October 1	16,830	16,830	16,830	-
Fund balances, September 30	\$ 17,330	\$ 17,330	\$ 18,608	\$ 1,278

**CITY OF WYLIE, TEXAS  
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)  
MUNICIPAL JUDICIAL FUND  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT C-11**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Court fees	\$ 100	\$ 100	\$ 142	\$ 42
Interest income	-	-	1	1
Total revenues	100	100	143	43
<b>EXPENDITURES</b>				
Current				
Court	-	-	-	-
Total court	-	-	-	-
Net change in fund balances	100	100	143	43
Fund balances, October 1	199	199	199	-
Fund balances, September 30	<u>\$ 299</u>	<u>\$ 299</u>	<u>\$ 342</u>	<u>\$ 43</u>

**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**4B DEBT SERVICE 1996 FUND**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT D-1**

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Interest income	\$ -	\$ -	\$ 787	\$ 787
Total revenues	-	-	787	787
<b>EXPENDITURES</b>				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	787	787
Fund balances, October 1	186,132	186,132	186,132	-
Fund balances, September 30	\$ 186,132	\$ 186,132	\$ 186,919	\$ 787

**CITY OF WYLIE, TEXAS**  
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**  
**4B DEBT SERVICE 2005 FUND**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**EXHIBIT D-2**

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Interest income	\$ -	\$ -	\$ 231	\$ 231
Total revenues	-	-	231	231
<b>EXPENDITURES</b>				
Debt service				
Principal	345,000	345,000	345,000	-
Interest and fiscal charges	38,625	38,625	38,625	-
Total expenditures	383,625	383,625	383,625	-
Excess (deficiency) of revenues over (under) expenditures	(383,625)	(383,625)	(383,394)	231
Other financing sources				
Transfers in	383,625	383,625	383,625	-
Total other financing sources	383,625	383,625	383,625	-
Net change in fund balances	-	-	231	231
Fund balances, October 1	29,119	29,119	29,119	-
Fund balances, September 30	\$ 29,119	\$ 29,119	\$ 29,350	\$ 231



## STATISTICAL SECTION

# CITY OF WYLIE, TEXAS

## STATISTICAL SECTION

### TABLE OF CONTENTS

---

*This part of the City of Wylie's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.*

<b><u>Contents</u></b>	<b><u>Table #s</u></b>
<b>Financial Trends</b> These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>1-5</b>
<b>Revenue Capacity</b> These tables contain information to help the reader assess the City's two most significant local revenue sources, the property and sales taxes.	<b>6-12</b>
<b>Debt Capacity</b> These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>13-17</b>
<b>Economic and Demographic Information</b> These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>18-19</b>
<b>Operating Information</b> These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.	<b>20-22</b>

**Source:** Unless otherwise noted, the information in these labels is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003: tables pressing government-wide information include information beginning in that year.



**CITY OF WYLIE, TEXAS**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities				
Invested in Capital Assets,				
Net of Related Debt	\$ 97,011,784	\$ 104,161,153	\$ 110,141,284	\$ 120,169,208
Restricted	2,028,665	1,910,643	2,198,212	3,308,748
Unrestricted	19,453,739	15,353,055	12,040,540	14,016,198
Total Governmental Activities Net Assets	<u>118,494,188</u>	<u>121,424,851</u>	<u>124,380,036</u>	<u>137,494,154</u>
Business-type Activities				
Invested in Capital Assets,				
Net of Related Debt	45,467,130	46,332,004	47,855,920	48,313,914
Restricted	3,477,195	3,682,967	5,039,922	5,883,377
Unrestricted	10,939,781	10,466,437	10,249,068	10,803,417
Total Business-type Activities Net Assets	<u>59,884,106</u>	<u>60,481,408</u>	<u>63,144,910</u>	<u>65,000,708</u>
Primary Government				
Invested in Capital Assets,				
Net of Related Debt	142,478,914	150,493,157	157,997,204	168,483,122
Restricted	5,505,860	5,593,610	7,238,134	9,192,125
Unrestricted	30,393,520	25,819,492	22,289,608	24,819,615
Total Primary Government Net Assets	<u>178,378,294</u>	<u>181,906,259</u>	<u>187,524,946</u>	<u>202,494,862</u>

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

**TABLE 1**

2017	2018	2019	2020	2021	2022
\$ 131,493,684	\$ 139,434,589	\$ 144,685,908	\$ 159,454,525	\$ 163,767,912	#####
4,145,132	4,294,426	14,718,498	12,716,750	15,473,019	27,780,709
20,176,356	21,771,662	12,893,405	12,944,197	20,435,713	21,412,498
<u>155,815,172</u>	<u>165,500,677</u>	<u>172,297,811</u>	<u>185,115,472</u>	<u>199,676,644</u>	<u>214,215,440</u>
43,143,369	51,965,084	53,636,639	55,515,141	56,032,882	57,282,050
7,125,122	8,327,382	8,265,544	9,606,719	11,072,169	12,100,734
19,043,168	13,086,407	15,637,669	20,263,917	24,740,623	29,917,064
<u>69,311,659</u>	<u>73,378,873</u>	<u>77,539,852</u>	<u>85,385,777</u>	<u>91,845,674</u>	<u>99,299,848</u>
174,637,053	191,399,673	198,322,547	214,969,666	219,800,794	222,304,283
11,270,254	12,621,808	22,984,042	22,323,469	26,545,188	39,881,443
39,219,524	34,858,069	28,531,074	33,208,114	45,176,336	51,329,562
<u>225,126,831</u>	<u>238,879,550</u>	<u>249,837,663</u>	<u>270,501,249</u>	<u>291,522,318</u>	<u>313,515,288</u>

**CITY OF WYLIE, TEXAS**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General Government	\$ 5,617,973	\$ 4,731,511	\$ 8,292,990	\$ 9,547,712
Public Safety	14,886,917	16,818,848	15,265,836	16,665,427
Urban development	1,143,806	1,175,311	1,040,898	1,012,093
Streets	7,080,061	8,019,706	7,649,278	6,941,858
Community service	6,861,667	7,189,773	7,326,919	7,750,815
Interest on Long-Term Debt	4,283,310	4,029,262	3,920,570	3,439,372
Total Governmental Activities Expenses	<u>39,873,734</u>	<u>41,964,411</u>	<u>43,496,491</u>	<u>45,357,277</u>
Business-type Activities				
Utility	<u>11,644,534</u>	<u>12,600,422</u>	<u>12,878,510</u>	<u>14,250,070</u>
Total Business-type Activities Expenses	<u>11,644,534</u>	<u>12,600,422</u>	<u>12,878,510</u>	<u>14,250,070</u>
Total Primary Government Expenses	<u>\$ 51,518,268</u>	<u>\$ 54,564,833</u>	<u>\$ 56,375,001</u>	<u>\$ 59,607,347</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,304,350	\$ 2,452,885	\$ 2,650,115	\$ 2,805,284
Public safety	1,375,077	1,514,932	1,519,821	1,665,370
Urban development	699,296	824,241	1,399,132	1,497,411
Community service	815,741	875,090	946,334	383,916
Operating Grants and Contributions	142,063	332,004	467,147	359,928
Capital Grants and Contributions	4,815,624	6,651,870	10,343,185	12,277,481
Total Governmental Activities Program Revenues	<u>10,152,151</u>	<u>12,651,022</u>	<u>17,325,734</u>	<u>18,989,390</u>
Business-type Activities:				
Charges for Services:				
Utility	13,571,924	13,767,869	15,473,529	15,997,794
Capital Grants and Contributions	<u>543,678</u>	<u>1,052,390</u>	<u>2,399,575</u>	<u>1,496,700</u>
Total Business-type Activities Program Revenues	<u>14,115,602</u>	<u>14,820,259</u>	<u>17,873,104</u>	<u>17,494,494</u>
Total Primary Government Programs Revenues	<u>24,267,753</u>	<u>27,471,281</u>	<u>35,198,838</u>	<u>36,483,884</u>
Net (Expense)/Revenue				
Governmental Activities	<u>\$(29,721,583)</u>	<u>\$(29,313,389)</u>	<u>\$(26,170,757)</u>	<u>\$(26,367,887)</u>
Business-type Activities	<u>2,471,068</u>	<u>2,219,837</u>	<u>4,994,594</u>	<u>3,244,424</u>
Total Primary Government Net Expense	<u>(27,250,515)</u>	<u>(27,093,552)</u>	<u>(21,176,163)</u>	<u>(23,123,463)</u>

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

TABLE 2

2017	2018	2019	2020	2021	2022
\$ 9,460,047	\$ 10,540,621	\$ 11,634,904	\$ 12,134,312	\$ 12,690,079	\$ 13,682,957
17,893,012	20,843,027	22,175,998	23,057,208	23,478,532	25,164,617
1,179,962	1,354,808	1,346,364	1,108,956	1,121,650	1,020,885
8,044,783	8,832,924	8,912,861	9,259,873	9,133,138	10,393,464
7,709,291	9,561,750	9,530,076	9,860,490	9,309,304	9,217,814
2,752,525	2,659,653	2,688,231	2,448,009	2,235,277	2,118,360
<u>47,039,620</u>	<u>53,792,783</u>	<u>56,288,434</u>	<u>57,868,848</u>	<u>57,967,980</u>	<u>61,598,097</u>
15,334,168	17,157,737	17,635,306	18,655,149	19,053,908	20,876,930
<u>15,334,168</u>	<u>17,157,737</u>	<u>17,635,306</u>	<u>18,655,149</u>	<u>19,053,908</u>	<u>20,876,930</u>
<u>\$ 62,373,788</u>	<u>\$ 70,950,520</u>	<u>\$ 73,923,740</u>	<u>\$ 76,523,997</u>	<u>\$ 77,021,888</u>	<u>\$ 82,475,027</u>
\$ 2,887,799	\$ 2,924,232	\$ 2,919,563	\$ 2,968,934	\$ 3,133,030	\$ 3,376,459
1,682,035	1,950,380	2,084,957	2,994,404	2,807,595	3,505,797
1,589,740	1,443,985	1,486,285	1,560,468	1,807,612	1,727,784
382,566	394,997	415,862	212,406	377,217	527,150
364,935	346,444	1,115,044	388,250	730,139	663,356
15,186,815	11,809,600	6,608,297	11,902,495	10,810,966	7,619,607
<u>22,093,890</u>	<u>18,869,638</u>	<u>14,630,008</u>	<u>20,026,957</u>	<u>19,666,559</u>	<u>17,420,153</u>
18,169,571	19,431,713	20,662,507	23,047,261	24,400,005	27,371,622
<u>3,280,520</u>	<u>3,646,800</u>	<u>2,783,419</u>	<u>5,590,177</u>	<u>3,317,635</u>	<u>3,189,643</u>
<u>21,450,091</u>	<u>23,078,513</u>	<u>23,445,926</u>	<u>28,637,438</u>	<u>27,717,640</u>	<u>30,561,265</u>
<u>43,543,981</u>	<u>41,948,151</u>	<u>38,075,934</u>	<u>48,664,395</u>	<u>47,384,199</u>	<u>47,981,418</u>
\$(24,945,730)	\$(34,923,145)	\$(41,658,426)	\$(37,841,891)	\$(38,301,421)	\$(44,177,944)
<u>6,115,923</u>	<u>5,920,776</u>	<u>5,810,620</u>	<u>9,982,289</u>	<u>8,663,732</u>	<u>9,684,335</u>
<u>(18,829,807)</u>	<u>(29,002,369)</u>	<u>(35,847,806)</u>	<u>(27,859,602)</u>	<u>(29,637,689)</u>	<u>(34,493,609)</u>

**CITY OF WYLIE, TEXAS**  
**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$(29,721,583)	\$(29,313,389)	\$(26,170,757)	\$(26,367,887)
Business-type Activities	2,471,068	2,219,837	4,994,594	3,244,424
Total Primary Government Net Expense	<u>(27,250,515)</u>	<u>(27,093,552)</u>	<u>(21,176,163)</u>	<u>(23,123,463)</u>
<b>Governmental Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes				
Property Taxes	21,280,279	22,537,796	24,620,586	26,992,416
Sales Taxes	5,635,492	5,872,316	6,663,646	7,555,687
Franchise Taxes	2,238,997	2,497,660	2,665,092	2,709,736
Unrestricted Investment Earnings	41,651	7,857	12,708	65,850
Miscellaneous Income	423,219	186,802	160,750	149,534
Gain on disposal of capital assets	8,317	49,752	339,328	96,937
Transfers	(61,630)	1,709,611	1,961,899	1,911,845
Total Governmental Activities	<u>29,566,325</u>	<u>32,861,794</u>	<u>36,424,009</u>	<u>39,482,005</u>
Business-type Activities:				
Investment Earnings	114,480	98,049	93,293	103,521
Miscellaneous Income	156,105	174,147	336,548	419,698
Transfers	61,630	(1,709,611)	(1,961,899)	(1,911,845)
Total Business-type Activities	<u>332,215</u>	<u>(1,437,415)</u>	<u>(1,532,058)</u>	<u>(1,388,626)</u>
Total Primary Government	<u>\$ 29,898,540</u>	<u>\$ 31,424,379</u>	<u>\$ 34,891,951</u>	<u>\$ 38,093,379</u>
<b>Change in Net Position</b>				
Governmental Activities	\$ (155,258)	\$ 3,548,405	\$ 10,253,252	\$ 13,114,118
Business-type Activities	2,803,283	782,422	3,462,536	1,855,798
Total Primary Government	<u>\$ 2,648,025</u>	<u>\$ 4,330,827</u>	<u>\$ 13,715,788</u>	<u>\$ 14,969,916</u>

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

TABLE 3

2017	2018	2019	2020	2021	2022
<u>\$(24,945,730)</u>	<u>\$(34,923,145)</u>	<u>\$(41,658,426)</u>	<u>\$(37,841,891)</u>	<u>\$(38,301,421)</u>	<u>\$(44,177,944)</u>
<u>6,115,923</u>	<u>5,920,776</u>	<u>5,810,620</u>	<u>9,982,289</u>	<u>8,663,732</u>	<u>9,684,335</u>
<u>(18,829,807)</u>	<u>(29,002,369)</u>	<u>(35,847,806)</u>	<u>(27,859,602)</u>	<u>(29,637,689)</u>	<u>(34,493,609)</u>
30,065,957	31,459,533	33,275,978	34,300,635	35,629,027	36,723,108
7,993,453	7,859,294	8,967,508	10,037,707	11,832,404	12,951,476
2,726,088	2,749,138	2,883,573	2,734,736	2,675,866	2,929,590
145,377	312,765	495,039	188,991	31,845	307,155
223,012	356,159	559,846	914,338	276,181	610,600
-	-	-	77,901	1,109	2,706,165
<u>2,112,861</u>	<u>2,166,807</u>	<u>2,273,616</u>	<u>2,405,244</u>	<u>2,416,161</u>	<u>2,488,646</u>
<u>43,266,748</u>	<u>44,903,696</u>	<u>48,455,560</u>	<u>50,659,552</u>	<u>52,862,593</u>	<u>58,716,740</u>
135,053	212,774	266,776	138,968	62,113	195,126
172,836	129,963	357,199	129,912	150,213	63,359
<u>(2,112,861)</u>	<u>(2,166,807)</u>	<u>(2,273,616)</u>	<u>(2,405,244)</u>	<u>(2,416,161)</u>	<u>(2,488,646)</u>
<u>(1,804,972)</u>	<u>(1,824,070)</u>	<u>(1,649,641)</u>	<u>(2,136,364)</u>	<u>(2,203,835)</u>	<u>(2,230,161)</u>
<u>\$ 41,461,776</u>	<u>\$ 43,079,626</u>	<u>\$ 46,805,919</u>	<u>\$ 48,523,188</u>	<u>\$ 50,658,758</u>	<u>\$ 56,486,579</u>
\$ 18,321,018	\$ 9,980,551	\$ 6,797,134	\$ 12,817,661	\$ 14,561,172	\$ 14,538,796
<u>4,310,951</u>	<u>4,096,706</u>	<u>4,160,979</u>	<u>7,845,925</u>	<u>6,459,897</u>	<u>7,454,174</u>
<u>\$ 22,631,969</u>	<u>\$ 14,077,257</u>	<u>\$ 10,958,113</u>	<u>\$ 20,663,586</u>	<u>\$ 21,021,069</u>	<u>\$ 21,992,970</u>

**CITY OF WYLIE, TEXAS**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
<b>General Fund</b>				
Nonspendable	\$ 189,310	\$ 185,370	\$ 181,891	\$ 194,820
Restricted	17,055	37,299	31,167	44,107
Committed	14,096	159,429	168,017	591,471
Assigned	137,409	174,173	170,213	88,788
Unassigned	11,734,825	11,737,159	13,561,725	16,272,269
Total General Fund	<u>\$ 12,092,695</u>	<u>\$ 12,293,430</u>	<u>\$ 14,113,013</u>	<u>\$ 17,191,455</u>
<b>All Other Governmental Funds</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	19,006,290	14,424,699	12,401,450	12,481,571
Committed	1,916,938	1,834,152	2,668,895	2,662,297
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 20,923,228</u>	<u>\$ 16,258,851</u>	<u>\$ 15,070,345</u>	<u>\$ 15,143,868</u>

**TABLE 4**

2017	2018	2019	2020	2021	2022
\$ 156,872	\$ 173,603	\$ 167,898	\$ 168,120	\$ 183,212	\$ 179,473
44,107	29,381	37,921	38,037	57,849	499,218
413,504	354,354	378,727	416,297	521,710	510,191
88,788	1,381,468	2,948,194	60,732	72,991	84,367
19,077,408	16,202,153	16,509,743	21,914,768	30,403,003	30,411,011
<u>\$ 19,780,679</u>	<u>\$ 18,140,959</u>	<u>\$ 20,042,483</u>	<u>\$ 22,597,954</u>	<u>\$ 31,238,765</u>	<u>\$ 31,684,260</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,313,781	28,176,150	29,096,638	19,993,700	23,675,046	32,777,064
2,735,089	3,083,992	2,901,614	2,341,758	1,655,993	1,746,788
-	-	-	-	-	-
<u>\$ 18,048,870</u>	<u>\$ 31,260,142</u>	<u>\$ 31,998,252</u>	<u>\$ 22,335,458</u>	<u>\$ 25,331,039</u>	<u>\$ 34,523,852</u>



**CITY OF WYLIE, TEXAS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
<b>Revenues</b>				
Ad valorem taxes	\$ 21,232,219	\$ 22,539,230	\$ 24,515,600	\$ 27,127,964
Sales taxes	5,635,492	5,872,316	6,663,646	7,555,687
Franchise fees	2,324,149	2,579,004	2,595,964	2,666,356
Licenses and permits	1,012,501	1,595,468	2,465,148	1,623,398
Intergovernmental	3,315,505	3,983,797	2,307,516	4,591,241
Service fees	3,627,931	3,852,357	4,183,790	4,306,832
Court fees	284,606	288,591	413,757	536,106
Development fees	-	-	880,193	473,966
Interest income	41,651	7,857	12,708	65,850
Miscellaneous income	692,886	550,732	326,323	292,456
Total Revenues	<u>38,166,940</u>	<u>41,269,352</u>	<u>44,364,645</u>	<u>49,239,856</u>
<b>Expenditures</b>				
General Government	7,007,712	7,623,082	8,405,920	9,396,230
Public Safety	13,980,047	14,230,747	15,064,971	17,577,736
Urban development	1,144,217	1,170,740	1,124,212	1,109,049
Streets	1,648,373	1,848,617	1,901,138	2,190,086
Community Service	5,197,133	5,469,383	5,860,111	6,408,022
Capital Outlay	13,585,375	8,762,342	5,167,717	5,047,777
Debt Service:				
Principal	3,994,879	4,320,000	4,695,000	5,000,000
Interest and fiscal charges	4,358,181	4,191,706	3,707,211	3,170,926
Bond issuance costs	87,845	-	244,695	323,391
Total Expenditures	<u>51,003,762</u>	<u>47,616,617</u>	<u>46,170,975</u>	<u>50,223,217</u>
Excess of Revenues				
Over (Under) Expenditures	<u>(12,836,822)</u>	<u>(6,347,265)</u>	<u>(1,806,330)</u>	<u>(983,361)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	3,696,525	5,411,900	3,594,899	3,738,641
Transfers Out	(3,036,229)	(3,628,021)	(1,633,000)	(1,785,791)
Issuance of long-term debt	7,400,000	-	21,240,000	30,110,000
Premium on bonds issued	374,207	-	3,128,967	5,833,412
Payment to refunded bond escrow agent	(7,839,529)	-	(24,376,415)	(36,041,783)
Proceeds from financed purchase	-	-	-	-
Proceeds from note	-	-	-	-
Insurance recovery	-	-	-	2,110,037
Reimbursement from other funds	-	-	-	-
Sale of capital assets	8,317	99,744	482,956	170,810
Total Other Financing	<u>603,291</u>	<u>1,883,623</u>	<u>2,437,407</u>	<u>4,135,326</u>
Net Change in Fund Balances	<u>(12,233,531)</u>	<u>(4,463,642)</u>	<u>631,077</u>	<u>3,151,965</u>
Debt Service as a Percentage of Noncapital Expenditures	22.3%	22.7%	21.1%	18.7%

TABLE 5

2017	2018	2019	2020	2021	2022
\$ 30,062,648	\$ 31,521,403	\$ 33,215,374	\$ 34,314,132	\$ 35,624,174	\$ 36,709,489
7,993,453	7,859,294	8,967,508	10,037,707	11,832,404	12,951,476
2,686,550	2,740,472	2,845,824	2,961,998	2,696,702	2,897,152
2,187,821	2,118,115	1,766,155	1,908,981	2,008,730	2,192,510
4,668,258	1,353,146	1,400,092	2,838,041	5,191,266	4,602,908
4,416,964	4,338,603	4,698,587	4,252,796	4,880,463	5,100,703
582,418	486,980	318,245	251,030	305,022	332,209
969,365	273,022	448,375	477,776	599,978	317,734
145,377	312,765	495,039	188,991	31,845	307,155
310,104	482,294	310,171	183,002	289,114	556,397
54,022,958	51,486,094	54,465,370	57,414,454	63,459,698	65,967,733
10,677,430	10,041,180	10,236,046	10,701,921	11,253,180	11,645,070
18,190,153	19,420,235	20,609,710	21,960,879	22,995,835	25,534,762
1,270,481	1,309,980	1,266,940	1,045,043	1,085,839	1,052,931
3,070,133	3,165,925	3,148,092	3,130,606	2,926,280	3,563,540
8,359,639	7,696,489	7,716,418	8,427,509	7,756,927	8,482,228
3,493,929	674,969	2,674,900	13,950,920	4,939,120	7,557,044
5,060,000	5,350,000	5,655,000	6,055,000	6,380,000	6,690,000
3,181,314	3,003,262	3,180,134	2,895,388	2,556,000	2,563,350
-	89,500	-	-	154,686	121,823
53,303,079	50,751,540	54,487,240	68,167,266	60,047,867	67,210,748
719,879	734,554	(21,870)	(10,752,812)	3,411,831	(1,243,015)
3,477,861	6,372,660	4,900,804	5,802,294	3,776,186	9,908,592
(1,365,000)	(4,205,853)	(2,627,188)	(3,397,050)	(1,360,025)	(7,419,946)
-	8,500,000	-	-	10,165,000	12,005,000
-	106,250	-	-	1,008,899	1,106,481
-	-	-	-	(5,521,619)	(7,558,830)
1,130,553	-	-	384,243	-	-
86,034	-	-	-	-	-
1,444,899	11,693	387,888	774,289	62,833	133,861
-	-	-	-	-	-
-	52,248	-	81,713	93,287	2,706,165
4,774,347	10,836,998	2,661,504	3,645,489	8,224,561	10,881,323
5,494,226	11,571,552	2,639,634	(7,107,323)	11,636,392	9,638,308
17.7%	17.1%	17.5%	17.1%	16.5%	15.7%

**CITY OF WYLIE, TEXAS  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 6**

Fiscal Year	Ad Valorem Taxes	Sales Taxes	Franchise Taxes	Total
2013	\$ 21,232,219	\$ 5,635,492	\$ 2,324,149	\$ 29,191,860
2014	22,539,230	5,872,316	2,579,004	30,990,550
2015	24,515,600	6,663,646	2,595,964	33,775,210
2016	27,127,964	7,555,687	2,666,356	37,350,007
2017	30,062,648	7,993,453	2,686,550	40,742,651
2018	31,521,403	7,859,294	2,740,472	42,121,169
2019	33,215,374	8,967,508	2,845,824	45,028,706
2020	34,314,132	10,037,707	2,961,998	47,313,837
2021	35,624,174	11,832,404	2,696,702	50,153,280
2022	36,709,489	12,951,476	2,897,152	52,558,117
Percent Change 2013-2022	\$ 15,477,270 74.6%	\$ 7,315,984 157.9%	\$ 573,003 25.1%	\$ 23,366,257 84.5%

**TABLE 7**

**CITY OF WYLIE, TEXAS  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013	1,906,900,883	362,556,519	112,905,366	111,897,168	2,270,465,600	0.8889
2014	2,029,810,891	385,941,414	120,187,762	119,114,535	2,416,825,532	0.8839
2015	2,159,677,849	456,585,488	120,520,310	118,002,192	2,618,781,455	0.8789
2016	2,403,735,226	493,073,892	184,902,709	160,657,963	2,921,053,864	0.8689
2017	2,796,346,833	524,315,031	174,771,677	169,870,475	3,325,563,066	0.8489
2018	3,184,597,754	591,109,898	210,303,769	209,198,308	3,776,813,114	0.7810
2019	3,616,909,043	650,624,491	201,759,611	209,789,356	4,259,503,789	0.7258
2020	3,980,455,949	702,559,463	214,177,830	220,278,824	4,676,914,418	0.6885
2021	4,152,109,035	771,948,729	188,882,599	231,292,765	4,881,647,598	0.6720
2022	4,583,130,357	756,764,219	190,265,923	240,544,476	5,289,616,023	0.6438

Source: Central Appraisal District of Collin County web site ([www.collincad.org](http://www.collincad.org))

**CITY OF WYLIE, TEXAS**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 8**

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct & Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Wylie Independent School District	Community Independent School District	Collin County	Collin County Community College District	
2013	0.590620	0.298280	0.888900	1.6400	1.4950	0.2400	0.0863	4.3502
2014	0.593314	0.290586	0.883900	1.6400	1.6250	0.2375	0.0836	4.4700
2015	0.597978	0.280922	0.878900	1.6400	1.6150	0.2350	0.0820	4.4509
2016	0.611583	0.257317	0.868900	1.6400	1.6250	0.2250	0.0820	4.4409
2017	0.623399	0.225501	0.848900	1.6400	1.6250	0.2084	0.0812	4.4035
2018	0.580307	0.200693	0.781000	1.6400	1.6250	0.1922	0.0798	4.3181
2019	0.538206	0.187642	0.725848	1.6400	1.6700	0.1808	0.0812	4.2979
2020	0.516225	0.172229	0.688454	1.5384	1.5684	0.1750	0.0812	4.0514
2021	0.512180	0.159799	0.671979	1.5205	1.4862	0.1725	0.0812	3.9324
2022	0.491864	0.151887	0.643751	1.4598	1.4603	0.1681	0.0812	3.8132

(1) Source: Central appraisal District of Colling County web site ([www.collincad.org](http://www.collincad.org)).

(2) Although the Community Independent School District is included in the above presentation, less than one percent of the City of Wylie lies within this taxing jurisdiction.

(3) Basis for property tax rate is per \$100 of taxable valuation.

**CITY OF WYLIE, TEXAS  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO (UNAUDITED)**

**TABLE 9**

Taxpayer	2022			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
BVF-V Wylie LLC	\$ 53,470,016	1	1.01%			
Seventy8 & Westgate LP	49,428,591	2	0.93%			
LPRE Wylie LLC	48,400,911	3	0.92%			
Creeside South Gardens LP	44,502,244	4	0.84%			
Woodbridge Wylie Owner LLC	41,312,854	5	0.78%			
Tower Extrusion LTD	38,803,014	6	0.73%			
Sanden International (USA) Inc.	33,983,359	7	0.64%	\$ 42,516,300	1	1.94%
Wylie Apartments LP	33,185,459	8	0.63%			
2000 Country Club Road LLC	30,999,032	9	0.59%			
Holland Hitch of Tx Inc.	26,323,276	10	0.50%	12,671,384	8	0.58%
Oncor Electric Delivery Company LLC	24,589,435	11	0.46%	17,390,936	4	0.79%
Bloomfield Homes LP	17,751,685	12	0.34%			
Sanden International (USA) Inc.	17,459,079	13	0.33%	15,000,000	5	0.68%
Yes Companies Key LLC	15,040,400	14	0.28%	10,810,733	10	0.49%
Kroger Texas LP	14,037,000	15	0.27%			
Kansas City Southern Railway Co.	14,036,547	16	0.27%			
Wal-Mart Real Estate Business TR	13,788,000	17	0.26%	14,294,138	6	0.65%
HTA-Wylie Medical Plaza LLC	12,787,500	18	0.24%			
Target Corporation	12,691,400	19	0.24%	13,998,400	7	0.64%
Westdale Rustic Oaks LTD	11,979,815	20	0.23%	5,266,333	20	0.24%
Woodbridge Dallas Associates LLC	-			24,499,183	2	1.12%
Woodbridge Crossing LP	-			20,526,236	3	0.93%
Carlisle Coating & Waterproofing Inc.	-			10,824,044	9	0.49%
Atrium Companies Inc.	-			10,259,550	11	0.47%
Cascades Apartments LTD	-			1,000,000	12	0.05%
Best Circuit Boards Inc.	-			9,687,597	13	0.44%
GTE Southwest Inc.	-			8,807,450	14	0.40%
Sooners Group LP	-			8,093,126	15	0.37%
Windough (DE) LP	-			7,486,024	16	0.34%
Wal-Mart Stores Texas LLC	-			6,610,615	17	0.30%
SRB Partners LLC	-			5,773,585	18	0.26%
Target Corporation	-			5,657,753	19	0.26%
Total	<u>\$ 554,569,617</u>		<u>10.48%</u>	<u>\$ 251,173,387</u>		<u>11.44%</u>

Source: Central Appraisal District of Collin County web site ([www.collincad.org](http://www.collincad.org))

**CITY OF WYLIE, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 10**

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 21,102,465	\$ 20,919,197	99.13%	\$ 181,943	\$ 21,101,140	99.99%
2014	22,501,648	22,192,325	98.63%	222,173	22,414,498	99.61%
2015	24,313,312	24,045,424	98.90%	323,627	24,369,051	100.00%
2016	26,864,127	26,549,430	98.83%	403,692	26,953,122	100.00%
2017	29,991,374	29,659,723	98.89%	250,376	29,910,099	99.73%
2018	31,349,629	31,134,716	99.31%	230,766	31,365,482	100.00%
2019	32,977,950	32,767,801	99.36%	210,149	32,977,950	100.00%
2020	34,488,548	34,183,944	99.12%	6,296	34,190,240	99.14%
2021	35,349,912	35,243,082	99.70%	106,830	35,349,912	100.00%
2022	36,688,809	36,487,796	99.45%	71,986	36,559,782	99.65%

**CITY OF WYLIE, TEXAS  
DIRECT AND OVERLAPPING SALES TAX RATE  
LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 11**

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Wylie Economic Development Corporation</u>	<u>Collin County</u>
2013	1.50%	0.50%	0.00%
2014	1.50%	0.50%	0.00%
2015	1.50%	0.50%	0.00%
2016	1.50%	0.50%	0.00%
2017	1.50%	0.50%	0.00%
2018	1.50%	0.50%	0.00%
2019	1.50%	0.50%	0.00%
2020	1.50%	0.50%	0.00%
2021	1.50%	0.50%	0.00%
2022	1.50%	0.50%	0.00%

Note: The City sales tax rate includes the City sales tax rate of one percent and the blended component unit rate of one-half percent



**CITY OF WYLIE, TEXAS  
TAXABLE SALES BY CATEGORY  
LAST TEN CALENDAR YEARS (UNAUDITED)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Construction	\$ 350,351	\$ 497,754	\$ 479,336	\$ 536,173
Manufacturing	238,297	101,808	80,028	103,575
Transportation / Communications	653,107	291,838	179,077	212,058
Wholesale Trade	117,806	100,203	166,717	168,752
Retail Trade	2,912,081	3,303,378	3,633,909	4,169,961
Other	3,145,043	3,435,545	4,228,072	4,736,506
Total	<u>\$7,416,685</u>	<u>\$7,730,526</u>	<u>\$8,767,139</u>	<u>\$ 9,927,025</u>

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of revenue. The tax liability includes the City sales tax rate of one percent and the blended component unit rate of one-half percent.

**TABLE 12**

2017	2018	2019	2020	2021	2022
\$ 452,735	\$ 830,425	\$ 1,147,234	\$ 1,400,203	\$ 1,349,292	\$ 1,259,862
96,116	119,847	119,923	149,700	163,358	351,938
212,407	318,281	349,457	307,326	326,043	349,669
361,554	644,085	677,446	824,396	787,434	912,782
4,560,251	5,513,345	6,133,235	6,873,957	8,526,051	9,268,619
4,826,441	2,825,054	3,253,254	3,578,388	4,349,705	4,502,258
<u>\$ 10,509,504</u>	<u>\$ 10,251,037</u>	<u>\$ 11,680,549</u>	<u>\$ 13,133,970</u>	<u>\$ 15,501,883</u>	<u>\$ 16,645,128</u>

**CITY OF WYLIE, TEXAS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	General Bonded Debt		
	General Obligation Bonds	Combination Tax/Revenue Bonds	Certificates of Obligation
2013	\$ 81,432,742	\$ 13,673,829	-
2014	78,121,976	12,789,364	-
2015	75,375,018	11,864,899	-
2016	83,016,024	1,925,435	-
2017	78,187,253	1,233,553	-
2018	73,139,939	9,115,985	-
2019	67,281,896	8,886,207	-
2020	61,128,854	8,561,429	-
2021	55,044,633	13,479,773	-
2022	54,794,863	12,990,606	-

Fiscal Year	Business-type Activities		
	General Obligation Bonds	Water Revenue Bonds	Combination Tax/Revenue Bonds
2013	3,021,394	-	6,032,077
2014	2,329,667	-	5,706,367
2015	1,622,945	-	5,365,657
2016	6,025,224	-	324,947
2017	5,816,174	-	7,134,237
2018	4,875,035	-	7,388,900
2019	4,184,968	-	7,327,492
2020	3,574,899	-	7,216,084
2021	3,116,788	-	6,871,073
2022	2,619,076	-	6,543,956

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) See the Demographic and Economic Statistics table for population data.

TABLE 13

Other Governmental Activities Debt				
General Obligation Bonds	Tax Revenue Bonds	Contractual Obligations	Leases, Loans and Obligation	Financed Purchases
\$ 3,602,546	\$ 410,000	\$ 1,507,760	\$ 298,867	\$ 152,414
3,588,513	280,000	1,447,896	189,938	61,324
3,539,481	145,000	1,388,031	77,660	25,336
3,223,125	-	1,323,166	-	-
2,911,894	-	1,258,333	-	892,734
2,559,435	-	1,193,436	-	678,036
2,220,091	-	1,123,571	-	457,778
1,870,746	-	1,053,706	-	542,066
1,511,401	-	978,841	-	237,027
1,152,057	-	-	79,529	160,983
Contractual Obligations	Financed Purchases	Total Primary Government (1)	Percentage of Personal Income	Per Capita (2)
-	-	110,131,629	8.16%	2,533
-	-	104,515,045	7.37%	2,371
-	-	99,404,027	6.61%	2,162
-	-	95,837,921	6.13%	2,027
-	-	97,434,178	6.08%	2,039
-	-	98,950,766	5.36%	1,903
-	-	91,482,002	4.80%	1,705
-	3,333,667	87,281,452	4.71%	1,582
-	3,010,014	84,249,550	4.32%	1,433
-	2,702,733	81,043,803	3.64%	1,331

**CITY OF WYLIE, TEXAS**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 14**

Fiscal Year	General Bonded Debt Outstanding			Percentage Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less: Restricted for Debt Service	Net Bonded Debt		
2012	\$ 87,195,807	403,355	\$ 86,792,452	3.95%	2,062
2013	88,056,682	379,477	87,677,205	3.86%	2,016
2014	84,040,156	281,183	83,758,973	3.47%	1,900
2015	80,537,444	470,789	80,066,655	3.06%	1,742
2016	92,264,373	675,565	91,588,808	3.14%	1,937
2017	86,915,321	820,559	86,094,762	2.59%	1,802
2018	80,574,410	1,095,418	79,478,992	2.10%	1,585
2019	73,686,955	1,265,295	72,421,660	1.70%	1,393
2020	66,574,499	1,244,524	65,329,975	1.53%	1,257
2021	59,672,822	1,122,215	58,550,607	1.20%	1,062
2022	58,565,996	766,308	57,799,688	1.09%	949

**CITY OF WYLIE, TEXAS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**(UNAUDITED)**

**TABLE 15**

Governmental Unit (3)	Debt Outstanding	(4) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid with Property Taxes			
Wylie Independent School District	\$ 397,741,699 (1)	63.07%	\$ 250,855,690
Collin County	543,645,000 (1)	3.23%	17,559,734
Collin County Community College District	498,565,000 (1)	3.23%	16,103,650
Garland Independent School District	397,888,940 (1)	0.35%	1,392,611
Rockwall Independent School District	574,235,801 (1)	0.66%	3,789,956
Rockwall County	132,010,000 (1)	0.57%	752,457
Subtotal, Overlapping Debt			290,454,097
City Direct Debt (2)			69,178,038
Total Direct and Overlapping Debt			359,632,135
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			6.80%
Per Capita Direct and Overlapping Debt			\$ 5,908

(1) Source: Municipal Advisory Council of Texas

(2) Excludes business-type activities debt.

(3) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Wylie, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the various government's taxable assessed value that is within the government's boundaries and dividing it by the total taxable assessed value.

**CITY OF WYLIE, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS (UNAUDITED)**

	2013	2014	2015	2016
Debt Limit	\$ 227,046,560	\$ 241,682,553	\$ 261,878,146	\$ 292,105,386
Total Net Debt Applicable to Limit	77,384,144	75,018,154	72,168,010	79,238,061
Legal Debt Margin	149,662,416	166,664,399	189,710,136	212,867,325
Total Net Debt Applicable to the Limit As a percentage of Debt Limit	34.08%	31.04%	27.56%	27.13%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 5,289,616,023
Debt Limit (10%) of Assessed Value)	528,961,602
Debt Applicable to Limit:	
General Obligation Bonds	56,556,034
Less: Amount Set Aside for Repayment of General Obligation Debt	(8,508,016)
Total Net Debt applicable to Limit	48,048,018
Legal Debt Margin	\$ 480,913,584

(1) Texas state law does not prescribe a debt limit; however, by custom, a practical economic debt limit of 10% of the assessed valuation is used. By law, the general obligation debt subject to the limitation may be offset by the amount set aside for repaying general obligation bonds.

**TABLE 16**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 332,556,307	\$ 377,681,311	\$ 425,950,379	\$ 467,691,442	\$ 488,164,745	\$ 528,961,602
73,997,534	67,964,648	61,661,330	55,074,262	48,583,868	48,048,018
<u>258,558,773</u>	<u>309,716,663</u>	<u>364,289,049</u>	<u>412,617,180</u>	<u>439,580,877</u>	<u>480,913,584</u>
22.25%	18.00%	14.48%	11.78%	9.95%	9.08%



**CITY OF WYLIE, TEXAS  
PLEDGED-REVENUE COVERAGE  
LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 17**

Fiscal Year	Water Revenue Bonds	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Total	Coverage
	Utility Service Charges (1)			Principal	Interest		
2013	\$ 13,108,252	\$ 9,609,828	\$ 3,498,424	\$ 330,000	\$ 248,975	\$ 578,975	6.04
2014	13,767,869	10,395,146	3,372,723	345,000	235,475	580,475	5.81
2015	15,473,529	10,531,564	4,941,965	355,000	221,475	576,475	8.57
2016	15,997,794	11,849,326	4,148,468	370,000	211,638	581,638	7.13
2017	18,169,571	12,832,323	5,337,248	-	285,282	285,282	18.71
2018	19,431,713	14,434,320	4,997,393	50,000	240,019	290,019	17.23
2019	20,662,507	14,895,221	5,767,286	100,000	238,519	338,519	17.04
2020	23,047,261	15,809,435	7,237,826	310,000	234,419	544,419	13.29
2021	24,400,005	16,110,604	8,289,401	320,000	228,119	548,119	15.12
2022	27,371,622	17,720,047	9,651,575	330,000	218,319	548,319	17.60

(1) Includes total operating revenue of the Utility Enterprise Fund

(2) Includes operating expenses of the Utility Enterprise Fund, less depreciation expense.

(3) Debt service requirements includes principal and interest payments on revenue bonds.



**CITY OF WYLIE, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS (UNAUDITED)**

	2013	2014	2015	2016
Population (1)	43,484	44,089	45,970	47,776
Personal Income (in thousands of dollars)	\$1,349,874	\$1,417,550	\$1,504,632	\$1,579,381
Per Capita Personal Income	\$ 31,043	\$ 32,152	\$ 32,731	\$ 33,058
Median Age	31.7	31.7	31.7	31.7
Education Level in Years of Schooling (2)				
Less than high school graduate	16.1%	16.1%	16.1%	16.1%
High school graduate (or equivalent)	23.5%	23.5%	23.5%	23.5%
Some college/associate's degree	28.5%	28.5%	28.5%	28.5%
Bachelor's degree	24.5%	24.5%	24.5%	24.5%
Masters, professional, or doctorate	6.7%	6.7%	6.7%	6.7%
School Enrollment	13,305	13,673	14,557	15,023
Unemployment (3)	5.8%	4.6%	4.1%	3.2%

(1) Population estimate from City of Wylie website.

(2) Education statistics for 2013-2020 per the 2010 U.S. Census; for 2021-2022 per the 2020 U.S. Census for population 25 years of age and older.

(3) Unemployment rates from the Texas Workforce Commission website ([www.twc.state.tx.us](http://www.twc.state.tx.us)).

**TABLE 18**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
50,152	52,003	53,653	55,156	59,028	60,876
\$1,682,796	\$1,845,898	\$1,823,484	\$1,855,062	\$1,959,848	\$2,226,053
\$ 33,554	\$ 35,496	\$ 33,987	\$ 33,633	\$ 33,202	\$ 36,567
31.7	33.2	33.3	33.4	33.6	33.5
16.1%	16.1%	16.1%	16.1%	7.8%	7.8%
23.5%	23.5%	23.5%	23.5%	21.8%	21.8%
28.5%	28.5%	28.5%	28.5%	34.1%	34.1%
24.5%	24.5%	24.5%	24.5%	25.8%	25.8%
6.7%	6.7%	6.7%	6.7%	10.5%	10.5%
15,709	16,466	17,164	17,392	18,159	18,703
3.4%	3.2%	2.9%	6.7%	6.20%	2.70%

**CITY OF WYLIE, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)**

**TABLE 19**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wylie ISD	3,000	1	22.84%	1,757	1	21.66%
North Texas Municipal Water Dist	840	2	6.39%	550	3	6.78%
Extruders / Tower Extrusion	550	3	4.19%	-	-	0.00%
City of Wylie	436	4	3.32%	311	5	3.83%
Wal-Mart	397	5	3.02%	320	4	3.94%
Sanden Intl. (USA), Inc.	300	6	2.28%	885	2	10.91%
Avanti Windows & Doors	275	7	2.09%	-	-	0.00%
Kroger	252	8	1.92%	255	6	3.14%
Home Depot	240	9	1.83%	-	-	0.00%
Target	225	10	1.71%	223	8	2.75%
Total	6,515		49.59%	4,301		53.02%

Source: Wylie Economic Development Corporation

**CITY OF WYLIE, TEXAS**  
**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 20**

Function/Program	Full-Time Equivalent Employees as of Year End									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Management Services	13	13	14	14	15	16	18	18	18	20
Finance	9	9	9	9	9	9	9	9	9	8
Planning	5	5	5	6	6	6	5	3	3	3
Building	8	6	6	6	6	6	6	6	6	6
Other	7	7	6	7	8	9	9	14	14	15
Police										
Officers	48	49	55	63	63	63	66	70	70	70
Civilians	7	8	8	8	9	11	11	12	17	21
Fire										
Firefighters and Officers	47	45	45	49	52	52	53	57	62	68
Civilians	3	3	3	3	3	3	3	4	4	4
Animal Control	5	6	7	7	7	8	8	8	8	8
Dispatch	11	10	11	12	13	13	14	14	15	16
Streets	11	11	13	16	17	18	18	19	20	21
Other Public Works										
Engineering	3	3	3	3	3	3	-	-	-	6
Other	11	11	11	11	11	11	14	14	15	11
Parks and Recreation	38	43	44	48	49	51	51	57	57	62
Library	21	22	24	24	25	27	27	27	27	27
Water	15	15	15	15	19	19	19	16	16	16
Wastewater	6	6	6	6	6	7	9	11	12	12
EDC	2	2	2	3	3	3	3	3	3	4
Total	<u>262</u>	<u>274</u>	<u>287</u>	<u>310</u>	<u>322</u>	<u>335</u>	<u>343</u>	<u>362</u>	<u>377</u>	<u>400</u>

Source: City of Wylie annual budget book

**CITY OF WYLIE, TEXAS**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

Function/Program	2013	2014	2015	2016
General Government				
Building Permits Issued	279	298	484	433
Building Permits Value (thousands) (1)	\$ 71,009	\$ 113,783	\$ 106,488	\$ 107,516
Police				
Physical Arrests	1,354	794	973	1,385
Violations Issued	2,473	2,435	2,691	4,188
Warrants Issued	874	808	919	701
Fire				
Emergency Responses	3,456	3,527	4,168	4,311
Fires Extinguished	84	49	62	89
Inspections	1,251	2,380	1,980	2,039
Other Public Works				
Street Resurfacing (miles)	3	3	2	4
Potholes Repaired	5	28	18	43
Parks and Recreation				
Athletic Field Permits Issued	216	113	28	28
Pavilion/Gazebo Permits Issued	173	167	151	202
Recreation Facility Attendance	266,834	267,066	286,357	328,495
Baseball/Softball Fields	24	24	26	26
Soccer/Football Fields	20	20	20	21
Library				
Volumes in Collection	94,868	99,744	103,544	109,392
Water				
New Connections	248	125	1,240	1,219
Water Main Breaks	18	7	3	4
Average Daily Consumption (gallons)	4,005,371	3,106,694	3,625,151	3,719,076

Source: City Departments

(1) Legislature passed a law that prohibits asking for value on permit application.

\* Covid related reduction in services

TABLE 21

2017	2018	2019	2020	2021	2022
667	617	443	500	577	402
\$ 201,540	\$ 155,666	\$ 242,535	N/A	N/A	N/A
1,026	1,333	815	666	710	799
4,228	2,812	2,117	1,791	2,065	1,724
1,492	870	642	250	159	790
4,478	4,755	4,879	4,840	5,708	5,726
168	72	85	107	109	157
2,150	2,724	2,478	3,242	2,948	2,319
5	3	3	0.25	0.9	2
44	81	138	183	283	403
63	41	37	28	62	116
153	165	153	75	163	142
367,665	462,309	509,083	249,028*	285,110*	330,187
26	26	26	26	26	26
21	21	21	21	21	21
114,715	140,905	151,864	156,824	166,059	167,444
678	139	165	252	268	321
-	1	7	6	6	5
3,543,448	4,881,666	3,980,000	3,791,394	3,882,015	3,463,902



**CITY OF WYLIE, TEXAS**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

**TABLE 22**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	4
Other Public Works										
Streets (miles)	194	194	200	205	212	243	250	250	272	250
Alleys (miles)	41	41	42	42	42	42	42	42	26	33
Traffic Signals	14	17	21	24	25	26	26	26	27	27
Parks and Recreation										
Acreage	668	877	886	886	916	910	910	910	910	910
Playgrounds	14	14	15	17	18	18	19	19	19	23
Recreation Facilities	2	3	4	4	4	4	4	4	4	4
Water										
Water Mains (miles)	157	157	157	158	161	161	185	225	198	188
Fire Hydrants	1,554	1,608	1,690	1,707	1,789	1,818	1,857	1,921	2,289	1,938
Number of service connections	11,946	12,894	14,134	15,353	16,031	16,171	17,103	17,499	17,470	17,643
Wastewater										
Sanitary Sewers (miles)	173	173	178	183	188	204	228	228	230	219
Education Wylie ISD										
Campuses in Wylie	19	19	19	20	20	20	20	20	20	20

Source: City Departments



**Independent Auditor's Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with Government Auditing Standards**

Honorable Mayor and  
Members of the City Council  
City of Wylie, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Wylie, Texas (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 18, 2023.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Weaver and Tidwell, L.L.P.  
1406 Wilson Road, Suite 100 | Conroe, Texas 77304  
Main: 936.756.8127

Honorable Mayor and  
Members of the City Council  
City of Wylie

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
January 18, 2023

# City of Wylie

---

City Council Meeting

January 24, 2023



# Overview



- ▶ Introduction
- ▶ Audit Process
- ▶ Audit Results
- ▶ Required Communications
- ▶ Financial Highlights
- ▶ Discussion

# Weaver

National Firm, Local Touch



At Weaver, there are no “one-size-fits-all” solutions. We combine leading technical knowledge with specific industry experience to provide highly customized services tailored to each client’s needs.

## Services

### Advisory Services

- ▶ Risk advisory services
- ▶ IT advisory services
- ▶ Transaction advisory services
- ▶ Forensic and litigation services

### Assurance Services

- ▶ Audit, review and compilation
- ▶ Agreed-upon procedures
- ▶ Employee benefit plan audit
- ▶ SOC reporting
- ▶ Attestation services
- ▶ IFRS assessment and conversion

### Tax Services

- ▶ Federal tax
- ▶ State and local tax
- ▶ International tax
- ▶ Private client services



# 35

Top 35 Firm  
nationwide



Best of the Best Firms (2020)

# Engagement Leadership



## John DeBurro, CPA

Partner,  
Assurance Services

- ✓ 20+ years of public accounting experience
- ✓ Dedicated to serving public sector clients
- ✓ GFOA Special Review Committee Member

## Elisa Gilbertson, CPA

Senior Manager,  
Assurance Services

- ✓ 15 years of public accounting and public sector experience
- ✓ Dedicated to serving public sector clients

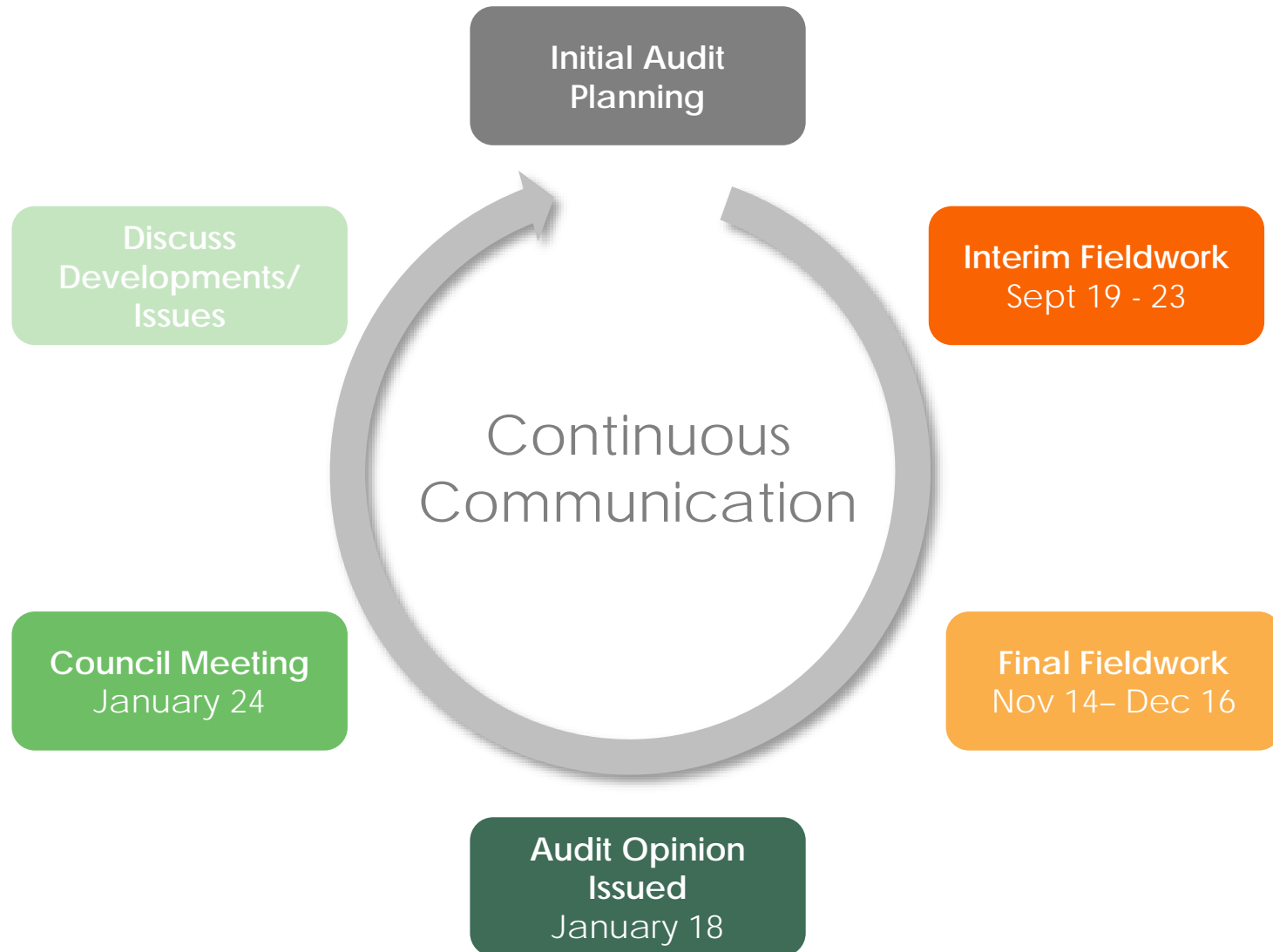
Available Throughout the Year to Discuss Issues

# Audit Process





# Engagement Timeline



# Audit Process

- The audit was performed in accordance with **Generally Accepted Auditing Standards (GAAS)**, and **Generally Accepted Government Auditing Standards (GAGAS)**.
- The audit process was a **risk-based approach** in which we identified potential areas of risk that could lead to material misstatement of the financial statements. We tailored our audit programs and resources to specifically address areas of risk, such as:
  - Revenue recognition and related receivables
  - Capital projects, purchasing and compliance with bidding procedures
  - Payables, accrued liabilities, and expenditures
  - Cash and Investments
  - Long-Term Debt
  - Control testing over purchases and payroll



# Audit Process

Interim fieldwork and risk assessment were performed in September 2022. Procedures included:

- **Walkthroughs** of accounting controls over significant transaction cycles:
  - A. Cash Disbursements and Purchases
  - B. Payroll Disbursements (including TMRS data)
  - C. Municipal Court Receipts
  - D. Utility Billing Receipts
  - E. Other receipts including Parks and Recreation
  - F. Budget and Financial Close Process
- **Tests of compliance** with the Public Funds Investment Act
- **Control testing** over cash disbursements and payroll

# Audit Process

## Final fieldwork- performed in November and December 2022 - Procedures included:

- **Testing** account balances and current year activity using a combination of:
  - analytics, vouching of material transactions, and sampling
- **Evaluating** estimates for reasonableness
- **Assistance** with preparation of the annual comprehensive financial report (ACFR)
- **Determination** that no Single Audit was required in 2022.

# Audit Results

# Auditor Results



- We issued the Independent Auditor's Report on the financial statements
  - **Unmodified Opinion**
- We issued the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
  - **No material weaknesses noted**

# Auditor Communications

for the year ended September 30, 2022

# Required Communications to Those in Charge of Governance



Communication	Results
Generally accepted auditing standards	<p>The financial statements are the responsibility of the City. Our audit was designed to provide for reasonable rather than absolute assurance that the financial statements are free of material misstatement. Our responsibility is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>The audit of the fiscal year 2022 financial statements is complete and <b>we have issued an unmodified opinion.</b></p>



# Required Communications to Those in Charge of Governance



## Communication

Generally accepted government auditing standards

## Results

In addition to the GAAS responsibilities, we are required to issue a written report on our consideration of internal controls and identify significant deficiencies, including material weaknesses, if any. Our reports do not provide assurance on internal controls. We design our audit to provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or grant agreements that have a direct or material effect on the financial statements. We issue a written report on the results of these procedures; however, our report does not express an opinion on compliance.

**No findings noted.**

# Required Communications to Those in Charge of Governance



Communication	Results
<p>Unusual transactions and the adoption of new accounting principles</p>	<p>The significant accounting policies used by the City are described in Note 1 to the financial statements.</p> <p>Pronouncements implemented in 2022 included GASB Statement No. 87. The implementation of GASB Statement No. 87 established right-to-use lease assets and lease liabilities (Lessee) to the City's financial statements.</p> <p>Also adopted was SAS 134, which changed the look and layout of the opinion letter.</p> <p>We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.</p>

# Required Communications to Those in Charge of Governance



Communication	Results
Fraud and illegal acts	No material errors, irregularities, or illegal acts were noted.
Material weakness in internal control	No material weaknesses noted.
Other information contained in documents containing audited financial statements	We provided an “in relation to opinion” on supplementary information accompanying the financial statements. We performed limited procedures on the required supplementary information. We did not provide any assurance on this information. The Introductory and Statistical sections were both unaudited.
Management judgments and accounting estimates	Management’s estimates of net pension and OPEB liabilities, allowance for uncollectible receivables, and estimated useful lives for capital assets were evaluated and determined to be reasonable in relation to the financial statements as a whole.

# Required Communications to Those in Charge of Governance



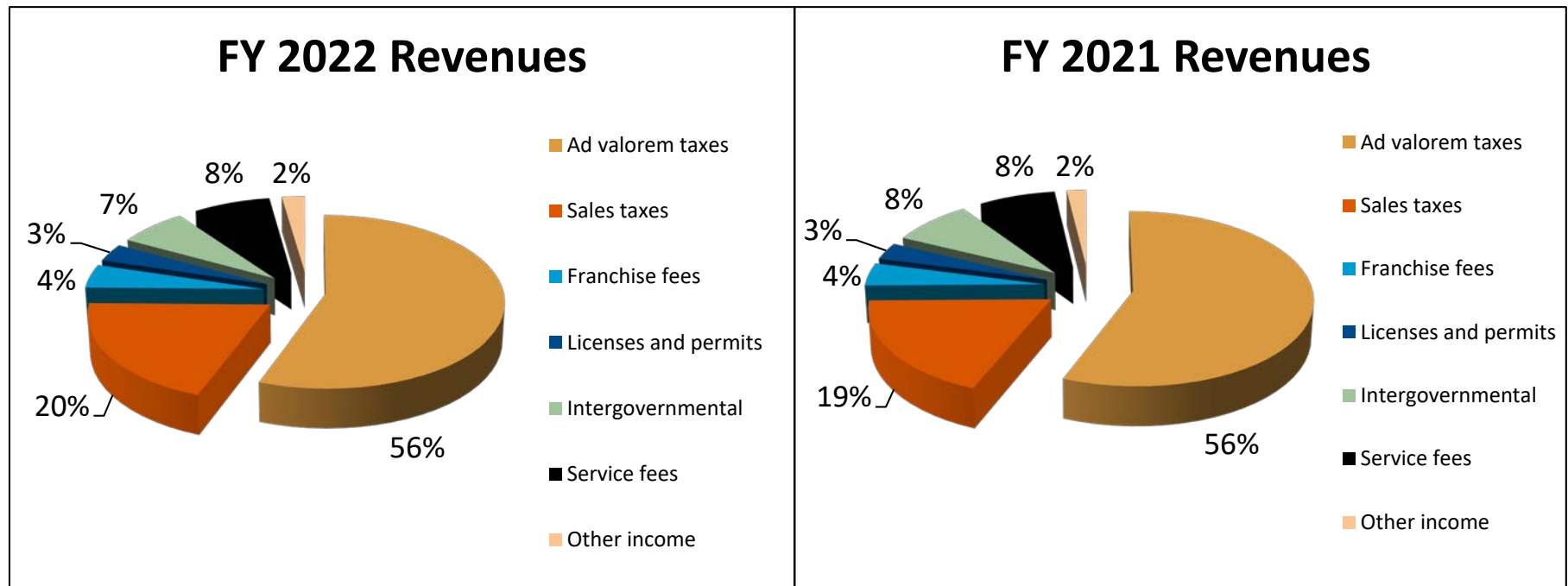
Communication	Results
Difficulties encountered	No difficulties or disagreements arose during the course of our audit.
Management representations	We requested certain representations from management that were included in the management representation letter.
Management consultations	We are not aware of management consulting with other accountants for a second opinion.
Auditor independence	No independence issues noted.
Audit adjustments	<p>Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no passed adjustments noted during the audit.</p> <p>We made no material audit adjustments as a result of our audit procedures.</p>

# Financial Highlights

# Financial Highlights

## Comparison of Revenues by Source

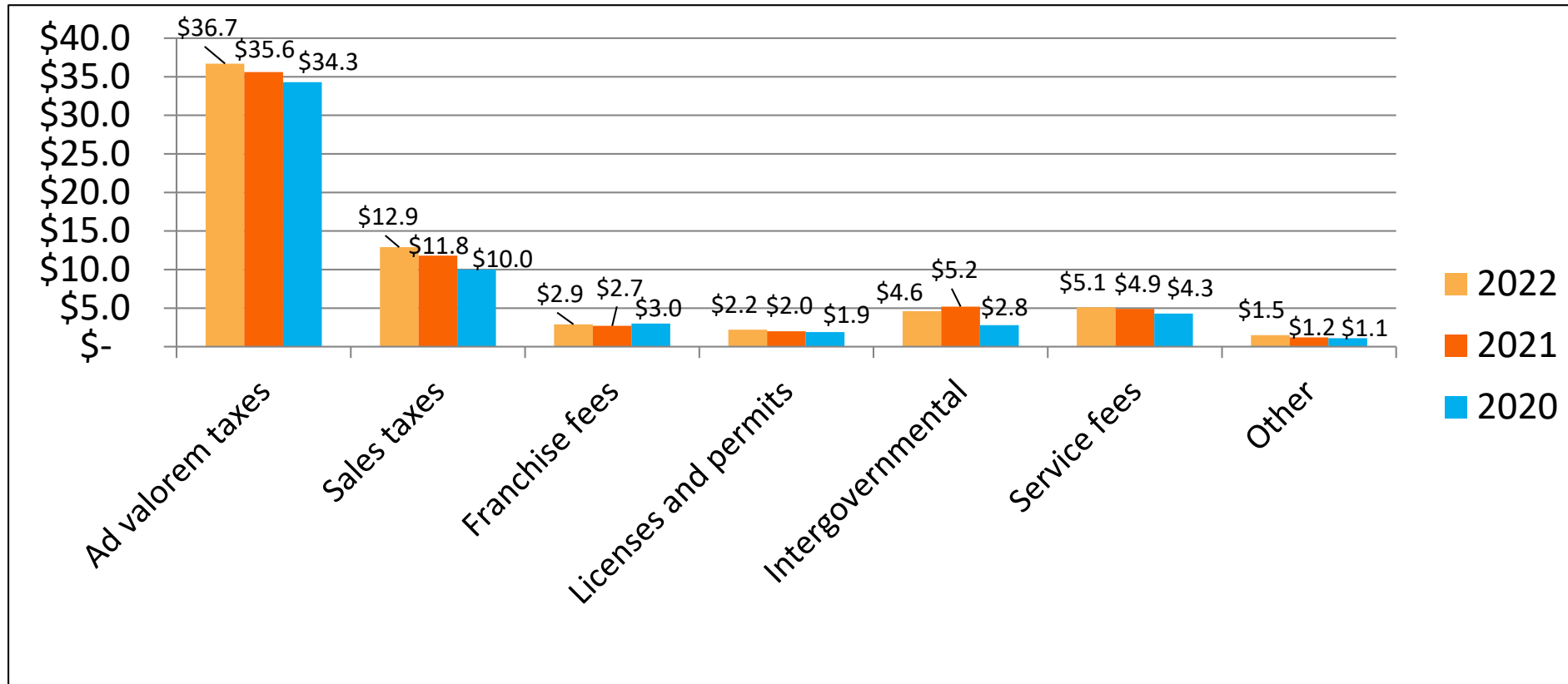
Governmental Funds Revenues for the FY 2022 totaled \$65.9 million, a \$2.5 million or 4.0% increase. This increase is attributed primarily to a \$1.12 million increase in sales taxes and a \$1.09 million increase in ad valorem taxes.



# Financial Highlights



## Comparison of Governmental Funds Revenues by Source

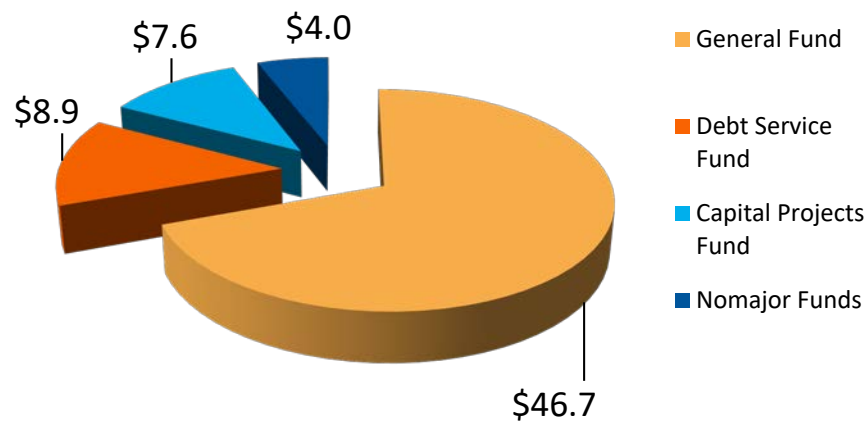


(3-year comparison in millions of dollars)

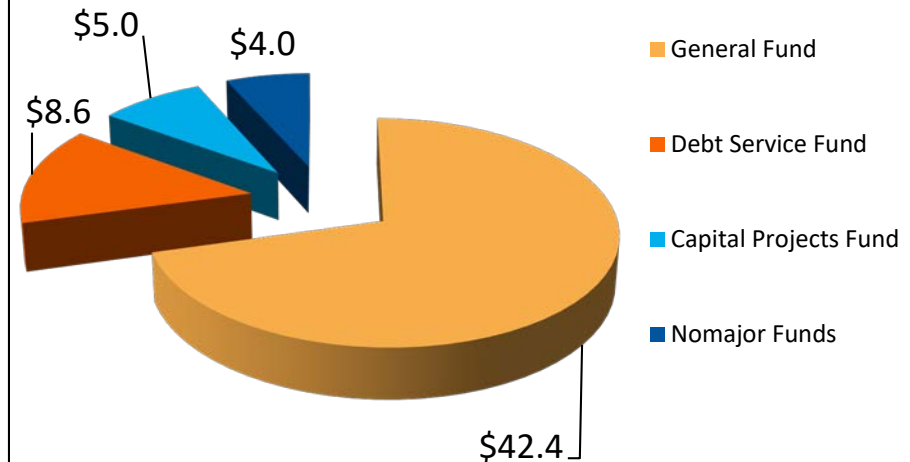
# Financial Highlights

## Comparison of Governmental Expenditures by Fund (In millions of dollars)

**Fiscal Year 2022**



**Fiscal Year 2021**



**Governmental Funds Expenditures for FY2022 totaled \$67.2 million, a \$7.2 million or 12.0% increase.**

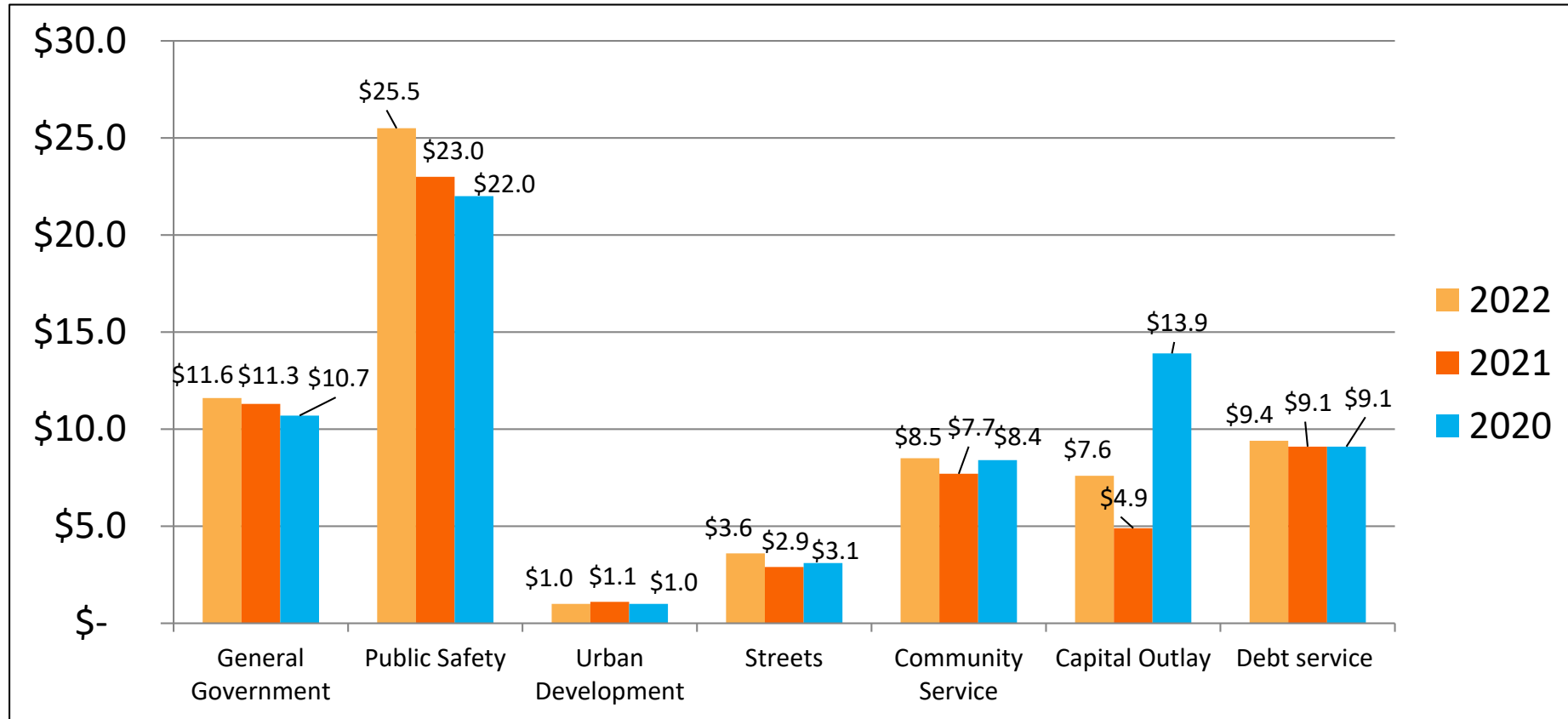
- Capital outlay expenditures increased \$2.7 million.
- Public safety expenditures increased \$2.5 million.
- Community service costs increased by \$0.8 million



# Financial Highlights



## Comparison of Governmental Funds Expenditures \*



\*(3-year comparison in millions of dollars)

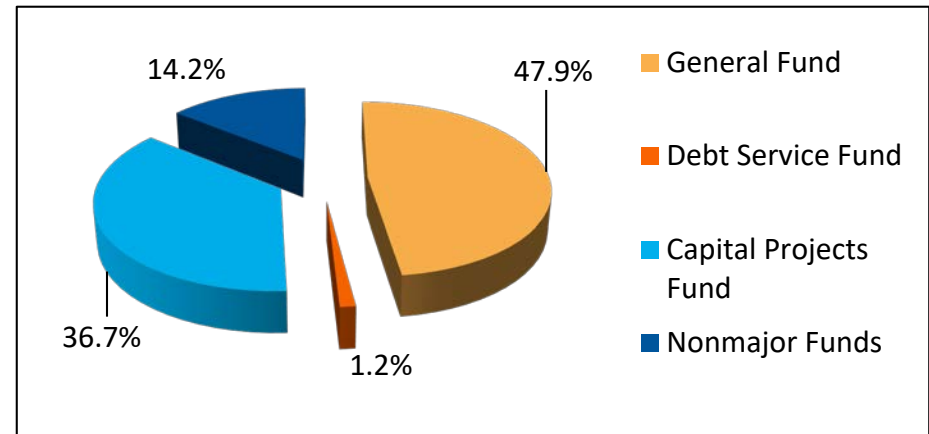
# Financial Highlights

## Fund Balances

### Governmental Funds' Fund Balances

The City's governmental funds reported a combined ending fund balance of \$66.2 million at September 30, 2022 as follows:

• General Fund	\$31,684,260
• Debt Service	842,926
• Capital Projects	24,288,325
• Other Funds	<u>9,392,601</u>
	<u>\$66,208,112</u>



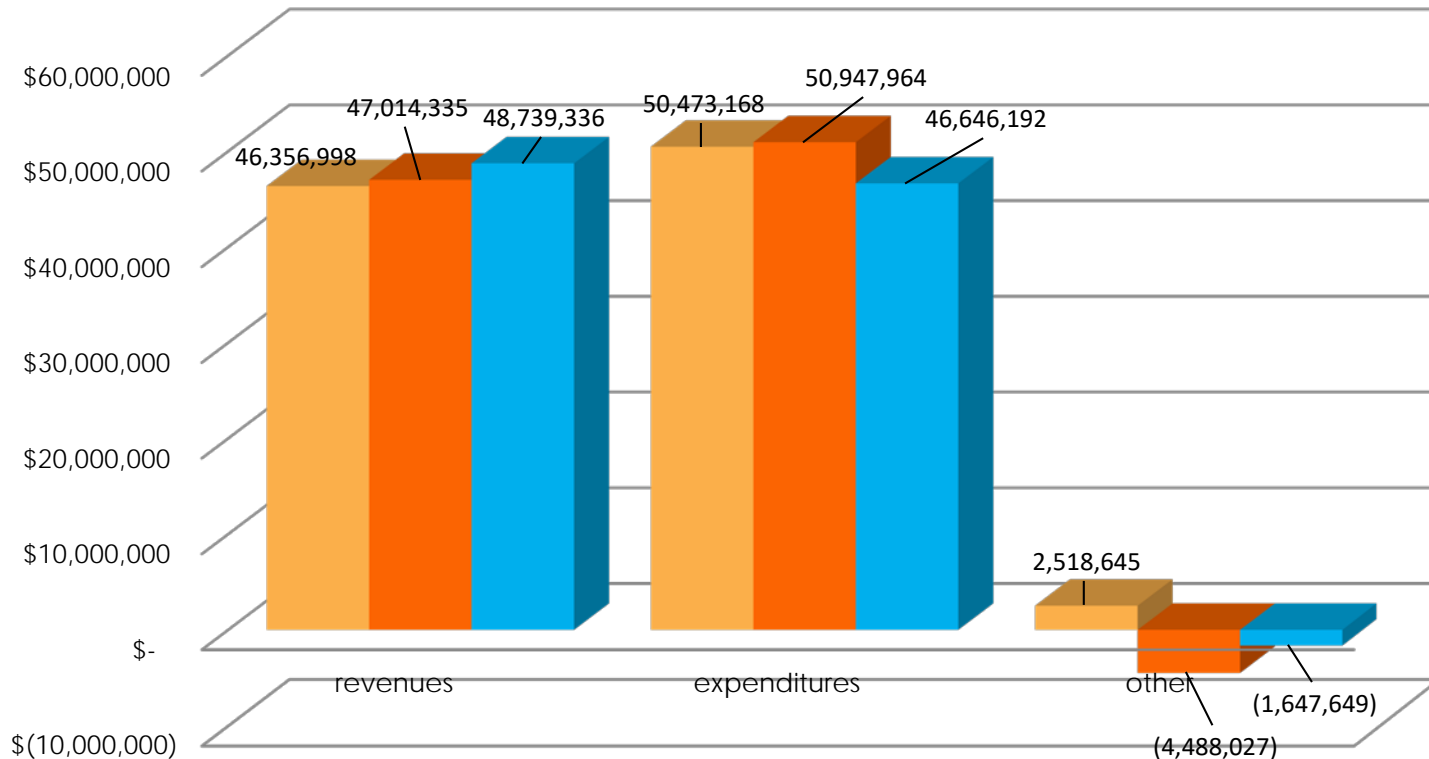
- Governmental funds' fund balance increased by \$9.6 million, primarily due to a \$7.7 million increase in the Capital Projects Fund, the result of \$12.0 million general obligation refunding and improvement bonds issued, \$5.2 million of which will fund capital projects.
- Unassigned fund balance in the General Fund (\$30.4 million) represents 65.2% of general fund expenditures.

# General Fund Budget vs Actual



## General Fund Budget and Actual

original amended actual



Overall, favorable budgetary variance of \$8.9 million:

- Revenues were over budget budget by \$1.7 million.
- Expenditures were \$4.3 million below budget.
- Other Financing Uses (net) varied from budget by \$2.8 million

# Water and Sewer Fund- Current and Prior Year



## Statement of Revenues, Expenses and Changes in Net Position- Water and Sewer Fund

	2022	2021	\$ Change	% Change
Operating revenues	\$ 27,371,622	\$ 24,400,005	\$ 2,971,617	12%
Operating expenses	(20,526,535)	(18,697,568)	1,828,967	10%
(Net) Nonoperating revenue (expense)	(91,910)	(144,014)	52,104	-36%
Transfers and contributions	700,997	901,474	(200,477)	-22%
Change in net position	<u>\$ 7,454,174</u>	<u>\$ 6,459,897</u>	<u>994,277</u>	<u>15%</u>

Net position increased by \$7.5 million over prior year

- Operating revenues increased \$3.0 million – primarily due to rate increases and increased consumption.
- Operating expenses increased by \$1.8 million – primarily due to a \$560K increase in waste water treatment costs.
- Transfers and contributions – a slight decrease of \$200k – primarily due to a decrease in impact fees.

We appreciate the  
opportunity to work with  
**City of Wylie** and look forward  
to our continued relationship.



# Discussion



## Contact Us

**John DeBurro, CPA**

Engagement Partner

972.448.6970 | [john.deburro@weaver.com](mailto:john.deburro@weaver.com)

**Elisa Gilbertson, CPA**

Audit Senior Manager

972.448.6955 | [elisa.gilbertson@weaver.com](mailto:elisa.gilbertson@weaver.com)



# Wylie City Council

## AGENDA REPORT

Department: City Secretary  
 Prepared By: Stephanie Storm

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, the acceptance of the resignation of Tim Gilchrist and the appointment of a new board member to the City of Wylie Economic Development Corporation to fill the term of January 2023 to June 30, 2023.

### Recommendation

Motion to approve Item as presented.

### Discussion

Staff reached out to eight applicants that listed Economic Development Corporation as a preference on their application last year and met the qualifications. The following applicants replied back that they are still interested and willing to serve. Listed below is the preference that they chose for the Economic Development Corporation on their application, their name, and the board they were appointed to and currently serve on.

- Preference 1 - Harold Smith – has served in a position of executive management of a company and has served in a professional capacity (appointed to Zoning Board of Adjustment)
- Preference 2 – Gerald Dyson – meets all three qualifications (appointed to Parks and Recreation Board)
- Preference 2 – John Straube Jr – has served in a position of executive management of a company & has served in a professional capacity (appointed to Construction Code Board)

**First Name\***

Harold

**Last Name\***

Smith

**Occupation**

Retired

**Work experience that may be beneficial to the board you are applying for.**

35 years with Frito Lay in Sales , Operations, Manufacturing, Headquarters Supply Chain  
 President oF Go to Market International 4 Years

**Address in ETJ?\***☐ Yes ☒ No**Wylie Resident\***☒ Yes ☐ No**Length of Wylie residency****Years\***

1

**Months\***

10

**Registered Voter\***☒ Yes ☐ No**Currently Serving\***☐ Yes ☒ No**Boards and Commission Preferences****Board Preference 1:\***

Wylie Economic Development Corporation

**Board 1 Qualification\***

Executive management, professional capacity.

**Board Preference 2:**

Parks &amp; Recreation Board

**Board Preference 3:****Why you would like to serve as a Boards and Commission member:\***

I would like to utilize my skills to help wylie grow and prosper

**Panel Notes:**


---



---



---



---



---



---



**First Name\***

Gerald

Please provide your full legal first and last name.

**Last Name\***

Dyson

**Occupation**

Holistic Health Practitioner, Nutritionist; Business Owner, DysonFit LLC, (DBA CrossFit Alanis), North Texas Equipment Services LLC

**If applicable, please list any work experience that may be beneficial to the board you are applying for.**

12+ years Christian business owner, father and leader in many mentorship, fellowship and ministry positions.

**Address in ETJ?\***

☐ Yes ☒ No

**Wylie Resident\***

☒ Yes ☐ No

How long have you been a Wylie resident?

**Years\***

2

**Months\***

9

**Registered Voter\***

☒ Yes ☐ No

**Currently Serving\***

☐ Yes ☒ No

**Boards and Commission Preferences**

**Board Preference 1:\***

Parks & Recreation Board

**Board Preference 2:**

Wylie Economic Development Corporation

**Board 2 Qualification\***

Serve, or have served, as a CEO, in a position of executive management, and in a professional capacity.

**Board Preference 3:**

Library Board

**Please indicate briefly why you would like to serve as a Boards and Commission member:\***

As a leader in business, family, church and community I have an obligation to my fellow citizens to offer my experience, guidance and commitment to excellence in a way that benefits our city.

**Panel Notes:**

---

---

---

---

---

---

---

**First Name\***

John

Please provide your full legal first and last name.

**Last Name\***

Straube Jr

**Occupation**

retired

If applicable, please list any work experience that may be beneficial to the board you are applying for.

**Address in ETJ?\***☐ Yes ☒ No**Wylie Resident\***☒ Yes ☐ No

How long have you been a Wylie resident?

**Years\***

26

**Months\***

6

**Registered Voter\***☒ Yes ☐ No**Currently Serving\***☐ Yes ☒ No**Boards and Commission Preferences****Board Preference 1:\***

Planning &amp; Zoning Commission

**Board Preference 2:**

Wylie Economic Development Corporation

**Board 2 Qualification\***

Executive management, served in professional capacity

**Board Preference 3:****Please indicate briefly why you would like to serve as a Boards and Commission member:\***

I would like to see better business come into Wylie instead of all the fast food joints and more business . Something needs to be done to prevent accidents along 78 and 544 with people trying to exit back on to the main road from restaurants also need to keep semi's in only right two lanes.

**Panel Notes:**


---



---



---



---



---



---



---