

FY 16 PCDC Budget Amendments Narrative As of April 30, 2016

Summary:

After all amendments are made, regular income decreases \$68,709, expense increases \$175,000.00 and other incomes increase \$23,765. All amendments create a decrease in net income of \$219,944. Projected FY16 Net Income after amendments is \$805,701.

Reserve Fund:

The FY16 budget expenses of \$620,000 toward the reserve fund balance and earmarks an additional \$509,219 out of other income for a total reserve fund balance anticipated of \$1,129,219. At the end of the year, the remaining non-encumbered funds are anticipated to be \$296,482.

Amendment Details:

42400 EOS North America – Decrease in Rental Income due to rent and CAM paid out for 10 months as opposed to the 12 months estimated in the budget. (-\$45,909)

42200 Princess Craft – Decrease in Rental Income due to assumption that the property will remain unrented for the fiscal year. (-\$22,800)

61130 Legal Fees – Increase for additional services rendered for Bylaws and other issues. (\$5,000)

61240 130 CC Lease, Rent & Expenses – Annual reconciliation of Common Area Maintenance (CAM) payments resulted in increase of \$22,000 owed to 130 Commerce Center. Additional \$4,000 for utility expenses during Tracking Point/EOS transition. (\$26,000)

61410 Office Supplies & Services, Consumables – Increase due to additional employee and office equipment. (\$2,000)

61440 Technology Based Services – Increase due to work performed to update computer servicer and equipment. (\$2,000)

66160 Phase 3 – Added new subaccount for professional services associated with extension of Impact Way in the 130 Commerce Center, now referred to as Phase 3. (\$5,000)

67200 Bond Repayment – Decrease to reflect actual FY 2016 debt service payments for bonds issued by the City of Pflugerville on behalf of PCDC. (-\$8,000)

68330 Thinology – Decrease as a result of quarterly due diligence review of Performance Agreement which identified a reduction in possible job award payments by PCDC to the company. (-\$10,000)

Continued

FY 16 PCDC Budget Amendments Narrative As of April 30, 2016

68450 Kompan – Added new subaccount for board approved Kompan project. Per the approved Performance Agreement, relocation incentives will be paid out prior to September 30, 2016. (\$50,000)

68340 Hawaiian Falls – Increase due to quarterly due diligence review of Performance Agreement which identified a remaining advertising credit for fiscal year 2015. Increase provides for full payment of 2015 and 2016 advertising credits. (\$10,000)

68430 Wetzel – Company in non-compliance with Performance Agreement, therefore PCDC's payments that were budgeted will not be made to the company. (-\$27,000)

69130 City of Pflugerville–Kompan Equipment – PCDC Board approved new budget amendment for purchase of equipment to be granted to the City in accordance with Performance Agreement. (\$100,000)

69140 Drop By Drop Grant – PCDC Board approved Drop by Drop Challenge Grant program which was originally approved by the Board in a regular meeting March 5, 2015, but remained unfunded. (\$20,000)

70900 Other Miscellaneous Income – Increase to reflect November & December late payment charges to Hawaiian Falls. (\$23,765)