

ATTACHMENT “A”

Downtown WO Alliance

2016 Budget Narrative

Revenue

This year's recommended budget totals \$235,000. This is an increase of \$15,000 from last year's budget. The revenue contained in this budget is derived from a combination of Special Improvement Assessments, Township of West Orange Contributions, Fundraising Efforts, Surplus from the 2015 budget and utilization of Fund Balance.

The assessment portion totals \$105,189.83¹ and is assessed utilizing a 3 tier system as authorized by the ordinance². The tiers are based on the type of commercial properties located in the downtown corridor. There are a total of 181 properties that provide commercial space for over 300 businesses. These businesses consist of Restaurants, Retail Stores and Personal and Professional Services Companies.

This year's income is broken out into the following categories; Township contribution of Cash and In-Kind³ Services, Fundraising Efforts generated from the Mayors 5K Run (5K), Street Fair (SF) & Farmers Market (FM), Interest income and Surplus & Reserve⁴.

Assessment Income	\$ 105,189.83
Township Contribution - Cash	\$40,809.00
Township Contribution - In Kind	\$28,000.00
Prior Year Surplus/fundraising	\$9,863.99
Fundraising Efforts SF 5K others	\$25,000.00
Reserve Funds	\$26,062.18
<u>Interest Income</u>	<u>\$75.00</u>
TOTAL	\$235,000.00

¹ Final assessment amount confirmed in October of 2015

² Ordinance # 1534-98

³ In kind = \$28,000 for office space and supplies

⁴ Surplus & Reserve - Funds remaining at the end of 2015

Expenses

1. Total Administration & Office Operations

Expenses relating to the Township's contribution include; rent, utilities, telephone, postage, printing, supplies and monetary contribution towards the overall budget. The Special Improvement District (SID) office is located in Township Hall.

Cash Contribution	\$40,809.00
<u>In-Kind office expenses</u>	<u>\$28,000.00</u>
TOTAL Twp Contribution	\$68,809.00

Total Administration & Office Operations \$ 99,510.00.

This sum includes \$28,000 in In-Kind expenses received from the Township. The expenses relating to Administration and Office Operations include Executive Directors salary, payroll fees and taxes, office equipment and supplies. This category includes an increase in directors salary of \$5,000. A specific breakdown is as follows:

Executive Director	\$60,000.00
Payroll Fees & Taxes	\$6,000.00
Printing, Supplies & Equipment	\$3,510.00
Intern Staff	\$2,000.00
<u>Total</u>	<u>\$71,510.00</u>
In-kind	\$28,000.00
<u>Total Office Operations</u>	<u>\$99,510.00</u>

2. Professional Services & Insurance \$8,450.00

The Downtown WO Alliance will distribute funds for Professional Services that include; Directors & Officers Insurance, Worker's Compensation Insurance, Accounting and Auditing services for a budgeted amount of \$8,450.00.

3. Economic Development \$8,000.00

In past years we have utilized this category to engage Joseph Fagan and for the production of "Discover West Orange" the TV show airing on our local access channel. We have decided to move this expense to the Marketing & Promotion category.

This year monies budgeted in this category will provide for business retention and recruitment. The township council has indicated they have revived the Economic

Development Committee. The Alliance will work with this new committee and will co-sponsor this new initiative. In addition this line item will fund a new Brochure, Directory and overall support our strategic plan.

4. Marketing & Promotions \$45,000.00

We have increased the funds in this category by \$21K. As stated above the Alliance will fund the production of Discovery WO, the TV show and our engagement with Joe Fagan, Township Historian. We have begun our second season of the TV show and it has been picked up by PBS and News 12. Joe has added an exciting element to all activities that occur in our township and especially in the downtown corridor. Joe is widely respected throughout the township and the DWOA gets the benefit of this association. Joe has covered our new store openings & ribbon cuttings and on location support for the Farmers Market, Mayors 5K Run, Street Fair and Small Biz Saturday, to name a few.

The remaining monies in this category will support several special events that draw people into the downtown corridor. This budget line supports roughly 22% of the overall budget for Promoting our downtown. Some of the special events include our annual street Fair & Edison Day celebration, the Farmers Market, The Mayors 5K Run and the Holiday Open House.

5. Visual Improvement \$69,040.00

During the past several budgets we have allocated a majority of the funds to this category but have not spent them. This year the DWOA has slightly reduced the funding by \$5K. This is an important area as visual design is one of the first things people notice when they enter our downtown. This line item will fund more way finding signs and two new welcome to WO signs. In addition the holiday decorations and the façade grant reimbursement programs remain in place. The DWOA continues to support maintenance and cleaning of the downtown corridor. Landscaping and beautification of the planters continue to be a priority to maintain an attractive downtown area. Specific support for this category is as follows;

Banners	\$5,000.00
Façade Grant Program	\$20,000.00
Holiday Decorations	\$10,000.00
Landscaping/Streetscape	\$15,000.00
Maintenance Worker	\$15,000.00
Capital Expense & Signage	\$4,040.00

TOTAL

\$69,040.00

6. Organization \$5,000.00

The Organization category provides for the basic structure for the Alliance and allows for the many committees to work together. This line item allows the Downtown West Orange Alliance to promote our programs as well as raise money for activities and administration structure. It is important for the Alliance to have positive relationships with local organizations and groups such as The Chamber of Commerce & the Rotary Club. It is a goal of the Alliance to attend meetings and functions and become a working partner with other organizations. In addition the Alliance will participate in all training and resources the Main Street NJ organization has to offer and continue the next phase of our strategic plan.

In summary The Downtown Alliance board is committed to promoting and supporting the business' and property owners along the Main Street Corridor. We will remain steadfast in evaluating every program we support and each dime we spend to assure there's a benefit to our business and property owners as well as for our community as a whole.

Allocation Summary

REVENUE

Assessment Income	\$105,189.83
Township Contribution - Cash	\$40,809.00
Township Contribution - In Kind	\$28,000.00
Prior Year Surplus/fundraising	\$9,863.99
Fundraising Efforts SF 5K others	\$25,000.00
Reserve Funds	\$26,062.18
Interest Income	\$75.00
TOTAL	\$235,000.00

EXPENSES

1. Administration & Office Operations	\$99,510.00
2. Professional Services & Insurance	\$8,450.00
3. Economic Development	\$8,000.00
4. Marketing	\$22,350.00
5. Visual Improvement	\$72,703.00
6. Organization	\$4,550.00
TOTAL EXPENSES	\$235,000.00
IN-KIND	(\$28,000.00)

Total Proposed 2016 budget \$207,000.00

**Downtown West Orange Alliance
2016 Proposed Budget**

REVENUE	Projected 2016
SID Assessments	\$ 105,189.83
Township Contribution Cash	\$ 40,809.00
Township Contribution In-Kind	\$ 28,000.00
Funds Carried Forward Prev. Year	\$ 1,721.00
Fundraising Carried Forward Prev. Year	\$ 8,142.99
Mayors 5K Run to Break the Silence	\$ 14,500.00
Farmers Market & Other Fundrasing Income	\$ 2,500.00
Fundraising Income - Street Fair	\$ 8,000.00
Interest Income	\$ 75.00
Reserve Funds	\$ 26,062.18
Total Revenue	\$ 235,000.00
EXPENSES	2016 Budget
Total office operations	\$ 71,510.00
Total In Kind	\$ 28,000.00
Insurance & Professional Services	\$ 8,450.00
Economic Development	\$ 8,000.00
Marketing & Promotions	\$ 45,000.00
Visual Improvement	\$ 69,040.00
Organization	\$ 5,000.00
Total Expenses	\$ 235,000.00
<i>In-Kind</i>	\$ (28,000.00)
Total Expenses	\$ 207,000.00