

Downtown WO Alliance

2020 Budget Narrative

Revenue

This year's cash budget totals \$268,000 and provides for an efficient and effective year full of planning, promotion and organization. The revenue contained in this budget is derived from a combination of Special Improvement Assessments, Township of West Orange Contributions, Fundraising Efforts and Surplus from the 2019.

The assessment portion of this budget totals \$133,000.00¹ utilizing a 3- tier system as sanctioned by ordinance². The tiers are based on the type and location of the commercial properties within the downtown corridor. There is a total of 181 properties³ that provide commercial space for over 300 businesses. These businesses consist of Restaurants, Retail Stores, Personal and Professional Service companies.

This year's income is broken out into the following categories; Township contribution of Cash and In-Kind⁴ Services, Fundraising efforts generated from the Mayors 5K Run (5K), Street Fair (SF) and funds carried from previous year⁵.

Assessment Income	\$ 133,000.00
Township Contribution Cash	\$ 40,809.00
Township Contribution In-Kind	\$ 28,000.00
Prior Year Surplus	\$ 20,000.00
Fundraising 5K Run	\$ 11,000.00
Fundraising Efforts SF, Idol & HOH	\$ 35,191.00
TOTAL	\$ 268,000.00

Expenses

1. Total Administration & Office Operations

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

Cash Contribution	\$40,809.00
In-Kind office expenses	\$28,000.00
Total Twp Contribution	\$68,809.00

¹ Estimated assessment amount as of December 2019

² Ordinance # 1534-98

³ Block & Lots adjustments

⁴ In-kind = \$28,000 for office space and supplies

⁵ Surplus = Estimated funds remaining at the end of 2019

Total Administration & Office Operations \$ 130,000.00.

The administrative and office operation line item includes \$28,000 of In-Kind expenses received from the Township. The other expenses relating to Administration and Office Operations include Executive Director salary, payroll fees and taxes, office equipment and supplies. New this is an additional administration staff position. We have just begun to advertise the part-time position and anticipate the cost will be between \$20K and \$25K. We have continued to utilize the software program; Member 365 (M365) which is a sophisticated membership management tool. The streamlining benefit of M365 cannot be overemphasized and has provided a better organizational tool for managing the database of business and property owners.

Administrative Expense

Executive Director	\$ 60,000.00
Administrative Assistant (estimated)	\$ 25,000.00
Payroll Fees	\$ 1,000.00
Employer Payroll Taxes	\$ 8,300.00
Sub-Total Admin Expense	\$ 94,300.00

Office Expenses

Directors Cell Phone	\$ 600.00
Annual Report fees	\$ 100.00
Office Equipment & Software	\$ 1,500.00
Office Software	\$ 1,740.00
Printing (Letterhead & Brochures)	\$ 500.00
Supplies & Board Mtg Exp	\$ 3,260.00
Sub-Total Office Expenses	\$ 7,700.00
In-kind	\$ 28,000.00
Total Administrative & Office	\$102,000.00

Review

Total Administrative	\$ 94,300.00
Total Office Expense	\$ 7,700.00
In-Kind Support	\$ 28,000.00
Total Office	\$ 130,000.00

2. Economic Revitalization (ER) \$3,000.00

Monies budgeted for ER will continue to provide for business retention and recruitment. This year the ER team will take a more personal approach to meeting with our stakeholders. The team has identified key property owners and locations within the SID Corridor and will concentrate efforts on creating more retail ready store fronts and properties. The ER Team will continue to create an environment for recruiting and retaining business within the downtown corridor.

3. Professional Services & Insurance \$5,000.00

The Downtown WO Alliance will distribute funds for Professional Services that include; Directors & Officers Insurance, Worker's Compensation Insurance, Accounting Services for total budgeted amount of \$5,000.00.

D&O Insurance	\$ 1,500.00
Worker's Compensation	\$ 500.00
Accounting	\$ 3,000.00
Total	\$ 5,000.00

4. Marketing & Promotions \$60,000.00

This budget amount has increased slightly as a result of rising costs for supplies and production fees. The Alliance will continue to support the production of Discovery WO - the TV show and our engagement with Joe Fagan, Township Historian and newly appointed public information officer. In addition, Two new items will be supported in the budget category. Restaurant Critic Review & Business of the Month. Both of these new initiatives will help advertise the businesses with-in the corridor that are popular and have a great service to offer. It is the goal of this new program to directly help our business inventory by creating internet traffic to their websites and google searches. A great example of this new program is the critic review for Nicholas Anthony Family Kitchen that we posted in November/December. We are tracking over 5000 views and counting on Facebook from this great review on this new favorite restaurant. We will continue to manage several promotional events and fundraisers that have become very popular over the years. These include but are not limited to West Orange Street Fair, West Orange Idol, Downtown Thursday events, Harvest Festival and the annual Holiday Open House. The remaining monies in this category will support The Mayors 5K and other special events with the goal of bringing people into the downtown corridor. Below please find a breakdown of these expenses.

Joseph Fagan	\$ 18,000.00
TV Show Production	\$ 2,600.00
Downtown Holiday Open House	\$ 6,750.00
Edison Day Street Festival	\$ 10,000.00
Social Media & Newsletter	\$ 7,000.00
Website Branding Design & M365	\$ 3,950.00
Print Media	\$ 500.00
Shop WO Card	\$ 2,350.00

Business of the Month & Restaurant Critic	\$ 2,500.00
West Orange Idol	\$ 3,000.00
Restaurant Week & Downtown Thursdays	\$ 3,350.00
Total Marketing & Promotions	\$ 60,000.00

5. Organization \$6,600.00

The Organization category provides for the basic structure of the Alliance and allows for the many committees to work together. This line item allows the DWOA to promote our programs as well as the creation for sponsorship opportunities we need for fundraising. It is important for the Alliance to have positive relationships with local organizations and groups such as The Chamber of Commerce, Friends of Edison, Friends of the Public Library, Public Relations Commission, the Rotary Club and many others. It is a goal of the Alliance to attend meetings and continue to be a working partner with other organizations. In addition, the Alliance will participate in all training and resources the National Main Street organization & downtown NJ have to offer and continue the next phase of our strategic plan.

Community Events- OSPAC, WOCC	\$ 100.00
Dues & Subscriptions	\$ 1,000.00
Main St. NJ -National Conference	\$ 5,000.00
Trade Shows/Seminars	\$ 500.00
Total Organization	\$ 6,600.00

6. Visual Improvement \$63,400.00

We have dedicated a lot of resources to the design committee over the years. Ron Raymond and his team have been actively engaging the public in conversations about design downtown and improvement. We have made significant improvements to signs, awnings and store fronts. Ron has assembled a great team of talented individuals that continue to work with our stakeholders to improve the downtown corridor. The downtown design guidelines continue to create better buildings and store fronts. The design team comprised of residents and business owners are meeting on a regular basis to create programs that support visual improvements downtown. This line item will fund more way finding signs, the holiday decorations and the popular façade grant reimbursement programs. The DWOA continues to support maintenance and clean-up of the downtown corridor. Landscaping and beautification of the planters continue to be a priority for the downtown alliance. Specific support for this category is as follows;

Banners	\$ 2,500.00
Design Improvements	\$ 3,000.00
Capital Expense & Signage	\$ 3,000.00
Façade Grant Program	\$ 20,000.00
Holiday Decorations	\$ 9,900.00

Landscaping/Streetscape	\$ 15,000.00
Maintenance Worker/Supplies	\$ 10,000.00
TOTAL	\$63,400.00

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 every dollar we spend to assure there's a financial benefit to our business and property owners as well as for the community where we live and work.

Allocation Summary

Revenue	
Assessment Income	\$ 133,000.00
Township Contribution - Cash	\$ 40,809.00
Township Contribution – In Kind	\$ 28,000.00
Prior Year Surplus	\$ 20,000.00
Fundraising Effort Mayors 5K Run	\$ 11,000.00
Fundraising Effort SF, idol, & HOH	\$ 35,191.00
TOTAL Revenue	\$ 268,000.00

EXPENSES	
1. Admin & Office Operations	\$ 130,000.00
2. Economic Development	\$ 3,000.00
3. Ins. & Professional Services	\$ 5,000.00
4. Marketing & Promotion	\$ 60,000.00
5. Organization	\$ 6,600.00
6. Visual Improvement	\$ 63,400.00
Total Expenses	\$ 268,000.00
In-Kind office Operations	(\$ 28,000.00)
TOTAL Cash Budget	\$ 240,000.00

In Summary, this year's total proposed cash budget is \$240,000.00. I respectfully request that you vote YES on this year's budget and fully support the work of the DWOA. Thank you for your attention to this matter.

mgonBull