

BUSINESS IMPROVEMENT DISTRICT (BID) 2016 BUDGET ASSESSMENT

EXPLANATION OF KEY INCOME AND EXPENSE ITEMS 2016

REVENUES

BID ASSESSMENT: The BID Board is responsible for recommending an annual assessment rate to the City Council. The rate for 2015 was \$0.95 per thousand dollars of the assessed value of all commercial and manufacturing properties. The assessment received in 2015 was \$80,966. Based on an estimated valuation of commercial and manufacturing properties, the assessment for 2016, using the same rate of \$0.95 per thousand dollars, would be approximately \$81,000. The BID assessment supports the entire Eagle River Revitalization Program (ERRP) budget, including all programs, activities and events.

The BID Board recommends the City Council approve no change in the current rate of \$0.95 per \$1,000 of valuation for 2016.

Private Contributions (Unrestricted): Solicitations for private contributions are typically mailed in the fall of the year. The ERRP's expectation for private contributions in 2016 is to receive \$5,000 in cash contributions.

Municipal Contributions: ERRP has budgeted \$5,000 from the City in support of the Program for calendar year 2016 (included in Unrestricted Income). **Both the BID Board and ERRP cannot emphasize enough how important continuing financial support from the City is to the ultimate success of the Program. We truly appreciate the City's contribution to the ERRP efforts over the past 16 years.**

ERRP also gratefully acknowledges the City's provision of the office space in City Hall, including the cost of utilities. While the exact value of these contributions is not known, a value of \$13,900 has been assigned (included under In-Kind Contributions) for these two items in the budget, with offsetting expenses.

In-Kind Contributions: In addition to the City's in-kind contribution of office space, accounting services provided by Reach & Schwaiger totaling \$2,100 is reflected in the budget. This is offset with a like expense. Legal expenses are not expected, but if they occur an arrangement has been made with the provider to cover the cost.

Flags & Flowers Restricted Funds: Through the joint efforts of the Eagle River Area Chamber of Commerce, the Eagle River Business Association and ERRP, a program was developed for the purpose of purchasing flags and flowers for display on light poles on Highway 45 North and downtown. Annual requests for donations have resulted in additional funds being received. ERRP expects to receive donations amounting to \$3,000.

Artscape: The Artscape banners project was not done in 2015 due to printing delays. The project is expected to be renewed in 2016, with sponsorship fees of \$10,000.

Farmers Market: The Farmers' Market has seen considerable growth over the past few years. ERRP foresees income of \$4,000, which includes special event vendor fees, increase in normal vendor fees, fundraising, and the local Agricultural directory (a cooperative effort between several markets in the region). ERRP currently works in cooperation with the UW Extension and the Master Gardeners to support this program. In addition, a winter farmers market is now being held at the VFW building.

Annual Dinner: \$1,500 is budgeted as income from attending guests.

EXPENSES:

Advertising and website: The 2016 budget includes \$1,000 for website updates and possible advertising.

Audit: The budget includes \$2,800 for ERRP's annual audit.

Contributions: ERRP budgets \$1,000 for potential community related donations that may arise during the year.

Dues and memberships: There is \$600 in the budget for membership fees and dues, the largest being membership in the National Main Street Program, which is required for qualification as a Main Street community.

Fund raising: The 2016 budget includes \$2,500 for a possible new fund raising event.

Insurance: There is \$2,000 budgeted for Liability insurance, Workers Comp and D&O Insurance.

Accounting & Legal Fees: Reach and Schwaiger provides all accounting and annual report filings at no cost to the ERRP. The expense of \$2,100 is offset by an equal amount of in-kind donations listed in Revenues. In addition, legal expenses are provided at no cost by O'Brien law offices.

Licenses and permits: \$75 is in the budget for State licenses and other permits.

Office supplies: There is \$1,217 in the budget for office supplies such as paper, printer toners, envelopes and other sundry items.

Office equipment/depreciation: \$768 is budgeted for depreciation of office equipment.

Postage: There is \$200 in the budget for postage for newsletters, annual contribution letters and everyday mail items.

Repairs and maintenance: \$200 is included for any office equipment repairs that may arise during the year.

Salaries & Benefits: The Board of Directors of the Revitalization Program determines salaries. The Executive Director's salary for 2016 is still under review, especially because the current Executive Director is retiring and a replacement is being sought.

The current projected base salary and benefits is \$50,000. The ERRP believes the salary level is similar to other executive directors in Wisconsin.

Payroll taxes: \$3,440 is budgeted for payroll taxes.

Telephone: There is \$1,000 budgeted for phone and internet service.

Training: \$600 is budgeted for seminars that may arise during the year.

Travel: There is \$2,100 budgeted for attending required Wisconsin Main Street conferences.

Interest and principal Expense: There are no expenses budgeted for 2016, as the loan taken out by ERRP in 2009 as a result of the purchase of the parking lot next to the Auto Value business on First Street, will be paid off in December 2015. The savings in this area will be used for other ERRP projects.

Rent & Utilities: As part of its support for the Revitalization Program the City also provides a large office in City Hall, climate control, and electricity. This is covered by in-kind donations listed under Revenues.

Program Expense-Municipal Landscaping: For 2016, the Municipal Landscaping line item of \$6,400 is for two projects: a planned reworking of the garden plots near the railroad depot that was postponed from the 2015 budget; and the hiring of an intern for the purpose of updating the other garden plots at the Eagle River entrance signs and other design work.

Program Expense - Christmas Lights: The Chamber of Commerce continues building a fund for the purpose of purchasing new Christmas decorations for the City. Some of the new decorations have been installed. The ERRP has committed to providing \$2,000 per year for this project for at least the next year.

Winter Wonderland: ERRP sponsors a Christmas Decoration contest for businesses, and provides \$100 to the prizes.

Program Expense-Riverview Park: Ongoing improvements need to be made at Riverview Park. The budget for 2016 includes \$6,000 for the following: repairs to the band shell; grills and new picnic tables.

Program Expense-Sign Grants: The Revitalization Program Board of Directors has approved the annual expenditure of up to \$2,500 for sign grants. The Design Committee bases the awarding of grants on a review of the plans for each sign. This has also been expanded to include bike rack matching funds with \$700 being budgeted for that cost.

Expense-Flags & Flowers: As described under Flags & Flowers Revenue, the ERRP Design Committee places flower baskets in the downtown district. The ERRP direct commitment to this program is \$1,000 per year, which is included in Flags and Flowers Expense. Actual cost for maintenance and equipment in 2016 is projected at \$7,700, including \$2,200 of wages paid for daily maintenance.

Program Expense - Artscape: Several years ago ERRP developed a popular program to install banners displaying the talents of local artists on the decorative light poles along Wall St. ERRP expects to continue the Artscape program annually. The cost is estimated to be \$10,600 for 2016, but private sponsorships and auction proceeds will cover the bulk of this cost.

Program Expense - Promotion Committee Fireworks: The ERRP Board of Directors approved a \$1,500 donation to the Chamber of Commerce to support the Fourth of July fireworks display.

Program Expense-Business Recruitment: The Economic Restructuring Committee has budgeted \$3,500 for new business recruitment in 2016. The Business Plan Incentive Grant project will utilize \$2,500. This project provided up to \$500 per chosen participant. The ERRP budget also includes \$1,000 for other recruitment opportunities that may arise over the course of the year. ERRP is carrying over \$2,500 of contribution income from 2015 (non BID funding) to help offset the budget for Business Recruitment

Program Expense – ER Farmers Market: Income generated is used to offset expenses, such as portable toilets, and includes the cooperative local Ag directory, events, marketing, infrastructure (tents & bike rack) and fundraising. Total expenses of \$2,000 are expected, leaving a net profit of \$2,000 after all expenses. ERRP also sponsors a wintertime Farmers Market.