



2022-2023 Draft Budget Narrative

UPDATED OCTOBER 15, 2021
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DOWNTOWN DEVELOPMENT AUTHORITY (DDA) FUND OVERVIEW:

The 2022 DDA Fund budget will have revenues of \$254,737 and expenditures of \$239,871. This proposal results in adding \$14,866 to the existing fund balance. The 2023 DDA Fund budget will have revenues of \$218,692 and expenditures of \$197,936. This results in adding \$19,755 to the existing fund balance. Figures in the rest of this report are a detailed discussion of 2022 fiscal planning.

PROJECTED REVENUE:

The DDA anticipates the following revenue:

- \$167,737 in Summer tax capture from the Village of Middleville
- Approximately \$30,000 in tax capture from Thornapple Township
- \$15,000 from our Community Partner Program and event revenue from vendor fees
- \$2,000 from Farmers Market Fees: *This is goal will be exceeded with 15 seasonal vendors at \$125 for 22 weeks and at least one "drop in" vendor each week. During 2021, the Market maintained 18 seasonal vendors and averaged numerous "drop-in" vendors each week.*
- Approximately \$40,000 in Art Committee Fundraising: *This goal takes into account planned fundraising through an "Art in Public Places" MCACA grant, where the community would contribute \$20,000 through crowdfunding facilitated by Patronicity, which would then be matched by state grant funds, for a total of \$40,000. If we do not do the funds, the grant project will not be completed.*

Total anticipated revenue for fiscal year 2022 is \$254,737.

Note: While the 2020 Budget projected spending \$45,583 of the DDA's fund balance, as of this date in 2021, the DDA Board has not spent any monies from the fund balance, which was reported in the last audit as \$227,000.

PROPOSED APPROPRIATIONS:

STAFF AND SALARIES: The DDA employs a full time director, a part time treasurer, and occasionally contracts with the Village of Middleville Department of Public Works. Wages, withholding, and benefits are projected to be \$73,388.

OPERATING SUPPLIES: This year, the DDA purchased some new technology, including a new office computer. Office supplies for next year are projected to be much lower (primarily ink, paper, and software subscriptions), so funds have been reduced to \$2,000.

FAÇADE PROGRAM: Current approved grant liabilities (multi-year payouts on larger projects and projects being completed near the end of the fiscal year) to property owners and businesses equal approximately \$8,000. The 2022 proposed amount is \$77,000, which leaves funds to allow for train depot facade, the final payment on the bath house, and a few other modest facade programs.

OTHER OPERATING EXPENSES: Many operating costs, like the attorney fees, auditor fees, postage, conference and training budget, travel and lodging, and office space rent have remained static.

CONTRACTUAL AND CAPITAL OUTLAY: have been consolidated under the facade program, in keeping with the nature of the work to be done and accounting needs.

MARKETING, PRINTING, AND PUBLISHING: These line items were reduced to. \$2,500. In 2021, these columns were temporarily inflated to fund the rebranding work and also reflected publications that are now obsolete. The \$2,500 in marketing will allow for target radio and newspaper advertisement in keeping with the vision of the promotions committee and the board, while continuing to expand our social media influence. The print budget allows for *The Town Crier*, signage, promotional material, and other collateral pieces to be designed.

ARTS & CULTURE: With an energetic Art Committee working on a crowdfunding based matching grant and increasing an emphasis on the arts in our downtown, this line item has grown substantially (to \$43,000). In January or February, we will need to order the banner hardware for the Art in the Air display (A partnership with Thornapple Arts Council), and then will work on murals, installation pieces, performing arts improvements, and other projects as fundraising permits.

UTILITIES & BUILDING EXPENSES: Our current office rent includes all utilities except the director's phone, resulting in a substantial savings in this line item (decreasing to \$1500). Building expenses were also reduced (to \$100) to allow a modest contingency budget for any other items needed for the office.

EQUIPMENT RENTAL AND MOTOR POOL: This line item increased to \$3000 to cover DPW expenses for event support, project installation, and other such costs.

FUND BALANCE: Our growing fund balance is intended to serve partially as "rainy day" fund, but mostly as a savings to assist with the interior refurbishment of the Train Depot, contributions towards a splash pad, and/or other large-scale projects.

EVENTS BUDGET: It has been suggested that we consider scaling back to just 4 annual festival style events, Movies Under the Park, and the Riverbank Series. The Art Committee would like to add an Art Festival, but that could be run out of the Arts & Culture (either late winter or early summer have been suggested) budget line. Reducing to four annual events means that one event would need to be merged with another event or cut altogether.

We were not able to show one of our movies this year (Star Wars), but the license is good through most of next summer, so that is already paid for, meaning that we only need about \$1200 for 4 titles this year if we show Star Wars as one feature.

We have budgeted \$19,000, and as you can see based on this year’s events, we have provided for a bit of a cushion in case of inflation or unforeseen needs. This also means that to bring about 14,200 people town throughout the season, we are spending about \$1.16 per person.

2022 PROPOSED EVENTS BUDGET

<i>Event</i>	Budget	Anticipated Attendance
<i>Spring Spectacular/Woodpecker Fest</i>	\$500	500-1000
<i>Independence Day Celebration</i>	\$3500	4000
<i>Heritage Days (Merge Fall Fest)</i>	\$2500	2500
<i>Christmas on the River</i>	\$1000	1500-2000
<i>Movies Under the Stars</i>	\$1200	500
<i>Riverbank</i>	\$7800	4200
TOTAL	\$16,500	14,200 people

		2021	2022	2023
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY				
Dept 100 - REVENUE				
248-100-406.000	Summer Tax Capture	151,790	197,737	201,692
248-100-408.000	DDA Framers's Market Fee		2,000	2,000
248-100-409.000	DDA EVENTS	18,750	15,000	15,000
248-100-600.00	Grant		40,000	
Dept 956 - DDA/LDFA FUND EXP				
248-956-702.101	Salaries & Wages	50000	55,000	56,000
248-956-702.107	Staff/Dept. of Public Works	1,624	1,656	1,690
248-956-712.101	Required Fica & Medicare	3,949	4,334	4,421
248-956-716.000	Employer Retirement	1,479	4,402	4,490
248-956-718.100	Health Insurance	3,092	8,310	8,476
248-956-718.200	Life Insurance	67	68	70
248-956-740.200	Operating Supplies	4,050	2,000	2,040
248-956-801.100	Attorney Fees	5,000	5,000	5,100
248-956-811.200	Audit	350	350	357
248-956-811.600	DDA EVENTS	20,750	19,000	19,380
248-956-818.100	Facade Program	31,800	77,000	72,640
248-956-818.700	CONTRACTUAL	42,500	0	0
248-956-851.100	Postage & Shipping	150	150	153
248-956-889.100	MARKETING	9,000	2,500	2,550
248-956-900.100	Printing & Publishing	6,000	2,500	2,550
248-956-902.100	ARTS & CULTURE	1,500	43,000	3,860
248-956-911.100	Conference & Training	3,000	3,000	3,060
248-956-913.100	Travel & Lodging	1,000	1,000	1,000
248-956-915.100	Utilities & Telephone	5,700	1,500	1,500
248-956-915.200	RENT	6,000	6,000	6,000
248-956-930.200	BUILDINGS	500	100	500
248-956-942.661	Equipment Rental/Motor Pool	750	3,000	3,000
248-956-970.575	Capital Outlay	20,000	0	0
222-956-956.900	Misc. Other	0	0	0
NET OF REVENUES/APPROPRIATIONS - 956-DDA FUND EXP		168,261	239,871	198,936
ESTIMATED REVENUES - FUND 222		170,540	254,737	218,692
APPROPRIATIONS - FUND 222		213,623	239,488	198,936
NET OF REVENUES/APPROPRIATIONS - FUND 222		43,083	14,866	19,755