

**CITY OF TWO RIVERS**  
**Business Improvement District (BID) Board**

**Monday, November 28, 2022**  
**8:00 AM**  
**Council Chambers, 3<sup>rd</sup> Floor – City Hall**

**MINUTES**

**Call to Order**

The meeting was called to order by City Manager Greg Buckley at 8:09 A.M.

**Roll Call**

Members Present: Tom Christensen (via Zoom), Bill Kiel, JoAnn Kouba, Theresa Kronforst and Marv Moore. Members absent and excused: Amy MacMillan and Jim VanLanen, Jr.

Also present were: Main Street Executive Director Jason Ring, Main Street Board President Gina Krahn and City Manager Greg Buckley.

Mr. Buckley noted that a quorum was present, and members Amy MacMillan and Jim VanLanen, Jr. were both excused as they were out of town on this date.

**Review 2023 BID Operating Plan./2022 Main Street Budget**

Mr. Buckley distributed Main Street's 2023 budget materials, as provided to his office by Mr. Ring. He gave some history of Two River's downtown area business improvement district. He also noted that Main Street's proposed use of BID funds in support of its annual budget requires approval not only by the Business Improvement District Board, but also by the City Council, which will consider action on the BID levy and rate in support of the 2023 Main Street budget on December 5.

Mr. Ring and Ms. Krahn proceeded to review the 2023 Main Street budget as adopted by that organization's Board of Directors.. Budgeted revenues are \$154,800, supporting budgeted expenditures of \$156,818, up by just over \$30,000 from 2022.

They first reviewed projected revenues in support of the 2023 Main Street budget. Sources of such revenues include:

BID Levy	\$50,000
Room Tax Funding for Serving as Visitor Info. Location	\$12,000
Direct Sales	\$36,000
Indirect Sales	\$ 7,800
Product Sales	\$ 3,000
Sponsorships	\$30,000
Grants	\$10,000
Income Related to Arts Activities	\$ 5,000
Workshops	\$ 1,000

Mr. Ring noted that the adopted 2023 Budget includes operating and programming expenses of \$146,818, plus funding for repayment of a projected line of credit balance of \$10,000. He added that, while that line of credit has been approved to meet 2022 year-end cash flow concerns, it may not be necessary to use the LOC to that extent.

Mr. Ring also pointed out that the 2023 Budget proposes an increase in the BID assessment rate, from \$1.425, per thousand of assessed value to \$2.00 per thousand of assessed value. The resulting BID levy in support of Two Rivers Main Street's 2023 Budget and Operating Plan is estimated at \$50,000, up from approximately \$40,000 in 2022.. If approved, this would be the first change in the BID rate since 2007

Mr. Ring: also provided a summary of highlights of Two Rivers Main Street's Budget and Work Plan for 2023, including:

- Funding operating expenses for the Main Street Director (the only full-time employee) and rental of Main Street's downtown office space. These costs comprise the majority of the budget and are necessary to carrying out Main Street's programs and activities.

- Funding three façade grants, at \$5,000 each, awarded in 2022 to Weichert Realtors, The Hook Games and Lanes and Cool City Brewing Company (NOTE: the City of Two Rivers has committed \$5,000 in additional grant money to each of these businesses. (He further reported that, at this time, the 2023 budget does not provide resources for additional grant awards in 2023.)

- Funding planned arts initiatives, organized through the TRMS Design Committee; while continuing to fund the downtown flower planters, first implemented in 2021.

- Maintaining and improving on the many special events organized by Main Street.

- Increasing Main Streets "economic revitalization" role, to include working with building owners to fill vacant spaces and assisting businesses in succession strategies and business growth strategies.

Mr. Ring also commented on Main Street's increased emphasis on communication with BID members in recent months, including his Monday e-mail updates and ongoing survey of downtown business and property owners.

Mr. Buckley questioned if the 2023 budget proposed any part-time staffing, to aid in fulfillment of the downtown visitor center function. Mr. Ring and Ms. Krahn indicated that there is not currently any funding for part-time staffing in the budget, but they hope to augment paid staff with volunteers and possibly a summer intern. Mr. Buckley suggested that the part-time staffing issue may need to be re-visited, as the City's Room Tax Commission has not yet given final approval to a 2022 contract with Main Street for visitor information services and will want to be assured of coverage at the Main Street office.

**Recommend Proposed 2022 BID Assessment Rate and Levy in Support of 2023  
Main Street Program Budget**

BID Board members discussed the recommended levy and rate in support of Main Street's 2023 Work Plan and Budget. Mr. Kiel noted that, by taking the BID assessment rate to the maximum rate allowed under the 1996 BID Operating Plan, there is no option for further revenue from this source, other than that resulting from future increases in valuation.

Several members noted that Main Street is more visible and positively perceived in the district, since moving to its own downtown storefront and offering more direct assistance to businesses, such as façade grants. Mr. Ring's e-mail updates were also noted as a positive initiative.

Following discussion, Mr. Moore, supported by Mr. Kiel, to approve an assessment rate of \$2.00 per thousand dollars of assessed valuation for the 2022 tax bills, to provide \$50,000 in support of the 2023 Two Rivers Main Street Work Plan and Budget of \$156,818, and to recommend approval of same by the City Council.


The motion setting the 2022 BID assessment rate and levy was approved unanimously, by voice vote.

**Adjournment**

Mr. Kiel moved, supported by Ms. Kronforst, to adjourn the meeting at 8:52 AM.

Upon voice vote, motion carried.

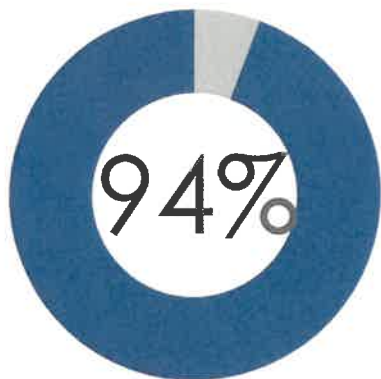
Respectfully submitted,

  
Gregory E. Buckley  
City Manager

NOTE: Two Rivers Main Street 2023 budget materials as presented at this meeting are attached to these minutes.

# Main Street 2023 Budget overview

Percentage of income spent



Summary

<u>TOTAL ANNUAL INCOME</u>	\$156,000
<b>\$154,800</b>	\$154,000
<u>TOTAL ANNUAL EXPENSES</u>	\$152,000
<b>\$145,969</b>	\$150,000
<u>TOTAL ANNUAL LINE OF CREDIT</u>	\$148,000
<b>\$10,000</b>	\$146,000
<u>CASH BALANCE</u>	\$144,000
<b>-\$1,169</b>	\$142,000
	\$140,000



## Main Street 2023 Budget overview

### Annual Income

ITEM	AMOUNT
Income BID Receipts	\$50,000.00
Income Grants	\$10,000.00
Room Tax	\$12,000.00
Sales Direct	\$36,000.00
Sales Indirect	\$7,800.00
Product Sales	\$3,000.00
Sponsorships	\$30,000.00
Arts/Beautification	\$5,000.00
Historical Preservation	\$0.00
Workshops	\$1,000.00

## Main Street 2023 Budget overview

### Annual Expenses

ITEM	DUE DATE	AMOUNT
Adverstising	Date	\$1,500.00
Communications	Date	\$1,416.00
Dues	Date	\$2,249.88
Event enterainment	Date	\$20,000.00
Event Expenses	Date	\$7,000.00
Consumables	Date	\$7,000.00
Permits /Rentals	Date	\$4,300.00
Insurance	Date	\$3,068.00
Office Rent & Supplies	Date	\$12,360.00
Payroll Expenses	Date	\$65,000.00
Accounting	Date	\$925.00
Entertainment	Date	\$100.00
Miscellaneous	Date	\$50.00
Arts/Beautification		\$20,000.00
Historical Preservation		\$0.00
Workshops		\$1,000.00

## Main Street 2023 Budget overview

### Line of Credit

DATE	AMOUNT
Line of Credit	\$10,000.00

	2022 Through Sept	2023 Budget
Income		
BID Receipts	\$ 37,786.44	\$ 50,000.00
Grants	\$ 10,000.00	\$ 10,000.00
Non Profit Income	\$ 7,779.48	
Room Tax		\$ 12,000.00
Refund	\$ (100.00)	
Sales	\$ 1,041.91	
Direct	\$ -	
Entry fee	\$ 10,530.41	\$ 10,000.00
Food & Beverage	\$ 17,339.86	\$ 23,000.00
Membership	\$ (223.00)	\$ 3,000.00
Total Direct		
Indirect Sales	\$ (300.00)	
Craft Booth	\$ 2,000.00	\$ 3,000.00
Food Booth	\$ 4,670.00	\$ 4,800.00
Total Indirect Sales		
Total Sales		
Sales of Product Income	\$ 597.87	\$ 3,000.00
Sponsorship	\$ 2,653.38	
Event Sponsorship	\$ 4,800.00	
Musical acts	\$ -	
Trophy/plaques & awards	\$ (1,000.75)	
Total Event Sponsorship	\$ 3,799.25	
General Sponsorship	\$ 400.00	
General	\$ 1,250.00	
Major	\$ 14,083.00	
Total General Sponsorship	\$ 15,733.00	
Arts		\$ 5,000.00
Historical Preservation		
Workshops		\$ 1,000.00
Total Sponsorship		\$ 30,000.00
Total Income	\$ 113,308.60	\$ 154,800.00
Cost of Goods Sold		
Cost of Goods Sold		
Total Cost of Goods Sold		
Gross Profit	\$ 113,308.60	\$ 154,800.00
Expenses		
Advertising	\$ 373.11	
Advertising/Promotional	\$ 260.00	
Internet	\$ 1,057.93	
Outdoor	\$ -	
Print	\$ -	
Radio	\$ -	
Television	\$ -	
Total Advertising	\$ 1,691.04	\$ 1,500.00



Communication	\$	117.97		
internet	\$	589.85		
Telephone	\$	69.26		
Total Communication	\$	777.08	\$	1,416.00
Debt Write-ff	\$	550.00		
Dues & Subscriptions	\$	1,661.32	\$	2,249.88
Equipment purchases	\$	104.99		
Event Entertainment	\$	25,211.00	\$	20,000.00
Event Expenses	\$	6,832.43	\$	7,000.00
Consumables	\$	2,100.79	\$	1,000.00
Apparal (car show t-Shirts?)	\$	1,733.25	\$	1,000.00
Food & Beverage	\$	4,731.05	\$	6,000.00
Total Consumables				
Permits	\$	129.00	\$	300.00
Prizes	\$	400.00		
Purchases	\$	2,122.37		
Rental	\$	4,707.34	\$	4,000.00
Total Event Expenses				
Gifts In-Kind	\$	-		
Printing & Reproduction	\$	240.00		
Total Gifts In-Kind	\$	240.00		
Grants Given	\$	-		
Facade Grant	\$	-	\$	15,000.00
Total Grants Given	\$	-		
Insurance	\$	1,360.00	\$	1,400.00
Liability	\$	1,177.00	\$	1,200.00
Workmans Comp	\$	468.00	\$	468.00
Total Insurance				
Interest expense	\$	33.65		
Meetings expense	\$	1,955.86		
Office Space Usage	\$	5,758.71	\$	10,000.00
Office Supplies & expenses	\$	1,413.57	\$	500.00
Payroll Expenses	\$	-		
Taxes	\$	3,719.86	\$	4,000.00
Wages	\$	48,625.70	\$	55,000.00
Insurance			\$	6,000.00
Total Payroll Expenses				
Postage	\$	69.65	\$	150.00
Printing & Reproduction	\$	1,656.38	\$	1,500.00
Professional Fees	\$	-		
Accounting	\$	-		
Tax Return	\$	925.00	\$	925.00
Total Accounting				
Total Professional Fees				
Purchases	\$	1,877.17		
Rent	\$	244.49		
Travel	\$	567.07	\$	-

Lodging	\$	897.69	\$	-
Meals	\$	228.95	\$	-
Mileage	\$	56.16	\$	-
Total Travel				
TRMS Rentals	\$	554.40		
PO Box	\$	210.00	\$	210.00
Total TRMS Rentals				
Uncategorized Expense	\$	554.00	\$	-
Arts			\$	5,000.00
Historical Preservation				
Workshops			\$	1,000.00
Line of credit payback			\$	10,000.00
Total Expenses	\$	125,344.97	\$	156,818.88
Net Operating Income	\$	(13,178.87)	\$	(2,018.88)
Net Income	\$	(13,178.87)		