

Proposed Amendments to MEDC Budget FY 2020-2021

The accompanying sheet shows the original adopted budget for this fiscal year (2020-21 Adopted Budget), the amended budget including the changes made to date by the MEDC Board of Directors for this fiscal year (2020-21 Amended Budget #1), and the Proposed Amended Budget with updates recommended because of actual activity during the year or because of changes being recommended by the City Administrator (2020-21 Proposed Amended Budget #2). A summary of these items is presented below.

Income

55400 Sales Tax Recommended change due to actual activity during fiscal year to date. The MEDC Board took a conservative approach to budgeting income early in the pandemic. Income was higher than anticipated by a wide margin due, in large part, to changing buying patterns of local residents in ways that benefitted the City/MEDC with increased sales tax collections. (\$252,940)

55391 Interest Recommended change based on actual activity during fiscal year to date. Since the City is considering an early payoff on the loan made by the MEDC to the City, this increase is not as much as might otherwise be expected. (\$1,000)

Expense

56000.C Future Downtown Development Project Recommended change to add category and begin to set aside funding to implement the future activities in downtown area development that will need to be funded by the City/MEDC. (\$200,000)

56001.8 Sales Tax Reimbursement Recommended change based on actual activity during fiscal year to date. Current activity to date is on track for approximately \$119,000 but is greater in recent months versus the earlier months of the fiscal year, so the additional funds will better absorb the increases expected between now and the rest of the fiscal year. (\$10,000)

56002.3 Events Recommended change to accommodate other changes in the budget. (-\$150)

56100.6 Southern Rum Runners Recommended change to reallocate funding from this sub-account within the Events account. This event, which was to be a craft beer and food truck festival, is delayed by the pandemic. My expectation is that we allocate funds for this event in next fiscal year's budget for the event when it is rescheduled. I have left a modest figure in this account to keep it open when further action is needed. (-\$7,700)

56100.7 Mudbugs and Music Recommended change to reallocate unused portion of these funds from the March event by Charlie Diggs Entertainment to be available for a future request later this year. (-\$1,650)

56100.A Events – Equipment Recommended change to have funding available for a future request to expend funds later this fiscal year. I plan to make a request to the City and MEDC to split the cost of portable electronic sign boards that would be used to provide directional assistance and give guidance messages during events. This item would come back to the MEDC Board of Directors for future approval to expend the funds. (\$22,000)

56100.C Montgomery Antiques Festival Recommended change due to an additional charge coming in after the last estimate was provided to the MEDC Board of Directors. The charge was for emergency medical personnel to be available on site during the event. (\$1,600)

56100.G Montgomery Fall Festival Recommended change to allocate funds for a future request by Charlie Diggs Entertainment for an October event. The MEDC would still have to authorize the expenditure of these funds before their use. (\$9,500; \$1,650 from 56100.7 and \$7,850 new allocation)

56100.H Snow in Historic Montgomery Texas Recommended change to allocate funds towards an event in planning stages. Event would create a winter play area for children of multiple ages during same day as another Christmas event in the City. (\$20,000)

56003.C Website Recommended change to transfer funds to use with another category for improvements to the City/MEDC website to benefit travel and tourism activities. (-\$1,500)

56004.6 Consulting (Professional Services) Recommended change to receive the funds from 56003.C Website. The MEDC’s social media contractor has performed the bulk of additional website work in recent months working beyond the expected scope of her primary work. I would like to increase the payment to her by \$500 per month for the last three months of the fiscal year. (\$1,500)

56004.6 Consulting (Professional Services) Recommended change to reallocate existing funds remaining in the current category for alternative uses.

1. Ancestry.com membership for MEDC/City use. This site has historical data/documents available to only members of the site. This information is expected to be useful in future social media posts related to City history. Estimated expense for this is \$99 for the first six months of membership.
2. Using a portion of remaining consulting funds to pay for a contracted part-time consultant to perform work related to MEDC/City events. I estimate starting at \$1,500 per month to perform work related to supporting the MEDC/City events in place of City staff. The number of events on which we are engaged is growing significantly and existing City staff has other primary duties to perform. I see this as an item that could develop into a staff position or remain as a contracted position in the future. (In a related note, Category 56004.1 Admin Transfers to General Fund reimburses the City for a portion of City staff time and related office expenditures used by MEDC activities.)