

Downtown Budgeting Now



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Downtown Budgeting NOW during the COVID 19 Crisis



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Agenda

- Board role in budget planning
- Scenario planning
- Understand cash flow
- Gather more cash
- Raise more revenue, say THANK YOU
- 3 ways of thinking about making budget cuts
- Communicate regularly about your plans
- Discussion questions



Board role in budget process

- Board is responsible for a well funded organization
- Board delegates much fundraising responsibilities to staff
- Staff and board are partners in making decisions on raising revenue and making cuts



What if our revenue drops 50% from BID assessment receipts?



What if we cancel the event that nets us \$20,000 to our budget? Can we move it to the Fall?



What if local government cannot supply us with the \$30,000 we count in every June?

Scenario planning

Raise Revenue Fast & Cut Costs



Cash flow

- Cash is king, hold on to your cash
- Reserves/Fund balance
- Credit Lines—can you repay?
- No reserve? Fewer options
- Budgeting for a surplus is best



Say **THANK YOU,** first

- Thank everyone first, and often
- Use your email list
- Helping downtown business owners
- What you are doing
- What you are NOT doing
- Photos help

Converting restricted gifts

- Long standing relationships first
- Have the right people make the ASK
- Focus on relationship, and need help NOW
- Ask to have restriction lifted
- What you will do with the money
- Respond to likely questions
- Thank them, send gift acknowledgement ASAP





Board challenge grants

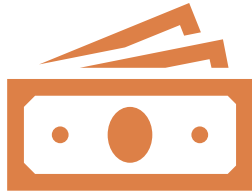
- Ask board members to speed up their annual gifts if possible
- Bundle these gifts together—call it a challenge grant
- Ask for new or increased donations from existing donors



Fundraising to residents

- Subject line: “Corona Virus Consequences - emergency funds needed”
- Expresses urgency
- Why your work is important to them
- How COVID-19 pandemic is impacting your work
- Ask for a special gift
- Share a story of a recent success
- Tell how you will use their gift
- Thank them again, send acknowledgement of gift ASAP

3 ways of thinking about making budget cuts



Across the board cuts to all budget areas, except staff



Cut salaries or furlough staff for limited periods



Selective cuts to specific programs/services or personnel

Don't waste a crisis

Winston Churchill

Regularly communicate your plans

- Keep people informed for reopening
- Work on reopening scenarios with City
- Help businesses apply for government programs
- Plan for new costs
- Keep communicating



Discussion questions



Contact me!

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