



Rhode Island Commerce Corporation

FY21 Operating Budget

Board Presentation & Approval Request

January 2021

**RHODE
ISLAND**
COMMERCE

OVERVIEW

- \$140.4 million budget for FY21 funded using multiple sources:
 - State appropriation
 - State hotel tax revenue to support tourism and business attraction
 - Federal funds
 - Other: unique specific funding streams and/or fees
- Vast majority of both continuing-operations budget and total FY2021 budget pays for economic development programs
- Unique year
 - FY21 (July 1, 2020 – June 30, 2021) state budget finalized in December 2020.
 - \$87.4M in one-time CARES Act funding for small business COVID relief

REVENUE DETAIL

- The \$140.5M FY 2021 budget includes \$87.4M in one-time CARES Act-funded emergency programming. is categorized as follows:
 - State General Revenue:** \$38.7M, of which the base appropriation of \$7.4M is flat from FY20
 - Federal Proceeds:** \$87.8M, including one-time CARES Act funding of \$87.4M
 - Other Income:** \$13.6M, including \$7.5M from the Reserved Program Funds

Revenues	State Gen. Revenue	Federal	Other	Total	% Total
State Appropriations	\$ 7,430,000			\$ 7,430,000	5%
Renewable Energy Fund			2,300,000	2,300,000	2%
Marketing/Tourism			3,000,000	3,000,000	2%
STAC & SBIR	1,900,000			1,900,000	1%
Supply RI	300,000		50,000	350,000	0%
State Pass-throughs	3,300,000			3,300,000	2%
Federal Programs		87,800,000		87,800,000	63%
Economic Programs	25,800,000			25,800,000	18%
Personnel off-set revenue				-	0%
Other income			1,000,000	1,000,000	1%
Reserved Program Funds			7,520,000	7,520,000	5%
Total	\$ 38,730,000	\$ 87,800,000	\$ 13,870,000	\$ 140,400,000	
% Total	28%	63%	10%		100%

EXPENSE DETAIL

- Discounting the CARES Act programming, FY 2021 expenses consist of the following categories:
 - Personnel:** \$6.4M (12%) of RICC's expense structure is salaries/benefits of staff
 - Overhead:** \$2.0M (4%) is general/administrative and overhead costs
 - Advisory:** \$1.4M (3%) is 3rd party legal/consulting/other costs
 - Award & Programmatic Expenditures:** \$43.3M (82%) is projected for direct economic investment. This is in addition to the \$87.4M in CARES Act-funded programming

Expenses		State Gen. Revenue	Federal	Other	Total	% Total
Operating	Personnel	\$ 5,120,000	\$ 380,000	\$ 860,000	\$ 6,360,000	12%
	Overhead	1,900,000	70,000	-10,000	1,960,000	4%
	Advisory	410,000	0	1,020,000	1,430,000	3%
	Total Operating	\$ 7,430,000	\$ 450,000	\$ 1,870,000	\$ 9,750,000	18%
Awards & Programmatic	Renewable Energy Fund			1,950,000	1,950,000	4%
	Marketing/Tourism			3,500,000	3,500,000	7%
	STAC & SBIR	1,800,000			1,800,000	3%
	State Pass-throughs	3,300,000			3,300,000	6%
	Economic Programs	32,200,000			32,200,000	61%
	CARES Act Programs (Federal Programs)		87,400,000		87,400,000	
	Small Business Assistance & Adaptation			500,000	500,000	1%
	Total Programmatic	\$ 37,300,000	\$ 87,400,000	\$ 5,950,000	\$ 130,650,000	82%
Continuing Ops Total		\$ 44,730,000	\$ 450,000	\$ 7,820,000	\$ 53,000,000	
% C.O.		84%	1%	15%	100%	
Grand Total		\$ 44,730,000	\$ 87,850,000	\$ 7,820,000	\$ 140,400,000	100%
% Total		32%	63%	6%	100%	

FY21-FY20 EXPENSE COMPARISON

Expense Comparison		FY2020	FY2021	Change	% Change
Operating					
	Personnel	\$ 6,900,000	\$ 6,360,000	\$ (540,000)	-8%
	Overhead	2,300,000	1,960,000	(340,000)	-15%
	Advisory	1,500,000	1,430,000	(70,000)	-5%
Total Operating		\$ 10,700,000	\$ 9,750,000	\$ (950,000)	
Awards & Programmatic					
	REF	\$ 2,700,000	\$ 1,950,000	\$ (750,000)	-28%
	Marketing/Tourism	4,900,000	3,500,000	(1,400,000)	-29%
	Federal Grants and Programs	200,000	87,400,000	87,200,000	N.M.
	STAC & SBIR	1,700,000	1,800,000	100,000	6%
	State Pass throughs	8,900,000	3,300,000	(5,600,000)	N.M.
	Economic Programs	9,300,000	32,200,000	22,900,000	N.M.
	Small Business Assistance & Adaptation	-	500,000	500,000	100%
Total Programmatic		\$ 27,700,000	\$ 130,650,000	\$102,950,000	
Grand Total		\$ 38,400,000	\$ 140,400,000	\$178,800,000	

APPENDIX A

FY21 Operating Budget

**RHODE
ISLAND**
COMMERCE

EXPENSE DETAIL BY BUSINESS UNIT

Expenses		Operations	Financial Services	Business Advisory	Business Development	Branding & Marketing	Investments	Supply RI	Pass through	Total
<i>Operating</i>										
	Personnel	\$ 2,725,000	\$ 435,000	\$ 265,000	\$ 1,115,000	\$ 895,000	\$ 775,000	\$ 150,000		\$ 6,360,000
	Overhead	1,190,000	220,000	90,000	210,000	210,000	20,000	20,000		1,960,000
	Advisory	850,000	100,000	33,000	121,000	6,000	320,000			1,430,000
Total Operating		\$ 4,765,000	\$ 755,000	\$ 388,000	\$ 1,446,000	\$ 1,111,000	\$ 1,115,000	\$ 170,000		\$ 9,750,000
<i>Programmatic</i>			1,950,000	500,000	0	3,500,000	34,000,000	0	3,300,000	43,250,000
Total		\$ 4,765,000	\$ 2,705,000	\$ 888,000	\$ 1,446,000	\$ 4,611,000	\$ 35,115,000	\$ 170,000	\$ 3,300,000	\$ 53,000,000

Note: Excludes CARES Act-funded small business relief funds

OPERATING DETAILS

Expenses	FY21 Budget	FY20 Actual
Salaries	\$ 5,019,094	\$ 4,228,997
Filled	4,380,954	
Unfilled	1,171,400	
Benefits	1,342,236	897,439
Filled	1,205,482	
Unfilled	317,511	
Other Expenses		
Occupancy	500,000	497,142
Legal	500,000	296,567
Contractual	926,739	1,136,405
Advertising	125,000	123,322
Communications	25,000	24,857
Dues & Subscriptions	225,000	222,801
Education & Training	2,604	2,093
Insurance	250,000	205,403
Meetings & Conferences	15,000	15,892
Mileage	10,000	10,629
Office Supplies	50,000	35,262
Other Expenses	416,645	434,625
Out of State Travel	20,000	18,253
Postage	15,000	11,134
Printing/Production	20,000	16,603
Programmatic	500	500
Depreciation	281,260	281,260
Total Other Expenses	3,882,749	4,484,236
Total Expenses	\$ 9,744,079	\$ 9,610,672

PERSONNEL

	RI Commerce Base	Funded by Other Sources	Total
Executive (and EOC)	7	1	8
Finance, HR, and Operations	10	0	10
Financial Services	4	2	6
Business Assistance	7	6	13
Business Development	6.3	0.7	7
Marketing and Branding	3.5	7.5	11
Investments	6	3	9
TOTAL FTEs	44.3	19.7	64