

NARD Draft Budget FY 20-21 & FY 21-22

February 28, 2020



Nebraska's Natural Resources Districts

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Protecting Lives • Protecting Property • Protecting the Future

February 28, 2020

TO: NARD Board & NRD Managers
FROM: Dean E. Edson
RE: DRAFT Preliminary Budget FY 20-21 & FY 21-22

Attached is the proposed preliminary budget for FY 20-21 & FY 21-22 for the NARD General Operating and NARD Foundation. The NARD Fiscal Planning Committee will review this draft at their March 9th meeting. The committee will make a recommendation to the Board at the board meeting later that day. The NARD Board will then approve a draft budget for consideration by the districts. Final action will occur on the budget at the June board meeting.

For final budgeting purposes, we have included the 2020 NCF Envirothon in the NARD Budget for FY 20-21 as most of the income and expenses will occur in July and August of 2020. However, since there will be some expenses in FY 19-20, we will create a budget for the event on calendar year 2020 so all income and expenses will be accounted for against a budget in QuickBooks. We also will need to issue a final report to the NARD Board and NCF in January 2021.

The funds collected by the local districts and NARD since 2017 have been placed in reserve for the event. The NARD staff has received pledges from other contributors which, if all come through, gives us some cushion for the event. If we have excess after all income and expenses are in, the NARD Board will decide what to do with those funds. Below are the revised estimated totals for the 2020 Envirothon.

TOTAL INCOME--	\$425,166
TOTAL EXPENSES --	\$423,200
NET INCOME --	\$ 1,966

The two-year budget adopted last year asked for a 4% increase in dues each of the next two fiscal years. This is maintained. The other major changes included: 1) Increased income and expense for the Foundation programs to reflect the Fundraising efforts for the 2020 Envirothon to be held in Nebraska. This resulted in a significant increase in income and expenses for FY 2020-21. Note that income and expenses drop significantly the next fiscal year. 2) Increase income and expenses for the annual conferences to reflect increased participation; 3) a \$15,000 reduction in the grant for the NRD/DEE Water Quality position; and 4) an increased cost for NARD Board insurance (Property/Casualty, Liability, Errors & Omissions).

There were no changes proposed with the tree program or the reimbursements from the NARD Risk Pool. A spreadsheet with the budget follows, including an explanation for each line item. We welcome any suggestions for changes to the budget and/or position descriptions. The total budget numbers are as follows:

INCOME	Draft FY 20-21 Budget		Daft FY 21-22 Budget	
	Sub Account	Account	Sub Account	Account
	2020-21		2021-22	
Foundation Programs		\$451,666		\$26,500
Interest Income	1,500		1,500	
Donations & Fund Raisers	25,000		25,000	
2020 Envirothon	425,166		0	
District Dues	4 percent increase	\$604,245	4 percent increase	\$628,415
Conferences		\$222,500		\$230,380
Annual Conference	114,000		118,560	
Legislative Conference	83,000		86,320	
Basin Tour & Meetings (PRCA, Rep, other)	6,500		6,500	
NACD	1,000		1,000	
Other - NRD Managers, NARD Board, Etc.	18,000		18,000	
Grants		\$155,000		\$155,000
NARD/DNR Liaison	40,000		40,000	
NARD/DEE Liaison	85,000		85,000	
NRCS TSP	30,000		30,000	
Information & Education		\$23,625		\$23,625
NACD Poster Winners	125		125	
Husker Harvest Days	3,500		3,500	
Special Projects	15,000		15,000	
Nebraska Envirothon	5,000		5,000	
Investment Income		\$22,750		\$22,750
NPAIT & Union Bank Investment Income	5,250		5,250	
NPAIT Sponsorship & Non- Spon. Income	4,500		4,500	
UBS	13,000		13,000	
Miscellaneous Income		\$500		\$500
NRD Tree Program Sales	400,000		400,000	
Less				
Cost of Goods Sold	376,000		376,000	
Net Tree Program		\$24,000		\$24,000
Washington, D.C. Mtg.		\$104,000		\$106,000
Benefit Administration		\$69,600		\$69,600
Special Projects		\$15,000		\$15,000
Public Relations		\$100,000		\$100,000
Reimb. for Part-Time Receptionist		\$15,208		\$15,816
Total:		\$1,808,094		\$1,417,586
Percent reserve to income		0.52%		0.44%
Percent change in income		26.83%		-21.60%

Income:

Foundation Programs (Account #600)

For final budgeting purposes, we have included the 2020 Envirothon in the NARD Budget for FY 20-21 as most of the income and expenses will occur in July and August of 2020. The funds collected by the local districts and NARD since 2017 have been placed in reserve for the event. The NARD staff has received pledges from other contributors which, if all come through, gives us some cushion for the event. If we have excess after all income and expenses are in, the NARD Board will decide what to do with those funds.

The Foundation Account is estimated to generate funds annually from interest, contributions and fundraisers. The majority of these funds are targeted for the 2020 Envirothon to be held in Nebraska, which a separate detailed budget is attached. Additional programs funded include: The Nebraska Ag Youth Leadership Institute, FFA, ACE Camp, Nebraska Envirothon and other educational programs. The income was increased to reflect the fundraising efforts. (\$451,666 for FY 20-21 and \$26,500 for FY 21-22).

District Dues (Account #601)

Dues from NRDs – Last year’s preliminary budget called for a 4% increase in dues, which is maintained. The revised proposal adds 0.51% to the reserve as a percentage of total income for FY 20-21 and 0.43% for FY 21-22. Total -- \$604,245 for FY 20-21 and \$628,415 for FY 21-22.

Affiliate Dues (Account #602)

Proposed to be deleted. We have not had affiliate dues for over 10 years. Any contributions we have received goes to Miscellaneous Income, line 610.

Conferences (Account #603)

Conference registrations, vendor fees and other – Increased due to increased participation from all sources, including vendors, and reflective of last year’s income (increases for both fiscal years to meet participation). For both FY the totals are:

<u>Conference</u>	<u>FY 20-21</u>	<u>FY 21-22</u>
Annual	\$114,000	\$118,560
Legislative	\$83,000	\$86,320
Basin Meetings (Platte R. CA, Rep)	\$6,500	\$6,500
NACD	\$1,000	\$1,000
Other	<u>\$18,000</u>	<u>\$18,000</u>
Total	\$222,500	\$230,380

Grants (Account #605)

Three grant programs totaling \$155,000 for both fiscal years as follows:

1. **NARD/DNR Liaison position** –The contract is \$40,000 annually to be reimbursed quarterly.
2. **NARD/DEE Liaison position** – This position is reimbursed by a 319 grant at 85% of total cost capped at \$85,000. This is a \$15,000 reduction from previous fiscal years.

Reimbursement for Part-Time Receptionist (Account 621)

This position was approved by the board in November 2010. Currently, we are hiring college students to work part-time. This position is reimbursed by the NARD Risk Pool. The expense for this position is included in Salaries. (\$15,208 for FY 20-21 and \$15,816 for FY 21-22).

Expenses:**Salaries (Account #811)**

For FY 20-21, allowance of up to four percent salary adjustments totaling \$325,211 for four NARD Staff Positions. A similar four percent salary adjustment is budgeted for FY 20-21 totaling \$338,220. Salaries for the NARD/DNR and the NRD/DEE positions are accounted for on separate line items (See Account #'s 814 & 817).

<u>Proposed 20-21</u>	<u>Position</u>
\$177,145	Executive Director (\$169,145 Base, plus \$8,000 deferred)
70,859	Office Manager
62,001	Public Relations Director
15,208	<u>Intern/Receptionist</u>
\$325,211	Total

<u>Proposed 21-22</u>	<u>Position</u>
\$184,230	Executive Director (\$176,230 Base, plus \$8,000 deferred)
73,693	Office Manager
64,481	Public Relations Director
15,816	<u>Intern/Receptionist</u>
\$338,220	Total

Contract Labor (Account # 812)

This project retains a consultant to assist the NRDs with media and public relations. This has been discussed by the Executive Board and is recommended by the NRD managers. The consultant will work with local NRDs on developing better relationships with the media, basin wide and statewide messaging. Continuing education and training sessions for employees and directors at conferences is included. Districts would be billed separately for meetings and special projects specific to that district (\$35,000 each FY).

NRD/DEE Water Quality Liaison Position (Account #814)

This is the total expenses for the position including salary, benefits and expenses. We are reimbursed for salary, benefits, and all related expenses at 85% up to at \$85,000. (\$123,150 for FY 20-21 and \$128,076 for FY 21-22. See account 603 for income).

NARD Officers Expense (Account #820)

President's and/or designated officer's expenses for the NACD Legislative Conference, NACD Annual Meeting, and NACD Regional Meeting. (\$6,600 for each FY).

Information & Education (Account #826)

Sub-account for public relations efforts including special projects, Envirothon, Husker Harvest Days, NET Programs (Baseball & Big Red Wrap-up), awards, PSA's and I & E other. (\$34,250 for each FY).

Staff Expense (Account #840)

Staff mileage, lodging, meals, and other business-related expenses for four NARD Staff. (\$22,500 for each fiscal year). Expenses for NRD/DEQ and NRD/DNR are accounted for separately in Account #'s 814 and 817.

Office Furniture (Account #842)

Any office furniture, equipment or computers that need to be replaced (\$5,000 in each FY).

Office Rent (Account #851)

A five year lease was signed in 2015 and runs through 2020 and \$30,000 is budgeted for each FY.

Equipment Rent (Account #853)

Copier, service contracts, and support for color copier contract. (\$8,000 total per FY).

Insurance (Account #856)

Property/Casualty, Liability, Errors & Omissions. This is increased from \$8,000 to \$9,500 per FY to reflect cost experience.

General Taxes (Account #858)

Personal property, sales tax and other misc. income tax charges (\$500 total per FY).

Telephone/Internet/Cable (Account #860)

State of Nebraska phone system, Time Warner Cable, internet, web hosting, other use and equipment upgrades (\$13,000 in each FY).

Unicameral (Account #861)

Used to keep the law books up to date and final legislative reports (\$500 in each FY).

Repairs & Maintenance (Account #871)

Office cleaning services have been dropped. NARD staff handles cleaning, but we do need an account for any repairs to personal property (no change; \$500 total per FY).

Professional Services (Account #880)

Lobbyist – Zulkoski & Weber, Legal Counsel for any legal review needs, and or other services to be determined by the board. (\$47,000 for each FY).

Special Projects (Account 895-001)

Expenses for special projects taken on by the NARD Board. A corresponding income amount is also included (\$15,000 each FY).

Public Relations Expenses (Account #895-005)

Expenses related to public relations efforts/programs. No programs will be undertaken unless approved by the board and a related income amount is determined (maintained at \$100,000 per FY).

NRCS Expenses (Account #902)

Expenses related to promotion of NRCS and NACD (maintained at \$6,000 per FY).

Budget Summary

	<u>FY 20-21</u>	<u>FY 21-22</u>
TOTAL INCOME	<u>\$1,808,094</u>	<u>\$1,417,586</u>
TOTAL EXPENSES	<u>\$1,798,689</u>	<u>\$1,411,280</u>
Addition to		
CASH RESERVE	<u>\$ 9,406</u>	<u>\$ 6,306</u>
<u>Income Ratios</u>		
Percent reserve to Total Income	<u>0.52%</u>	<u>0.44%</u>
Percent change in Total Income	<u>26.83%</u>	<u>-21.60%</u>
<u>Expense Ratios</u>		
Additional Cash Reserve		
as a percent of Expenses	<u>0.52%</u>	<u>0.45%</u>
Percent increase in Expenses		
from the previous year	<u>30.62%</u>	<u>- 21.54%</u>



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February 23, 2020

TO: NARD Board & NRD Managers

FROM: Dean E. Edson

RE: 2020 National Conservation Foundation Envirothon – NARD Foundation Budget

Attached is the revised budget for the 2020 National Conservation Foundation (NCF) Envirothon to be hosted by the Nebraska Association of Resources Districts in July of 2020. This is an excellent opportunity to showcase the success of Nebraska's NRD system to manage resources on river basin boundaries to the top environmental science students and future leaders in North America. We expect over 260 students and about 150 sponsors and teachers from the United States and Canada will be at the event.

Since the original budget was adopted in June of 2017, the NARD staff and various NRD staff have formed committees to work on the event. The staff has used the budget information from the 2017 North American Envirothon and projected our cost for 2020.

For final budgeting purposes, we have included the 2020 Envirothon in the NARD Budget for FY 20-21 as most of the income and expenses will occur in July and August of 2020. Since this will fall over two fiscal years, we are going to establish the budget on a calendar year for the 2020 NCF Envirothon so all costs and receipts will be accounted for in QuickBooks. A final report needs to be provided to the NCF in January 2021.

The funds collected by the local districts and NARD since 2017 have been placed in reserve for the event. The NARD staff has received pledges from other contributors which, if all come through, gives us some cushion for the event. If we have excess after all income and expenses are in, the NARD Board will decide what to do with those funds. Below are the revised estimated totals.

TOTAL INCOME--	\$425,166
TOTAL EXPENSES --	<u>\$423,200</u>
NET INCOME --	\$ 1,966

We have an opportunity to list the individual NRDs that contribute as sponsors for the testing stations, social events, ceremonies, etc. There are enough events so that all districts that contributed can get individual recognition. The idea is to have signage and information of the individual NRDs at such sites. We would hope that at least one representative from each participating NRD could attend the event.

The students will be housed at the UNL Abel and Sandoz student dorms. There will be deposits required, so we will have some expenses in FY 19-20, but the majority will be in FY 20-21. Therefore the budget for the event will be on calendar year 2020.

We really appreciate the advisory committees that have been helping with the events, recognition, tours, judging, fundraising, testing/training and media. Most all of these individuals are local district employees.

2020 North American Envirothon - NARD Foundation Budget						
Line #		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	TOTAL
1	Team Registration - 52 @ \$1800				\$93,600	\$93,600
2	Individual Registration - 45 @ \$800				\$36,000	\$36,000
3	NRD Contribution	\$84,301	\$81,265	\$0	\$0	\$165,566
4	NARD Foundation	\$5,000	\$5,000	\$5,000	\$0	\$15,000
5	Private Sector Contributions				\$115,000	\$115,000
						\$0
						\$0
	TOTAL INCOME	\$89,301	\$86,265	\$5,000	\$244,600	\$425,166
	EXPENSES					
6	Housing					\$89,000
7	Deposit			\$18,000		
8	Balance			\$21,000	\$50,000	
9	Meals					\$90,000
10	Deposit			\$18,000		
11	Balance			\$42,000	\$30,000	
12	Event Site Rentals					\$25,000
13	Deposit			\$5,000		
14	Balance			\$20,000		
15	Buses/Transportation					\$23,000
16	Deposit			\$6,000		
17	Balance			\$17,000		
18	Supplies/Shirts					\$53,500
19	Participant T-Shirts			\$7,000		
20	Presentation T-Shirts			\$3,000		
21	Committee & Volunteer Shirts			\$2,500		
22	Registration Bags/Backpack			\$12,500		
23	Goody Bags			\$6,000		
24	Ponchos			\$3,500		
25	Registration Packets w/notebooks			\$10,000	\$500	
26	Nametags			\$1,000		
27	Awards			\$7,500		
28	NRD Information Booklets			\$5,000		\$5,000
29	Office Supplies/Copying/Postage			\$2,000	\$1,000	\$3,000
30	Ceremonies					
31	Opening Ceremony - Includes featured speaker			\$2,500	\$5,000	\$7,500
32	Education Day Field Trip - NRD Site(s) TBD			\$5,000	\$25,000	\$30,000
33	(Includes refreshments, lunch and dinner for 550)					\$0
34	Awards Ceremony & Banquet			\$5,000	\$23,000	\$28,000
35	(Includes, featured speaker and meals)					\$0
36	Social Events for students			\$2,500	\$1,000	\$3,500
37	Training and Testing Sites					
38	Tents at teaching and testing sites			\$15,000		\$15,000
39	Station Test Materials			\$20,000		\$20,000
40	Oral Presentation Laptop Rentals			\$5,000		\$5,000
41	Oral Presentation Materials			\$1,000		\$1,000
42	Signs/Banners			\$2,500		\$2,500
43	Porta-Potties at teaching & testing sites			\$2,800		\$2,800
44	Judges/Volunteers (meals/accomodations/gifts)					
45	Meals/accomodations/gifts			\$3,000		\$3,000
46	Hospitality Room				\$1,500	\$1,500
47	Other				\$400	\$400
48	NRD Representation at the 2018 & 2019 NA Envirothons		\$3,000	\$3,000		\$6,000
49	Special Events Insurance			\$5,000		\$5,000
50	First Aid Kits			\$500		\$500
51	Miscellaneous			\$1,500	\$1,500	\$3,000
	TOTAL EXPENSES	\$0	\$3,000	\$281,300	\$138,900	\$423,200
	NET INCOME/LOSS	\$89,301	\$83,265	-\$276,300	\$105,700	\$1,966

2020 NCF Envirothon – Nebraska Budget

Meals (Lines 9-11) – Meals will be provided at the Abel/Sandoz cafeteria for the registered students and individuals over the 6-day event. Three meals per day will be provided. Estimated costs at \$30/day/individual. We budgeted a deposit (\$18,000) in FY 2019-20. Total - \$90,000.

Event Site Rentals (Lines 12-14) – Sites will need to be reserved to handle all students for the social events, outdoor testing locations, opening and closing ceremonies, etc. We anticipate these will need to be secured in FY 2019-20. Total - \$25,000.

Buses/Transportation (Lines 15-17) – Buses will be needed to transport students, sponsors, and other individuals to training and testing days. We have received estimates from bus companies for the event but have not signed contracts yet. Total - \$23,000.

Supplies/Shirts (Lines 18-27) – These estimates are based upon other states costs for supplies provided to students, committee members, judges and volunteers. The students are all supplied with the same official notebooks, bags, backpacks. This is to prevent them from bringing their own supplies and notes to events. The costs from other states are adjusted for expected cost in FY 2019-20. Total - \$53,500.

NRD Information Booklets (Line 28) – Included an amount for an NRD Information Booklet to provide to all participants. By 2020, we may need to revise some existing information booklets that can be utilized for other purposes we could also use for this purpose. The NRD I&E staff can begin reviewing this issue over the next couple of fiscal years. The costs are based upon previous printing cost. Total \$5,000.

Office Supplies/Copying/Postage (Line 29) – Included an amount for office supplies, copying, and postage. Total - \$3,000.

All of the following events will be developed through one of the advisory committees.

- **Ceremonies (Lines 30-36)** -- Included an amount for the opening ceremony and a featured speaker. This could be a Nebraska celebrity or dignitary. This would include reception for about 700 attendees. Total - \$7,500.
- **Education Day Field Trip (Line 32)** -- We are planning a field trip to feature some local NRD flood control structures such as Antelope Valley, Lake Wanahoo, Chalco Hills, etc. The districts involved would be listed as sponsors for the event (see the NRD Contribution line 3 - summary above). The field day could also include a visit to the Omaha Zoo. Costs would include bus transportation, meals, refreshments and admissions for 550 people. Total - \$30,000.
- **Closing Awards Ceremony and Banquet (Line 34)** – This will include a featured speaker and meals for 550. Total - \$28,000.
- **Evening social events for the students (Line 36)** -- This would be ice cream social and/or pizza night. Total - \$3,500.

2020 NCF Envirothon – Nebraska Budget

First Aid Kits (Line 50) – Included an amount to purchase first aid kits to have at all locations for emergency purposes. Total \$500.

Miscellaneous (Line 51) -- Included an amount for miscellaneous expenses. Total \$3,000.

TOTAL INCOME--	\$425,166
<u>TOTAL EXPENSES --</u>	<u>\$423,200</u>
NET INCOME --	\$ 1,966