

2022 BUDGET DESCRIPTIONS (DRAFT)

NACO REVENUES

MEMBERSHIP DUES: The 2022 NACO membership dues for all counties are calculated to be a total of \$361,894. The 2021 membership dues were \$368,788. The reduction in dues is due to Lander County's desire to not renew their membership in NACO. The NACO Dues Schedule was developed to recognize the various unique characteristics of each county, while at the same time providing a systematic method of assessment that considers the changes occurring yearly in our member county revenues. As such, the 2021 dues are based upon the FY20 audited S-1 revenues for each county and the 2020 certified population figures. Most member counties, experienced stable membership dues and saw only a 1% or less increase to their membership dues. There were two counties who will see a slight reduction of membership dues for 2022.

PUBLIC LANDS ASSESSMENT DUES: This revenue calculation is based on the equivalent of a percentage, as determined by the Board, of up to .5%, of the most recent federal Payment in Lieu of Taxes (PILT) payment made to each county. The proposed Assessment for 2022 is based on 0.5% and is a total of \$136,824 and represents a slight reduction from 2021. This assessment contributes to the expense of NACO's Natural Resources Manager as NACO supports counties on natural resources and public lands related issues.

ASSOCIATE MEMBERSHIPS: \$15,000 is anticipated as revenue from Associate Memberships in 2022. Though the 2021 budgeted amount was \$18,000, we believe that NACO will collect more revenue than anticipated but given the difficulty in collection of dues due to COVID-19 workforce impacts, we wanted to plan for less than expected membership numbers. As organizations return to more in-person work schedules, we believe that \$15,000 is a reasonable projection for 2022.

CONFERENCE REVENUE: Conference revenue for 2022 is projected to be \$80,000, which is the same as 2021. We are basing this budgeted number on location of the 2022 conference and continued hesitancy to return to in-person conferences and travel.

INDIGENT ACCIDENT FUND (IAF) ADMINISTRATION: \$70,000 is budgeted by NACO for administration and support of IAF activities and the IAF Board of Directors. The current contract to provide administrative services to the IAF Board and Fund extends through June 2022.

INTEREST & INVESTMENT INCOME: \$15,000 has been budgeted for investments that are managed by Moreton Financial Advisors, which is the same amount as 2021. We are projected to meet the budgeted amount for 2021.

NATIONAL PROGRAMS: Through agreements entered into by the Board, the Association receives revenue from the National Association of Counties (NACo) for marketing Nationwide Retirement Services (deferred compensation) and the Caremark Discount Prescription Card Program. The Association also receives royalties based on county participation in Nationwide Retirement Services as well as constituent use of the Caremark Discount Prescription Card. Given that we have exceeded budgeted amounts in these programs for 2021, we are increasing the budgeted amount to \$5,000 for this revenue source in 2022, This is in line with actual revenue we will receive in 2021. NACO staff is working to re-invigorate this program and increase the revenue received from National Programs, additional usage of these programs throughout Nevada will generate additional revenue.

NACO EXPENSES

STAFF SALARIES AND BENEFITS: The 2022 budget calls for continuing with a full-time NACO staff of four: Executive Director, Government Affairs Manager, Office Manager and Natural Resources Manager. Salaries for NACO employees are \$315,000 to reflect a cost savings in vacancies. All projected staff salaries for 2022 are within the salary ranges for those positions. All employees are members of the employer funded Public Employees Retirement System. The PERS contribution rate is currently 29.5%. NACO employees are also provided life insurance, health, dental and vision insurance. The 2022 budget reflects a slight increase in health insurance costs. NACO will be finalizing recruitment for the vacant Government Affairs Manager (formerly Deputy Director) with an onboarding projected for that position in January of 2022. Upon fulfillment of that position, we will begin recruitment for the NACO Natural Resources Manager.

The NACO Board approved a grant-funded position for a Public Health Coordinator, we are in the final stages of that recruitment. That position is fully funded by a federal grant, with a sub-allocation from the State of Nevada, and will not have an impact on salary costs for the Association. NACO will show the grant expenses and revenue reimbursements separately in the budget for grant tracking purposes.

WORKER'S COMP/FICA: The Workers' Compensation is provided under the Public Agency Insurance Pool. The 2022 budget amount is \$7,500. The budgeted amount for 2021 was also \$7,500, we have chosen to maintain this amount and believe that to be a reasonable expectation for 2022.

AUDIT: \$9,000 is budgeted for our independent auditor, Michael Bertrand, to conduct the 2021 NACO Audit. The actual amount for 2020 was \$8,725, and we project the fee for 2022 not to exceed \$9,000.

BOARD MEETINGS: \$8,000 is allocated for expenses related to 2022 Board meetings, which includes expenses for staff to travel for two off-site meetings one in Clark County and other in a to be determined Eastern Rural County, as well as costs for a board retreat to discuss strategic planning for the Association. This expense item is a slight increase from the \$7,500 budgeted in 2021 due to forecasted increases in travel and fuel costs.

BUILDING CAPITAL IMPROVEMENT PROGRAM: \$6,000 is budgeted for minor improvements and repairs to the historic NACO office building. This is the same amount as 2021.

BUILDING OPERATING EXPENSES: \$19,000 is budgeted for taxes, utilities, landscaping/snow removal, janitorial services, and minor maintenance and repairs. This is the same amount that was budgeted in 2021.

CONFERENCE EXPENSE: \$38,000 is allocated for the 2022 NACO Annual Conference which will be in Storey County. The actual expense in 2021 was \$30,000. We believe we can manage Conference expenses at that number.

COUNTY LEADERSHIP INSTITUTE: \$3,500 is allocated in 2022 to support attendance for one participant in the National Association of Counties, County Leadership Institute training program. This is a slight increase from 2021.

DONATIONS/SPONSORSHIPS: \$1,500 is being proposed for donations during 2022 to support other groups affiliated with the mission of NACO. This is the same as last year.

EQUIPMENT LEASES & MAINTENANCE: \$4,500 is allocated for office equipment leases and maintenance. This figure represents the lease of a copier, scanner and fax machine, as well as maintenance costs for equipment. This is the same amount as was allocated for this budget category in 2021.

EQUIPMENT PURCHASES: \$4,500 is allocated for computer and other office equipment including non-subscription software. This is the same amount that was budgeted for in the past four years. We have managed purchases of any new computers or office equipment to stay within budget each year.

IT SUPPORT: \$2,500 has been allocated for IT support. This budget category is for a contract that NACO has with an IT expert who assists NACO with hardware and software issues including internet service and routers, NACO file server, and staff computers. This is the same amount that was budgeted for in 2021.

INTERNET SERVICE: The cost for internet service for the NACO office, including in the NACO Conference room in 2022 is projected to be \$9,000.

LEGISLATIVE EXPENSES: \$10,000 is requested for legislative expenses during 2022 to support active dialogue with members of the legislature and lobbying team efforts on behalf of the membership. This budget category is reduced, given that we are in the interim period between sessions, but does reflect potential travel costs and outreach expenses as we return to in person meetings with legislators. The 2021 budget category also included a stipend for a legislative intern, which NACO will not employ during the 2022 interim.

LIABILITY AND AUTO INSURANCE: NACO is a member of the Nevada Public Agency Insurance Pool. \$5,500 is allocated for general liability for the office and NACO vehicle, which is the same amount that was budgeted for 2021.

MEMBER SERVICES: This budget category is to cover expenses incurred for meetings and events hosted by NACO, and for NACO members, include one for members while they travel annually to Washington D.C., as well as miscellaneous meetings hosted at the NACO offices that may include meals. The amount projected for this expense is \$3,500, a slight increase to cover potential increased travel and lodging expenses.

OFFICE SUPPLIES: \$3,500 is allocated for office supplies. This is the same amount as budgeted in 2021.

PEHB LIABILITY: \$6,000 has been budgeted for the prorated subsidy for two former NACO employees from the State who are receiving Public Employee's Health Benefits. This is the same amount as budgeted in 2021.

POSTAGE: \$500 is allocated for postage, which is the same amount budgeted for 2021.

PRINTING: \$500 is allocated for general printing, the same amount budgeted in 2021.

PROFESSIONAL SERVICES: \$15,500 has been allocated to pay for professional services in 2022. This includes payroll processing and bookkeeping services.

PUBLICATIONS/DUES/REGISTRATION FEES: \$4,000 is allocated for newspapers and magazine subscriptions, membership dues in other organizations and registration fees to outside conferences and meetings. This is a slight increase from 2021.

REPRESENTATIVE TRAVEL: \$15,000 is allocated for the NACO President, NACo and WIR Board members and other NACO Board members for travel pursuant to NACO's travel policy. This is a slight decrease from 2021, as NACO will have one less representative to the National Association of Counties (NACo) Board of Directors.

SPECIAL STUDIES/LITIGATION/LEGAL FEES: \$10,000 is allocated for special studies including but not limited to technical studies related to legislative issues and legal research and litigation. This category has been under budget for some years, and the 2022 allowance represents a \$5,000 reduction from 2021.

STAFF TRAVEL: \$22,000 is allocated for NACO staff travel for 2022, this is a slight increase from 2021, in anticipation of higher than realized travel costs as part of increased lodging, fuel and airline ticket pricing. This includes travel to the NACo Legislative Conference, the NACo Annual Conference, the annual NCCAE meeting, and any other travel that may be required of the NACO staff while carrying out the mission of NACO, including visiting and serving our membership in Nevada.

TELEPHONE: \$6,000 is allocated for telephone expenses including office phones, NACO conference line and cell phones for NACO staff. This is the same as the amount that was budgeted in 2021.

VEHICLE REGISTRATION MAINTENANCE: \$3,000 is budgeted for 2022, this amount has not increased since 2017.

WEB-BASED HOSTING & SUBSCRIPTION SOFTWARE: \$10,000 has been budgeted for software subscriptions such as Microsoft Office, cybersecurity software, PayPal, website hosting and domain registration, and the NACO digital newsletter platform. This is an increase from 2021, as NACO staff is exploring the option of a cloud-based server and file system, which will increase web-based hosting prices but increase security, allow for increased access by NACO staff and the maintenance of critical files.

W.I.R. DUES: \$9,000 is budgeted for WIR annual dues for 2022. In 2020 total WIR dues were \$8,142.

BUDGET SUMMARY:

This proposed balanced budget reflects prudent fiscal management with estimated revenues totaling \$683,718 and estimated expenses of \$673,500 resulting in a projected Net Income of \$10,218 of 1.5% contingencies for unanticipated items. We appreciate the Board's support of NACO and the work we do to support the membership and the citizens of this State.

2022 NACO Budget - ****Working Draft****

BEGINNING NET POSITION \$ 1,188,737

REVENUES

Membership Dues	\$361,894
Public Lands Assessment Dues	\$136,824
Associate Membership	\$15,000
Conference Revenue	\$80,000
IAF Administration Contract	\$70,000
Interest & Investment Income	\$15,000
National Programs	\$5,000

Projected Total Revenues	\$683,718
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Total Available Resources	\$1,872,455
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EXPENSES

Staff Salaries	\$315,000
Benefits	
PERS	\$92,000
Health/Dental/Vision/Life Insurance	\$35,000
Workers Comp/FICA	\$7,500
Audit	\$9,000
Board Meetings	\$8,000
Building Capital Projects	\$6,000
Building Operating Expenses & Repairs	\$19,000
Conference Expenses	\$38,000
County Leadership Institute	\$3,500
Donations/Sponsorships	\$1,500
Equipment Lease & Maintenance	\$4,500
Equipment Purchases	\$4,500
IT Support	\$2,500
Internet Service	\$9,000
Legislative Expenses	\$10,000
Liability & Auto Insurance	\$5,500
Member Services	\$3,000
Office Supplies	\$3,500
PEHB Liability	\$6,000
Postage	\$500
Printing	\$500
Professional Services	\$15,500
Publications/Dues/Registration Fees	\$4,000
Representative Travel	\$15,000
Special Studies/Litigation/Legal Fees	\$10,000
Staff Travel	\$22,000
Telephone	\$6,000
Vehicle Registration Maintenance	\$3,000
Web-based Hosting & Subscription Software	\$10,000
WIR Dues	\$9,000

Projected Total Expenses	\$678,500
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Net Income (Loss)	\$5,218
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Estimated Net Position	\$1,193,955
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2022 NACO Dues Schedule With 0.5% PL ASSESSMENT

County	Revenue Component		Population Component ⁽²⁾			Public Lands Component		2022 Dues ⁽³⁾	2021 Dues	Change
	FY 20 ⁽¹⁾ Audited Revenues	Base Assessment	2020 Certified Population	Per Capita Assessment	Population Assessment	2021 County PILT Payment	Public Lands Assessment (0.5%)			
Carson City	\$120,745,696	\$21,500	56,434	0.06	\$3,386	\$119,345	\$597	\$25,483	\$25,443	\$40
Churchill	\$35,090,767	\$13,000	26,202	0.1	\$2,620	\$2,492,770	\$12,464	\$28,084	\$27,486	\$598
Clark	\$3,758,078,433	\$24,500	2,320,107	0.03	\$69,603	\$3,781,881	\$18,909	\$113,013	\$111,078	\$1,935
Douglas	\$99,314,635	\$21,500	49,082	0.08	\$3,927	\$704,848	\$3,524	\$28,951	\$29,003	-\$52
Elko	\$57,912,732	\$18,000	55,435	0.06	\$3,326	\$3,754,246	\$18,771	\$40,097	\$39,602	\$495
Esmeralda	\$5,577,013	\$6,500	999	0.15	\$150	\$168,704	\$844	\$7,493	\$7,417	\$76
Eureka	\$26,190,961	\$13,000	1,936	0.15	\$290	\$392,099	\$1,960	\$15,251	\$15,210	\$41
Humboldt	\$34,696,648	\$13,000	17,064	0.1	\$1,706	\$1,910,910	\$9,555	\$24,261	\$24,091	\$170
Lincoln	\$11,727,639	\$8,500	5,293	0.12	\$635	\$966,232	\$4,831	\$13,966	\$13,879	\$87
Lyon	\$56,426,333	\$18,000	57,629	0.06	\$3,458	\$2,358,595	\$11,793	\$33,251	\$33,039	\$212
Mineral	\$11,344,790	\$8,500	4,896	0.15	\$734	\$793,404	\$3,967	\$13,201	\$13,046	\$155
Nye	\$75,468,241	\$21,500	48,414	0.08	\$3,873	\$3,501,796	\$17,509	\$42,882	\$38,805	\$4,077
Pershing	\$14,257,661	\$8,500	6,983	0.12	\$838	\$1,192,825	\$5,964	\$15,302	\$15,140	\$162
Storey	\$32,170,349	\$13,000	4,304	0.15	\$646	\$41,493	\$207	\$13,853	\$13,823	\$30
Washoe	\$542,495,066	\$24,500	473,606	0.04	\$18,944	\$3,833,387	\$19,167	\$62,611	\$62,201	\$410
White Pine	\$32,961,213	\$13,000	10,477	0.12	\$1,257	\$1,352,296	\$6,761	\$21,019	\$23,188	-\$2,169
Total	\$4,914,458,177	\$246,500	3,138,860		\$115,394	\$27,364,831	\$136,824	\$498,718	\$492,451	\$6,267

(1) From Audited S-1 Revenues

(2) Certified by Governor; provided by the State of Nevada Demographer