

NIA 6-MONTH (JULY–DECEMBER 2020) BUDGET

The NIA Finance Committee, with the approval of the Board of Directors, is presenting a 6-month budget for the time period of July 1–December 31, 2020. This 6-month budget will allow NIA to move to a calendar year budget cycle as of January 1, 2021. The Finance Committee will reconvene in September 2020 to draft the 2021 annual budget for review and approval during NIA’s Fall Summit meeting on November 4–5, 2020, at the MGM National Harbor, National Harbor, Maryland.

BUDGET BACKGROUND FROM THE FINANCE COMMITTEE

The Finance Committee members include John Lamberton, Joe Leo, Michele Jones, and Dave Cox. In addition, Dana Vlk was also present at the 4 meetings held. Our responsibilities included reviewing cash activities from the previous year, review of the audit firm, the investment manager, the NIA Investment Policy Statement, fraud prevention measures, and our outsourced accounting firm. The largest activity we worked on was to develop and present the membership with this 6-month budget.

The committee worked tirelessly and modeled this budget many ways by looking at levers we can push to adjust spending and revenue. As with most businesses in the United States and around the world, NIA has been financially impacted by the COVID-19 pandemic. The economic revenue losses from canceling the NIA Annual Convention and three (3) training courses during the months of March–June was significant.

NIA pursued all options that were available, both federal and local, for loans and grants to help ease the burden of its financial losses. As a 501(c)(6) nonprofit, NIA was not eligible for the Paycheck Protection Program (PPP) forgivable funding, as 501(c)(6) nonprofits were, unfortunately, excluded. However, NIA was eligible for, applied for, and received funds from the Economic Injury Disaster Loan (EIDL) program in the amount of \$150,000. This loan, which was accepted with the approval of the NIA Board of Directors, must be repaid over a 30-year period at a rate of 2.75%. Payments may also be deferred for the first twelve (12) months after the loan was issued, and there is no penalty for early lump sum payments.

Additionally, incoming revenue is normally lower during the 6-month period this budget represents (July–December 2020). NIA’s larger revenue generating programs, such as the Annual Convention, take place each calendar year in Q1 and Q2. Therefore, the revenue during the time-period covered in the 6-month budget is lower and results in a negative balance.

Representing the mechanical and specialty insulation industry

With the EIDL money, and our planned evolution of our educational courses to virtual formats, we are comfortable with the budget as it is presented.

The committee would like to thank the NIA staff for their unwavering commitment to seamlessly keep the organization operating, for their successful efforts to locate external funding, and to prevent losses for the organization due to canceled meetings.

If you have questions, please submit them directly to Michele M. Jones at mjones@insulation.org or call the NIA office at 703-464-6422 by June 16, 2020.

Representing the mechanical and specialty insulation industry

**National Insulation Association
Proposed NIA Budget**

	2019-20 BUDGET 6.30.20	2020: 6MONTHS PROPOSED 12.31.20
MEMBERSHIP DUES & MEMBER PROGRAMS REVENUE	\$782,615	\$388,415
MEMBERSHIP DUES & MEMBER PROGRAMS EXPENSES	\$531,319	\$209,506
	<u>\$251,296</u>	<u>\$178,909</u>
MEETINGS & EDUCATION REVENUE	\$670,730	\$122,550
MEETINGS & EDUCATION EXPENSES	\$810,579	\$338,698
	<u>\$(139,849)</u>	<u>\$(216,148)</u>
PRODUCTS AND SERVICES REVENUE	\$12,877	\$8,005
PRODUCTS AND SERVICES EXPENSES	\$39,707	\$10,910
	<u>\$(26,830)</u>	<u>\$(2,905)</u>
PUBLICATIONS AND COMMUNICATIONS REVENUE	\$740,541	\$244,660
PUBLICATIONS AND COMMUNICATIONS EXPENSES	\$731,244	\$242,380
	<u>\$9,297</u>	<u>\$2,280</u>
FOUNDATION REVENUE	\$268,709	\$115,887
FOUNDATION EXPENSES	\$268,709	\$115,887
	<u>\$-</u>	<u>\$0</u>
SUBTOTAL REVENUE	\$2,475,472	\$879,517
SUBTOTAL EXPENSES	\$2,381,559	\$917,381
SURPLUS/(DEFICIT)	<u>\$93,913</u>	<u>\$(37,864)</u>
NIA FOUNDATION CONTRIBUTION AND APPROVED NON- BUDGETED PROJECTS	\$(48,998)	\$(53,232)
TOTAL REVENUE	\$2,499,872	\$899,717
TOTAL EXPENSES	\$2,454,957	\$990,813
SURPLUS/(DEFICIT)	<u>\$44,916</u>	<u>\$(91,096)</u>