

NGFA Financial Summary

This financial summary covers the first four months (April 1, 2024 through July 31, 2024) of NGFA's current fiscal year 2024/25.

Receipts

Membership dues of \$2,197,770 for the four months reported are in line with the full-year budget estimate of \$4,815,000.

A Trade Rules Seminar was held in May 2024 and netted \$4,625. This was below budgeted income. Budgeted income was met on registrations, but there was a substantial drop in sponsorships relative to receipts from the last conference in 2022.

Convey was held in late July 2024. While final financials are not yet logged, preliminary estimates show it netted about \$35,500. NGFA's largest conferences (Convention and Country Elevator Conference) occur later in the current fiscal year.

Arbitration income for the first four months of the fiscal year is \$160,008 and exceeds the annual budgeted income of \$100,000. Case filings have slowed relative to the past couple of years, but income is running ahead of the budget estimate due to a surge in filed appeals.

Expenses

NGFA anticipates spending almost \$326,000 on office space rent for the 2024/25 fiscal year and its lease runs through April 30, 2028. NGFA has initiated the process of evaluating options for its next lease.

Salaries and payroll expenses are running under budget and professional services are running over budget. The primary reason for the overage for professional services is because NGFA hired The Russell Group (TRG) to bolster its presence on Capitol Hill and assist with other government relations activities. The Executive Committee and Board were informed in March of the possibility of going with TRG and that a corresponding shift would be made from the salaries budget if this occurred. NGFA has also not filled two additional budgeted staff positions.

Also, NGFA changed accounting firms in July to ensure continuity and reduce costs. NGFA hired Clifton Larsen Allen (CLA) and startup costs associated with the accounting change will result in higher costs for the first year, but accounting costs are anticipated to be lower in subsequent years. The previous accounting service provider was running substantially above budget at a level that was not sustainable. NGFA also hired Progressive Safety Services at substantial savings compared to backfilling a full-time staff position.

Profit/Loss

For the first four months, NGFA's net operating income is \$767,178. NGFA has transferred \$750,000 from the operating account to the short-term reserve to earn a higher rate of interest on excess funds until they are needed.

Other Balance Sheet Items

For the first four months of the fiscal year, NGFA's investments have gained \$411,139 in value. As of July 31, 2024, NGFA has \$11,081,440 in the long-term reserve and \$3,309,655 in the short-term reserve. Following the March 2024 NGFA Board meeting, NGFA transferred \$880,784 from the short-term reserve to the long-term reserve.

Vacation liability has decreased from \$313,675 a year ago to \$197,886 largely due to a change in NGFA's vacation carryover policy.