

## ICAOS Dues Reduction Proposal

State budgets face significant pressure and lingering uncertainty regarding the size and duration of the economic challenge presented by COVID-19. To help states navigate this uncertain time, the ICAOS Executive Committee proposes that the Commission should use reserve funds in fiscal year 2022 to provide one-time relief.

At present, the Commission's reserve and investment funds total approximately \$3 million; however, these funds generate income included annually in the ICAOS operating budget; and, they are subject to market fluctuations. Also, due to standing practice as established by prior Executive Committees, the Commission currently maintains 100% of an annual year's operating costs in reserve (approximately \$1.6 million). Further, the Commission annually collects roughly \$1.516 million in dues, requiring the use of reserve funds to balance the budget.

Though continued and expanded use of investment funds may result in dues increases in the future, operational changes today will allow for a manageable temporary adjustment without significant effect on the Commission's services or goals. To ensure transparency and encourage reflection by Commissioners over the coming months, chairs will share information about the proposal for the fiscal year 2022 one-time 30% dues reduction in regional meetings.

Through comprehensive participation in regional discussions, the Executive Committee and Chair Stromberg hope to gain perspective on each state's position. And, they seek to build a consensus around prudently addressing member needs while maintaining the Commission's stability and progress.

	<b>FY 2021</b>	<b>FY 2022</b>
Total Revenue (Dues, Interest)	\$1,544,253.26	\$1,089,377.26
Total Expenses	\$1,587,000.00	\$1,540,000.00
<b>Difference</b>	<b>\$42,746.74</b>	<b>\$450,622.74</b>
Anticipated Savings	\$163,275.00	\$48,625.00
Total Reserve Needed: \$281,469.48		

**ICAOS Budget  
Proposed FY22**

	<u>FY20</u> <u>Final YTD</u>	<u>FY21</u> <u>Budget</u>	<u>FY22</u> <u>Proposed Budget</u>
<b><u>REVENUE</u></b>			
Dues Assessment	\$1,549,819.98	\$1,516,253.26	\$1,516,253.26
Cash Reserve		\$44,000.00	\$58,000.00
Dividend Income	\$40,325.79	\$18,000.00	\$18,000.00
Operating Interest	\$19,063.05	\$10,000.00	\$10,000.00
<b>Total Administration Revenue</b>	<b>\$1,609,208.82</b>	<b>\$1,588,253.26</b>	<b>\$1,602,253.26</b>
<b><u>EXPENSE</u></b>			
60000 SALARIES & WAGES	\$475,312.97	\$485,500.00	\$497,000.00
61000 EMPLOYEE BENEFITS	\$140,036.03	\$165,000.00	\$175,000.00
61009 PAYROLL TAX	\$36,338.93	\$36,400.00	\$37,500.00
61040 ACCOUNTING	\$16,543.50	\$14,000.00	\$14,500.00
61079 EDUCATION, ACCREDITATION	\$497.50	\$2,000.00	\$2,000.00
61089 PROFESSIONAL MEMBERSHIPS	\$708.00	\$500.00	\$500.00
62000 SUPPLIES	\$2,840.98	\$4,500.00	\$4,500.00
62010 POSTAGE	\$759.93	\$1,500.00	\$1,500.00
62090 COMPUTER SERVICES	\$20,276.21	\$21,000.00	\$21,000.00
62130 OUTSIDE WEB SUPPORT	\$7,340.20	\$3,500.00	\$3,500.00
62140 SOFTWARE PURCHASE	\$4,831.98	\$5,000.00	\$5,000.00
62280 INSURANCE	\$11,552.00	\$12,250.00	\$12,250.00
62310 PHOTOCOPY	\$160.15	\$500.00	\$500.00
62360 DIRECT TELEPHONE EXPENSE	\$4,163.30	\$5,000.00	\$5,000.00
62370 CELL PHONE EXPENSE	\$3,182.37	\$3,000.00	\$3,000.00
66000 EQUIPMENT PURCHASE	\$6,975.41	\$10,000.00	\$10,000.00
68200 WEB/VIDEO CONFERENCE	\$20,438.01	\$25,000.00	\$25,000.00
68230 MEETING EXPENSE	\$565.93	\$500.00	\$500.00
72000 CONSULTANT SERVICES	\$2,628.88	\$10,000.00	\$10,000.00
74000 STAFF TRAVEL	\$1,448.75	\$5,000.00	\$5,000.00
80000 LEGAL SERVICES	\$19,261.45	\$15,000.00	\$15,000.00
85000 RENT	\$33,354.75	\$36,400.00	\$37,500.00
<b>Total Administration Expenditures</b>	<b>\$809,217.23</b>	<b>\$861,550.00</b>	<b>\$885,750.00</b>
<b><u>OTHER EXPENSE</u></b>			
11356 Executive Committee	\$2,228.20	\$15,000.00	\$15,000.00
11363 Annual Meeting	\$203,402.44	\$210,000.00	\$200,000.00
11364 Compliance Committee	\$100.00	\$500.00	\$500.00
11365 Finance Committee	\$50.00	\$250.00	\$250.00
11366 Rules Committee	\$445.80	\$20,000.00	\$10,000.00
11367 Technology Committee	\$100.00	\$1,000.00	\$1,000.00
11368 Training/Education Committee	\$2,726.52	\$10,000.00	\$10,000.00
11370 ABM Workgroup	\$17,045.10	\$10,000.00	\$10,000.00
11371 DCA Liaison Committee	\$150.00	\$500.00	\$500.00
11372 Annual Report	\$1,651.00	\$2,000.00	\$2,000.00
11352 Defense Litigation	\$0.00	\$10,000.00	\$10,000.00
11354 ICOTS	\$467,467.98	\$446,200.00	\$457,000.00
<b>Total Other Expense</b>	<b>\$695,367.04</b>	<b>\$725,450.00</b>	<b>\$716,250.00</b>
<b>Total Commission Expenses</b>	<b>\$1,504,584.27</b>	<b>\$1,587,000.00</b>	<b>\$1,602,000.00</b>