

National Affordable Housing Management Association
Proposed Budget for FY 2016
(Draft Date: July 30, 2015)

	<i>Actual Year to Date 12/31/2012</i>	<i>Actual Year to Date 12/31/2013</i>	<i>Actual Year to Date 12/31/2014</i>	<i>Actual Year to Date 6/30/2015</i>	<i>Approved FY 2015 Budget</i>	<i>Proposed FY 2016 Budget</i>
Revenue						
Membership Dues						
Executive Members	\$209,890	\$233,450	\$232,000	\$211,700	\$232,000	\$226,200
Executive II Members	30,400	28,500	34,200	32,300	33,250	33,250
Executive III Members	17,250	14,950	16,100	12,650	18,400	14,750
Associate Members	35,466	42,000	40,360	43,400	42,000	46,200
Affiliate Members	66,000	72,525	73,125	71,100	75,600	73,800
Subscriber Members	174,745	184,013	172,011	120,225	165,000	176,000
Total Membership Dues	533,751	575,438	567,796	491,375	566,250	570,200
Meetings						
Winter Meeting	41,892	56,395	48,765	48,010	48,000	51,000
Summer Meeting	11,310	10,100	9,710	14,145	13,000	15,000
Fall Meeting	23,135	39,915	49,225	0	40,000	48,000
Meeting-Events (Summer Party)	65,000	40,000	30,000	7,500	0	0
Meeting Sponsorships	19,547	5,135	7,120	3,540	5,000	5,000
Travel	13,755	11,228	14,144	3,969	11,000	11,000
Total Meetings & Education	174,639	162,773	158,964	77,164	117,000	130,000
Publications						
Calendar Prior Year	6,287	3,179	4,560	550	0	0
Calendar Current Year	279,637	279,924	300,460	0	280,500	291,500
Advertising & Sponsorships	49,092	76,350	91,832	59,239	68,000	70,000
Insurance & Risk Management	410	796	70	40	250	100
SHCM Study Guidebook	2,662	2,275	2,621	4,603	500	500
Green Housing Book	6,077	2,110	160	40	100	100
Other Publications - 4350.3 CD	165	14	0	0	0	0
Total Publications	344,330	364,648	399,703	64,472	349,350	362,200
Certification & Training						
NAHPe - Renewal	41,860	43,440	39,850	37,900	41,000	40,000
NAHP Application	2,740	3,400	3,840	3,235	3,400	3,500
CPO-FHC Retest	1,225	375	1,100	350	500	1,000
NAHP Renewal	14,695	14,015	13,455	12,099	14,000	13,000
CPO Renewal	142,990	159,908	167,615	162,660	153,000	163,000
SHCM Program	147,126	197,181	198,639	26,698	175,000	175,000
CPO Course	81,035	83,466	61,657	37,994	73,000	65,000
504/Fair Housing Course	29,246	38,236	17,571	18,479	32,000	27,000
Advanced Issues in Occupancy	0	0	25,000	(90)	7,500	5,000
Maintenance Credential	100	10,878	5,465	3,760	1,000	4,000
COQ Applications	10,875	13,950	11,750	1,425	12,000	13,000
COQ Renewals	33,625	54,900	41,800	3,850	39,000	42,000
COQ Merchandise	212	395	20	0	200	0
Green Credential	27,475	26,750	31,815	24,450	23,000	25,000
Vanguard Award	5,225	1,500	1,943	3,175	1,500	2,000
Total Certification	538,429	648,394	621,520	335,985	576,100	578,500
Regulatory & Legislative						
Legislative Contributions	18,220	20,500	20,500	19,000	20,000	20,000
Total Regulatory & Legislative	18,220	20,500	20,500	19,000	20,000	20,000
Other Income						
Interest	203	106	102	35	300	100
Dividends	3,698	6,380	3,681	1,874	3,000	3,000
Reimbursable Cost-Sharing FDTN	12,000	12,000	12,000	0	12,000	12,000
Reimbursable Cost-Actual Time FDTN	114	87	0	0	0	0
Wells Fargo Insurance Program	31,392	43,085	37,111	17,586	40,000	25,000
HD Supply Program	51,583	61,004	64,816	31,485	45,000	50,000
Other - Income (inc. Career Center)	3,737	5,194	6,581	2,902	5,000	5,000
Total Other Income	102,727	127,856	124,291	53,882	105,300	95,100
Total Revenue	1,712,096	1,899,609	1,892,774	1,041,878	1,734,000	1,756,000

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Expenses						
Meetings						
Winter Meeting	61,256	71,813	63,965	77,997	70,000	73,000
Summer Meeting	32,500	44,381	47,509	42,126	48,000	45,000
Fall Meeting	20,989	68,663	65,293	0	68,000	66,000
Sponsorship Expense	6,841	1,798	2,493	1,239	1,700	2,000
Strategic Planning	28,383	0	0	0	0	15,000
Meeting-Events (Summer Party)	68,900	50,000	40,000	10,000	0	0
Total Meetings & Education	218,869	236,655	219,260	131,362	187,700	201,000
Publications						
Calendar - Prntg & Production	44,577	42,913	42,036	0	45,000	45,000
Calendar Shipping	24,686	25,372	24,795	651	25,000	25,000
Newsletters	101,043	100,324	109,660	43,945	58,500	75,000
Directories	1,422	1,423	1,572	1,680	1,500	1,500
Calendars Rebates & Commissions	90,357	104,751	114,228	22,757	93,000	95,000
Insurance & Risk Management	974	19	0	0	100	0
SHCM Study Guidebook	1,975	751	2,312	2,071	200	0
Green Housing Book	3,323	3,470	93	24	200	0
Other Publications	38	37	0	0	0	0
Total Publications	268,395	279,060	294,696	71,128	223,500	241,500
Certification & Training						
Vanguard Awards	1,661	1,352	1,646	913	1,500	1,000
504/Fair Housing Course	6,012	7,517	3,941	4,510	6,000	4,000
CPO Course	16,103	18,343	10,505	8,358	17,000	10,000
Advanced Issues in Occupancy	0	0	20,326	824	2,000	1,400
SHCM Program	74,098	95,679	97,666	33,203	90,000	85,000
NAHP Program Expense	8,231	7,884	12,814	10,672	8,000	10,400
Maintenance Credential	155	2,039	2,148	1,667	500	1,000
COQ Recognition Program	19,820	30,925	22,754	1,850	24,500	24,500
GCPM	13,655	14,730	16,828	13,930	11,500	12,500
Course Development and Updates	1,796	0	0	0	2,000	2,000
Total Certification	141,531	178,469	188,628	75,927	163,000	151,800
Regulatory & Legislative						
Consultants/Legal	36,187	14,675	24,126	29,739	45,000	23,000
Total Regulatory & Legislative	36,187	14,675	24,126	29,739	45,000	23,000
Management & General						
Salaries	546,498	587,101	616,752	279,285	656,000	678,000
Temporary Salaries	27,312	8,258	0	0	0	0
Payroll Taxes	40,842	43,268	40,164	22,989	45,000	45,000
Workers Compensation	1,238	1,292	1,331	1,412	1,500	1,500
Health Insur. & Empl. Benefits	81,049	91,690	95,155	65,060	118,000	115,000
Dues & Subscriptions	15,080	9,051	13,059	11,331	9,000	10,500
Telephone & Communications	17,354	17,636	19,326	9,702	17,500	19,000
Membership Development	508	47	537	0	0	0
Business Property Taxes	2,162	2,519	2,742	0	2,100	2,700
Parking/Trans.	8,066	7,605	8,564	5,319	8,000	10,000
Travel	25,606	30,145	29,530	9,499	22,000	25,000
Entertainment & Meals	1,429	1,276	2,000	1,476	1,200	1,500
Payroll Service and Expenses	1,624	1,734	2,145	929	1,500	2,000
Accounting/Bookkeeping	0	952	979	1,072	1,000	1,500
Audit/Tax Return Prep	5,600	5,700	5,800	6,000	6,000	6,000
Legal - Operations	3,118	2,483	1,563	0	1,000	1,000
Liability Insurance	8,735	12,244	12,675	5,043	8,500	12,500
Rent - Office	56,046	57,516	59,000	29,929	64,000	64,000
Rent - Equipment	12,680	13,242	14,409	6,693	13,000	13,000
Tech Support	36,043	37,961	41,662	23,949	70,000	67,000
Web Site Maintenance	4,662	5,149	37,787	2,515	6,000	6,000
Office Supplies & Expense	17,145	10,567	18,331	12,060	11,000	12,000
Credit Card & Other Bank Charges	13,434	16,398	16,226	9,935	13,000	15,000
Depreciation	18,888	17,637	15,151	9,863	20,000	15,000
Public Relations	14,372	13,711	4,375	750	1,500	1,500
Shipping/Postage	8,931	8,494	8,273	1,355	9,000	5,000
Other Management & General	12,552	9,997	10,908	7,734	9,000	9,000
Total Management & General	980,974	1,013,673	1,078,444	523,900	1,114,800	1,138,700
Total Expenses	1,645,956	1,722,532	1,805,154	832,056	1,734,000	1,756,000

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<i>Change in Net Assets from Operations</i>	66,140	177,077	87,620	209,822	0	0
<i>Budgeted Contribution to Reserves*</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	0	0
<i>Change in Net Assets*</i>	<u><u>66,140</u></u>	<u><u>177,077</u></u>	<u><u>87,620</u></u>	<u><u>209,822</u></u>	0	0

* In addition, any positive change in net assets at year-end is also automatically contributed to cash investments / reserves.



NAHMA Proposed Budget for FY 2016

Executive Summary and Details/Notes

(Document Date: Aug. 7, 2015)

I. Executive Summary – FY 2016

The NAHMA 2016 budget is based on the scenarios discussed by the NAHMA Budget and Finance Committee, and subsequently the NAHMA Board of Directors, at their June 2015 meetings, with one exception, as noted in the first item listed below.

1. With one exception, no dues or fee increases are proposed: At the June 2015 Budget and Finance Committee and Board meetings, NAHMA staff had presented a proposed budget scenario in which there would be no increases in FY 2016 membership dues, certification renewal fees, publication or other program costs. However, after working to balance the draft FY 2016 budget, it was not possible to produce a break-even budget without a small increase in one area – the NAHMA Subscriber dues, which are paid by the AHMAs to NAHMA for their subscriber members. The proposal is to raise the NAHMA Subscriber dues amount from \$105 per person to \$110 per person. The attached draft FY 2016 budget assumes this increase is approved. Additional background:

- 1) The last time the NAHMA Subscriber dues amount was increased was in 2008, when it rose to \$105 from \$100 per person.
- 2) The Subscriber membership includes a subscription to NAHMA News, which carries a stand-alone subscription price of \$100. As a result, all of the other Subscriber member benefits, including access to the Members Only area of the website, subscriptions to NAHMA Analyses, legislative and regulatory alerts, etc., are essentially provided almost for free.
- 3) The proposed increase to \$110 would raise a net \$8,000 versus the existing fee, which is a modest increase that allows for the overall FY 2016 budget to break-even.
- 4) The impact on the AHMAs is calculated to be as follows, based on their current number of Subscriber members: 14 of the 19 AHMAs would see an increase of less than \$500 in their total Subscriber member dues to be paid to NAHMA; two would see an increase of about \$550 in their total Subscriber dues; one would see an increase of about \$700; one would see an increase of about \$1,000; and one would see an increase of about \$1500 in their total Subscriber dues.

2. Strategic Planning - Expense: NAHMA is due to hold its next Board-level strategic planning workshop in January 2017. Preparatory work will be done by the selected strategic planning facilitator in the second half of 2016. The expense for the facilitator is

spread between the two fiscal years. In 2016, we will budget \$15,000 in expense toward the estimated fee for the next facilitator.

3. Regulatory & Legislative - Expense: It is proposed that we continue to budget at a higher than traditional amount for this account to allow for targeted lobbying assistance and/or resources for two key areas, among others:

- the important fight to fully fund project-based Section 8 in HUD's FY 2017 budget,
- and to weigh in to protect the LIHTC program during tax reform discussions on the Hill.

4. IT Purchases - Expense: In 2016 NAHMA will need to continue the work begun in 2015 to upgrade its membership database.

5. Expense containment: As always, NAHMA staff remains committed to holding the line on expenses to the greatest extent possible.

II. Revenue Details/Notes – FY 2016

1. Membership Dues

Chart One:

* The estimated total number of members to be billed in January 2016, at the full dues rate, is comprised of the actual number of members at June 30, 2015, plus estimated additional new members to be recruited between July and December 2015.

* The estimated total number of members to be billed in January 2016 is multiplied by the projected retention rate of 90 percent to find the estimated number likely to renew at the full dues rate in 2016.

Chart Two:

* New members projected for recruitment in FY 2016 are noted by category. New members pay full dues if they join before June 1, and prorated (half) dues thereafter.

Membership Category 2015	Actual 07/10/2015	Addl New Jul-Dec 15	Est. Total Billed Jan 2016	At Estimated Renewal Figure	Dues Amount	Subtotal One
Executive	75	2	77	75	\$2,900	\$217,500
Executive II	17	1	18	17	\$1,900	\$32,300
Executive III+	12	1	13	12	\$1,150	\$13,800
Associate	33	1	34	31	\$1,400	\$43,400
Affiliate	84	3	87	79	\$900	\$71,100
Subscribers	n/a	n/a	1600	1600	\$110	\$176,000
Category (Est. New in FY 16)	Joining in Jan-May	Est. Full Dues Paid	Joining in June-Dec	Est. Prorated Dues Paid	Subtotal Two Est. New Dues in FY 16	Est. Total Dues Paid in FY 16
Executive	2	\$5,800	2	\$2,900	\$8,700	\$226,200
Executive II	0	\$0	1	\$950	\$950	\$33,250
Executive III+	1	\$1,150	0	\$0	\$1,150	\$14,750
Associate	1	\$1,400	2	\$1,400	\$2,800	\$46,200
Affiliate	2	\$1,800	2	\$900	\$2,700	\$73,800
Subscribers	n/a	n/a	n/a	n/a	\$0	\$176,000
New members:	6		7	GRAND TOTAL:		\$570,200

2. Meetings

Revenue projected for each meeting in FY 16 reflects anticipated registration income at current attendance levels, with our standard \$5 increase in fees across all categories.

The standard registration fee is the early bird registration fee, which is available until the hotel room block expires (which is generally four weeks prior to the meeting date). Once the hotel room block expires, each category of registration fee is set \$50 higher than the early bird rate. In addition, NAHMA will continue charging a \$75 administrative fee for registration cancellations received less than 10 business days but more than 3 days before the start date of the NAHMA meeting (unless the cancellation is for standard “force majeure” reasons which will be explained at the NAHMA website and in our promotional email). No refunds will be given for cancellations less than 3 days before the meeting (except for force majeure reasons). It is hoped that the cancellation fee will deter non-essential late registration cancellations.

Category	WINTER			FALL	
	Avg. #	Reg or F/B Fee	Total	Avg. #	Total
Executive	58	\$375	\$21,750	58	\$21,750
Associate	5	\$500	\$2,500	3	\$1,500
Affiliate	38	\$500	\$19,000	38	\$19,000
NAHMASubscriber	2	\$500	\$1,000	2	\$1,000
Guest	4	\$600	\$2,400	2	\$1,200
AHMA ED	12	\$140	\$1,680	11	\$1,540
AHMA President	12	\$140	\$1,680	10	\$1,400
Specials (Luncheon tickets)	10	\$60	\$600	8	\$480
Reg Late Fees	10	\$50	\$500	8	\$400
Total	151		\$51,110	134	\$48,270

Category	SUMMER		
	Avg. #	Reg or F/B Fee	Total
Executive	48	\$140	\$6,720
Associate	4	\$140	\$560
Affiliate	28	\$140	\$3,920
NAHMASubscriber	2	\$140	\$280
Guest	1	\$140	\$140
AHMA ED	13	\$140	\$1,820
AHMA President	10	\$140	\$1,400
Specials (Luncheon tickets)	15	\$60	\$900
Total	121		\$15,740

Meeting-Events-Summer Party reflects the contributions collected for the party event held at the NAHMA summer meeting. It is offset by corresponding expense.

Meeting sponsorships are expected to come in at comparable levels to 2015. (In 2013 NAHMA rebalanced the way it allocates sponsorship / advertising revenue. Most sponsorships/ads are “package deals”, and NAHMA has to allocate some money to sponsorship and some to advertising. After studying IRS literature and talking to our CPA, staff has started allocating more to advertising since it is the more prudent approach (vis-à-vis UBIT considerations).

Travel revenue reflects reimbursements from AHMAs for NAHMA travel (the projected travel revenue offsets NAHMA’s travel expense under Management and General).

3. Publications

Calendar Prior Year: No longer budgeted; all sales are budgeted to occur within one fiscal year.

Calendar Current Year: Based on projected sales of 53,000 2017 calendars at \$5.50 each.

Advertising & Sponsorships: Reflects advertising and sponsorships revenue for NAHMA News, NAHMA Website, the Affordable 100, the Membership Directory, and the 2017 calendars (if possible), as a result of sales and marketing efforts by the Townsend Group.

Insurance and Risk Management Booklet: Based on current activity.

SHCM Study Guide Booklet: Based on current activity.

Green Housing Guide Booklet: Based on current activity.

Other Publications: Based on current activity.

4. Certification & Training

NAHP-e Renewal:

325 (renewed in 2015 + 25 newly certified in 2015 and late renewals) times 83% retention = 290 times \$140= \$40,600

NAHP Application: NAHP -- 7 x \$100 = \$700; NAHP-e -- 16 x \$180 = \$2880

CPO-FHC Retest: Current activity level.

NAHP Renewal:

130 (renewed in 2015 +15 newly certified in 2015 and late renewals) times 80% retention= 116 times \$115=\$13,340

CPO Renewal:

1885 (renewed in 2015 + 250 newly certified in 2015 and late renewals) times 85% retention = 1815 times \$90=\$163,350

Specialist in Housing Credit Management (SHCM) Certification Program: Projected at a total of \$175,000:

Grandfather Renewal Revenue= 270 (renewed in 2014) times 85% retention rate (229\$155)=\$35,500

*Regular SHCM's Renewal Revenue= 623 (renewed in 2014) + 150 new in 2015) times 85% retention rate (773*85%=657*\$155)=\$101,835

*The application fee for the SHCM is \$150 each, with an estimated 150 new SHCM applications in 2016 = 150 times \$150=\$22,500

*Exam Revenue: Estimated 300 exams times \$30 =\$9000

*SHCM Exam Retest Fee = estimated 20 exams @\$75 = \$1500

*Candidacy Admin Fee: 2016 = 15 candidates * \$250= \$3750

CPO Course: Gross revenue of \$65,000 based on an anticipated 20 classes with an average of 30 students per class. Gross revenue represents \$1500 royalty fee per class (total \$30,000), plus reimbursement to NAHMA of its direct expenses for administration (estimated total of \$25,200 at \$42 per student), course materials (tabs, CD, exam sheets, pencils) (estimated \$9,600), and shipping. (Corresponding direct expense per class is shown on the expense column; actual net revenue is \$1500 per course royalty fee, or estimated total of \$30,000. Additional corresponding expense occurs in Management and General Expense, including salary and several overhead items.)

504/Fair Housing Course: Gross revenue of about \$27,000 based on an anticipated 11 classes with an average of 30 students per class. Gross revenue represents \$750 royalty fee per class (total of \$8250), plus reimbursement to NAHMA of its direct expenses for administration (estimated total of \$13,860 at \$42 per student), course materials (tabs, exam sheets, pencils) (estimated \$5280), and shipping. (Corresponding direct expense per class is shown on the expense column; actual net revenue is \$750 per course royalty fee, or estimated total of \$8250. Additional corresponding expense occurs in Management and General Expense, including salary and several overhead items.)

Advanced Issues in Occupancy Course: Estimated gross revenue of about \$5,000 based on an anticipated 4 classes with an average of 10 students per class. Gross revenue represents \$750 royalty fee per class (total of \$3000), plus reimbursement to NAHMA of its direct expenses for administration (estimated total of \$1680 at \$42 per student), course materials (exam sheets, pencils) (estimated \$500), and shipping. (Corresponding direct expense per class is shown on the expense column; actual net revenue is \$750 per course royalty fee, or estimated total of \$3000. Additional corresponding expense occurs in Management and General Expense, including salary and several overhead items.)

NAHMS/NAHMT (Maintenance Credential): Current program experience.

COQ Applications: For 2016, we estimate 120 applications, with 46 paying NAHMA the full amount (\$150, with rebate expense shown under expense), and 74 paying NAHMA \$75, as follows: $46 * \$150 = \6900 , and $74 * \$75 = \5550 , for an estimated gross revenue of about \$12,450.

COQ Renewals: For 2016, we estimate a total renewal population of about 525 times 80 percent renewal rate, times \$100 each = \$42,000.

COQ Merchandise: Current experience.

CGPM (Green credential):

Application fee = $\$150 * 40$ applicants = \$6000 (expense for 50% split with NAA is shown under expense)

Renewal for 2016 = $190 * 80\%$ retention = $152 * \$125 = \$19,000$ (expense for 50% split with NAA is shown under expense)

Vanguard Award: Current program experience

5. Regulatory & Legislative

Contributions from AHMAs.

6. Other Income

Interest: Current levels.

Dividends: Current levels.

Reimbursable Cost-Sharing from the NAHMA Educational Foundation: In 2015, the NAHMA Educational Foundation will reimburse NAHMA for \$12,000 for expenses incurred by NAHMA on behalf of the Foundation under the cost-sharing agreement, and for a small amount in direct billable expense. It is expected that in 2016 the Foundation will again reimburse NAHMA at the modest amount of \$12,000 under the cost-sharing agreement, plus any other direct billable expenses. The \$12,000 amount reflects only about one-third of the actual costs incurred by NAHMA in supporting the Foundation.

Wells Fargo Insurance Program: Anticipated \$25,000 in royalty payments per contract, based on current activity.

HD Supply Program: Anticipated \$50,000 sponsorship in royalty payments per contract, based on current activity.

Career Center: Current levels.

III. Expense Details/Notes – FY 2016

1. Meetings

Meetings: Winter, Summer and Fall meeting expenses include the hotel contract (space, food and beverage, audiovisual), as well as expenses such as photography, speaker fees and/or speaker travel expenses, printing/copying, shipping, signs, etc., and for the summer meeting, staff travel.

Sponsorship Expense represents commission and staffing resource expenses for the projected meeting sponsorship income from the Townsend Group.

Strategic Planning: Preparatory work will be done by the selected strategic planning facilitator in the second half of 2016. The expense for the facilitator is spread between the two fiscal years. In 2016, we will budget \$15,000 in expense toward the estimated fee for the next facilitator.

Meeting-Events-Summer Party reflects the expense for the party event held at the NAHMA summer meeting. It is offset by corresponding contributions collected.

2. Publications

Calendar Printing & Production: This represents design and printing costs: \$45,000 (\$3,000 for design for promotional flyers and calendar, and \$42,000 in printing costs, including scanning posters, printing promotional flyers, imprint fees, and printing 60,000 calendars with some allowance for overage).

Calendar Shipping: Projected based on current expense history.

Newsletters: NAHMA News and NAHP Update annual production costs (for design, printing and mailing/postage).

Directories: For 500 NAHMA member directories at \$1,500 (design, printing, and mailing).

Calendar Rebates & Commissions: For AHMA calendar rebates, based on past revenue/expense data. (A variance is always possible as a result of sales bonuses due to the AHMAs, based on sales that exceed the previous year's sales.)

Insurance and Risk Management Booklet: Reprint not likely to be needed.

SHCM Study Guide Booklet: Reprint not likely to be needed.

Green Housing Booklet: Reprint not likely to be needed.

Other Publications: No expense expected to be incurred.

3. Certification & Training

Vanguard Award: Current program experience.

504/Fair Housing Course: Estimated expense per class:

Assuming 11 classes and 30 students per class --

\$13,860 - \$42 per student administration*

\$500 - for shipping materials to courses

\$4000 course materials (tabs, CDs, exam sheets, pencils, sharpeners, etc.)

(*This portion of direct expense incurred by NAHMA is included in several accounts under Management and General.)

CPO Course: Estimated expense per class:

Assuming 20 classes and 30 students per class --

\$25,200 - \$42 per student course administration*

\$9,000 per year in course materials (tabs, CDs, exam sheets, pencils, sharpeners, etc.)

\$1000 - for shipping materials to course

(*This portion of direct expense incurred by NAHMA is included in several accounts under Management and General.)

Advanced Issues in Occupancy Course: Estimated expense per class:

Assuming 4 classes and 10 students per class --

\$1680 - \$42 per student course administration*

\$1000 per year in course materials (exam sheets, pencils, sharpeners, etc.)

\$400 - for shipping materials to course

(*This portion of direct expense incurred by NAHMA is included in several accounts under Management and General.)

Specialist in Housing Credit Management (SHCM) Certification Program: Expenses projected at \$85,000.

A. Revenue Sharing Costs

Estimated Revenue Sharing with AHMA's - \$7500

30% Renewal fee to partner one (minus grandfathers) \$30,540

15% Renewal fee to partner two (minus grandfathers) \$15,200

B. Direct Program Expenses

3 invoice mailings, letterhead, envelopes, cards, pins, postage- \$2,000

Exam development/maintenance \$7,000

Booth Marketing Pieces \$1,000

Shipping \$1000

Travel & Meeting Expense \$2,000

Newsletter \$18,000

TesTrac retake fee \$500

NAHP Program Expense: Current spending, primarily for renewal-related expenses plus stationery and pins.

Maintenance Credential: Limited expense anticipated.

COQ Recognition Program: This line now shows the rebates due to the AHMAs, as well as any estimated program expense for miscellaneous activities, including printing and shipping.

Application rebates due: $46 * \$75 = \$3,450$

Renewal rebates due: $\$42,000 / 2 = \$21,000$

Green Credential: Expense is the 50% rebate due to NAA.

Course Development: For hiring third-party contractor if course updates are needed as a result of regulatory or other changes to the 4350.3 Handbook or fair housing law, based on actual expense experience since 2007. (Updates are usually handled by volunteers.)

4. Regulatory & Legislative

Budgeted expense of \$23,000 reflects:

- a) Current average basic annual expense of \$5,000 for miscellaneous activities; and
- b) \$9,000 for enhanced legislative and regulatory tracking tool for GR staff (to replace outside lobbyists);
- c) \$5,000 for congressional contacts / coalition building / grassroots tools via Congressional Management Foundation;
- d) \$4,000 for emergency other use, such as legal fees for an Amicus filing, etc.

5. Management & General

Salaries: This expense represents the salary profile for eight full-time employees, and includes a 2.5% increase over existing salaries for merit raises to be implemented in July 2016 (i.e., actual merit increase of about 3 to 5%, but budgeted at about half the amount since it's implemented at mid-year).

Temporary Salaries: No expense anticipated.

Payroll Taxes: Payroll taxes based on projected expense.

Workers Comp: Current expense estimated to remain essentially flat.

Health Insurance & Employee Benefits: The FY 2016 budget reflects benefits for eight staff members, including health and dental insurance, etc. This budget line also includes the 3 percent contribution to full-time staff member 401K accounts under the NAHMA 401K non-elective safe harbor requirement, as well as expenses related to testing/reporting for the 401K plan (as required under ERISA).

Dues & Subscriptions: Current spending is projected to remain flat, and includes Housing Development Reporter; Congress Daily; ASAE memberships; miscellaneous professional

development courses for staff; Association Trends; Tax Credit Coalition; NLHA; NHC; and miscellaneous other housing and association publications.

Telephone & Communications: Includes NAHMA's Comcast Internet and automated phone service, four cell phones with email service, and conference calls.

Membership Development: Spending for special promotional pieces is contained within PR spending; much of our development work is conducted through electronic means and social media.

Business Property Taxes: Current spending.

Parking & Transportation: Includes staff parking in Alexandria, as well as parking for meetings in Washington, DC.

Travel: Travel expense is partially offset by travel income under Meetings.

Entertainment & Meals: Current spending is projected to remain flat.

Payroll Services: Includes technical support and service from QuickBooks.

Accounting/Bookkeeping: QuickBooks maintenance fee.

Audit: Current spending.

Legal – Operations: Contingency expense if needed.

Liability Insurance: Fidelity bond for 401K; directors & officers liability; commercial/general; professional liability; crime policy.

Rent – Office: Current rent will increase by 3% on May 1, 2016, for an annual rent of \$52,000. Also included is an estimated property tax and common area expense of \$12,000 (off-site storage space has been terminated).

Rent – Equipment: Current spending.

Tech Support: Includes annual IT contract support for weekly updates and server/work station maintenance, and daily off-site back-up service, as well as miscellaneous desktop and server software (virus protection, back-up protection, registration fees), miscellaneous hardware, and printer maintenance and repairs that cannot be capitalized based on NAHMA's IT procurement calendar (three-year calendar). This line also includes \$15,000 for annual outsourced data entry support. In 2016, this account includes \$10,000 in expense for completing the project to upgrade NAHMA's membership database.

Web Site: Expense includes annual hosting fees of \$6,000.

Office Supplies: Current spending is projected to remain flat.

Bank Charges: Current spending levels.

Depreciation: Based on current and projected expense for regular IT replacements and other anticipated capital expense.

Public Relations: Budget primarily reflects expense for press release listserv software.

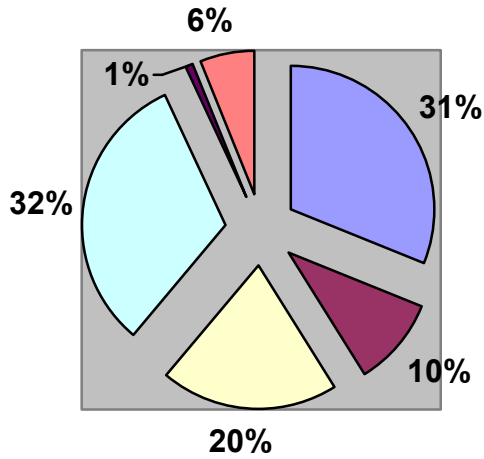
Shipping: Current spending.

Management & General Other: Current spending includes various gifts and awards.

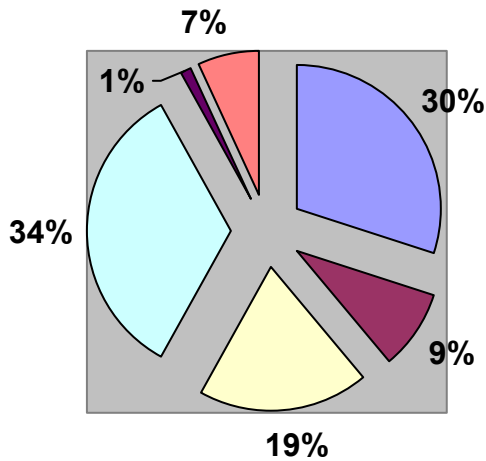
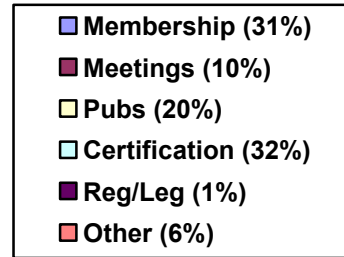
IV. NAHMA Total Revenue Per Year Since 1997
(As Reported on Year-end Audited Financial Statement or
990 if former is no longer available)

Year	Total Revenue	Difference from Previous Year	Percent Change from Previous year
1997	\$1,482,278	n/a	n/a
1998	\$1,302,463	(179,815)	- 12.1%
1999	\$1,176,626	(125,836)	- 9.6%
2000	\$1,066,892	(129,734)	- 11.0%
2001	\$1,232,065	185,173	+17.7%
2002	\$1,130,782	(101,283)	- 8.2%
2003	\$1,143,199	12,417	+1.1%
2004	\$1,267,489	124,290	+9.8%
2005	\$1,183,579	(83,910)	- 6.6%
2006	\$1,370,739	187,160	+16%
2007	\$1,393,662	22,923	+ 1.7%
2008	\$1,429,383	35,721	+ 2.5%
2009	\$1,506,400	77,017	+ 5.4%
2010	\$1,564,523	58,123	+ 3.8%
2011	\$1,677,693	113,170	+7.2%
2012	\$1,712,096	34,403	+2.0%
2013	\$1,899,609	187,513	+10.9%
2014	\$1,880,774	(18,835)	- 1.0%

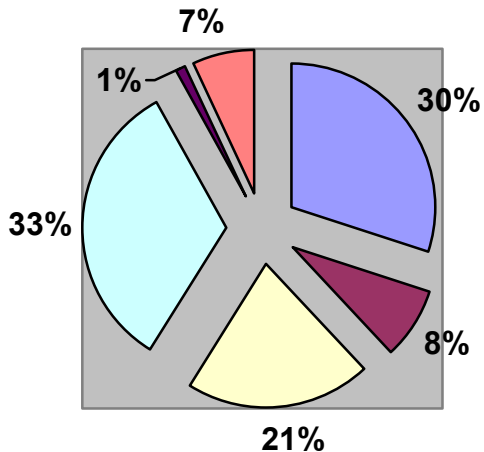
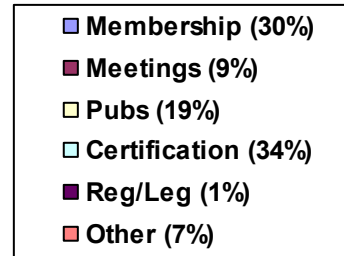
V. Graphs: Income Percentage by Program Area (As shown on financial statement of activities)



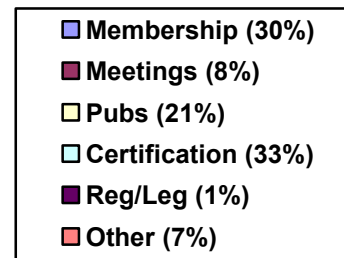
2012 Revenue

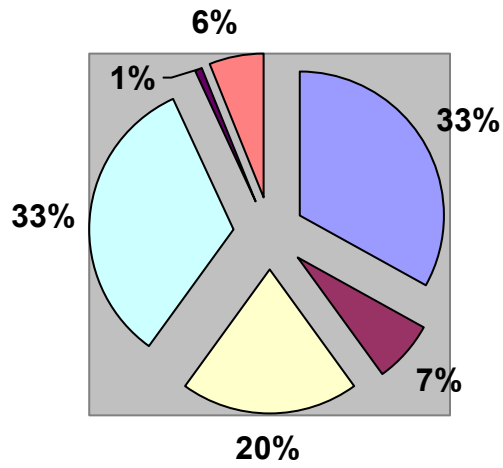


2013 Revenue

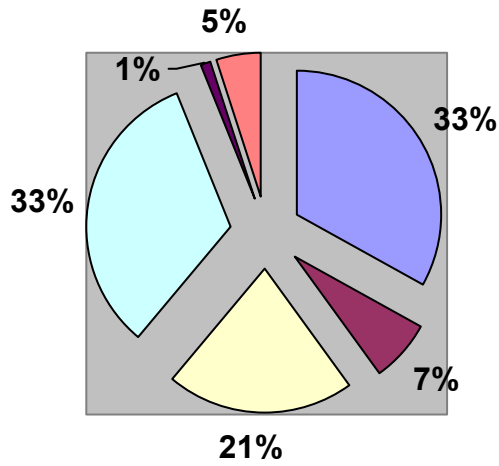
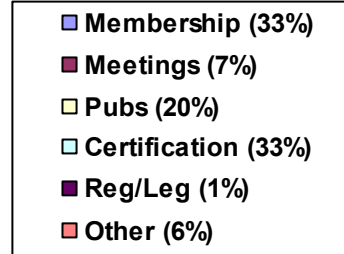


2014 Revenue

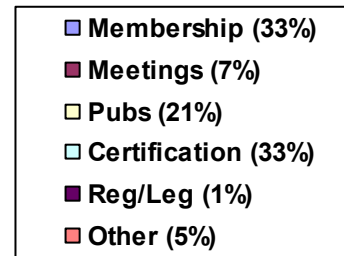




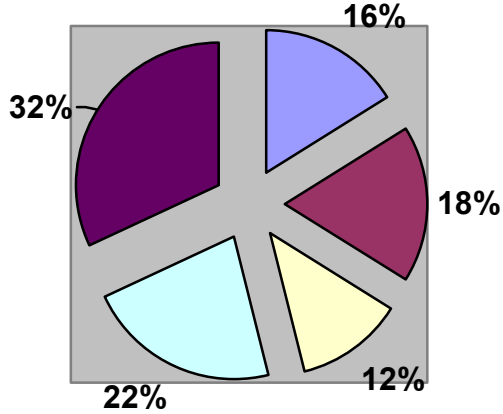
2015 Budgeted Revenue



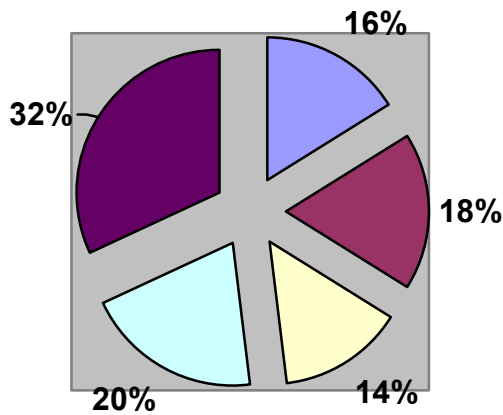
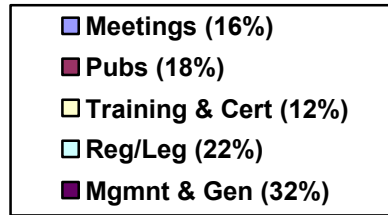
2016 Budgeted Revenue



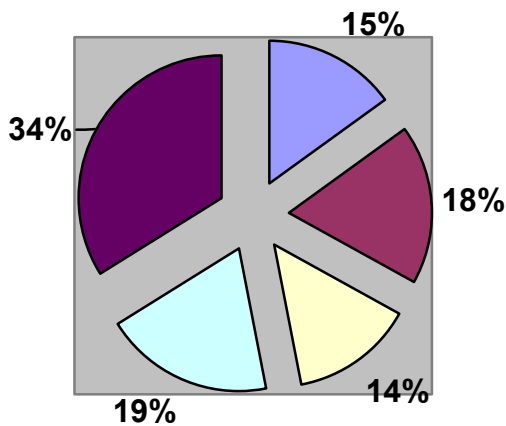
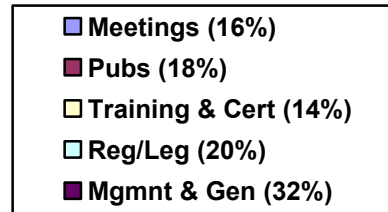
VI. Graphs: Expense Percentage by Function (As shown on annual audit by functional expense)



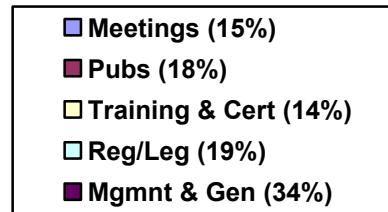
2012 Functional Expenses



2013 Functional Expenses



2014 Functional Expenses



Graphs are not available for 2015 and 2016 without audits for these years; however, the expense percentage by program area is expected to remain essentially the same.