



NGAM National Guard Association of Michigan

MEMORANDUM

DATE: 20 May 2023

TO: NGAM Membership and General Conference Attendees

FROM: NGAM Treasurer

SUBJECT: 2023 NGAM Treasurer's Report

The National Guard Association of Michigan is in good financial health. We are organized as a nonprofit 501(c)19 Veteran's Organization, and current in our taxes and state and federal filings.

Our primary source of revenue is a pilot program with the Michigan Lottery Commission, with NGAM operating 58 pull-tab lottery machines in a variety of locations. Within the last year, we have seen a significant increase in maintenance costs for these machines. Fortunately, we have relocated several machines from underperforming locations into more profitable venues, resulting in a complete offset of these increased operational costs. Since our last annual meeting, NGAM has grossed \$703,197.93 through this program, spent \$169,020.00 on maintenance and licensing, and left with net revenue of \$534,177.93. NGAM is committed to spending 51% of these proceeds towards the Veteran Support Grant, supporting the men and women of the Michigan National Guard, their families, and the Michigan military veteran community.

NGAM also raised over \$100,000 from corporate partners in the last fiscal year. These partnerships continue to grow as a direct result of the efforts of the Executive Director.

The State Sponsored Life Insurance Program raised \$44,674.72 in 2022. While this is not an insubstantial sum, it is my opinion that this program underperforms and has room to grow.

Membership dues represented \$22,500 in income for the Association. However, NGAM subsidizes its members' collateral membership in their respective national organizations (NGAUS or EANGUS), resulting in a small net loss, depending on the individual's grade.

The organization currently holds \$338,307.09 in its operations account and \$91,020.36 for the VSG fund.

The National Guard Association of Michigan's single greatest expense is the Veteran's Support Grant (VSG), having spent \$296,211.45 towards grants within the last year. These grants are not loans and NGAM does not recoup any of the funds spent toward the VSG program. We have also collaborated with Habitat for Humanity, which has a matching funds program to assist with home repairs for veterans in the state of Michigan. Habitat contributed \$153,300.93 in matching funds this year. Through this partnership, NGAM has exceeded \$449,512.38 in VSG grants this last year.

This year, NGAM passed its first budget in recent memory. While we expect to operate at a small deficit over the coming year, I feel that this budget is appropriate to satisfy the workload required to



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bring both the National Guard Association of the United States (NGAUS) and the Enlisted Association of the National Guard of the United States conferences to our state in 2024. Importantly, we have also committed to contributing \$40,000 toward a strategic reserve fund, buffering NGAM from any future financial downturns. This budget, in its entirety, accompanies this report in your meeting packet.

Finally, NGAM has spearheaded the 54 by 24 Campaign, with the goal of raising \$1.4 Million for service dogs trained to prevent veteran suicide. To date, we have raised \$375,000 toward this goal.

-Matt Ohrstrom, NGAM Treasurer



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National Guard Association of Michigan					
Budget Overview: FY 2023 Proposed Budget - FY23 P&L					
October 2022 - September 2023					
SUMMARY					
	FY 22 Actuals	FY 23 Proposed		FY 23 Actuals	COMMENTS
Total Revenue	\$ 714,264.96	\$ 795,000.00			
Total Expenditures	\$ 674,793.57	\$ 801,087.56			
Net Operating Revenue	39,471.39	-6,087.56			Desiring a year-end deposit of \$50K into the Strategic Reserve
REVENUE					
	FY 22 Actuals	FY 23 Proposed	DIFFERENCE	FY 23 Actuals	COMMENTS
Revenue					
46400 Other Types of Income			-		
46440 Other rebates	13,848.50	20,000.00	6,151.50		NGAUS Membership rebates, Hotel Rebates, etc.
47200 Program Income			-		
47230 Membership dues	22,468.40	35,000.00	12,531.60		
47231 Associate Membership	1,163.70	0.00	-1,163.70		Other membership sources, non-voting members
47240 Program service fees					
47241 Commissions and rebates	52,490.04	55,000.00	2,509.96		
47242 Conference registration fees	67,277.87	80,000.00	12,722.13		
47243 Conference book	2,400.00	0.00	-2,400.00		Ad space and conference book sponsorships
47244 Vendor space	100,839.52	100,000.00	-839.52		
47260 Golf outing fees	4,353.93	5,000.00	646.07		
47250 Merchandise Sales	4,378.21	0.00	-4,378.21		Champagne flutes, silent auctions, etc. Could be over \$1M w ith w atch sales in 2024
47270 Charitable gaming	445,044.79	500,000.00	54,955.21		
Total Revenue	\$ 714,264.96	\$ 795,000.00	80,735.04		
Pass-Through Revenue: 54 by 24 Donations	125,000.00	0.00	0.00		
Total Revenue w/ Passthrough	\$ 839,264.96	\$ 795,000.00	80,735.04		
PROGRAMS					
	FY 22 Actuals	FY 23 Proposed	DIFFERENCE	FY 23 Actuals	COMMENTS
Expenditures					
62800 Facilities and equipment	\$ 6,271.00	\$ 6,180.00	-91.00		
65000 Operations	\$ 174,114.97	\$ 223,367.56	63,252.59		
66000 National Membership Dues	\$ 0.00	\$ 30,000.00	30,000.00		
69300 Conferences and events	\$ 84,680.85	\$ 88,700.00	4,019.15		
69500 Legislative	\$ 14,016.57	\$ 15,000.00	983.43		
71000 Community support	\$ 395,710.18	\$ 437,840.00	42,129.82		
Total Expenditures	\$ 674,793.57	\$ 801,087.56	140,293.99		
STRATEGIC RESERVE					
	FY 22 Actuals	FY 23 Proposed		FY 23 Actuals	COMMENTS
Contribution	\$ 0.00	\$ 40,000.00			Initial contribution
Interest		\$ 7,000.00			Assumes 7% growth due to investment



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PROGRAMS - Expanded					
	FY 22 Actuals	FY 23 Proposed	DIFFERENCE	FY 23 Actuals	COMMENTS
Expenditures					
62800 Facilities and equipment					
62890 Rent	6,180.00	6,180.00	-		2% increase expected in 2024
62892 Utilities	91.00	0.00	-91.00		No longer required w/ new office space
65000 Operations					
65005 Bank charges	2,794.00	2,794.00	-		
65017 Dishonesty bond	700.00	700.00	-		D&O, Liability, Venue, Workers Comp
65018 Licenses, fees and permits	959.04	1,000.00	40.96		State and federal licenses
65019 Marketing	4,676.53	7,000.00	2,323.47		Membership Brochures, booth materials, shirts, etc.
65025 Postage and mailing service	166.00	266.00	100.00		
65030 Printing and copying	2,376.48	2,500.00	123.52		
65038 Subscriptions and dues	24,373.45	7,357.56	-17,015.89		Prof. Orgs, online services (Microsoft, Constant Contact, Forte, Adobe, VoterVoice), NAT Dues
65040 Supplies					
65041 Office supplies and printing	722.16	750.00	27.84		
65060 Compensation - ED					
65061 Gross wages, salaries	95,000.00	167,600.00	72,600.00		Inflation rate increase
65062 Payroll Taxes	7,000.00	12,000.00	19,000.00		
65200 Professional services					
65210 Accounting fees	7,531.51	10,000.00	2,468.49		Includes QBO subscription and tax preparation
65220 Legal fees	13.05	1,000.00	986.95		As needed
65290 Other contracted services	20,000.00	0.00	-20,000.00		Programs Director, Part time position
65350 Training	5,000.00	1,000.00	-4,000.00		Board Offsite
65400 Travel and meetings					
65420 Travel	0.00	6,400.00	6,400.00		ED Contracted Travel
65430 Meals and entertainment	2,802.75	3,000.00	197.25		Business Development Lunches
66000 National Membership Dues					
66100 National Dues EANGUS	0.00	10,000.00	10,000.00		accounted for previously in line 72
66200 National Dues NGAUS	0.00	20,000.00	20,000.00		
69300 Conferences and events					
69310 Travel and lodging	889.76	1,200.00	310.24		Annual Conference Attendance
69340 Marketing	1,194.91	1,400.00	205.09		Conference badges, signs, printing, etc
69350 National Conferences					
69351 NGAUS Registration Fees	8,000.00	10,000.00	2,000.00		Increased attendance in a NGAM Paid Status
69352 NGAUS Hospitality	4,272.32	4,500.00	227.68		
69353 EANGUS Registration Fees	1,500.00	1,800.00	300.00		Increased attendance in a NGAM Paid Status
69354 EANGUS Hospitality	2,000.00	2,000.00	-		Area V consolidated hospitality
69355 National Conference Lodging	7,946.37	8,500.00	553.63		
69356 National Conference Travel	5,185.65	5,000.00	-185.65		Mileage and Airfare
69360 Venue	45,094.99	45,100.00	5.01		Venue contract includes meals at the venue
69380 Events					
69381 Speaking and presentations	2,950.00	3,000.00	50.00		Speaker, fees, and merchandise
69385 Spouse social	584.67	750.00	165.33		
69387 Hospitality room	1,089.68	1,200.00	110.32		
69388 Golf outings	2,691.50	2,750.00	58.50		Legends and Leaders and NGAM Partners Cup
69390 Unit membership visits	1,281.00	1,500.00	219.00		
69500 Legislative					
69520 Travel	14,016.57	15,000.00	983.43		Both EANGUS, NGAUS, and AUSA Legislative Visits
71000 Community support					
71020 Grants to needy individuals	242,810.18	255,000.00	12,189.82		
71025 Scholarships	2,000.00	2,000.00	-		Includes \$1000 from USAA, \$1000 matching funds from NGAM
71100 Lottery machine maintenance	148,200.00	177,840.00	29,640.00		Increased maintenance costs in new contract
71300 Unit Sponsorships	2,700.00	3,000.00	300.00		Golf outings, Family Days
Total Expenditures	\$ 674,793.57	\$ 801,087.56	140,293.99	\$ 0.00	