

# 2020-2024 Budget Narrative

## Draft V 10

|  | <i>Proposed</i><br><b>BUDGET</b><br><b>CY-20</b> | <i>Proposed</i><br><b>BUDGET</b><br><b>CY-21</b> | <i>Proposed</i><br><b>BUDGET</b><br><b>CY-22</b> | <i>Proposed</i><br><b>BUDGET</b><br><b>CY-23</b> | <i>Proposed</i><br><b>BUDGET</b><br><b>CY-24</b> | <i>Summary</i><br><b>BUDGET</b><br><b>2020-2024</b> |
|--|--|--|--|--|--|---|
|--|--|--|--|--|--|---|

**A. PERSONNEL**

|   |           |           |           |           |           |            |
|---|-----------|-----------|-----------|-----------|-----------|------------|
| 1. Members ( <i>Attachment 1</i> )                            | 298,232   | 302,705   | 307,246   | 311,854   | 316,532   | 1,536,569  |
| 2. SSC ( <i>Attachment 1</i> )                                | 45,850    | 46,767    | 47,702    | 48,656    | 49,630    | 238,605    |
| 3. Staff ( <i>Attachment 2</i> )                      20 FTEs | 1,766,014 | 2,123,424 | 2,157,399 | 2,191,918 | 2,226,988 | 10,465,743 |

|                        |                    |                    |                    |                    |                    |                     |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>TOTAL PERSONNEL</b> | <b>\$2,110,095</b> | <b>\$2,472,896</b> | <b>\$2,512,347</b> | <b>\$2,552,428</b> | <b>\$2,593,150</b> | <b>\$12,240,917</b> |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|

Staff compensation is based on the Councils Pay Schedule which is similar to the General Schedule Pay. Staff compensation includes annual cost of living increases, steps, bonus and promotions as appropriate. The Council has only one task and one project. Unless otherwise noted, 100% of staff time is spent on this project; However Year 1 Personnel and Direct Fringe costs have been reduced by amounts included in the Council's No Cost Extension for Grant Award Period 2015-2019. Resumes are kept on file in the Council office.

**B. FRINGE BENEFITS**

|   |         |         |         |         |         |           |
|---|---------|---------|---------|---------|---------|-----------|
| 1. Retirement Simplified Employee Pension (14%) | 247,242 | 293,580 | 298,277 | 303,050 | 307,898 | 1,450,047 |
| 2. FICA & Medicare Tax                          | 134,156 | 161,385 | 163,551 | 165,592 | 166,807 | 791,492   |
| 3. Medical                                      |         |         |         |         |         |           |
| Health (inclds HRA)                             | 479,736 | 574,136 | 673,670 | 745,941 | 804,815 | 3,278,297 |
| Dental  | 27,747  | 34,059  | 34,059  | 35,488  | 35,488  | 166,841   |
| 4. Life & Disability Insurance                  | 19,792  | 25,381  | 26,833  | 28,367  | 29,990  | 130,363   |

|                              |                  |                    |                    |                    |                    |                    |
|------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>TOTAL FRINGE BENEFITS</b> | <b>\$908,674</b> | <b>\$1,088,541</b> | <b>\$1,196,389</b> | <b>\$1,278,437</b> | <b>\$1,344,998</b> | <b>\$5,817,040</b> |
|------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|

**C. TRAVEL (*Attachment 3*)**

|                            |         |         |         |         |         |           |
|----------------------------|---------|---------|---------|---------|---------|-----------|
| 1. Staff                   | 123,000 | 126,690 | 130,491 | 134,405 | 138,438 | 653,024   |
| 2. Council Members         | 189,600 | 195,288 | 201,147 | 207,181 | 213,396 | 1,006,612 |
| 3. AP, PDT, SSC & invitees | 119,725 | 123,317 | 127,016 | 130,827 | 134,752 | 635,636   |

|                     |                  |                  |                  |                  |                  |                    |
|---------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>TOTAL TRAVEL</b> | <b>\$432,325</b> | <b>\$445,295</b> | <b>\$458,654</b> | <b>\$472,413</b> | <b>\$486,586</b> | <b>\$2,295,272</b> |
|---------------------|------------------|------------------|------------------|------------------|------------------|--------------------|

Travel estimates are based on actual travel costs for specific committee members. All air travel complies with the Fly America Act. The Council does not pay travel expenses for federal employees.

**D. EQUIPMENT *Capital > \$5,000***

|                        |            |            |            |                 |                 |                 |
|------------------------|------------|------------|------------|-----------------|-----------------|-----------------|
| <b>TOTAL EQUIPMENT</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$20,000</b> | <b>\$40,000</b> | <b>\$60,000</b> |
|------------------------|------------|------------|------------|-----------------|-----------------|-----------------|

Purchases of goods and services comply with 2 CFR Parts 215 and 230 and the Council handbook. Small businesses, minority-owned firms and women's business enterprise are used whenever possible. The following equipment will need to be replaced during this funding period:

**Telephone System:** Will be 10 years old in 2020 and should be upgraded or replaced in FY 2022-2024

**Auto:** The councils auto is scheduled for replacement in FY 2024.

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|--|--|--|--|--|--|---|
|--|--|--|--|--|--|---|

### E. SUPPLIES

|  |        |        |        |        |        |         |
|--|--------|--------|--------|--------|--------|---------|
| Office Supplies                                    | 31,500 | 31,500 | 33,075 | 34,729 | 36,465 | 167,269 |
| Software   | 10,500 | 10,500 | 11,025 | 11,576 | 12,155 | 55,756  |
| Hardware upgrades ( <i>less than 5K per item</i> ) | 35,000 | 35,000 | 36,750 | 38,588 | 40,517 | 185,854 |
| Capital ( <i>less than 5K per item</i> )           | 10,000 | 10,000 | 10,500 | 11,025 | 11,576 | 53,101  |
| Publications & Subscriptions                       | 10,500 | 10,500 | 11,025 | 11,576 | 12,155 | 55,756  |

|                       |                 |                 |                  |                  |                  |                  |
|-----------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| <b>TOTAL SUPPLIES</b> | <b>\$97,500</b> | <b>\$97,500</b> | <b>\$102,375</b> | <b>\$107,494</b> | <b>\$112,868</b> | <b>\$517,737</b> |
|-----------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|

**Supplies:** Typically includes pen, pencils, paper, toner, developer, labels, envelopes, cleaning supplies and flash drives.

**Software:** Typically includes license renewals, computer software and upgrades, server applications and virus protection.

**Hardware:** Replacement of 5 - 6 desktop and laptop computers @ appx. 2.5K each, other system hardware.

**Capital:** May include: replacement chairs, desks, conf. tables, printers, projection and sound equipment.

**Subscriptions:** The Council purchases online access directly from the publishers. Access to technical journals is a high priority.

### F. CONTRACTUAL

#### 1. OPERATIONAL

##### a. Services

|                                       |        |        |        |        |        |         |
|---------------------------------------|--------|--------|--------|--------|--------|---------|
| Payroll and Related                   | 5,953  | 5,953  | 6,251  | 6,563  | 6,891  | 31,611  |
| Janitorial & Office maintenance       | 13,751 | 13,751 | 14,438 | 15,160 | 15,918 | 73,018  |
| Annual Audit & 990's                  | 14,500 | 14,500 | 15,000 | 15,000 | 15,750 | 74,750  |
| Service on office equipment           | 3,600  | 3,600  | 3,780  | 3,969  | 4,167  | 19,116  |
| Internet/email/website Service        | 9,624  | 9,624  | 10,105 | 10,610 | 11,141 | 51,105  |
| IT Support Services                   | 32,306 | 33,921 | 35,617 | 37,398 | 39,268 | 178,511 |
| News Search & Press Releases          | 13,200 | 13,596 | 14,276 | 14,990 | 15,739 | 71,800  |
| Vehicle maintenance & operating costs | 3,275  | 3,275  | 3,439  | 3,611  | 3,791  | 17,391  |

##### b. Leases & Rental Agreements

|                               |         |         |         |         |         |         |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Copier leases 3 copiers & use | 25,085  | 25,400  | 26,670  | 28,004  | 29,404  | 134,562 |
| Neopost - folding machine     | 7,176   | 7,391   | 7,761   | 8,149   | 8,556   | 39,033  |
| Smart mail system             | 1,200   | 1,236   | 1,298   | 1,363   | 1,431   | 6,527   |
| Office Space                  | 126,666 | 126,666 | 134,781 | 140,897 | 147,821 | 676,831 |
| Mail Machine - Pitney Bowes   | 2,556   | 2,633   | 2,764   | 2,903   | 3,048   | 13,903  |
| Postage Meter -               | 720     | 742     | 779     | 818     | 858     | 3,916   |
| Water - Filter Fresh          | 675     | 675     | 709     | 744     | 781     | 3,584   |
| Offsite Storage               | 4,308   | 4,437   | 4,659   | 4,892   | 5,137   | 23,433  |
| Meeting Rooms                 | 122,400 | 126,072 | 132,376 | 138,994 | 145,944 | 665,786 |

The Council meets at various locations throughout its geographic area of authority. Venues are chosen because of their proximity to New England ports or because they are centrally located to accommodate attendees. Other considerations include the size of the meeting room and the cost.

##### c. Admin. Contracts/ Professional Services

|  |        |        |        |        |        |         |
|--|--------|--------|--------|--------|--------|---------|
| Professional services may include: Fees for consultants, website and communications design services, and similar support services. | 41,500 | 33,500 | 33,500 | 33,500 | 38,500 | 180,500 |
|--|--------|--------|--------|--------|--------|---------|

|                                   |                  |                  |                  |                  |                  |                    |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>TOTAL OPERATIONS CONTRACTS</b> | <b>\$428,495</b> | <b>\$426,972</b> | <b>\$448,202</b> | <b>\$467,564</b> | <b>\$494,147</b> | <b>\$2,265,379</b> |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|

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|--|--|--|--|--|--|---|
| <b>2. PROGRAM SPECIFIC</b>   |  |  |  |  |  |   |
| <b>a. State Support</b>  | 200,000  | 200,000  | 250,000  | 250,000  | 250,000  | 1,150,000   |
| <b>b. Regional Fishery Management Council Forums:</b>  |  | 30,000   |  | 30,000   |  | 60,000  |
| <b>c. Development of Red Crab Fishery Specifications</b>   | 75,000   | 50,000   | 75,000   |  |  | 200,000   |
| <b>d. Fishery Management Educational Program Support</b>   |  |  | 50,000   |  | 50,000   | 100,000   |
| <b>e. Scallop Limited Access General Category (LAGC) ITQ Allocations Review Support</b>                                |  |  | 50,000   |  |  | 50,000  |
| <b>f. Other Programmatic Support which may include</b>   |  |  |  |  |  |   |
| o Northeast Multispecies Allocation Reviews (2020-2023)  | 130,000  | 15,000   | 20,000   | 140,000  | 75,000   | 380,000   |
| o Wind/Offshore Energy Fishery Impact support (2020-2024)  |  |  |  |  |  |   |
| o Habitat Review   |  |  |  |  |  |   |
| <b>g. Design and Implementation of Council Performance Metrics</b>   | 50,000   | 10,000   | 10,000   | 10,000   | 15,000   | 95,000  |
| <b>h. Section 508 Compliance</b> - Design and Implementation of Section 508 Compliant website pages and posted content |  |  |  | 105,000  | 245,000  | 350,000   |
| <b>TOTAL PRGM CONTRACTS</b>  | <b>\$455,000</b>                                 | <b>\$305,000</b>                                 | <b>\$455,000</b>                                 | <b>\$535,000</b>                                 | <b>\$635,000</b>                                 | <b>\$2,385,000</b>                                  |

The Council obtains estimates and uses the least expensive vendor who can provide acceptable service.

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|--|--|--|--|--|--|---|
|--|--|--|--|--|--|---|

**H. OTHER**

**1. Communications**

|   |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|
| Commercial = 10 lines hunting               | 7,938  | 8,176  | 8,421  | 8,674  | 8,934  | 42,144 |
| Mobil Phone = 2 phones & 3 MiFi's           | 2,460  | 2,534  | 2,610  | 2,688  | 2,769  | 13,060 |
| Federal Express for time sensitive mailings | 4,200  | 4,326  | 4,456  | 4,589  | 4,727  | 22,298 |
| Postage = first class mailings              | 16,800 | 17,304 | 17,823 | 18,358 | 18,909 | 89,193 |
| Internet                                    | 7,500  | 7,500  | 7,725  | 7,957  | 8,195  | 38,877 |

|                             |                 |                 |                 |                 |                 |                  |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| <b>TOTAL COMMUNICATIONS</b> | <b>\$38,898</b> | <b>\$39,840</b> | <b>\$41,035</b> | <b>\$42,266</b> | <b>\$43,534</b> | <b>\$205,573</b> |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|

**2. Training & Education**

|  |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|
| Computer Systems & Applications Training | 2,000  | 2,000  | 3,000  | 3,000  | 3,000  | 13,000 |
| Tuition Reimbursement                    | 0      | 0      | 0      | 0      | 0      | 0      |
| Professional Development                 | 11,250 | 11,250 | 15,000 | 15,000 | 15,000 | 67,500 |

|                                       |                 |                 |                 |                 |                 |                 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>TOTAL TRAINING &amp; EDUCATION</b> | <b>\$13,250</b> | <b>\$13,250</b> | <b>\$18,000</b> | <b>\$18,000</b> | <b>\$18,000</b> | <b>\$80,500</b> |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

**3. Insurance & Taxes**

|                                  |       |       |       |       |       |        |
|----------------------------------|-------|-------|-------|-------|-------|--------|
| Vehicle Insurance                | 1,500 | 1,545 | 1,622 | 1,703 | 1,789 | 8,159  |
| Office Furnishings (multi-peril) | 4,500 | 4,500 | 4,725 | 4,961 | 5,209 | 23,896 |
| Auto - Excise                    | 350   | 361   | 379   | 397   | 417   | 1,904  |

|                                    |                |                |                |                |                |                 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| <b>TOTAL INSURANCE &amp; TAXES</b> | <b>\$6,350</b> | <b>\$6,406</b> | <b>\$6,726</b> | <b>\$7,062</b> | <b>\$7,415</b> | <b>\$33,959</b> |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|

**4. Utilities: Gas, Electric, Water & Sewer**

|                        |                 |                 |                 |                 |                 |                 |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>TOTAL UTILITIES</b> | <b>\$16,000</b> | <b>\$16,480</b> | <b>\$17,304</b> | <b>\$18,169</b> | <b>\$19,078</b> | <b>\$87,031</b> |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

**5. Leave Accounts**

|                                    |   |   |   |   |   |   |
|------------------------------------|---|---|---|---|---|---|
| (Annual and Sick Leave/Retirement) | 0 | 0 | 0 | 0 | 0 | 0 |
|------------------------------------|---|---|---|---|---|---|

|                             |            |            |            |            |            |            |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| <b>TOTAL LEAVE ACCOUNTS</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |
|-----------------------------|------------|------------|------------|------------|------------|------------|

*Estimates based on eligible retirement dates*

|                                 |                    |                    |                    |                    |                    |                     |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>BUDGET EXPENDITURE TOTAL</b> | <b>\$4,506,587</b> | <b>\$4,912,180</b> | <b>\$5,256,032</b> | <b>\$5,518,834</b> | <b>\$5,794,776</b> | <b>\$25,988,409</b> |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|

|                  |                    |                    |                    |                    |                    |                     |
|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Expected funding | <b>\$4,506,587</b> | <b>\$4,912,180</b> | <b>\$5,256,032</b> | <b>\$5,518,834</b> | <b>\$5,794,776</b> | <b>\$25,988,409</b> |
| % increase used  |                    | 9.00%              | 7.00%              | 5.00%              | 5.00%              |                     |

|   |         |
|---|---------|
| Excludes Staff Comp and Fringe charged to NCE | 496,825 |
| Contract Costs (MSE) charged to NCE           | 200,000 |
|   | 696,825 |