

## Potatoes USA FY26 Budget

### Revenue

Assessment Revenue	\$ 15,500,000
Research Contributions	490,000
Interest Income	200,000
General Contributions	50,000
FAS Funding	6,936,400
Total Revenue	<u>23,176,400</u>

### Program Expenses

FAS Funding	6,936,400
Market Development	6,875,000
Production Research	1,691,000
Communications	1,575,000
Nutrition and Health	1,540,000
Culinary	632,500
Summer Meeting	228,500
Winter Meeting	197,000
Spring Meeting	214,500
Sponsorships	18,000
Contingency Fund	25,000
Special Projects	
Grant Matching	220,000
Total Program Expenses	<u>20,152,900</u>

### Administrative Expenses

Salaries and Benefits	2,350,000
Office Lease	198,000
Office and Insurance	391,500
Professional Services	270,300
Travel (non-program)	130,000
USDA User Fee	185,000
Total Administrative Expenses	<u>3,524,800</u>

<b>Total Expenses</b>	<u>23,677,700</u>
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### Revenue Over/(Under)

<b>Expenses</b>	<u><u>\$ (501,300)</u></u>
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Cash & Investments	\$ 8,424,017
<i>Estimated Claim Reimbursement</i>	475,000
USDA Designated	(500,000)
Board Designated	(1,500,000)
NFPT/NCP Designated	(616,000)
Cash & Investments Undesignated	6,283,017
Revenue Over/(Under) Expenditures	<u>(501,300)</u>
Balance Undesignated	<u>\$ 5,781,717</u>

## **FY26 Budget Comments**

### **Revenue**

Assessments: The Assessment revenue has decreased to \$15,500,000. Potatoes USA is uncertain about the role new tariffs will have on the assessment revenue from imports. If we find the new tariffs are having a minimal impact, we will adjust the budget and present the amendment to the board for approval.

Research Contributions: The Research Contributions have increased by \$23,000 due to additional contributions.

Interest Income: The Interest Income has decreased to \$200,000. Potatoes USA expects the interest rates to decline during FY26 thereby affecting the monthly interest revenue received from the money market account.

FAS Funding: Grants awarded by the Foreign Agricultural Services (FAS) to Potatoes USA change from year to year. FAS Funding includes the Market Access Program (MAP) grant and the Regional Agricultural Promotion Program (RAPP) grants, tranche one and two.

**Total budgeted revenue: \$23,176,400**

### **Program Expenses**

Due to the anticipated decrease in revenue, Potatoes USA has decreased the budget for some programs. Our goal was to decrease expenses in a way that would have minimal impact on the program activities.

FAS Funding: The FAS Funding expense budget matches the FAS Funding revenue budget.

Market Development: The Market Development budget has decreased to \$6,875,000. Some of the decrease is to move expenses to the Culinary program, where they fit best; additional decreases are to the program expenses as noted above.

Production Research: The Production Research budget has increased by \$23,000 to account for the additional program contributions.

Communications: The Communications budget has decreased to \$1,575,000. The decrease is due to postponing a non-board member meeting.

Nutrition and Health: The Nutrition and Health budget decreased to \$1,540,000 because Potatoes USA does not expect to work on the Dietary Guidelines in the new fiscal year.

Culinary: The Culinary budget has been increased to \$632,500. Some expenses were moved from Market Development to Culinary because they fit better under the Culinary program.

Summer, Winter, and Spring Meeting: All the meeting budgets have been decreased. In FY24 Potatoes USA started the process of decreasing our board size and FY26 will be the second year of implementing the change. The meeting budgets have been decreased by \$109,000 to account for the smaller board size.

Sponsorships: The Sponsorship budget has decreased by \$1,000 to \$18,000.

Special Project – Grant Matching: Potatoes USA has allocated \$220,000 towards the grant matching requirement for the RAPP grants.

**Total budgeted program expenses: \$20,152,900**

## **Administrative Expenses**

Salaries and Benefits: The Salaries and Benefits for the administrative staff have been increased by \$100,000 to cover annual increases for insurance and benefits.

Office Lease: The Office Lease budget has been increased by \$3,000 to \$198,000 to cover annual increases.

Office and Insurance: The Office & Insurance budget has decreased to \$391,500. Potatoes USA was able to negotiate lower fees for our telephones and copiers and removed all “buffers” from the office overhead line items.

Professional Services: The Professional Services budget has decreased by \$16,200 by reducing the budgets for staff training and legal expenses.

Travel (non-program): The travel (non-program) budget has increased to \$130,000 to cover additional travel by the administrative staff and board members.

**Total budgeted administrative expenses: \$3,524,800**