**Public Library Association, FY22 April 2022 Financial Narrative**

**FY22 Operating Budget as of April 2022**

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| **GENERAL FUND (12-401)**  ***Including Conference*** | **April 2022**  **YTD Budget** | **April 2022**  **YTD Actual** | **April 2022 Variance** |
| **Total Revenues** | $3,700,000 | $3,378,510 | ($321,490) |
| **Total Expenses before OH and tax** | ($1,854,523) | ($1,843,523) | $10,584 |
| **Overhead and Tax** | ($781,503) | ($756,789) | $24,714 |
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|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $1,063,974 | $777,782 | ($286,192) |
| **FY22 Beginning Net Asset Balance** |  |  |  |
| $4,506,979 |  |  |  |
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| **LONG TERM INVESTMENT** | **FY22 April 2022 Actual** |
| **Beginning Balance FY22** | $2,142,878 |
| **Interest/Dividends FY22** | $64,582 |
| **Expenses FY22** | ($8,419) |
| **Realized Gaines** | $132,369 |
| **Unrealized Gaines** | ($395,336) |
| **Ending Net Assets FY22** | $1,936,073 |

Operating Budget: As of April 2022, PLA is on budget with actual expenses of $1,843,939 compared to $1,854,523 in budgeted expenses. Revenues are 9% underbudget at 3,378,510, resulting in a net deficit of $286,192. This deficit is due to lagging conference revenue but is on track to meet budget in FY22Q3 and Q4 through unrealized conference and non-conference revenue.

As of April, the majority of the 2022 PLA National Conference expenses and revenue have been recorded with $2,895,507 in revenue, and $1,302,861 in direct expense, as well as $742,984 in overhead paid to ALA.

PLA’s net conference revenue comes in at $849,662, with approximately $13K in outstanding expenses and $141K in revenue are still to be recorded.

Nevertheless, due to lower than projected exhibitor revenue and significant pandemic-related expenses, the conference as a whole is on trend to net 20% under the budgeted $1.2 million. Extraordinary pandemic-related expenses included additional security, contracted vaccination verification vendor, additional room, AV and facilities costs for social distancing, higher exhibit expenses for social distancing, supplies (masks and COVID tests) and equipment. These expenses totaled more than $150K.

The rest of PLA’s operating budget through April evidence stretched capacity due national conference production, as well as staff attrition. These conditions have meant delays in some non-conference revenue generation while staff continues to scrupulously monitor expenses and find cost savings.

* Administration: Spending on administrative costs (staff, board management), at $417,019 is below budget (13% variance), largely due to staff attrition.
* Service to Members: Dues revenue is 17% ahead of budget, with $363,919 collected against a budget of $311,667. Dues expenses are underbudget due to consolidated communications and marketing efforts associated with conference. The conference year membership “bump” is partially reflected in these revenues.
* PLA publications comprise three budgets:
  + *Public Libraries* magazine is on budget with a $46K planned deficit, despite low advertising sales and a down trend in extra subscription sales. PLA will start FY23 with a shift in advertising representation with PL in an effort to shift this free member benefit publication toward breaking even.
  + Every Child Ready to Read (ECRR) revenue budgeted at $3K, came in at $22,333. This upswing in revenue is due to a couple of large state library agency purchases; This gain, minus expenses ($4,631) and overhead on sales ($2,959), places the PLA-ALSC product on firm ground, netting $14,743 to date.
  + Publications: PLA publications (products available through the ALA online store) are notably overbudget with only $1,643 in recorded sales (against a budgeted $8K), and $15K of expense incurred in the design and printing of *Strategic Planning for Public Libraries.* Pandemic-related delays in the release of both the strategic planning title and the PLA Early Literacy Calendar mean that sales revenue will be realized later in the year.
* Due to staffing shortages, PLA suspended production of new paid Web CE in order to focus on the production of the PLA 2022 National Conference, including the expanded Virtual Conference. PLA Web CE revenue lagged behind budget with modest revenues of $13,597. FY22 Q4 Web CE revenue will bring this budget in line before the end of the fiscal year.
* The Equity, Diversity and Inclusion budget is currently comprised with our revenue share partnership with Mia Henry on her Freedom Lifted virtual training series which launched in March 2022. PLA expects the participation threshold of 200+ participants for cost share activation will be achieved in FY22Q4.

The new Benchmark Data Platform, which was not projected as a significant revenue generator in FY22, has in April, already generated almost $18K in subscription sales. A collaborative endeavor with ACRL, PLA’s Benchmark platform expenses ($80K budgeted in FY22) are covered under the Gates Legacy grant budget during its development period.

Long Term Investments: Beginning Long Term Investment (LTI) Net Assets appear as $2,142,877 in FY22 close. April 2022 Net Assets of $1,936,073 based on market conditions.

Grant Budgets:

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| **GRANT FUNDS (47&48)** | **FY22 April**  **Budget** | **FY22 April YTD Actual** | **FY22 April Variance** |
| **Total Revenues** | $913,597 | $935,751 | $22,154 |
| **Total Expenses before OH and tax** | ($802,662) | ($849,620) | $46,958 |
| **Overhead** | ($101,846) | ($86,132) | $15,7145 |
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|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $9,089 | ($0) | ($9,089) |

As of April 2022, PLA had spent $849,620 in grant funds compared to a budgeted amount of $802,662, running 6% over budget. Spending in the Gates funds are on budget, with $522K spent on PLA staff salaries as well as support for Project Outcome and Benchmark data platform development and upgrades. The Digital Learn AT&T budget also proceeds on budget. The $9,000 expense variance shown is due to timing for allocation of overhead.