**Public Library Association**

**FY22 January 2022 Financial Narrative**

**FY22 Operating Budget as of January 2022**

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| **GENERAL FUND (12-401)**  ***Including Conference*** | **January 2022**  **YTD Budget** | **January 2022**  **YTD Actual** | **January 2022 Variance** |
| **Total Revenues** | $270,000 | $309,110 | $39,110 |
| **Total Expenses before OH and tax** | ($587,453) | ($459,838) | $127,615 |
| **Overhead and Tax** | ($8,458) | ($10,176) | ($1,718) |
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|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | ($325,911) | ($160,904) | $165,007 |
| **FY22 Beginning Net Asset Balance** |  |  |  |
| $4,506,979 |  |  |  |
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| **LONG TERM INVESTMENT** | **FY22 January 2022 Actual** |
| **Beginning Balance FY22** | $2,142,877 |
| **Interest/Dividends FY22** | $51,393 |
| **Expenses FY22** | ($5,340) |
| **Realized Gaines** | $77,575 |
| **Unrealized Gaines** | ($170,808) |
| **Ending Net Assets FY22** | $2,095,697 |

Operating Budget: As of January 2022, PLA has actual expenses of $459,838 compared to budgeted expenses of $587,453, coming in 20% under budget. Although FY22 is a conference year (with a budgeted net of $851,748) January is budgeted to a deficit. Conference revenue will be realized largely in FY22 Q3. The results are generally due to staff attrition, timing of conference expenses, and stronger than publication sales.

* Spending on administrative costs (staff, board management) is below budget (21% variance), due to open positions.
* Dues revenue is 12% ahead of budget, with $217,670 collected against a budget of $194,792. Dues expenses, mostly promotional, are behind due to delayed conference registration opening.
* PLA Web CE revenue lagged behind budget. 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 publications comprise three budgets:
  + *Public Libraries* magazine: Continuing with the pandemic practice of publishing a number of *Public Libraries* editions digitally rather than in print contributes to its lower than budgeted expenses of $33,926 (over a budgeted $45,604).
  + Every Child Ready to Read (ECRR) revenue budgeted at $2K, came in at $13,593. The dramatic upswing in revenue was due to large state library agency purchases; This gain, minus expenses ($3,734) and overhead on sales ($1,082), places the PLA-ALSC product on firm ground, netting $5,974 to date.
  + PLA publications (products available through the ALA online store) are notably overbudget with only $24 in recorded sales (against a budgeted $8K), and $15K 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.
* By January 2022, PLA had budgeted to spend $190,218 on conference expenses, including conference promotion, site visits, vendor deposits and speaker fees. Pandemic related delays (travel restrictions presenting site visits, venue, and speaker negotiations, etc.…) are the primary reason for the 30% lower than budgeted expenses of only $134,305. Most conference expenses and revenues will be realized by mid/late FY22.

Long Term Investments: Beginning Long Term Investment (LTI) Net Assets appear as $2,142,877 in FY22 close, but as $1,761,881 in the FY22Q1 Performance Reports, and the January 2022 financials. Per K. Brown, ALA Senior Financial Analyst, this figure will correct to the $2,142,877 beginning balance by the FY22 Q3 report.

Grant Budgets:

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| **GRANT FUNDS (47&48)** | **FY22 January**  **Budget** | **FY22 January YTD Actual** | **FY22 January Variance** |
| **Total Revenues** | $623,081 | $517,264 | ($105,817) |
| **Total Expenses before OH and tax** | ($546,858) | ($479,927) | $66,931 |
| **Overhead** | ($65,067) | ($37,337) | $27,730 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $11,156 | ($0) | ($11,156) |

As of January 2022, PLA had spent $479,927 in grant funds compared to a budgeted amount of $546,858, running 13% under budget for a difference of $66,931. This variance is due to timing of payments within the AT&T grant budget. Spending in the grant projects *which were included in the FY22 budget* (Gates funds) is on budget: a total of $339,522 been spent against a budget of $341,775. These funds mostly support about half of PLA’s staff salary and benefits but also include continued support of Project Outcome and the Benchmark data platform that has replaced PLDS. The $11,156 net revenue shown is due to timing for allocation of overhead.