FY23 Operating Budget as of May 2023

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| **FY23 Operating Budget as of May 2023** | **May 2023**  **YTD Budget** | **May 2023 YTD Actual** | **May 2023 Variance** |
| **Total Revenues** | $ 599,561 | $631,988 | $32,427 |
| **Total Expenses before OH and tax** | ($936,934) | (717,618) | $219,316 |
| **Overhead and Tax** | ($24,961) | ($24,033) | $928 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | ($362,334) | ($109,663) | $252,671 |
| **FY23 Beginning Net Asset Balance** |  |  |  |
| $5,334,084 |  |  |  |

In PLA’s two-year budgeting cycle, FY23 is a non-conference year, budgeted with a planned deficit of $415,476, readily covered by the FY22 conference year net revenue of $827,103.

Operating Budget: PLA’s Q3 position is favorable. Our May year to date results of -$109,663, is 70% ahead of budget with actual revenues of $631,988 compared to Q3 budgeted revenues of $599,561. Actual expenses of $717,618 are 23% below the budgeted $936,934. This favorable Q3 position is attributable to a combination of staff vacancies, timing of expenses, and strong WebCE revenue and dues revenue performance.

* Spending on administrative costs (staff, board management) is budget (5% variance), due to open positions. It should be noted that the ALA Executive board authorized a 3% increase for staff in FY23, 1% over the FY23 budgeted 2% increase. This increase will result in an overage of salary and benefits lines by the end of the fiscal year.
* Dues revenue is 14% ahead of budget, with $273,201 against a budget of $240,622. This is due to renewals timing, and a slight upswing trend. Expenses are over budget for the quarter due to the timing of travel and training expenses. Note: the May financial report shows expenses of $5,598 charged in overhead. Membership dues are an overhead exempt category, and this charge will be corrected in ALA’s financial reporting system and updated in the Q4 financial report.
* *Public Libraries* magazine, budgeted to a deficit of $26K is currently showing as $17K in the black as a result of controlled expenses and $40K in advertising sales. Printing expenses will be incurred in Q3 and Q4, however strong ad sales performance may push our member magazine close to break-even territory by the end of the fiscal year.
* PLA Web CE shows a strong performance year to date, with higher than planned registration bringing in $50,505 and exceeding the budgeted $30K by almost 70%.

Long Term Investments

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| --- | --- |
| **LONG TERM INVESTMENT** | **FY23 Q2 Actual (May 2023)** |
| **Beginning Balance FY23** | $1,867,021 |
| **Interest/Dividends FY23** | $39,609 |
| **Direct Expenses FY23** | ($4,645) |
| **Expenses FY23** | $0 |
| **Realized Gaines** | $135,075 |
| **Unrealized Gaines** | ($145,381) |
| **Ending Net Assets FY23** | $1,891,679 |

Note: As of the FY23Q2 Performance Reports the Beginning Long Term Investment (LTI) Net Assets now appears correctly as $1,867,022 in FY22 close, and the FY23 Beginning Net Assets.

Grant Budgets:

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| --- | --- | --- | --- | --- |
| **GRANT FUNDS (47&48)** | **FY23**  **Budget** | **FY23 Q3**  **Budget** | **FY23 Q3 YTD Actual** | **FY23 Q3 Variance** |
| **Total Revenues** | $1,581,555 | $1,165,294 | $4,386,567 | $3,221,274 |
| **Total Expenses before OH and tax** | ($1,401,798) | ($1,030,475) | ($1,942,080) | ($911,605) |
| **Overhead** | ($179,757) | ($134,818) | ($223,096) | (88,278) |
|  |  |  |  |  |
|  |  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $0 | $0 | 2,221,391 | $2,221,391 |

The FY 23 Budget and FY 23 Q2 Budget columns reflect the approved budget. The FY Q2 YTD Actual column reflects the approved budget plus new grants received after the budget was approved which are highlighted below.

Two grants were included in the FY23 budget:

* Digital Learn Phase I: spending is closing activities on budget. Although showing $3,390 overbudget for Q2, it concludes on budget at project close in March 2023, with the progress of the Phase II and Phase III Digital Learn grants.
* Gates Legacy Grant: spending is slightly under budget. A total of $476,964 has been spent against a budget of $514,309. These funds support about half of PLA’s staff salary and benefits but also include continued support of Project Outcome and the Benchmark data platform. The $14,550 net revenue shown is due to timing for allocation of overhead.

During FY23 Q1 an Q2, PLA has been awarded two new $1.78 million in new grants:

* Two Digital Learn grants from AT&T (Phase II $400K; Phase III $1.6 million).
* A IMLS funded University of Michigan grant collaboration with PLA data platforms ($38,698).

Overall, PLA hits its half-way point in the year on pace to meet, and possibly exceed budget.