**Public Library Association**

**FY20 Operating Budget as of August 2020**

***FIRST CLOSE as of April 15, 2021; SECOND CLOSE REPORT WITH REQUESTED CHANGES EXPECTED FROM ALA ON APRIL 19, 2021***

General Fund:
As of the first close for Fiscal Year 2020 (FY20), PLA has actual net revenues of $895,489, compared to a budget of $111,473.

|  |  |  |  |
| --- | --- | --- | --- |
| **GENERAL FUND*****Including Conference*** | **Aug 2020****YTD Budget** | **Aug 2020****YTD Actual** | **Aug 2020 Variance** |
| **Total Revenues** | $4,718,615 | $5,039,208 | $320,593 |
| **Total Expenses before OH and tax** | $3,665,252 | $3,041,775 | $623,477 |
| **Overhead and Tax** | $941,890 | $1,101,944 | $160,055 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $111,473 | $895,489 | $784,016 |
| **Beginning NAB** |  | **Ending NAB** |  |  |  |
| $3,493,338 |  | $4,388,827 |  |  |  |

PLA Conference:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLA Conference*****No other General Fund projects*** | **Aug 2020****YTD Budget** | **Aug 2020****YTD Actual** | **Aug 2020** **Variance** |
| **Total Revenues** | $3,712,365 | $4,153,847 | $441,482 |
| **Total Expenses including OH**  | $2,770,206 | $2,856,542 | $83,336 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $942,159 | $1,297,305 | $355,146 |

Grants:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLA Grants** | **Aug 2020****YTD Budget** | **Aug 2020****YTD Actual** | **Aug 2020** **Variance** |
| **Total Revenues** | $1,935,604 | $1,575,786 | $359,818 |
| **Total Expenses before OH**  | $1,879,882 | $1,555,775 | $324,107 |
| **Overhead** | $55,722 | $20,011 | $35,711 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $0 | $0 | $0 |

Notes on First Close:

**General Fund**

Many expenses were logically under budget as PLA stopped certain initiatives due to COVID-19 (professional services, travel, lodging, meal costs and honoraria for Annual Conference member event, etc.). Dues income was $16,000 over budget, which is attributable to memberships related to the strong PLA Conference attendance. Public Libraries magazine did well due to reduced costs and good ad sales; while final status is awaiting first close adjustments, the projected net loss for Public Libraries is likely about half of the budgeted $107,113. PLA’s Web CE account (paid webinars) did very well, with over $95,000 in revenue against a budget of only $26,000, due to strong webinar registrations and the payment from the California State Library for a dedicated webinar series. Publications and Every Child Ready to Read did not meet sales targets, which were conservative to begin with, so losses are small.

In terms of corrections and missing funds/expenses identified during the first close process, most were minor internal reallocations between projects.

**PLA Conference**

As we know from the April 2020 reports, the PLA Conference did very well in terms of registrations, exhibit fees, and other revenue. Expenses that were settled during the previously unreported period of May 2020-August 2020 were mostly anticipated and did not put a major dent in the net profit. Current status shows net revenue of $1,297,305, which is $355,146 over budget. The net revenue does not include an additional $145,645 in hotel commissions which ALA/PLA received *this month* (April 2021), putting total net revenue for conference closer to $1,443,000. Of note, in addition to strong registrations and exhibit fees, the virtual conference made about $37,000 in profit against a budgeted amount of $11,700, and conference promotion was way under budget, spending only $48,241 against a budget of $222,500. Speaker costs for the general sessions, however, exceeded budget by about $100,000, costing us $322,626 total.

ALA was budgeted to receive $874,730 in overhead from conference revenue, and received $1,066,586, a difference of over $190,000.

In terms of corrections and missing funds/expenses identified during the first close process, few will impact the conference bottom line but some will change net revenue/loss in specific projects. Exhibit Rental Income will be reduced by about $142,000 as $87,000 is reclassed to sponsorships, $24,500 is reclassed to ad revenue, and $30,463 is reclassed out of PLA Conference accounts to PLA’s Public Libraries magazine for ad sales. Meal events is currently showing nearly double the budgeted expenses, but a miscoded refund from a hotel will be transferred and correct it.

**Grants**

Grant projects moved slower than anticipated while PLA was focused on the PLA 2020 Conference and continued to be slow due to COVID-19 cancelations and open positions which were not filled during FY20. As a result, PLA did not entirely spend down the Gates GenOps grant as anticipated (about $115,000 will remain as of the second close) and a balance of nearly $55,000 remains in the Gates African Leadership Training project, which was also expected to be spent down. These amounts may change during the second and third close if certain expenses are reallocated, however it is likely these grants will continue to be spent into FY21, further reducing the burden on the Gates Legacy grant. Other active grants (the Microsoft projects and health insurance promotion) were essentially on budget.

In terms of corrections and missing funds/expenses identified during the first close process, $53,786 in various categories was mistakenly charged to the Gates Legacy grant in FY20 (PLA did not intend to spend Legacy funds in FY20). So those expenses will be reclassed to Gates GenOps. Also, it was noticed that ALA did not assess the budgeted overhead on the Microsoft projects, so an additional $35,271 will be spent in overhead. At the close of FY20, PLA will have about $9.35 million in its balance of grant funds.