TO: PLA Board of Directors

FROM: Mary Davis Fournier, Executive Director

RE: FY 2024 Budget Revision Narrative

DATE: May 9, 2023

The following is a summary of considerations for revisions to the FY2024 (September 1, 2023-August 31, 2024) PLA budget. This budget draft will be submitted to ALA’s financial system under the May 19, 2023, deadline. This is the final revision before the ALA budget is approved by the Executive Board in June 2023.

**Following submission and analysis of all ALA unit budgets, ALA has requested a 3% across-the-board cost reduction to all non-salary unit budgets.** This budget reduction has been implemented across all ALA units with the goal of aligning expenses and revenue across ALA. For PLA, the 3% expense reduction amount is $73,027, achievable through a combination of added revenue and cuts to expenses. This budget adjustment request from ALA has provided an opportunity to review all budget projections, and in particular, our PLA 2024 conference projections.

The PLA FY24 budget revision reflects expense reductions of $28,055, as well as $101,082 in added revenue, to achieve the ALA requested net budget increase of $73,027. Expense reductions include shifting staff wage/benefit from the operating budget to the new AT&T grant project and reducing conference catering and speaker honorarium budgets. Advertising and licensing revenues for Public Libraries magazine and Digitallearn.org, informed by updated forecasting, comprise the non-conference related increase in revenue.

The proposed FY24 budget, built using 2022 conference revenue as a baseline, has been updated to reflect the most recent contracted expense information. The budget projects a 5% increase in conference expenses over 2022, mostly due to inflation-driven factors (labor, venues, meal, and tech expenses).

The decision to increase conference registration fees by 5% is a move to address rising costs and align with current market conditions.

* The increase has been determined using the U.S. Bureau of Labor Statistics Consumer Price Index (CPI) tracking. As with PLA’s FY24 dues increase, the CPI average of 5% over the past three years is the basis for the increase.
* The 5% increase applies across all categories, *except student registration*. As with membership dues, we have frozen student registration rates.
* Budgeted registration revenue of $1.4 million has been projected using the 2022 registration revenue total as the baseline with a .05 multiplier.

PLA is not alone among ALA divisions (ACRL, CORE, ALSC, AASL) with increased current and upcoming registration fees of 5-10%. PLA’s increase, which will bring full conference registration for PLA members to $394 (advance) is comparable to current [AASL registration](https://www.ala.org/aasl/conferences/aasl23/registration) ($399 – member advance) and significantly lower than the [2023 ACRL](https://web.cvent.com/event/2c47cb63-a540-46a6-b561-c93f75c86d12/websitePage%3Ad7e91f23-c03c-4755-8da8-be8faa0e867d) ($469 – member advance) rates.