**Public Library Association**

**FY24 Q1 November 2023 Budget Narrative**

FY24 Operating Budget as of November 2023

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| **FY24 Operating Budget as of November 2023** | **November 2023****YTD Budget** | **November 2023 YTD Actual** | **November 2023 Variance** |
| **Total Revenues** | $292,759 | $208,978 | (83,781)  |
| **Total Expenses before OH and tax** | ($372,038) | ($386,387) |  ($14,349) |
| **Overhead and Tax** | ($15,279) | ($4,381) | $10,898 |
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|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | ($94,558) | ($181,790)  | (87,232) |
| **FY23 Beginning Net Asset Balance** |  |  |  |
| $4,242,909 |  |  |  |

In PLA’s two-year budgeting cycle, FY24 is year one, a conference year, budgeted conservatively to net $612,420. Net revenues from year one will cover year two in the cycle (the non-conference year). Beginning FY24, ALA’s new practice of accruing all conference related revenues and expenses to the event month has been implemented. Therefore, conference revenues and prepaid expenses will not be reported until FY24Q3.

Operating Budget: As of November 2023, PLA has actual expenses of $208,978 compared to budgeted expenses of $292,759. This lag in revenues is largely due to membership revenue, which has not yet experienced the level of upswing consistent with a conference year. During the first quarter of the fiscal year both ad sales and Web CE revenue began the year with strong performance.

* Spending on administrative costs (staff, board management) is slightly ahead of budget (11% variance), due to timing for travel expenses.
* Membership dues are underbudget by 18%, with $130,487 in revenue against a budgeted $155,270 in Q1. This is due to renewals timing. As conference registration opens, revenues are expected to catch up to budget. Expenses are overbudget by $3,724 due to unanticipated staff travel in Q1.
* PLA Web CE continues to perform well, bringing in $19K and exceeding the budgeted $14K by 40%.
* Ad sales for *Public Libraries* magazine and related communications assets performed 80% ahead of budget and subscriptions experienced a 16% rise in Q1 – bringing in $40K in revenue against a Q1 budgeted $21,775. Due to publication expense timing, expenses are significantly lower than budgeted (52%) but expected to catch up later in the year.
* Subscriptions to PLA’s Benchmark data platform are lagging significantly behind budget with only $4,348 in revenue against a budgeted $21,485. Some of this can be attributed to subscription renewal timing. Expenses for the Benchmark data platform appear in the Gates Legacy Budget.
* Conference revenue will be recognized in Q3, while the $122,772 in Conference expenses appearing in Q1 reflect bank fees and personnel costs. Other prepaid expenses are deferred to April 2024, the month of the conference.

Long Term Investments

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| **LONG TERM INVESTMENT**  | **FY24 Q1 Actual (November 2023)** |
| **Beginning Balance FY24Q1** | $1,925,282 |
| **Interest/Dividends FY24Q1** | $28,350 |
| **Direct Expenses FY24Q1** | ($2,996) |
| **Expenses FY24Q1** | $0 |
| **Realized Gaines** | $2,089 |
| **Unrealized Gaines** | ($67,842) |
| **Ending Net Assets FY24Q1** | $1,884,913 |

Grant Budgets

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| **GRANT FUNDS (47&48)** | **FY24 Q1**  **Budget** | **FY24 Q1 YTD Actual** | **FY24 Q1 Variance** |
| **Total Revenues** | $337,212 | 35,638 | ($301,574) |
| **Total Expenses before OH and tax** | ($286,830) | ($478,303) |  ($191,473) |
| **Overhead**  | ($39,255) | ($19,941) | $19,314 |
|  |  |  |  |
|  | **YTD Budget** | **YTD Actual** | **Variance** |
| **Net Revenue (Expense)** | $11,127 | ($462,606) | ($473,733) |

During FY24 Q1 ALA has been rebuilding the grants reporting modules in the Prophix financial reporting platform. As a result, financials for the Q1 period do not fully reflect grant expense and revenue activity. Fully updated grants financial information should be available in FY24Q2.

During Q1 PLA was awarded a new [IMLS National Leadership Grant](https://www.imls.gov/grants/awarded/lg-254862-ols-23) in the amount of $249,964. Authentic Family Engagement for Spanish Speaking Families supports development of new tools and training models to support engagement of Spanish-speaking families.

Friends of PLA Grant

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| **FRIENDS of PLA** | **FY24 Q1 Actual**  |
| **Total Revenues** | $338,455 |
| **Accrued/Deferred Revenue** | $172,070 |
| **Bank Fees** | ($115) |
| **Total** | $510,409 |

Thanks to working with the ALA Finance department, PLA is able to report on revenues to the Friends of PLA for the first time since it was established as a fund in FY22. This fund receives corporate and individual donations to PLA designated to support scholarships and programmatic priorities. Its balance rolls over year to year. The current balance of $510,409 reflects corporate, foundation and individual donations. Work with the ALA Development and Finance departments continues to accurately track and report on individual donations. Although there was no ability to budget expenses in FY24, PLA will fund 120 scholarships to the 2024 PLA National Conference using Friends of PLA support.