

TO: ALA-APA Board of Directors

RE: FY 2023 Financial Review – Two Month Results Ending 10-31-22

INFORMATION REPORT:

Discussion

CONTACT PERSON: Lorelle Swader

DATE: January 10, 2023

BACKGROUND:

Details regarding the performance and the state of the budget for the two months ending 10-31-22 are highlighted below:

Revenue	YTD Actual 31-Oct	YTD Budget 31-Oct	Variance F /(U)	Annual Budget
Salary Survey	\$ 4,992	\$ 5,000	\$ (8)	\$ 30,000
Library Worklife	\$ 12,661	\$ 14,500	\$ (1,839)	\$ 87,000
NLWD Sales	\$ 83	\$ 833	\$ (750)	\$ 5,000
Certification	\$ 3,587	\$ 4,333	\$ (746)	\$ 6,000
Donations	\$ 485	\$ 500	\$ (15)	\$ 3,000
Continuing Education	\$ 5,500	\$ 5,500	\$ -	\$ 33,000
Total	\$ 27,308	\$ 30,666	\$ (3,358)	\$ 184,000
Expenses				
Payroll	\$ 9,468	\$ 9,478	\$ 10	\$ 58,570
Outside Services	\$ 2,551	\$ 10,200	\$ 7,649	\$ 61,200
Travel and Related	\$ -	\$ 217	\$ 217	\$ 1,300
Meetings & Conferences	\$ -	\$ 83	\$ 83	\$ 500
Publication Related	\$ -	\$ 358	\$ 358	\$ 2,150
Operating	\$ 6,205	\$ 6,168	\$ (37)	\$ 37,010
Total	\$ 18,224	\$ 26,504	\$ 8,280	\$ 160,730
Net Surplus(Deficit)	\$ 9,084	\$ 4,162	\$ 4,922	\$ 23,270

Total Revenues

Total revenue for the two months ending 10-31-22 was \$27,308, which was \$3,358 (-11.0%) less than the budget of \$30,666 and compared to \$26,728 for the same period last year. Revenue from all categories, except Continuing Education, was lower than budget. The most significant revenue shortfall was in Library Worklife. Library Worklife, a benefit of ALA membership, revenue was \$12,661, less than its budget of \$14,500 by \$1,839 (-12.7%). This shortfall is directly related to the continuing issues surrounding the maintenance of ALA membership and the residual impact of the pandemic. NLWD sales were significantly less than its budget of \$833 at \$83 by \$750 (-90.0%). Since the primary activities will take place in the spring, this could be more of a budgeting/timing issue. Revenue from Certification was \$3,587 and less than its budget of \$4,333 by \$746 (-17.2%). Despite the lower results, pent-up demand and solid course offerings are expected to meet the budget by year-end. Revenue from Donations, a continuing challenge in any environment, was \$485 and under its budget of \$500 by \$15 (-3.0%). Salary Survey sales were on budget with revenue of \$4,992 (-0.2%). Continuing Education revenue was on budget at \$5,500.

Total Expenses

Total expenses for the period were \$18,224 and less than the budget of \$26,504, resulting in a savings of \$8,280 (31.2%) compared to \$19,580 for the same period last year. In keeping with a senior management direction, expenses were closely monitored to approximate expected revenues as the Association works through the receding grip of the pandemic. All expense category variances were under budget except for the general operating expenses.

Significant savings were realized in using outside services at \$2,521, less than its budget of \$10,200 by \$7,649 (75.0%). This variance reflected management's needs vs. usage assessment of its planned activities, which resulted in a lower-than-expected use of professional services (\$6,867) to date. There was no spending on Travel & Related, Meetings & Conference, and Publication Related categories, resulting in a total savings of \$658. Payroll was essentially on budget at \$9,478, realizing savings on a budget of \$9,468 of \$10 (0.1%). Operating expenses were slightly over its budget of \$6,618 by \$37 (0.6%) at \$6,205.

Net Surplus

The result was a surplus of \$9,084, exceeding the budgeted \$4,162 by \$4,922 (118.3%).