

Massachusetts Library Association

Annual Treasurer's Report

May 2020

For the second year in a row we had a budget target of \$45,000 for membership income. As of May 8, 2020 without the incentive of conference for people to renew, our membership income was over \$38,000. If our average monthly membership income rate of \$3700 per month for this fiscal year continues, we will just meet our membership budget goal. The income did not drop of in March, but it was \$2000 less than average in April. So, meeting that goal might be difficult given the current financial climate.

With the cancellation of our 2020 conference due to the coronavirus pandemic, and the need to refund exhibitors and sponsors, our steadily improving financial picture took a very big hit, as did all of the world economy. To meet our monthly expenses in April of 2020 we moved \$12,000 from our Fidelity cash reserves account into the TD Bank checking account.

In early May we were notified that we received the Payroll Protection Program loan from SBA in the amount of \$10,335. This will enable us to keep our two employees on the payroll and the loan will eventually be forgiven. This will extend the date we will need to again dip into our Fidelity investment funds, but barring a miracle, that will be impossible next fiscal year. To make those funds available we will need to trade funds to move from the investment account into the cash reserves account. Funds are moved from the cash reserves to the bank account any time the bank balance drops below \$4000.

Looking at our investment portfolio we have lost all the investment gains we made since July of 2018

Fidelity Investment Account Summary

| Fidelity Investment Accounts | 7/1/18 | 8/7/19 | 5/6/2020 |
|--------------------------------|-------------------|-------------------|-------------------|
| Cash Reserves | 11,412.00 | 6,574.05 | 3,634.12 |
| Investments | 136,310.79 | 141,754.12 | 132,352.85 |
| Total Fidelity Accounts | 136,310.79 | 148,328.37 | 135,986.97 |

FY2021, with the world in so much upheaval, will be a difficult year. We had prepared a detailed budget, that once the pandemic erupted, and we realized conference would be cancelled this year, adjusted to reflect our best guess of an unknown reality. As the weeks have worn on, we still have concerns about the feasibility of having a conference in the spring of 2021 and have prepare contingency budgets to address alternative situations, either a virtual conference or no conference at all. At the annual meeting we will present the first revised budget, the one that includes a spring 2021 conference. If it becomes apparent during the year that an in-person conference will not be feasible, we will come back to the board to adopt either the virtual conference or no conference revised budgets.

This has been a difficult spring, but I want to commend the MLA leadership on the professional manner in which we have approached these challenges head on and await the day we can say this bad patch is behind us.