

# Library Finance Summary

## January 2018 Report

*Note: the discussion below refers to both the library (021) and ALP (023) Funds unless otherwise stated.*

### Revenue

As is usual for the start of year, the state provided 100% of their annual donation and the county 25% totaling nearly \$120,000. Total revenue fell 11% short of our budget due to lower than expected revenue from donations as a good portion of the \$67,000 total received so far from the annual appeal was received in December accounting.

YTD January 2018		Combined library + ALP			
Revenue	Actual	Budget	% Chg	2016	% Chg
Governmental revenue	\$ 119,761	\$ 118,772	0.8%	\$ 122,505	-2.2%
Library revenue	2,385	2,955	-19.3%	1,311	82.0%
Donations/Grants/Misc	14,839	31,983	-53.6%	22,364	-33.6%
<b>Total</b>	<b>\$136,986</b>	<b>\$153,710</b>	<b>-10.9%</b>	<b>\$146,180</b>	<b>-6.3%</b>

ALP's revenue in January was \$1K from donations.

### Expenses

**Personnel services** expense this month of \$51.9 K was higher than it should have been due to a carryover payment of December's medical benefits invoice. Personnel expenses will also be higher in 2018 versus 2017 due to additional staff members and hours worked. **Library Materials** expenses were just slightly higher than budget. Possibly due to the inclement weather in January, **Programming** costs were down 82% versus budget.

YTD January 2018		Combined library + ALP				
Expense	Actual	Budget	% Chg	LY	% Chg	
Personnel	\$ 51,873	\$ 51,189	1.3%	\$ 38,173	35.9%	
Materials	8,811	8,491	3.8%	7,403	19.0%	
Facilities	7,398	6,754	9.5%	5,808	27.4%	
Programming	427	2,333	-81.7%	296	44.4%	
Supplies	2,134	1,456	46.6%	2,185	-2.4%	
All other	9,143	7,748	18.0%	16,765	-45.5%	
<b>Total</b>	<b>79,786</b>	<b>77,971</b>	<b>2.3%</b>	<b>70,630</b>	<b>13.0%</b>	
Capital expenditures	\$ -	\$ 1,250	-100.0%	\$ 7,045	-100.0%	
<b>Expenses incl. capital Ex.</b>	<b>\$ 79,786</b>	<b>\$ 79,221</b>	<b>0.7%</b>	<b>\$ 77,675</b>	<b>2.7%</b>	
<b>Net</b>	<b>\$57,200</b>	<b>\$71,130</b>	<b>-19.6%</b>	<b>\$68,505</b>	<b>-16.5%</b>	

**Facilities** expenses were high this month with more work on the HVAC and an annual payment for D&O insurance.

In the **All Other** expenses category, January fundraising expenses were 80% which included the printing of the 2<sup>nd</sup> annual appeal letter.

ALP expenses were \$6.6 K for the month, which was 35% below budget. This was partially due to monthly benefit charges not being allocated to the ALP fund, which will be corrected.

Overall expenses for January were very close to budget and nearly 3% greater than 2017. Without the December benefits payment (~\$5K) expensed in January, expenses would have been below budget and below 2017.

### Net

January "Net" (excess of revenue over expenses) was \$57.2 K due to the state and county donations.

### Cash Management

Refer to the table on the right, which shows the cash balances of the 3 major library funds at the end of January. Both the library and ALP funds have started the year with solid cash balances. The Finance Committee will be evaluating the possibility moving some of the library excess cash back into the portfolio.

January 2018					
Fund Balances	Library (020)	CapRes (021)	ALP (023)	Total	
Beg of Year Fund Balance	\$ 98,840	\$ 8,522	\$ 33,795	\$ 141,156	
Chg in Cash	\$ 62,766	\$ (9,801)	\$ (5,566)	\$ 47,400	
<b>January 2018 Cash Balance</b>	<b>\$ 161,606</b>	<b>\$ (1,279)</b>	<b>\$ 28,229</b>	<b>\$ 188,556</b>	
Beg of Year Investment Balance		\$ 2,870,272		\$ 2,870,272	
Restricted Account		1,584,657		1,584,657	
McMullan Account		270,506		270,506	
Wellesley		1,850,893		1,850,893	
Exelon Account		132,190		132,190	
<b>Current Investment Balance</b>	<b>\$ -</b>	<b>\$ 3,838,245</b>	<b>\$ -</b>	<b>\$ 3,838,245</b>	
Chg in Investment Balance	\$ -	\$ 967,973	\$ -	\$ 967,973	
<b>Total Fund Balance</b>	<b>\$161,606</b>	<b>\$3,836,966</b>	<b>\$28,229</b>	<b>\$4,026,802</b>	
	Last Month	\$98,840	\$3,852,608	\$33,795	<b>\$3,985,243</b>
	Change from last month	\$62,766	(\$15,642)	(\$5,566)	\$41,559

### Library Investment Portfolio

The portfolio at the end of January was \$3.8 million, down \$5.8K due to lower market pricing in the 2 bond funds. Our investment manager, Blue Rock Financial Group, has restructured the portfolio and now there are 4 funds including a **Federal Money Market Fund** which, for safety reasons, will contain the restricted funds for the new library project, a midterm fund, **Intermediate-Term Investment-Grade Fund** which will hold \$50,000 for library operations, if needed, and a long-term fund consisting of 4 **Vanguard ETF's** managed by BRFG. For the time being, due to the endowment restrictions on the McMullan Fund (which only the income earned can be used to support library operations) will be maintained as a separate fund until we can determine how to adequately protect the endowment restriction.

William C McLachlan  
Treasurer

# Library Finance Summary

## January 2018 Report

### 2018 Kennett Library Summary Totals

As of January 2017	1						
Funds 020 (Library) & 023 (ALP)	Year-to-Date Revenue and expenses						
	Cur. Mo.	YTD	%	YTD Bud.	% Chg	LYTD	% Chg
<b>Revenue</b>							
<b>Governmental Donations</b>							
State	\$ 99,265	\$ 99,265	83%	\$ 99,265	0%	\$ 102,440	-3%
County	19,507	19,507	16%	19,507	0%	20,065	-3%
Pocopson	-	-	0%	-	NM	-	NM
East Marlborough	989	989	1%	-	NM	-	NM
Kennett	-	-	0%	-	NM	-	NM
Kennett Square	-	-	0%	-	NM	-	NM
New Garden	-	-	0%	-	NM	-	NM
Newlin	-	-	0%	-	NM	-	NM
Pennsbury	-	-	0%	-	NM	-	NM
West Marlborough	-	-	0%	-	NM	-	NM
<b>Total Governmental</b>	<b>\$ 119,761</b>	<b>\$ 119,761</b>	<b>87%</b>	<b>\$ 118,772</b>	<b>1%</b>	<b>\$ 122,505</b>	<b>-2%</b>
<b>Library Revenue</b>							
Charges, Fines, Interest, Misc	\$ 2,385	\$ 2,385	14%	\$ 2,955	-19%	\$ 1,311	82%
Donations, annual Giving	\$ 10,839	10,839	63%	\$ 29,067	-63%	\$ 22,364	-52%
Grants	\$ -	-	0%	\$ 417	-100%	-	NM
Events	\$ 4,000	4,000	23%	\$ 2,500	60%	-	NM
<b>Library</b>	<b>\$ 17,225</b>	<b>\$ 17,225</b>	<b>13%</b>	<b>\$ 34,939</b>	<b>-51%</b>	<b>\$ 23,675</b>	<b>-27%</b>
<b>Total Revenue</b>	<b>\$ 136,986</b>	<b>\$ 136,986</b>	<b>100%</b>	<b>\$ 153,710</b>	<b>-11%</b>	<b>\$ 146,180</b>	<b>-6%</b>
<b>Expense</b>							
Personnel services	\$ 51,873	\$ 51,873	65%	\$ 51,189	1%	\$ 38,173	36%
Library Materials	\$ 8,811	8,811	11%	8,491	4%	7,403	19%
<i>Library Materials as % of Expenses</i>	<i>12.7%</i>	<i>12.7%</i>		<i>10.3%</i>		<i>7.6%</i>	
Professional fees	54	54	0%	750	-93%	654	-92%
T&E and Employee Related	625	625	1%	750	-17%	3,772	-83%
Marketing & PR	925	925	1%	843	10%	3,524	-74%
Programming	427	427	1%	2,333	-82%	296	44%
Facilities & maintenance	7,398	7,398	9%	6,754	10%	5,808	27%
Fundraising	7,285	7,285	9%	5,000	46%	8,322	-12%
<i>Fundraising exp as % of all donations, events, grants</i>	<i>49.1%</i>	<i>49.1%</i>		<i>15.6%</i>		<i>37.2%</i>	
Supplies	2,134	2,134	3%	1,456	47%	2,185	-2%
Miscellaneous	254	254	0%	404	-37%	492	-48%
Capital outlay	-	-	0%	1,250	-100%	7,045	-100%
<b>Total Expenses</b>	<b>\$ 79,786</b>	<b>\$ 79,786</b>	<b>100.0%</b>	<b>\$ 79,221</b>	<b>1%</b>	<b>\$ 77,675</b>	<b>3%</b>
<b>Net</b>	<b>\$ 57,200</b>	<b>\$ 57,200</b>	<b>72%</b>	<b>\$ 74,489</b>	<b>-23%</b>	<b>\$ 68,505</b>	<b>-17%</b>
<i>Expenses as a percent of revenue</i>	<i>58%</i>	<i>58%</i>		<i>52%</i>		<i>53%</i>	
Current Cash Availability	<b>\$ 189,835</b>						

Note: The above charts contain combined revenue and expenses of the library and ALP Funds.

### As of January 2017

#### Capital Reserve Fund-021

(For new library)

	Revenue and expenses for Fund 021						
	Cur. Mo.	YTD	%	YTD Bud.	% Chg	LYTD	% Chg
<b>Revenue</b>							
Donations-capital campaign	\$ -	\$ -	0%	\$ -	NM	\$ -	NM
Miscellaneous revenue	2	2	100%	-	NM	0	260%
<b>Total Revenue</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>100%</b>	<b>\$ -</b>	<b>NM</b>	<b>\$ 0</b>	<b>260%</b>
<b>Expense</b>							
Feasibility/Capital Campaign Consultant	\$ 5,872	\$ 5,872	60%	-	NM	-	NM
OR/CMAR	-	-	0%	-	NM	-	NM
Communications Consultant	-	-	0%	-	NM	-	NM
Architectural fees	-	-	0%	-	NM	-	NM
Legal fees	3,931	3,931	40%	-	NM	1,688	133%
Maintenance-building & grounds	-	-	0%	-	NM	-	NM
Miscellaneous	-	-	0%	-	NM	635	-100%
<b>Total Expenses</b>	<b>\$ 9,802</b>	<b>\$ 9,802</b>	<b>100%</b>	<b>\$ -</b>	<b>NM</b>	<b>\$ 2,322</b>	<b>322%</b>
Current cash availability	<b>\$ (1,279)</b>						