

Library Finance Summary

June 2018

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

Revenue

June revenue totaled \$129.4K. Municipal donations were \$94.2 K with donations from East Marlborough, Kennett and Pennsbury Townships. Total library revenue was strong at \$35.2 K (last month: \$23.2K) with donations, grants, and event revenue making up the majority of that at \$31.7 K.

YTD June 2018 Combined library + ALP					
Revenue	Actual	Budget	% Chg	2017	% Chg
Governmental revenue	\$487,256	\$478,506	1.8%	\$475,430	2.5%
Library revenue	\$16,899	\$18,983	-11.0%	\$11,885	42.2%
Donations/Grants/Misc	\$145,773	\$123,120	18.4%	\$129,653	12.4%
Total	\$649,929	\$620,609	4.7%	\$616,968	5.3%

ahead of budget and 12% ahead of 2017 which was also a record producing year.

ALP revenue in June was \$25.1 K, most all donations/grants including a final 2017/18 grant payment from UWSCC. ALP's YTD revenue of \$45.0 K is 14.5% behind budget and but 4% above 2017. It was reported in this report last month that \$15,000 would be transferred from the library account to the ALP account. At the end of the day, this was not pursued due to a significant chunk of cash coming into ALP in June, but the cash situation will be closely monitored to determine if a transfer may be necessary later.

Expenses

June expenses were \$67.7 K resulting in a positive net of \$61.7 K for the month.

On a YTD basis, **Personnel Services** expenses, representing 69% of library expenses, are 5% greater than budget and 21% greater than 2017 (a result of increasing hours for the ALP staff to full-time, the 3% overall cost-of-living adjustment effective January 1, and a significant bump in benefit costs for 2018).

Library Materials, 11% of expenses so far this year, are 9% below budget but 33% greater than 2017 (where material purchases got off to a slow start).

YTD June 2018 Combined library + ALP					
Expense	Actual	Budget	% Chg	LY	% Chg
Personnel	\$323,190	\$307,594	5.1%	\$266,634	21.2%
Materials	52,956	58,400	-9.3%	\$39,690	33.4%
Facilities	28,160	33,127	-15.0%	\$35,017	-19.6%
Fundraising	26,322	17,500	50.4%	\$16,177	62.7%
Programming	13,714	15,150	-9.5%	\$9,821	39.6%
Supplies	9,608	8,735	10.0%	\$9,071	5.9%
All other	13,674	18,735	-27.0%	\$21,035	-35.0%
Total	\$ 467,624	\$ 459,240	1.8%	\$ 397,444	17.7%
Capital expenditures	1,011	7,875	-87.2%	9,342	-89.2%
Expenses incl. capital Ex.	\$ 468,635	\$ 467,115	0.3%	\$ 406,786	15.2%
Net	\$181,293	\$152,239	19.1%	\$210,182	-13.7%

Facilities expenses, 15% of expenses, are continuing below budget and 20% below 2017. So far this is good news, but the building will be presenting us with higher expenses in July due to roofing repairs, some air conditioning expenses, and the replacement of the ejector pump in the basement. These costs will be split between operating expenses and capital outlay.

Fundraising expenses have now been included in this chart (previously in all other expenses). At 6% of total expenses, fundraising expenses are 50% greater than budget and 63% greater than 2017. Obviously, the higher fundraising costs have been **more than offset** by much higher donations and event revenue, so the investment is obviously well-placed! **Programming** costs, 3% of overall expenses, are below budget by 9.5% but are 40% greater than 2017.

All Other expenses are considerably below budget and last year primarily due to lower legal fees, marketing, and miscellaneous costs.

ALP expenses during June were \$10.8K, the majority of which were related to personnel services. Year to date, ALP expenses are \$67.1K, 0.7% below budget but 34% ahead of 2017.

YTD Net

Year-To-Date "Net" (excess of revenue over expenses) for the library & ALP is \$181.3 K which is 19% greater than budget and

June 2018				
Fund Balances	Library (020)	CapRes (021)	ALP (023)	Total
Begin of Year Fund Balance	\$ 98,840	\$ 8,522	\$ 33,795	\$ 141,156
Chg in Cash	\$ 223,684	\$ (42,767)	\$ (22,129)	\$ 158,788
June 2018 Cash Balance	\$ 322,524	\$ (34,246)	\$ 11,667	\$ 299,945
Begin of Year Investment Balance		\$ 3,838,245		\$ 3,838,245
Vanguard ST Investment (McMullan)		Email list you	5 we want will	affect
Vanguard Federal Money Mkt. Fund		1,521,572		
Vanguard Brokerage - Settlement		36,960		
Vanguard Mutual Funds		49,815		
Vanguard ETF Funds		1,789,900		
Current Investment Balance	\$ -	\$ 3,398,247	\$ -	\$ 3,398,247
Chg in Investment Balance YTD	\$ -	\$ (439,998)	\$ -	\$ (439,998)
Total Fund Balance	\$322,524	\$3,364,002	\$11,667	\$3,698,192
Last Month	\$224,953	\$3,690,265	(\$2,710)	\$3,912,508
Change from last month	\$97,570	(\$326,263)	\$14,377	(\$214,316)

10% greater than 2017 primarily due to the great start with municipal donations and revenue from the annual appeal, grants, donations and the spring H&G tour.

Cash Management

Refer to the table on the left: there is \$300K in the 3 library accounts. Capital reserve is currently showing negative cash, but \$50,000 has been transferred from the restricted portfolio in late June to compensate. The total cash will be sufficient to cover library cash needs for the next 3.5 months.

Library Investment Portfolio

The portfolio at the end of June was \$3.67 million, down \$49K from May due to the transfer of \$50K to the capital reserve account to support ongoing legal and architectural

Library Finance Summary

June 2018

fees for the library building project. As a reminder, the portfolio fund restricted for the new building project is held in a federal money market account, so it is not subject to the whims of the market. So far in 2018, \$193.8K has been spent on the building project. Full year 2017 was \$152.7K for a total project cost so far of \$346.5 K.

William C McLachlan, Treasurer

2018 Kennett Library Summary Totals

Funds 020 (Library) & 023 (ALP)	Year-to-Date Revenue and expenses							
	6	Cur. Mo.	YTD	%	YTD Bud.	% Chg	LYTD	% Chg
Revenue								
Governmental Donations								
State	\$ -	\$ 99,265	20%	\$ 99,265	0%	\$ 102,440	-3%	
County	-	39,014	8%	\$ 39,014	0%	\$ 40,131	-3%	
Pocopson	-	-	0%	\$ -	NM	\$ 9,000	-100%	
East Marlborough	12,349	117,842	24%	\$ 117,842	0%	\$ 113,609	4%	
Kennett	73,000	148,000	30%	\$ 140,000	6%	\$ 147,000	1%	
Kennett Square	-	14,250	3%	\$ 14,250	0%	\$ 19,100	-25%	
New Garden	-	40,135	8%	\$ 40,135	0%	\$ 15,900	152%	
Newlin	-	11,000	2%	\$ 10,500	5%	\$ 10,500	5%	
Pennsbury	8,875	17,750	4%	\$ 17,500	1%	\$ 17,750	0%	
West Marlborough	-	-	0%	\$ -	NM	\$ -	NM	
Total Governmental	\$ 94,224	\$ 487,256	75%	\$ 478,506	2%	\$ 475,430	2%	
Library Revenue								
Charges, Fines, Interest, Misc	\$ 3,489	\$ 16,899	10%	\$ 17,729	-5%	\$ 11,643	45%	
Donations, annual Giving	\$ 12,904	80,414	49%	\$ 75,620	6%	\$ 44,395	81%	
Grants	\$ 13,500	19,928	12%	\$ 12,500	59%	\$ -	NM	
Events	\$ 5,279	45,431	28%	\$ 35,000	30%	\$ 42,173	8%	
Library	\$ 35,172	\$ 162,672	25%	\$ 140,849	15%	\$ 98,211	66%	
Total Revenue	\$ 129,396	\$ 649,929	100%	\$ 619,355	5%	\$ 573,641	13%	
Expense								
Personnel services	\$ 51,338	\$ 323,190	69%	\$ 307,594	5%	\$ 266,634	21%	
Library Materials	\$ 9,108	52,956	11%	58,400	-9%	39,690	33%	
<i>Library Materials as % of Expenses</i>	<i>13.4%</i>	<i>11.3%</i>		<i>13.2%</i>		<i>15.0%</i>		
Professional fees	19	5,982	1%	9,500	-37%	4,638	29%	
T&E and Employee Related	-	2,423	1%	1,600	51%	5,050	-52%	
Marketing & PR	124	3,510	1%	5,060	-31%	7,444	-53%	
Programming	1,248	13,714	3%	15,150	-9%	11,671	18%	
Facilities & maintenance	1,634	28,160	6%	33,127	-15%	35,017	-20%	
Fundraising	1,859	26,322	6%	17,500	50%	16,177	63%	
<i>Fundraising exp as % of all donations, events, grants</i>	<i>5.9%</i>	<i>18.1%</i>		<i>14.2%</i>		<i>18.7%</i>		
Supplies	2,035	9,608	2%	8,735	10%	9,071	6%	
Miscellaneous	354	1,759	0%	2,575	-32%	3,903	-55%	
Capital outlay	-	1,011	0%	7,875	-87%	9,342	-89%	
Total Expenses	\$ 67,719	\$ 468,635	100.0%	\$ 467,115	0%	\$ 408,636	15%	
Net	\$ 61,677	\$ 181,293	39%	\$ 152,239	19%	\$ 165,005	10%	

Note: The above chart contains combined revenue and expenses of the library and ALP Funds.

Capital Reserve Fund-021 (For new library)	Revenue and expenses for Fund 021						
	Cur. Mo.	YTD	%	YTD Bud.	% Chg	LYTD	% Chg
Revenue							
Donations-capital campaign	\$ -	\$ 1,000	98%	\$ -	NM	\$ -	NM
Miscellaneous revenue	-	16	2%	-	NM	1	1286%
Total Revenue	\$ -	\$ 1,016	100%	\$ -	NM	\$ 1	89005%
Expense							
Feasibility/Capital Campaign Consultant	\$ 8,750	\$ 45,903	24%	\$ -	NM	\$ 12,500	267%
OR/CMAR	-	-	0%	-	NM	-	NM
Communications Consultant	-	-	0%	-	NM	-	NM
Architectural fees	-	133,722	69%	-	NM	5,000	2574%
Legal fees	1,720	14,158	7%	-	NM	7,483	89%
Maintenance-building & grounds	-	-	0%	-	NM	450	-100%
Miscellaneous	-	-	0%	-	NM	5,032	-100%
Total Expenses	\$ 10,470	\$ 193,783	100%	\$ -	NM	\$ 30,465	536%
Current cash availability	\$ (34,246)						

Note: The above chart shows the current Capital Reserve fund.