Revenue
This month the library received $12,640 in municipal donations and $5436 in library revenue plus individual donations. One should note the donations/grants comparison showing the year to date total of $25.8K versus $12.5K last year. The main reason for this is the receipt of $25.4K in annual appeal receipts this year versus only $8.2 K last year.

The Adult Literacy Program (“ALP”) February revenue of $1.3 K was composed only of donations. The United Way of Southern Chester County sent $8502 as their first 2017 payment in early March.

Expenses
Library expenses in February totaled $44.5 K. Year to date library expenses are 14.5% lower than budget primarily due to lower personnel, materials, and facilities costs. Of note is that for the first two months, library materials expenses are down 46% versus budget and 44% less than 2016. This could simply be a timing situation but the library is committed to spending at least 12% of its yearly expenses on library materials.

There was only $986 of capital expense in February. Year to date expense contains the $7000 of renovation costs on the library HVAC booked in January.

February ALP expenses, mostly composed of personnel costs and library materials, was $7.9 K. Year to date, ALP has spent $14.7 K which is 12% below budget but 35% greater than 2016. The reason for the increase this year is a higher number of hours worked by the manager and administrative assistant which was budgeted and agreed to by the executive committee.

There has been very little activity in the Capital Reserve account through the first two months. Expenses booked to date totaled $2.3 K mainly for legal fees and taxes on the Ways Lane property.

Net
Year to date “net” is 47% ahead of budget primarily the result of lower expenses as noted above.

The ALP net year to date is $(7.2)K versus the budget of $(5.6)K and $(3.7)K in 2016. The net will improve slightly in March with the receipt of the UWSCC donation. There are a couple of grants in progress as well which hopefully will be approved. The goal for 2017 is to increase our efforts to reach out to other community organizations to fund this valuable program.

Cash Management
With no large revenue receipts in February, library cash was reduced by $27.4 K but the cash on hand is sufficient to carry the library for at least 1.5 months. The Capital Reserve account benefited from a portfolio increase slightly over $33K as a result of higher pricing in one of the investment funds. While positive, ALP cash is still positive.
but near the point where it may need a cash infusion from the library or the investment portfolio if March revenue receipts do not cover March expenses.

The investment portfolio value as of February is $2.91 million increasing $31.8K from January.

William C McLachlan
Treasurer