

Combined Library Operations Budget

REVENUE

Municipal

- State & County donations will total \$175.2K, a slight reduction from 2018.
- All other municipality donations, \$481.1K, as a group will increase 2.3% from 2018 compensating for the slight reduction from the State & County.
- Municipal/governmental donations account for 67% of total library revenue.

Library Operations

- Revenue from fees, donations, grants and events will total \$319.5K, slightly down from 2018 actual.

Total revenue of \$975.8K is 0.4% lower than actual 2018.

EXPENSES

Personnel Services, representing 70% of total library expenses, will increase 3.7% from 2018 actual expenses. The expected increases are mostly from benefits for the full-time staff as the budget does not account for a greater headcount in 2019.

Library materials are mandated by the State to be 12% of total expenses. The forecast of \$114.9K is 2% greater than 2018 actual.

Facilities & maintenance, 6% of expenses, will be approximately 1% higher in 2019. The library facility is approaching 59 years of age and continues to be fraught with aging infrastructure.

Fundraising, 4% of expenses, will be slightly lower in 2019. This expenditure is quite important in that it generates \$208.4K of library donations, annual appeal, and events revenue. Every dollar spent on fundraising generates \$4.85 of library revenue.

The above major categories represent 92% of total expenses. The remaining expense categories as a group, 8% of expenses, will total \$48K in 2019.

Total expenses of \$961.4K will be 3% higher than 2018 resulting in a "net" of \$14.4K. The library budgeting philosophy tends to be conservative in both revenue and expenses. Our tendency is to underestimate revenue and overestimate expenses which was evidenced in 2018 as revenue exceeded budget by 6.6%. It would have been the same story for expenses however after the 2018 budget was submitted in late 2017, the board increased the hours of the Adult Literacy Program staff in addition to including the two administrative staff members as full-time employees.

The Kennett Library maintains two other funds not incorporated in the above operating budget. A **Capital Reserve** fund which captures the library portfolio and expenses for the library new building project. A **Property Account** to capture the revenue and expenses of the 120 S. Willow Street property purchased in 2018 and the 124 S. Willow Street property purchased in February 2019. Both properties will be used for surface parking and open space for the new library project.

W.C. McLachlan
Treasurer

Funds 020 (Library) & 023 (ALP)	Kennett Library 2019 Budget		
	2018 Budget	2018 Actual	2019 Budget
Revenue			
Governmental Donations			
State	\$ 99,265	\$ 99,265	\$ 98,763
County	78,027	78,028	76,454
Pocopson	9,000	10,800	10,800
East Marlborough	122,000	125,458	124,000
Kennett	154,500	156,800	159,000
Kennett Square	57,000	57,000	58,820
New Garden	80,500	80,271	80,500
Newlin	10,500	11,000	11,000
Pennsbury	35,000	35,500	35,000
West Marlborough	2,000	2,000	2,000
Total Governmental	\$647,792	\$656,122	\$656,337
Library Revenue			
Charges, Fines, Interest, Misc	35,462	35,004	35,070
Donations, annual Giving	103,600	124,742	123,400
Grants	58,240	64,588	76,000
Events	70,000	98,851	85,000
Library	\$267,302	\$323,184	\$319,470
Total Revenue	\$915,094	\$979,306	\$975,807
Expense			
Personnel services	\$ 611,145	\$ 645,093	\$ 669,231
Library Materials	\$ 107,900	\$ 112,675	\$ 114,867
<i>Library Materials as % of Expenses</i>		\$ 0	
Professional fees	\$ 15,200	\$ 15,996	\$ 12,100
T&E and Employee Related	\$ 5,400	\$ 3,779	\$ 5,050
Marketing & PR	\$ 10,120	\$ 5,968	\$ 6,120
Programming	\$ 30,300	\$ 25,753	\$ 28,900
Facilities & maintenance	\$ 57,260	\$ 57,089	\$ 57,410
Fundraising	\$ 16,750	\$ 44,784	\$ 43,000
<i>Fundraising exp as % of all donations, events, grants</i>		\$ 0	15.1%
Supplies	\$ 17,470	\$ 18,956	\$ 18,270
Miscellaneous	\$ 5,000	\$ 2,861	\$ 2,932
Capital outlay	\$ 13,750	\$ 1,546	\$ 3,500
Total Expenses	\$ 890,295	\$ 934,500	\$ 961,380
Net	\$ 24,799	\$ 44,806	\$ 14,427