

Midwinter Meeting  
2012 -13

# Planning and Budget Assembly



**FY2013**  
**1<sup>ST</sup> QUARTER FINANCIAL RESULTS**  
*- THREE MONTHS ENDING 11-30-12 -*

Clara Bohrer – BARC Chair  
Sunday, January 27, 2013  
Seattle, WA

# BARC REPORT



- Fiscal Year 2013 Budget Adjustments
- Fiscal Year 2013 First Quarter Results
  - Three Months Ending 11-30-12
- ALA Financial Learning Series

# FY13 Total ALA Revenue Budget Adjustments\*

Since Annual Conference in Anaheim, CA

	<u>Approved in Anaheim</u>	<u>Approved in Chicago</u>	<u>Variance</u>
General Fund	\$31,640,176	\$31,640,176	\$ 0
Divisions	13,529,445	13,454,651	(74,794)
Round Tables	394,664	401,704	7,040
Grants & Awards	4,711,672	6,285,991	1,574,319
Long Term Investments	<u>936,716</u>	<u>936,716</u>	<u>0</u>
Total ALA Budgeted Revenues	\$51,212,673	\$52,719,238	\$1,506,565
Total Budgetary Ceiling**	\$65,026,831	\$66,533,396	\$1,506,565

\*Includes revenue transfers

\*\*Represents ending FY12 net asset balance + FY13 projected revenues or the maximum amount that can be spent during the fiscal year.

# FY13 Total ALA Expense Budget Adjustments

Since Annual Conference in Anaheim, CA



	<u>Approved in Anaheim</u>	<u>Approved in Chicago</u>	<u>Variance</u>
General Fund	\$31,440,176	\$31,348,405	\$ (91,771)
Divisions	15,165,377	15,214,826	49,449
Round Tables	316,125	321,073	4,948
Grants & Awards	4,711,672	6,285,991	1,574,319
Long Term Investments	<u>779,193</u>	<u>779,193</u>	<u>0</u>
Total ALA Budgeted Expenses	\$52,412,543	\$53,949,488	\$1,536,945

# FY13 Budget Adjustments

- Careful Management of Expenses -



- The FY13 budget was developed with \$291,771 in net revenue in the General Fund to replenish the net asset balance.
- The General Fund FY13 budget was initially developed with a 1/2% reduction in expenses when compared to the FY12 budget.
- Management successfully negotiated favorable rates with healthcare providers, which will result in expense savings on the medical benefits provided to staff.
- Management has also requested that the General Fund units provide an additional \$400,000 in expense savings. This process is currently underway.
- Management is delaying the proposed 1% adjustment to base salary for staff until March 2013 after reviewing 6 month financial results and will do a similar delay to October 2013 for the 1% year-end compensation adjustment based on year-end results.

# Three Month Highlights



- **Total ALA Revenue - \$8.8 million**
  - Less than budget by \$1.7 million

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- **Total ALA Expenses - \$10.4 million**

Less than budget by \$1.9 million

- **Cash and Investments - \$16.0 million**

Less than last year by \$3.1 million  
Less than budget by \$1.0 million

- **Endowment Fund - \$32.5 million**



# Three Month Highlights



- Publishing revenue @ \$3.1 million is less than budget by \$947,593 (-23.3%) due to lower sales of ALA Editions, Graphics and Digital

Reference

- **General Fund Expenses - \$6.2 million**

- Less than budget by \$858,417 (-12.1%)
- More than November in FY12 by \$633,703 (10.3%)

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- General Fund Revenues/Expenses/Net Revenue -



	<u>Nov-11</u>		<u>Nov-12</u>		<u>Budget</u>		<u>Variance</u>		<u>%</u>
Total Revenues	\$ 4,417,720	\$	4,854,435	\$	5,877,022	\$	(1,022,587)		-17.4%
Total Expenses	<u>\$ 5,576,172</u>	<u>\$</u>	<u>6,209,875</u>	<u>\$</u>	<u>7,068,292</u>	<u>\$</u>	<u>858,417</u>		<u>12.1%</u>
Net Revenue	\$ (1,158,452)	\$	(1,355,440)	\$	(1,191,270)	\$	(164,170)		13.8%

# Three Month Highlights



- Less than budget by \$221,592 (-7.9%)
- Less than November in FY12 by \$1.2 million (-31.4%)
  - \*Due to the AASL conference held in 10/11
- Dues income @ \$677,455 is more than budget by \$4,795 (0.7%)



## Division Expenses - \$3.0 million

- Less than November in FY12 by \$646,055 (-14.1%)
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# Three Month Highlights

- Divisions Revenues/Expenses/Net Revenue -



	<u>Nov-11</u>	<u>Nov-12</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Total Revenues	\$ 3,746,348	\$ 2,571,984	\$ 2,793,576	\$ (221,592)	-7.9%
Total Expenses	<u>\$ 3,477,665</u>	<u>\$ 2,987,924</u>	<u>\$ 3,378,304</u>	<u>\$ 390,380</u>	<u>11.6%</u>
Net Revenue	\$ 268,683	\$ (415,940)	\$ (588,728)	\$ 168,788	29.4%

# ALA Financial Learning Series



- Organizational Structure
- Budget Cycle and Process
- The Operating Agreement
- The Long-Term Investment Fund
- Round Tables Financial Orientation

# Access to Webcasts



## **ALA Website**

ALA Online Learning Offerings by Unit:

<http://ala.org/onlinelearning/unit> (Generic Text about Finance/Governance Offerings)

## **ALA Online Learning by Unit:**

<http://ala.org/onlinelearning/unit/finance>

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## **ALA Online Learning by Unit:**

<http://ala.org/onlinelearning/unit/finance> (links to the page for each of the four events)

<http://ala.org/onlinelearning/unit/governance> (links to the page for each of the four events)

1. <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnorgstructure>

2. <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnroundtables>

3.

<http://ala.org/aboutala/governance/financialdata/treasurerspage/learnbudgetcycle>

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events) <http://ala.org/aboutala/governance/financialdata/treasurerspage/learnfund>

5.

<http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnroundtables>

## **Treasurer's Page**

<http://www.ala.org/aboutala/governance/financialdata/treasurerspage>