

## Budget Committee Report Annual 2018

Review of FY17 Close, FY18 Eight months, FY19 Proposed

- FY17 Close, FY18 Eight months, FY19 Proposed DOC 32a
- FY2017 Final, FY2018 Eight months, and FY2019 Preliminary Proposed ALSC Budget Summary Narrative DOC 32b
- Endowments (note multiple tabs at bottom of the workbook) DOC 32c

Fiscal year 2017 ended with a net revenue of \$292,149 which was well ahead of the budgeted expense of \$22,013. This left a total net revenue of \$130,149 following the net asset balance transfer of \$162,000 to ALSC's long-term investments.

Proposed Preliminary FY19 Budget

### Highlights

- ALA has not planned for a staff salary increase for staff in FY19. This budget does show an increase in Salaries and Benefits meant to co-fund a position shared with another ALA unit. This position will allow for more time to monitor digital licensing.
- ALSC has been consistently showing a 2% increase in membership for the past two fiscal years. With this in mind, FY19 dues have been slightly increased by 1%.
- Under Service to Members, Professional Services has been reduced from FY18 which had included funds for the logo/rebranding.
- Both the revenue and licensing fees for physical seal sales has been increased for FY19 based on a strong performance in FY17 and so far in FY18.
- The increase in both revenue and expenses for the banquet are related to location. The conference will be in Washington D.C. which generally does well.
- The ALSC National Institute Budget includes current known expenses against projected registration revenue. Currently registration for this event is doing very well.
- Under Publications, only very slight adjustments have been made to the Children's and Libraries project.
- During the 2018 Midwinter Meeting the ALSC and PLA Boards moved the Every Child Ready to Read Project to Maintenance mode. The reduction in expected revenue and expenses for the project in FY19 are due to this decision.

### Endowments

Year of Transfer	Transfer Amount	Proposed Transfer Amount	LTI Location
2018	\$150,000		Morris
2019	\$100,000	\$350,000	CLSE
2020	\$100,000	\$350,000	CLSE
2021	\$250,000		TBD in FY 2020
2022	\$250,000		TBD in FY 2021

## Report on BARC, ALA Planning & Budget Assembly Mtg., BARC/Division Leaders Mtg.

ALA is strategically planning for an investment budget in 2019.

During the Division Leadership meeting, recommendations regarding the Midwinter Conference were discussed. Final recommendations will not come out until October, However, assurances were giving that having nothing during January was not an option. Currently, it appears the final recommendation will be an eliminate and replace strategy with the Midwinter replacement focusing on three key elements: Leadership Development; Center for the Future of Libraries; and the Youth Media Awards.

There was a great deal of concern expressed that ALA Staff will not be receiving a salary increase in FY19. Leaders were told that there will be an increase of up to 10% for the cost of healthcare in FY19 that will be covered and that a salary increase is planned for FY20.

Three divisions: LLAMA, LITA, ALCTS are moving forward with continued plans to merge.

### Other items of note

- In May, the Budget Committee received a request from the Early Education Committee for \$500 to supplement the stipend paid to their webinar presenters (they wanted to raise the compensation from \$100 to \$250). The Budget Committee approved this request which led to further discussions, as well as a report out from the Education Committee, regarding the need to consider raising the compensation paid to ALSC presenters in general. While this topic requires further exploration and examination (which is not the role of the Budget Committee), the Budget Committee does want to state its support of further consideration of this topic.
- Budget Committee members continue to track upcoming State Awards, Anniversary editions of award winning titles as well as movies coming out that are based on Newbery/Caldecott award winners as each of these can have an impact on Seal sales. There are not any award winners coming up for immediate release but the committee continues to track the progress of several films on the horizon.
- Following Annual, the Budget Committee will be welcoming Gretchen Caserotti as the new Chair.

### Recommendations:

1. The Budget Committee recommends that the Board accept the FY 2019 Proposed Budget.
2. The Budget Committee recommends that the Board approve sending a letter to BARC in regards to increasing Endowment transfer amounts for FY19 and FY20 by \$250,000 to go the CLSE fund. This is in response to an unexpected revenue windfall of approximately \$500,000 in licensing revenue. See attached letter.

3. Name change from the Wilder Endowment to the ALSC Media Awards Support Endowment with the function to support the celebration and promotion of ALSC Media Awards.
4. Friends of ALSC Recommendation to use the funds from the FOA defunct category "Innovative Conference Programs" of \$1,983 for the National Institute in Cincinnati.

-Thank you!