ALA American Library Association

5-Year Financial Plan
FY 2012 Actual through FY 2020 Plan
Assumptions

Total ALA Revenue Assumptions

1. Publishing - modest revenue growth of 1-2%

2. Conference - based on venue
   FY 2016 - Boston (MW); Orlando (Annual)
   FY 2017 - Atlanta (MW); Chicago (Annual)
   FY 2018 - Denver (MW); New Orleans (Annual)
   FY 2019 - Seattle (MW); DC (Annual)
   FY 2020 - Philadelphia (MW); Chicago (Annual)

3. Membership dues
   FY 2016 - 1.62% CPI dues increase for personal members
   FY 2017 - no dues increase
   FY 2018 through FY 2020 - 2% CPI dues increase for personal members

4. Divisions - consistent with prior year actuals, reflecting the see-saw pattern where odd years have one Division conference and even years have two Division conferences

5. Round Tables
   FY 2018 through FY 2020 - estimated at $400k per year based on an average for the prior six years

6. Grants
   FY 2016 and FY 2017 - represents the sum of each Unit's/Division's anticipated grant revenues
   FY 2018 through FY 2020 - estimated at $5.5 million per year using the average for FY 2012 through FY 2016 as a guide

7. Revenue held relatively flat for:
   - Long-term investments - interest income
   - Interest income (includes $400k investment earnings for FY 2017 and $250k investment earnings for FY 2018 through FY 2020)
   - Other

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General Fund Overhead Assumptions

1. Overhead rate is set at 26.4% for FY 2017 and FY 2018, based on agreement on a normalized rate; this same percentage is used for FY 2019 and FY 2020, for projection purposes

2. Divisions – Average overhead rate for all Divisions combined is 11.5% for FY 2017.
   Overhead is applied as follows:
   - Dues – exempt
   - Publishing revenue (includes Online Continuing Education) – ½ of overhead rate
   - Registration fees – full overhead rate

3. Round Tables - 4% of Round Tables revenue based on the average percentage for FY 2012 through FY 2016

4. Grants - 8% of all General Fund and Division grant revenue based on the average percentage for FY 2012 through FY 2016

General Fund Expenses

This section shows overall increases in General Fund net revenues and overhead. This additional revenue would fund strategic priority initiatives; salary and benefit increases; and inflationary increases.

Beginning in FY 2016, Member and Customer Service expenses will be shown separately.

For FY 2018 through FY 2020, expenses are not allocated in this model; only the overall increase is shown.

Net General Fund Revenue - available to support growth opportunities and increased health care costs

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5 Year Plan FY 2016-2020

	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Plan 2016	Plan 2017	Plan 2018	Plan 2019	Plan 2020
TOTAL ALA									
Publishing - Gross Revenue	$ 12,452,459	$ 12,870,426	$ 13,219,338	$ 12,645,125	$ 12,899,351	$ 12,894,222	$ 13,207,774	$ 13,344,174	$ 13,499,708
Conference - Gross Revenue	7,765,055	8,864,398	8,288,754	9,305,898	9,291,025	9,703,950	8,988,325	9,970,000	10,350,000
Membership Dues - Gross Revenue	5,711,188	5,543,754	5,459,793	5,415,745	5,596,340	5,538,000	5,638,300	5,690,300	5,789,300
Divisions - Gross Revenue	15,337,545	13,489,583	15,581,358	14,308,907	15,655,196	13,611,230	15,655,196	13,611,230	15,655,196
Round Tables - Gross Revenue	350,582	410,750	358,256	428,775	389,887	441,908	400,000	400,000	400,000
Grants - Gross Revenue	5,750,398	6,922,284	4,954,945	7,224,274	4,861,264	4,491,310	5,500,000	5,500,000	5,500,000
Interest Income and Investment Earnings	1,344,857	1,220,123	1,449,065	1,781,050	1,905,280	2,197,358	2,000,000	2,000,000	2,000,000
Other	565,188	685,373	594,721	569,816	608,550	569,190	570,000	570,000	570,000
Total Gross Revenue	$ 49,277,272	$ 50,006,691	$ 49,906,229	$ 51,679,590	$ 51,206,893	$ 49,447,168	$ 51,959,595	$ 51,085,704	$ 53,764,204
OVERHEAD RATE	25.5%	25.5%	24.2%	25.4%	25.9%	26.4%	26.4%	26.4%	26.4%
GENERAL FUND									
Publishing Net Revenue	$ (70,261)	$ 355,218	$ 943,732	$ 630,008	$ 1,062,730	$ 1,179,979	$ 1,237,352	$ 1,343,893	$ 1,464,578
Conference Net Revenue	834,205	1,115,900	946,174	747,678	598,021	730,765	1,081,744	1,628,175	1,725,500
Membership Dues, net	5,622,923	5,456,303	5,371,098	5,327,140	5,506,340	5,448,000	5,548,300	5,600,300	5,699,300
Interest Income and Investment Earnings	751,945	698,959	703,567	1,087,785	1,140,508	1,350,000	1,200,000	1,200,000	1,200,000
Other	565,188	685,373	594,721	569,816	608,550	569,190	570,000	570,000	570,000
Total Net Revenue and Income	**7,704,000**	**8,311,753**	**8,559,292**	**8,362,428**	**8,916,149**	**9,277,934**	**9,637,396**	**10,342,368**	**10,659,378**
Publishing Overhead	3,175,280	3,281,959	3,281,959	3,211,500	3,340,932	3,404,075	3,486,852	3,522,862	3,563,923
Conference Overhead	1,980,089	2,260,421	2,005,880	2,363,698	2,383,323	2,561,843	2,372,918	2,632,080	2,732,400
Division Overhead	1,982,298	1,549,550	1,915,659	1,652,971	1,985,982	1,567,005	1,950,000	1,500,000	1,950,000
Round Table Overhead	17,526	16,735	16,362	16,365	18,456	20,088	16,000	16,000	16,000
Grant Overhead	463,960	523,096	350,301	413,229	523,344	530,444	525,000	525,000	525,000
Total Overhead	**7,619,153**	**7,631,761**	**7,570,161**	**7,657,763**	**8,252,037**	**8,083,454**	**8,350,770**	**8,195,942**	**8,787,323**
Net Revenue and Overhead	**$ 15,323,153**	**$ 15,943,514**	**$ 16,129,453**	**$ 16,020,191**	**$ 17,168,186**	**$ 17,361,388**	**$ 17,988,166**	**$ 18,538,310**	**$ 19,446,701**
General Fund Expenses									
Available Incremental Funding for GF from PY	$ -	$ -	$ -	$ -	$ -	$ -			
Member Programs and Services / Offices	2,029,080	1,793,937	1,737,822	1,869,308	2,129,370	2,136,068			
Advocacy and Member Relations Offices	2,762,524	2,788,770	2,860,135	2,699,288	2,380,797	2,308,038			
Member and Customer Service					750,000	764,416			
Washington	2,145,821	2,162,565	2,097,866	2,080,437	2,197,441	2,171,772			
Executive Office	2,236,858	2,265,490	2,229,687	2,531,545	2,513,025	2,538,332			
ITTS	2,441,153	2,477,398	2,191,999	2,184,708	2,656,549	2,961,306			
Finance	1,396,667	1,535,612	1,415,246	1,501,601	1,516,043	1,589,752			
Staff Support	385,847	336,699	321,498	289,519	356,319	334,578			
General Administration Expenses	3,107,429	2,472,165	2,668,613	2,584,410	2,668,642	2,557,126			
Total General Fund Expenses	$ 16,505,380	$ 15,832,636	$ 15,522,866	$ 15,740,816	$ 17,168,186	$ 17,361,388	$ 17,361,388	$ 17,988,166	$ 18,538,310
Net General Fund Revenue (Expense)	$ (1,182,227)	$ 110,878	$ 606,587	$ 279,375	$ -	$ -	$ 626,778	$ 550,144	$ 908,391