

## FY2017 LITA Q2 BUDGET NARRATIVE

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### LITA Budget Projections at 6 months

LITA FY17 Budget	Actual	Budgeted	Variance	FY16 Q2 Actual	Total Projected for FY17
Total revenues	\$216,228	\$206,932	4%	\$227,614	\$342,408
Total expenses	\$211,040	\$216,657	3%	\$234,960	\$351,854
Net revenue	\$5,189	-\$9,725	153%	-\$7,346	-\$-9,446

### SUMMARY

In general, revenue is up 4% over projections, but this amount is still less than it was at this time last year because of decreases in dues, course registration, and slightly lower Forum registration.

For the most part, we've been able to hold the line on expenses, excluding Forum. Research for this report exposed two accounting errors, one in course revenue and one in salary expenses. When these issues are factored in to the table above, net revenue is actually -\$5,422, not +\$5,189. See explanations below.

### ADMINISTRATIVE

Dues continue to come in below projections at \$69,955 (-5%), however there is a 17% discrepancy in the salary line. In researching this, we found that ALA ITTS was still paying 25% of the LITA Executive Director's salary. This is being corrected in the budget retroactively, so this FY2017 line should show an additional expense of \$12,340.

## 50<sup>TH</sup> ANNIVERSARY FUND

We set a goal of \$10,000 for the 50<sup>th</sup> anniversary fundraising campaign and halfway through the year we've reached it, primarily due to previously unknown deferred donations from past years. We transferred this money to the 50<sup>th</sup> anniversary fund in January, so this line shows a variance of 105% because we've already raised more than we'd projected (\$10,258). We'll continue fundraising going into the 2017 ALA Annual Conference, because any extra money will allow us to award additional scholarships.

## JOB SITE

Our Job Site service continues to outperform expectations. We projected receiving \$17,000 total for FY2017, which would have resulted in \$8,500 at the end of Q2. However, this line is currently at \$10,188, which represents a \$1,688 (20%) increase over projections. It is almost \$1,000 more than at this time last year.

## COURSES

Course registration is underperforming, although not quite as badly as the Q2 report indicates. We budgeted for revenue of \$12,598 at the end of Q2 and this report shows us at only \$2,295. This is the revenue from our second course, but the money from our first course has yet to appear in our budget so I'm working with ALA's Accounting and Finance Office to recover that revenue.

Therefore, our total revenue for this line at the end of Q2 is actually \$ 7,025, not \$2,295, which makes the variance 44%, not 82%. This is still a decrease of \$5,573 from FY2017 projections and \$4,225 from this time last year.

## WEBINARS

Once again, our webinars have continued to outperform expectations, up 22% for a Q2 revenue total of \$13,935. Note that this also means our overhead cost was nearly \$1,000 (68%) above projections. Even with this increase in expenses, net webinar revenue still came in 32% above projections (\$11,218 vs the projected \$8,496).

## FORUM

Registration revenue from Forum exceeded projections at \$103,359. This is 12% higher than projections but 7% less than it was in FY2016 (\$111,022). Although we were able to keep most expenses at or below

projections, catering costs increased 45%. Some of this additional expense was anticipated because of the 50<sup>th</sup> anniversary celebration at the Friday evening reception, but increased registration also resulted in increased overhead and catering costs. This has happened the past two years, so we've asked our Financial Advisory Committee to revise Forum pricing in order to make sure this doesn't happen again. Overall, Forum lost money this year (-\$9,621).

## MIDWINTER

Catering costs for the Midwinter Town Hall had not been processed as of this report, so this line only shows a deficit of \$100. It should be closer to -\$3,200.

## REVISED Q2 BUDGET ESTIMATE

Given the issues described above, accurate Q2 figures probably look more like this:

Total revenues:	\$220,958 (\$216,228 + \$4,730)
Total expenses:	\$226,380 (\$211,040 + \$12,340 + \$3,000)
<b>Net revenue:</b>	<b>-\$5,422</b>