

Kellogg-Hubbard Library

Annual Financial Report FY 2018

The Kellogg-Hubbard Library (KHL) is funded primarily from three sources: 1) tax revenues from Montpelier, Berlin, Calais, East Montpelier, Middlesex and Worcester; 2) distributions from the Library's endowment, and 3) private donations. To a lesser extent, the Library receives some grants, income from fines, non-resident borrower fees and other miscellaneous revenue. Our KHL Management Team (Executive Director Tom McKone, Director of Library Services Carolyn Brennan, and Director of Finance & Operations Jessie Lynn) work responsibly within our approved budget, adjusting spending to meet all financial demands.

KHL also benefits greatly from restricted donations made by generous donors for specific purposes. In FY 2018, we were able to add automatic door openers to some of our interior doors (ground level, main level, and upper level), provide hundreds of 'to keep' books to children in our service area, offer *PoemCity* (a month-long celebration of poetry) to our communities and beautify the front of the Library with a granite path and new landscaping. The Library also used some of our reserve funds (carefully put aside in prior fiscal years) to upgrade our server and add necessary video cameras to our entryways and unstaffed basement area.

Following is additional information concerning FY 2018:

Tax Revenues

Montpelier tax payers voted for a 4.4% increase to the Library. The surrounding towns were not asked for an increase in FY 2018.

Endowment Distribution

The Library took our standard 5% (of the average of last 12 quarters) withdrawal from the endowment.

Fundraising

The Library raised \$161,952 in fundraising through a combination of appeals, book sales, raffles and special events. In addition, the Library was given \$34,263 in donations for restricted purposes and an additional \$15,250 from various donors to support *PoemCity 2018*. The Library also received \$11,428 in donations earmarked for future building projects.

Building/Occupancy

The Library's historic building is a treasured resource for Montpelier, though an ongoing challenge to maintain and afford. As an independent nonprofit, we are responsible for all repairs and maintenance ourselves, from snow shoveling to landscaping, cleaning to plumbing, maintaining systems (elevator, fire alarms, sprinklers, etc.) to properly insuring our assets. It takes a good portion of our annual budget to just keep up with the ongoing maintenance.

In FY 2018, we were also able to upgrade the sink in the Children's bathroom, add an interior solar shade in the School Street stairwell, upgrade our Fiction Room lighting to LED lighting, do some much needed interior painting and refinish our front door.

Technology

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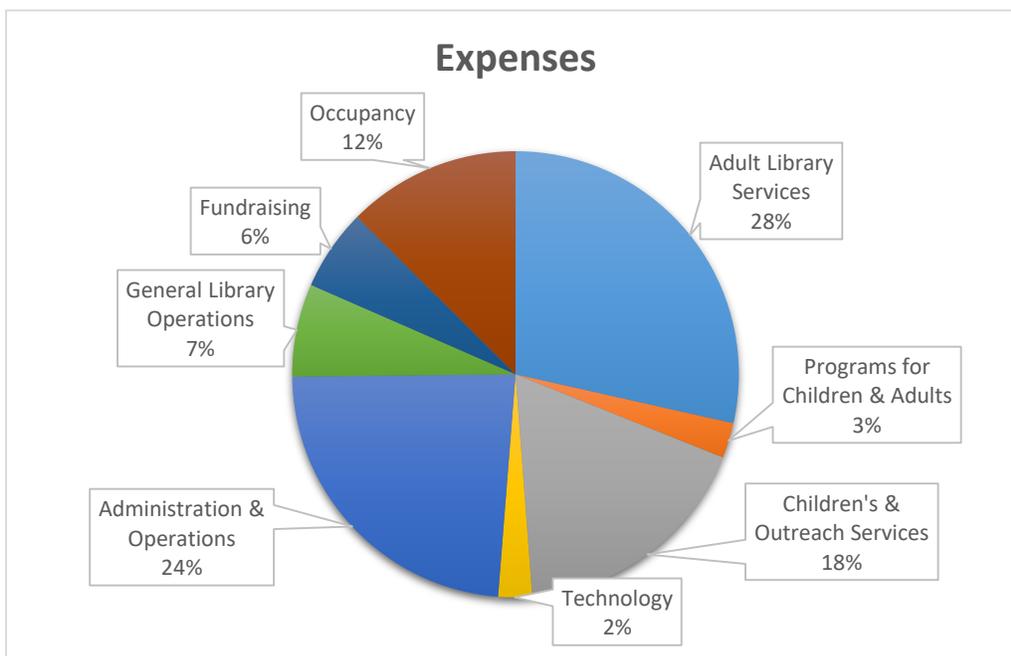
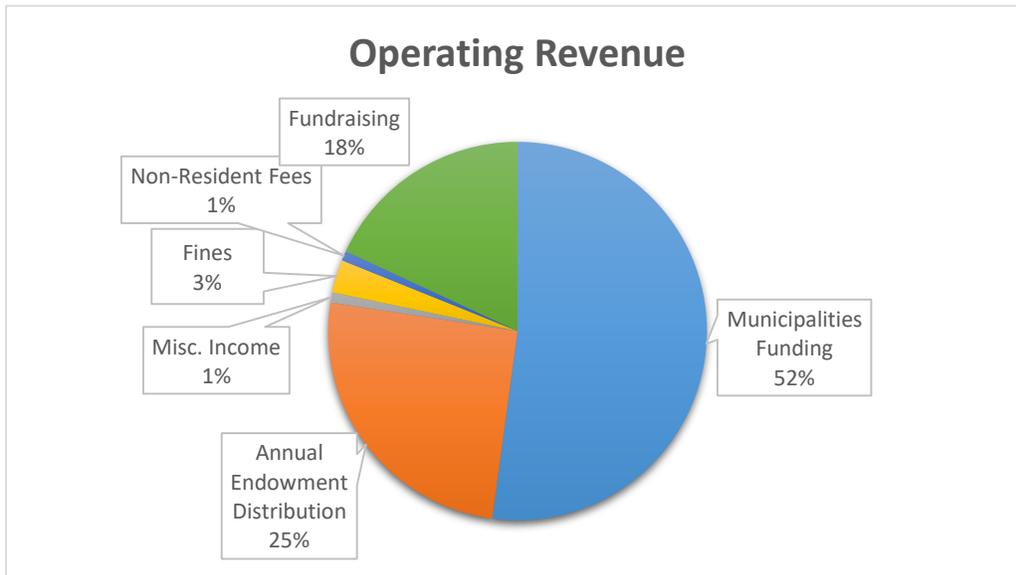
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This year, we were able to migrate our internal e-mail system to Office 365, update 7 computers used by staff, and upgrade our server.

End of Year

The Fiscal Year ended with \$13,715 less income than budgeted. Our Management Team successfully navigated this shortfall with careful monitoring and planning which resulted in a \$6,061 balance at the fiscal year end. This balance was rolled into the Reserve for Subsequent Years and will be spent in FY 2019.

Graphic Representations of Operating Revenue and Expenditures



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Once again, I wish to express what a pleasure and honor it is to serve this beloved organization as a Board Member and Treasurer. I continue to be humbled by the enthusiasm and devotion this organization, through its management staff, Trustees and employees, demonstrates in serving the City and our member towns, as a center of learning, joy and community.

Susan A. Zeller, KHL Treasurer