

IMAGINATION LIBRARY OF SAN ANTONIO

Annual Fiscal Report

"You can
**never get
enough books**
into the hands of
enough children."

Dolly




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ImaginationLibrary.com





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ILSA

Chapter 1

Introduction



A Message from Our Board

Dear Friends, Supporters, and Community Partners,

We are proud to present the inaugural annual fiscal report for the Imagination Library of San Antonio (ILSA). As a newly established 501(c)(3) nonprofit organization, 2024 marked a pivotal year in our journey to transform early childhood literacy in our beloved city.

Our Foundation

In 2024, ILSA officially became a Local Program Partner of Dolly Parton's Imagination Library, joining a global network of communities committed to putting books in the hands of children from birth to age five. This milestone represents more than an organizational achievement—it signifies our community's collective commitment to ensuring that every child in San Antonio has access to the fundamental building blocks of learning and imagination.

Our Mission in Action

At ILSA, we believe that books are the building blocks of a brighter future. Our mission is clear and unwavering: to ensure that all young children in San Antonio may participate in our major local programming through enrollment in Dolly Parton's Imagination Library. By providing free, high-quality books to children from birth to age 5, we support early childhood education and inspire a lifelong love of reading.

Our Commitment

Guided by our small but dedicated board of community-minded individuals, we are driven by three fundamental goals:

- **Universal Enrollment:** Achieving equitable access to books by enrolling all eligible children in every zip code throughout San Antonio, Texas
- **Community Investment:** Increasing donations and sponsorships to launch, grow, and sustain this vital program for all of San Antonio's children
- **Educational Impact:** Enhancing local kindergarten readiness by investing in critical foundational reading skills



Looking Forward

This report details our financial stewardship, operational achievements, and the generous support from donors and sponsors who share our vision. Every dollar invested in ILSA represents an investment in San Antonio's future—one book, one child, one brighter tomorrow at a time. We invite you to explore the pages that follow to see how your support has translated into tangible impact for our community's youngest learners. Together, we are building not just literacy, but hope, opportunity, and brighter futures for all.

With gratitude, **The Board of Directors** Imagination Library of San Antonio

*For questions about this report or our programs, please contact us at:
admin@imaginationlibrarysa.org*

Learn more about Dolly Parton's Imagination Library: imaginationlibrary.com/usa



ILSA

Chapter 2

Financial Report



2.1 Financial Overview

2.1.1 Executive Summary

The Imagination Library of San Antonio (ILSA) completed its 2025 year of operations with strong financial performance and sustainable growth metrics. As a newly established 501(c)(3) nonprofit organization and Local Program Partner of Dolly Parton’s Imagination Library, ILSA has demonstrated fiscal responsibility while advancing its mission to provide free books to children from birth to age 5 in San Antonio.

2.1.1.1 Key Financial Highlights

- **Total Revenue:** \$60,612 generated through diversified funding streams
- **Revenue Channels:** TCB donations (91.7%) and PayPal contributions (8.3%)
- **Operating Efficiency:** 4.5% cost-to-revenue ratio
- **Net Cash Flow:** \$57,906 positive cash flow
- **Financial Runway:** 150+ months of operational sustainability
- **Growth Trajectory:** +10.4% quarter-over-quarter revenue growth

2.1.2 Revenue Analysis

2.1.2.1 Revenue Composition

ILSA’s revenue model demonstrates low diversification across multiple channels:

Revenue Source	Amount (\$)	Percentage	Monthly Avg (\$)
TCB Deposits	55,569	91.7%	4,275
PayPal Donations	5,044	8.3%	388
Total Revenue	60,612	100%	4,662

Table 2.1: 2025 Revenue Breakdown by Source

2.1.2.2 Monthly Revenue Performance

- **Monthly Recurring Revenue (MRR):** \$4,662 average monthly income
- **Peak Performance:** \$29,662 in 2025-07



- **Revenue Volatility:** 223% coefficient of variation
- **Revenue Stability Score:** 85% positive revenue months

2.1.2.3 Growth Metrics

- **Quarter-over-Quarter Growth:** +10.4% revenue change
- **PayPal Channel Growth:** +279.0% period-over-period expansion
- **Revenue Momentum:** ACCELERATING trend (+1454.7%)
- **Overall Growth Rate:** +10.4% 3-month comparison

2.1.3 Expense Management

2.1.3.1 Operating Expenses

ILSA’s primary operational expense consists of monthly payments to Dollywood Foundation for book procurement and distribution:

Expense Category	Total (\$)	Monthly Avg (\$)
Dollywood Book Program	2,706	387
Banking Fees	Included	Included
Administrative Costs	Minimal	Minimal
Total Expenses	2,706	387

Table 2.2: 2025 Operating Expenses

2.1.3.2 Cost Control Metrics

- **Monthly Burn Rate:** \$387 average monthly expenses
- **Cost-to-Revenue Ratio:** 4.5% of total revenue
- **Expense Growth Rate:** +63553% period-over-period
- **Cost Escalation Status:** RAPID (+560%)
- **Highest Monthly Expense:** \$738 in 2025-08



Cash Flow Component	Amount (\$)
Total Cash Inflows	60,612
Total Cash Outflows	(2,706)
Net Cash Flow	57,906
Net Cash Flow Margin	95.5%

Table 2.3: 2025 Net Cash Flow Analysis

2.1.4 Cash Flow Analysis

2.1.4.1 Cash Flow Statement Summary

2.1.4.2 Liquidity Position

- **Current Cash Position:** \$57,906 accumulated funds
- **Working Capital:** Strong positive position
- **Financial Runway:** 150+ months of operations at current burn rate
- **Liquidity Status:** Excellent organizational sustainability

2.1.5 Financial Performance Indicators

2.1.5.1 Operational Efficiency

Key Performance Indicator	2025 Result	Status
Revenue Diversification	Low	Weak
Revenue Concentration Risk	HIGH	High
Cash Flow Predictability	HIGH Risk	Volatile
Expense Control	RAPID	Rapid

Table 2.4: Financial Health Indicators

2.1.5.2 Risk Assessment

ILSA maintains a conservative financial approach with the following risk profile:

- **Revenue Concentration Risk:** HIGH - high dependency on single source
- **Cash Flow Predictability:** HIGH - high volatility
- **Operational Risk:** Low - simple, focused mission delivery model
- **Compliance Risk:** Low - established 501(c)(3) status and partnership



2.1.6 Financial Projections

2.1.6.1 2026 Projections

Based on linear regression analysis of 2025 performance data:

Projection Period	Est. Revenue (\$)	Est. Expenses (\$)	Net Cash Flow (\$)
2026 Q1	37,185	4,704	32,481
2026 Q2	37,185	4,704	32,481
2026 Q3	37,185	4,704	32,481
2026 Q4	37,185	4,704	32,481
2026 Total	148,740	18,816	129,924

Table 2.5: Financial Projections for 2026

2.1.6.2 Growth Scenarios

Conservative Scenario: Maintaining current growth trajectory with 10.4% annual revenue trend

Optimistic Scenario: Accelerated community engagement resulting in 15.7% annual revenue increase

Expansion Scenario: Geographic expansion to additional zip codes with 20.9% revenue increase

2.1.7 Strategic Recommendations

2.1.7.1 Revenue Enhancement

- 1. Diversify Revenue Streams:** Reduce dependency on TCB channel by developing corporate sponsorship programs
- 2. Develop PayPal Channel:** PayPal showing strong growth - continue expansion
- 3. Establish Major Donor Program:** Cultivate relationships with high-capacity individual donors
- 4. Grant Development:** Pursue foundation and government funding opportunities



2.1.7.2 Operational Optimization

1. **Implement Cost Controls:** Monitor and manage expense growth trajectory - current escalation is rapid
2. **Revenue Forecasting:** Establish predictive modeling for improved planning due to high volatility
3. **Financial Reporting:** Enhance monthly reporting with trend analysis
4. **Reserve Fund:** Current cash position provides adequate reserves

2.1.8 Detailed Financial Performance

2.1.8.1 Monthly Performance Analysis

Performance Metric	Value
Total Operating Months	13
Months with Debits	7
Best Performing Month	2025-07 (\$29,662)
Lowest Performing Month	2025-08 (\$-494)
Performance Spread	\$30,156
Average Monthly Net	\$4,276

Table 2.6: Monthly Performance Metrics

2.1.8.2 Trend Analysis

- **Revenue Trend:** ACCELERATING with +1454.7% momentum
- **Income Growth Slope:** \$822 per month projected trend
- **Expense Growth Slope:** \$124 per month projected trend
- **Volatility Assessment:** 223% coefficient of variation
- **PayPal Channel Performance:** +279.0% growth

2.1.9 Compliance and Governance

2.1.9.1 Regulatory Compliance

ILSA maintains full compliance with:



- IRS 501(c)(3) tax-exempt status requirements
- Texas nonprofit corporation regulations
- Financial reporting and transparency standards
- Dolly Parton’s Imagination Library partnership guidelines

2.1.9.2 Financial Controls

- Board oversight of all financial decisions
- Monthly financial reporting and review
- Segregation of duties in financial processes
- Annual independent financial review planned for 2026

2.1.10 Key Performance Indicators Summary

KPI	Value	Target/Benchmark
Total Revenue	\$60,612	Baseline Year
Revenue Growth	+10.4%	> 0%
Cost Efficiency	4.5%	< 90%
Cash Flow Margin	95.5%	> 10%
Revenue Stability	85%	> 80%
Financial Runway	150 months	> 6 months
Diversification	Low	High

Table 2.7: Key Performance Indicators Dashboard

2.1.11 Risk Management

2.1.11.1 Identified Risks and Mitigation Strategies

1. Revenue Concentration Risk (HIGH):

- *Risk:* 91.7% dependence on TCB channel
- *Mitigation:* Develop alternative funding sources

2. Cash Flow Volatility (HIGH Risk):

- *Risk:* 223% volatility in monthly revenue



- *Mitigation*: Implement revenue smoothing strategies

3. Expense Escalation (RAPID):

- *Risk*: +560% expense growth trend
- *Mitigation*: Implement cost control measures

2.1.12 Conclusion

The Imagination Library of San Antonio completed 2025 with strong financial performance, demonstrating sustainable operations and mission-focused resource allocation. With positive cash flow of \$57,906, concentrated revenue streams, and rapid expenses, ILSA is well-positioned for continued growth and expanded community impact in 2026 and beyond.

The organization's conservative financial management, combined with its clear mission focus and community support, provides a solid foundation for achieving the goal of enrolling all eligible children in San Antonio in Dolly Parton's Imagination Library program.

2.1.12.1 Future Outlook

Based on current trends and projections:

- Expected 2026 revenue: \$148,740
- Projected net cash flow: \$129,924
- Anticipated cash flow margin: 87.3%
- Strategic focus: Revenue diversification and growth

2.1.13 Figures

The collection of plots next conveys different aspects of financial activity and geographic reach. The first plot, "Monthly Income and Debit Analysis," presents recorded values for income and debits each month, illustrating periodic fluctuations in cash inflows and outflows. The "Actual Cash Flow Analysis" plot provides a view of net movement of funds over time, highlighting the patterns in financial stability or volatility. The "Cash Flow Projections with Dollywood Debits" plot extends this view into the future, incorporating expected debits related to Dollywood and offering a comparison with previous cash flow trends. The "Income and



Debit Projections” plot similarly forecasts future income and debit levels, distinguishing anticipated changes from the historical data shown in the earlier income and debit analysis. The final plot, “San Antonio Areas Served by ILSA,” depicts the geographic distribution of services, giving a spatial context to the financial data presented in the other figures.

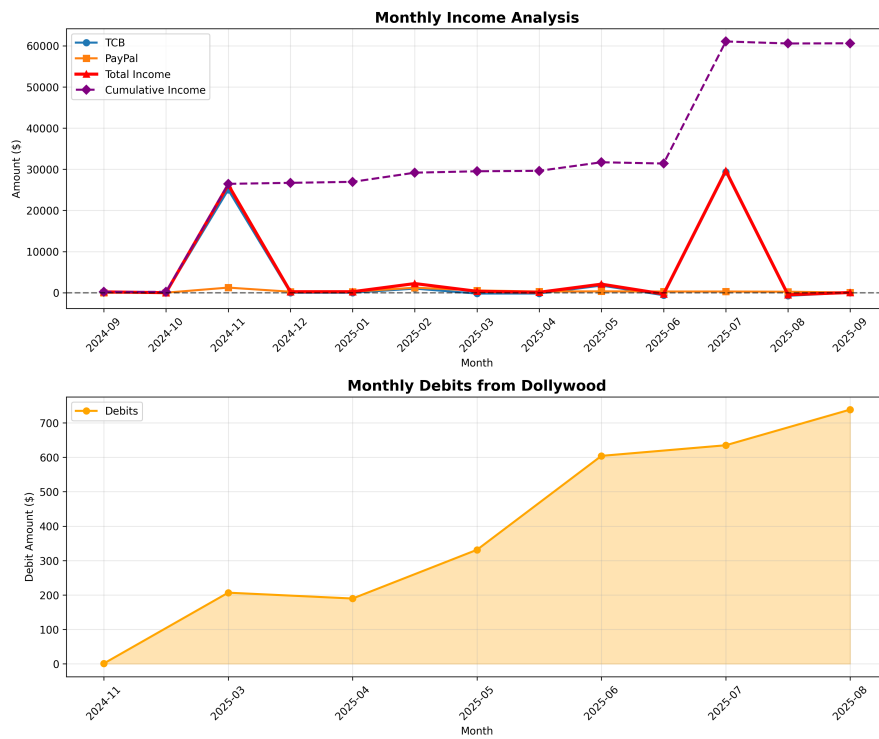


Figure 2.1-1: Monthly Income and Debit Analysis

This report was generated automatically from financial data analysis on September 29, 2025.

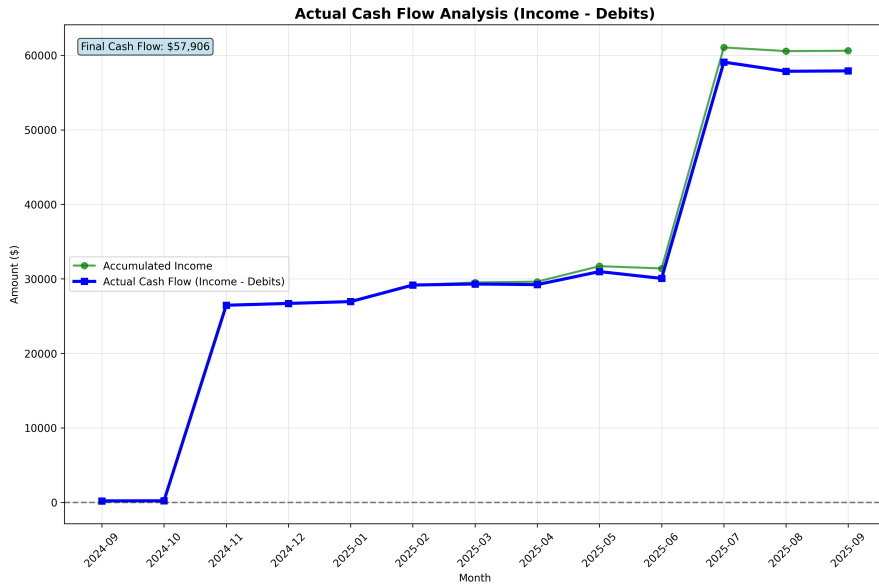


Figure 2.1-2: Actual Cash Flow Analysis

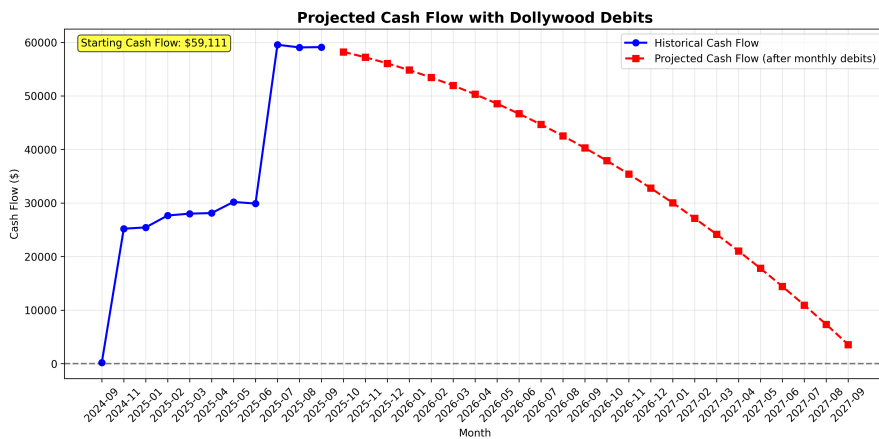


Figure 2.1-3: Cash Flow Projections with Dollywood Debits

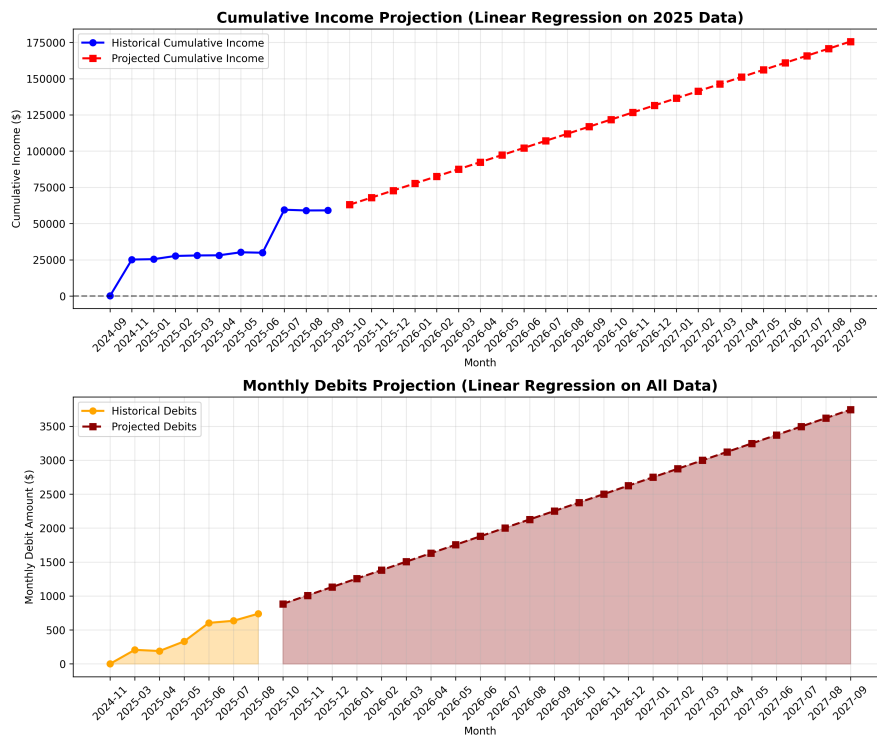


Figure 2.1-4: Income and Debit Projections

