



Westchester Library System
Financial Statement Review
May 2015



NOTES FOR MAY 2015 BALANCE SHEET

Assets:

Cash & Cash Equivalents – During May, WLS’s cash position declined by close to \$350,000. We received approximately \$80,000 in revenue including \$50,000 from Westchester County for the final 5% of 2014 monies, and paid out more than \$430,000 in expenses. The only notable expenditure during the month was a \$36,000 payment to Dell for replacement PCs. The cash figure as of May 2015 is nearly \$600,000 less than the figure as of May 2014. However, in May 2014, we had already received payment from Westchester County for the first two quarters of the year; and this year that payment is still pending. In addition, last year we had just received a payment from NYS for 75% of the 2013-14 CLD money; this year, we are still awaiting payment of the 2014-15 CLD funds.

Unconditional Promises to Give – This figure increased by approximately \$240,000 during the month, driven by the recording of \$288,000 of State and Federal (IMLS) monies, and offset by receipt of the final \$50,000 in 2014 monies from Westchester County.

Prepaid Expenses – This figure decreased by \$60,000 during the month. \$85,000 was recognized for various licensing, database and maintenance fees, and approximately \$25,000 in new pre-paid expenses were recorded, the most notable expense being \$20,000 for the University of Fashion database.

Liabilities:

Deferred Revenue – Similar to last month, this figure decreased by approximately \$242,000 during the month of May, just about all of which was the result of recognition of IT revenues and some of the smaller NYS restricted monies.

**Financial Statement Review
May 2015**

	<u>5/31/2015</u>	<u>12/31/2014</u>	<u>YTD Change</u>	<u>YTD % Change</u>
Assets				
Current Assets				
Cash & Cash Equivalents	2,675,271	3,515,888	(840,617)	-23.9%
Unconditional Promises to Give	1,203,444	586,273	617,171	105.3%
Accounts Receivable	96,407	89,385	7,022	7.9%
Prepaid Expenses	556,100	362,592	193,508	53.4%
Security Deposits	<u>35,737</u>	<u>35,737</u>	<u>0</u>	<u>0.0%</u>
Total Current Assets	4,566,960	4,589,875	(22,916)	-0.5%
Long-term Assets				
Property & Equipment	<u>310,860</u>	<u>351,057</u>	<u>(40,197)</u>	<u>-11.5%</u>
Total Property & Equipment	<u>310,860</u>	<u>351,057</u>	<u>(40,197)</u>	<u>-11.5%</u>
Total Long-term Assets	<u>310,860</u>	<u>351,057</u>	<u>(40,197)</u>	<u>-11.5%</u>
Total Assets	<u>4,877,820</u>	<u>4,940,932</u>	<u>(63,112)</u>	<u>-1.3%</u>
Liabilities				
Short-term Liabilities				
Accounts Payable	479,091	455,713	23,378	5.1%
Deferred Revenue	<u>272,960</u>	<u>517,485</u>	<u>(244,525)</u>	<u>-47.3%</u>
Total Short-term Liabilities	752,051	973,198	(221,147)	-22.7%
Long-term Liabilities				
Capital Lease Obligations	7,197	7,197	0	0.0%
Post-Retirement Benefits Payable	<u>3,822,358</u>	<u>3,822,358</u>	<u>0</u>	<u>0.0%</u>
Total Long-term Liabilities	<u>3,829,555</u>	<u>3,829,555</u>	<u>0</u>	<u>0.0%</u>
Total Liabilities	<u>4,581,607</u>	<u>4,802,753</u>	<u>(221,147)</u>	<u>-4.6%</u>
Net Assets				
	<u>296,213</u>	<u>138,179</u>	<u>158,034</u>	<u>114.4%</u>
Total Net Assets	<u>296,213</u>	<u>138,179</u>	<u>158,034</u>	<u>114.4%</u>
Total Liabilities and Net Assets	<u>4,877,820</u>	<u>4,940,932</u>	<u>(63,112)</u>	<u>-128.0%</u>



NOTES FOR MAY 2015 INCOME STATEMENT

Revenues:

Revenues for the month of May are \$2,400 short of budget; however, year-to-date revenues are slightly ahead of the year-to-date budget.

Expenses:

Expenditures for the month came in under budget by more than \$100,000. Spending in each individual budget line is either within budget or exceeds the monthly budget by less than \$1,500.



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Financial Statement Review May 2015

	Current Period			Current Year		YTD Budget		Total Budget
	5/31/2015	Budget	Budget Variance	Actual	YTD Budget	Variance		
Revenue								
Grants State	167,175	167,175	0	832,179	833,875	(1,696)	2,004,000	
Grants County	82,700	82,700	0	413,500	413,500	0	1,000,000	
Grants Federal	0	0	0	1,323	0	1,323	1,700	
Member Technology Fees	237,400	238,108	(708)	1,206,279	1,191,712	14,568	2,685,700	
Fund Raising & Contributions	2,155	8,083	(5,928)	31,202	58,417	(27,215)	115,000	
Interest	176	250	(74)	1,358	1,250	108	3,000	
WEBS & Other	4,315	3,400	915	18,805	17,100	1,705	40,500	
Restricted Grants	43,014	39,633	3,381	210,727	187,967	22,761	440,500	
Total Revenue	536,935	539,350	(2,415)	2,715,373	2,703,820	11,553	6,290,400	
Expenditures								
Salaries	179,035	190,769	11,735	899,744	954,006	54,262	2,288,721	
Fringe Benefits	89,275	93,389	4,113	448,280	468,158	19,877	1,121,879	
Professional Fees	1,792	2,000	208	7,090	6,800	(290)	29,000	
Equipment	3,990	9,967	5,976	94,347	70,633	(23,713)	238,100	
Books, Film, etc.	15,604	21,500	5,896	113,175	104,100	(9,075)	253,200	
Periodicals	2,611	1,300	(1,311)	6,657	6,200	(457)	15,000	
Rent and Utilities	23,164	24,442	1,278	109,977	120,208	10,232	292,200	
Repairs and Maintenance	24,903	32,450	7,548	166,789	158,850	(7,939)	385,300	
Supplies	1,943	4,400	2,457	13,749	14,900	1,151	36,800	
Telephone and Internet	22,447	27,900	5,453	109,758	138,700	28,942	334,100	
Printing and Postage	367	4,667	4,300	27,704	19,733	(7,970)	49,000	
Database	32,408	34,467	2,059	175,883	173,733	(2,149)	415,000	
Professional Development	5,070	6,150	1,080	36,417	17,200	(19,217)	47,900	
Travel	3,697	2,810	(887)	8,907	10,430	1,523	30,300	
Memberships	185	375	190	9,284	11,725	2,441	13,400	
Contractual Services	3,437	51,900	48,463	86,293	168,300	82,007	399,000	
Delivery Service	27,778	31,200	3,423	159,388	155,600	(3,788)	374,000	
Special Events	141	3,500	3,359	16,433	10,000	(6,433)	10,000	
Insurance	2,302	1,800	(502)	9,367	9,000	(367)	22,000	
Interest	0	0	0	0	0	0	500	
Miscellaneous	309	2,270	1,961	1,643	10,650	9,007	27,200	
Total Expenditures	440,457	547,255	106,797	2,500,883	2,628,927	128,044	6,382,600	
Net Revenue Before Depreciation	96,478	(7,905)	104,382	214,490	74,893	139,597	(92,200)	
Non-Cash Activity								
Depreciation	8,039	0	(8,039)	40,197	0	(40,197)	0	
Total Non-Cash Activity	8,039	0	(8,039)	40,197	0	(40,197)	0	
Net Revenue	88,438	(7,905)	96,343	174,293	74,893	99,401	(92,200)	



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NOTES FOR MAY 2015 INCOME STATEMENT WITH PROJECTIONS

As of the end of May, the “big picture” for year-end revenue and expenses projects a surplus of \$38,500 in revenue and underspending of \$250,000 on the expense side. If all of these projections are accurate, WLS will close the year with net revenue of approximately \$100,000. However, since these projections are based on only 5 months of activity, revenue and expenses will continue to be monitored closely and projections adjusted as new information is received.

Revenue:

State revenues – Although the State budget was completed on time and the budget for libraries has been increased by approximately 5.5%, allocations for individual systems have not yet been released. In addition, the issue of Central Library Aid (CLA) has not yet been resolved and WLS has still not received its 2014-15 payment from this program. Therefore, projections for State aid reflect only what has been budgeted for the 2015 fiscal year. Once 2015-16 payments are posted and/or the CLA issue has been resolved, this line will be updated accordingly.

County Grants – The \$1 Million figure is a firm figure.

Member Technology Fees – This is also a fairly firm figure. Any additional revenue earned from enhanced services will increase the projected surplus in this line, but not by much more than a few thousand dollars.

Fundraising and Contributions – This projection includes those gifts that have either been confirmed (AARP and Entergy) or are pending (Westchester Community Foundation, ConEd and TD Bank). Current Year Actuals include both special events and monies raised through direct fundraising.

WEBS & Other – The assumption for this line is that it will come in on budget. Again this year, revenue from Non-Resident Cards is sluggish, so it is possible that the line may ultimately fall short of budget by perhaps \$1,000.

Restricted Grants – The projected surplus in this line is driven by revenues received from libraries for staff attendance at the Palmer School Certificate Program, since no monies had been budgeted for this activity.

Expenses:

Salaries and Fringe Benefits – As of now, a small surplus is projected in each of these categories. However, the Salaries line includes hourly wages, and the bi-weekly payment for hourly wages fluctuates with each payroll period. The Fringe Benefits line includes an accrual for pension payments, and the accuracy of that figure will not be known until we receive the pension invoice from NYS in November.

Periodicals – This line also includes expenses for videos and DVDs. The projected year-end deficit in this line reflects the possibility that WLS will embark on a 6-month pilot project of streaming video, pending discussions with PLDA. Although this would put the periodicals line in deficit, the expense would be offset by savings in the Database line.

Professional Development – Projected overspending in this line is driven by the costs associated with the Palmer School Certificate Program and as noted above under Restricted Grants, revenue which had not been budgeted was received to cover these costs.

Special Events – This year’s budget assumed a break-even scenario for special events; \$10,000 was budgeted in revenue and \$10,000 in expenses. Although the expenses exceeded budget by \$6,400, revenue also exceeded budget by almost exactly the same amount. Total revenue for the event came to \$6,300, so overall, expenses exceeded budget by \$100.



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	Total Budget	Current Year Actuals (through May-2015)	Current Year Projected (Jun -Dec 2015)	CURRENT YEAR TOTAL PROJECTIONS	Current Year Projected vs Budget
Revenue					
Grants State	2,004,000	832,179	1,178,724	2,010,903	6,903
Grants County	1,000,000	413,500	586,500	1,000,000	0
Grants Federal	1,700	1,323	377	1,700	0
Member Technology Fees	2,685,700	1,206,279	1,490,521	2,696,800	11,100
Fund Raising & Contributions	115,000	31,202	82,500	113,702	(1,298)
Interest	3,000	1,358	1,642	3,000	0
WEBS & Other	40,500	18,805	21,695	40,500	0
Restricted Grants	440,500	210,727	251,523	462,250	21,750
Total Revenue	6,290,400	2,715,373	3,613,482	6,328,855	38,455
Expenditures					
Salaries	2,288,721	899,744	1,382,000	2,281,744	6,977
Fringe Benefits	1,121,879	448,280	657,266	1,105,546	16,333
Professional Fees	29,000	7,090	21,350	28,440	560
Equipment	238,100	94,347	99,001	193,347	44,753
Books, Film, etc.	253,200	113,175	137,740	250,915	2,285
Periodicals	15,000	6,657	17,300	23,957	(8,957)
Rent and Utilities	292,200	109,977	165,500	275,477	16,723
Repairs and Maintenance	385,300	166,789	181,935	348,724	36,576
Supplies	36,800	13,749	22,400	36,149	651
Telephone and Internet	334,100	109,758	180,600	290,358	43,742
Printing and Postage	49,000	27,704	21,610	49,314	(314)
Database	415,000	175,883	192,160	368,043	46,957
Professional Development	47,900	36,417	13,500	49,917	(2,017)
Travel	30,300	8,907	19,800	28,707	1,593
Memberships	13,400	9,284	4,116	13,400	0
Contractual Services	399,000	86,293	280,650	366,943	32,057
Delivery Service	374,000	159,388	215,414	374,802	(802)
Special Events	10,000	16,433	0	16,433	(6,433)
Insurance	22,000	9,367	12,250	21,617	383
Interest	500	0	500	500	0
Miscellaneous	27,200	1,643	4,735	6,378	20,822
Total Expenditures	6,382,600	2,500,883	3,629,826	6,130,710	251,890
Net Revenue Before Depreciation	(92,200)	214,490	(16,344)	198,146	
Non-Cash Activity					
Depreciation	0	40,197	56,280	96,477	(96,477)
Total Non-Cash Activity	0	40,197	56,280	96,477	(96,477)
Net Revenue	(92,200)	174,293	(72,624)	101,669	