



Westchester Library System
Financial Statement Review
October 2018



NOTES FOR OCTOBER 2018 BALANCE SHEET

Assets:

Cash & Cash Equivalents – WLS received approximately \$80,000 in cash, and paid out more than \$550,000 during the month, resulting in a cash position that is approximately \$470,000 less than September’s figure. The only notable expense was \$26,000 paid to Capira for annual renewal of the mobile library app.

Unconditional Promises to Give – This figure increased by approximately \$88,000 in October, the result of recording Westchester County and NYS Literacy monies.

Accounts Receivable – This line was reduced by \$9,500, the result of payments received from member libraries for various supplies and services.

Prepaid Expenses – This line was reduced by \$35,000 during October. \$40,000 was recorded during the month and \$75,000 was released, all of which was for eResources, software maintenance and insurance.

Liabilities:

Deferred Revenue – This line decreased by approximately \$430,000 during the period, primarily the result of recognition of one month’s worth of IT and State revenues.

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	<u>10/31/2018</u>	<u>12/31/2017</u>	<u>YTD Change</u>	<u>YTD % Change</u>
Assets				
Current Assets				
Cash & Cash Equivalents	5,114,611	3,794,703	1,319,908	34.8%
Unconditional Promises to Give	338,033	250,000	88,033	35.2%
Accounts Receivable	7,194	99,751	(92,557)	-92.8%
Prepaid Expenses	567,429	578,037	(10,608)	-1.8%
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total Current Assets	6,027,268	4,722,490	1,304,777	27.6%
Long-term Assets				
Property & Equipment	<u>777,834</u>	<u>979,431</u>	<u>(201,597)</u>	<u>-20.6%</u>
Total Property & Equipment	<u>777,834</u>	<u>979,431</u>	<u>(201,597)</u>	<u>-20.6%</u>
Total Long-term Assets	<u>777,834</u>	<u>979,431</u>	<u>(201,597)</u>	<u>-20.6%</u>
Total Assets	<u>6,805,102</u>	<u>5,701,922</u>	<u>1,103,181</u>	<u>19.4%</u>
Liabilities				
Short-term Liabilities				
Accounts Payable	660,713	449,888	210,825	46.9%
Deferred Revenue	<u>1,543,749</u>	<u>624,430</u>	<u>919,319</u>	<u>147.2%</u>
Total Short-term Liabilities	2,204,462	1,074,317	1,130,145	105.2%
Long-term Liabilities				
Capital Lease Obligations	0	0	0	0.0%
Deferred Rent	290,447	293,556	(3,108)	-106.0%
Post-Retirement Benefits Payable	<u>4,380,908</u>	<u>4,380,908</u>	<u>0</u>	<u>0.0%</u>
Total Long-term Liabilities	<u>4,671,355</u>	<u>4,674,464</u>	<u>(3,108)</u>	<u>-0.1%</u>
Total Liabilities	<u>6,875,817</u>	<u>5,748,781</u>	<u>1,127,036</u>	<u>19.6%</u>
Net Assets				
	<u>(70,715)</u>	<u>(46,860)</u>	<u>(23,856)</u>	<u>50.9%</u>
Total Net Assets	<u>(70,715)</u>	<u>(46,860)</u>	<u>(23,856)</u>	<u>50.9%</u>
Total Liabilities and Net Assets	<u>6,805,102</u>	<u>5,701,922</u>	<u>1,103,181</u>	<u>19.4%</u>



NOTES FOR OCTOBER 2018 INCOME STATEMENT

Revenues:

Total revenues for October exceeded budget by \$13,700. The only notable variance is in the *WEBS & Other* line, which fell short of budget by approximately \$2,000. The shortfall is driven by a decision by one of the libraries which hosts the *WEBS* program (and pays for it) to discontinue the activity mid-way through the year. This shortfall will also impact the full-year revenues for the line.

Expenses:

Overall spending for the period came in \$20,000 short of the monthly budget. Most lines came in within budget or had deficits of \$2,500 or less. However, the following lines were notably overspent:

Telephone & Internet – Over the summer, bandwidth was increased at a number of libraries, resulting in an increase in expenses in this line. This expense was assumed in the overall 2018 budget, but because the money is budgeted equally across the 12-month period, the line was underspent for much of the year, and will be overspent for October – December. Overall, total expenses for the year will fall within budget.

Printing & Publicity – Spending in this line was split between Outreach (\$8,500, most of which was for materials printed for Adult Literacy) and WLS marketing (\$7,000). The money spent on WLS marketing was charged to a grant received from Entergy earlier in the year, which was not included in the original 2018 budget.



Empowering libraries. Empowering communities.

Financial Statement Review
October 2018

	Current Period		Current Period	YTD Budget			Total Budget
	10/31/2018	Budget	Budget Variance	Current Year Actual	YTD Budget	Variance	
Revenue							
Grants State	194,563	191,775	2,788	1,929,209	1,917,750	11,459	2,301,300
Grants County	83,333	83,333	0	833,333	833,333	0	1,000,000
Member Technology Fees	233,525	231,008	2,516	2,344,386	2,310,083	34,303	2,772,100
Fund Raising & Contributions	7,319	7,500	(181)	23,798	87,000	(63,203)	102,000
Interest	1,248	500	748	12,146	5,000	7,146	6,000
WEBS & Other	1,075	2,983	(1,908)	19,400	29,833	(10,434)	35,800
Temporarily Restricted Government	22,525	19,625	2,900	191,066	196,250	(5,184)	235,500
Temporarily Restricted Other Revenues	<u>8,552</u>	<u>1,667</u>	<u>6,885</u>	<u>73,673</u>	<u>16,667</u>	<u>57,007</u>	<u>20,000</u>
Total Revenue	<u>552,140</u>	<u>538,392</u>	<u>13,748</u>	<u>5,427,011</u>	<u>5,395,917</u>	<u>31,094</u>	<u>6,472,700</u>
Expenditures							
Salaries	199,822	198,075	(1,747)	1,942,610	1,980,750	38,140	2,376,900
Fringe Benefits	97,579	98,620	1,041	954,563	989,800	35,237	1,187,000
Professional Fees	746	1,992	1,246	8,786	19,917	11,131	28,900
Equipment	1,270	17,700	16,430	84,575	177,000	92,425	212,400
Library Materials	54,515	64,042	9,526	597,348	641,717	44,369	769,800
Rent and Utilities	27,552	28,133	581	273,049	281,333	8,284	337,600
Repairs and Maintenance	38,083	38,883	800	388,433	399,933	11,500	477,700
Supplies	1,863	3,342	1,479	19,570	31,417	11,847	38,100
Telephone and Internet	36,189	29,917	(6,272)	280,923	299,167	18,244	359,000
Printing and Postage	18,664	4,533	(14,130)	54,153	44,533	(9,620)	52,600
Bibliographic Fees	5,998	5,833	(164)	57,393	58,333	940	70,000
Professional Development	8,117	7,542	(576)	54,305	44,117	(10,188)	52,200
Travel	505	3,017	2,512	19,928	30,167	10,238	36,200
Memberships	47	500	453	10,576	14,200	3,624	15,100
Contractual Services	10,481	10,767	286	93,481	107,667	14,186	129,200
Delivery Service	23,325	32,792	9,467	320,896	327,917	7,020	393,500
Special Events	0	0	0	10,418	12,000	1,582	12,000
Insurance	1,747	2,083	337	17,206	20,833	3,627	25,000
Interest	0	42	42	0	417	417	500
Miscellaneous	<u>2,189</u>	<u>1,142</u>	<u>(1,047)</u>	<u>6,123</u>	<u>11,417</u>	<u>5,293</u>	<u>13,700</u>
Total Expenditures	<u>528,692</u>	<u>548,954</u>	<u>20,261</u>	<u>5,194,336</u>	<u>5,492,632</u>	<u>298,296</u>	<u>6,587,400</u>
Net Revenue Before Depreciation	23,447	(10,562)	34,009	232,675	(96,716)	329,391	(114,700)
Non-Cash Activity							
Depreciation	<u>20,343</u>	<u>0</u>	<u>(20,343)</u>	<u>201,597</u>	<u>0</u>	<u>(201,597)</u>	<u>0</u>
Total Non-Cash Activity	<u>20,343</u>	<u>0</u>	<u>(20,343)</u>	<u>201,597</u>	<u>0</u>	<u>(201,597)</u>	<u>0</u>
Net Revenue	<u>3,105</u>	<u>(10,562)</u>	<u>13,667</u>	<u>31,078</u>	<u>(96,716)</u>	<u>127,794</u>	<u>(114,700)</u>



NOTES FOR OCTOBER 2018 INCOME STATEMENT WITH PROJECTIONS

Revenues:

Overall, revenue projections for the year are essentially unchanged from the September report. However, the *WEBS & Other* line has seen an increase in the projected deficit from the September figure. Further analysis shows that the projected deficit will be approximately \$9,400, an increase of \$3,000 over what was projected in September.

Expenses:

On the Expense side, total expenses are projected to come in approximately \$162,000 under budget before depreciation, which is approximately \$13,000 lower than what had been projected in September. There were small increases or decreases for many of the lines, but three lines had notable changes:

Telephone & Internet – As noted above, an increase in bandwidth at a number of libraries has resulting in a corresponding increase in expenses for the period October through December. As a result, the projected surplus in this line at year-end has been reduced by approximately \$16,000, from \$33,266 in September to \$17,477 in October.

Printing & Postage – The September projection was that this line would close the year with a \$2,000 surplus. However, spending associated with the Entergy marketing grant and with a sub-grant from the University of Pittsburgh was not included in those projections. The October projection is that this line will close the year with a deficit of approximately \$8,600, a change of \$10,600 from the September figure.

Professional Development – A \$5,000 expense for training of WSOS volunteers was not included in September's projections, and increased the projected deficit in the October report accordingly.



Financial Statement Review – Full-Year Projections October 2018

	Total Budget	Current Year Actuals (through Oct-2018)	Current Year Projected (Nov -Dec 2018)	CURRENT YEAR TOTAL PROJECTIONS	Current Year Projected vs Budget
Revenue					
Grants State	2,301,300	1,929,209	389,125	2,318,334	17,034
Grants County	1,000,000	833,333	166,667	1,000,000	0
Member Technology Fees	2,772,100	2,344,386	463,850	2,808,236	36,136
Fund Raising & Contributions	102,000	23,798	1,500	25,298	(76,703)
Interest	6,000	12,146	1,500	13,646	7,646
WEBS & Other	35,800	19,400	7,000	26,400	(9,400)
Temporarily Restricted Government Revenues	235,500	191,066	42,731	233,797	(1,703)
Temporarily Restricted Other Revenues	<u>20,000</u>	<u>73,673</u>	<u>24,850</u>	<u>98,523</u>	<u>78,523</u>
Total Revenue	<u>6,472,700</u>	<u>5,427,011</u>	<u>1,097,223</u>	<u>6,524,234</u>	<u>51,534</u>
Expenditures					
Salaries	2,376,900	1,942,610	424,010	2,366,620	10,280
Fringe Benefits	1,187,000	954,563	203,185	1,157,748	29,252
Professional Fees	28,900	8,786	17,913	26,699	2,201
Equipment	212,400	84,575	99,711	184,286	28,114
Library Materials	769,800	597,348	126,362	723,710	46,090
Rent and Utilities	337,600	273,049	55,810	328,859	8,741
Repairs and Maintenance	477,700	388,433	93,010	481,443	(3,743)
Supplies	38,100	19,570	4,000	23,570	14,530
Telephone and Internet	359,000	280,923	60,600	341,523	17,477
Printing and Postage	52,600	54,153	7,100	61,253	(8,653)
Bibliographic Fees	70,000	57,393	11,600	68,993	1,007
Professional Development	52,200	54,305	16,400	70,705	(18,505)
Travel	36,200	19,928	4,000	23,928	12,272
Memberships	15,100	10,576	4,524	15,100	0
Contractual Services	129,200	93,481	20,000	113,481	15,719
Delivery Service	393,500	320,896	75,630	396,526	(3,026)
Special Events	12,000	10,418	0	10,418	1,582
Insurance	25,000	17,206	5,000	22,206	2,794
Interest	500	0	0	0	500
Miscellaneous	<u>13,700</u>	<u>6,123</u>	<u>1,300</u>	<u>7,423</u>	<u>6,277</u>
Total Expenditures	<u>6,587,400</u>	<u>5,194,336</u>	<u>1,230,155</u>	<u>6,424,491</u>	<u>162,909</u>
Net Revenue Before Depreciation	(114,700)	232,675	(132,932)	99,743	
Non-Cash Activity					
Depreciation	0	<u>201,597</u>	<u>41,000</u>	<u>242,597</u>	<u>(242,597)</u>
Total Non-Cash Activity	<u>0</u>	<u>201,597</u>	<u>41,000</u>	<u>242,597</u>	<u>(242,597)</u>
Net Revenue	<u>(114,700)</u>	<u>31,078</u>	<u>(173,932)</u>	<u>(142,854)</u>	