



Westchester Library System
Financial Statement Review
February 2019



NOTES FOR FEBRUARY 2019 BALANCE SHEET

Assets:

Cash & Cash Equivalents – During the months of January and February, WLS received approximately \$1.17 million in revenue, almost all of which was from payments of fees from member libraries. Approximately \$1.47 million in expenses were paid out during these two months, including regularly occurring expenses for payroll, benefits, rent, delivery and telecommunications as well as \$325,000 for 2018 e-content subscriptions and database maintenance.

Unconditional Promises to Give – This figure increased by approximately \$170,000 during the two-month period, the result of recording two months of 2019 Westchester County revenue.

Accounts Receivable – The \$325,000 increase in this figure is primarily driven by receivables from the member libraries for January – June IT fees.

Prepaid Expenses – This line increased by approximately \$125,000, the result of recording \$310,000 in new prepaid expenses and the recognition of \$185,000 for various licensing and database expenses.

Liabilities:

Deferred Revenue – The increase of more than \$200,000 in this line during the months of January and February is the result of recording approximately \$1.2 million, primarily for member fees against the recognition of approximately \$990,000 in revenues from New York State, member fees and other sources.

Financial Statement Review
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	<u>2/28/2019</u>	<u>12/31/2018</u>	<u>YTD Change</u>	<u>YTD % Change</u>
Assets				
Current Assets				
Cash & Cash Equivalents	4,194,625	4,484,113	(289,488)	-6.5%
Unconditional Promises to Give	421,342	252,175	169,167	67.1%
Accounts Receivable	357,238	30,329	326,909	1077.9%
Prepaid Expenses	721,923	597,110	124,813	20.9%
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total Current Assets	5,695,128	5,363,727	331,401	618.0%
Long-term Assets				
Property & Equipment	<u>766,608</u>	<u>807,181</u>	<u>(40,573)</u>	<u>-5.0%</u>
Total Property & Equipment	<u>766,608</u>	<u>807,181</u>	<u>(40,573)</u>	<u>-5.0%</u>
Total Long-term Assets	<u>766,608</u>	<u>807,181</u>	<u>(40,573)</u>	<u>-5.0%</u>
Total Assets	<u>6,461,736</u>	<u>6,170,908</u>	<u>290,828</u>	<u>4.7%</u>
Liabilities				
Short-term Liabilities				
Accounts Payable	480,910	398,716	82,194	20.6%
Deferred Revenue	<u>1,166,972</u>	<u>959,124</u>	<u>207,848</u>	<u>21.7%</u>
Total Short-term Liabilities	1,647,882	1,357,840	290,042	21.4%
Long-term Liabilities				
Capital Lease Obligations	0	0	0	0.0%
Deferred Rent	289,133	289,790	(657)	-0.2%
Post-Retirement Benefits Payable	<u>3,815,633</u>	<u>3,815,633</u>	<u>0</u>	<u>0.0%</u>
Total Long-term Liabilities	<u>4,104,766</u>	<u>4,105,423</u>	<u>(657)</u>	<u>0.0%</u>
Total Liabilities	<u>5,752,647</u>	<u>5,463,263</u>	<u>289,385</u>	<u>5.3%</u>
Net Assets				
	<u>709,089</u>	<u>707,645</u>	<u>1,444</u>	<u>0.2%</u>
Total Net Assets	<u>709,089</u>	<u>707,645</u>	<u>1,444</u>	<u>0.2%</u>
Total Liabilities and Net Assets	<u>6,461,736</u>	<u>6,170,908</u>	<u>290,828</u>	<u>4.7%</u>



NOTES FOR FEBRUARY 2019 INCOME STATEMENT

Revenues:

Overall, revenues for the month February fell short of the monthly budget by approximately \$17,500, primarily driven by shortfalls in *Grants Federal* (e-rate revenues) and *Fundraising & Contributions*. For each of those lines, the budget assumes that 1/12 of those budgeted revenues will be received each month when in reality, WLS cannot record e-rate revenues until the 2019 award is made, and monies raised fluctuates from month to month. For the two-month period, total revenues fell short of budget by approximately \$37,000 for the same reasons noted above.

Expenses:

Overall, spending for February was approximately \$116,000 less than the monthly budget before depreciation; for the two-month period, spending was approximately \$185,000 less than what was budgeted before depreciation.

Although a few lines are showing small deficits for the month and year-to-date, these are all largely the result of timing issues and are not necessarily an indication of what will be spent by year-end. However, WLS monitors all spending on a regular basis and will be paying particular attention to those lines showing a deficit right now.



Empowering libraries. Empowering communities.

Financial Statement Review February 2019

	Current Period		Current Period	Current Year		YTD Budget	Total Budget
	2/28/2019	Budget	Budget Variance	Actual	YTD Budget	Variance	
Revenue							
Grants State	193,666	193,667	(0)	387,333	387,333	(1)	2,324,000
Grants County	84,583	84,583	0	169,167	169,167	0	1,015,000
Grants Federal	0	13,333	(13,333)	0	26,667	(26,667)	160,000
Member Technology Fees	238,051	235,600	2,451	474,152	471,200	2,952	2,827,200
Fund Raising & Contributions	138	5,167	(5,029)	2,675	10,333	(7,658)	62,000
Interest	1,503	1,000	503	3,366	2,000	1,366	12,000
WEBS & Other	2,435	2,317	118	4,686	4,633	53	27,800
Temporarily Restricted Government Revenues	17,847	19,642	(1,795)	35,688	39,283	(3,595)	235,700
Temporarily Restricted Other Revenues	3,674	4,275	(601)	5,340	8,550	(3,210)	51,300
Total Revenue	<u>541,897</u>	<u>559,583</u>	<u>(17,686)</u>	<u>1,082,408</u>	<u>1,119,167</u>	<u>(36,759)</u>	<u>6,715,000</u>
Expenditures							
Salaries	171,957	202,900	30,943	362,812	405,800	42,988	2,434,800
Fringe Benefits	88,625	101,125	12,500	185,607	202,250	16,643	1,213,500
Professional Fees	768	3,033	2,265	1,911	6,067	4,155	36,400
Equipment	1,739	18,300	16,561	4,881	36,600	31,719	219,600
Library Materials	37,066	67,533	30,467	115,442	135,795	20,353	811,400
Rent and Utilities	27,552	28,833	1,281	55,104	57,667	2,562	346,000
Repairs and Maintenance	42,010	39,800	(2,210)	85,638	79,600	(6,038)	477,600
Supplies	7,193	3,592	(3,601)	8,221	7,183	(1,038)	43,100
Telephone and Internet	32,135	30,000	(2,135)	64,640	60,000	(4,640)	360,000
Printing and Postage	1,040	5,725	4,685	1,672	11,550	9,878	68,800
Bibliographic Fees	6,035	6,042	7	6,448	12,083	5,635	72,500
Professional Development	384	6,300	5,917	384	12,600	12,217	75,600
Travel	516	3,142	2,626	516	6,283	5,768	37,700
Memberships	0	1,025	1,025	6,852	8,150	1,298	16,400
Contractual Services	9,144	12,217	3,073	23,250	24,433	1,183	146,600
Delivery Service	32,033	33,875	1,842	70,342	67,750	(2,592)	406,500
Special Events	0	833	833	0	1,667	1,667	10,000
Insurance	1,710	2,083	373	3,420	4,167	747	25,000
Miscellaneous	695	1,300	605	1,851	2,900	1,049	15,700
Total Expenditures	<u>460,601</u>	<u>567,658</u>	<u>107,057</u>	<u>998,991</u>	<u>1,142,545</u>	<u>143,554</u>	<u>6,817,200</u>
Net Revenue Before Depreciation	81,296	(8,075)	89,371	83,417	(23,378)	106,795	(102,200)
Non-Cash Activity							
Depreciation	20,287	0	(20,287)	40,573	0	(40,573)	0
Total Non-Cash Activity	<u>20,287</u>	<u>0</u>	<u>(20,287)</u>	<u>40,573</u>	<u>0</u>	<u>(40,573)</u>	<u>0</u>
Net Revenue	<u>61,009</u>	<u>(8,075)</u>	<u>109,657</u>	<u>42,844</u>	<u>(23,378)</u>	<u>147,367</u>	<u>(102,200)</u>

Financial Statement Review
Capital Budget Activity – February 2019

	<u>Total Budget</u>	<u>Current Year Actuals (through Feb-2019)</u>	<u>Variance</u>
Expenditures			
VDI equipment	107,000		107,000
Contractual Services	228,000	41,400	186,600
Total Expenditures	<u>335,000</u>	<u>41,400</u>	<u>293,600</u>

\$41,400 for professional services represents expenses associated with the migration of the online catalog from SIRSI to Evergreen.