



Westchester Library System
Financial Statement Review
March 2019



NOTES FOR MARCH 2019 BALANCE SHEET

Assets:

Cash & Cash Equivalents – During March, WLS’s cash position declined by \$87,000. Approximately \$540,000 in revenue was received, including \$300,000 for IT fees and \$200,000 from Westchester County. The County money represented 80% of the 4th quarter 2018 revenue; the final 5% will be paid to WLS upon submission of WLS’s 2018 audit. More than \$625,000 in expenses were paid out. Notable expenses included \$43,000 for a 3-year subscription for anti-virus software, \$53,000 for a one-year subscription to the Novelist database, and \$20,000 for the 2nd installment of PressReader, a digital newspaper subscription.

Unconditional Promises to Give – This figure was reduced by \$115,000 during the month of March, the result of recording \$85,000 for 2019 County monies, against the receipt of the above-noted \$200,000 in 2018 County monies.

Accounts Receivable – This figure decreased by more than \$300,000, primarily driven by monies received for January – June IT fees.

Prepaid Expenses – This figure increased by approximately \$90,000 in March, driven by the recording of approximately \$200,000 in new pre-paid expenses against the recognition of \$110,000 for various maintenance, licensing and database expenses.

Liabilities:

Deferred Revenue – This figure decreased by approximately \$450,000 during the month of March, the result of recognition of IT and NYS revenues.

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	<u>3/31/2019</u>	<u>12/31/2018</u>	<u>YTD Change</u>	<u>YTD % Change</u>
Assets				
Current Assets				
Cash & Cash Equivalents	4,107,592	4,484,113	(376,521)	-8.4%
Unconditional Promises to Give	305,925	252,175	53,750	21.3%
Accounts Receivable	52,912	30,329	22,583	74.5%
Prepaid Expenses	857,404	597,110	260,294	43.6%
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total Current Assets	5,323,833	5,363,727	(39,894)	-0.7%
Long-term Assets				
Property & Equipment	<u>746,322</u>	<u>807,181</u>	<u>(60,859)</u>	<u>-7.5%</u>
Total Property & Equipment	<u>746,322</u>	<u>807,181</u>	<u>(60,859)</u>	<u>-7.5%</u>
Total Long-term Assets	<u>746,322</u>	<u>807,181</u>	<u>(60,859)</u>	<u>-7.5%</u>
Total Assets	<u>6,070,155</u>	<u>6,170,908</u>	<u>(100,753)</u>	<u>-1.6%</u>
Liabilities				
Short-term Liabilities				
Accounts Payable	651,915	398,716	253,200	63.5%
Deferred Revenue	<u>719,551</u>	<u>959,124</u>	<u>(239,573)</u>	<u>-25.0%</u>
Total Short-term Liabilities	1,371,466	1,357,840	13,627	1.0%
Long-term Liabilities				
Capital Lease Obligations	0	0	0	0.0%
Deferred Rent	288,804	289,790	(986)	-0.3%
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>4,104,437</u>	<u>4,105,423</u>	<u>(986)</u>	<u>0.0%</u>
Total Liabilities	<u>5,475,903</u>	<u>5,463,263</u>	<u>12,641</u>	<u>0.2%</u>
Net Assets				
Total Net Assets	<u>594,251</u>	<u>707,645</u>	<u>(113,394)</u>	<u>-16.0%</u>
Total Liabilities and Net Assets	<u>6,070,155</u>	<u>6,170,908</u>	<u>(100,753)</u>	<u>-1.6%</u>



NOTES FOR MARCH 2019 INCOME STATEMENT

This report reflects activity for the month of March and for the first quarter of the fiscal year. For the month of March, revenues fell short of budget by \$15,500; revenues year-to-date are approximately \$50,000 short of budget. Spending in March came in approximately \$35,000 below the monthly budget; spending for the first quarter of 2019 was approximately \$200,000 less than the year to date budget. Lines with notable activity are discussed below.

Revenues:

Shortfalls in revenue for the month and year-to-date are primarily driven by the Grants Federal line, where no revenues have been recorded to date. This is the line which includes eRate and WLS has not received its final letter of commitment for this revenue.

Expenses:

Library Materials – This line shows a deficit of close to \$19,000 for the month of March. Although the reasons for this overspending have not been fully explored, this line will be carefully monitored in the months ahead to determine what is driving the overspending and what measures may be taken to stem the deficit.

Repairs and Maintenance – This line was overspent for the month, primarily driven by the fact that WLS recorded both the final expense for SIRSI as well as the first expense for Equinox. This is a one-time event and overspending in this line is not expected to recur in the coming months.

Delivery Service – Overspending in this line is the result of paying for five weeks of delivery service for the month of March, as opposed to the usual four weeks each month.



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Financial Statement Review March 2019

	Current Period			Current Year			YTD Budget Variance	Total Budget
	3/31/2019	Budget	Budget Variance	Actual	YTD Budget			
Revenue								
Grants State	193,671	193,667	4	581,004	581,000	4	2,324,000	
Grants County	84,583	84,583	0	253,750	253,750	0	1,015,000	
Grants Federal	0	13,333	(13,333)	0	40,000	(40,000)	160,000	
Member Technology Fees	237,844	235,600	2,244	711,996	706,800	5,196	2,827,200	
Fund Raising & Contributions	3,619	5,167	(1,548)	6,294	15,500	(9,206)	62,000	
Interest	1,224	1,000	224	4,590	3,000	1,590	12,000	
WEBS & Other	2,250	2,317	(67)	6,936	6,950	(14)	27,800	
Temporarily Restricted Government	17,843	19,642	(1,799)	53,531	58,925	(5,394)	235,700	
Temporarily Restricted Other Revenues	3,104	4,275	(1,171)	8,444	12,825	(4,381)	51,300	
Total Revenue	<u>544,137</u>	<u>559,583</u>	<u>(15,446)</u>	<u>1,626,545</u>	<u>1,678,750</u>	<u>(52,205)</u>	<u>6,715,000</u>	
Expenditures								
Salaries	178,602	202,900	24,298	541,414	608,700	67,286	2,434,800	
Fringe Benefits	88,446	101,125	12,679	274,053	303,375	29,322	1,213,500	
Professional Fees	654	3,033	2,379	2,565	9,100	6,535	36,400	
Equipment	11,046	18,300	7,254	18,594	54,900	36,306	219,600	
Library Materials	86,260	67,533	(18,727)	201,702	203,328	1,626	811,400	
Rent and Utilities	27,552	28,833	1,281	82,656	86,500	3,844	346,000	
Repairs and Maintenance	52,967	46,175	(6,792)	139,505	161,625	22,120	477,600	
Supplies	482	3,592	3,109	9,057	10,775	1,718	43,100	
Telephone and Internet	30,133	30,000	(133)	94,773	90,000	(4,773)	360,000	
Printing and Postage	1,641	5,725	4,084	4,251	17,275	13,024	68,800	
Bibliographic Fees	7,045	6,042	(1,003)	13,493	18,125	4,632	72,500	
Professional Development	2,751	6,300	3,549	3,134	18,900	15,766	75,600	
Travel	547	3,142	2,594	1,063	9,425	8,362	37,700	
Memberships	290	925	635	7,142	9,075	1,933	16,400	
Contractual Services	9,254	12,225	2,971	32,504	36,675	4,171	146,700	
Delivery Service	40,041	33,875	(6,166)	110,383	101,625	(8,758)	406,500	
Special Events	0	833	833	0	2,500	2,500	10,000	
Insurance	1,705	2,083	378	5,125	6,250	1,125	25,000	
Miscellaneous	125	1,300	1,175	1,976	4,200	2,224	15,700	
Total Expenditures	<u>539,542</u>	<u>573,942</u>	<u>34,399</u>	<u>1,543,392</u>	<u>1,752,353</u>	<u>208,961</u>	<u>6,817,300</u>	
Net Revenue Before Depreciation	4,595	(14,358)	18,953	83,153	(73,603)	156,756	(102,300)	
Non-Cash Activity								
Depreciation	20,287	0	(20,287)	60,859	0	(60,859)	0	
Total Non-Cash Activity	<u>20,287</u>	<u>0</u>	<u>(20,287)</u>	<u>60,859</u>	<u>0</u>	<u>(60,859)</u>	<u>0</u>	
Net Revenue	<u>(15,692)</u>	<u>(14,358)</u>	<u>(1,333)</u>	<u>22,294</u>	<u>(73,603)</u>	<u>95,897</u>	<u>(102,300)</u>	