



Financial Statements and Notes

September 2021

Westchester Library System
Statement of Financial Position - WLS Balance Sheet
As of 9/30/2021

	<u>9/30/2021</u>	<u>12/31/2020</u>	<u>YTD Change</u>	<u>YTD % Change</u>
Assets				
Current Assets				
Cash & Cash Equivalents	6,018,565	4,533,682	1,484,883	32.75%
Unconditional Promises to Give	262,185	625,078	(362,893)	-58.06%
Accounts Receivable	699,292	306,783	392,509	127.94%
Prepaid Expenses	482,456	499,685	(17,229)	-3.45%
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total Current Assets	7,462,498	5,965,228	1,497,270	25.10%
Long-term Assets				
Property & Equipment	<u>566,368</u>	<u>708,685</u>	<u>(142,317)</u>	<u>-20.08%</u>
Total Property & Equipment	<u>566,368</u>	<u>708,685</u>	<u>(142,317)</u>	<u>-20.08%</u>
Total Long-term Assets	<u>566,368</u>	<u>708,685</u>	<u>(142,317)</u>	<u>-20.08%</u>
Total Assets	<u>8,028,866</u>	<u>6,673,913</u>	<u>1,354,953</u>	<u>20.30%</u>
Liabilities				
Short-term Liabilities				
Accounts Payable	622,316	1,388,131	(765,815)	-55.17%
Deferred Revenue	<u>1,462,005</u>	<u>10,256</u>	<u>1,451,750</u>	<u>14155.57%</u>
Total Short-term Liabilities	2,084,321	1,398,387	685,934	49.05%
Long-term Liabilities				
Capital Lease Obligations	0	0	0	0.00%
Deferred Rent	252,250	267,665	(15,415)	-5.76%
Post-Retirement Benefits Payable	<u>5,038,065</u>	<u>5,038,065</u>	<u>0</u>	<u>0.00%</u>
Total Long-term Liabilities	<u>5,290,315</u>	<u>5,305,730</u>	<u>(15,415)</u>	<u>-0.29%</u>
Total Liabilities	<u>7,374,636</u>	<u>6,704,117</u>	<u>670,519</u>	<u>10.00%</u>
Net Assets				
	<u>654,230</u>	<u>(30,204)</u>	<u>684,434</u>	<u>-2266.04%</u>
Total Net Assets	<u>654,230</u>	<u>(30,204)</u>	<u>684,434</u>	<u>-2266.04%</u>
Total Liabilities and Net Assets	<u>8,028,866</u>	<u>6,673,913</u>	<u>1,354,953</u>	<u>20.30%</u>

NOTES FOR SEPTEMBER 2021 STATEMENT OF FINANCIAL POSITION - WLS BALANCE SHEET

The key changes to the Balance Sheet are the decrease in WLS's cash position, which is lower than last month by approximately \$163,000, a decrease in Accounts Receivable of approximately \$166,000 and a decrease in deferred revenue by approximately \$491,000 during the month.

Current Assets: *This section indicates the organization's liquidity by showing what assets WLS holds in cash and what assets will be available in cash in the near future.*

Cash & Cash Equivalents: This line shows the total cash in WLS's bank accounts, investment accounts and petty cash. – In the month of September WLS's cash position decreased by approximately \$163,000. With \$208,100 in receipts, which included \$120,900 from member libraries for IT fees and eContent group purchases and \$70,300 from Project HOPE. Expenditures totaled \$371,100. Aside from payroll and benefits, Internet, and delivery to libraries, the only notable expenditure was \$9,999 to Utica National Insurance Group for general liability and automotive insurance.

Accounts Receivable: These are monies owed to WLS by another party. – This figure decreased by \$166,250 in September, driven primarily by payments from member libraries for IT and eContent and funds from Project HOPE.

Short Term Liabilities: *This section shows WLS's near-term obligations.*

Deferred Revenue: Funds received which have not yet been earned. – This figure decreased by \$491,460, the result of recognizing slightly more than \$492,000 in IT, eContent, NYS, eRate and movie licensing revenues against the deferral of approximately \$500 in revenue for 2022.

Westchester Library System
Statement of Revenues and Expenditures - Comparison to Budget with 2019 and 2020 YTD
From 9/1/2021 Through 9/30/2021

	Current Period		Current Period Budget Variance	9/30/2019 YTD	9/30/2020 YTD	9/30/2021 YTD	YTD Budget		Total Budget
	9/30/2021	Budget					YTD Budget	Variance	
Revenue									
State Revenues without Restrictions	215,596	151,011	64,585	1,743,061	1,728,778	1,637,657	1,359,098	278,559	1,812,130
County Revenues without Restrictions	88,135	86,458	1,677	761,250	772,300	786,195	778,125	8,070	1,037,500
Federal Revenues without Restrictions	17,119	12,500	4,619	117,174	117,816	681,384	112,500	568,884	150,000
Member Technology Fees	244,618	236,845	7,773	2,136,808	2,059,000	2,127,524	2,131,605	(4,081)	2,842,140
Fund Raising & Contributions	0	917	(917)	15,500	16,723	1,138	8,250	(7,112)	11,000
Interest	293	1,417	(1,124)	11,319	13,832	1,805	12,750	(10,945)	17,000
WEBS & Other	610	2,333	(1,723)	19,736	9,310	6,911	21,000	(14,089)	28,000
Government Revenues with Restrictions	32,541	58,365	(25,824)	170,213	170,584	366,379	525,285	(158,906)	700,380
Other Revenues with Restrictions	<u>22,040</u>	<u>10,042</u>	<u>11,998</u>	<u>125,772</u>	<u>86,642</u>	<u>241,485</u>	<u>90,375</u>	<u>151,110</u>	<u>120,500</u>
Total Revenue	<u>620,951</u>	<u>559,887</u>	<u>61,064</u>	<u>5,100,833</u>	<u>4,974,986</u>	<u>5,850,478</u>	<u>5,038,987</u>	<u>811,490</u>	<u>6,718,650</u>
Expenditures									
Salaries	183,050	214,292	31,242	1,674,567	1,718,979	1,727,668	1,928,625	200,957	2,571,500
Fringe Benefits	90,484	120,083	29,599	866,714	857,426	842,604	1,080,750	238,146	1,441,000
Professional Fees	1,232	3,242	2,010	12,228	123,580	21,732	29,175	7,443	38,900
Equipment	7,329	13,908	6,579	93,772	158,229	212,527	125,175	(87,352)	166,900
Library Materials	60,766	62,700	1,934	608,790	696,994	550,860	564,300	13,440	752,400
Rent and Utilities	26,959	31,258	4,299	264,221	270,046	249,617	281,325	31,708	375,100
Repairs and Maintenance	39,045	40,542	1,497	300,543	338,183	318,936	364,875	45,939	486,500
Supplies	(130)	4,183	4,313	18,494	23,272	17,723	37,650	19,927	50,200
Telephone and Internet	30,958	37,200	6,242	259,279	232,214	284,886	334,800	49,914	446,400
Printing and Postage	8,201	6,233	(1,968)	49,379	11,202	56,894	56,100	(794)	74,800
Bibliographic Fees	6,500	6,042	(458)	51,854	57,799	59,744	54,375	(5,369)	72,500
Professional Development	17,050	4,400	(12,650)	23,818	34,184	22,007	39,600	17,593	52,800
Travel	1	3,383	3,382	14,723	9,478	369	30,450	30,081	40,600
Memberships	222	1,858	1,637	10,410	6,769	14,371	16,725	2,354	22,300
Contractual Services	26,135	24,233	(1,901)	113,245	168,466	217,257	218,100	843	290,800
Delivery Service	31,341	34,833	3,492	314,289	228,252	320,724	313,500	(7,224)	418,000
Special Events	0	833	833	3,835	1,018	0	7,500	7,500	10,000
Insurance	1,733	2,083	350	14,726	17,058	20,534	18,750	(1,784)	25,000
Miscellaneous	<u>487</u>	<u>2,350</u>	<u>1,863</u>	<u>3,436</u>	<u>3,981</u>	<u>4,944</u>	<u>21,150</u>	<u>16,205</u>	<u>28,200</u>
Total Expenditures	<u>531,362</u>	<u>613,658</u>	<u>82,296</u>	<u>4,698,321</u>	<u>4,957,129</u>	<u>4,943,398</u>	<u>5,522,925</u>	<u>579,526</u>	<u>7,363,900</u>
Net Revenue Before Depreciation	<u>89,589</u>	<u>(53,771)</u>	<u>143,360</u>	402,512	<u>17,857</u>	<u>907,079</u>	<u>(483,937)</u>	<u>1,391,017</u>	<u>(645,250)</u>
Non-Cash Activity									
Depreciation	15,813	15,646	(167)	<u>182,578</u>	168,673	142,317	140,812	(1,505)	187,750
Unrealized Gain/Loss on Investments	<u>(52)</u>	<u>0</u>	<u>52</u>		<u>(3,321)</u>	<u>116</u>	<u>0</u>	<u>(116)</u>	<u>0</u>
Total Non-Cash Activity	<u>15,762</u>	<u>15,646</u>	<u>(116)</u>	182,578	<u>165,352</u>	<u>142,433</u>	<u>140,812</u>	<u>(1,621)</u>	<u>187,750</u>
Net Revenue	<u>73,827</u>	<u>(69,417)</u>	<u>143,244</u>	219,934	<u>(147,495)</u>	<u>764,646</u>	<u>(624,750)</u>	<u>1,389,396</u>	<u>(833,000)</u>

**NOTES FOR SEPTEMBER 2021 (INCOME STATEMENT) STATEMENT OF REVENUE AND EXPENDITURES –
COMPARISON TO BUDGET WITH 2019 AND 2020 YTD**

Net revenue before depreciation was above budget on both a monthly (\$143,400) and year-to-date (\$1,391,000) basis. The primary drivers of these positive variances are discussed below.

Revenues:

Total revenue was above the budget by approximately \$61,000 for September and \$811,500 on a year-to-date (YTD) basis.

The greater than budgeted September revenue in the categories of *State Revenues without Restrictions* and *Government Revenues with Restrictions* was driven by the recognition of revenue from NYS and will continue through the end of the year. WLS recognizes revenue from NYS based on budgeted figures until appropriations are announced by New York State (NYS). While the budget anticipated a 20% cut in funding from NYS, the appropriation was held essentially flat against the 2020 figures.

Other Revenues with Restrictions came in approximately \$12,000 higher than the budget for September which was driven by the receipt of a \$15,000 grant from ConEd to support STEM and recognition of revenue for the Palmer School program which was not originally budgeted for 2021. The YTD surplus in this line was primarily driven by the recording of a \$158,000 grant from the Westchester Community Foundation to support digital equity programs.

Government Revenues with Restrictions includes revenues from Project HOPE and NY CARES. The two programs have concluded and will have no additional revenue this year driving the shortfall in this category for the month. NY CARES met the budget goal for the year while Project HOPE will fall short of its goal and is discussed in greater detail in the notes for the end-of-year projections. Both programs are driving the significant positive variance compared to 2019 and 2020 YTD figures for this category.

Federal Revenues with Restrictions came in higher than budget for September due to receiving slightly more eRate funds than budgeted; this line exceeds the YTD budget by more than \$569,000 due to the forgiveness of the Paycheck Protection Program (PPP) loan.

Expenses:

Total spending in September came in approximately \$82,000 less than the monthly budget, while spending on a YTD basis was approximately \$579,000 less than the budget.

Salaries and Fringe Benefits – Spending in these lines was approximately \$31,200 and \$29,600 under budget, respectively, for September and a combined \$439,100 for the YTD. The monthly variance was primarily driven by the open positions in the IT department. Combined spending in these lines for the 2021 YTD was essentially even compared to the 2020 YTD. While 2021 includes staff for Project HOPE, 2020 included the addition of hourly staff in Outreach to perform certain duties previously performed by independent contractors, as well as additional hourly staff time for the 2020 Census. Spending in these lines for 2020 YTD was approximately 3% more than 2019 YTD.

Professional Development – This line was over budget by more than \$12,000 due to a payment to Long Island University to support the Palmer School Library Administration Program. The program was not expected to run in 2021 when the budget was developed; however, it was able to be held starting this Fall. The cost of the program is reimbursed to WLS by the students that attend. WLS gives a \$200 scholarship to library staff from Westchester who participate; one scholarship is being given for this course.

Delivery – This line was under budget by \$3,500 for September due to reduced costs during the Labor Day holiday. Overspending in this line for the YTD (\$7,200) was due to delivery of equipment for the digital equity program.

Westchester Library System
Statement of Revenues and Expenditures with Projections
as of September 30, 2021

	Total Budget	Current Year Actuals (through Sep-2021)	Current Year Projected (Oct -Dec 2021)	CURRENT YEAR TOTAL PROJECTIONS	Current Year Projected vs Budget
Revenue					
State Revenues without Restrictions	1,812,130	1,637,657	627,291	2,264,948	452,818
County Revenues without Restrictions	1,037,500	786,195	264,405	1,050,600	13,100
Federal Revenues without Restrictions	150,000	681,384	51,330	732,714	582,714
Member Technology Fees	2,842,140	2,127,524	702,549	2,830,073	(12,067)
Fund Raising & Contributions	11,000	1,138	100	1,238	(9,762)
Interest	17,000	1,805	596	2,401	(14,599)
WEBS & Other	28,000	6,911	75	6,986	(21,014)
Government Revenues with Restrictions	700,380	366,379	70,146	436,525	(263,855)
Other Revenues with Restrictions	<u>120,500</u>	<u>241,485</u>	<u>21,580</u>	<u>263,065</u>	<u>142,565</u>
Total Revenue	<u>6,718,650</u>	<u>5,850,478</u>	<u>1,738,072</u>	<u>7,588,550</u>	<u>869,900</u>
Expenditures					
Salaries	2,571,500	1,727,668	570,130	2,297,798	273,702
Fringe Benefits	1,441,000	842,604	289,243	1,131,847	309,153
Professional Fees	38,900	21,732	29,164	50,896	(11,996)
Equipment	166,900	212,527	39,230	251,757	(84,857)
Library Materials	752,400	550,860	190,823	741,683	10,717
Rent and Utilities	375,100	249,617	96,156	345,773	29,327
Repairs and Maintenance	486,500	318,936	113,592	432,528	53,972
Supplies	50,200	17,723	6,665	24,388	25,812
Telephone and Internet	446,400	284,886	96,012	380,898	65,502
Printing and Postage	74,800	56,894	18,775	75,669	(869)
Bibliographic Fees	72,500	59,744	19,500	79,244	(6,744)
Professional Development	52,800	22,007	7,438	29,445	23,355
Travel	40,600	369	1,000	1,369	39,231
Memberships	22,300	14,371	1,500	15,871	6,429
Contractual Services	290,800	217,257	71,695	288,952	1,848
Delivery Service	418,000	320,724	106,709	427,433	(9,433)
Special Events	10,000	0	0	0	10,000
Insurance	25,000	20,534	12,066	32,600	(7,600)
Miscellaneous	<u>28,200</u>	<u>4,944</u>	<u>4,593</u>	9,537	<u>18,663</u>
Total Expenditures	<u>7,363,900</u>	<u>4,943,398</u>	<u>1,674,291</u>	<u>6,617,689</u>	<u>746,211</u>
Net Revenue Before Depreciation	(645,250)	907,079	63,781	970,860	1,616,110
Non-Cash Activity					
Depreciation	<u>187,750</u>	<u>142,317</u>	<u>47,440</u>	<u>189,757</u>	<u>(2,007)</u>
Unrealized Gain/Loss on Investments	<u>0</u>	<u>116</u>	<u>38</u>	<u>154</u>	<u>(154)</u>
Total Non-Cash Activity	187,750	142,433	47,478	189,911	(2,161)
Net Revenue	<u>(833,000)</u>	<u>764,646</u>	<u>16,303</u>	<u>780,949</u>	<u>1,613,949</u>

Income Statement with Projections for October through December 2021

Revenues:

On the Revenue side, total revenue is expected to come in at approximately \$870,000 more than budgeted driven primarily by unbudgeted revenue from NYS and the forgiveness of the PPP loan. Detail budget lines noted below:

Other Revenues with Restrictions – This line is projected to come in approximately \$143,000 more than budgeted driven by an estimated \$232,000 which is attributable to fundraising activities. The revenue projections in this line also include anticipated receipt of an additional \$3,700 from the Broadband Technology program at New Rochelle Public Library and additional fundraising.

Federal Revenues without Restrictions – This line will come in approximately \$583,000 more than budget due to the unbudgeted forgiveness of the PPP loan and eRate revenues being \$18,500 more than budgeted.

State Revenues without Restrictions – NYS held funding essentially flat over 2020 allocations while WLS anticipated a 20% cut. The line will close the year at 20% more than budgeted.

Government Revenues with Restrictions – The projected \$264,000 deficit in this line is primarily driven by the reduced scale of Project HOPE which has concluded and will end the year approximately \$307,000 less than budgeted. Also included in this line are revenues from NYS that will come in 20% more than budgeted as discussed in *State Revenues without Restrictions*.

Expenses:

On the Expense side, total expenses are projected to come in approximately \$746,200 under budget before depreciation. Notable variances are discussed below:

Salaries and Fringe Benefits – The projected surpluses in these lines are driven primarily by positions which were not filled or were open for a period. Two positions in IT are currently open. The Operations Manager position is anticipated to be filled before the close of the year; the Library Data Specialist position was not filled as the work was accomplished through engaging a contractor. The surplus is also due to anticipated expenses in these lines for Project HOPE, which did not operate at the scale originally anticipated.

Equipment – Equipment expenses are projected to be \$84,900 over budget driven primarily by the purchase of computer equipment to support the digital equity projects funded through grants not anticipated in the budget.

Repairs and Maintenance – The expenses in this line are currently expected to fall under budget by \$54,000 driven primarily by lower than anticipated costs in computer and equipment maintenance.

Professional Development and Travel – These lines are projected to end the year with a combined surplus of \$62,600. This is driven by the COVID-19 pandemic which has limited travel, in-person professional development and costs associated with in-person meetings.

Miscellaneous – This line is expected to end the year with a surplus of approximately \$18,700. The primary driver of the surplus in this line is the contingency budget of \$15,000 which is expected to close the year without any expenses.

Special Events – This line is projected to come in with no expenses for the year as a special event is not planned at this time.