



Financial Statements and Notes

March 2022

Westchester Library System
Statement of Financial Position - WLS Balance Sheet
As of 3/31/2022

	<u>3/31/2022</u>	<u>2/28/2022</u>	<u>Prev. Per. Change</u>	<u>Prev. Per. % Change</u>	<u>Beginning Year Balance</u>
Assets					
Current Assets					
Cash & Cash Equivalents					
Operating	3,215,545	3,744,088	(528,543)	-14.12%	3,685,745
Reserves	<u>1,746,969</u>	<u>1,746,932</u>	<u>37</u>	<u>0.00%</u>	<u>1,747,107</u>
Total Cash & Cash Equivalents	4,962,514	5,491,020	(528,506)	-9.62%	5,432,852
Unconditional Promises to Give	973,558	675,578	297,980	44.11%	292,070
Accounts Receivable	112,856	206,488	(93,632)	-45.34%	206,860
Prepaid Expenses	753,288	568,361	184,928	32.54%	433,569
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>	<u>0</u>
Total Current Assets	<u>6,802,217</u>	<u>6,941,447</u>	<u>(139,230)</u>	<u>-2.01%</u>	<u>6,365,351</u>
Long-term Assets					
Property & Equipment	<u>388,028</u>	<u>399,248</u>	<u>(11,221)</u>	<u>-2.81%</u>	<u>421,690</u>
Total Property & Equipment	<u>388,028</u>	<u>399,248</u>	<u>(11,221)</u>	<u>-2.81%</u>	<u>421,690</u>
Total Long-term Assets	<u>388,028</u>	<u>399,248</u>	<u>(11,221)</u>	<u>-2.81%</u>	<u>421,690</u>
Total Assets	<u>7,190,245</u>	<u>7,340,695</u>	<u>(150,451)</u>	<u>-2.05%</u>	<u>6,787,041</u>
Liabilities					
Short-term Liabilities					
Accounts Payable	568,953	532,951	36,002	6.76%	841,006
Deferred Revenue	<u>663,063</u>	<u>894,773</u>	<u>(231,710)</u>	<u>-25.90%</u>	<u>7,200</u>
Total Short-term Liabilities	1,232,016	1,427,725	(195,708)	-13.71%	848,206
Long-term Liabilities					
Capital Lease Obligations	0	0	0	0.00%	0
Deferred Rent	239,600	241,708	(2,108)	-0.87%	245,925
Post-Retirement Benefits Payable	<u>4,892,551</u>	<u>4,892,551</u>	<u>0</u>	<u>0.00%</u>	<u>4,892,551</u>
Total Long-term Liabilities	<u>5,132,151</u>	<u>5,134,259</u>	<u>(2,108)</u>	<u>-0.04%</u>	<u>5,138,476</u>
Total Liabilities	<u>6,364,167</u>	<u>6,561,984</u>	<u>(197,816)</u>	<u>-3.01%</u>	<u>5,986,682</u>
Net Assets					
Working Capital	5,570,201	5,513,722	56,478	1.02%	5,517,145
Long-term Net Assets	<u>(4,744,123)</u>	<u>(4,735,011)</u>	<u>(9,112)</u>	<u>0.19%</u>	<u>(4,716,786)</u>
Total Net Assets	<u>826,077</u>	<u>778,711</u>	<u>47,366</u>	<u>6.08%</u>	<u>800,359</u>
Total Liabilities and Net Assets	<u>7,190,245</u>	<u>7,340,695</u>	<u>(150,451)</u>	<u>-2.05%</u>	<u>6,787,041</u>

NOTES FOR MARCH 2022 STATEMENT OF FINANCIAL POSITION - WLS BALANCE SHEET

WLS's cash position was lower by \$528,500 and *Prepaid Expenses* increased by \$185,000 which contributed to a \$150,500 decrease in *Total Assets*. There was also a decrease in *Deferred Revenue* by \$231,700 which was a primary cause of a \$197,800 decrease in *Total Liabilities*. The overall effect was a \$47,400 (6%) increase in WLS's *Total Net Assets*. Details of the Balance Sheet activity are discussed below.

All figures noted in this narrative are approximate to the nearest \$100 or 1%.

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 this period WLS's cash position decreased by \$528,500. With \$389,100 in receipts, revenues received included \$250,000 as a grant from the Eric & Wendy Schmidt Fund for Strategic Innovation, \$93,600 from member libraries for IT fees and group purchases and \$8,300 from NYS in Local Library Services Aid (LLSA) to be passed-through to member libraries. Expenditures totaled \$917,600. Aside from rent, payroll and benefits, Internet, and delivery to libraries, the notable expenditures include \$140,900 to Newbeg for server hardware, \$122,600 to Equinox for support on the Evergreen catalog through March 2023 and \$10,000 to Dorfman, Abrams and Music for services to prepare the 2021 audit report.

Prepaid Expenses: *These are products and services paid for, but not fully received or consumed.* – This figure increased by \$185,000 in the period, the result of recording \$354,000 new prepaid expenses against the release of \$169,000 in expenses received or consumed. New prepaid expenses included \$122,000 in Health Insurance for April and May, \$117,400 for support of the Evergreen catalog and \$40,600 for antivirus software.

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 \$231,700, the result of deferring \$500 in revenue from the LIU Palmer School program against the recognition of \$232,200 in revenues from IT, eContent, and movie licensing.

Westchester Library System
Statement of Revenues and Expenditures - Comparison to Budget with 2020 and 2021 YTD
From 3/1/2022 Through 3/31/2022

	Current Period 3/31/2022	Current Period Budget	Current Period Budget Variance	3/31/2020 YTD	3/31/2021 YTD	3/31/2022 YTD	YTD Budget	YTD Budget Variance	Total Budget
Revenue									
State Revenues without Restrictions	188,075	188,750	(675)	581,298	453,805	564,345	566,250	(1,905)	2,265,000
County Revenues without Restrictions	87,550	87,550	0	257,400	259,400	262,650	262,650	0	1,050,600
Federal Revenues without Restrictions	12,925	12,917	8	41,250	37,500	38,675	38,750	(75)	155,000
Member Technology Fees	231,201	230,292	909	711,579	704,496	700,934	690,875	10,059	2,763,500
Fund Raising & Contributions	46	917	(871)	6,208	890	264	2,750	(2,486)	11,000
Interest	155	333	(178)	7,994	802	618	1,000	(382)	4,000
WEBS & Other	815	658	157	5,180	2,859	2,025	1,975	50	7,900
Government Revenues with Restrictions	17,740	19,158	(1,418)	53,560	57,540	53,240	57,475	(4,235)	229,900
Other Revenues with Restrictions	<u>254,719</u>	<u>13,208</u>	<u>241,511</u>	<u>6,250</u>	<u>161,831</u>	<u>263,898</u>	<u>39,625</u>	<u>224,273</u>	<u>158,500</u>
Total Revenue	<u>793,225</u>	<u>553,783</u>	<u>239,442</u>	<u>1,670,719</u>	<u>1,679,124</u>	<u>1,886,649</u>	<u>1,661,350</u>	<u>225,299</u>	<u>6,645,400</u>
Expenditures									
Salaries	210,158	206,760	(3,398)	577,961	551,405	572,258	620,278	48,020	2,481,119
Fringe Benefits	111,813	111,648	(165)	294,098	272,584	304,692	334,948	30,256	1,339,781
Professional Fees	1,254	4,138	2,884	17,861	6,950	3,596	12,413	8,816	49,650
Equipment	18,712	11,500	(7,212)	17,537	135,968	34,810	34,500	(310)	138,000
Library Materials	58,665	57,621	(1,045)	212,422	193,295	186,103	172,863	(13,240)	691,450
Rent and Utilities	27,552	30,100	2,548	84,256	82,656	82,656	90,300	7,644	361,200
Repairs and Maintenance	43,464	42,625	(839)	103,558	116,104	119,225	127,875	8,650	511,500
Supplies	1,428	3,488	2,060	7,290	13,762	3,180	10,463	7,282	41,850
Telephone and Internet	32,031	36,500	4,469	86,827	92,183	94,855	109,500	14,645	438,000
Printing and Postage	5,076	4,958	(118)	6,623	7,280	11,170	14,875	3,704	59,500
Bibliographic Fees	6,525	6,708	183	17,864	20,260	19,761	20,125	364	80,500
Professional Development	22,370	7,718	(14,653)	31,674	1,709	23,385	23,153	(233)	92,610
Travel	489	2,870	2,381	6,513	123	815	8,610	7,796	34,440
Memberships	300	1,808	1,508	1,265	9,317	8,116	5,425	(2,691)	21,700
Contractual Services	67,852	29,733	(38,118)	23,461	78,650	158,032	89,200	(68,832)	356,800
Delivery Service	36,917	35,750	(1,167)	79,219	111,272	113,700	107,250	(6,450)	429,000
Special Events	0	833	833	18	0	0	2,500	2,500	10,000
Insurance	4,431	2,667	(1,764)	3,875	11,732	13,910	8,000	(5,910)	32,000
Miscellaneous	<u>213</u>	<u>2,017</u>	<u>1,804</u>	<u>3,407</u>	<u>522</u>	<u>1,417</u>	<u>6,050</u>	<u>4,633</u>	<u>24,200</u>
Total Expenditures	<u>649,250</u>	<u>599,442</u>	<u>(49,808)</u>	<u>1,575,730</u>	<u>1,705,773</u>	<u>1,751,682</u>	<u>1,798,326</u>	<u>46,644</u>	<u>7,193,300</u>
Net Revenue Before Depreciation	<u>143,975</u>	<u>(45,658)</u>	<u>189,633</u>	<u>94,989</u>	<u>(26,649)</u>	<u>134,966</u>	<u>(136,976)</u>	<u>271,942</u>	<u>(547,900)</u>
Non-Cash Activity									
Depreciation	11,221	12,021	800	56,224	46,642	33,662	36,062	2,401	144,250
Unrealized Gain/Loss on Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>(6,634)</u>	<u>(21)</u>	<u>349</u>	<u>0</u>	<u>(349)</u>	<u>0</u>
Total Non-Cash Activity	<u>11,221</u>	<u>12,021</u>	<u>800</u>	<u>49,590</u>	<u>46,621</u>	<u>34,011</u>	<u>36,062</u>	<u>2,051</u>	<u>144,250</u>
Net Revenue	<u>132,755</u>	<u>(57,679)</u>	<u>190,434</u>	<u>45,399</u>	<u>(73,270)</u>	<u>100,955</u>	<u>(173,038)</u>	<u>273,993</u>	<u>(692,150)</u>

**NOTES FOR MARCH 2022 (INCOME STATEMENT) STATEMENT OF REVENUE AND EXPENDITURES –
COMPARISON TO BUDGET WITH 2020 AND 2021 YTD**

Net revenue before depreciation was above budget on both a monthly (\$189,600) and year-to-date (\$271,900) basis. Even with the positive variance in the bottom line, there are noteworthy positive and negative variances discussed below. All figures in this narrative are approximated to the nearest \$100 or 1%.

Revenues:

Total revenue was \$239,400 above budget for March and \$225,300 for the year-to-date (YTD). The significant variance was primarily driven by *Other Revenues with Restrictions* and is discussed in greater details below.

Other Revenues with Restrictions was over budget by \$241,500 driven primarily by the recording of a \$250,000 grant from the Eric & Wendy Schmidt Fund for Strategic Innovation in the *Restricted Contributions* line. This grant will be used to support Digital Inclusion for reentry populations through the Westchester County Reentry Task Force. Activities associated with this grant will run through the end of 2023.

Expenses:

Total spending in March was \$144,000 less than revenues but was \$49,800 more than the monthly budget. Spending for the YTD is \$135,000 less than revenues and \$46,600 less than budgeted. Significant variances are discussed below.

Contractual Services – This line was overspent by \$38,100 for the month and \$68,800 for the YTD and was driven by several factors. The timing of invoices received for Career Coaching consultants (\$3,900) and IT consulting services (\$12,000) caused fees from previous periods to be recorded in March. There was also \$10,800 in fees for Diversity, Equity and Inclusion consulting work with WLS staff. While these expenses were budgeted, the timing in which they occurred drove a variance for the month. Finally, there were \$11,000 in expenses that were not budgeted but were funded through grants. The expectation is that this line may continue to have deficit spending due to unanticipated activity from grants received. Management will continue to monitor the line closely and keep the Board informed.

Professional Development – This line was overspent for the month by \$14,600 but is essentially within budget for the YTD. The overspending for the month was due to the payment to Long Island University for the Spring 2022 semester tuition. The tuition is collected by WLS from the attendees of the program and the line is expected to be within budget for the year.

Equipment – This line was overspent by \$7,200 driven primarily by a charge for \$13,000 for firewall support for 2022. This is a one-time expense for the year and the line is essentially within budget for the YTD.

Salaries – Spending in this line was \$3,400 over budget for March but is \$48,000 under budget for the YTD. This overage can be attributed to the fact that March is a long month. The month has 23 working days as opposed to most months which are 21 or 22 working days, the timing of which also caused three payrolls to take place in the month.

Temporarily Restricted Net Assets
as of March 31, 2022

Code	Asset Title	Asset Description	Temporarily Restricted Net Assets December 31, 2021	2022 Revenue	2022 Expenses	Temporarily Restricted Net Assets Mar. 31, 2022
70120	Schmidt Innovation	Digital inclusion for reentry populations	\$0	\$250,000	\$0	\$250,000
30004	Central Library	Library materials, services & training	\$58,472	\$84,455	\$24,969	\$117,958
70118	NYS GIA - Databases	Grant from NYS to support database purchases and advertising	\$50,000	\$0	\$18,200	\$31,800
70116	Adult Literacy for Spanish Speakers	Activities to further literacy for Spanish speaking adults	\$23,539	\$0	\$0	\$23,539
70113	HW Wilson/Outreach/Career	Support libraries meeting needs of COVID-19, Outreach to vulnerable pop., Job and Career Counseling	\$23,247	\$0	\$2,601	\$20,646
70111	Digital Resources	Educational equity through access to resources & information	\$19,584	\$0	\$207	\$19,377
70119	NYS GIA - Adult Literacy for Spanish Speakers	Activities to further literacy for Spanish speaking adults	\$25,000	\$0	\$6,331	\$18,669
70117	STEM ConEd	STEM Programming	\$15,000	\$0	\$0	\$15,000
70114	Digital Equity - RXR and Fundraising	Equipment, services and supports to bridge the digital divide. Funded by RXR Reality and individual contributions.	\$9,099	\$0	\$0	\$9,099
70108	Early Literacy/Private Contributions	Early literacy activities	\$8,979	\$0	\$0	\$8,979
70005	Gates	Computer equipment & training	\$5,094	\$0	\$0	\$5,094
80008	Outreach Fundraising	Fundraising to support outreach activities	\$3,433	\$429	\$0	\$3,862
70102	TASC - Private contributions	Private monies for adult literacy programs	\$3,113	\$0	\$0	\$3,113
70101	Mini-Grants	Competitive grants to member libraries	\$7,358	\$0	\$5,000	\$2,358
30006	People and Stories	Literacy support program	\$2,096	\$0	\$0	\$2,096
80007	Music & Memory	Music and Memory project funded by M&T Bank.	\$1,450	\$0	\$0	\$1,450
70110	Xprize	Digital Learning	\$4,085	\$0	\$2,915	\$1,170
70112	Vision Labs	Resources for Westchester Residents with Low or Declining Vision	\$5,498	\$0	\$4,355	\$1,143
70100	Hope for Youth	Teen programming	\$951	\$0	\$0	\$951
80020	P. Rosen Fund for Senior Svcs	Donations made in honor of Phyllis Rosen for Senior Services	\$788	\$0	\$0	\$788
70001	Bruni Verges	Children's programs celebrating cultural diversity	\$23	\$0	\$0	\$23
20005	WSPS/WSOS	Health Information for Senior Adults	\$4,384	\$0	\$4,384	\$0
44001	Learning Ambassadors	Youth internships at member libraries	\$100	\$0	\$100	\$0
70115	Digital Equity - WCF Grant	Equipment, services and supports to bridge the digital divide funded by the Westchester Community Foundation	\$43,081	\$0	\$43,081	\$0
	TOTALS		\$314,374	\$334,884	\$112,143	\$537,115