



# Financial Statements and Notes

May 2022

Westchester Library System  
Statement of Financial Position - WLS Balance Sheet  
As of 5/31/2022

	<u>5/31/2022</u>	<u>4/30/2022</u>	<u>Prev. Per. Change</u>	<u>Prev. Per. % Change</u>	<u>12/31/2021</u>
<b>Assets</b>					
<b>Current Assets</b>					
<b>Cash &amp; Cash Equivalents</b>					
Operating	2,297,892	2,761,575	(463,683)	-16.79%	3,685,745
Reserves	<u>1,747,657</u>	<u>1,747,011</u>	<u>646</u>	<u>0.04%</u>	<u>1,747,107</u>
Total Cash & Cash Equivalents	4,045,549	4,508,586	(463,037)	-10.27%	5,432,852
Unconditional Promises to Give	1,606,330	1,279,016	327,314	25.59%	292,070
Accounts Receivable	93,279	61,684	31,595	51.22%	206,860
Prepaid Expenses	573,652	631,224	(57,572)	-9.12%	433,569
Security Deposits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>	<u>0</u>
Total Current Assets	6,318,810	<u>6,480,510</u>	<u>(161,700)</u>	<u>-2.50%</u>	6,365,351
<b>Long-term Assets</b>					
Property & Equipment	<u>365,587</u>	<u>376,807</u>	<u>(11,221)</u>	<u>-2.98%</u>	<u>421,690</u>
Total Property & Equipment	<u>365,587</u>	<u>376,807</u>	<u>(11,221)</u>	<u>-2.98%</u>	<u>421,690</u>
Total Long-term Assets	<u>365,587</u>	<u>376,807</u>	<u>(11,221)</u>	<u>-2.98%</u>	<u>421,690</u>
Total Assets	<u>6,684,397</u>	<u>6,857,317</u>	<u>(172,920)</u>	<u>-2.52%</u>	<u>6,787,041</u>
<b>Liabilities</b>					
<b>Short-term Liabilities</b>					
Accounts Payable	374,863	455,429	(80,565)	-17.69%	841,006
Deferred Revenue	<u>235,644</u>	<u>467,934</u>	<u>(232,290)</u>	<u>-49.64%</u>	<u>7,200</u>
Total Short-term Liabilities	610,507	923,363	(312,855)	-33.88%	848,206
<b>Long-term Liabilities</b>					
Capital Lease Obligations	0	0	0	0.00%	0
Deferred Rent	235,383	237,492	(2,108)	-0.89%	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>5,127,934</u>	<u>5,130,043</u>	<u>(2,108)</u>	<u>-0.04%</u>	<u>5,138,476</u>
Total Liabilities	<u>5,738,442</u>	<u>6,053,405</u>	<u>(314,964)</u>	<u>-5.20%</u>	<u>5,986,682</u>
<b>Net Assets</b>					
Working Capital	5,708,303	5,557,147	151,156	2.72%	5,517,145
Long-term Net Assets	<u>(4,762,348)</u>	<u>(4,753,236)</u>	<u>(9,112)</u>	<u>0.19%</u>	<u>(4,716,786)</u>
Total Net Assets	<u>945,955</u>	<u>803,912</u>	<u>142,043</u>	<u>17.67%</u>	<u>800,359</u>
Total Liabilities and Net Assets	<u>6,684,397</u>	<u>6,857,317</u>	<u>(172,920)</u>	<u>-2.52%</u>	<u>6,787,041</u>

## **NOTES FOR MAY 2022 STATEMENT OF FINANCIAL POSITION - WLS BALANCE SHEET**

WLS's cash position was lower by \$463,000 which contributed to an overall \$172,900 decrease in *Total Assets*. There were also decreases in *Deferred Revenue* by \$232,300 and *Accounts Payable* by \$80,600 which drove a \$315,000 decrease in *Total Liabilities*. The overall effect was a \$142,000 (18%) 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 May WLS's cash position decreased by \$463,000. With \$185,600 in receipts, revenues received included \$179,900 from the Metropolitan New York Library Council for an American Rescue Plan Act grant subaward. Aside from rent, payroll and benefits, Internet, and delivery to libraries, the notable expenditures include \$107,900 to Somers Library which was a bequest received by WLS to benefit Somers Library and \$19,610 to Mobile Beacon for mobile hotspots to support ongoing digital equity work.

**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 \$232,300, the result of recognizing of \$231,800 in revenues from IT services and eContent group purchases for libraries and \$500 in movie licensing revenues.

**Net Assets:** *This section shows WLS's net financial position.*

*Working Capital* – WLS's *Current Assets less Short-Term Liabilities* – While this figure fluctuates slightly from period-to-period, it has increased 3% from the start of the year and the end (\$191,200) of the previous month (\$151,200).

Westchester Library System  
Statement of Revenues and Expenditures - Comparison to Budget with 2020 and 2021 YTD  
From 5/1/2022 Through 5/31/2022

	Current Period		Budget	5/31/2019 YTD	5/31/2020 YTD	5/31/2022 YTD	YTD Budget		Total Budget
	5/31/2022	Budget	Variance				YTD Budget	Variance	
Revenue									
State Revenues without Restrictions	188,073	188,750	(677)	968,336	968,762	940,491	943,750	(3,259)	2,265,000
County Revenues without Restrictions	108,576	87,550	21,026	422,917	429,000	458,776	437,750	21,026	1,050,600
Federal Revenues without Restrictions	212,780	12,917	199,863	0	68,750	264,380	64,583	199,797	155,000
Member Technology Fees	234,445	230,292	4,154	1,187,054	1,185,879	1,169,739	1,151,458	18,281	2,763,500
Fund Raising & Contributions	50	917	(866)	13,875	13,113	508	4,583	(4,075)	11,000
Interest	274	333	(59)	7,048	9,277	1,064	1,667	(602)	4,000
WEBS & Other	900	658	242	11,811	10,110	3,995	3,292	703	7,900
Government Revenues with Restrictions	17,740	19,158	(1,418)	89,214	89,257	88,720	95,792	(7,072)	229,900
Other Revenues with Restrictions	5,262	13,208	(7,946)	62,888	13,258	274,943	66,042	208,901	158,500
Total Revenue	<u>768,101</u>	<u>553,783</u>	<u>214,318</u>	<u>2,763,143</u>	<u>2,787,407</u>	<u>3,202,616</u>	<u>2,768,917</u>	<u>433,699</u>	<u>6,645,400</u>
Expenditures									
Salaries	206,717	206,760	43	939,374	951,437	969,144	1,033,798	64,654	2,481,119
Fringe Benefits	107,699	111,648	3,950	474,061	480,858	512,316	558,244	45,928	1,339,781
Professional Fees	539	4,138	3,598	4,880	58,819	5,486	20,688	15,201	49,650
Equipment	11,174	11,500	326	32,178	138,640	57,999	57,500	(499)	138,000
Library Materials	57,390	57,621	231	335,240	371,816	301,293	288,104	(13,189)	691,450
Rent and Utilities	51,170	30,100	(21,070)	137,761	139,361	161,378	150,500	(10,878)	361,200
Repairs and Maintenance	30,410	42,625	12,215	174,338	161,113	181,145	213,125	31,980	511,500
Supplies	2,891	3,488	597	15,039	9,680	12,106	17,438	5,331	41,850
Telephone and Internet	55,782	36,500	(19,282)	153,855	143,973	184,007	182,500	(1,507)	438,000
Printing and Postage	13,412	4,958	(8,454)	17,493	8,384	37,470	24,792	(12,679)	59,500
Bibliographic Fees	6,525	6,708	183	26,157	31,533	32,891	33,542	651	80,500
Professional Development	933	7,718	6,784	22,692	28,667	24,949	38,588	13,639	92,610
Travel	3,239	2,870	(369)	5,730	9,077	5,568	14,350	8,782	34,440
Memberships	0	1,808	1,808	8,142	2,918	10,913	9,042	(1,872)	21,700
Contractual Services	26,416	29,733	3,318	66,611	74,042	208,107	148,667	(59,440)	356,800
Delivery Service	39,828	35,750	(4,078)	182,457	87,428	202,373	178,750	(23,623)	429,000
Special Events	0	833	833	3,835	1,018	0	4,167	4,167	10,000
Insurance	824	2,667	1,843	7,887	9,973	16,438	13,333	(3,105)	32,000
Miscellaneous	406	2,017	1,611	2,840	3,622	2,265	10,083	7,818	24,200
Total Expenditures	<u>615,355</u>	<u>599,442</u>	<u>(15,913)</u>	<u>2,610,569</u>	<u>2,712,357</u>	<u>2,925,849</u>	<u>2,997,209</u>	<u>71,360</u>	<u>7,193,300</u>
Net Revenue Before Depreciation	<u>152,746</u>	<u>(45,658)</u>	<u>198,405</u>	<u>152,574</u>	<u>75,050</u>	<u>276,768</u>	<u>(228,292)</u>	<u>505,060</u>	<u>13,838,700</u>
Non-Cash Activity									
Depreciation	11,221	12,021	800	101,432	93,707	56,103	60,104	4,001	144,250
Unrealized Gain/Loss on Investments	(518)	0	518		(6,508)	(169)	0	169	0
Total Non-Cash Activity	<u>10,703</u>	<u>12,021</u>	<u>1,318</u>	<u>101,432</u>	<u>87,199</u>	<u>55,935</u>	<u>60,104</u>	<u>4,170</u>	<u>144,250</u>
Net Revenue	<u>142,043</u>	<u>(57,679)</u>	<u>199,723</u>	<u>51,142</u>	<u>(12,149)</u>	<u>220,833</u>	<u>(288,397)</u>	<u>509,229</u>	<u>(692,150)</u>

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

Revenues significantly outpaced expenditures before depreciation in May by nearly 25% (\$152,700) and similarly for the YTD by 9% (\$276,800). 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 \$214,300 more than budgeted for May and \$433,700 above budget for the year-to-date (YTD). While most revenue lines are essentially within budget, the significant variance was primarily driven by *Federal Revenues with Restrictions* and is discussed in greater details below.

*Federal Revenues with Restrictions* came in nearly \$200,000 more than budgeted driven by the recognition of a grant. WLS received a subaward of \$199,855 from the Metropolitan New York Library Council, commonly referred to as “Metro” which was funded by the American Rescue Plan Act (ARPA). The ARPA funds are being used to continue WLS’s efforts to support Digital Equity in Westchester.

*County Revenues without Restrictions* – This line was \$21,000 more than budgeted for May. WLS is has received the fully executed contract with Westchester County for 2022, which includes an unbudgeted increase in funding. The revenue schedule has been adjusted to recognize the additional revenue through the remainder of the year. The line is projected to be \$168,000 more than budgeted by year-end.

*Other Revenues with Restrictions* was under budget by \$7,900 for May but was \$208,900 above budget for the YTD and has exceeded its target for the year. This highlights that while revenues for grants and fundraising are budgeted evenly across the year, the actual amounts raised monthly will fluctuate. The significant above budget variance for the year to date was primarily due to the March recording of a \$250,000 grant from the Eric & Wendy Schmidt Fund for Strategic Innovation in the *Restricted Contributions* line.

**Expenses:**

Total spending in May was \$152,700 less than revenues but was \$15,900 less than the monthly budget. Spending for the YTD is \$276,800 less than revenues and \$71,400 less than budgeted. Significant variances are discussed below.

*Rent and Utilities* – This line was over budget by \$21,100 and was driven by the payment of 2020 (\$12,400) and 2021 (\$11,300) rent reconciliations for insurance, utilities, taxes and common area maintenance as part of the lease of the space at 570 Taxter Road. Typically, these are received annually for the previous year, but the invoice for 2020 was delayed. While the line is over budget for the YTD by \$10,900, it is not projected to be over budget by the year end.

*Telephone and Internet* – This line was over budget by \$19,300 driven by the purchase mobile hotspots to support grant-funded digital equity work being done by WLS. The line is over budget by \$1,500 for the year-to-date.

*Printing and Postage* – This line was overspent by \$8,500 in May and was primarily driven by the printing of materials to support outreach and digital equity programs. Nearly all the spending for printing and publicity within this line was funded by grants from the current and previous years.

*Delivery* – This line was over budget by \$4,100 which, while anticipated, was driven by two key factors: (1) the surcharges being applied to the cost of the service due to the increasing cost of fuel and (2) additional deliveries of COVID-related materials (testing kits and masks) to libraries that were received from Westchester County government.