Financial Statements and Notes

January 2022
Westchester Library System  
Statement of Financial Position - WLS Balance Sheet  
As of 1/31/2022

<table>
<thead>
<tr>
<th></th>
<th>1/31/2022</th>
<th>12/31/2021*</th>
<th>Change</th>
<th>Prev. Per. Change</th>
<th>12/31/2021*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td>3,439,067</td>
<td>3,685,745</td>
<td>(246,678)</td>
<td>-6.69%</td>
<td>3,685,745</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,747,148</td>
<td>1,747,107</td>
<td>41</td>
<td>0.00%</td>
<td>1,747,107</td>
</tr>
<tr>
<td>Total Cash &amp; Cash Equivalents</td>
<td>5,186,215</td>
<td>5,432,852</td>
<td>(246,637)</td>
<td>-4.54%</td>
<td>5,432,852</td>
</tr>
<tr>
<td>Unconditional Promises to Give</td>
<td>598,402</td>
<td>292,070</td>
<td>306,332</td>
<td>104.88%</td>
<td>292,070</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>772,253</td>
<td>206,860</td>
<td>565,393</td>
<td>273.32%</td>
<td>206,860</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>537,986</td>
<td>433,569</td>
<td>104,417</td>
<td>24.08%</td>
<td>433,569</td>
</tr>
<tr>
<td>Security Deposits</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td>0</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>7,094,856</td>
<td>6,365,351</td>
<td>729,505</td>
<td>11.46%</td>
<td>6,365,351</td>
</tr>
<tr>
<td><strong>Long-term Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property &amp; Equipment</td>
<td>410,469</td>
<td>421,690</td>
<td>(11,221)</td>
<td>-2.66%</td>
<td>421,690</td>
</tr>
<tr>
<td>Total Property &amp; Equipment</td>
<td>410,469</td>
<td>421,690</td>
<td>(11,221)</td>
<td>-2.66%</td>
<td>421,690</td>
</tr>
<tr>
<td>Total Long-term Assets</td>
<td>410,469</td>
<td>421,690</td>
<td>(11,221)</td>
<td>-2.66%</td>
<td>421,690</td>
</tr>
<tr>
<td>Total Assets</td>
<td>7,505,325</td>
<td>6,787,041</td>
<td>718,284</td>
<td>10.58%</td>
<td>6,787,041</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Short-term Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>487,101</td>
<td>845,715</td>
<td>(358,614)</td>
<td>-42.40%</td>
<td>845,715</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>1,126,540</td>
<td>7,200</td>
<td>1,119,340</td>
<td>1554.48%</td>
<td>7,200</td>
</tr>
<tr>
<td>Total Short-term Liabilities</td>
<td>1,613,642</td>
<td>852,915</td>
<td>760,726</td>
<td>89.19%</td>
<td>852,915</td>
</tr>
<tr>
<td><strong>Long-term Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Lease Obligations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td>0</td>
</tr>
<tr>
<td>Deferred Rent</td>
<td>243,817</td>
<td>245,925</td>
<td>(2,108)</td>
<td>-0.86%</td>
<td>245,925</td>
</tr>
<tr>
<td>Post-Retirement Benefits Payable</td>
<td>4,892,551</td>
<td>4,892,551</td>
<td>0</td>
<td>0.00%</td>
<td>4,892,551</td>
</tr>
<tr>
<td>Total Long-term Liabilities</td>
<td>5,136,368</td>
<td>5,138,476</td>
<td>(2,108)</td>
<td>-0.04%</td>
<td>5,138,476</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>6,750,009</td>
<td>5,991,391</td>
<td>758,618</td>
<td>12.66%</td>
<td>5,991,391</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Capital</td>
<td>5,481,215</td>
<td>5,512,436</td>
<td>(31,221)</td>
<td>-0.57%</td>
<td>5,512,436</td>
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<tr>
<td>Long-term Net Assets</td>
<td>(4,725,898)</td>
<td>(4,716,786)</td>
<td>(9,112)</td>
<td>0.19%</td>
<td>(4,716,786)</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>755,316</td>
<td>795,650</td>
<td>(40,334)</td>
<td>-5.07%</td>
<td>795,650</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>7,505,325</td>
<td>6,787,041</td>
<td>718,284</td>
<td>10.58%</td>
<td>6,787,041</td>
</tr>
</tbody>
</table>

* Unaudited
NOTES FOR JANUARY 2022 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 by approximately $246,600, an increase in Accounts Receivable of approximately $565,400 and an increase in deferred revenue by approximately $1.1 million.

It is important to note that the December 2021 figures included in this statement are unaudited and while they reflect year-end activities being completed, are subject to change until audit activities are complete.

This presentation of the Balance Sheet reflects the work of the Finance Committee to refine this report. The report now contains the following additional information: (1) figures for the previous reported period in addition to the previous year-end, (2) detail for Cash and Cash Equivalents and (3) detail for Net Assets to illustrate Working Capital, which is WLS’s Current Assets less Short-term Liabilities.

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 approximately $246,600. With $795,100 in receipts, revenues received included $790,400 from member libraries for IT fees and group purchases. Expenditures totaled $1,041,700. Aside from rent, payroll and benefits, Internet, and delivery to libraries, the notable expenditures include $365,000 to 13 member libraries that received Grants-in-Aid from NYS and $90,000 to Evolytix for consulting services rendered and prepayment for upcoming services, $29,355 to Proquest for book cover art and reviews licensing for the online catalog and $27,500 to LinkedIn for access to LinkedIn Learning for library patrons in 2022.

Accounts Receivable: These are monies owed to WLS by another party. – This figure increased by $565,400 in the period, the result of recording approximately $1.36 million in receivables against the receipt of approximately $793,000 in payments. Activity was driven primarily by invoices and payments from member libraries for IT services and group purchases, but also included activity from the LIU Palmer School program and BTOP (Broadband Technology Opportunity Program).

Short term Liabilities: This section shows WLS’s near-term obligations.

Deferred Revenue: Funds received which have not yet been earned. – This figure increased by $1,119,300, the result of recording IT, eContent, NYS, eRate and movie licensing revenues.
## Westchester Library System

### Statement of Revenues and Expenditures - Comparison to Budget with 2020 and 2021 YTD

From 1/1/2022 Through 1/31/2022

<table>
<thead>
<tr>
<th>Revenue</th>
<th>1/31/2022</th>
<th>1/31/2020 YTD</th>
<th>YTD Budget</th>
<th>Percentage Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Revenues without Restrictions</td>
<td>188,197</td>
<td>193,767</td>
<td>188,197</td>
<td>(553) (553)</td>
</tr>
<tr>
<td>County Revenues without Restrictions</td>
<td>87,550</td>
<td>85,800</td>
<td>87,550</td>
<td>0 (0)</td>
</tr>
<tr>
<td>Federal Revenues without Restrictions</td>
<td>12,825</td>
<td>13,750</td>
<td>12,825</td>
<td>92 (150,000)</td>
</tr>
<tr>
<td>Member Technology Fees</td>
<td>234,433</td>
<td>236,618</td>
<td>234,433</td>
<td>230,292 (4,142)</td>
</tr>
<tr>
<td>Fund Raising &amp; Contributions</td>
<td>147</td>
<td>49</td>
<td>147</td>
<td>917 (770)</td>
</tr>
<tr>
<td>Interest</td>
<td>190</td>
<td>1,560</td>
<td>190</td>
<td>333 (143)</td>
</tr>
<tr>
<td>WEBS &amp; Other</td>
<td>645</td>
<td>1,250</td>
<td>645</td>
<td>658 (13)</td>
</tr>
<tr>
<td>Government Revenues with Restrictions</td>
<td>17,760</td>
<td>17,854</td>
<td>17,760</td>
<td>19,158 (1,398)</td>
</tr>
<tr>
<td>Other Revenues with Restrictions</td>
<td>4,759</td>
<td>2,917</td>
<td>4,759</td>
<td>13,208 (8,450)</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>546,506</td>
<td>553,783</td>
<td>546,506</td>
<td>553,783 (7,277)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>1/31/2022</th>
<th>1/31/2020 YTD</th>
<th>YTD Budget</th>
<th>Percentage Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>184,189</td>
<td>195,561</td>
<td>184,189</td>
<td>206,758 (22,569)</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>95,326</td>
<td>89,932</td>
<td>95,326</td>
<td>111,651 (16,325)</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>660</td>
<td>665</td>
<td>660</td>
<td>660 (4,348)</td>
</tr>
<tr>
<td>Equipment</td>
<td>10,304</td>
<td>(1,651)</td>
<td>10,304</td>
<td>11,500 (1,196)</td>
</tr>
<tr>
<td>Library Materials</td>
<td>65,909</td>
<td>68,962</td>
<td>65,909</td>
<td>57,621 (8,288)</td>
</tr>
<tr>
<td>Rent and Utilities</td>
<td>27,552</td>
<td>27,552</td>
<td>27,552</td>
<td>30,100 (2,548)</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td>47,581</td>
<td>37,679</td>
<td>47,581</td>
<td>42,625 (4,956)</td>
</tr>
<tr>
<td>Supplies</td>
<td>435</td>
<td>1,622</td>
<td>435</td>
<td>435 (3,052)</td>
</tr>
<tr>
<td>Telephone and Internet</td>
<td>31,884</td>
<td>30,148</td>
<td>31,884</td>
<td>36,500 (5,461)</td>
</tr>
<tr>
<td>Printing and Postage</td>
<td>690</td>
<td>2,379</td>
<td>690</td>
<td>690 (4,958)</td>
</tr>
<tr>
<td>Bibliographic Fees</td>
<td>6,458</td>
<td>5,100</td>
<td>6,458</td>
<td>6,618 (250)</td>
</tr>
<tr>
<td>Professional Development</td>
<td>15</td>
<td>16,827</td>
<td>15</td>
<td>15 (7,718)</td>
</tr>
<tr>
<td>Travel</td>
<td>271</td>
<td>689</td>
<td>271</td>
<td>121 (578)</td>
</tr>
<tr>
<td>Memberships</td>
<td>7,816</td>
<td>1,165</td>
<td>7,816</td>
<td>9,133 (2,808)</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>62,158</td>
<td>12,993</td>
<td>62,158</td>
<td>23,512 (32,425)</td>
</tr>
<tr>
<td>Delivery Service</td>
<td>30,800</td>
<td>36,625</td>
<td>30,800</td>
<td>41,608 (10,780)</td>
</tr>
<tr>
<td>Special Events</td>
<td>0</td>
<td>18</td>
<td>0</td>
<td>18 (333)</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,616</td>
<td>1,745</td>
<td>2,616</td>
<td>2,667 (51)</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>954</td>
<td>15</td>
<td>954</td>
<td>945 (1,063)</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>575,619</td>
<td>528,025</td>
<td>575,619</td>
<td>599,443 (23,823)</td>
</tr>
</tbody>
</table>

| Net Revenue Before Depreciation | (29,113) | 25,539 | (29,113) | 20,831 (4,282) |

| Non-Cash Activity | 11,221 | 18,741 | 11,221 | 15,640 (800) |

| Net Revenue | (40,334) | 6,798 | (40,334) | 5,191 (17,346) |

Total Budget: 6,645,400
NOTES FOR JANUARY 2022 (INCOME STATEMENT) STATEMENT OF REVENUE AND EXPENDITURES – COMPARISON TO BUDGET WITH 2020 AND 2021 YTD

Net revenue before depreciation was above budget on a monthly and year-to-date basis ($16,500). Being the first month of the year, both figures are the same. Even with the positive variance in the bottom line, there are noteworthy positive and negative variances discussed below.

**Revenues:**
Total revenue was below budget by approximately 1% for January. This was primarily driven by the negative variance in **Other Revenues with Restrictions** and is discussed in greater detail below.

**Other Revenues with Restrictions** was under budget by 64% ($8,450) driven primarily by a shortfall in the Restricted Contributions line. This is consistent with years past and while the budget assumes that approximately $13,000 would be raised each month, in reality the monies raised will fluctuate monthly. In January 2021, a large grant ($43,900) was reported but was subsequently reclassified into December 2020 as part of the financial audit for that year. This report reflects the lower, corrected figure.

There were small positive and negative variances in **State Revenues without Restrictions, Federal Revenues without Restrictions, Member Technology Fees, and Government Revenues with Restrictions** that are largely the result of rounding while distributing annual and half-year figures into monthly allocations. Variations like these are to be expected monthly and would offset in the year-to-date (YTD) totals as the year progresses.

**Expenses:**
Total spending in January outpaced revenues by approximately $29,100 but came in approximately $16,500 less than the monthly budget. Significant positive and negative variances are discussed below.

**Contractual Services** – This line is significantly overspent for the month by $32,400 (109%) and is driven by several factors. The primary drivers of this variance were $35,000 invoice from Evolytix for development support for a statistics dashboard and $9,800 to MYHR Department, which is the initial payment toward WLS’s work with a consultant to further goals for Diversity, Equity and Inclusion within the organization. The line will be monitored throughout the year.

**Salaries** – Spending in this line was approximately $22,600 under budget for January. This was, in part, driven by an unfilled position due to the retirement of a staff member in December 2021.

**Fringe Benefits** – This line came in approximately $16,300 under budget for January and is directly associated with the underspending in **Salaries** for the month.

**Library Materials** – This line was overspent for the month by approximately $8,300, which was driven by multiple factors including a larger (approx. $2,500 more) than expected usage of Kanopy and several prepaid expenses for 2022 that were paid for in 2021 and released in January. This line will be monitored carefully throughout the year.

**Repairs and Maintenance** – Similar to **Library Materials**, this line is also over budget due to several prepaid expenses that are for part of or the entire year and released in January. These expenses include hardware maintenance agreements for thin client devices, software support for financial management and desktop virtualization software, web hosting for Outreach and digital document management. This line will be monitored carefully throughout the year.