

Board Meeting 2/24/2022 Financial Review
Budget vs. Actual Income and Expense Report
Prepared by Kerrie Goeden, HR & Finance Coordinator

Income

These financial statements include year-to-date information through 1/31/2022. Expenditures should be at or under 8.3% (1/12) of budget YTD. Exceptions to that are explained below.

4010 State Aid Income

We received 75% of our 2022 state aid from the DPI in December 2021. The remaining 25% will be received in April 2022.

4120/4130/4170/4180 Delivery Services

Delivery services fees for 2022 for our members (4120) were invoiced in January and therefore are reporting at 100% of budget. The other delivery fees will be invoiced in the upcoming months, to include Other Member Delivery-Library (Link Express services) and Multi/Intersystem Delivery (Statewide, UW, Multi-type libraries), invoiced in February and September. Special Request Delivery income is recorded as it occurs on a monthly basis.

4150 Proceeds from Sale of Vehicle

Vehicles were sold at auction in January for a total of \$16,896.99, which exceeds the anticipated budget by nearly \$6,400.

4220 WLA Rent

WLA is invoiced for their annual rent in January; therefore 100% of the funds in this account are reported this month.

4242 Tech and/or ILS Member Payments

Technology and ILS fees to members were invoiced to all participants in January; therefore 100% of this revenue is reported this month.

4020/4060 Portfolio (Un)Realized Gains/Change in Market Appreciation

(Un)Realized gains and changes in market appreciation are not budgeted, as they are not within our control. YTD the portfolio has had (un)realized loss of \$23,030.05.

4290 SCLS Foundation Admin Fees

These are the fees SCLS receives from the Foundation to manage the receipts and record keeping, etc. for the fund. These fees are based on a % of portfolio balance. These fees are invoiced and recorded on a quarterly basis, at the end of each quarter.

Expenses

5320 Online Content and Memberships

In January we paid for WPLC 2022 member shares for the year, bringing this account to 14.2% of budget.

5760 Copier Lease/In-House Printing

The copier lease is paid a month in advance, therefore we've paid through February 2022 and are at 13.9% of budget.

7010 Training Consulting Contracted

The Demco sign up and spaces calendar renewal was paid this month, along with the LogMeIn renewal.

7070 Member Library Professional Development

CE grants and WLA memberships for the year were issued this month.

7090 Meeting Supplies

We paid a deposit for the Olbrich Gardens meeting facility for the May All Directors meeting.

7260 Bonding/Cargo/Fleet Insurance

We've paid the annual premium for the auto and liability insurance already for the year. Therefore this account is at 113.4% of budget. We will also receive a dividend (rebate) in May, bringing this account back within budget.

7280 Fleet Replacement

A \$1,000 down payment was made on a delivery vehicle this month. Fleet replacement is not budgeted and will be paid for out of contingency funds.

7295 Delivery Facility

Facility costs are at 25.4% of budget already due to renewing the annual delivery building 2022 security and monitoring services this month.

7650 Facility Headquarters

These accounts are at 15.7% of budget, as rent is paid a month in advance and utilities are higher in January. Offsite storage is paid quarterly as well, so 3 months of expenses are recorded in January.

7700 Employee Insurances

All insurances are paid a month in advance, therefore YTD we have paid for both January and February insurances and are at 17.2% of budget.

7730 Workers Comp, General Insurance

This account is at 125.7% of budget, as we have paid the insurance premiums for the entire year of 2022 for cyber, executive liability, property, general liability, worker's comp and business services bond insurance. The renewal came in higher than budgeted for worker's compensation and cyber liability insurances.

7740 Audit

The audit is in progress and we have been invoiced for a portion of the fees.

9170 Members Digital Buying Pool

The income represented on the financial statements (\$329,522.00) includes member fees for the digital media buying pool, the Advantage Program and OverDrive Magazines.

Portfolio Update:

Fixed Income Portfolio balance as of 1/31/2022: \$1,776,527.59

Fixed Income Portfolio balance as of 12/31/2021: \$1,797,007.60

The total portfolio value has decreased this month by \$20,480.01

Starting portfolio balance 10/11/2012 = \$1,597,442.00. Therefore our portfolio balance has increased overall by \$179,085.59 since inception.

First Business Bank Ratings as of 11/30/21:

Sited and quoted directly from the following sources:

<http://www.depositaccounts.com/banks/health.aspx?gclid=CMaGrfvuhr8CFQMNaQodwQwAgA#texas>

Texas Ratio: "Anything over 100% is considered at risk. Texas Ratio is an industry standard for calculating the health of a bank, but is not the only factor to consider. Data is based on the latest published financial data from FDIC and NCUA."

First Business Bank has a Texas Ratio of 2% and is listed as 12th healthiest bank in WI with assets of \$1 billion +.

<https://www.bauerfinancial.com/star-ratings?ref=#2-loadhere>

Ratings for selected banks operating in south-central Wisconsin

Star ratings are based on current financial data.

Source: Bauer Financial

WHAT THE RATINGS MEAN

Bauer Financial:

- 5 — Superior
- 4 — Excellent
- 3 1/2 — Good
- 3 — Adequate
- 2 — Problematic
- 1 — Troubled
- 0 — Lowest

First Business Bank has a rating of 4 for Bauer Financial rating scales.

<https://www.bauerfinancial.com/star-ratings/tell-me-more/?cert=15229&type=B>

<http://www.firstbusiness.com/investor-relations/>

This is the First Business Bank website that offers links to their Financial Statements, Stock Information, Dividends, Governance Documents and information of the Officers and Directors.