Agenda

• Audit Engagement summary
• Financial Statement summary
  o Auditors’ Opinion
  o Financial highlights
  o Significant footnotes and other matters
• Items to complete audit
• Open forum
Audit Engagement Summary

- Primary audit work began in late July
- Information was provided timely and was well organized
- Management and staff was responsive to all inquiries
- No disagreements with management
- The end result was a smooth audit process
Auditors’ Opinion

- Auditors’ Opinion (pages 1-2)
  - Unmodified Opinion
    - Consistent with prior years and best opinion available
    - Opinion as it relates to the Fund for BPL component unit is based on the report of the Fund for BPL’s auditors
Financial Highlights

- General Fund – Fund Balances (page 20)
  - Overall fund balance increased approximately $318k (6.4%)
  - Restricted - $1.3m
  - Committed - $37k (Neighborhood Outreach)
  - Assigned - $2.2m
    - IT equipment - $1.0m
    - Salaries - $466k
    - Furniture - $242k
    - Operating fund - $394k
    - Other - $127k
Financial Highlights

- General Fund – Fund Balances (continued)
  - Unassigned – $1,690,388
    - Increase from prior year - $348k (26%)
    - Unassigned fund balance represents 25% of FY 21 expenditures and transfers out (20% last year)
    - Unassigned fund balance previous 4 years:
      - FY 17 - $1.2m
      - FY 18 - $1.4m
      - FY 19 - $1.4m
      - FY 20 - $1.7m
Financial Highlights

• Financial Summary
  o Nonmajor Governmental Funds – Fund Balances (page 20)
    ▪ Nonspendable (trust funds) - $77.9m
    ▪ Restricted - $11.0m
      • Expendable trust funds - $9.0m
      • General trust (various restricted grants/gifts) - $1.6m
    ▪ Assigned (Deferrari Fund) - $1.2m
  o Fund Balance the past 5 years:
    ▪ FY 17 - $68.1m
    ▪ FY 18 - $70.6m
    ▪ FY 19 - $72.2m
    ▪ FY 20 - $72.1m
    ▪ FY 21 - $90.2m
Financial Highlights

• Revenues (page 21)
  
  o Intergovernmental - $4.8m
  
  o Special events - $43k
  
  o Fees and fines for services - $154k
  
  o Contributions and gifts - $3.9m
  
  o E-Rate - $692k
  
  o In-Kind Contributions - $223k
  
  o Investment income - $20.0m
Financial Highlights

- Revenues (continued)
  - Total Revenues over the past 5 years
    - FY 17 - $19.6m
    - FY 18 - $11.2m
    - FY 19 - $12.6m
    - FY 20 - $10.4m
    - FY 21 – $29.8m

- Trends/Fluctuations:
  - Decrease from FY 17 to FY 18 primarily relates to the BPL Foundation transferring donations to the BPL in FY 17 in anticipation of their pending dissolution
  - Increase from FY 20 to FY 21 primarily relates to investment gains/income in FY 21
Financial Highlights

• Expenses (page 21)
  o Salaries and benefits - $3.4m
  o Books and related materials - $1.7m
  o Programs - $707k
  o Administrative - $965k
  o Contractual services and utilities - $1.8m
  o Equipment, furniture and R&M - $932k
  o E-Rate - $692k
  o Related to In-Kind Contributions - $223k
Financial Highlights

- Expenses (continued)
  - Expenses the past 5 years:
    - FY 17 - $12.4m
    - FY 18 - $8.7m
    - FY 19 - $10.0m
    - FY 20 - $10.3m
    - FY 21 - $10.3m
  - Trends/Fluctuations:
    - Decrease from FY 17 to FY 18 primarily relates to FY 17 non-recurring expense for the transfer of proceeds from sale of Norwood storage facility to the City of Boston
    - Salary expenses – has ranged between $2.3m and $3.4m
    - Contractual Svc’s/Utilities and Equip/Furniture/Maintenance have shown fluctuations up and down based on current year needs
Items to Complete Audit

• Completion of “Fund for BPL” component unit audit

• Representation letter from “Fund for BPL” auditors
Open Forum

- We welcome any questions about the audit