THE REYNOLDS LIBRARY INC.

Statements for 1937

S. P. Goodenough
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT AS
OF
DECEMBER 31, 1937

<table>
<thead>
<tr>
<th>DR.</th>
<th>CR.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANGELIDIS</td>
<td>.58</td>
</tr>
<tr>
<td>DE BOER</td>
<td>65.00</td>
</tr>
<tr>
<td></td>
<td>65.00</td>
</tr>
<tr>
<td></td>
<td>.58</td>
</tr>
</tbody>
</table>

Parkers:
- Harmon  4.00
- Hewitt   4.00
- Kenyon   5.00
- Stefans  4.00
- Roodenburg 16.00

Total  34.00

Less .58

BALANCE (PER G/L) $98.42
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT FOR

NOVEMBER 30/37

<table>
<thead>
<tr>
<th></th>
<th>DR.</th>
<th>CR.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANGELIDIS</td>
<td></td>
<td>6.38</td>
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<tr>
<td>ASSO. TRUCKING</td>
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<tr>
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<td></td>
</tr>
<tr>
<td>SMITH</td>
<td>4.14</td>
<td></td>
</tr>
<tr>
<td>STONE &amp; WEBSTER</td>
<td>61.44</td>
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<tr>
<td></td>
<td>133.04</td>
<td>6.38</td>
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<tr>
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<td>63.00</td>
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<tr>
<td></td>
<td>196.04</td>
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<tr>
<td>LESS</td>
<td>6.38</td>
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<tr>
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<td>BALANCE</td>
<td>$ 189.66</td>
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</table>
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT AS OF

OCTOBER 31, 1937

<table>
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<tr>
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<td></td>
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<tr>
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<tr>
<td>BALANCE</td>
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Parkers:

<table>
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<tr>
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<th>Amount</th>
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<tbody>
<tr>
<td>Cunningham</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Kenyon</td>
<td>3.00</td>
</tr>
<tr>
<td>Hartfuer</td>
<td>4.00</td>
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<tr>
<td>Harmon</td>
<td>8.00</td>
</tr>
<tr>
<td>Hewitt</td>
<td>4.00</td>
</tr>
<tr>
<td>Keane</td>
<td>4.00</td>
</tr>
<tr>
<td>Roodenburg</td>
<td>16.00</td>
</tr>
<tr>
<td>Stefans</td>
<td>3.00</td>
</tr>
<tr>
<td>VanWie</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>56.00</td>
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THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT

SEPTEMBER 30, 1937

<table>
<thead>
<tr>
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<tr>
<td>ANGELIDIS</td>
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<td>.68</td>
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<tr>
<td>ASSO. TRUCKING IND.</td>
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<tr>
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<td></td>
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<tr>
<td>SMITH</td>
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<td></td>
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<tr>
<td>STONEBRAKER</td>
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<td>.72</td>
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</table>

77.32 .68

PARKERS 40.00

117.32

Less .68

BALANCE $116.64
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT

AUGUST 31, 1937

<table>
<thead>
<tr>
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<th>CR.</th>
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<tbody>
<tr>
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<td>ASSO. TRUCKING IND.</td>
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</tr>
<tr>
<td>DE BOER</td>
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<td></td>
</tr>
<tr>
<td>JENNINGS</td>
<td>75.68</td>
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<tr>
<td>SMITH</td>
<td>4.14</td>
<td></td>
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<tr>
<td>STONEBRAKER</td>
<td>.72</td>
<td></td>
</tr>
<tr>
<td></td>
<td>158.23</td>
<td>6.48</td>
</tr>
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<td></td>
<td>6.48</td>
<td></td>
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<tr>
<td></td>
<td>151.75</td>
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PARKERS:

<table>
<thead>
<tr>
<th>Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce</td>
<td>6.00</td>
</tr>
<tr>
<td>Hartfuer</td>
<td>4.00</td>
</tr>
<tr>
<td>Hall</td>
<td>4.00</td>
</tr>
<tr>
<td>Keane</td>
<td>8.00</td>
</tr>
<tr>
<td>Rood</td>
<td>8.00</td>
</tr>
<tr>
<td>Sheldon</td>
<td>4.00</td>
</tr>
<tr>
<td>Spear</td>
<td>4.00</td>
</tr>
<tr>
<td>VanWie</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>42.00</td>
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</tbody>
</table>

$ 193.75 BALANCE PER G/L
THE REYNOLDS LIBRARY

INC.

ACCOUNTS RECEIVABLE STATEMENT

JULY 31, 1937

DR.     CR.

ASSO. TRUCKING INDUSTRY  62.46
ANGELIDIS           6.00
DE BOER              72.35
PENN-DIXIE CEMENT  .15
SMITH               4.14
                    144.95  .15

PARKINGS           30.00
                    174.95
                    .15

BALANCE PER G/L  $174.80

PARKERS:

Bruse   2.00
ReVeille 4.00
Yanco   4.00
Moes    4.00
Roodeng 4.00
Spear   4.00
VanWieg 8.00 Pd.

30.00
# ACCOUNTS RECEIVABLE

## STATEMENT

**JUNE 30, 1937**

<table>
<thead>
<tr>
<th>DR.</th>
<th>CR.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANGELIDIS</td>
<td>.20</td>
</tr>
<tr>
<td>DE. BOER</td>
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<tr>
<td>ASBO. TRUCKERS</td>
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<td>4.14</td>
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<tr>
<td>PARKERS</td>
<td>24.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>130.80</strong></td>
</tr>
</tbody>
</table>

**PARKERS:**

- Bruce 4.00
- Hartner 8.00
- Keane 4.00
- Spear 4.00
- VanWie 4.00

**Total: $24.00**
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT AS OF

MAY 31, 1957

<table>
<thead>
<tr>
<th></th>
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<th>CR.</th>
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</thead>
<tbody>
<tr>
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<td>ASSOCIATED TRUCKING INDUSTRY</td>
<td>62.46</td>
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</tr>
<tr>
<td>BROWN &amp; ZURETT</td>
<td>91.36</td>
<td></td>
</tr>
<tr>
<td>DE BOER</td>
<td>63.48</td>
<td></td>
</tr>
</tbody>
</table>

HOUSEHOLD FINANCE CORP. | 30.00

SMITH | 4.14

PARKERS:

<table>
<thead>
<tr>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hartman</td>
<td>4.00</td>
</tr>
<tr>
<td>Ives</td>
<td>4.00</td>
</tr>
<tr>
<td>Keane</td>
<td>3.00</td>
</tr>
<tr>
<td>Roedenburg</td>
<td>6.00</td>
</tr>
<tr>
<td>Spear</td>
<td>8.00</td>
</tr>
<tr>
<td>Van Wie</td>
<td>4.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>29.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL PARKERS</td>
<td></td>
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</tbody>
</table>

262.14

Less Credits | 30.00

BALANCE PER G/L | $ 232.14
THE REYNOLDS LIBRARY INC.

ACCOUNTS RECEIVABLE STATEMENT

APRIL 30, 1937

<table>
<thead>
<tr>
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<th>CR.</th>
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</thead>
<tbody>
<tr>
<td>ANGELIDIS</td>
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<tr>
<td>ASSOCIATED TRUCKING</td>
<td>57.42</td>
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</tr>
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<td>DE BOER</td>
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<tr>
<td>SMITH</td>
<td>4.14</td>
<td></td>
</tr>
<tr>
<td>SPIEGEL</td>
<td>.02</td>
<td>98.62</td>
</tr>
</tbody>
</table>

PARKERS:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce</td>
<td>8.00</td>
</tr>
<tr>
<td>Foote</td>
<td>4.00</td>
</tr>
<tr>
<td>Roedenburg</td>
<td>2.00</td>
</tr>
<tr>
<td>Spear</td>
<td>4.00</td>
</tr>
<tr>
<td>Van Wie</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>22.00</td>
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</tbody>
</table>

$120.62 Bal. per G/L
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1937

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
19th FLOOR COMMERCE BUILDING
ROCHESTER, N.Y.
January 15th, 1938.

To the President and Board of Trustees,
The Reynolds Library,
Reynolds Arcade Building,
Rochester, N.Y.

Gentlemen:-

As requested, we made our annual examination (consisting of a review of the financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31st, 1937, and submit the following:-

Exhibit A:
Statement of Assets and Liabilities as at December 31st, 1937.

Exhibit B:
Statement of Cash Receipts and Disbursements for the year ended December 31st, 1937.

Schedule #1:
Analysis of Maintenance and Operation Charges of Arcade Building for the year ended December 31st, 1937.

Schedule #2:
Cash Expenditures for Maintenance and Operation of Reading Room.

Schedule #3:
List of Investments as at December 31st, 1937.

Schedule #4:
List of Bonds sold during 1937.

Schedule #5:
Statement of Income and Expenses on accrual basis for the year ended December 31st, 1937.

Schedule #6:
Analysis of Net Worth (Surplus Account) January 1, 1937 to December 31st, 1937.

Schedule #7:
Abstract of Leases in effect as at December 31st, 1937.

Schedule #8:
Budget of Arcade Building and Reading Room for twelve months of 1938.
GENERAL COMMENTS

1. CASH RECEIPTS AND DISBURSEMENTS:

The cash transactions were reviewed and we found that the recorded receipts were regularly deposited and there are on file vouchers supporting the disbursements. A summary of cash transactions for the period January 1st, 1937 to December 31st, 1937 follows:

Cash Balance January 1, 1937 $10,428.37

Cash Receipts:

Rentals $104,276.96
Electricity 3,196.50
Water 651.11
Parking 1,676.75
Sundry 413.48 $110,214.80
Interest on Bank Balances 61.58
Interest on Bonds 6,317.82
Dividends on Stocks 544.88
Discounts 28.78
Sale of Bonds 46,354.58
Notes Payable: Lincoln-Alliance Bank and Trust Co. 8,500.00

Book Sales: Library 354.75 Total: 172,377.19

Cash Disbursements:

Maintenance and Operation:
Arcade Building $91,501.36
Reading Room 3,033.09

New Arcade Building Construction:
Payments to John B. Pike & Son, Inc. 7,654.54

New Arcade Building Alterations 17,555.71

Trust Fees: Lincoln-Alliance Bank and Trust Co. 198.79

Notes Payable: -de- 8,500.00

Legal and Professional 193.30

Library Property Expense 906.14

Accounts Payable 1,054.89

Purchase of Stocks 8,423.03

Purchase of Bonds 18,177.65

Principal Payments on Mortgage 12,000.00 Total: 169,208.70

Cash Balance as at December 31st, 1937 $13,596.86

The cash balance is accounted for as follows:

On Deposit: Lincoln-Alliance Bank and Trust Co. $12,489.77
Rochester Trust & Safe Deposit Co. Permanent Fund 1,097.09 $13,566.86

Fetty Cash 10.00

Total Cash on Hand and in Banks: $13,596.86
1. CASH RECEIPTS AND DISBURSEMENTS: CONTINUED:

The cash on hand was verified by actual count and the funds on deposit were confirmed by the depositaries. Included in the foregoing balances, are the following special funds:

Gordon and Bowman Funds

For statement purposes, the cash balance is segregated as follows:

Cash on Deposit:
  General Fund $12,489.77
  Permanent Fund $1,097.09
  Total: $13,586.86

2. SUMMARY STATEMENT OF CASH RECEIPTS & DISBURSEMENTS FOR THE YEAR,
   BY APPLICATION OF FUNDS:

Cash Balance: January 1, 1937 $10,428.37
Additions from Principal:
  Library books sold $354.75
  Sale of Bonds $46,354.58
  Purchases of Stocks and Bonds $26,600.68 19,753.90
Additions: Income:
  Interest on Bank Balances $61.58
  Interest on Bonds 6,317.82
  Dividends on stocks 544.88
  Discounts 28.78 6,953.06
Total: $37,490.08

Deductions:
  Arcade Building:
    Rentals & Miscellaneous $110,814.80
    Income 91,501.36
    Less: Oper'g Expenses $18,713.44
    Net Income: 3,033.09
  Library:
    Reading Room $3,033.09
  Miscellaneous:
    Legal & Prof'l $193.50
    Trust Co. Fees 198.79
    Library Property Expense 906.14
    Accounts Payable 1054.79 2,353.32
  Capital Additions:
    New Arcade Bldg Construction Costs 7,654.54
    Building Alterations 17,665.71
    Mortgage Payable Reduction's 12,000.00 42,606.66
  Total: 23,893.22

Cash Balance: December 31, 1937 $13,596.86
3. ACCOUNTS RECEIVABLE:

Accounts receivable for rental charges unpaid at December 31st, 1937 are as follows:

DeBoer, Grayce Arthurs $65.00
Kenyon (Farkings) 6.00
Harmon (" ) 4.00
Hewitt (" ) 4.00
Stefans (" ) 4.00
Roodenburg(" ) 16.00
Total: $99.00

These amounts are considered to be collectible.

4. INTEREST RECEIVABLE:

Interest receivable consists of the following amounts which represent coupons due and payable on January 1st, 1938:

Aluminum Co., Ltd., of Canada $50.00
Illinois Central R.R. Co. 17.50
Total: 67.50
Dividend Receivable:
Consolidated Gas Electric Light & Pr. Co., of Baltimore 90.00
Total: $157.50

5. INVESTMENTS:

A summary of investments which are set forth in detail on Schedule #3 of this report follows:

Municipal and Corporation Bonds and Stocks:

A: Par Value: Bonds $126,000.00
Stocks None
Total: $126,000.00
B: Market Value: Bonds $97,837.50
Stocks 8,563.75
Total: $106,421.25
C: Book Value: Bonds $122,972.99
Stocks 11,585.03
Total: $134,557.12

All stocks and bonds are held for safe-keeping by the Lincoln-Alliance Bank and Trust Co., as per their certificate to us, dated December 31st, 1937.

(a) Chicago, Milwaukee and St. Paul Ry. Co., General C 4½% bonds due May 1, 1989, par $10,000.00. The maker defaulted on July 1, 1935. Coupons due on said date and coupons due on January 1, 1936 are paid; all subsequent coupons are unpaid.

(continued on next sheet)
5. INVESTMENTS: CONTINUED:

(b) Chicago, Rock Island and Pacific Ry. Co. Series A 4¹/₂% bonds, due September 1, 1952, par value $5,000.00. The maker defaulted March 1, 1934. Coupons due on said date and subsequent coupons have not been paid.

(c) German Government International Loan 1930 5¹/₂% bonds due June 1, 1965, per $5,000.00. These coupons are being paid at the approximate rate of 4%.

6. REAL ESTATE AND SUNDRY ASSETS:

Investment in real estate and other properties is as follows:

<table>
<thead>
<tr>
<th>16 Main St. East Real Estate:</th>
<th>Cost</th>
<th>Deprec'N</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$350,000.00</td>
<td>-</td>
<td>$350,000.00</td>
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<tr>
<td>Building</td>
<td>415,310.93</td>
<td>16,612.52</td>
<td>398,698.41</td>
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<tr>
<td>Equipment</td>
<td>165,697.29</td>
<td>23,088.88</td>
<td>162,608.41</td>
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<td>Total:</td>
<td>$951,008.22</td>
<td>33,701.40</td>
<td>$911,306.82</td>
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</table>

<table>
<thead>
<tr>
<th>150 Spring St. Real Estate:</th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$40,000.00</td>
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</tr>
<tr>
<td>Building</td>
<td>30,000.00</td>
<td>$70,000.00</td>
<td>80,000.00</td>
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<tr>
<td>Library Books</td>
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</tr>
<tr>
<td>Total:</td>
<td></td>
<td></td>
<td>$1,061,306.82</td>
</tr>
</tbody>
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The assessed value of real estate is shown below:

| 16 Main Street East:          |       |          |            |
| Total assessment (including exempt $300,000) |       |          | $1,100,000.00 |

| 150 Spring St:                |       |          |            |
| Total assessment (Exempt)     |       |          | 94,800.00 |
| Total Assessed Value:         |       |          | $1,194,800.00 |

-see sheet 6-
6. REAL ESTATE AND SUNDARY ASSETS: CONTINUED:

During 1937 depreciation was written off on various items of real estate and equipment as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost to Dec. 31, 1937</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building:</td>
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<td>Building: 16 Main St., East</td>
<td>$401,626.93</td>
<td>2%</td>
<td>$8,033.56</td>
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<tr>
<td>Acoustical Treatment</td>
<td>13,684.00</td>
<td>2%</td>
<td>273.72</td>
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<tr>
<td><strong>Total:</strong></td>
<td><strong>$415,310.93</strong></td>
<td><strong>2%</strong></td>
<td><strong>$8,306.28</strong></td>
</tr>
<tr>
<td>Equipment:</td>
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<tr>
<td>Carrier Equipment</td>
<td>$63,328.73</td>
<td>10%</td>
<td>$6,332.76</td>
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<tr>
<td>Heating Equipment</td>
<td>27,639.93</td>
<td>4%</td>
<td>1,105.66</td>
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<tr>
<td>Plumbing</td>
<td>37,709.99</td>
<td>4%</td>
<td>1,508.40</td>
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<tr>
<td>Elevators, Machinery &amp; Cabs</td>
<td>27,623.00</td>
<td>5%</td>
<td>1,381.08</td>
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<tr>
<td>Venetian Blinds</td>
<td>2,243.28</td>
<td>8%</td>
<td>179.42</td>
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<tr>
<td>Electric Wiring and Fixtures</td>
<td>22,644.63</td>
<td>4%</td>
<td>913.80</td>
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<tr>
<td>Drinking Fountains</td>
<td>2,136.89</td>
<td>15%</td>
<td>320.88</td>
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<tr>
<td>Sprinkler System</td>
<td>2,093.84</td>
<td>5%</td>
<td>104.76</td>
</tr>
<tr>
<td>Shelving</td>
<td>75.00</td>
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<td>-</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
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<td><strong>$11,846.64</strong></td>
</tr>
</tbody>
</table>

The book value as set forth, for the various properties, does not necessarily represent the present market value of said properties.

7. DEFERRED CHARGES:

Deferred charges are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building construction-special</td>
<td>$82,864.12</td>
</tr>
<tr>
<td>Less: Amortization: at rate of 10%</td>
<td>$69,904.50</td>
</tr>
<tr>
<td>Inventory: Sundry Supplies</td>
<td>13,059.62</td>
</tr>
<tr>
<td>Prepaid Insurance</td>
<td>508.45</td>
</tr>
<tr>
<td>Prepaid Watchmen's Service</td>
<td>2,165.06</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$72,600.13</strong></td>
</tr>
</tbody>
</table>

"Building Construction Special" carried at a cost of $82,864.12 consists of the following:

Cost of construction for change in plans to accommodate tenants 1933 $50,606.98
Tenant alterations 1937 17,565.74 $68,172.72
Commissions re: acquisition of leases 14,691.40 $82,864.12

Less: Amortization 13,059.62 $69,804.50
Net Total:
8. LIABILITIES:

Liabilities are as follows:

Rentals paid in advance                      $  .58
Accrued mortgage interest                   3,717.00
Accrued county tax                          6,798.78
Total: Current Liabilities:                   $10,516.36

Mortgage Payable:
First mortgage dated Oct. 18, 1935, held by
Northwestern Mutual Life Insurance Company,
covering Arcade Bldg., 16 Main St. East,
Rochester, N.Y. Principal amount $425,000.00.
Interest 4% per annum, for the first ten
years and thereafter at the rate of 5% per
annum, is payable semi-annually. Principal
payments started on April 18, 1937 at which
time an amount of $6,000.00 was paid; subse-
quent payments are due as follows:
   October 18, 1937   $ 6,000.00 (Paid)
   April 18, 1938    7,000.00
   Oct. 18, 1938     7,000.00
   April 18, 1939    6,000.00

and a like sum every six months for eleven
years thereafter; the remaining $215,000.00
being due in fifteen years from date, or on

Amount of mortgage                           $425,000.00
Less: Payments made:  
   April 18, 1937  $ 6,000.00
   Oct. 18, 1937   6,000.00  12,000.00

Net amount of mortgage:                       413,000.00

Total Liabilities:                            $423,516.36
9. PERMANENT FUNDS:

Gordon and Bowman

W. S. Gordon Fund:
This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10th, 1895, and the income therefrom is to be used to purchase books on landscape gardening.
Original amount of fund: $2,500.00

John E. Bowman Fund:
This fund was created by John E. Bowman on or about Jan. 13, 1932. At a meeting of the Board held on Feb. 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee, for library purposes.
Original amount of fund: 5,000.00

Total: $7,500.00

Plus: Interest and dividends accumulated to date 3,344.64

Total: $10,844.64

10. BUDGET OF OPERATIONS FOR THE PERIOD
JANUARY 1, 1938 TO DECEMBER 31, 1938:

Reading Room:
Total Budget: See Schedule #8 $2,900.00

Property Committee:
Total Budget: See Schedule #8 $95,547.50

Total: $98,447.50

11. ESTIMATED INCOME: (See Schedule #8)

Rentals $105,000.00
Electricity and other miscellaneous income from real estate 5,650.00
Interest on bonds and stocks 5,235.00

Total: $115,885.00
12. INSURANCE CARRIED:

Arcade Building:

- Fire, Windstorm, Hail, Explosion, Riot, Aircraft and Motor Vehicles $450,000.00
- Workmen's Compensation Based on Payroll
- Public Liability and Property Damage and Elevator (includes Parking Station) $10,000/20,000/1,000.00
- Officer and Employee Fidelity Bonds:
  - S.P. Goodenough - Treasurer $20,000.00
  - Miss Margaret Maurer, Bookkeeper $5,000.00
  - Bond: Subway Sidewalk Grating $5,000.00
  - Maintenance - Sidewalk Opening $5,000.00
  - Plymouth Sedan owned by P. N. Schubmehl, Bldg. Manager $20,000/40,000/5,000.00

Policy is in the name of Reynolds Library and P. N. Schubmehl.

Library:

- Fire: Building: 150 Spring St. $65,000.00
  - Books: 105 South Avenue $80,000.00
  - Card Index File: -do- $5,000.00
  - Dwelling: Hemlock Alley $2,000.00

Workmen's Compensation is now included in Arcade Building Policy.

- Public Liability $10,000/20,000.00

13. SUMMARY OF ITEMS TO BE CONSIDERED BY THE BOARD OF TRUSTEES:

1. Resolution providing for appropriations for the Committee for the period January 1, 1938 to December 31, 1938. (See Budget referred to under item 10 herein, as detailed on Schedule #8 of this report.)

2. Approval of Treasurer's Report for the year ended December 31st, 1937.

3. Consider provision of Will of Mortimer F. Reynolds pertaining to the Real Estate situated at #40 Spring St; said will, in part, provides as follows:

   -Continued on next sheet-
15. ITEM #5: CONTINUED:

First:

I give, devise and bequeath to the Reynolds Library, a corporation created by an act of the Legislature of New York, passed February 2, 1884, being Chapter 9 of the Laws of 1884.

All the property known as the Arcade and the East Arcade in the City of Rochester.

Also my homestead, No. 40 Spring St., in Rochester, with all the land and buildings, and as much of the personal property, including gas-fixtures, upon the premises as my adopted daughter Mary, now the wife of Josiah Anstice, may desire to set apart to go with it. But my said daughter may continue to occupy said homestead and appurtenances so long after my decease, not exceeding three years, as she may desire. And this devise of the homestead property, is on condition that the same shall always be occupied by said corporation for its library and any other of the educational purposes contemplated by the said act; and in case it shall cease to be so occupied for the period of one year, the estate hereby devised shall cease and determine.

The foregoing devise and bequest are intended as a memorial of my father, Abelard Reynolds, of my brother, William Abelard Reynolds; and of myself.

14. MISCELLANEOUS:

Mr. John A. Lowe, Director of Libraries, in a communication dated January 20, 1938, addressed to us, has advised that the Rochester Public Library, as custodian of the Reynolds Library, keeps a careful and accurate record of all volumes comprising the Reynolds Library collection. He further advised in said communication, that the Reynolds Library as at December 31, 1937, consisted of 87,698 volumes.

The cooperation extended to our representatives by the officers and employees of the Reynolds Library, is greatly appreciated and facilitated our work.

Respectfully submitted,

[Signature]
THE REYNOLDS LIBRARY  
ROCHESTER, N.Y.  

STATEMENT OF CASH RECEIPTS & DISBURSEMENTS FOR YEAR ENDED DEC. 31, 1937

CASH BALANCES:
- Lincoln–Alliance Bank and Trust Co. $272.14
- Rochester Trust & Safe Deposit Co., Permanent Fund 10,146.23
- Petty Cash 10.00

$10,428.37

CASH RECEIPTS:
- Rentals $104,276.96
- Electricity 3,196.50
- Water 651.11
- Parking 1,676.75
- Sundry 413.48

Interest on Bank Balances 61.58
Interest on Bonds 6,317.82
Dividends on Stocks 544.88
Discounts 28.78
Sale of Bonds 46,354.58
Notes Payable: Lincoln–Alliance Bank & Trust Co. 8,500.00
Book Sales: Library 354.75

Total: 172,377.19

CASH DISBURSEMENTS:
- Maintenance and Operation:
  - Arcade Building (Schedule #1) $91,501.36
  - Reading Room (Schedule #2) 3,033.09

New Arcade Building Construction:
- Payments to John B. Pike & Son, Inc. 7,654.54

New Arcade Building Alterations 17,535.71

Trust Fees: Lincoln–Alliance Bank & Trust Co. 193.79

Notes Payable: Lincoln–Alliance Bank & Trust Co. 8,500.00

Legal and Professional 193.50

Library Property Expense 906.14

Accounts Payable 1,054.69

Purchase of Stocks 8,423.03

Purchase of Bonds 18,177.65

Principal Payments on Mortgage 12,000.00

Total: 169,208.70

CASH BALANCE AS AT DECEMBER 31, 1937 $13,596.86

REPRESENTED BY:
- Deposits: Lincoln–Alliance Bank and Trust Co. $12,489.77
- Rochester Trust & Safe Deposit Co. Permanent Fund 1,097.09
- Petty Cash 10.00

Total: $13,596.86
THE REYNOLDS LIBRARY
ROCHESTER, N.Y.

CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF ARCADE BUILDING FOR THE YEAR ENDED DECEMBER 31, 1937

OPERATING CHARGES:

Building and Janitor Supplies $1,771.03
Office Supplies 215.48
Elevator Maintenance 1,215.00
Heat 4,838.38
Electricity 7,033.14
Legal and Audit Service 150.00
Payrolls - Building 21,194.90
Insurance 1,411.11
Taxes: County and City 27,207.29
Telephone and Telegraph 387.13
Water 2,491.90
Building Maintenance 2,168.17
Repairs: Building and Equipment 312.41
A.D.T. Service 513.00
Directory Board Service 15.00
Miscellaneous Expenses and Equipment 432.74 $71,356.68

OTHER CHARGES:

Interest on Mortgages and Notes 19,058.98

PARKING STATION:

Payroll 1,085.70

TOTAL (TO EXHIBIT 8) $91,501.36

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:

Total (per cash statement above) $91,501.36

Plus: County taxes 1937 accrued $6,798.78
County taxes 1936 paid in 1937 7,835.17 $1,036.39*
Interest Accrued Adjustment 161.25*
Increase in Inventory of Supplies 35.55*
Total $1,233.19*

Unexpired Insurance Adjustment
Arcade Bldg. Expense: Deprecn. Bldg. $8,306.28
do Equipment 11,846.64
Amortization of Building Construction - Special 6,529.80 25,682.72 $26,709.72 25,476.53

Total per Accrual Statement (Schedule #5) $116,977.89

* Indicates red figure.
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF LIBRARY
FOR THE YEAR ENDED DECEMBER 31, 1937

MAINTENANCE AND OPERATION OF READING ROOM:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periodicals</td>
<td>$389.41</td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,070.16</td>
</tr>
<tr>
<td>Supplies</td>
<td>$294.52</td>
</tr>
<tr>
<td>Lighting</td>
<td>$279.00</td>
</tr>
<tr>
<td><strong>Total (To Exhibit B)</strong></td>
<td><strong>$3,033.09</strong></td>
</tr>
</tbody>
</table>
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
STATEMENT OF INCOME AND EXPENSES ON ACCRUAL BASIS
JANUARY 1, 1937 TO DECEMBER 31, 1937

INCOME:

Reynolds Arcade Building
Rentals
Electricity
Water
Parking Station
Sundry

Interest
Bonds (Schedule #3 & #4)
Dividends (Schedule #3 & #4)

$104,172.38
5,189.12
651.15
1,702.75
353.11
110,068.49

5,786.24
368.36
6,106.60

6,106.60

$116,175.11

EXPENSES:

Reynolds Arcade Building
Building and Janitor Supplies
Office Supplies
Elevator Maintenance
Heat
Electricity
Legal and Audit Service
Pay Rolls
Insurance
Taxes - County and City
Telephone and Telegraph
Water
Building Maintenance
Repairs - Building and Equipment
A.D.T. Service
Directory Board Service
Interest on Mortgages and Notes
Miscellaneous Equipment
Depreciation Building
Depreciation - Equipment
Amortization Building Construction - Special
Contingent Expense

Budget Actual
Jan. 1, 1937 to Dec. 31, 1937

$1,500.00 $1,735.48
300.00 215.48
1,200.00 1,215.00
1,000.00 1,438.38
6,900.00 7,033.14
150.00 150.00
19,000.00 21,194.90
1,400.00 1,429.11
27,500.00 26,170.90
300.00 317.13
2,600.00 2,491.90
1,000.00 1,168.47
700.00 312.41
512.50 513.00
15.00 15.00
300.00 326.75
19,190.00 18,897.75
500.00 432.74
-0- 8,306.28
-0- 11,646.64
-0- 6,589.80
-0- -0-

$87,767.50 $115,892.19

$1,980.00 $1,985.70

$88,847.50 $116,877.89 $116,175.11

Parking Station
Pay Roll

Totals forwarded to Sheet #2.
Totals brought forward from Sheet #1...

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
<th>$116,175.11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$86,847.50</td>
<td>$116,977.89</td>
<td></td>
</tr>
</tbody>
</table>

Reading Room

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$2,100.00</td>
<td>$2,070.16</td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td>280.00</td>
<td>279.00</td>
<td></td>
</tr>
<tr>
<td>Periodicals</td>
<td>400.00</td>
<td>389.41</td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>120.00</td>
<td>294.52</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$2,500.00</td>
<td>$3,053.09</td>
<td></td>
</tr>
</tbody>
</table>

Total Expenses

$91,747.50 $120,010.98 $120,010.98

NET OPERATING LOSS

$5,865.87 *

OTHER INCOME:

Discounts

$28.78

OTHER DEDUCTIONS:

Loss on Sale of Securities $1,360.65

Library Property Expense

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance</td>
<td>$326.45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>260.00</td>
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<td></td>
</tr>
<tr>
<td>Repairs</td>
<td>67.61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td>36.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Light</td>
<td>20.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Snow Removal, etc.</td>
<td>105.86</td>
<td>806.66</td>
<td></td>
</tr>
<tr>
<td>Legal and Professional</td>
<td></td>
<td>193.50</td>
<td></td>
</tr>
<tr>
<td>Trust Co. Fees</td>
<td></td>
<td>198.79</td>
<td></td>
</tr>
<tr>
<td>Bad Debts</td>
<td>4.14</td>
<td>2,563.74</td>
<td>2,534.96</td>
</tr>
</tbody>
</table>

NET LOSS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1937 (Schedule #6)

$6,370.65 *

* Indicates Red Figures
THE REYNOLDS LIBRARY
ROCHESTER, N.Y.
ANALYSIS OF SURPLUS ACCOUNT: NET WORTH ACCOUNT
JANUARY 1, 1937 TO DECEMBER 31, 1937

JANUARY 1, 1937: Balance

LESS: Net Loss for the twelve months ended December 31st, 1937 (See Schedule #5)
     Reduction in value of Library Books (See Note 1) 86,431.89
     Card Index Account charged off ( -do- ) 17,000.00
     Furniture and Fixture Account charged off ( -do- ) 10,548.38 120,351.10

DECEMBER 31, 1937: Balance

Note 1:
Accounts were charged off in accordance with a resolution of the Board of Trustees. See minutes of meeting held on Feb. 5, 1937.
### 1. ARCADE BUILDING:

<table>
<thead>
<tr>
<th>Income</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rentals</td>
<td>$105,000.00</td>
</tr>
<tr>
<td>Electricity</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Water</td>
<td>$750.00</td>
</tr>
<tr>
<td>Sundry</td>
<td>$300.00</td>
</tr>
<tr>
<td>Parking Station</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Interest and Dividends</td>
<td>$5,235.00</td>
</tr>
<tr>
<td><strong>Total Income:</strong></td>
<td><strong>$115,855.00</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bldg &amp; Janitor Supplies</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>$250.00</td>
</tr>
<tr>
<td>Elevator Maintenance</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Heat (Steam)</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Electricity</td>
<td>$7,400.00</td>
</tr>
<tr>
<td>Telephone and Telegraph</td>
<td>$300.00</td>
</tr>
<tr>
<td>Water</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Alteration A/c</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Repairs: B &amp; E</td>
<td>$700.00</td>
</tr>
<tr>
<td>A. D. T. Service</td>
<td>$512.50</td>
</tr>
<tr>
<td>Directory &quot;</td>
<td>$15.00</td>
</tr>
<tr>
<td><strong>Legal and Audit</strong></td>
<td><strong>$150.00</strong></td>
</tr>
<tr>
<td><strong>Legal and Professional</strong></td>
<td><strong>$500.00</strong></td>
</tr>
<tr>
<td><strong>Payrolls</strong></td>
<td><strong>$21,000.00</strong></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td><strong>$1,500.00</strong></td>
</tr>
<tr>
<td><strong>Taxes: C and C</strong></td>
<td><strong>$28,840.00</strong></td>
</tr>
<tr>
<td><strong>Int. on Mtg</strong></td>
<td><strong>$18,300.00</strong></td>
</tr>
<tr>
<td><strong>Int. on Loans</strong></td>
<td><strong>$200.00</strong></td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td><strong>$500.00</strong></td>
</tr>
<tr>
<td><strong>Parking Station</strong></td>
<td><strong>$1,080.00</strong></td>
</tr>
<tr>
<td><strong>Library Property Expense</strong></td>
<td><strong>$500.00</strong></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$95,547.50</strong></td>
</tr>
</tbody>
</table>

### 2. READING ROOM:

<table>
<thead>
<tr>
<th>Supplies</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies</td>
<td>$120.00</td>
</tr>
<tr>
<td>Lighting</td>
<td>$280.00</td>
</tr>
<tr>
<td>Periodical</td>
<td>$400.00</td>
</tr>
<tr>
<td>Salaries</td>
<td><strong>$2,100.00</strong></td>
</tr>
</tbody>
</table>

**TOTAL EXPENSES:** **$98,447.50**
THE REYNOLDS LIBRARY
ROCHESTER N.Y.
REPORT AS AT DECEMBER 31, 1938

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 MAIN STREET EAST
ROCHESTER, N.Y.
January 19th, 1939.

To the President and Board of Trustees,
The Reynolds Library,
Reynolds Arcade Building,
Rochester, N.Y.

Gentlemen:

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31st, 1938. As a part of this report, we submit the following statements:

Exhibit A:
Statement of Assets and Liabilities as at December 31st, 1938.
Exhibit B:
Statement of Cash Receipts and Disbursements for the year ended December 31st, 1938.
Schedule #1:
Cash Expenditures for Maintenance and Operation of Arcade Building for the year ended December 31st, 1938.
Schedule #2:
Cash Expenditures for Maintenance and Operation of Reading Room for the year ended December 31st, 1938.
Schedule #3:
Investments as at December 31st, 1938.
Schedule #4:
Bonds sold during 1938.
Schedule #5:
Statement of Income and Expenses on accrual basis for the year ended December 31st, 1938.
Schedule #6:
Analysis of Net Worth (Surplus Account) January 1, 1938 to December 31st, 1938.
Schedule #7:
Abstract of Leases in effect as at December 31st, 1938.
Schedule #8:
Budget of Arcade Building and Reading Room for the twelve months of 1939.
1. CASH RECEIPTS AND DISBURSEMENTS:

The cash transactions were reviewed and we found that the recorded receipts were regularly deposited and there are on file vouchers supporting the disbursements. A summary of cash transactions for the period January 1, 1938 to December 31 follows:

Cash Balance: January 1, 1938 $ 13,596.86
Cash Receipts:

- Rentals $106,492.72
- Electricity 3,275.70
- Water 894.24
- Parking 1,664.00
- Sundry 156.26 $112,482.92
- Interest on Bank Balances 26.89
- Interest on Bonds 4,550.00
- Dividends on Stocks 598.75
- Discounts 27.27
- Sale of Bonds 5,039.66
- Book Sales: Library 295.00 123,020.49
- Total: $136,617.35

Cash Disbursements:

- Maintenance and Operation:
  - Arcade Building $90,068.52
  - Reading Room 2,974.41
- Trust Fees: Lincoln-Alliance Bank and Trust Co. 156.06
- Legal and Other Professional 29.50
- Library Property Expense 407.62
- Purchase of Stocks 3,916.25
- Principal Payments on Mortgage 14,000.00 111,552.36

Cash Balance as at December 31, 1938 $ 25,064.99

The cash balance is accounted for as follows:

- On Deposit:
  - Lincoln-Alliance Bank and Trust Co. $23,386.01
  - Rochester Trust and Safe Deposit Co.
    - Permanent Fund 1,668.98 $25,054.99
- Petty Cash
- Total Cash on Hand and in Banks $25,064.99

The cash on hand was verified by actual count, and the funds on deposit were confirmed by the depositories. Included in the following balances, are the following special funds:

Gordon and Bowman Funds $1,668.98
1. CASH RECEIPTS AND DISBURSEMENTS: CONTINUED:

For statement purposes, the cash balance is segregated as follows:-

Cash on Deposit:
- General Fund: $23,396.01
- Permanent Fund: $1,668.98
- Total: $25,064.99

2. SUMMARY STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR, BY APPLICATION OF FUNDS:

Cash Balance January 1, 1938: $13,596.86

Additions from Principal:
- Library books sold: $295.00
- Sale of bonds: $5,039.66
- Less: Purchase of stocks: $3,916.25
- 1,123.41

Additions- Income from Investments, etc.:
- Interest on bank balances: $26.89
- Interest on bonds: $4,550.00
- Dividends on stocks: $598.75
- Discounts: $27.27
- 5,202.91

Operating Income:
- Arcade Building:
  - Rentals and miscellaneous income: $112,482.92
  - Less: Operating Expenses: $90,068.52
  - Net Income: $22,414.40

Less:
- Library:
  - Reading Room Expenses: $2,974.41

Miscellaneous Expenses:
- Trust fees: $156.06
- Legal and Professional: $29.50
- Library property expense: $407.62
- Principal payment on mortgage: $14,000.00
- 17,567.59
- 4,846.81

Net addition from operations:
- $25,064.99

Cash Balance December 31, 1938: $25,064.99

3. ACCOUNTS RECEIVABLE:

The amount of $40.47 was paid on January 5, 1939.
4. **INTEREST RECEIVABLE:**

Interest receivable consists of the following amounts which represent bond coupons due and dividends receivable on January 1, 1939:

**Bond coupons due:**
- Aluminum Co., Ltd. of Canada $25.00
- Illinois Central R.R. Co. $17.50
**Total:** $42.50

**Dividends receivable:**
- Consolidated Gas Electric Light & Power Co. of Baltimore $90.00

**Total:** $132.50

5. **INVESTMENTS:**

A summary of investments which are set forth on Schedule #3 of this report follows:

**Municipal and Corporation Bonds and Stocks:**

A: **Par Value:** Bonds: $100,000.00
   Stocks: No-par Value
   **Total:** $100,000.00

B: **Market Value:** Bonds: $87,395.65
   Stocks: $13,477.50
   **Total:** $100,873.15

C: **Book Value:** Bonds: $97,683.87
   Stocks: $15,501.28
   **Total:** $113,184.65

All stocks and bonds are held for safe-keeping by the Lincoln-Alliance Bank and Trust Co. as their certificate to us, dated January 5, 1939.
6. REAL ESTATE AND SUNDRY ASSETS:

Investment in real estate and other properties is as follows:

16 East Main Street Real Estate:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$350,000.00</td>
<td>-</td>
<td>$350,000.00</td>
</tr>
<tr>
<td>Building</td>
<td>415,310.93</td>
<td>24,918.80</td>
<td>390,392.13</td>
</tr>
<tr>
<td>Equipment</td>
<td>185,697.29</td>
<td>34,935.52</td>
<td>150,761.77</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$951,008.22</strong></td>
<td><strong>59,854.32</strong></td>
<td><strong>$891,153.90</strong></td>
</tr>
</tbody>
</table>

150 Spring St. Real Estate:

- Land: $40,000.00
- Building: $30,000.00
- Library Books: $80,000.00

**Total:** $1,041,153.90

The assessed value of real estate for tax purposes is as follows:

16 East Main Street:

- Total assessment (including exempt $130,000.00): $930,000.00

150 Spring Street:

- Total assessment (Exempt): $94,800.00
- Total assessed value: $1,024,800.00
6. REAL ESTATE AND SUNDRY ASSETS: CONTINUED:

During 1938 depreciation was written off as follows:-

<table>
<thead>
<tr>
<th>Building:</th>
<th>Cost to Dec. 31, 1938</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building: 16 East Main Street</td>
<td>$401,626.93</td>
<td>2%</td>
<td>$8,033.56</td>
</tr>
<tr>
<td>Accoustical Treatment</td>
<td>13,684.00</td>
<td>2%</td>
<td>273.72</td>
</tr>
<tr>
<td>Total:</td>
<td>$415,310.93</td>
<td></td>
<td>$8,307.28</td>
</tr>
</tbody>
</table>

| Equipment:             |                      |      |
| Carrier Equipment      | $63,328.73           | 10%  | $6,332.76 |
| Heating                | 27,659.23            | 4%   | 1,105.56 |
| Plumbing               | 37,709.99            | 4%   | 1,508.40 |
| Elevators, Machinery & Cabs | 27,623.00       | 5%   | 1,381.08 |
| Venetian Blinds        | 2,243.28             | 8%   | 179.40 |
| Electric Wiring & Fixtures | 22,844.63          | 4%   | 913.80 |
| Drinking Fountains     | 2,138.89             | 15%  | 320.88 |
| Sprinkler System       | 2,093.84             | 5%   | 104.76 |
| Shelving               | 75.00                |      |         |
| Total:                 | $185,697.29          |      | $11,846.64 |

The book value as set forth, for the various properties, does not necessarily represent the present market value of said properties.

7. DEFERRED CHARGES:

Deferred charges are as follows:

| Building Construction Special | $82,864.12 |
| Less: Amortization, at rate of 10% | $21,345.98  | $61,518.14 |
| Inventory of Sundry Supplies | 500.57  |
| Prepaid Insurance            | 932.61  |
| Prepaid Watchmen's Service   | 128.12  |
| Total:                       | $63,069.44 |

"Building Construction Special" carried at a cost of $82,864.12 consists of the following:

Cost of construction for change in plans to accommodate tenants 1933 | $50,606.98 |
Tenant alterations 1937 | 17,565.74  | $68,172.72 |
Commissions Re: Acquisition of leases | 14,691.40  |
Total: | $82,864.12 |
Less: Amortization | 21,345.98  |
Balance: | $61,518.14 |
8. LIABILITIES:

A summary of liabilities is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$ 26.45</td>
</tr>
<tr>
<td>Interest accrued on mortgage</td>
<td>$ 3,591.00</td>
</tr>
<tr>
<td>Mortgage principal payments due</td>
<td>$ 16,000.00</td>
</tr>
<tr>
<td>during 1939</td>
<td>$ 19,591.00</td>
</tr>
<tr>
<td>County tax accrued(Payable during 1939)</td>
<td>$ 8,247.39</td>
</tr>
<tr>
<td><strong>Total Current Liabilities:</strong></td>
<td><strong>$ 27,864.84</strong></td>
</tr>
</tbody>
</table>

Mortgage Payable:

First mortgage dated October 18, 1935, held by Northwestern Mutual Life Insurance Co., covering Arcade Building, 16 East Main St., Rochester, N.Y. Principal amount $425,000. Interest 4 1/2% per annum, for the first ten years and thereafter at the rate of 5% per annum, is payable semi-annually. Principal payments started on April 18, 1937 at which time an amount of $6,000.00 was paid; subsequent payments due as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 18, 1937</td>
<td>$ 6,000.00 (Paid)</td>
</tr>
<tr>
<td>April 18, 1938</td>
<td>$ 7,000.00 (&quot; )</td>
</tr>
<tr>
<td>October 18, 1938</td>
<td>$ 7,000.00 (&quot; )</td>
</tr>
<tr>
<td>April 18, 1939</td>
<td>$ 8,000.00</td>
</tr>
</tbody>
</table>

and a like sum every six months for eleven years thereafter; the remaining $215,000 being due in fifteen years from date, or on October 18, 1950.

Amount of mortgage $425,000.00

Less:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments made</td>
<td>$ 26,000.00</td>
</tr>
<tr>
<td>Payments due during 1939 (See current above)</td>
<td>$16,000.00</td>
</tr>
<tr>
<td>(See current above)</td>
<td>$ 42,000.00</td>
</tr>
<tr>
<td><strong>Balance: per Exhibit A:</strong></td>
<td><strong>$ 383,000.00</strong></td>
</tr>
</tbody>
</table>

Total Liabilities: $410,864.84
9. PERMANENT FUNDS:

Gordon and Bowman

W. S. Gordon Fund:
This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books on landscape gardening.
Original amount of fund: $2,500.00

John R. Bowman Fund:
This fund was created by John R. Bowman on or about January 13, 1932. At a meeting of the Board held on February 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee, for library purposes.
Original amount of fund: $5,000.00

Total: $7,500.00

Plus: Interest and dividends accumulated to date

3,916.53

Total: $11,416.53

10. BUDGET OF OPERATIONS FOR THE PERIOD JANUARY 1, 1939 TO DECEMBER 31, 1939:

-Reading Room-
Total Budget (See Schedule #8) $3,000.00

-Property Committee-
Total Budget -do- $100,277.50

Total: $103,277.50

11. ESTIMATED INCOME:

Rentals $106,000.00
Electricity and other miscellaneous income from real estate 5,600.00
Interest on bonds and stocks 4,900.00
Total: $116,500.00
12. INSURANCE CARRIED:

Arcade Building:

Fire, Windstorm, Hail, Explosion, Riot, Aircraft, Smoke and Vehicles $450,000.00
Public Liability and Property Damage 15/30/3,000.00
and Elevator (Including Parking Station) 15/30/2,000.00
Public Liability and Property Damage covering three street encroachments (Assured - City of Rochester) Based on Payroll
Workmen's Compensation

20,000.00

S. P. Goodenough

Miss Margaret Maurer, Bookkeeper 5,000.00

Automobile Liability and Property Damage on Plymouth Sedan owned by P. N. Schubmehl, Building Manager. Policy in name of Reynolds Library and P. N. Schubmehl 20/40/5,000.00

Library:

Fire:

Building located at 150 Spring St. (80%) 65,000.00
Dwelling located at Remlock Alley 2,000.00
Books located at 105 South Avenue (80%) 80,000.00
Card Index File located at -do- (80%) 5,000.00
Public Liability 10/20,000.00

Workmen's Compensation included in Arcade Building Policy

13. SUMMARY OF ITEMS TO BE CONSIDERED BY THE BOARD OF TRUSTEES:

1. Resolution providing for appropriations for the Committees for the period January 1, 1938 to December 31, 1939. (See Budget referred to under Item 10 herein, as detailed on Schedule #8 of this report)

2. Approval of Treasurer's report for the year ended December 31st, 1938.

3. Consider provision of Will of Mortimer F. Reynolds pertaining to the real estate situated at #40 Spring Street; said Will, in part, provides as follows:

-see sheet #10
13. ITEM #3: CONTINUED:

First:

I give, devise and bequeath to the Reynolds Library, a corporation created by an act of the Legislature of New York, passed February 2, 1884, being Chapter 9 of the Laws of 1884.

All the property known as the Arcade and the East Arcade in the City of Rochester.

Also my homestead, No. 40 Spring St., in Rochester, with all the land and buildings, and as much of the personal property, including gas-fixtures, upon the premises as my adopted daughter, Mary, now the wife of Josiah Anstice, may desire to set apart to go with it. But my said daughter may continue to occupy said homestead and appurtenances so long after my decease, not exceeding three years, as she may desire. And this devise of the homestead property, is on condition that the same shall always be occupied by said corporation for its library and any other of the educational purposes contemplated by the said act; and in case it shall cease to be so occupied for the period of one year, the estate hereby devised shall cease and determine.

The foregoing devise and bequest are intended as a memorial of my father, Abelard Reynolds, of my brother, William Abelard Reynolds; and of myself.

14. MISCELLANEOUS:

The cooperation extended to our representatives by the officers and employees of the Reynolds Library, is greatly appreciated and facilitated our examination.

Respectfully submitted,

[Signature]
# Exhibit A

## Statement of Assets and Liabilities

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current:</strong></td>
<td></td>
</tr>
<tr>
<td>Cash on Deposit (General Funds)</td>
<td>$3,591.00</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$26.45</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td></td>
</tr>
<tr>
<td><strong>Investments (See Schedule #3):</strong></td>
<td></td>
</tr>
<tr>
<td>Municipal and Corporation Bonds</td>
<td>16,000.00</td>
</tr>
<tr>
<td>Common Stocks</td>
<td>19,591.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,247.39</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>$27,864.84</td>
</tr>
</tbody>
</table>

### Liabilities and Surplus

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Permanent Funds:</strong></td>
<td></td>
</tr>
<tr>
<td>Cash on Deposit</td>
<td></td>
</tr>
<tr>
<td>Bond (See Schedule #3)</td>
<td></td>
</tr>
<tr>
<td>Stock (&quot; &quot;, &quot;)</td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other:</strong></td>
<td></td>
</tr>
<tr>
<td>Real Estate: 16 Main Street East:</td>
<td>$425,000.00</td>
</tr>
<tr>
<td>Land</td>
<td>$350,00</td>
</tr>
<tr>
<td>Building</td>
<td>$26,000.00</td>
</tr>
<tr>
<td>Equipment</td>
<td>$185,00</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>$383,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate: 150 Spring Street:</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$11,416.53</td>
</tr>
<tr>
<td>Building</td>
<td>$830,112.13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library:</td>
<td></td>
</tr>
<tr>
<td>Books</td>
<td></td>
</tr>
</tbody>
</table>

### Deferred:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Construction - Special</td>
<td></td>
</tr>
<tr>
<td>Loss: Amortization</td>
<td></td>
</tr>
<tr>
<td>Inventory of Sundry Supplies</td>
<td></td>
</tr>
<tr>
<td>Prepaid Insurance</td>
<td></td>
</tr>
<tr>
<td>Prepaid Watchmen's Service</td>
<td></td>
</tr>
</tbody>
</table>

| **Total:**                                       | $1,252,393.50|

---

*W.S. & Co.*
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR
ENDED DECEMBER 31, 1938

CASH BALANCES:
Lincoln-Alliance Bank and Trust Co. $ 12,489.77
Rochester Trust and Safe Deposit Co., Permanent Fund 1,097.09
Petty Cash 10.00 $13,596.86

CASH RECEIPTS:
Rentals $106,492.72
Electricity 3,275.70
Water 894.24
Parking 1,664.00
Sundry 156.26 $112,482.92
Interest on Bank Balances 26.89
Interest on Bonds 4,550.00
Dividends on Stocks 598.75
Discounts 27.27
Sale of Bonds 5,039.66
Book Sales - Library

Total: 295.00 $123,020.49

136,617.35

CASH DISBURSEMENTS:
Maintenance and Operation:
   Arcade Building (See Schedule #1) $90,068.52
   Reading Room (See Schedule #2) 2,974.41
Trust Fees - Lincoln-Alliance Bank and Trust Co. 156.06
Legal and Other Professional 29.50
Library Property Expense 407.62
Purchase of Stocks 3,916.25
Principal Payments on Mortgage 14,000.00 $111,552.36

CASH BALANCE AS AT DECEMBER 31, 1938 $25,064.99

REPRESENTED BY:
Deposits: Lincoln-Alliance Bank and Trust Co. $23,386.01
   Rochester Trust and Safe Deposit Co., Permanent Fund 1,668.98
   Petty Cash 10.00 $25,064.99
CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF ARCADE BUILDING
FOR THE YEAR ENDED DECEMBER 31, 1938

OPERATING CHARGES:
- Building and Janitor Supplies $1,133.69
- Office Supplies 282.22
- Elevator Maintenance 1,200.00
- Heat 4,783.44
- Electricity 7,328.12
- Legal and Audit Service 150.00
- Pay rolls - Building 19,392.54
- Insurance 500.82
- Taxes: Miscellaneous Utility 141.97
- County and City 28,841.52
- Telephone and Telegraph 368.79
- Water 2,138.02
- Building Maintenance 2,189.68
- Repairs: Building and Equipment 577.61
- A.D.T. Service 512.50
- Directory Board Service 15.00
- Miscellaneous Expenses and Equipment 375.85
- Alterations 1,187.25

Total Operating Charges $71,119.02

OTHER CHARGES:
- Interest on Mortgages and Notes 18,427.50

PARKING STATION:
- Pay roll 522.00

Total Charges $90,068.52

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:
- Total (Per Cash Statement above) $90,068.52
- Plus: County taxes 1938 Accrued 8,247.39
- " " 1937 paid in 1938 6,798.78
- Unexpired Insurance Adjustment 922.89
- Arcade Bldg. Expense - Depreciation Bldg. 8,306.28
- " " - Equip't 11,946.64
- Amortization of Building Construction-Special 8,286.36
- Increase in Inventory of Supplies 7.88
- Accounts Payable Supplies 8.90
- Accounts Payable Building Maintenance 17.55
- Interest Accrued adjustment 126.00
- Alterations, Transfer to Accts. Rec. 40.47
- Total Per Accrual Statement (Schedule #5) $120,747.16

* Indicates Red Figures.
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
STATEMENT OF INCOME AND EXPENSES ON ACCRUAL BASIS
JANUARY 1, 1938 TO DECEMBER 31, 1938

INCOME:

Reynolds Arcade Building:
- Rentals
- Electricity
- Water
- Parking Station
- Sundry

Interest:
- Bonds (See Schedule #3 and #4)
- Dividends (See Schedule #3 and #4)

Total:

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reynolds Arcade Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and Janitor Supplies</td>
<td>$1,500.00</td>
<td>$1,150.47</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>250.00</td>
<td>282.22</td>
</tr>
<tr>
<td>Elevator Maintenance</td>
<td>1,200.00</td>
<td>1,200.00</td>
</tr>
<tr>
<td>Heat</td>
<td>5,000.00</td>
<td>4,783.44</td>
</tr>
<tr>
<td>Electricity</td>
<td>7,400.00</td>
<td>7,328.12</td>
</tr>
<tr>
<td>Legal and Audit Service</td>
<td>150.00</td>
<td>150.00</td>
</tr>
<tr>
<td>Pay rolls</td>
<td>21,000.00</td>
<td>19,392.54</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,500.00</td>
<td>1,423.71</td>
</tr>
<tr>
<td>Taxes: Utility</td>
<td>0</td>
<td>141.97</td>
</tr>
<tr>
<td>- County and City</td>
<td>28,840.00</td>
<td>30,290.13</td>
</tr>
<tr>
<td>Telephone and Telegraph</td>
<td>300.00</td>
<td>368.79</td>
</tr>
<tr>
<td>Water</td>
<td>2,600.00</td>
<td>2,138.02</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>2,000.00</td>
<td>2,207.23</td>
</tr>
<tr>
<td>Repairs - Building and Equipment</td>
<td>700.00</td>
<td>577.61</td>
</tr>
<tr>
<td>A.D.T. Service</td>
<td>512.50</td>
<td>512.50</td>
</tr>
<tr>
<td>Directory Board Service</td>
<td>15.00</td>
<td>15.00</td>
</tr>
<tr>
<td>Interest on Mortgages and Notes</td>
<td>18,500.00</td>
<td>18,301.50</td>
</tr>
<tr>
<td>Miscellaneous Equipment &amp; Expense</td>
<td>500.00</td>
<td>375.85</td>
</tr>
<tr>
<td>Depreciation - Building</td>
<td>0</td>
<td>8,306.28</td>
</tr>
<tr>
<td>Depreciation - Equipment</td>
<td>0</td>
<td>11,846.64</td>
</tr>
<tr>
<td>Amortization Building Construction Special</td>
<td>0</td>
<td>8,286.36</td>
</tr>
<tr>
<td>Alterations</td>
<td>1,500.00</td>
<td>1,146.78</td>
</tr>
</tbody>
</table>

Parking Station:
- Pay roll

Totals forwarded to Sheet #2

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 94,547.50</td>
</tr>
<tr>
<td></td>
<td>$120,747.16</td>
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<tr>
<td></td>
<td>$117,347.25</td>
</tr>
<tr>
<td></td>
<td>Budget</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Totals forwarded from Sheet #1</td>
<td></td>
</tr>
<tr>
<td>Reading Room:</td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>$ 2,100.00</td>
</tr>
<tr>
<td>Lighting</td>
<td>290.00</td>
</tr>
<tr>
<td>Periodicals</td>
<td>400.00</td>
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<tr>
<td>Supplies</td>
<td>120.00</td>
</tr>
<tr>
<td>Total Expenses:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>NET OPERATING LOSS:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER INCOME:</td>
<td></td>
</tr>
<tr>
<td>Discounts</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER DEDUCTIONS:</td>
<td></td>
</tr>
<tr>
<td>Loss on Sale of Securities (See Schedule #4)</td>
<td>$ 20,249.06</td>
</tr>
<tr>
<td>Library Property Expense:</td>
<td></td>
</tr>
<tr>
<td>Sundry</td>
<td>$ 9.30</td>
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<tr>
<td>Insurance</td>
<td>319.56</td>
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<tr>
<td>Salary</td>
<td>255.00</td>
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<tr>
<td>Repairs</td>
<td>14.19</td>
</tr>
<tr>
<td>Water</td>
<td>17.28</td>
</tr>
<tr>
<td>Light</td>
<td>14.77</td>
</tr>
<tr>
<td>City Snow Removal, etc.</td>
<td>97.08</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal and Other Professional</td>
<td></td>
</tr>
<tr>
<td>Trust Company Fees</td>
<td>156.06</td>
</tr>
<tr>
<td>Bad Debts</td>
<td>89.00</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>NET LOSS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1938</td>
<td></td>
</tr>
<tr>
<td>(Schedule #6)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Indicates Red Figures.
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
ANALYSIS OF SURPLUS ACCOUNT: NET WORK ACCOUNT
JANUARY 1, 1938 TO DECEMBER 31, 1938

BALANCE: January 1, 1938 $357,709.98

LESS:
Net Loss for the twelve months ended December 31, 1938 (See Schedule #6) 27,597.85

BALANCE: December 31, 1938 $330,112.13
SCHEDULE #8

THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
INCOME AND EXPENSES: BUDGET FOR 1939

1. ARCADE BUILDING:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income:</td>
<td></td>
</tr>
<tr>
<td>Rentals</td>
<td>$106,000.00</td>
</tr>
<tr>
<td>Electricity</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Water</td>
<td>800.00</td>
</tr>
<tr>
<td>Sundry &amp; Misc.</td>
<td>200.00</td>
</tr>
<tr>
<td>Discounts</td>
<td>-</td>
</tr>
<tr>
<td>Parking Station</td>
<td>1,600.00</td>
</tr>
<tr>
<td>Interest &amp; Dividends</td>
<td>$111,600.00</td>
</tr>
<tr>
<td>Total Income:</td>
<td>$116,500.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses:</td>
<td></td>
</tr>
<tr>
<td>Arcade Bldg. Operation</td>
<td></td>
</tr>
<tr>
<td>Building &amp; Janitor Supplies</td>
<td>$1,300.00</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>250.00</td>
</tr>
<tr>
<td>Elevator Maintenance</td>
<td>1,200.00</td>
</tr>
<tr>
<td>Heat (Steam)</td>
<td>5,000.00</td>
</tr>
<tr>
<td>Electricity</td>
<td>7,400.00</td>
</tr>
<tr>
<td>Telephone and Telegraph</td>
<td>400.00</td>
</tr>
<tr>
<td>Water</td>
<td>2,500.00</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>2,200.00</td>
</tr>
<tr>
<td>Alterations</td>
<td>2,000.00</td>
</tr>
<tr>
<td>Repairs</td>
<td>700.00</td>
</tr>
<tr>
<td>A.D.T. Service</td>
<td>512.50</td>
</tr>
<tr>
<td>Directory Board Serv.</td>
<td>15.00</td>
</tr>
<tr>
<td>Total Building Operation</td>
<td>$23,477.50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay rolls</td>
<td>$21,000.00</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,500.00</td>
</tr>
<tr>
<td>Taxes: C &amp; C</td>
<td>33,500.00</td>
</tr>
<tr>
<td>&quot; Misc.</td>
<td>100.00</td>
</tr>
<tr>
<td>Interest on Mtg.</td>
<td>17,600.00</td>
</tr>
<tr>
<td>&quot; Loans</td>
<td>200.00</td>
</tr>
<tr>
<td>Miscellaneous Expense</td>
<td>500.00</td>
</tr>
<tr>
<td>Legal and Professional</td>
<td>500.00</td>
</tr>
<tr>
<td>Legal and Audit</td>
<td>150.00</td>
</tr>
<tr>
<td>Contingent Expense</td>
<td>1,000.00</td>
</tr>
<tr>
<td></td>
<td>76,050.00</td>
</tr>
</tbody>
</table>

| Spring Street Property       | 750.00     |

Totals forward to Sheet #2:  $100,277.50
Total Forwarded from Sheet #1 $100,277.50

2. READING ROOM:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation</td>
<td>$900.00</td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,100.00</td>
</tr>
<tr>
<td>Total Reading Room Expense</td>
<td>$3,000.00</td>
</tr>
</tbody>
</table>

Total Expenses: $103,277.50
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1939

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 MAIN STREET EAST
ROCHESTER, N.Y.
January 24, 1940

To the President and Board of Trustees
The Reynolds Library
Reynolds Arcade Building
Rochester, New York

Gentlemen:

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31, 1939. As a part of this report, we submit the following statements:

Exhibit A:
Statement of Assets and Liabilities as at December 31, 1939.

Exhibit B:
Statement of Cash Receipts and Disbursements for the year ended December 31, 1939.

Schedule #1:
Cash Expenditures for maintenance and operation of Arcade Building for the year ended December 31, 1939.

Schedule #2:
Cash Expenditures for maintenance and operation of Reading Room for the year ended December 31, 1939.

Schedule #3:
Investments as at December 31, 1939.

Schedule #4:
Bonds sold during 1939.

Schedule #5:
Statement of Income and Expenses on Accrual Basis for the year ended December 31, 1939.

Schedule #6:
Analysis of Net Worth (Surplus Account) January 1, 1939 to December 31, 1939.

Schedule #7:
Abstract of Leases in effect as at December 31, 1939.

Schedule #8:
Budget of Arcade Building and Reading Room for the twelve months of 1940.
1. CASH RECEIPTS AND DISBURSEMENTS:

The cash transactions were reviewed and we found that the recorded receipts were regularly deposited and there are on file vouchers supporting the disbursements. A summary of cash transactions for the period January 1, 1939 to December 31, 1939 follows:

Cash Balance: January 1, 1939  $ 25,064.99

Cash Receipts:
- Rentals  $106,327.72
- Electricity  3,281.14
- Water  429.05
- Parking  1,725.00
- Sundry  302.29
- Interest on Bank Balances  31.02
- Interest on Bonds  4,545.75
- Dividends on Stocks  665.00
- Bad Debt Recoveries  44.00
- Discounts  36.82
- Sale of Bonds  11,490.00
- Book Sales Library  79.95
- Sale of Real Estate  500.00  12,069.95  129,457.74

Total:  $154,522.73

Cash Disbursements:
- Maintenance and Operation:
  - Arcade Building  $ 99,014.48
  - Reading Room  2,874.69
- Adjustments of F.W. Woolworth Water Rent for prior years  822.63
- Trust Fees: Lincoln-Alliance Bank and Trust Co.  154.21
- Legal  500.00
- Library Property Expense  506.44  103,872.45
- Purchase of Stocks  3,118.10
- Principal Payments on Mortgage  16,000.00  19,118.10  122,990.55

Cash Balance: as at December 31, 1939  $ 31,532.18

The cash balance is accounted for as follows:

On deposit:
- Lincoln-Alliance Bank and Trust Co.  $29,467.23
- Rochester Trust & Safe Deposit Co.  Permanent Fund  2,054.95  $31,522.18
- Petty Cash  10.00

Total Cash on Hand and in Banks  $31,532.18
1. CASH RECEIPTS AND DISBURSEMENTS (CONTINUED):

The cash on hand was verified by actual count. The funds on deposit were confirmed by the depositories. The following Special Funds are included in the total cash balance:

Gordon and Bowman Funds $2,054.95

For statement purposes, the cash balance is segregated as follows:

Cash on Deposit:
- General Fund $29,477.23
- Permanent Fund 2,054.95
- Total $31,532.18

2. SUMMARY STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR BY APPLICATION OF FUNDS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance January 1, 1939</td>
<td>$25,064.99</td>
</tr>
<tr>
<td>Additions from Principal:</td>
<td></td>
</tr>
<tr>
<td>Library Books Sold</td>
<td>$11,490.00</td>
</tr>
<tr>
<td>Sale of Bonds</td>
<td>3,118.10</td>
</tr>
<tr>
<td>Less: Purchase of Bonds</td>
<td>8,371.90</td>
</tr>
<tr>
<td>Sale of Real Estate</td>
<td>500.00</td>
</tr>
<tr>
<td>Additions - Income from Investments, etc:</td>
<td></td>
</tr>
<tr>
<td>Interest on Bank Balances</td>
<td>$31,02</td>
</tr>
<tr>
<td>Interest on Bonds</td>
<td>4,545.75</td>
</tr>
<tr>
<td>Dividends on Stocks</td>
<td>665.00</td>
</tr>
<tr>
<td>Discounts</td>
<td>36.82</td>
</tr>
<tr>
<td>Total</td>
<td>5,278.59</td>
</tr>
<tr>
<td>Total: Operating Income:</td>
<td>$39,295.43</td>
</tr>
<tr>
<td>Arcade Building:</td>
<td></td>
</tr>
<tr>
<td>Rentals and Miscellaneous Income</td>
<td>$112,065.20</td>
</tr>
<tr>
<td>Bad Debt Recoveries</td>
<td>44.00</td>
</tr>
<tr>
<td>Less: Operating Expenses</td>
<td>99,014.48</td>
</tr>
<tr>
<td>Net Income</td>
<td>$13,094.72</td>
</tr>
<tr>
<td>Less: Library:</td>
<td></td>
</tr>
<tr>
<td>Reading Room Expenses</td>
<td>$2,874.69</td>
</tr>
<tr>
<td>Library Property Expense</td>
<td>506.44</td>
</tr>
<tr>
<td>Miscellaneous Expenses:</td>
<td></td>
</tr>
<tr>
<td>Trust Fees</td>
<td>$154.21</td>
</tr>
<tr>
<td>Legal</td>
<td>500.00</td>
</tr>
<tr>
<td>Adjustment of F.W. Woolworth Co.</td>
<td>654.21</td>
</tr>
<tr>
<td>Water Rent prior years</td>
<td>822.63</td>
</tr>
<tr>
<td>Principal payment on mortgage</td>
<td>16,000.00</td>
</tr>
<tr>
<td>Net deduction from operations</td>
<td>20,857.97</td>
</tr>
<tr>
<td>Total</td>
<td>7,763.25</td>
</tr>
</tbody>
</table>

Cash Balance December 31, 1939 $31,532.18
3. ACCOUNTS RECEIVABLE:

The amount of $60.06 is due from Metropolitan Life Insurance Co.

4. INTEREST RECEIVABLE:

Interest receivable consists of the following amounts which represent bond coupons due and dividends receivable on January 1, 1940:

- Bond coupons due:
  - Illinois Central R. R. Co. $17.50
- Dividends Receivable:
  - Consolidated Gas Electric Lt. & Pr. Co. of Baltimore 90.00

Total: $107.50

5. INVESTMENTS:

A summary of investments which are set forth on Schedule #3 of this report follows:

| Municipal and Corporation Bonds & Stocks | | | |
|-----------------------------------------|-----------------|
| A: Par Value:                          |                  |
| Bonds                                   | $ 92,350.00     |
| Stocks                                  | No Par Value    |
| Total:                                  | $ 92,350.00     |
| B: Market Value:                        |                  |
| Bonds                                   | $ 78,162.25     |
| Stocks                                  | 14,092.50       |
| Total:                                  | $ 92,254.75     |
| C: Book Value:                          |                  |
| Bonds                                   | $ 90,165.47     |
| Stocks                                  | 15,501.28       |
| Total:                                  | $105,666.75     |

Stocks and bonds as set forth on Schedule #3 are held for safe-keeping by the Lincoln-Alliance Bank and Trust Co. as per their certificate dated January 8, 1940.
6. REAL ESTATE AND SUNDRY ASSETS:

Investment in real estate and other properties is as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land</strong></td>
<td>$350,000.00</td>
<td>$0</td>
<td>$350,000.00</td>
</tr>
<tr>
<td><strong>Building</strong></td>
<td>415,310.93</td>
<td>33,225.08</td>
<td>382,085.85</td>
</tr>
<tr>
<td><strong>Equipment</strong></td>
<td>185,697.29</td>
<td>46,782.16</td>
<td>138,915.13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$951,008.22</td>
<td>$80,007.24</td>
<td>$871,000.98</td>
</tr>
</tbody>
</table>

Library Books (At Rundel Library)

Total: $951,000.98

The assessed value of real estate for tax purposes is as follows:-

16 East Main Street: Total assessment (including exempt $130,000.00) $930,000.00

During 1939 depreciation was written off as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Cost to Dec. 31, 1939</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building: 16 East Main Street</td>
<td>$401,625.93</td>
<td>2%</td>
<td>$8,032.56</td>
</tr>
<tr>
<td>Acoustical Treatment</td>
<td>15,684.00</td>
<td>2%</td>
<td>273.72</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>$415,310.93</td>
<td></td>
<td>$8,306.28</td>
</tr>
<tr>
<td><strong>Equipment:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrier Equipment</td>
<td>$65,328.73</td>
<td>10%</td>
<td>$6,332.76</td>
</tr>
<tr>
<td>Heating Equipment</td>
<td>27,639.93</td>
<td>4%</td>
<td>1,105.56</td>
</tr>
<tr>
<td>Plumbing</td>
<td>37,709.99</td>
<td>4%</td>
<td>1,508.40</td>
</tr>
<tr>
<td>Elevators, Machinery &amp; Cabs</td>
<td>27,623.00</td>
<td>5%</td>
<td>1,381.08</td>
</tr>
<tr>
<td>Venetian Blinds</td>
<td>2,243.28</td>
<td>8%</td>
<td>179.44</td>
</tr>
<tr>
<td>Electric Wiring &amp; Fixtures</td>
<td>22,844.63</td>
<td>4%</td>
<td>913.30</td>
</tr>
<tr>
<td>Drinking Fountains</td>
<td>2,158.89</td>
<td>15%</td>
<td>320.88</td>
</tr>
<tr>
<td>Sprinkler System</td>
<td>2,093.84</td>
<td>5%</td>
<td>104.76</td>
</tr>
<tr>
<td>Shelving</td>
<td>75.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>$185,697.29</td>
<td></td>
<td>$11,846.64</td>
</tr>
</tbody>
</table>

The book value as set forth, for the various properties, does not necessarily represent the present market value of said properties.
7. DEFERRED CHARGES:

Deferred charges are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Construction Special</td>
<td>$ 82,864.12</td>
</tr>
<tr>
<td>Less: Amortization, at rate of 10%</td>
<td>29,632.34</td>
</tr>
<tr>
<td>Inventory of Sundry Supplies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 738.46</td>
</tr>
<tr>
<td>Prepaid Insurance</td>
<td>1,838.79</td>
</tr>
<tr>
<td>Total:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 55,809.03</td>
</tr>
</tbody>
</table>

"Building Construction Special" carried at a cost of $82,864.12 consists of the following:

- Cost of construction for change in plans to accommodate tenants:
  - 1933: $50,606.98
  - Tenant alterations 1937: $17,565.74
  - Commissions Re: acquisition of leases: $14,691.40
  - Total: $82,864.12

- Less: Amortization: $29,632.34
  - Balance: $53,231.78

8. LIABILITIES:

A summary of liabilities is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$ 492.58</td>
</tr>
<tr>
<td>Interest accrued on mortgage covering the period October 18, 1939 to December 31, 1939</td>
<td>$ 3,447.00</td>
</tr>
<tr>
<td>Mortgage principal payments due during 1940</td>
<td>$ 16,000.00</td>
</tr>
<tr>
<td>County tax accrued (Payable during 1940)</td>
<td>$ 9,207.68</td>
</tr>
<tr>
<td>Total Current Liabilities:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 29,147.26</td>
</tr>
</tbody>
</table>

Mortgage Payable: First mortgage dated October 18, 1935, held by Northwestern Mutual Life Insurance Co., covering Arcade Building, 16 E. Main Street, Rochester, N.Y. Principal amount $425,000.00. Interest 4 1/2% per annum, for the first ten years and thereafter at the rate of 5% per annum, is payable semi-annually. Principal payments started on April 18, 1937 at which time an amount of $6,000.00 was paid; subsequent payments are due as follows: (see sheet #7)

Forward to sheet #7: $ 29,147.26
8. LIABILITIES (CONTINUED):

Brought forward.............................................$ 29,147.26

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 18, 1937</td>
<td>$6,000.00 (Paid)</td>
</tr>
<tr>
<td>April 18, 1938</td>
<td>$7,000.00</td>
</tr>
<tr>
<td>October 18, 1938</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>April 18, 1939</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>October 18, 1939</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>April 18, 1940</td>
<td>$8,000.00</td>
</tr>
</tbody>
</table>

and a like sum every six months for eleven years thereafter; the remaining $215,000.00 being due in fifteen years from date, or on Oct. 18, 1950.

Amount of mortgage: $425,000.00

Less: Payments made: $425,000.00

Payments due during 1940 (See current above) 16,000.00 58,000.00

Balance per Exhibit A 16,000.00 58,000.00 $367,000.00

Total Liabilities: $396,147.26

9. PERMANENT FUNDS:

Gordon and Bowman: $11,802.50

W. S. Gordon Fund:
This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books of landscape gardening. Original amount of fund $2,500.00

John R. Bowman Fund:
This fund was created by John R. Bowman on or about January 13, 1932. At a meeting of the Board held on February 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee, for library purposes. Original amount of fund 5,000.00

Total: 5,000.00

Plus: Interest and dividends accumulated to date 4,302.50

Total: $11,802.50

W. S. & CO.
10. BUDGET OF OPERATIONS FOR THE PERIOD
JANUARY 1, 1940 TO DECEMBER 31, 1940:

Reading Room:
Total Budget: (See Schedule #8) $3,000.00
Property Committee:
Total Budget: (do- ) 97,718.56
Total: $100,718.56

11. ESTIMATED INCOME:
(do- )
Rentals $107,000.00
Electricity and other miscellaneous income from real estate 5,400.00
Interest on bonds and stocks 4,418.75
Total: $116,818.75

12. INSURANCE CARRIED:

Arcade Building:
  Fire, Windstorm, Hail, Explosion, Riot, Aircraft, Smoke and Vehicles 80% $450,000.00
  Public Liability and Property Damage and Elevator (Including Parking Station) 15/30/3,000.00
  Public Liability and Property Damage covering three street encroachments (Assured: City of Rochester) 15/30/2,000.00
  Workmen's Compensation Based on Payroll
  Officer and Employees' Fidelity Bond: S. F. Goodenough 20,000.00
  Miss Mildred Walsh, bookkeeper 5,000.00
  Automobile Liability and Property Damage on Plymouth Sedan owned by P. N. Schubmehl, Building Manager. Policy in name of Reynolds Library and P.N. Schubmehl 20/40/50,000.00

Library:
  Fire:
  Books located at 105 South Avenue 80% 80,000.00
13. SUMMARY OF ITEMS TO BE CONSIDERED BY THE BOARD OF TRUSTEES:

1. Resolution providing for appropriations for the Committees for the period January 1, 1940 to December 31, 1940. (See Budget referred to under 10 herein, as detailed on Schedule #8 of this report.)

2. Approval of Treasurer's report for the year ended December 31st, 1939.

14. REAL ESTATE: 150 SPRING STREET:

At a meeting of your Board of Directors held on May 19th, 1939, a resolution was passed authorizing the acceptance of an offer of $500.00 from Mrs. Mary Belle Astice, Mr. Mortimer R. Astice, Mrs. Mary Weller and Mrs. Emily Gardner, as Trustees under the Will of Mortimer F. Reynolds, for the transfer to said Trustees by quit-claim deed, all right, title and interest in the said Reynolds Library in and to the Smith Property on Spring Street, as well as all of the said real property acquired under the Will of Mortimer F. Reynolds, Deceased.

The land and building at 150 Spring Street which was recorded upon the books of the Reynolds Library at $70,000.00 and was so set forth in our annual report as at December 31st, 1938, was disposed of for a consideration of $500.00; the balance of $69,500.00 was transferred to Surplus Account. See Schedule #6 of this report.

15. MISCELLANEOUS:

We were informed that your organization, pursuant to the opinion of your attorneys, is not subject to the filing of Unemployment and Social Security Reports, and that, accordingly, returns as required by said Laws are not filed.

The cooperation extended to our representatives on this assignment by the officers and employees of the Reynolds Library, is greatly appreciated and facilitated our examination.

Respectfully submitted,

[Signature]
### EXHIBIT B

**THE REYNOLDS LIBRARY**  
**ROCHESTER, NEW YORK**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR**  
**ENDED DECEMBER 31, 1939**

#### CASH BALANCES:
- Lincoln-Alliance Bank and Trust Co.  
  - $23,386.01
- Rochester Trust and Safe Deposit Co. Permanent Fund  
  - 1,668.98
- Petty Cash  
  - 10.00  
  - **$25,064.99**

#### CASH RECEIPTS:
- **Rentals**  
  - 106,327.72
- **Electricity**  
  - 3,261.14
- **Water**  
  - 420.05
- **Parking**  
  - 1,725.00
- **Sundry**  
  - 302.29  
  - **$112,055.20**
- **Interest on Bank Balances**  
  - 31.02
- **Interest on Bonds**  
  - 4,545.75
- **Dividends on Stocks**  
  - 665.00
- **Discounts**  
  - 36.82
- **Sale of Bonds**  
  - 11,490.00
- **Book Sales Library**  
  - 79.95
- **Sale of Real Estate**  
  - 500.00
- **Bad Debt Recoveries**  
  - 44.00  
  - **$129,457.74**
- **Total**  
  - **$154,522.73**

#### CASH DISBURSEMENTS:
- **Maintenance and Operations**
  - Arcade Building (See Schedule #1)  
    - $99,014.48
  - **Heating Room** (See Schedule #2)  
    - 2,874.69
- **Adjustment of F.W. Woolworth Co. Water rent for prior years**  
  - 822.63
- **Trust Fees - Lincoln-Alliance Bank and Trust Co.**  
  - 154.21
- **Legal Expense**  
  - 500.00
- **Library Property Expense**  
  - 506.44
- **Purchase of Bonds**  
  - 3,118.10
- **Principal payments on mortgage**  
  - 16,000.00  
  - **$122,990.55**

**CASH BALANCE AS AT DECEMBER 31, 1939**  
- **$31,532.18**

#### REPRESENTED BY:
- **Deposits**:
  - Lincoln-Alliance Bank and Trust Co.  
    - $29,467.23
  - Rochester Trust & Safe Deposit Co. Permanent Fund  
    - 2,054.95
  - Petty Cash  
    - 10.00  
    - **$31,532.18**
THE REYNOLDS LIBRARY
ROCHESTER, N.Y.

CASH EXPENDITURES FOR MAINTENANCE & OPERATION OF ARCADE BLDG
FOR THE YEAR ENDED DEC. 31ST, 1939

OPERATING CHARGES:

Building and Janitor Supplies 1,620.11
Office Supplies 282.56
Elevator Maintenance 1,231.88
Heat 5,050.92
Electricity 7,378.81
Legal and Audit Service 150.00
Payrolls: Building 19,079.64
Insurance 1,872.22
Taxes: miscellaneous Utility
  County and City 33,555.33
Telephone and Telegraph 332.25
Water 2,454.46
Building Maintenance 1,797.52
Repairs: Building and Equipment 514.30
A. D. T. Service 384.86
Directory Board Service 15.00
Miscellaneous Expenses and Equipment 1,131.98
Alterations 4,286.75

$ 81,239.48

OTHER CHARGES:
Interest on Mortgages and Notes 17,775.00

TOTAL: (TO EXHIBIT B) $ 99,014.48

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:
Total: per cash statement above: $ 99,014.48

Plus: County taxes 1939 accrued 9,207.68
  -do- 1938 paid in 1939 8,247.32 $ 960.29
  Arcade Bldg Expense Depcn:Bldg 8,306.28
  -do- 1:Equip 11,846.64
Amortization of Building Con-
  struction-Special 8,286.36 28,439.28
  A.D.T. Service Adjustment 128.12
Accounts Payable:
  Supplies $ 102.58
  Insurance 390.00 $ 492.58
  Dec.31,1938 $26.45 466.13

$ 29,995.82

Increase in inventory of supplies 237.89
Unexpired insurance adjustment 876.69
Interest accrued adjustment 144.00

Total: per accrual statement:(Schedule #5) $127,749.72

* indicates red figures
<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periodicals</td>
<td>$429.26</td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,070.16</td>
</tr>
<tr>
<td>Supplies</td>
<td>$96.27</td>
</tr>
<tr>
<td>Lighting</td>
<td>$279.00</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$2,874.69</strong></td>
</tr>
<tr>
<td>Date Sold</td>
<td>Rate</td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
</tr>
<tr>
<td>Aluminum Co., Ltd. of Canada - S.F. Deb. Called: 7/5/39</td>
<td>5</td>
</tr>
<tr>
<td>New York Power &amp; Light Corp. 1st Mtge.</td>
<td>11/6/39</td>
</tr>
</tbody>
</table>

Total: $10,636.00 $11,490.00 $854.00 $548.75
### Schedule #5

**The Reynolds Library**  
**Rochester, N.Y.**  
**Statement of Income and Expenses on Accrual Basis**  
**January 1, 1939 to December 31, 1939**

#### Income:

- **Reynolds Arcade Building:**
  - Rentals (See Schedule #7)  
  - Electricity
  - Water
  - Parking Station
  - Sundry  
  
  Total: $106,387.78

- **Interest:**
  - Bonds (See Schedules #3: #4)
  - Dividends (—do—)
  
  Total: $4,370.75

**Total:** $112,084.79

#### Expenses:

- **Reynolds Arcade Building:**
  - Building and Janitor Supplies  
  - Office Supplies
  - Elevator Maintenance
  - Heat
  - Electricity
  - Legal and Audit Service
  - Payrolls
  - Insurance
  - Taxes: Utility
    - County and City
  - Telephone and Telegraph
  - Water
  - Building Maintenance
  - Repairs: Building and Equipment
  - A. D. T. Service
  - Directory Board Service
  - Interest on Mortgages and Notes
  - Miscellaneous Equipment and Expense
  - Depreciation: Building
  - —do—: Equipment
  - Amortization Building Construction—Special Alterations (Payrolls included $1071.45)
  
  Total: $116,995.54

**Reading Room:**

- Salaries
  - Lighting
  - Periodicals
  - Supplies
  
  Total: $101,027.50  
  **Total Expenses:**
  
  **Net Operating Loss**
  
  (Forward to sheet #2)
  
  *Indicates red figure (loss)
NET OPERATING LOSS* (Brought Forward from sheet #1)..................$ 13,628.87*

OTHER INCOME:
- Discounts $ 36.82
- Profit on sale of Securities (See Schedule #4) $ 854.00
- Bad Debt Recoveries (Charged off 1938) $ 44.00 $ 934.82

OTHER DEDUCTIONS:
Library Property Expense:
- Sundry $ 8.25
- Insurance $ 214.24
- Salary $ 115.00
- Water $ 9.18
- Light $ 6.62
- City Snow Removal, etc. $ 113.66 $ 466.95
Legal and Other Professional
- Trust Company Fees $ 500.00
- Adjustment: F. W. Woolworth Co. water for prior years $ 154.21
- Adjustment: F. W. Woolworth Co. water for prior years $ 822.63 $ 1,943.79 $ 1,008.97

NET LOSS FOR THE 12 MONTHS ENDED DECEMBER 31, 1939 (Schedule #6) $ 14,637.84*

* Indicates red figure (Loss)
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
ANALYSIS OF SURPLUS ACCOUNT: NET WORTH ACCOUNT:
JANUARY 1, 1939 TO DECEMBER 31, 1939

JANUARY 1, 1939: BALANCE $830,112.13

LESS:
Net Loss for the twelve months ended December 31, 1939 (See Schedule #5) $14,137.84
Land and Buildings 150 Spring St. $70,000.00
Less: Sale of Property acquired from Helen Augusta Smith March 2, 1908. $500.00
This property sold to Trustees under the will of Mortimer F. Reynolds
Net balance of Spring Street property that was acquired under the will of Mortimer F. Reynolds
At a special meeting of Board of Directors of The Reynolds Library held on May 19, 1939, a resolution was passed to transfer the property at 150 Spring St. to the trustees of the estate of Mortimer F. Reynolds 69,500.00

BALANCE: DECEMBER 31, 1939 $745,974.29
THE REYNOLDS LIBRARY
ROCHESTER, N.Y.
INCOME AND EXPENSES: BUDGET FOR 1940

INCOME:
Rentals
Electricity $3,200.00
Water 275.00
Sanitary Charges to Tenants and Miscellaneous 200.00
Discounts -
Parking Station 1,725.00
Interest and Dividends 5,400.00
Total: 4,418.75

Total: $116,818.75

EXPENSES:
BLDG: OPERATION:
Building and Janitor Supplies $1,300.00
Office Supplies 250.00
Elevator Maintenance 1,250.00
Heat (Steam) 5,000.00
Electricity 7,400.00
Telephone and Telegraph 400.00
Water 2,500.00
Bldg. Maintenance 2,000.00
Alterations 2,000.00
Repairs: Bldg. & Equipment 700.00
A.D.T. Service 513.00
Directory Board Service 15.00
Total: $25,328.00

OTHER EXPENSES:
Payrolls $19,000.00
Insurance 1,500.00
Taxes: County and City 34,528.56
Taxes: Miscellaneous 100.00
Interest on Loan 16,911.00
Miscellaneous 500.00
Legal and Professional 500.00
Legal and Audit 150.00
Contingent Expense 1,000.00
Total: 74,187.56

Total: $97,718.56

RENTAL OF SPRING ST. PROPERTY
Total: $203.00

READING ROOM: OPERATION
SALARIES $900.00
2,100.00
Total Expenses: $100,718.56
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1940

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 MAIN STREET EAST
ROCHESTER, N.Y.
To the President and Board of Trustees,
The Reynolds Library,
Reynolds Arcade Building,
Rochester, N.Y.

Gentlemen:-

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31st, 1940. As a part of this report, we submit the following statements:-

Exhibit A:
Statement of Assets and Liabilities as at December 31st, 1940.

Exhibit B:
Statement of Cash Receipts and Disbursements for the year ended December 31st, 1940.

Schedule #1:
Cash expenditures for maintenance and operation of Arcade Building for the year ended December 31st, 1940.

Schedule #2:
Cash expenditures for maintenance and operation of Reading Room for the year ended December 31st, 1940.

Schedule #3:
Investments as at December 31st, 1940.

Schedule #4:
Statement of income and expenses on accrual basis for the year ended December 31st, 1940.

Schedule #5:
Analysis of Net Worth (Surplus Account) January 1st, 1940 to December 31st, 1940.

Schedule #6:
Abstract of leases in effect as at December 31st, 1940.

Schedule #7:
Budget of Arcade Building and Reading Room for the twelve months of 1941.
1. CASH RECEIPTS AND DISBURSEMENTS:

The cash transactions were reviewed. We found that the recorded receipts were deposited, and that there are on file vouchers supporting the disbursements. A summary of cash transactions for the period January 1st, 1940 to December 31st, 1940 follows:

<table>
<thead>
<tr>
<th>Cash Balance: January 1st, 1940</th>
<th>$31,532.18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash receipts:</td>
<td></td>
</tr>
<tr>
<td>Rentals</td>
<td>$105,735.64</td>
</tr>
<tr>
<td>Electricity</td>
<td>3,587.86</td>
</tr>
<tr>
<td>Water</td>
<td>404.72</td>
</tr>
<tr>
<td>Parking</td>
<td>1,725.00</td>
</tr>
<tr>
<td>Sundry</td>
<td>231.20</td>
</tr>
<tr>
<td>Interest on bank balances</td>
<td>$31.75</td>
</tr>
<tr>
<td>Interest on bonds</td>
<td>4,035.00</td>
</tr>
<tr>
<td>Dividends on stocks</td>
<td>766.50</td>
</tr>
<tr>
<td>Discounts</td>
<td>17.44</td>
</tr>
<tr>
<td>Bad debt recoveries</td>
<td>15.25</td>
</tr>
<tr>
<td>Total:</td>
<td>$148,082.54</td>
</tr>
</tbody>
</table>

Cash disbursements:

| Maintenance and operation:       |          |
| Arcade Building                  | $93,780.13 |
| Reading Room                     | 2,690.85  |
| Legal                            | 250.00    |
| Accounts payable (paid in 1940)  | 492.58    |
| Trust fees: Lincoln-Alliance     | 135.51    |
| Bank and Trust Co.               | $97,349.07 |
| Principal payments on mortgage   | 16,000.00 |
| Purchase of stocks               | 2,621.00  |
| Cash balance: December 31st, 1940| $32,112.47 |

The cash balance of $32,112.47 is accounted for as follows:

- On deposit:
  - Lincoln-Alliance Bank and Trust Co. $29,715.77
  - Rochester Trust and Safe Deposit Co: Permanent Fund 2,386.70 $32,102.47

Petty cash 10.00

Total cash on hand and in banks: $32,112.47

The cash on hand was verified by actual count. The funds on deposit were confirmed by the depositories. The following special funds are included in the total cash balance:

- Gordon and Bowman Funds $2,386.70

For statement purposes, the cash balance is segregated as follows:

Cash on deposit:
- General Fund $29,715.77
- Permanent Fund 2,386.70
- Total: $32,112.47
### Summary Statement of Cash Receipts and Disbursements

#### For the Year by Application of Funds:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash balance January 1, 1940</td>
<td>$31,532.18</td>
</tr>
<tr>
<td>Additions from principal:</td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Additions: Income from investments, etc:</td>
<td></td>
</tr>
<tr>
<td>Interest on bank balances</td>
<td>$31.75</td>
</tr>
<tr>
<td>Interest on bonds</td>
<td>$4,035.00</td>
</tr>
<tr>
<td>Dividends on stocks</td>
<td>$766.50</td>
</tr>
<tr>
<td>Discount earned</td>
<td>$17.44</td>
</tr>
<tr>
<td>Operating Income:</td>
<td></td>
</tr>
<tr>
<td>Arcade Building:</td>
<td></td>
</tr>
<tr>
<td>Rentals and miscellaneous income</td>
<td>$111,684.42</td>
</tr>
<tr>
<td>Bad debt recoveries</td>
<td>$15.25</td>
</tr>
<tr>
<td>Total:</td>
<td>$111,699.67</td>
</tr>
<tr>
<td>Less: Operating expenses</td>
<td></td>
</tr>
<tr>
<td>Net income:</td>
<td>93,780.13</td>
</tr>
<tr>
<td>Total:</td>
<td>17,919.54</td>
</tr>
<tr>
<td>Deductions:</td>
<td></td>
</tr>
<tr>
<td>Reading room expenses</td>
<td>$2,690.85</td>
</tr>
<tr>
<td>Miscellaneous expenses:</td>
<td></td>
</tr>
<tr>
<td>Trust Fees</td>
<td>$135.51</td>
</tr>
<tr>
<td>Legal</td>
<td>250.00</td>
</tr>
<tr>
<td>Accounts payable: 1939:</td>
<td>385.51</td>
</tr>
<tr>
<td>Principal payment on mortgage</td>
<td>492.58</td>
</tr>
<tr>
<td>Purchase of stocks</td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>16,000.00</td>
</tr>
<tr>
<td>Cash balance December 31, 1940</td>
<td>2,621.00</td>
</tr>
<tr>
<td>Total:</td>
<td>22,189.94</td>
</tr>
<tr>
<td>Cash balance December 31, 1940</td>
<td>$32,112.47</td>
</tr>
</tbody>
</table>
3. INTEREST RECEIVABLE:

Interest receivable consists of the following amounts which represent bond coupons due and dividends receivable on January 1, 1941:

Bond coupons due:
Illinois Central R.R. Co. $ 17.50

Dividends receivable:
Consolidated Gas, Electric Light and Power Co. of Baltimore $ 90.00

Total: $ 107.50

4. INVESTMENTS:

A summary of investments which are set forth on Schedule #3 of this report follows:

Municipal and Corporation Bonds and Stocks:

A: Par value: Bonds: $ 92,350.00
   Stocks: $ 2,550.00
   Total: $ 94,900.00

B: Market value: Bonds: $ 80,364.25
   Stocks: $ 15,170.50
   Total: $ 95,534.75

C: Book value: Bonds: $ 90,192.47
   Stocks: $ 18,122.28
   Total: $108,314.75

Stocks and bonds as set forth on Schedule #3 are held for safekeeping by the Lincoln-Alliance Bank and Trust Co. as per their certificate dated January 6th, 1941.
5. REAL ESTATE AND SUNDARY ASSETS:

Investment in real estate and other properties is as follows:

16 East Main Street, Rochester, N.Y.

Real Estate:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Deprec'n</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$350,000.00</td>
<td>-</td>
<td>$350,000.00</td>
</tr>
<tr>
<td>Buildings</td>
<td>415,310.93</td>
<td>41,531.36</td>
<td>373,779.57</td>
</tr>
<tr>
<td>Equipment</td>
<td>185,697.29</td>
<td>58,628.80</td>
<td>127,068.49</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$951,008.22</strong></td>
<td><strong>$100,160.16</strong></td>
<td><strong>$850,848.06</strong></td>
</tr>
</tbody>
</table>

Library Books (At Rundel Library) 80,000.00

Total: $930,848.06

The assessed value of real estate for tax purposes is as follows:

16 East Main Street, Rochester, N.Y.

Total assessment (including exempt $130,000.00) $930,000.00

During 1940 depreciation was written off as follows:

<table>
<thead>
<tr>
<th>Building:</th>
<th>Cost to Dec.31,1940</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hldg:16 E.Main St.</td>
<td>$401,626.93</td>
<td>2%</td>
<td>$8,032.56</td>
</tr>
<tr>
<td>Acoustical Treatment</td>
<td>13,684.00</td>
<td>2%</td>
<td>273.72</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$415,310.93</strong></td>
<td></td>
<td><strong>$8,306.28</strong></td>
</tr>
</tbody>
</table>

Equipment:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrier equipment</td>
<td>$63,328.73</td>
<td>10%</td>
<td>$6,332.76</td>
</tr>
<tr>
<td>Heating</td>
<td>27,639.93</td>
<td>4%</td>
<td>1,105.56</td>
</tr>
<tr>
<td>Plumbing</td>
<td>37,709.99</td>
<td>4%</td>
<td>1,508.40</td>
</tr>
<tr>
<td>Elevators, machinery and cabs</td>
<td>27,623.00</td>
<td>5%</td>
<td>1,381.08</td>
</tr>
<tr>
<td>Venetian blinds</td>
<td>2,243.28</td>
<td>8%</td>
<td>179.40</td>
</tr>
<tr>
<td>Electric wiring and fixtures</td>
<td>22,844.63</td>
<td>4%</td>
<td>913.80</td>
</tr>
<tr>
<td>Drinking fountains</td>
<td>2,138.89</td>
<td>15%</td>
<td>320.88</td>
</tr>
<tr>
<td>Sprinkler system</td>
<td>2,093.84</td>
<td>5%</td>
<td>104.76</td>
</tr>
<tr>
<td>Shelving</td>
<td>75.00</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$185,697.29</strong></td>
<td></td>
<td><strong>$11,846.64</strong></td>
</tr>
</tbody>
</table>

The book value as set forth for the various properties, does not necessarily represent the present market value of said properties.
6. DEFERRED CHARGES:

Deferred charges are as follows:-

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building construction special</td>
<td>$82,864.12</td>
</tr>
<tr>
<td>Loss: Amortization at the rate of 10%</td>
<td>37,918.70</td>
</tr>
<tr>
<td>Inventory of sundry supplies</td>
<td></td>
</tr>
<tr>
<td>Prepaid insurance</td>
<td>1,695.24</td>
</tr>
<tr>
<td>Total:</td>
<td>$47,494.82</td>
</tr>
</tbody>
</table>

"Building Construction Special" carried at a cost of $82,864.22 consists of the following:-

Cost of construction for change in plans to accommodate tenants 1933 $50,606.98
Tenant alterations 1937 17,565.74 $68,172.72
Commissions Re: acquisition of leases 14,691.40
Total: $82,864.12
Loss: Amortization 37,918.70
Balance: $44,945.42

7. LIABILITIES:

A summary of liabilities is as follows:-

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$636.01</td>
</tr>
<tr>
<td>Interest accrued on mortgage covering the period October 15, 1940 to December 31, 1940</td>
<td>$3,303.00</td>
</tr>
<tr>
<td>Mortgage principal, payments due during 1941</td>
<td>16,000.00</td>
</tr>
<tr>
<td>County tax accrued (Payable during 1941)</td>
<td>9,133.04</td>
</tr>
<tr>
<td>Total current liabilities: (Forward to sheet #7)</td>
<td>$29,072.05</td>
</tr>
</tbody>
</table>
7. LIABILITIES: (CONTINUED)

Total current liabilities: (Forwarded from sheet #6) ............. $29,072.05

Mortgage payable: First mortgage dated October 18, 1935, held by Northwestern Mutual Life Insurance Co. covering Arcade Building, 16 East Main Street, Rochester, N.Y. Principal amount $425,000.00. Interest 4½% per annum, for the first 10 years, and thereafter at the rate of 5½% per annum, is payable semi-annually. Principal payments started on April 18, 1937 at which time an amount of $6,000.00 was paid; subsequent payments are due as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 18, 1937</td>
<td>$6,000.00 (Paid)</td>
</tr>
<tr>
<td>April 18, 1938</td>
<td>$7,000.00</td>
</tr>
<tr>
<td>October 18, 1938</td>
<td>$7,000.00</td>
</tr>
<tr>
<td>April 18, 1939</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>October 18, 1939</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>April 18, 1940</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>October 18, 1940</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>April 18, 1941</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>October 18, 1941</td>
<td>$8,000.00</td>
</tr>
</tbody>
</table>

And a like sum every 6 months for 11 years thereafter; the remaining $215,000.00 being due in 15 years from date, or on October 18, 1950.

Amount of mortgage $425,000.00
Less: Payments made $58,000.00
Payments due during 1941 (See current-sheet #6) $16,000.00 $74,000.00

Balance: per Exhibit A: $351,000.00

Total liabilities: $380,072.05

We have in our files a certificate signed by Mr. Swayne P. Goodenough, Treasurer, certifying that all known obligations of The Reynolds Library, Inc. were recorded upon the books before closing as at December 31st, 1940.
8. PERMANENT FUNDS:

Gordon and Bowman $ 12,134.25

W. S. Gordon Fund:
This fund was created by W.S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books of landscape gardening.
Original amount of fund: $ 2,500.00

John R. Bowman Fund:
This fund was created by John R. Bowman, on or about January 13, 1932. At a meeting of the Board held on February 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee, for library purposes.
Original amount of fund: $ 5,000.00

Total: $ 7,500.00

Plus interest and dividends accumulated to date 4,634.25

Total: $ 12,134.25
9. BUDGET OF OPERATIONS FOR THE PERIOD
JANUARY 1, 1941 TO DECEMBER 31, 1941:

Reading Room:
Total budget (See Schedule #7) $2,900.00
Property Committee:
Total budget: (See Schedule #7) 97,801.50
Total: $100,701.50

10. ESTIMATED INCOME: (See Schedule #7)
Rentals $108,344.00
Electricity and other miscellaneous 4,250.00
Income from real estate 1,725.00
Interest on bonds and stocks 4,550.00
Total: $118,869.00

11. INSURANCE CARRIED:

Arcade Building:
Fire: Windstorm, hail, explosion, riot, aircraft, smoke and vehicles 80% $450,000.00
Public liability and property damage and elevator (including parking station) 15/30/3,000.00
Public liability and property damage covering three street encroachments (Assured: City of Rochester) 15/30/2,000.00
Workmen's compensation Based on payroll

Officer and employees' Fidelity bond:
S. P. Goodenough, Treasurer 20,000.00
Miss Mildred Walsh, bookkeeper 5,000.00

Automobile liability and property damage on Plymouth sedan owned by P. N. Schubmehl, building manager.
Assured: Paul N. Schubmehl and Reynolds Library 20/40/5,000.00

Library:
Fire:
Books located at 105 South Avenue 80% 80,000.00
12. SUMMARY OF ITEMS TO BE CONSIDERED BY THE
BOARD OF TRUSTEES:

1. Resolution providing for appropriations for the
Committee for the period January 1, 1941 to
December 31, 1941. (See budget referred to under
9 herein, as detailed on Schedule #7 of this re-
port.)

2. Approval of Treasurer's report for the year ended
December 31, 1940.

13. MISCELLANEOUS:

We were informed that your organization, pursuant to the
opinion of your attorneys, is not subject to the filing of unemployment and
social security reports, and that, accordingly, returns as required by said
laws are not filed.

The cooperation extended to our representatives on this
assignment by the officers and employees of The Reynolds Library, is greatly
appreciated and facilitated our examination.

Respectfully submitted,

[Signature]
# Statement of Cash Receipts and Disbursements for the Year
## Ended December 31, 1940

### Cash Balances:
- Lincoln-Alliance Bank and Trust Co. $29,467.23
- Rochester Trust and Safe Deposit Co. Permanent fund 2,054.95
- Petty cash 10.00
- **Total:** $31,532.18

### Cash Receipts:
- Rentals $105,735.64
- Electricity 3,587.86
- Water 404.72
- Parking 1,725.00
- Sundry 231.20
- **Total:** 111,684.42

### Cash Disbursements:
- Maintenance and operations:
  - Arcade Building (See schedule #1) $93,780.13
  - Reading room (See schedule #2) 2,690.85
  - **Total:** 96,470.98
- Legal expense 250.00
- Accounts payable Dec. 31, 1940 paid 492.58
- Trust fees: Lincoln-Alliance Bank & Trust Co. 135.51
- Principal payments on mortgage 16,000.00
- **Total:** 18,621.00

### Cash Balance as at December 31, 1940
**$32,112.47**

### Represented by:
- Deposits: Lincoln-Alliance Bank & Trust Co. $29,715.77
- Rochester Trust & Safe Deposit Co. 2,386.70
- Permanent fund 10.00
- **Total:** $32,112.47
THE REYNOLDS LIBRARY  
ROCHESTER, N. Y.  

CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF ARCADE BUILDING 
FOR THE YEAR ENDED DECEMBER 31, 1940

<table>
<thead>
<tr>
<th>Operating Charges:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and janitor supplies</td>
<td>$1,548.87</td>
</tr>
<tr>
<td>Office supplies</td>
<td>217.14</td>
</tr>
<tr>
<td>Elevator maintenance</td>
<td>1,203.13</td>
</tr>
<tr>
<td>Heat</td>
<td>5,029.91</td>
</tr>
<tr>
<td>Electricity</td>
<td>6,919.65</td>
</tr>
<tr>
<td>Legal and audit service</td>
<td>150.00</td>
</tr>
<tr>
<td>Payrolls: building</td>
<td>19,473.86</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,300.63</td>
</tr>
<tr>
<td>Taxes: miscellaneous utility</td>
<td></td>
</tr>
<tr>
<td>County and city</td>
<td>106.25</td>
</tr>
<tr>
<td>Telephone and telegraph</td>
<td>34,523.56</td>
</tr>
<tr>
<td>Water</td>
<td>390.21</td>
</tr>
<tr>
<td>Building maintenance</td>
<td>2,314.02</td>
</tr>
<tr>
<td>Repairs: building and equipment</td>
<td>1,018.92</td>
</tr>
<tr>
<td>A. D. T. Service</td>
<td>370.27</td>
</tr>
<tr>
<td>Directory board service</td>
<td>512.50</td>
</tr>
<tr>
<td>Miscellaneous expenses and equipment</td>
<td>15.00</td>
</tr>
<tr>
<td>Alterations</td>
<td>519.78</td>
</tr>
</tbody>
</table>

Total Operating Charges: $76,725.13

Other Charges:  
Interest on mortgages and notes: $17,055.00

Total: (To exhibit B) $93,780.13

Reconciliation of Cash and Accrued Building Expense: 
Total: (Per cash statement above) $93,780.13

<table>
<thead>
<tr>
<th>Plus:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation: building</td>
<td>$8,306.28</td>
</tr>
<tr>
<td>Depreciation: equipment</td>
<td>11,846.64</td>
</tr>
<tr>
<td>Amortization of building construction special</td>
<td>8,286.36</td>
</tr>
<tr>
<td>Accounts payable Dec. 31,1940</td>
<td>636.01</td>
</tr>
<tr>
<td>Unexpired insurance adjustment</td>
<td>48.51</td>
</tr>
<tr>
<td></td>
<td>$29,123.80</td>
</tr>
</tbody>
</table>

Less: County taxes 1939 accrued                     | $9,207.68 |
| " " 1940                                         | 9,133.04 |
| Increase in inventory                            | 87.00 |
| Interest accrued adjustment                      | 144.00 |
|                                                   | 305.64 |

Total per accrual statement (Schedule #4) $122,598.22
THE REYNOLDS LIBRARY
ROCHESTER, N. Y.
CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF READING ROOM
FOR THE YEAR ENDED DECEMBER 31, 1940

MAINTENANCE AND OPERATION OF READING ROOM:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periodicals</td>
<td>$ 216.72</td>
</tr>
<tr>
<td>Salaries</td>
<td>$2,071.39</td>
</tr>
<tr>
<td>Supplies</td>
<td>$ 123.74</td>
</tr>
<tr>
<td>Lighting</td>
<td>$ 279.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 2,690.85</strong></td>
</tr>
</tbody>
</table>

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total per cash statement above</td>
<td>$ 2,690.85</td>
</tr>
<tr>
<td>Less: increase in inventory</td>
<td>$ 28.70</td>
</tr>
<tr>
<td><strong>Total per accrual statement (Schedule #4)</strong></td>
<td><strong>$ 2,662.15</strong></td>
</tr>
</tbody>
</table>
### THE REYNOLDS LIBRARY
### ROCHESTER, N.Y.
### STATEMENT OF INCOME AND EXPENSES ON ACCRUAL BASIS
### JANUARY 1, 1940 TO DECEMBER 31, 1940

#### INCOME:

<table>
<thead>
<tr>
<th>Description</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reynolds Arcade Building:</td>
<td></td>
</tr>
<tr>
<td>Rentals</td>
<td>$105,673.58</td>
</tr>
<tr>
<td>Electricity</td>
<td>3,587.86</td>
</tr>
<tr>
<td>Water</td>
<td>404.72</td>
</tr>
<tr>
<td>Parking station</td>
<td>1,725.00</td>
</tr>
<tr>
<td>Sundry</td>
<td>231.20</td>
</tr>
<tr>
<td>Interest:</td>
<td>$111,624.36</td>
</tr>
<tr>
<td>Bonds (See Schedule #3)</td>
<td>$3,912.00</td>
</tr>
<tr>
<td>Dividends (do-)</td>
<td>616.50</td>
</tr>
<tr>
<td>Total:</td>
<td>$115,152.86</td>
</tr>
</tbody>
</table>

#### EXPENSES:

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reynolds Arcade Building:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and janitor supplies</td>
<td>$1,300.00</td>
<td>1,453.32</td>
</tr>
<tr>
<td>Office supplies</td>
<td>250.00</td>
<td>217.14</td>
</tr>
<tr>
<td>Elevator maintenance</td>
<td>1,250.00</td>
<td>1,203.13</td>
</tr>
<tr>
<td>Heat</td>
<td>5,000.00</td>
<td>5,029.91</td>
</tr>
<tr>
<td>Electricity</td>
<td>7,400.00</td>
<td>7,433.40</td>
</tr>
<tr>
<td>Legal and audit service</td>
<td>150.00</td>
<td>150.00</td>
</tr>
<tr>
<td>Payrolls</td>
<td>19,000.00</td>
<td>19,473.86</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,500.00</td>
<td>1,349.14</td>
</tr>
<tr>
<td>Taxes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility</td>
<td>100.00</td>
<td>106.25</td>
</tr>
<tr>
<td>County and city</td>
<td>34,526.56</td>
<td>34,448.92</td>
</tr>
<tr>
<td>Telephone and telegraph</td>
<td>400.00</td>
<td>390.21</td>
</tr>
<tr>
<td>Water</td>
<td>2,500.00</td>
<td>2,414.38</td>
</tr>
<tr>
<td>Building maintenance</td>
<td>2,000.00</td>
<td>1,021.70</td>
</tr>
<tr>
<td>Repairs: Building and equipment</td>
<td>700.00</td>
<td>370.27</td>
</tr>
<tr>
<td>A. D. T. Service</td>
<td>513.00</td>
<td>512.50</td>
</tr>
<tr>
<td>Directory board service</td>
<td>15.00</td>
<td>15.00</td>
</tr>
<tr>
<td>Interest on mortgages and notes</td>
<td>16,911.00</td>
<td>16,911.00</td>
</tr>
<tr>
<td>Miscellaneous equipment &amp; expense</td>
<td>500.00</td>
<td>519.78</td>
</tr>
<tr>
<td>Alterations</td>
<td>2,000.00</td>
<td>1,128.70</td>
</tr>
<tr>
<td>Total:</td>
<td>$96,015.56</td>
<td>$94,159.01</td>
</tr>
</tbody>
</table>

| Reading Room:                       |        |        |
| Salaries                            | 2,100.00 | 2,071.39 |
| Lighting                            | 279.00  |        |
| Periodicals                         | 900.00  | 216.72 |
| Supplies                            | 95.04   |        |
| Total:                               | $3,000.00 | $2,662.15 |

| Total expenses:                     | $99,015.56 | $96,821.16 |

| Depreciation: Building              | 8,306.28  |        |
| Depreciation: Equipment             | 11,846.64 |        |
| Amortization: Building construction special | 8,286.36 |        |

| Total:                               | 125,260.44 |

#### NET OPERATING LOSS* (Forward to sheet #2) $9,107.58*
**SCHEDULE #4**

**NET OPERATING LOSS** *(Forwarded from sheet #1)*

$9,107.58*

**OTHER INCOME:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounts</td>
<td>$17.44</td>
</tr>
<tr>
<td>Bad debt recoveries (charged off 1938)</td>
<td>$15.25</td>
</tr>
<tr>
<td></td>
<td>$32.69</td>
</tr>
</tbody>
</table>

**OTHER DEDUCTIONS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal and other professional</td>
<td>$250.00</td>
</tr>
<tr>
<td>Library insurance</td>
<td>$95.04</td>
</tr>
<tr>
<td>Trust Fees</td>
<td>$135.51</td>
</tr>
<tr>
<td></td>
<td>$480.55</td>
</tr>
<tr>
<td></td>
<td>$447.86</td>
</tr>
</tbody>
</table>

**NET LOSS FOR THE 12 MONTHS ENDED DECEMBER 31, 1940** *(Schedule #5)*

$9,555.44*

* Red figures (Loss)
THE REYNOLDS LIBRARY
ROCHESTER, N. Y.
ANALYSIS OF SURPLUS ACCOUNT: NET WORTH ACCOUNT:
JANUARY 1, 1940 TO DECEMBER 31, 1940

JANUARY 1, 1940: BALANCE $745,974.29

LESS:
Net loss for the twelve months ended December 31, 1940 (See Schedule #4) 9,555.44

BALANCE: DECEMBER 31, 1940 $736,418.85
THE REYNOLDS LIBRARY
ROCHESTER, N.Y.
INCOME AND EXPENSES: BUDGET FOR 1941

INCOME:
Rentals $108,344.00
Electricity $3,600.00
Water 400.00
Sundry charges to tenants and miscellaneous 250.00
Parking station 4,250.00
Interest and dividends 1,725.00
Total: 4,550.00

EXPENSES:
Building Operation:
Building and janitor supplies $1,500.00
Office supplies 250.00
Elevator maintenance 1,250.00
Heat (Steam) 5,000.00
Electricity 7,500.00
Telephone and telegraph 395.00
Water 2,450.00
Building maintenance 1,200.00
Alterations 3,500.00
Repairs: Building and equipment 400.00
A. D. T. Service 512.50
Directory Board Service 15.00
Total: 23,972.50

OTHER EXPENSES:
Payrolls $20,000.00
Insurance 1,500.00
Taxes: City and county 34,104.00
Taxes: Miscellaneous (Utility) 100.00
Interest on mortgage 16,191.00
Miscellaneous 400.00
Legal and professional 300.00
Legal and audit 150.00
Contingent expense 1,000.00
Total: 73,745.00

Library property expense 84.00

TOTAL:

Payrolls $20,000.00
Library property expense 84.00

TOTAL EXPENSE:

Edition Room:
Operation $765.00
Salaries 2,135.00

TOTAL EXPENSE: $100,701.50
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1942

WILSON, SHULTS & CO.
certified public accountants
119 MAIN STREET EAST
ROCHESTER, N.Y.
To the President and Board of Trustees
The Reynolds Library
Reynolds Arcade Building
Rochester, New York

Gentlemen:

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31, 1942. As a part of this report, we submit the following statements:

Exhibit A:
Statement of Assets and Liabilities as at December 31, 1942.

Exhibit B:
Statement of Cash Receipts and Disbursements for the year ended December 31, 1942.

Schedule #1:
Cash Expenditures for Maintenance and Operation of Arcade Building for the year ended December 31, 1942.

Schedule #2:
Cash Expenditures for Maintenance and Operation of Reading Room for year ended December 31, 1942.

Schedule #3:
Investments as at December 31, 1942.

Schedule #4:
Statement of Income and Expense on Accrual Basis for year ended December 31, 1942.

Schedule #5:
Analysis of Net Worth (Surplus Account) January 1, 1942 to December 31, 1942.

Schedule #6:
Abstract of Leases in effect as at December 31, 1942.

Schedule #7:
Budget figures for year ending December 31, 1943.
1. CASH RECEIPTS AND DISBURSEMENTS:

The cash transactions were reviewed. We found that the recorded receipts were deposited, and that there are on file vouchers supporting the disbursements. A summary of cash transactions for the period January 1, 1942 to December 31, 1942 follows:

Cash balance: January 1, 1942 $41,232.89

Cash receipts:
- Rentals $111,541.06
- Electricity 4,558.46
- Water 314.16
- Parking 1,400.00
- Sundry 203.38
- Interest: Bank balances 32.76
- Interest on bonds 3,228.57
- Dividends on stocks 767.00
- Discounts 20.48
- Refunds by former executives 1,825.00
- Sale of bonds 5,873.81

Total: 118,017.06

Cash disbursements:
- Maintenance and operations:
  - Arcade Building (See Sch. #1) $96,919.31
  - Reading room (See Sch. #2) 2,845.38
- Trust fees: Banks 229.55
- Accounts payable (Paid in 1942) 571.68
- Beardsley Clark Realty Co. Inc.
  - Settlement 1,560.00
  - Principal payments on mortgage 16,000.00
  - Purchase of bonds 64,914.75

Cash balance: December 31, 1942 102,125.92

The cash balance of $31,954.34 is accounted for as follows:

On deposit:
- Rochester Trust & Safe Deposit Co. $3,023.94
- Security Trust Co. of Rochester 28,920.40
- Petty cash 10.00

Total cash on hand and in banks $31,954.34

The cash on hand was verified by actual count. The funds on deposit were confirmed by the depositories. The following special funds are included in the total cash balance:

Gordon and Bowman Funds $3,023.94

For statement purposes, the cash balance is segregated as follows:

Cash on deposit:
- General fund $28,930.40
- Permanent fund 3,023.94

Total: $31,954.34
2. SUMMARY STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS:
   FOR THE YEAR BY APPRECIATION OF FUNDS:

   Cash balance: January 1, 1942 $ 41,232.89
   Additions from principal:
      Sale of bonds $ 49,871.25
   Additions; Income from investments, etc.:
      Interest on bank balances $ 32.76
      Interest on bonds 3,228.57
      Dividends on stocks 767.00
      Discount earned 20.48  4,048.81
   Operating income:
      Arcade Building:
         Rentals and miscellaneous $118,017.06
         Less: Operating expense 96,919.31  21,097.75
         Refunds 1,825.00
   Total: 76,842.81
   Deductions:
      Reading Room expenses $ 2,845.38
      Miscellaneous expenses:
         Trust fees $ 229.55
         Beardsley Clark Realty Co. Inc. settlement 1,560.00  1,789.55
      Accounts payable: 1942 571.68
      Principal payment on mortgages 16,000.00
      Purchase of bonds 64,914.75  86,121.36
   Cash balance: December 31, 1942 $ 31,554.34

3. INTEREST RECEIVABLE:

   Interest receivable consists of the following accounts which represent bond coupons due and dividends receivable on January 1, 1943:

   Bond coupons due:
      Erie R. R. $ 100.00
      U. S. Defense 125.00
      (1) New York, New Haven & Hartford R. R. 720.00

   Dividends receivable:
      Consolidated gas, electric light and power co. of Baltimore 90.00
   Total: $ 1,035.00

   (1) These bonds were purchased July 28, 1942, the interest being in default. On January 15, 1943 Reynolds Library received a check covering interest for periods January 15, 1939 and July 15, 1939.
4. ACCOUNTS RECEIVABLE: RENTS:

Accounts receivable consists of the following:

1942 Woolworth sales $166,762.47
Amount of sales allowed on rental of $10,000.00 6% on $166,666.00 $96.47 $5.79
F. W. Woolworth Co.: water $1.92
Waldorf Systems, Inc.: 7.71
1942 sales $166,641.57
Amount of sales 8% on $156,250.00 $10,364.57 829.16
Water 27.13
Total: $864.00

5. INVESTMENTS:

A summary of investments as set forth on Schedule #3 of this report follows:

Government and Corporation Bonds and Stocks:
A: Par Value
Bonds $108,350.00
Stocks 2,550.00
Total: $110,900.00

B: Market Value:
Bonds $86,567.50
Stocks 13,735.00
Total: $100,302.50

C: Book Value
Bonds $89,958.15
Stocks 18,122.28
Total: $108,080.43

Stocks and bonds as set forth on Schedule #3 are held for safekeeping by the Security Trust Company of Rochester as per their certificate dated January 11, 1943.

6. REAL ESTATE AND SUNDAY ASSETS:

Investment in real estate and other properties is as follows:

16 East Main Street, Rochester, New York:
Real estate

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$350,000.00</td>
<td>$ -</td>
<td>$350,000.00</td>
</tr>
<tr>
<td>Buildings</td>
<td>415,310.93</td>
<td>58,143.92</td>
<td>357,167.01</td>
</tr>
<tr>
<td>equipment</td>
<td>105,697.29</td>
<td>82,322.08</td>
<td>103,375.21</td>
</tr>
<tr>
<td>Total:</td>
<td>$851,008.22</td>
<td>$140,466.00</td>
<td>$810,542.22</td>
</tr>
</tbody>
</table>

Library Books (At Rundel Library) 80,000.00
Total: $890,542.22

- Continued on next sheet -
6. REAL ESTATE AND SUNDARY ASSETS: (CONTINUED):

The assessed value of real estate for tax purposes is as follows:

16 East Main Street, Rochester, New York:

Total assessment (including exempt $130,000.00) $871,000.00

During 1942 depreciation was written off as follows:

<table>
<thead>
<tr>
<th>Buildings:</th>
<th>Cost to Dec 31, 1942</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building: 16 E. Main Street</td>
<td>$401,626.93</td>
<td>2%</td>
<td>$8,032.56</td>
</tr>
<tr>
<td>Accoustical treatment</td>
<td>13,684.00</td>
<td>2%</td>
<td>273.72</td>
</tr>
<tr>
<td>Total:</td>
<td>$415,310.93</td>
<td></td>
<td>$8,306.28</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equipment:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrier equipment</td>
<td>$63,328.73</td>
<td>10%</td>
<td>$6,332.76</td>
</tr>
<tr>
<td>Heating equipment</td>
<td>27,639.93</td>
<td>4%</td>
<td>1,105.56</td>
</tr>
<tr>
<td>Plumbing equipment</td>
<td>37,709.99</td>
<td>4%</td>
<td>1,508.40</td>
</tr>
<tr>
<td>Elevators, machinery &amp; cabs</td>
<td>27,623.00</td>
<td>5%</td>
<td>1,381.08</td>
</tr>
<tr>
<td>Venetian blinds</td>
<td>2,243.28</td>
<td>8%</td>
<td>179.40</td>
</tr>
<tr>
<td>Electric wiring and fixtures</td>
<td>22,844.63</td>
<td>4%</td>
<td>913.80</td>
</tr>
<tr>
<td>Drinking fountains</td>
<td>2,138.89</td>
<td>15%</td>
<td>320.88</td>
</tr>
<tr>
<td>Sprinkler system</td>
<td>2,093.84</td>
<td>5%</td>
<td>104.76</td>
</tr>
<tr>
<td>Shelving</td>
<td>75.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>$185,697.29</td>
<td></td>
<td>$11,846.64</td>
</tr>
</tbody>
</table>

The book value as set forth for the various properties does not necessarily represent the present market value of said properties.

7. DEFERRED CHARGES:

Deferred charges are as follows:

Building construction special $82,864.12
Less: Amortization at the rate of 10% 54,491.42 $28,372.70
Inventory of sundry supplies 1,301.68
Prepaid insurance 1,050.09
Total: $30,724.47

A summary of "Building Construction Special" follows:

Cost of construction for change in plans to accommodate tenants $50,606.98
Tenant alterations 17,565.74 $68,172.72
Commissions Re: Acquisition of leases 14,691.40
Total: $82,864.12
Less: Amortization 54,491.42
Balance: $28,372.70

W.S.&CO.
8. LIABILITIES:

A summary of liabilities is as follows:

Accounts payable $ 311.66
Interest accrued on mortgage covering the
period Oct. 15, 1942 to Dec. 31, 1942 $ 3,015.00
Mortgage principal payments due during 1943 16,000.00 19,015.00
County tax accrued (payable during 1943) 7,833.77

Total current liabilities $ 27,160.43

Mortgage payable: First mortgage dated October 18, 1935, held by Northwestern Mutual Life Insurance Co. covering Arcade Building, 16 East Main Street, Rochester, New York. Principal amount $425,000.00. Interest 4 1/2% per annum, for the first 10 years, and thereafter at the rate of 5% per annum, is payable semi-annually. Principal payments started April 18, 1937 at which time an amount of $6,000.00 was paid. Principal payments aggregating $90,000.00 have been made to December 31, 1942. Principal payments in amount of $8,000.00 are payable semi-
annually on April 18, and October 18 during the period up to and including October 18, 1949, the then remaining balance of $215,000.00 being due in 15 years from date, October 18, 1950.

Amount of mortgage $425,000.00
Less: Payments made $ 90,000.00
Payments due during 1943
(See Current Sheet #5) 16,000.00 106,000.00 319,000.00

Total liabilities $346,160.43

We have in our files a certificate signed by Mr. John D. Pike, Chairman of the Building Committee, certifying that all known obligations as at December 31, 1942 of the Reynolds Library, were recorded upon the books before closing as at said date, and that there are no contingent liabilities other than the following:

1. Such liability as may exist in connection with insurance, some of which is carried with Mutual Insurance companies, under which policies the insured is subject to assessment.
9. **PERMANENT FUNDS**:  

Gordon and Bowman

W. S. Gordon Fund:
This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books of landscape gardening.

Original amount of fund $2,500.00

John R. Bowman Fund:
This fund was created by John R. Bowman, on or about January 13, 1932. At a meeting of the Board held on February 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee, for library purposes.

Original amount of fund $5,000.00

Total: $7,500.00

Plus: Interest and dividends accumulated to date $5,271.49

Total: $12,771.49

10. **INSURANCE CARRIED**:  

Arcade Building:
Fire: Windstorm, hail, explosion, riot, aircraft, smoke and vehicles 80% $450,000.00
Public liability and property damage and elevator (including parking station and direct encroachments) 15/30/3,000.00 Based on payroll
Workmen's compensation
Officers' and employees' fidelity bond. Hiram Sibley, Treasurer 20,000.00
Miss Mildred Walsh, Bookkeeper 5,000.00
11. SUMMARY OF ITEMS TO BE CONSIDERED
BY THE BOARD OF TRUSTEES:

1. Resolution providing for appropriation for the Committee for the period January 1, 1943 to December 31, 1943.

2. Approval of Treasurer’s report for the year ended December 31, 1942.

3. The writing off of the German Government International Loan 1930, which is considered worthless.

12. MISCELLANEOUS:

We were informed that your organization pursuant to the opinion of your attorneys is not subject to the filing of Unemployment and Social Security reports, and that, accordingly, returns as required by said law are not filed.

The cooperation extended to our representatives on this assignment by the officers and employees of The Reynolds Library is greatly appreciated and facilitated our examination.

Respectfully submitted,

[Signature]
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 1942

CASH BALANCES:
Lincoln-Alliance Bank & Trust Co. $38,506.71
Rochester Trust & Safe Deposit Co.: Permanent fund 2,716.18
Petty cash 10.00 $41,232.89

CASH RECEIPTS:
Rentals $111,541.06
Electricity 4,558.46
Water 314.16
Parking 1,400.00
Sundry 203.38 $118,017.06
Interest on bank balances 32.76
Interest on bonds 3,228.57
Dividends on stocks 767.00
Discounts 20.48
Refunds by former executives 1,825.00 $123,890.87
Sale of bonds 49,871.25 173,762.12
$214,995.01

CASH DISBURSEMENTS:
Maintenance and operations:
Arcade Building (See Schedule #1) $96,919.31
Reading room (See Schedule #2) 2,845.38 $99,764.69
Trust Fees: Lincoln-Alliance Bank
Security Trust Company 135.00 229.55
Accounts payable: Dec. 31, 1941 paid 571.68
Beardsley Clark Realty Co. Inc. settlement 1,560.00
Principal payments on mortgage $16,000.00
Purchase of bonds 64,914.75 80,914.75 183,040.67
$31,954.34

REPRESENTED BY:
Deposits:
Rochester Trust & Safe Deposit Co., Permanent fund $3,023.94
Security Trust Company 28,920.40
Petty cash 10.00 $31,954.34

W. S. & CO.
THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
CASH EXPENDITURES FOR MAINTENANCE AND OPERATIONS OF ARCADE BUILDING
FOR YEAR ENDED DECEMBER 31, 1942

OPERATING CHARGES:
- Building and janitor supplies $2,730.08
- Office supplies 123.54
- Elevator maintenance 1,298.61
- Heat 4,349.95
- Electricity 7,764.85
- Legal and audit service 150.00
- Payrolls: Building 24,982.58
- Insurance 1,636.56
- Taxes: Miscellaneous utility 136.61
  : County and city 31,198.67
- Telephone and telegraph 277.39
- Water 2,488.12
- Building maintenance 314.92
- Repairs: Building and equipment 1,921.57
- A. D. T. Service 538.67
- Directory board service 15.00
- Miscellaneous expenses and equipment 397.84
- Alterations 979.35
- Total $81,304.31

OTHER CHARGES:
- Interest on mortgage and notes 15,615.00

TOTAL (TO EXHIBIT B) $96,919.31

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (Per cash statement above)</td>
<td>$96,919.31</td>
</tr>
<tr>
<td>Plus: Depreciation</td>
<td>$8,306.28</td>
</tr>
<tr>
<td>Equipment</td>
<td>11,846.64</td>
</tr>
<tr>
<td>Amortization of building construction special</td>
<td>8,286.36</td>
</tr>
<tr>
<td>Accounts payable Dec. 31, 1942</td>
<td>311.66</td>
</tr>
<tr>
<td>Less: County taxes 1941 accrued</td>
<td>8,826.24</td>
</tr>
<tr>
<td>&quot; &quot; 1942 accrued</td>
<td>7,833.77</td>
</tr>
<tr>
<td>Increase in inventory</td>
<td>357.46</td>
</tr>
<tr>
<td>Interest accrued adjustment</td>
<td>144.00</td>
</tr>
<tr>
<td>Unexpired insurance adjustment</td>
<td>280.39</td>
</tr>
<tr>
<td>TOTAL PER ACCRUAL STATEMENT (SCHEDULE #4)</td>
<td>$123,895.93</td>
</tr>
</tbody>
</table>
SCHEDULE #2

THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK

CASH EXPENDITURES FOR MAINTENANCE AND OPERATION OF READING ROOM
FOR THE YEAR ENDED DECEMBER 31, 1942

MAINTENANCE AND OPERATION OF READING ROOM:

- Periodicals: $248.61
- Salaries: $2,231.88
- Supplies: $85.89
- Lighting: $279.00

Total: $2,845.38

RECONCILIATION OF CASH AND ACCRUED BUILDING EXPENSE:

Total per cash statement above: $2,845.38

Total per accrual statement (Schedule #4): $2,845.38
THE REYNOLDS LIBRARY  
ROCHESTER, NEW YORK  
STATEMENT OF INCOME AND EXPENSES ON ACCRUAL BASIS  
JANUARY 1, 1942 TO DECEMBER 31, 1942

**INCOME:**

- Reynolds Arcade Building:
  - **Rentals (See Schedule #6)**: $112,026.01
  - **Parking station (See Schedule #6)**: 1,400.00
  - **Electricity**: 4,558.46
  - **Water**: 314.16
  - **Sundry**: 203.38
  - **Interest:**
    - **Bonds (See Schedule #3)**: $3,286.07
    - **Dividends (See Schedule #3)**: 1,362.00
  - **Total**: $118,502.01

**EXPENSES:**

- Reynolds Arcade Building:
  - **Building and janitor supplies**: $1,650.00 / $2,384.28
  - **Office supplies**: 175.00 / 123.54
  - **Elevator maintenance**: 1,300.00 / 1,298.61
  - **Heat**: 4,500.00 / 4,349.95
  - **Electricity**: 7,700.00 / 7,764.85
  - **Legal and audit service**: 150.00 / 450.00
  - **Payrolls**: 22,500.00 / 24,982.58
  - **Insurance**: 1,400.00 / 1,356.17
  - **Taxes:**
    - **Utility**: 125.00 / 136.61
    - **County and city**: 32,000.00 / 30,206.20
    - **Telephone and telegraph**: 475.00 / 277.39
    - **Water**: 2,700.00 / 2,488.12
    - **Building maintenance**: 1,000.00 / 314.92
  - **Repairs: Building and equipment**: 400.00 / 1,921.57
  - **A. D. T. Service**: 520.00 / 538.67
  - **Directory board service**: 15.00
  - **Interest on mortgages and notes**: 16,000.00 / 15,471.00
  - **Miscellaneous equipment and expense**: 300.00 / 397.84
  - **Alterations**: 5,000.00 / 979.35
  - **Total**: $97,910.00 / $95,456.65

- **Depreciation:** Building: $8,306.28 / 11,846.64
  - **Amortization:** Building construction special: 8,286.36 / 28,439.28

**Total (Forwarded to Sheet #2):** $123,855.93 / $123,150.08
Total: (Brought forward from Sheet #1) $123,895.93... $123,150.08

EXPENSES: (CONTINUED):

Reading Room:
- Salaries: $2,265.00, $2,231.88
- Lighting: 280.00, 279.00
- Periodicals: 255.00, 248.61
- Supplies: 100.00, 85.89
  Total expenses: $2,900.00

Total: $2,900.00

Net Operating Loss: $3,591.23*

Other Income:
- Discounts: $20.48
- Refund by former executives: $1,825.00, $1,845.48

Other Deductions:
- Beardsley Clark settlement: $229.55
- Loss on sale of bonds (See Schedule #3): $1,560.00
  Schedule #3:
  - 9,966.32
  - 11,755.87
  - 9,910.39

Net loss for the twelve months ended December 31, 1942 (Schedule #5): $13,501.62*

* Red figure (Loss)
## THE REYNOLDS LIBRARY
### ROCHESTER, NEW YORK

**BUDGET FIGURES FOR 1943 AS SUBMITTED TO US BY TREASURER'S OFFICE**

### INCOME:
- **Rentals** ........................................... $100,000.00
- **Electricity** ....................................... 4,000.00
- **Water** ............................................. 300.00
- **Sundry charges to tenants and misc.** ........... 200.00
- **Discounts** ........................................ 20.00
- **Parking station** .................................. 750.00

Total Interest and dividends: 4,099.50

**TOTAL**: 109,369.50

### EXPENSES:

#### BUILDING OPERATION:
- **Building and janitor supplies** ................ $1,500.00
- **Office supplies** .................................. 150.00
- **Elevator maintenance** ............................ 1,300.00
- **Heat (steam)** ...................................... 4,500.00
- **Electricity** ........................................ 7,900.00
- **Telephone and telegraph** ....................... 300.00
- **Water** ............................................. 2,600.00
- **Building maintenance** ........................... 600.00
- **Alterations** ........................................ 4,000.00
- **Repairs: Building and equipment** .............. 1,000.00
- **A. D. T. Service** ................................ 550.00
- **Directory Board Service** ....................... 15.00
- **Bad debts** .......................................... -

Total Building Operation: 24,415.00

#### OTHER:
- **Payrolls** ......................................... $24,500.00
- **Insurance** ......................................... 1,400.00
- **Taxes: City and county** ......................... 30,526.00
- **Taxes: Miscellaneous** ............................ 140.00
- **Interest on mortgage** ............................ 14,751.00
- **Interest on loans** ................................ -
- **Miscellaneous** .................................... 300.00
- **Parking station** .................................. -
- **Legal and professional** ......................... 500.00
- **Legal and audit** .................................. 150.00
- **Contingent expense** .............................. 500.00

Total: 72,767.32

#### READING ROOM:
- **Operation** ......................................... $650.00
- **Salaries** .......................................... 2,500.00

Total: 3,150.00

**TOTAL EXPENSE**: 100,332.32

W. S. & CO.