

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 10/16/2014

AGENDA ITEM NUMBER: E.2.b.

Budget & Finance Committee
Financials for the Month Ending **8/31/2014**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of August 31, 2014 month-end. The report also details monthly activity for August. Overall, with 66.6% of the budget year elapsed, year-to-date Library revenue, at 93.9% collected, is well within budget and year-to date expense, at 64.3%, is within budget as the impacts of our elongated winter season on utility costs is moderated by milder temperatures and lower rates this spring and summer. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full \$22,588,324 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments received in July.** Library aid payments are normally released by the State beginning two to three months after the State's budget is adopted. The initial payment represents approximately 90% of the total for the year for basic Library Aid. The Library's 2014 budget assumed state library aid at 2013's funding level. The enacted NY State 2014-15 budget actually increased library aid by 1.2% which will result in operating revenue increase of approximately \$23,000 above budget.
- ✓ **Refunds - P/Y Expenses** revenue represents reimbursable expenses occurring in the prior year for which reimbursements were received in the current year. The year to date amount is principally contract library reimbursement of that portion of their 2013 salary and benefits covered by locally collected fine and fee revenue (payroll and benefits for all libraries' personnel is processed through the Library system, utilizing Erie County's SAP financial system. The amounts were credited after the cut-off for 2013 year-end accruals.
- ✓ **Refunds - Contract Library** revenue represents a return of fine revenue collected by contracting member libraries in excess of local expenses of those libraries. The revenue is transmitted as part of the year-end closing process.

EXPENSE :

- ✓ **Salaries and wage expense running under budget.** Turnover contributed to the under-budget condition with year-to-date salary and wage expense consuming 63.5% of the budget.
- ✓ **Fringe Benefit expense also running under budget at 65.9% overall.**
The impact of vacancies on percent driven benefits (employer costs of payroll taxes, unemployment insurance, NY State and Local Employees retirement and workers compensation) was partially offset by retiree health insurance expense being at 87.6%, the latter subject to significant swings due to changes in usage by retirees and is an area of concern that we are monitoring.
- ✓ **Maintenance and Repair shows at 73.0%**
A variety of factors including replacement of toilet paper dispensers with vandal resistant, plumbing replacements, and hand dryers for the new public restrooms contributed to higher than expected year-to-date results. Savings in other accounts are expected to offset.
- ✓ **Telephone and Internet Service charges show at 83.3% pending receipt of e-Rate reimbursements.** The federal e-Rate program covered 61% of Jan-June expense, increasing to 62% on July 1st. While our Internet Access provider directly discounts this amount from our bill, our phone and data lines contractor, Time Warner Cable Business Class, processes e-Rate discounts on a reimbursement basis. Factoring in anticipated reimbursements, these charges are expected remain within budget.
- ✓ **Insurance Premiums above budget due to the addition of general liability coverage:** This additional coverage was authorized by Resolution 2014-19, which also authorized budget transfers to cover the cost. These transfers will be made prior to year-end.
- ✓ **Long cold winter had a major impact on utility expense, both in usage and higher natural gas and electric rates compared to the milder winter of 2013.** Natural gas expense of \$151,670, at 79.8% of the 2014 annual budget was 44.2% higher than the \$105,187 paid in January – August 2013. Electricity expense of \$518,229, at 70.6% of the 2014 annual budget was 16.7% above the \$444,163 paid in January – August 2013. This season's more extreme cold impacted both usage and rates paid for natural gas and electricity (as natural gas is used for both heating and electrical generation). **Combined, YTD interfund utility expense stands at \$669,899 (71.2% of budget) and is \$120,549 (21.9%) the above the same 2013 period.** The Library participates in Erie County's utility purchasing pool which saves costs compared to retail pricing. Staff will continue to closely monitor this situation.

ACTION REQUIRED: None – Informational Report

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2014 OPERATING BUDGET

Revenue Detail as of 8/31/2014

66.6% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue August	YTD Revenue	To Be Realized	Budget Collect
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	\$325,277	\$0	\$325,277	28,842	\$232,115	\$93,162	71.4%
422000	Copies	25,137	0	25,137	1,870	\$13,869	11,268	55.2%
466040	Printing	42,406	0	42,406	4,012	\$32,713	9,693	77.1%
466030	Book Bags	1,500	0	1,500	126	\$876	624	58.4%
466020	Minor Sale - Other	8,972	0	8,972	754	\$5,134	3,838	57.2%
420510	Rent - Real Prop - Auditorium	16,000	0	16,000	1,674	\$10,975	5,025	68.6%
420530	Comm - Tel Booth Food Svs	20,640	0	20,640	518	\$9,701	10,939	47.0%
TOTAL REVENUE FROM LIBRARY OPERATIONS		\$439,932	\$0	\$439,932	37,795	\$305,383	\$134,549	69.4%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	\$22,588,324	\$0	\$22,588,324		\$22,588,324	\$0	100.0%
408140	NYS Aid-Lib Incl Incent	1,741,427	0	1,741,427	163,597	\$1,741,865	(438)	100.0%
408150	NYS Aid to Member Libraries	255,065	0	255,065	232,002	\$232,002	23,063	91.0%
408160	State Aid - Special		0	0		\$0	0	0.0%
486000	Interfund - Subsidy	0	0	0		\$0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		\$24,584,816	\$0	\$24,584,816	395,599	\$24,562,191	\$22,625	99.9%
OTHER REVENUE								
419010	Refunds - Cont Library	\$398,231	\$0	\$398,231		\$0	\$398,231	0.0%
423000	Refund P/Y Expenses	10,000	0	\$10,000		\$25,661	(\$15,661)	256.6%
466170	Refund Contract Lib Retire	0	0	0		\$0	0	0.0%
466070	Refund P/Y Expenses			0		\$0	0	0.0%
445030	Int & Earn - Gen Inv	15,000	0	15,000	130	\$2,677	12,323	17.8%
466000	Misc Receipts	0	0	0	339	\$3,841	(3,841)	0.0%
466010	NSF Check Fees	15	0	15		\$0	15	0.0%
467000	Misc Depart Income	4,000	0	4,000	100	\$1,025	2,975	25.6%
479100	Other Contributions	100,000	0	100,000		\$0	100,000	0.0%
TOTAL OTHER REVENUE		\$527,246	\$0	\$527,246	568	\$33,204	\$494,042	6.3%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	\$702,555	\$275,000	\$977,555		\$0	\$977,555	0.0%
TOTAL USE OF FUND BALANCE		\$702,555	\$275,000	\$977,555	0	\$0	\$977,555	0.0%
GRAND TOTAL OPERATING REVENUE		\$26,254,549	\$275,000	\$26,529,549	433,963	\$24,900,778	\$1,628,771	93.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2014 OPERATING BUDGET

Expenditure Detail as of 8/31/2014

66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2014 Adopted Budget	Encumbered & PY Capital Project Balances	2014 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/ & Encumb
OPERATING EXPENDITURES													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	\$8,289,406		\$0	\$8,289,406	\$667,447	5,445,077			\$5,445,077	\$2,844,329	65.7%	65.7%
500010	Part Time - Wages	3,860,140		\$0	3,860,140	300,764	2,255,053			2,255,053	\$1,605,087	58.4%	58.4%
500020	Regular PT - Wages	1,010,405		\$0	1,010,405	93,991	660,246			660,246	\$350,159	65.3%	65.3%
500300	Shift Differential	15,000		\$0	15,000	1,880	11,115			11,115	\$3,885	74.1%	74.1%
500330	Holiday Worked	15,000		\$0	15,000		9,709			9,709	\$5,291	64.7%	64.7%
500350	Other Employee Payments	50,000		\$0	50,000	27,950	40,930			40,930	\$9,070	81.9%	81.9%
	Salaries & Wages	\$13,239,951	\$0	\$0	\$13,239,951	\$1,092,032	8,422,130	\$0	\$0	\$8,422,130	\$4,817,821	63.6%	63.6%
501000	OVERTIME SALARIES & WAGES	\$191,000		\$0	\$191,000	\$8,586	107,780			107,780	\$83,220	56.4%	56.4%
	TOTAL, PERSONAL SERVICES	\$13,430,951	\$0	\$0	\$13,430,951	\$1,100,618	8,529,910	\$0	\$0	\$8,529,910	\$4,901,041	63.5%	63.5%
FRINGE BENEFITS													
502010	Employer FICA - REGULAR	\$832,722		\$0	832,722	68,659	527,396			527,396	\$305,326	63.3%	63.3%
502020	Employer FICA - MEDICARE	\$194,723		\$0	194,723	16,058	123,343			123,343	\$71,380	63.3%	63.3%
502030	Employee Health Insurance	\$2,477,309		\$0	2,477,309	176,266	1,592,822			1,592,822	\$884,487	64.3%	64.3%
502040	Dental Plan	\$114,796		\$0	114,796	7,403	58,202			58,202	\$56,594	50.7%	50.7%
502050	Workers Compensation	\$73,878		\$0	73,878	1,140	31,178			31,178	\$42,700	42.2%	42.2%
502060	Unemployment Insurance	\$33,606		\$0	33,606	173	5,049			5,049	\$28,557	15.0%	15.0%
502070	Hospital & Medical - Retirees	\$765,677		\$0	765,677	53,234	671,053			671,053	\$94,624	87.6%	87.6%
502090	Health Insurance Waiver (Incl: 117)	\$33,204		\$0	33,204	2,118	19,360			19,360	\$13,844	58.3%	58.3%
502100	Retirement	\$2,246,402		\$0	2,246,402	242,191	1,435,568			1,435,568	\$810,834	63.9%	63.9%
502110	Flex Benefit Spending	\$2,000		\$0	2,000		0			0	\$2,000	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	\$6,774,317	\$0	\$0	\$6,774,317	\$567,242	4,463,971	\$0	\$0	\$4,463,971	\$2,310,346	65.9%	65.9%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2014 OPERATING BUDGET**

Expenditure Detail as of 8/31/2014

66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2014 Adopted Budget	Encumber ed & PY Capital Project Balances	2014 Budget Adjustme nts/ Revisions	Adjusted Budget	August Expended	Year-to- Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumb- rances	Remaining Balance	% Current Budget	
												YTD Expended	YTD & Encumb
505000	Office Supplies	104,400		5,000	109,400	10,239	76,435	31,654		108,089	\$1,311	69.9%	98.8%
505200	Clothing Supplies	3,350	318	0	3,668	62	247	613		860	\$2,808	6.7%	23.5%
505600	Auto Truck & Heavy Equip Supplies	8,650		0	8,650	615	5,295			5,295	\$3,355	61.2%	61.2%
505800	Medical & Health Supplies	1,250		0	1,250		331			331	\$919	26.4%	26.4%
506200	Maintenance & Repair	88,950	1,541	0	90,491	5,929	66,100	17,597		83,697	\$6,795	73.0%	92.5%
506400	Highway Supplies (Rock Salt)	11,500		2,500	14,000		9,401	2,186		11,586	\$2,414	67.1%	82.8%
510000	Local Mileage Reimbursement	14,200		0	14,200	1,452	9,214			9,214	\$4,986	64.9%	64.9%
510100	Out of Area Travel	15,000		0	15,000	149	7,808			7,808	\$7,192	52.1%	52.1%
510200	Training and Education	58,590		0	58,590	25,710	54,566	304		54,869	\$3,721	93.1%	93.6%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	35,962		0	35,962	3,568	19,947			19,947	\$16,015	55.5%	55.5%
	Telephone & Internet Service	233,314			233,314	3,077	194,378			194,378	\$38,936	83.3%	83.3%
515000	Total Utility Charges	269,276		0	269,276	6,645	214,326	0	0	214,326	54,950	79.6%	79.6%
516010	CONTRACTUAL PAYMENTS												
	Ewell Free - Alden	\$882		0	882		882			882	\$0	100.0%	100.0%
	Lackawanna Public	\$15,000		0	15,000		11,250	3,750		15,000	\$0	75.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	\$15,882	\$0	\$0	\$15,882	\$0	12,132	\$3,750	\$0	\$15,882	\$0	76.4%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2014 OPERATING BUDGET

Expenditure Detail as of 8/31/2014

66.6% of Budget Year

% Current Budget

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												YTD Expend	YTD & Encumb
516020	Professional Services Contracts & Fees	1,029,788	106,857	0	1,136,645	47,358	712,574	290,155		1,002,729	\$133,917	62.7%	88.2%
516030	Maintenance Contracts	105,180	1,333	0	106,513	5,606	75,291	26,207		101,498	\$5,014	70.7%	95.3%
530000	Other Expenses	171,160	10,158	(7,500)	173,818	6,675	92,904	11,500	7,415	111,819	\$61,998	53.4%	64.3%
545000	Rental Charges	4,769		0	4,769	357	3,180	1,588		4,768	\$1	66.7%	100.0%
555030	Litigation Settlement	0		5,000	5,000		5,000			5,000	\$0	100.0%	100.0%
555050	Insurance Premiums	55,000		(5,000)	50,000	15,744	63,838			63,838	(\$13,838)	127.7%	127.7%
559000	County Share Grants			0	0		0			0	\$0	0.0%	0.0%
561410	Lab & Technical Equipment	70,145	54,070	275,000	399,215	7,275	107,823	53,060		160,882	\$238,333	27.0%	40.3%
561430	Building, Grounds and Heavy Equip		8,772	0	8,772		2,450		6,322	8,772	\$0	27.9%	100.0%
561450	Library Books and Media	3,009,000	204,035	0	3,213,035	193,562	2,068,118		204,035	2,272,153	\$940,882	64.4%	70.7%
575040	Interfund Exp - Utilities												
	Fuel Oil	5,000		0	5,000		0			0	\$5,000	0.0%	0.0%
	Natural Gas	190,096		0	190,096	1,644	151,670			151,670	\$38,426	79.8%	79.8%
	Electricity	733,910		0	733,910	58,468	518,229			518,229	\$215,681	70.6%	70.6%
	Total Interfund Exp - Utilites	929,006	0	0	929,006	60,112	669,899	0	0	669,899	259,107	72.1%	72.1%
942000	Interfund - Holding Center	(93,478)		0	(93,478)	(7,790)	(62,319)			(62,319)	(\$31,159)	66.7%	66.7%
	Interfund - Correctional Facility	(101,253)			(101,253)	(8,438)	(67,502)			(67,502)	(\$33,751)	66.7%	66.7%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(5,732)			(5,732)	(\$2,866)	66.7%	66.7%
	Total ID Library Services	(\$203,329)	\$0	\$0	(\$203,329)	(\$16,944)	(135,553)	\$0	\$0	(\$135,553)	(\$67,776)	66.7%	66.7%
910600	Intefund Expense - Purchasing Servic	\$28,221		0	28,221	\$2,271	18,167			18,167	\$10,054	64.4%	64.4%
910700	Interfund Expnese - Fleet Services	\$48,116		0	48,116	\$2,437	21,570			21,570	\$26,546	44.8%	44.8%
980000	Interdepart Services DISS	211,177		0	211,177	17,598	140,785			140,785	\$70,392	66.7%	66.7%
	System Operating Grand Totals	\$26,254,549	\$387,084	\$275,000	\$26,916,633	\$2,060,710	17,295,781	\$438,613	\$217,772	\$17,952,166	\$8,964,467	64.3%	66.7%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2014 OPERATING BUDGET**

Expenditure Detail as of 8/31/2014

66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2014 Adopted Budget	Encumbered & PY Capital Project Balances	2014 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/ & Encumb
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>													
	Library Debt Service	1,089,311			1,089,311	0	982,902			982,902	\$106,409	90.2%	90.2%
490	General Obligation Bond Proceeds												
561250	Building Improvements		26,699		26,699		0			0	\$26,699	0.0%	0.0%
	Total General Obligations	\$0	\$26,699	\$0	\$26,699	\$0	0	\$0	\$0	\$0	\$26,699	0.0%	0.0%
	Total Erie County Capital for Library	\$1,089,311	\$26,699	\$0	\$1,116,010	\$0	982,902	\$0	\$0	\$982,902	\$133,108	88.1%	88.1%
	Grand Total Operating and Erie County Capital	\$27,343,860	\$413,783	\$275,000	\$28,032,643	\$2,060,710	18,278,682	\$438,613	\$217,772	\$18,935,067	\$9,097,576	65.2%	67.5%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending August 31, 2014

Main Trust	\$903,824.48
Encore Editions Proceeds (Invested per resolution 2006-19)	\$91,900.52
2013 Ending Balance	\$995,725.00

2014 Activity and Balances

Restricted Donations		\$143,740.51
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)		
Unrestricted Donations		
Pending Board Action	\$63,135.00	
Board Directed to Direct Library Programs	\$0.00	
Board Directed to Library Foundation	\$0.00	
Total Unrestricted Donations		\$63,135.00
Interest Income		\$707.93
Less Disbursements		
Direct For Library Programs/Services/Support	(\$94,563.16)	
To Library Foundation	\$0.00	
Total Disbursements		(\$94,563.16)
Balance, 2014 Activity		\$113,020.28

Cumulative Balance Library Trust **\$1,108,745.28**

Year-to-date Disbursements Pursuant to Resolution 2010-8 Include:

Library material purchases (direct from trust)	(\$1,477.64)
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$36,535.08)
Equipment, furnishings & supplies	(\$15,607.14)
Exhibit/display preparation and support/Rare Book Room	(\$4,620.44)
Preservation/Conservation (Audubon Birds)	(\$27,930.00)
Construction Grant Match	\$0.00
Raiser's Edge Software and Related Fundraising Expense	(\$6,356.21)
Fundraiser Event Expense	(\$1,896.65)
Other	(\$140.00)
Total	(\$94,563.16)