

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 7/20/2017

AGENDA ITEM NUMBER: E.2.c.

Budget & Finance Committee
Financials for the Month Ending **05/31/2017**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of May 31, 2017 month-end. The report also details monthly activity for May. Overall, with 41.4% of the budget year elapsed, year-to-date Library revenue, at 86.9% collected, is well within budget and year-to-date expense, at 40.3%, is also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds:** The full \$23,943,617 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments normally occur in June-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. The Library's 2017 budget assumed state library aid at 2016's funding level. The enacted NY State 2016-17 budget maintained this level of support.
- ✓ **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 from contract library reimbursement of that portion of their 2016 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 2016 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 40.4% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 38.5% overall.** Vacancies result in below budget charges for payroll taxes. Usage changes and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (YTD costs are 3.2% above Year-to-date charges for the same period last year). NY State Retirement charges are also running under budget, reflecting a decrease in rates and the continued shift to the lower cost Tier 6 plan via turnover. Finally, retiree medical charges so far this year continue to moderate, coming in at 39.5% of budget (2.6% above the same period in 2016). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor this situation.
- ✓ **Telephone and Internet Service charges show at 100.2% pending receipt of e-Rate reimbursements.** The federal e-Rate program covers up to 90% of eligible services in this expense category. While our Internet Access provider directly discounts this amount from our bill, our phone and data lines contractor, Time Warner (now Spectrum), processes e-Rate discounts on a reimbursement basis. Factoring in payment timing and anticipated reimbursements, these charges are expected to end the year within budget.
- ✓ **Contractual Payments to Member Libraries combined show at 63.0%.** The above budget variance reflects the contract provision that small dollar amounts are transmitted at the beginning of the year rather than quarterly in advance. Five of the six amounts at 100% are below \$2,000.
- ✓ **Insurance premiums shows at 75.2 %.** Reflects timing of policy renewal payments, current services contracted in this account are expected to end the year within budget.
- ✓ **Several remaining operating accounts above 41.4% reflect timing differences.** These accounts, including Out of Area Travel and Professional Services, reflect timing variations and are expected to end the year within budget.

EXPENSE (continued):

- ✓ **A mild winter helped counter higher Natural Gas rates to yield modest utility savings.** Natural gas charges of \$89,654, came in at 60.3% of the 2017 annual budget, reflecting seasonality and significantly higher rates. This expense was 45.8% higher than the \$61,507 paid in January - May 2016. Electricity charges of \$200,036 came in at 29.2% of the 2017 annual budget. This expense was 9.3% higher than the \$182,996 paid in January - May 2016. The season's relatively mild temperatures helped, however rates increased significantly in 2017. Natural Gas supply rates for January-May 2017 averaged up 68.1%, while electricity supply rates averaged up 5.8% over the same period in 2016 (Natural Gas is one of several fuels and alternate energy sources used to provide electricity). **Combined 2017 interfund utility charges of \$289,690 were below budget (34.8% of budget), however they were \$45,187 (18.5%) above those incurred for the same months in 2016.** The Library participates in Erie County's aggregated utility purchasing pool, which saves costs compared to retail pricing.

ACTION REQUIRED: None - Informational Report

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2017 OPERATING BUDGET

Revenue Detail as of 5/31/2017

41.4% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue May	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	317,592	0	317,592	23,421	119,315.79	198,276	37.6%
422000	Copies	19,844	0	19,844	1,678	9,894.08	9,950	49.9%
466040	Printing	57,957	0	57,957	4,659	24,653.28	33,304	42.5%
466030	Book Bags	1,300	0	1,300	98	401.00	899	30.8%
466020	Minor Sale - Other	6,361	0	6,361	329	1,864.33	4,497	29.3%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	1,229	7,997.25	13,103	37.9%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	1,161	4,526.53	13,153	25.6%
TOTAL REVENUE FROM LIBRARY OPERATIONS		441,834	0	441,834	32,575	168,652.26	273,182	38.2%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	23,943,617	0	23,943,617		23,943,616.98	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,942,679	0	1,942,679		0.00	1,942,679	0.0%
408150	NYS Aid to Member Libraries	284,530	0	284,530		0.00	284,530	0.0%
408160	State Aid - Special	0	0	0		0.00	0	0.0%
409010	State Aid - Other	0	0	0		0.00	0	0.0%
486000	Interfund - Subsidy	0	0	0		0.00	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		26,170,826	0	26,170,826	0	23,943,616.98	2,227,209	91.5%
OTHER REVENUE								
419010	Refunds - Cont Library	375,483	0	375,483		0.00	375,483	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000		33,940.26	(23,940)	339.4%
466170	Refund Contract Lib Retire	0	0	0		0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	196	1,218.59	781	60.9%
466000	Misc Receipts	0	0	0		252.63	(253)	0.0%
466010	NSF Check Fees	15	0	15		0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	300	964.90	4,035	19.3%
479100	Other Contributions	60,000	0	60,000		0.00	60,000	0.0%
TOTAL OTHER REVENUE		452,498	0	452,498	496	36,376.38	416,122	8.0%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	485,186	250,000	735,186		0.00	735,186	0.0%
TOTAL USE OF FUND BALANCE		485,186	250,000	735,186	0	0.00	735,186	0.0%
GRAND TOTAL OPERATING REVENUE		27,550,344	250,000	27,800,344	33,072	24,148,645.62	3,651,698	86.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 5/31/2017
 41.4% of Budget Year

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust- ments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		
												YTD Expend	YTD Expend/ & Encumb	
OPERATING EXPENDITURES														
PERSONAL SERVICES														
Regular Salaries & Wages														
500000	Full Time - Salaries	9,418,289		0	9,418,289	\$844,973	3,852,702.75			3,852,702.75	5,565,586	40.9%	40.9%	
500010	Part Time - Wages	3,980,282		0	3,980,282	321,253	1,553,772.45			1,553,772.45	2,426,510	39.0%	39.0%	
500020	Regular PT - Wages	813,694		0	813,694	53,810	291,125.75			291,125.75	522,568	35.8%	35.8%	
500300	Shift Differential	16,000		0	16,000	1,467	6,622.30			6,622.30	9,378	41.4%	41.4%	
500330	Holiday Worked	18,000		0	18,000	126	7,259.71			7,259.71	10,740	40.3%	40.3%	
500350	Other Employee Payments	91,000		0	91,000	48,865	70,032.10			70,032.10	20,968	77.0%	77.0%	
	Salaries & Wages	14,337,265	0	0	14,337,265	1,270,494	5,781,515.06	0.00	0	5,781,515.06	8,555,750	40.3%	40.3%	
501000	Overtime Salaries & Wages	220,000		0	220,000	26,246	105,794.37			105,794.37	114,206	48.1%	48.1%	
	TOTAL, PERSONAL SERVICES	14,557,265	0	0	14,557,265	1,296,740	5,887,309.43	0.00	0	5,887,309.43	8,669,956	40.4%	40.4%	
504990	Reduction From Personal Services	(350,511)		0	(350,511)		0.00			0.00	(350,511)	0.0%	0.0%	
504992	Contractual Salary Reserves	125,033		0	125,033		0.00			0.00	125,033	0.0%	0.0%	
	NET PERSONAL SERVICES	14,331,787	0	0	14,331,787	1,296,740	5,887,309.43	0.00	0	5,887,309.43	8,444,478	41.1%	41.1%	
FRINGE BENEFITS														
502000	Fringe Benefits	0		0	0		0.00			0.00	0	0.0%	0.0%	
502010	Employer FICA - REGULAR	902,547		0	902,547	78,436	356,871.71			356,871.71	545,675	39.5%	39.5%	
502020	Employer FICA - MEDICARE	211,067		0	211,067	18,344	83,461.93			83,461.93	127,605	39.5%	39.5%	
502030	Employee Health Insurance	2,715,691		0	2,715,691	227,840	987,766.80			987,766.80	1,727,924	36.4%	36.4%	
502040	Dental Plan	98,636		0	98,636	8,915	33,688.45			33,688.45	64,948	34.2%	34.2%	
502050	Workers Compensation	48,310		0	48,310	2,356	22,122.97			22,122.97	26,187	45.8%	45.8%	
502060	Unemployment Insurance	21,339		0	21,339	2,663	6,485.98			6,485.98	14,853	30.4%	30.4%	
502070	Hospital & Medical - Retirees	1,608,584		0	1,608,584	165,998	635,572.76			635,572.76	973,011	39.5%	39.5%	
502090	Health Insurance Waiver (Incl: 117)	34,008		0	34,008	2,284	11,508.00			11,508.00	22,500	33.8%	33.8%	
502100	Retirement	1,704,743		0	1,704,743	134,993	700,561.83			700,561.83	1,004,181	41.1%	41.1%	
502000	Unallocated Fringe Benefits	25,232		0	25,232		0.00			0.00	25,232	0.0%	0.0%	
	TOTAL, FRINGE BENEFITS	7,370,157	0	0	7,370,157	641,830	2,838,040.43	0.00	0	2,838,040.43	4,532,117	38.5%	38.5%	
	TOTAL COMPENSATION RELATED	21,701,944	0	0	21,701,944	1,938,570	8,725,349.86	0.00	0	8,725,349.86	12,976,594	40.2%	40.2%	

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET**

Expenditure Detail as of 5/31/2017

41.4% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust-ments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/ & Encumb
505000	Office Supplies	166,335		0	166,335	10,151	65,441.33	64,458.77		129,900.10	36,435	39.3%	78.1%
505200	Clothing Supplies	4,000	814	0	4,814		1,224.67			1,224.67	3,590	25.4%	25.4%
505600	Auto Truck & Heavy Equip Supplies	9,750		0	9,750	1,038	3,962.27	183.70		4,145.97	5,604	40.6%	42.5%
505800	Medical & Health Supplies	1,100		0	1,100	162	161.80			161.80	938	14.7%	14.7%
506200	Maintenance & Repair	104,300	8,876	0	113,176	8,603	33,662.92	35,420.37	8,876	77,959.29	35,217	29.7%	68.9%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000		3,681.65	4,011.70		7,693.35	6,307	26.3%	55.0%
510000	Local Mileage Reimbursement	13,000		0	13,000	1,567	4,315.26			4,315.26	8,685	33.2%	33.2%
510100	Out of Area Travel	15,000		0	15,000	1,589	6,299.47			6,299.47	8,701	42.0%	42.0%
510200	Training and Education	59,133		0	59,133	1,274	22,533.99	460.00		22,993.99	36,139	38.1%	38.9%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	31,936			31,936	3,426	10,621.58			10,621.58	21,314	33.3%	33.3%
	Fuel Oil	1,000			1,000								
	Telephone & Internet Service	62,476		0	62,476	38,057	62,615.50			62,615.50	(140)	100.2%	100.2%
515000	Total Utility Charges	95,412		0	95,412	41,482	73,237.08	0.00	0	73,237.08	21,175	76.8%	76.8%
516010	CONTRACTUAL PAYMENTS												
	Newstead Public - Akron	239		0	239		239.00			239.00	0	100.0%	100.0%
	Ewell Free - Alden	1,376		0	1,376		1,376.00			1,376.00	0	100.0%	100.0%
	Boston Free	1,642		0	1,642		1,642.00			1,642.00	0	100.0%	100.0%
	Lackawanna Public	12,436		0	12,436		6,218.00	6,218.00		12,436.00	0	50.0%	100.0%
	Marilla Free	441		0	441		441.00			441.00	0	100.0%	100.0%
	North Collins Public	682		0	682		682.00			682.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	16,816	0	0	16,816	\$0	10,598.00	6,218.00	0	16,816.00	0	63.0%	100.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET**

Expenditure Detail as of 5/31/2017

41.4% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust-ments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/ & Encumb
516020	Professional Services Contracts & Fees	850,637	75,829	0	926,466	50,349	461,660.43	394,437.88		856,098.31	70,368	49.8%	92.4%
516030	Maintenance Contracts	120,517	4,033	0	124,550	15,607	33,266.59	60,302.55		93,569.14	30,980	26.7%	75.1%
530000	Other Expenses	187,950	15,341	0	203,291	19,967	71,172.50	4,042.68	14,920	90,135.18	113,156	35.0%	44.3%
545000	Rental Charges	4,725		0	4,725	96	1,329.12	3,183.28		4,512.40	213	28.1%	95.5%
555050	Insurance Premiums	139,100		0	139,100		104,668.48			104,668.48	34,432	75.2%	75.2%
559000	County Share Grants			0	0		0.00			0.00	0	0.0%	0.0%
561410	Lab & Technical Equipment	77,060	91,848	125,000	293,908	36,545	84,839.59	42,228.14		127,067.73	166,841	28.9%	43.2%
561420	Office Equip, Furn & Fixtures			110,000	110,000		0.00	1,564.73		1,564.73	108,435	0.0%	1.4%
561430	Building, Grounds and Heavy Equip			15,000	15,000		0.00			0.00	15,000	0.0%	0.0%
561440	Motor Vehicles			0	0		0.00			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	170,805	0	3,179,805	222,246	1,317,119.33		170,805	1,487,924.33	1,691,881	41.4%	46.8%
575040	Interfund Exp - Utilities												
	Fuel Oil	0		0	0		0.00			0.00	0	0.0%	0.0%
	Natural Gas	148,790		0	148,790	7,016	89,653.78			89,653.78	59,136	60.3%	60.3%
	Electricity	684,829		0	684,829	61,381	200,035.84			200,035.84	484,793	29.2%	29.2%
	Total Interfund Exp - Utilites	833,619	0	0	833,619	68,397	289,689.62	0.00	0	289,689.62	543,929	34.8%	34.8%
942000	Interfund - Holding Center	(90,865)		0	(90,865)	(7,572)	(37,860.41)			(37,860.41)	(53,005)	41.7%	41.7%
	Interfund - Correctional Facility	(104,461)			(104,461)	(8,705)	(43,525.41)			(43,525.41)	(60,936)	41.7%	41.7%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(3,582.50)			(3,582.50)	(5,016)	41.7%	41.7%
	Total ID Library Services	(203,924)	0	0	(203,924)	(\$16,994)	(84,968.32)			(84,968.32)	(118,956)	41.7%	41.7%
910600	Intefund Expense - Purchasing Services	27,638		0	27,638	\$2,082	10,409.16			10,409.16	17,229	37.7%	37.7%
910700	Interfund Expnese - Fleet Services	34,787		0	34,787	\$1,299	7,158.98			7,158.98	27,628	20.6%	20.6%
980000	Interdepart Services DISS	268,445		0	268,445	22,370	111,852.10			111,852.10	156,593	41.7%	41.7%
	System Operating Grand Totals	27,550,344	367,546	250,000	28,167,890	2,426,400	11,358,665.88	616,511.80	194,601	12,169,778.68	15,997,111	40.3%	43.2%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 5/31/2017
 41.4% of Budget Year

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												YTD Expend	YTD Expend/ & Encumb	
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>														
	Library Debt Service	956,761			956,761	29,247	817,428.55			817,428.55	139,333	85.4%	85.4%	
490	General Obligation Bond Proceeds													
561250	Building Improvements		24,189		24,189		22,887.79	613.20		23,500.99	688	94.6%	97.2%	
	Total General Obligations	0	24,189	0	24,189	\$0	22,887.79	613.20	0	23,500.99	688	94.6%	97.2%	
	Total Erie County Capital for Library	956,761	24,189	0	980,950	\$29,247	840,316.34	613.20	0	840,929.54	140,021	85.7%	85.7%	
	Grand Total Operating and Erie County Capital	28,507,105	391,735	250,000	29,148,840	2,455,648	12,198,982.22	617,125.00	194,601	13,010,708.22	16,137,132	41.9%	44.6%	

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending May 31, 2017

Main Trust	\$1,079,133.31
Encore Editions Proceeds (Invested per resolution 2006-19)	\$91,653.97
2016 Ending Balance	\$1,170,787.28

2017 Activity and Balances

Restricted Donations	\$92,369.65
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$7,835.00
Interest Income	\$295.44
Total 2017 Revenue	
\$100,500.09	

Less Disbursements

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

Library material purchases (direct from trust)	\$0.00
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$15,626.09)
Equipment, furnishings & supplies	(\$7,271.86)
Exhibit/display preparation and support/Rare Book Room	(\$22,031.50)
Preservation/Conservation (Audubon Birds)	(\$45,550.00)
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$8,080.76)
Fundraiser Event Expense	(\$493.96)
Other	(\$162.47)

Subtotal Disbursements per Resolution 2010-8	(\$99,216.64)
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Other Disbursements (Describe)	\$0.00
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Total 2017 Disbursements	(\$99,216.64)
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Balance, 2017 Activity	\$1,283.45
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Cumulative Balance Library Trust	\$1,172,070.73
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