

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 10/19/2017

AGENDA ITEM NUMBER: E.2.c.

Budget & Finance Committee
Financials for the Month Ending **08/31/2017**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of August 31, 2017 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 94.3% collected, is well within budget and year-to date expense, at 63.3%, is also within budget. Items of note include:

REVENUE:

- ✓ **Fine Revenue continues under budget** reflecting the continued shift to e-content, which "expires" at the end of the loan period, and therefore never overdue combined with overall circulation, which ran 3.8% below the same period in 2016.
- ✓ **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 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 over 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 64.8% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 61.9% 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 5.4% below Year-to-date charges for the same period last year). NY State Retirement charges are slightly above budget at 66.8%, however year-end adjustments are expected to bring the account within budget as the Library labor pool continues to shift to the lower cost Tier 6 plan via turnover. Finally, retiree medical charges so far this year continue to moderate, coming in at 62.5% of budget (3.0% 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 84.6% 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 adjusted budget** reflects budgeting the expense side of New York State bullet aid allocations to libraries within the districts of State Senators Jacobs, Gallivan and Ranzenhofer.
- ✓ **Insurance premiums shows at 93.9 %.** 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 58.1% reflect timing differences.** These accounts, including Office Supplies, Professional Services and some inter-fund charges, reflect timing variations and are expected to end the year within budget.

EXPENSE (continued):

- ✓ **A mild winter and summer helped counter higher Natural Gas rates to yield modest utility savings.** Natural gas charges of \$93,507, came in at 62.8% of the 2017 annual budget, reflecting seasonality and significantly higher rates. This expense was 45.7% higher than the \$64,176 paid in January - August 2016. Electricity charges of \$364,419 came in at 57.4% of the 2017 annual budget. This expense was 1.0% lower than the \$368,040 paid in January - August 2016. This year's relatively mild temperatures helped, however rates increased significantly in 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined 2017 interfund utility charges of \$457,926 were below budget (58.4% of budget), however they were \$25,710 (5.9%) 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 8/31/2017

66.6% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjust- ments	Adjusted Budget	Revenue August	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	317,592	0	317,592	26,128	194,153.46	123,439	61.1%
422000	Copies	19,844	0	19,844	1,753	15,535.22	4,309	78.3%
466040	Printing	57,957	0	57,957	5,111	41,033.29	16,924	70.8%
466030	Book Bags	1,300	0	1,300	108	769.00	531	59.2%
466020	Minor Sale - Other	6,361	0	6,361	453	2,933.18	3,428	46.1%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	1,300	13,967.03	7,133	66.2%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	1,133	5,697.60	11,982	32.2%
	TOTAL REVENUE FROM LIBRARY OPERATIONS	441,834	0	441,834	35,985	274,088.78	167,745	62.0%
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		1,923,652.00	19,027	99.0%
408150	NYS Aid to Member Libraries	284,530	0	284,530		256,214.00	28,316	90.0%
408160	State Aid - Special	0	206,500	206,500		0.00	206,500	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	206,500	26,377,326	0	26,123,482.98	253,843	99.0%
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%
466070	Refund P/Y Expenses	0		0		0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	196	1,801.49	199	90.1%
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	1,299	2,622.28	2,378	52.4%
479100	Other Contributions	60,000	0	60,000		0.00	60,000	0.0%
	TOTAL OTHER REVENUE	452,498	0	452,498	1,495	38,616.66	413,881	8.5%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	485,186	283,377	768,563		0.00	768,563	0.0%
	TOTAL USE OF FUND BALANCE	485,186	283,377	768,563	0	0.00	768,563	0.0%
	GRAND TOTAL OPERATING REVENUE	27,550,344	489,877	28,040,221	37,481	26,436,188.42	1,604,033	94.3%

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

Expenditure Detail as of 8/31/2017

66.6% 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	August Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expended	YTD Expend/ & Encumb
<u>OPERATING EXPENDITURES</u>													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,418,289		0	9,418,289	\$820,950	6,199,909.94			6,199,909.94	3,218,379	65.8%	65.8%
500010	Part Time - Wages	3,980,282		0	3,980,282	324,241	2,509,485.45			2,509,485.45	1,470,797	63.0%	63.0%
500020	Regular PT - Wages	813,694		0	813,694	61,785	471,417.75			471,417.75	342,276	57.9%	57.9%
500300	Shift Differential	16,000		0	16,000	1,490	11,559.50			11,559.50	4,441	72.2%	72.2%
500330	Holiday Worked	18,000		0	18,000		10,080.55			10,080.55	7,919	56.0%	56.0%
500350	Other Employee Payments	91,000		0	91,000	1,755	84,447.36			84,447.36	6,553	92.8%	92.8%
	Salaries & Wages	14,337,265	0	0	14,337,265	\$1,210,222	9,286,900.55	0.00	0	9,286,900.55	5,050,364	64.8%	64.8%
501000	Overtime Salaries & Wages	220,000		0	220,000	\$14,823	140,362.67			140,362.67	79,637	63.8%	63.8%
	TOTAL, PERSONAL SERVICES	14,557,265	0	0	14,557,265	\$1,225,045	9,427,263.22	0.00	0	9,427,263.22	5,130,002	64.8%	64.8%
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	1,225,045	9,427,263.22	0.00	0	9,427,263.22	4,904,524	65.8%	65.8%
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	74,306	571,407.10			571,407.10	331,140	63.3%	63.3%
502020	Employer FICA - MEDICARE	211,067		0	211,067	17,379	133,635.86			133,635.86	77,431	63.3%	63.3%
502030	Employee Health Insurance	2,715,691		0	2,715,691	238,354	1,592,701.00			1,592,701.00	1,122,990	58.6%	58.6%
502040	Dental Plan	98,636		0	98,636	9,565	56,408.84			56,408.84	42,227	57.2%	57.2%
502050	Workers Compensation	48,310		0	48,310	1,107	35,007.29			35,007.29	13,303	72.5%	72.5%
502060	Unemployment Insurance	21,339		0	21,339	644	7,811.64			7,811.64	13,527	36.6%	36.6%
502070	Hospital & Medical - Retirees	1,608,584		0	1,608,584	151,570	1,005,714.16			1,005,714.16	602,870	62.5%	62.5%
502090	Health Insurance Waiver (Incl: 117)	34,008		0	34,008	2,418	18,494.50			18,494.50	15,514	54.4%	54.4%
502100	Retirement	1,704,743		0	1,704,743	127,540	1,138,947.99			1,138,947.99	565,795	66.8%	66.8%
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	622,882	4,560,128.38	0.00	0	4,560,128.38	2,810,029	61.9%	61.9%
	TOTAL COMPENSATION RELATED	21,701,944	0	0	21,701,944	1,847,927	13,987,391.60	0.00	0	13,987,391.60	7,714,552	64.5%	64.5%
505000	Office Supplies	166,335		0	166,335	16,799	111,215.75	39,932.34		151,148.09	15,187	66.9%	90.9%
505200	Clothing Supplies	4,000	814	0	4,814		1,699.28			1,699.28	3,115	35.3%	35.3%
505600	Auto Truck & Heavy Equip Supplies	9,750		0	9,750	1,132	5,550.65			5,550.65	4,199	56.9%	56.9%

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

Expenditure Detail as of 8/31/2017

66.6% 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	August Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expended	YTD Encumb
505800	Medical & Health Supplies	1,100		0	1,100		147.40	713.25		860.65	239	13.4%	78.2%
506200	Maintenance & Repair	104,300	8,876	0	113,176	11,655	65,957.41	22,567.78	1,935	90,460.47	22,716	58.3%	79.9%
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	313	4,729.97			4,729.97	8,270	36.4%	36.4%
510100	Out of Area Travel	15,000		0	15,000	1,434	9,770.94			9,770.94	5,229	65.1%	65.1%
510200	Training and Education	59,133		0	59,133	3,782	29,820.99			29,820.99	29,312	50.4%	50.4%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	31,936			31,936	4,157	18,729.12			18,729.12	13,207	58.6%	58.6%
	Fuel Oil	1,000			1,000		0.00			0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	62,476		0	62,476	6,279	52,829.35			52,829.35	9,647	84.6%	84.6%
515000	Total Utility Charges	95,412		0	95,412	10,436	71,558.47	0.00	0	71,558.47	23,854	75.0%	75.0%
516010	CONTRACTUAL PAYMENTS												
	Newstead Public - Akron	239		9,000	9,239		239.00	9,000.00		9,239.00	0	2.6%	100.0%
	Ewell Free - Alden	1,376		2,500	3,876		1,376.00	2,500.00		3,876.00	0	35.5%	100.0%
	Amherst Public	0		36,000	36,000		0.00	36,000.00		36,000.00	0	0.0%	100.0%
	Angola Public	0		10,000	10,000		0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Aurora Public	0		2,500	2,500		0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Boston Free	1,642		2,500	4,142		1,642.00	2,500.00		4,142.00	0	39.6%	100.0%
	Clarence Public	0		9,000	9,000		0.00	9,000.00		9,000.00	0	0.0%	100.0%
	Collins Public	0		2,500	2,500		0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Concord Public	0		2,500	2,500		0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Eden Library	0		2,500	2,500		0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Elma Public	0		2,500	2,500		0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Grand Island Memorial	0		10,000	10,000		0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Hamburg Public	0		20,000	20,000		0.00	20,000.00		20,000.00	0	0.0%	100.0%
	Lackawanna Public	12,436		0	12,436		9,327.00	3,109.00		12,436.00	0	75.0%	100.0%
	Lancaster Public	0		5,000	5,000		0.00	5,000.00		5,000.00	0	0.0%	100.0%
	Marilla Free	441		2,500	2,941		441.00	2,500.00		2,941.00	0	15.0%	100.0%
	North Collins Public	682		2,500	3,182		682.00	2,500.00		3,182.00	0	21.4%	100.0%
	Orchard Park Public	0		10,000	10,000		0.00	10,000.00		10,000.00	0	0.0%	100.0%
	City of Tonawanda Public	0		10,000	10,000		0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Town of Tonawanda Public	0		20,000	20,000		0.00	20,000.00		20,000.00	0	0.0%	100.0%
	West Seneca Public	0		5,000	5,000		0.00	5,000.00		5,000.00	0	0.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	16,816	0	166,500	183,316	\$0	13,707.00	169,609.00	0	183,316.00	0	7.5%	100.0%

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

Expenditure Detail as of 8/31/2017

66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbered & PY Capital Project Balances	2017 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD % Current Budget	YTD Expend/ & Encumb
516020	Professional Services Contracts & Fees	850,637	75,829	0	926,466	32,909	619,193.90	281,198.52		900,392.42	26,074	66.8%	97.2%
516030	Maintenance Contracts	120,517	1,583	50,000	172,100	10,190	44,290.23	84,540.55		128,830.78	43,269	25.7%	74.9%
530000	Other Expenses	187,950	15,341	40,000	243,291	9,877	104,281.97	3,350.46	14,920	122,552.43	120,739	42.9%	50.4%
545000	Rental Charges	4,725		0	4,725	162	1,743.47	2,082.93		3,826.40	899	36.9%	81.0%
555050	Insurance Premiums	139,100		0	139,100		130,553.29			130,553.29	8,547	93.9%	93.9%
561410	Lab & Technical Equipment	77,060	91,848	158,377	327,285	25,131	126,200.54	111,320.13		237,520.67	89,765	38.6%	72.6%
561420	Office Equip, Furn & Fixtures			110,000	110,000		2,868.47	22,338.00		25,206.47	84,794	2.6%	22.9%
561430	Building, Grounds and Heavy Equip			15,000	15,000		0.00	4,575.60		4,575.60	10,424	0.0%	30.5%
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	320,210	2,108,721.30		170,805	2,279,526.30	900,279	66.3%	71.7%
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	989	93,507.12			93,507.12	55,283	62.8%	62.8%
	Electricity	684,829		(50,000)	634,829	56,574	364,419.08			364,419.08	270,410	57.4%	57.4%
	Total Interfund Exp - Utilites	833,619	0	(50,000)	783,619	57,563	457,926.20	0.00	0	457,926.20	325,693	58.4%	58.4%
942000	Interfund - Holding Center	(90,865)		0	(90,865)	(7,572)	(60,576.65)			(60,576.65)	(30,288)	66.7%	66.7%
	Interfund - Correctional Facility	(104,461)		0	(104,461)	(8,705)	(69,640.65)			(69,640.65)	(34,820)	66.7%	66.7%
	Interfund - Court Storage	(8,598)		0	(8,598)	(717)	(5,732.00)			(5,732.00)	(2,866)	66.7%	66.7%
	Total ID Library Services	(203,924)	0	0	(203,924)	(\$16,994)	(135,949.30)			(135,949.30)	(67,975)	66.7%	66.7%
910600	Intefund Expense - Purchasing Services	27,638		0	27,638	\$2,082	16,654.65			16,654.65	10,983	60.3%	60.3%
910700	Interfund Expnese - Fleet Services	34,787		0	34,787		9,566.99			9,566.99	25,220	27.5%	27.5%
980000	Interdepart Services DISS	268,445		0	268,445	22,370	178,963.36			178,963.36	89,482	66.7%	66.7%
	System Operating Grand Totals	27,550,344	365,096	489,877	28,405,317	2,356,978	17,970,246.18	746,240.26	187,660	18,904,146.72	9,501,170	63.3%	66.6%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 8/31/2017
 66.6% of Budget Year

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust-ments/ Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend/ & Encumb
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>													
	Library Debt Service	956,761			956,761	0	820,083.82			820,083.82	136,677	85.7%	85.7%
490	General Obligation Bond Proceeds												
561250	Building Improvements		24,189		24,189		24,188.96			24,188.96	0	100.0%	100.0%
	Total General Obligations	0	24,189	0	24,189	\$0	24,188.96	0.00	0	24,188.96	0	100.0%	100.0%
	Total Erie County Capital for Library	956,761	24,189	0	980,950	\$0	844,272.78	0.00	0	844,272.78	136,677	86.1%	86.1%
	Grand Total Operating and Erie County Capital	28,507,105	389,285	489,877	29,386,267	\$2,356,978	18,814,518.96	746,240.26	187,660	19,748,419.50	9,637,848	64.0%	67.2%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending August 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	\$109,350.29
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$8,158.00
Interest Income	\$472.31
Total 2017 Revenue	
\$117,980.60	

Less Disbursements

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

Library material purchases (direct from trust)	(\$3,033.36)
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$36,587.08)
Equipment, furnishings & supplies	(\$13,840.42)
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	(\$129,779.55)
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Other Disbursements (Describe)	\$0.00
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Total 2017 Disbursements	(\$129,779.55)
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Balance, 2017 Activity	(\$11,798.95)
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Cumulative Balance Library Trust	\$1,158,988.33
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