

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 9/20/2018

AGENDA ITEM NUMBER: E.2.d.

Budget & Finance Committee
Financials for the Month Ending **07/31/2018**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of July 31, 2018 month-end. The report also details monthly activity for June and July. Overall, with 58.1% of the budget year elapsed, year-to-date Library revenue, at 86.8% collected, is well within budget and year-to date expense, at 54.1%, is also within budget. Items of note include:

REVENUE:

- ✓ **Fine Revenue is modestly under budget at 57.2%** 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 is running 3.9% below the same period in 2017.
- ✓ **Property Tax for Library Proceeds:** The full \$24,422,489 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments:** Library aid payments are normally released by the State beginning two to three months after the State's budget is adopted. This year the payment arrived in August. The initial payment represents approximately 90% of the total for the year. The Library's 2018 budget assumed state library aid at 2017's funding level. The enacted NY State 2018-19 budget contained a 1% increase, totaling \$21,952. The State Library issued final aid tables in June, a budget adjustment reflecting this change was approved by the Board at the July 19th meeting.
- ✓ **Refunds - P/Y Expenses** revenue represents reimbursable expenses occurring in the prior year for which reimbursements were received in the current year.
- ✓ **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.** Contract settlements with AFSCME and the Librarians Association were reached in late 2017, and with CSEA in early 2018. The above budget amount in the “Other Employee Payments” includes a one-time payment to CSEA members pursuant to that settlement. Funding to help support the settlements’ cost is included in the “Contract Salary Reserves” account. Overall, year-to-date Net Personal Services expense consumed 56.8% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 52.0% overall.** Usage changes and negotiated increased employee contributions contributed to Active Employee Health Insurance cost being under budget (at 45.7%, with YTD costs 12.4% below year-to-date charges for the same period last year). Workers compensation expense is running above budget due to medical procedure expense in February. Finally, retiree medical charges so far this year are also running below budget, coming in at 48.3% of budget (and 7.8% below the same period in 2017). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor these accounts.
- ✓ **Telephone and Internet Service charges show at 122.9% 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 Gallivan, Jacobs, Ranzenhofer and Assembly member Walter.
- ✓ **Insurance premiums shows at 77.9%.** Reflects timing of policy renewal payments, current services contracted in this account are expected to end the year within budget.
- ✓ **Other remaining operating accounts above 58.1% reflect timing differences.** These accounts, including Office Supplies and Out of Area Travel, reflect timing variations and are expected to end the year within budget.
- ✓ **Below budget Electric Utility costs helped counter the higher Natural Gas expense of a prolonged winter.** Natural Gas charges of \$106,073 came in at 72.0% of the 2018 annual budget, reflecting seasonality and prolonged winter weather. Expense was 14.7% higher than the \$92,518 paid in January – July 2017. Electricity charges of \$332,973 came in at 53.8% of the 2018 annual budget; however, they were 8.2% above the \$307,845 paid in January – July 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined, 2018 interfund utility charges of \$439,046 were slightly below budget (57.3% of budget), however they were \$38,682 (9.7%) above those incurred for the same months in 2017.** 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

2018 OPERATING BUDGET

Revenue Detail as of 6/30/2018

58.1% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue June	Revenue July	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS									
419000	Library Charges - Fines	295,594	0	295,594	23,137	24,051	169,129.78	126,464	57.2%
422000	Copies	17,398	0	17,398	1,974	2,254	14,474.13	2,924	83.2%
466040	Printing	62,963	0	62,963	5,767	4,510	35,314.84	27,648	56.1%
466030	Book Bags	1,100	0	1,100	75	119	574.00	526	52.2%
466020	Minor Sale - Other	5,591	0	5,591	373	337	2,669.05	2,922	47.7%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	1,530	1,166	12,390.96	8,709	58.7%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	687		7,733.90	9,946	43.7%
TOTAL REVENUE FROM LIBRARY OPERATIONS		421,426	0	421,426	33,543	32,437	242,286.66	179,139	57.5%
REVENUE FROM STATE & COUNTY GOVT.									
400020	Library Real Prop Tax	24,422,489	0	24,422,489			24,422,488.99	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,943,728	19,131	1,962,859			0.00	1,962,859	0.0%
408150	NYS Aid to Member Libraries	284,683	2,821	287,504			0.00	287,504	0.0%
408160	State Aid - Special	0	268,500	268,500			13,000.00	255,500	4.8%
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.		26,650,900	290,452	26,941,352	0	0	24,435,488.99	2,505,863	90.7%
OTHER REVENUE									
419010	Refunds - Cont Library	349,839	0	349,839			0.00	349,839	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000			30,756.01	(20,756)	307.6%
466170	Refund Contract Lib Retire	0	0	0			0.00	0	0.0%
466070	Refund P/Y Expenses	0	0	0			0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	1,109	1,146	6,090.69	(4,091)	304.5%
466000	Misc Receipts	0	0	0			75.00	(75)	0.0%
466010	NSF Check Fees	15	0	15			0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	149	160	1,486.89	3,513	29.7%
479100	Other Contributions	60,000	0	60,000			0.00	60,000	0.0%
TOTAL OTHER REVENUE		426,854	0	426,854	1,258	1,306	38,408.59	388,445	9.0%
USE OF FUND BALANCE									
402190	Appropriated Fund Balance	498,684	173,048	671,732			0.00	671,732	0.0%
TOTAL USE OF FUND BALANCE		498,684	173,048	671,732	0	0	0.00	671,732	0.0%
GRAND TOTAL OPERATING REVENUE		27,997,864	463,500	28,461,364	34,801	33,743	24,716,184.24	3,745,180	86.8%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 7/31/2018

58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	June Expended	July Expended	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
										YTD Expend	YTD Expend/ & Encumb
OPERATING EXPENDITURES											
PERSONAL SERVICES											
Regular Salaries & Wages											
500000	Full Time - Salaries	9,520,007		0	9,520,007	\$773,475	\$813,041	5,518,050.87	4,001,956	58.0%	58.0%
500010	Part Time - Wages	4,104,351		0	4,104,351	324,145	337,740	2,284,788.64	1,819,562	55.7%	55.7%
500020	Regular PT - Wages	759,767		0	759,767	69,117	68,589	483,771.53	275,995	63.7%	63.7%
500300	Shift Differential	19,000		0	19,000	2,147	1,374	10,370.27	8,630	54.6%	54.6%
500330	Holiday Worked	16,000		0	16,000	1,803	1,499	12,330.75	3,669	77.1%	77.1%
500350	Other Employee Payments	100,000		0	100,000	2,939	2,360	46,240.94	53,759	46.2%	46.2%
	Salaries & Wages	14,519,125	0	0	14,519,125	\$1,173,626	\$1,224,604	8,355,553.00	6,163,572	57.5%	57.5%
501000	Overtime Salaries & Wages	220,000		0	220,000	\$21,049	\$14,239	151,766.25	68,234	69.0%	69.0%
	TOTAL, PERSONAL SERVICES	14,739,125	0	0	14,739,125	\$1,194,675	\$1,238,843	8,507,319.25	6,231,806	57.7%	57.7%
504990	Reduction From Personal Services	(53,937)		0	(53,937)			0.00	(53,937)	0.0%	0.0%
504992	Contractual Salary Reserves	304,055		0	304,055			0.00	304,055	0.0%	0.0%
	NET PERSONAL SERVICES	14,989,243	0	0	14,989,243	1,194,675	1,238,843	8,507,319.25	6,481,924	56.8%	56.8%
FRINGE BENEFITS											
502000	Fringe Benefits	0		0	0			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	913,829		0	913,829	72,996	74,927	516,252.47	397,577	56.5%	56.5%
502020	Employer FICA - MEDICARE	213,712		0	213,712	17,072	17,523	120,736.64	92,975	56.5%	56.5%
502030	Employee Health Insurance	2,593,704		0	2,593,704	177,280	175,897	1,186,191.67	1,407,512	45.7%	45.7%
502040	Dental Plan	97,542		0	97,542	6,592	13,304	52,311.32	45,231	53.6%	53.6%
502050	Workers Compensation	48,921		0	48,921	1,004	11,376	55,434.91	(6,514)	113.3%	113.3%
502060	Unemployment Insurance	20,144		0	20,144	304	766	2,862.88	17,281	14.2%	14.2%
502070	Hospital & Medical - Retirees	1,629,339		0	1,629,339	103,365	128,239	787,118.99	842,220	48.3%	48.3%
502090	Health Insurance Waiver (Incl: 117)	27,012		0	27,012	3,734	3,401	24,837.00	2,175	91.9%	91.9%
502100	Retirement	1,589,302		0	1,589,302	196,709	131,289	980,362.30	608,940	61.7%	61.7%
502000	Unallocated Fringe Benefits	30,025		0	30,025			0.00	30,025	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,163,530	0	0	7,163,530	579,056	556,723	3,726,108.18	3,437,422	52.0%	52.0%
	TOTAL COMPENSATION RELATED	22,152,773	0	0	22,152,773	1,773,731	1,795,566	12,233,427.43	9,919,346	55.2%	55.2%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 7/31/2018

58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 Budget Adjust-ments/ Revisions	Adjusted Budget	June Expended	July Expended	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
										YTD Expend	YTD Expend/ & Encumb
505000	Office Supplies	167,535	15	0	167,550	21,916	11,802	135,621.12	31,929	61.0%	80.9%
505200	Clothing Supplies	4,000	1,407	0	5,407	76	944	2,380.63	3,026	39.0%	44.0%
505600	Auto Truck & Heavy Equip Supplies	11,000		0	11,000	456	49	4,022.75	6,977	27.4%	36.6%
505800	Medical & Health Supplies	1,550	275	0	1,825		29	431.10	1,394	15.7%	23.6%
506200	Maintenance & Repair	106,400	16,523	25,000	147,923	2,504	8,089	89,450.99	58,472	41.7%	60.5%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000			7,520.00	6,480	53.7%	53.7%
510000	Local Mileage Reimbursement	11,000		0	11,000	649	921	4,971.69	6,028	45.2%	45.2%
510100	Out of Area Travel	20,000		0	20,000	807	3,419	12,804.63	7,195	64.0%	64.0%
510200	Training and Education	55,231		0	55,231	545	555	17,036.00	38,195	30.2%	30.8%
515000	Utility Charges (Telecom/water/sewer)										
	Water/Sewer	31,005			31,005	1,248	2,876	14,598.20	16,407	47.1%	47.1%
	Fuel Oil	1,000			1,000			0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	67,928		0	67,928	2,692	6,290	83,465.66	(15,538)	122.9%	122.9%
515000	Total Utility Charges	99,933		0	99,933	3,941	9,166	98,063.86	1,869	98.1%	98.1%
516010	CONTRACTUAL PAYMENTS										
	Newstead Public - Akron	724		15,000	15,724			724.00	15,000	4.6%	4.6%
	Ewell Free - Alden	1,591		2,500	4,091			1,591.00	2,500	38.9%	38.9%
	Amherst Public	0		86,000	86,000			13,000.00	73,000	15.1%	15.1%
	Angola Public	0		10,000	10,000			0.00	10,000	0.0%	0.0%
	Aurora Public	0		2,500	2,500			0.00	2,500	0.0%	0.0%
	Boston Free	1,862		2,500	4,362			1,862.00	2,500	42.7%	42.7%
	Clarence Public	0		15,000	15,000			0.00	15,000	0.0%	0.0%
	Collins Public	0		2,500	2,500			0.00	2,500	0.0%	0.0%
	Concord Public	0		2,500	2,500			0.00	2,500	0.0%	0.0%
	Eden Library	880		2,500	3,380			880.00	2,500	26.0%	26.0%
	Elma Public	0		2,500	2,500			0.00	2,500	0.0%	0.0%
	Grand Island Memorial	0		10,000	10,000			0.00	10,000	0.0%	0.0%
	Hamburg Public	0		20,000	20,000			0.00	20,000	0.0%	0.0%
	Lackawanna Public	11,875		0	11,875		2,969	11,875.00	0	75.0%	100.0%
	Lancaster Public	0		5,000	5,000			0.00	5,000	0.0%	0.0%
	Marilla Free	738		2,500	3,238			738.00	2,500	22.8%	22.8%
	North Collins Public	1,647		2,500	4,147			1,647.00	2,500	39.7%	39.7%
	Orchard Park Public	0		10,000	10,000			0.00	10,000	0.0%	0.0%
	City of Tonawanda Public	0		10,000	10,000			0.00	10,000	0.0%	0.0%
	Town of Tonawanda Public	0		20,000	20,000			0.00	20,000	0.0%	0.0%
	West Seneca Public	0		5,000	5,000			0.00	5,000	0.0%	0.0%
	Total Cnt Pmts-NP Pur Sys	19,317	0	228,500	247,817	\$0	\$2,969	32,317.00	215,500	11.8%	13.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 7/31/2018

58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Project Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	June Expended	July Expended	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
										YTD Expend	YTD Expend/ & Encumb
516020	Professional Services Contracts & Fees	857,725	53,849	0	911,574	64,957	52,839	680,084.43	231,490	52.4%	74.6%
516030	Maintenance Contracts	124,900	44,589	40,000	209,489	7,230	3,932	119,107.14	90,382	47.3%	56.9%
530000	Other Expenses	188,800	49,849	0	238,649	5,455	4,411	141,003.42	97,645	27.6%	59.1%
545000	Rental Charges	4,925		0	4,925	204	36	3,164.29	1,761	14.3%	64.2%
555050	Insurance Premiums	150,048		0	150,048	9,206		116,953.12	33,095	77.9%	77.9%
561410	Lab & Technical Equipment	98,175	60,819	155,000	313,994	6,352	15,755	143,287.77	170,706	28.3%	45.6%
561420	Office Equip, Furn & Fixtures		69,147	0	69,147	20,848.92	(4,665)	65,022.81	4,124	30.0%	94.0%
561430	Building, Grounds and Heavy Equip		10,131	15,000	25,131			10,131.00	15,000	11.8%	40.3%
561440	Motor Vehicles			0	0			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	175,955	0	3,184,955	177,632	179,559	1,701,553.47	1,483,402	53.4%	53.4%
575040	Interfund Exp - Utilities										
	Fuel Oil	0		0	0			0.00	0	0.0%	0.0%
	Natural Gas	147,264		0	147,264	1,649	853	106,073.32	41,191	72.0%	72.0%
	Electricity	618,384		0	618,384	54,193	64,381	332,972.70	285,411	53.8%	53.8%
	Total Interfund Exp - Utilites	765,648	0	0	765,648	55,842	65,234	439,046.02	326,602	57.3%	57.3%
942000	Interfund - Holding Center	(89,542)		0	(89,542)	(7,462)	(7,462)	(52,232.81)	(37,309)	58.3%	58.3%
	Interfund - Correctional Facility	(99,889)			(99,889)	(8,324)	(8,324)	(58,268.56)	(41,620)	58.3%	58.3%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(717)	(5,015.50)	(3,583)	58.3%	58.3%
	Total ID Library Services	(198,029)	0	0	(198,029)	(\$16,502)	(\$16,502)	(115,516.87)	(82,512)	58.3%	58.3%
910600	Interfund Expense - Purchasing Services	28,766		0	28,766	\$2,181	\$2,181	15,264.68	13,501	53.1%	53.1%
910700	Interfund Expnese - Fleet Services	32,061		0	32,061	\$1,712	\$2,888	14,103.79	17,957	44.0%	44.0%
980000	Interdepart Services DISS	273,106		0	273,106	21,390	21,390	149,728.25	123,378	54.8%	54.8%
	System Operating Grand Totals	27,997,864	482,559	463,500	28,943,923	2,161,132	2,160,564	16,120,980.52	12,822,942	54.1%	55.7%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 7/31/2018

58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Project Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	June Expended	July Expended	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
										YTD Expend	YTD Expend/ & Encumb
<u>ERIE COUNTY CAPITAL / DEBT SERVICE FUNDING FOR LIBRARY</u>											
	Library Debt Service	1,031,377			1,031,377	34,594	1,813	875,026.09	156,351	84.8%	84.8%
Grand Total Operating and Erie County Capital		29,029,241	482,559	463,500	29,975,300	2,195,726	2,162,378	16,996,007	12,979,293	55.1%	56.7%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending July 31, 2018

Main Trust	\$1,083,630.06
Encore Editions Proceeds (Invested per resolution 2006-19)	\$97,531.43
2017 Ending Balance	\$1,181,161.49
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<u>2018 Activity and Balances</u>	
Restricted Donations	\$116,493.92
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$300.00
Interest Income	\$1,920.19
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Total 2018 Revenue	\$118,714.11
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Less Disbursements	
Year-to-date Disbursements Pursuant to Resolution 2010-8 Include:	
Library material purchases (direct from trust)	(\$24,165.23)
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$64,965.12)
Equipment, furnishings & supplies	(\$3,949.47)
Exhibit/display preparation and support/Rare Book Room	(\$14,850.80)
Preservation/Conservation	\$0.00
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$8,771.20)
Fundraiser Event Expense	\$0.00
Other	(\$8,930.78)
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Subtotal Disbursements per Resolution 2010-8	(\$125,632.60)
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Other Disbursements (Describe)	\$0.00
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Total 2018 Disbursements	(\$125,632.60)
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Balance, 2018 Activity	(\$6,918.49)
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Cumulative Balance Library Trust	\$1,174,243.00