

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 5/18/2023

AGENDA ITEM NUMBER: E.2.c.

Budget & Finance Committee
Financials for the Month Ending **3/31/2023**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of the March 31, 2023 month-end close. Overall, with 24.7% of the budget year elapsed, year-to-date Library revenue at 90.1% collected is within budget and year-to-date expense, at 22.7%, is also within budget. This is the first report for 2023 as the Library uses Erie County's SAP financial system and the County does not issue January and February month-end close reports. The report also details monthly activity for January, February and March; year-to-date totals; and provides year-end projections.

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full \$28,285,362 Library Tax allocation was booked to the Library Fund in January.
- ✓ **New York State Library Aid 2023-24 Budget, adopted in May (one month late), ended up unchanged statewide over 2022-23.** The Governor's budget had proposed a 3.5% reduction over the prior year enacted budget. Active support for libraries in the NY State Legislature contributed to the restored funding. The Library's 2023 budget assumed state aid would be unchanged from 2022-2023. However, original 2023 operating budget estimates did not include the impact of 2020 census data on the distribution. So, estimated 2023 receipts will be modestly lower (approximately \$33,000 - 1.4%). Year-to-date savings on the expenditure side are more than sufficient to offset this reduction. The initial payment for B&ECPL's 2023 state aid, representing nearly 90% of the total for the year would normally be released by the State in about July (three months after the State's budget is enacted). The late budget approval (May 2nd vs the normal April 1st deadline) may result in the initial distribution being delayed.
- ✓ **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 contract libraries in excess of local expenses of those libraries. The revenue is transmitted as part of the year-end closing process. The \$12,218 booked in March reflects 2022 year-end returns that arrived after the 2022 year end transactions cutoff.
- ✓ **Interest Earnings** revenue is performing well above budget, reflecting the higher short-term interest rate environment we are presently experiencing. This is expected to continue throughout the year.

EXPENSE:

- ✓ **Salaries and wage expense running within budget.** Overall, year-to-date Net Personal Services expense consumed 22.7% of the budget. Savings include vacancies due to turnover and hiring challenges.
- ✓ **Fringe Benefit expense is running under budget at 23.4% overall.**
 - Employer FICA – Regular & Medicare are the employer share of payroll taxes for Social Security and Medicare. Savings reflect savings in salary and wage expense.
 - Active Employee Health cost is under budget (at 23.7% of budget) reflecting usage experience. The Year-to-date (YTD) expense was 2.6% above the same period last year.
 - Retiree medical charges so far this year are also running under budget, at 23.1% of budget. YTD expense was 6.4% above the same period in 2022. Said expense is subject to significant swings due to changes in usage by retirees.

We will closely monitor these accounts.
- ✓ **Highway Supplies (rock salt) show at 39.1%.**

This relatively small account (\$18,500 annual budget) is very seasonal in nature with the next set of purchases taking place in the fall.
- ✓ **Contractual Payments to Contract Libraries combined show at 72.9%.** 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 (all of the 14 amounts at 100% are below \$10,000 each).
- ✓ **Several remaining operating accounts above 24.7% reflect timing differences.**

Several account variances reflect timing variations and are expected to end the year within budget. These accounts are: Telephone & Internet Service; Professional Services; Maintenance Contracts; Insurance Premiums, Local Share Grant Match for Library Construction Aid projects; and Furniture & Equipment.
- ✓ **Interfund Expense – Utilities: YTD expense reflects the seasonal nature of utility expense, a mild winter, and MUCH LOWER Natural Gas and Electricity rates compared to last year when rates spiked.**

Natural gas charges of \$91,038 came in at 26.3% of the 2023 annual budget, reflecting a milder 2023 winter vs the same period in 2022) and natural gas rates averaging 17.3% lower than January-March 2022. Expense was 26.7% below the \$124,157 paid in January – March 2022. Electricity charges of \$115,283 came in at 15.4% of the 2023 annual budget and were 31.3% below the \$167,848 paid in January – March 2022. Electricity rates averaged 25.9% lower than January-March 2022. A significant portion of the area’s electricity generation utilizes natural gas.

Energy usage decreased vs the same period in 2022, down 11.4% for Natural Gas and 7.3% for electricity. Total weekly open hours averaged 1,580 per week in January-March 2023, unchanged from 2022.

Combined, 2023 interfund utility charges of \$206,321 (18.8% of budget) are BELOW budget and they are \$85,685 (29.3%) below the same months in 2022. 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
2023 OPERATING BUDGET
Revenue Detail as of 3/31/2023

SAP Account Number	Account Description	24.7% of Budget Year						YTD Revenue	To Be Realized	% of Budget Collected	2023 Estimated	Variance Under (Over) Budget
		Adopted Budget	Adjust- ments	Adjusted Budget	Revenue January	Revenue February	Revenue March					
REVENUE FROM LIBRARY OPERATIONS												
419000	Library Charges/Fees	17,074	0	17,074	2,244	2,173	2,810	7,227.24	9,847	42.3%	29,300	(12,226)
422000	Copies	18,052	0	18,052	901	1,163	2,149	4,212.85	13,839	23.3%	17,100	952
466040	Printing	44,498	0	44,498	2,435	3,232	5,179	10,846.02	33,652	24.4%	44,000	498
466030	Book Bags	600	0	600	86	42	56	183.00	417	30.5%	740	(140)
466020	Minor Sale - Other	2,177	0	2,177	216	261	389	865.83	1,311	39.8%	3,510	(1,333)
420510	Rent - Real Prop - Auditorium	25,000	0	25,000	2,661	2,207	2,494	7,361.88	17,638	29.4%	29,900	(4,900)
420530	Comm - Tel Booth Food Svs	12,000	0	12,000	46			45.81	11,954	0.4%	11,000	1,000
	TOTAL REVENUE FROM LIBRARY OPERATIONS	119,401	0	119,401	8,588	9,079	13,076	30,742.63	88,658	25.7%	135,550	(16,149)
REVENUE FROM STATE & COUNTY GOVT.												
400020	Library Real Prop Tax	28,285,362	0	28,285,362	28,285,362			28,285,362.01	(0)	100.0%	28,285,362	(0)
408140	NYS Aid-Lib Incl Incent	2,022,554	0	2,022,554				0.00	2,022,554	0.0%	1,990,554	32,000
408150	NYS Aid to Member Libraries	299,376	0	299,376				0.00	299,376	0.0%	298,176	1,200
408160	State Aid - Special	0	0	0				0.00	0	0.0%	0	0
	TOTAL REVENUE FROM STATE & COUNTY GOVT.	30,607,292	0	30,607,292	28,285,362	0	0	28,285,362.01	2,321,930	92.4%	30,574,092	33,200
OTHER REVENUE												
419010	Refunds - Cont Library	9,860	0	9,860			12,218	12,217.61	(2,358)	123.9%	22,078	(12,218)
423000	Refund P/Y Expenses	10,000	0	10,000				0.00	10,000	0.0%	10,000	0
445030	Int & Earn - Gen Inv	1,200	0	1,200	11,531	12,323	14,652	38,505.79	(37,306)	3208.8%	156,160	(154,960)
466010	NSF Check Fees	15	0	15				0.00	15	0.0%	15	0
466000	Miscellaneous Receipts		0	0			34	33.81	(34)	0.0%	34	(34)
467000	Misc Depart Income	2,500	0	2,500	31	102	83	216.41	2,284	8.7%	216	2,284
479100	Other Contributions	25,000	0	25,000				0.00	25,000	0.0%	0	25,000
	TOTAL OTHER REVENUE	48,575	0	48,575	11,562	12,425	26,987	50,973.62	(2,399)	104.9%	188,503	(139,928)
USE OF FUND BALANCE												
402190	Appropriated Fund Balance	716,119	0	716,119				0.00	716,119	0.0%	80,025	636,094
	TOTAL USE OF FUND BALANCE	716,119	0	716,119	0	0	0	0.00	716,119	0.0%	80,025	636,094
	GRAND TOTAL OPERATING REVENUE	31,491,387	0	31,491,387	28,305,512	21,503	40,063	28,367,078.26	3,124,309	90.1%	30,978,169	513,218

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2023 OPERATING BUDGET

Expenditure Detail as of 3/31/2023

24.7% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2023 Adopted Budget	2022 Encumbered & PY Reservations	2023 Budget Adjustments/ Revisions	Adjusted Budget	January Expended	February Expended	March Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expended	YTD Exp/ & Encumb	2023 Estimated Expended	Variance Under (Over) Budget	2023 Est % of Adj Budget	Notes
OPERATING EXPENDITURES																			
PERSONAL SERVICES																			
Regular Salaries & Wages																			
500000	Full Time - Salaries	11,606,246		0	11,606,246	900,708	869,765	1,027,514	2,797,986.72			2,797,986.72	8,808,259	24.1%	24.1%	11,461,000	145,246	98.7%	
500010	Part Time - Wages	4,065,586		0	4,065,586	232,427	257,214	312,004	801,645.16			801,645.16	3,263,941	19.7%	19.7%	3,349,000	716,586	82.4%	Reduced PT and RPT hours reflecting continued turnover/hiring difficulties.
500020	Regular PT - Wages	1,264,356		0	1,264,356	74,454	82,554	83,565	240,573.15			240,573.15	1,023,783	19.0%	19.0%	995,000	269,356	78.7%	
500300	Shift Differential	35,000		0	35,000	2,941	3,800	5,069	11,810.01			11,810.01	23,190	33.7%	33.7%	48,000	(13,000)	137.1%	
500330	Holiday Worked	25,000		0	25,000	2,071	2,279	3,013	7,362.24			7,362.24	17,638	29.4%	29.4%	30,000	(5,000)	120.0%	
500350	Other Employee Payments	160,000		0	160,000	(323)	17,157	4,980	21,814.00			21,814.00	138,186	13.6%	13.6%	160,000	0	100.0%	
	Salaries & Wages	17,156,188	0	0	17,156,188	1,212,277	1,232,768	1,436,146	3,881,191.28	0.00	0.00	3,881,191.28	13,274,997	22.6%	22.6%	16,043,000	1,113,188	93.5%	
501000	Overtime Salaries & Wages	310,000		0	310,000	33,563	55,702	43,838	133,103.31			133,103.31	176,897	42.9%	42.9%	513,000	(203,000)	165.5%	Helps cover vacancies
	TOTAL, PERSONAL SERVICES	17,466,188	0	0	17,466,188	1,245,840	1,288,471	1,479,984	4,014,294.59	0.00	0.00	4,014,294.59	13,451,893	23.0%	23.0%	16,556,000	910,188	94.8%	
504990	Reduction From Personal Services	(249,440)		0	(249,440)				0.00			0.00	(249,440)	0.0%	0.0%	0	(249,440)	0.0%	
504992	Contractual Salary Reserves	444,136		0	444,136				0.00			0.00	444,136	0.0%	0.0%	0	444,136	0.0%	
	NET PERSONAL SERVICES	17,660,884	0	0	17,660,884	1,245,840	1,288,471	1,479,984	4,014,294.59	0.00	0.00	4,014,294.59	13,646,589	22.7%	22.7%	16,556,000	1,104,884	93.7%	
FRINGE BENEFITS																			
502010	Employer FICA - REGULAR	1,082,895		0	1,082,895	74,843	78,378	90,281	243,502.15			243,502.15	839,393	22.5%	22.5%	1,026,000	56,895	94.7%	
502020	Employer FICA - MEDICARE	253,273		0	253,273	17,470	18,330	21,115	56,915.75			56,915.75	196,357	22.5%	22.5%	240,000	13,273	94.8%	Reflects Impacts of
502030	Employee Health Insurance	2,423,377		0	2,423,377	208,444	208,834	158,054	575,332.63			575,332.63	1,848,044	23.7%	23.7%	2,333,000	90,377	96.3%	hiring/turnover challenges.
502040	Dental Plan	85,397		0	85,397	6,954	7,015	5,481	19,450.02			19,450.02	65,947	22.8%	22.8%	79,000	6,397	92.5%	
502050	Workers Compensation	110,908		0	110,908	3,027	16,458	2,505	21,990.37			21,990.37	88,918	19.8%	19.8%	89,000	21,908	80.2%	
502060	Unemployment Insurance	34,719		0	34,719	2,890	4,089	4,235	11,214.20			11,214.20	23,505	32.3%	32.3%	45,000	(10,281)	129.6%	
502070	Hospital & Medical - Retirees	1,443,351		0	1,443,351	106,888	110,848	116,184	333,920.23			333,920.23	1,109,431	23.1%	23.1%	1,354,000	89,351	93.8%	
502090	Health Insurance Waiver (Incl: 117)	85,824		0	85,824	8,302	8,252	8,152	24,706.00			24,706.00	61,118	28.8%	28.8%	100,000	(14,176)	116.5%	
502100	Retirement	1,527,537		0	1,527,537	100,107	104,824	157,504	362,435.52			362,435.52	1,165,101	23.7%	23.7%	1,507,000	20,537	98.7%	
	TOTAL, FRINGE BENEFITS	7,047,281	0	0	7,047,281	528,925	557,029	563,512	1,649,466.87	0.00	0.00	1,649,466.87	5,397,814	23.4%	23.4%	6,773,000	274,281	96.1%	
	TOTAL COMPENSATION RELATED	24,708,165	0	0	24,708,165	1,774,765	1,845,500	2,043,497	5,663,761.46	0.00	0.00	5,663,761.46	19,044,404	22.9%	22.9%	23,329,000	1,379,165	94.4%	

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2023 OPERATING BUDGET

Expenditure Detail as of 3/31/2023

24.7% of Budget Year

% Current Budget

Table with 19 columns: SAP Acct. Nbr., Account Description, 2023 Adopted Budget, 2022 Encumbered & PY Reservations, 2023 Budget Adjustments/Revisions, Adjusted Budget, January Expended, February Expended, March Expended, Year-to-Date Expended, Encumb., Funds Reservations, Total Expenditures & Encumbrances, Remaining Balance, YTD Expended, YTD & Encumb, 2023 Estimated Expended, Variance Under (Over) Budget, 2023 Est % of Adj Budget, Notes

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2023 OPERATING BUDGET

Expenditure Detail as of 3/31/2023

24.7% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2023 Adopted Budget	2022 Encumbered & PY Reservations	2023 Budget Adjustments/ Revisions	Adjusted Budget	January Expended	February Expended	March Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		2023 Estimated Expended	Variance Under (Over) Budget	2023 Est % of Adj Budget	Notes
														YTD Expended	YTD Expend/ & Encumb				
516020	Professional Services Contracts & Fees	873,461	68,827	0	942,288	23,734	81,283	168,397	273,413.26	439,773.97		713,187.23	229,101	29.0%	75.7%	942,288	0	100.0%	
516030	Maintenance Contracts	183,976	11,238	0	195,214	3,712	7,408	43,010	54,129.89	60,875.76		115,005.65	80,208	27.7%	58.9%	191,000	4,214	97.8%	
530000	Other Expenses	193,400	190,574	0	383,974	4,973	18,023	15,109	38,104.27	18,065.73	190,574.25	246,744.25	137,230	9.9%	64.3%	346,000	37,974	90.1%	
545000	Rental Charges	5,527		0	5,527	369	369	519	1,256.58	3,969.74		5,226.32	301	22.7%	94.6%	5,527	0	100.0%	
555050	Insurance Premiums	169,482		0	169,482			69,026	69,026.19			69,026.19	100,456	40.7%	40.7%	169,482	0	100.0%	
559000	Local Share - Grant Match	0	375,000	0	375,000				0.00		375,000.00	375,000.00	0	0.0%	100.0%	375,000	0	100.0%	Local match towards Library Construction Aid projs. March amount is for Crane Phase 2
561410	Lab & Technical Equipment	101,033	533,023	0	634,056	4,685	3,696	145,815	154,195.86	1,463.02		155,658.88	478,397	24.3%	24.5%	634,056	0	100.0%	
561420	Office Equip, Furn & Fixtures		13,991	0	13,991			10,144	10,144.18			10,144.18	3,847	72.5%	72.5%	13,991	0	100.0%	
561430	Building, Grounds and Heavy Equip		74,043	0	74,043			7,703	7,703.10	4,640.00		12,343.10	61,700	10.4%	16.7%	74,043	0	100.0%	
561440	Motor Vehicles			0	0				0.00			0.00	-	0.0%	0.0%	0	0	0.0%	
561450	Library Books and Media	3,078,460	196,210	0	3,274,670	282,887	145,080	284,873	712,839.65			712,839.65	2,561,830	21.8%	21.8%	3,093,000	181,670	94.5%	
575040	Interfund Exp - Utilities																		
	Natural Gas	346,739		0	346,739	37,021	29,543	24,474	91,038.00			91,038.00	255,701	26.3%	26.3%	175,000	171,739	50.5%	LOWER natural gas rates: YTD Mar. down 17.3% vs 2022; Gas prices impact electric rates which were down 25.9% vs 2022. Usage was also down 11.4% Ngas & 7.3% Electric (milder winter)
	Electricity	749,467		0	749,467	43,589	36,435	35,259	115,282.67			115,282.67	634,184	15.4%	15.4%	570,000	179,467	76.1%	
	Total Interfund Exp - Utilites	1,096,206	0	0	1,096,206	80,610	65,978	59,733	206,320.67	0.00	0.00	206,320.67	889,885	18.8%	18.8%	745,000	351,206	68.0%	
942000	Interfund - Holding Center	(68,880)		0	(68,880)			(19,991)	(19,991.00)			(19,991.00)	(48,889)	29.0%	29.0%	(81,000)	12,120	117.6%	
	Interfund - Correctional Facility	(75,665)			(75,665)			(15,105)	(15,105.00)			(15,105.00)	(60,560)	20.0%	20.0%	(61,000)	(14,665)	80.6%	
	Interfund - Court Storage	(8,598)			(8,598)			(2,150)	(2,149.50)			(2,149.50)	(6,449)	25.0%	25.0%	(9,000)	402	104.7%	
	Total ID Library Services	(153,143)	0	0	(153,143)	0	0	(37,246)	(37,245.50)	0.00	0.00	(37,245.50)	(115,898)	24.3%	24.3%	(151,000)	(2,143)	98.6%	
910600	Interfund Expense - Purchasing Services	46,460		0	46,460			10,628	10,628.25			10,628.25	35,832	22.9%	22.9%	46,460	0	100.0%	
910700	Interfund Expense - Fleet Services	51,634		0	51,634	2,198	2,026	2,830	7,054.16			7,054.16	44,580	13.7%	13.7%	51,634	0	100.0%	
911500	Interfund Exp - Sheriff Division Svcs	194,907		0	194,907			61,808	61,808.34			0.00	194,907	31.7%	0.0%	194,907	0	100.0%	Security Assistance @ Central Library
980000	Interdepart Services DISS	66,000		0	66,000			10,277	10,276.86			10,276.86	55,723	15.6%	15.6%	66,000	0	100.0%	
	System Operating Grand Totals	31,491,387	1,552,412	0	33,043,799	2,322,539	2,210,071	2,973,869	7,506,479.44	619,762.77	565,574.25	8,630,008.12	24,413,791	22.7%	26.1%	30,978,169	2,065,630	93.7%	

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2023 OPERATING BUDGET
 Expenditure Detail as of 3/31/2023
 24.7% of Budget Year

SAP Acct. Nbr.	Account Description	2023 Adopted Budget	2022 Encumbered & PY Reservations	2023 Budget Adjust- ments/ Revisions	Adjusted Budget	January Expended	February Expended	March Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		2023 Estimated Expended	Variance Under (Over) Budget	2023 Est % of Adj Budget	Notes
														YTD Expend	YTD & Encumb				
<u>ERIE COUNTY CAPITAL / DEBT SERVICE</u>																			
<u>FUNDING FOR LIBRARY</u>																			
	Library Debt Service	463,739						79,760.43	79,760.43			79,760.43	(79,760)	0.0%	0.0%				
Grand Total Operating and Erie County Capital		31,955,126	1,552,412	0	33,043,799	2,322,539	2,210,071	2,973,869	7,586,240	619,763	565,574	8,709,769	24,334,031	23.0%	26.4%				

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending March 31, 2023

Main Trust	\$1,502,035.15
Encore Editions Proceeds (Invested per resolution 2006-19)	\$77,571.74
2022 Ending Balance	\$1,579,606.89
<hr/>	
<u>2023 Activity and Balances</u>	
Restricted Donations	\$99,182.29
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$0.00
Interest Income	\$10,103.48
	<hr/>
Total 2023 Revenue	\$109,285.77
<hr/>	
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	(\$13,255.00)
Equipment, furnishings & supplies	(\$220.84)
Preservation/Conservation	\$0.00
Construction Aid and other Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$5,796.97)
Other	(\$1,510.00)
Subtotal Disbursements per Resolution 2010-8	(\$20,782.81)
	<hr/>
Other Disbursements (Describe)	\$0.00
	<hr/>
Total 2023 Disbursements	(\$20,782.81)
<hr/>	
Balance, 2023 Activity	\$88,502.96
Cumulative Balance Library Trust	\$1,668,109.85