

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 4/17/2008

AGENDA ITEM NUMBER: E.2.b. Budget & Finance Committee
Pre-audit Financials Year-End **12/31/2007**

BACKGROUND:

Since preliminary figures were presented in February, two changes have occurred; they total \$89,954 in reduced expenditure resulting from reconciling billed estimates to actual prescription medication costs for both active and retiree health costs. Report changes are highlighted in green. These results are preliminary and likely to change as the year-end closing process and audit proceeds.

Items of note include:

- ✓ **Overtime ran above budget.** Overtime is used to address off-hours asbestos management tasks, Sunday coverage as the Central Library is open Sunday during the school year, and maintaining 24/7 security and boiler coverage. A combination of vacancies and short-term disabilities has contributed to the overage. Savings in other labor accounts more than offset the increase.
- ✓ **A higher than normal number of retirements contributed to turnover and active employee health insurance savings.** This factor helped save a net \$402,000 in 2007 salaries/wages and **\$233,000** in health insurance savings. The time required to “ramp-up” 2007 restorations early in the year also contributed to overall personnel savings.
- ✓ **Retirement cost savings partially result from the County making a 2007 amortization payment in February 2008.** Just over \$102,000 of the \$243,000 under budget amount is due to the County choosing to pay the amortization payment on the later of two allowable payment dates, February 1, 2008. This amortization, which allowed employers to smooth out a large jump in 2004 employer contribution rates via payments over a 10 year period, allows employers the option to make the 2007 payment on December 15, 2007 at a discount or on February 1, 2008 at the full amount. For the 2006 billing, the County chose to make the payment in December 2006 rather than February 1, 2007. Should the County elect to take advantage of the discount and pay the 2008 bill in December, the impact to the 2008 budget would be a total of just over \$200,000.
- ✓ **Utility savings from an unusually mild fall reduced both natural gas and electricity supply costs vs. budget;** contributing to utility savings of almost \$208,000 in 2007 (a significant portion of electricity supply is generated using natural gas).
- ✓ **Library material expenditures ended the year at \$3.6 million, \$807,000 under budget.** This reflects delays in ramping library material purchasing back up as 2007 was the first year since the 2005 budget crisis that the library materials budget approached normal levels, while acquisitions and processing staffing are still well below pre-crisis levels even in proportion to the reduced size of the overall system. Normal ordering lag also played a role. Additionally, catalog improvements under consideration in 2007 were not yet available for action.
- ✓ **Lab & technical equipment expenditures are \$177,000 under budget:** as projects to replace the Library’s internal email system, network hardware and network software have not yet occurred.

ACTION REQUIRED: None – Informational Report

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET**

Preliminary Revenue Detail as of 12/31/2007

100.0% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue November	Revenue December	YTD Revenue	To Be Realized	Budget Collected
REVENUE FROM LIBRARY OPERATIONS									
419000	Library Charges - Fines	\$318,073	\$0	\$318,073	\$24,195	\$24,920	\$304,968	\$13,105	95.9%
422000	Copies	26,889	0	26,889	2,230	1,690	\$28,489	(1,600)	106.0%
466040	Printing	16,349	0	16,349	2,214	2,480	\$22,651	(6,302)	138.5%
466030	Book Bags	1,000	0	1,000	108	178	\$1,454	(454)	145.4%
466020	Minor Sale - Other	23,000	0	23,000	498	544	\$25,361	(2,361)	110.3%
419020	InterLibrary Loan Shipping	2,100	0	2,100			\$2,336	(236)	111.2%
420510	Rent - Real Prop - Auditorium	5,000	0	5,000	663	1,188	\$7,128	(2,128)	142.6%
420530	Comm - Tel Booth Food Svcs	21,168	0	21,168	272	3,959	\$18,683	2,485	88.3%
TOTAL REVENUE FROM LIBRARY OPERATIONS		\$413,579	\$0	\$413,579	\$30,180	\$34,957	\$411,070	\$2,509	99.4%
REVENUE FROM STATE & COUNTY GOVT.									
400020	Library Real Prop Tax	\$22,171,833	\$0	\$22,171,833			\$22,171,833	\$0	100.0%
408140	NYS Aid-Lib Incl Incent	1,854,951	226,414	2,081,365		21,401	\$2,083,869	(2,504)	100.1%
408150	NYS Aid to Member Libraries	299,616	0	299,616		29,962	\$299,616	0	100.0%
408160	State Aid - Special		0	0			\$0	0	0.0%
486000	Interfund - Subsidy		0	0			\$0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		\$24,326,400	\$226,414	\$24,552,814	\$0	\$51,363	\$24,555,318	(\$2,504)	100.0%
OTHER REVENUE									
419010	Refunds - Cont Library	\$391,722	\$83,378	\$475,100		\$468,594	\$468,363	\$6,737	98.6%
423000	Refund P/Y Expenses	10,000	0	\$10,000			\$54,404	(\$44,404)	544.0%
466170	Refund Contract Lib Retire	251,479	(87,754)	163,725		89,345	\$89,690	74,035	54.8%
466070	Refund P/Y Expenses			0			\$0	0	0.0%
445030	Int & Earn - Gen Inv	50,000	0	50,000	5,145	5,645	\$70,594	(20,594)	141.2%
466000	Misc Receipts		0	0			\$60	(60)	0.0%
466010	NSF Check Fees	15	0	15			\$20	(5)	133.3%
467000	Misc Depart Income		0	0	354	551	\$3,579	(3,579)	0.0%
499100	Accrued Invest Interest			0			\$0	0	0.0%
TOTAL OTHER REVENUE		\$703,216	(\$4,376)	\$698,840	\$5,498	\$564,135	\$686,710	\$12,130	98.3%
USE OF FUND BALANCE									
402190	Appropriated Fund Balance	\$540,050	\$1,120,154	\$1,660,204			\$0	\$1,660,204	0.0%
TOTAL USE OF FUND BALANCE		\$540,050	\$1,120,154	\$1,660,204	\$0	\$0	\$0	\$1,660,204	0.0%
GRAND TOTAL OPERATING REVENUE		\$25,983,245	\$1,342,192	\$27,325,437	\$35,678	\$650,454	\$25,653,097	\$1,672,339	93.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET
Preliminary Expenditure Detail as of 12/31/2007
100.0% of Budget Year

SAP Account Number	Account Description	2006		2007 Budget / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Total Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2007 Adopted Budget	Encumbered & PY Capital Project Balances								
OPERATING EXPENDITURES											
PERSONAL SERVICES											
Regular Salaries & Wages											
500000	Full Time - Salaries	\$7,807,778		\$705,350	\$8,513,128	\$717,365	\$8,237,213		\$8,237,213	\$275,915	96.8%
500010	Part Time - Wages	2,223,038		\$133,690	2,356,728	190,586	\$2,338,136		2,338,136	18,592	99.2%
500020	Regular PT - Wages	896,004		(\$148,138)	747,866	45,522	\$581,931		581,931	165,935	77.8%
500030	Seasonal Emp. Wages	62,514		\$0	62,514	6,045	\$74,165		74,165	(11,651)	118.6%
500300	Shift Differential	15,500			15,500	2,035	\$17,152		17,152	(1,652)	110.7%
500330	Holiday Worked	24,000			24,000	1,118	\$17,167		17,167	6,833	71.5%
500350	Other Employee Payments	20,000			20,000	4,768	\$26,569		26,569	(6,569)	132.8%
	Salaries & Wages	\$11,048,834	\$0	\$690,902	\$11,739,736	\$967,439	\$11,292,333	\$0	\$11,292,333	\$447,403	96.2%
501000	OVERTIME SALARIES & WAGES	\$118,250		\$0	\$118,250	\$26,504	\$163,975		\$163,975	(\$45,725)	138.7%
	TOTAL, PERSONAL SERVICES	\$11,167,084	\$0	\$690,902	\$11,857,986	\$993,943	\$11,456,307	\$0	\$11,456,307	\$401,679	96.6%
504990	REDUCTION FROM PERSONAL SERVICES			\$0	\$0		\$0		\$0	\$0	0.0%
504992	Contractual Salary Reserves	\$245,266		\$0	\$245,266		\$0		\$0	\$245,266	0.0%
	NET PERSONAL SERVICES	\$11,412,350			\$12,103,252		\$11,456,307		\$11,456,307	\$646,945	94.7%
FRINGE BENEFITS											
502000	Fringe Benefits			\$0	\$0		\$0		\$0	\$0	0.0%
502010	Employer FICA - REGULAR	\$709,018		\$42,910	751,928	58,446	\$708,349		708,349	43,580	94.2%
502020	Employer FICA - MEDICARE	\$165,949		\$10,036	175,985	13,781	\$165,831		165,831	10,155	94.2%
502030	Employee Health Insurance	\$1,881,108		\$43,718	1,924,826	67,914	\$1,692,158		1,692,158	232,668	87.9%
502040	Dental Plan	\$121,518		\$2,330	123,848	9,711	\$106,836		106,836	17,012	86.3%
502050	Workers Compensation	\$120,169		\$1,623	121,792	2,523	\$106,193		106,193	15,599	87.2%
502060	Unemployment Insurance	\$28,610		\$369	28,979	1,460	\$4,872		4,872	24,107	16.8%
502070	Hospital & Medical - Retirees	\$920,373		\$6,887	927,260	20,201	\$771,207		771,207	156,053	83.2%
502090	Health Insurance Waiver (Incl: 1	\$32,400		\$1,200	33,600	2,800	\$30,700		30,700	2,900	91.4%
502100	Retirement	\$1,249,261		\$12,988	1,262,249	209,475	\$1,018,643		1,018,643	243,607	80.7%
502110	Flex Benefit Spending	\$2,000		\$0	2,000		\$0		0	2,000	0.0%
	TOTAL, FRINGE BENEFITS	\$5,230,406	\$0	\$122,062	\$5,352,468	\$386,310	\$4,604,789	\$0	\$4,604,789	\$747,679	86.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET**

Preliminary Expenditure Detail as of 12/31/2007
100.0% of Budget Year

SAP Account Number	Account Description	2006		2007 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Total Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2007 Adopted Budget	Encumbered & PY Capital Project Balances								
505000	Office Supplies	85,375	3,113	0	88,488	4,691	\$66,719	3,206	69,925	18,563	75.4%
505200	Clothing Supplies	3,100	64	500	3,664		\$738	2,401	3,139	525	20.1%
505600	Auto Truck & Heavy Equip Suppl	5,630		2,000	7,630	1,006	\$7,357		7,357	273	96.4%
505800	Medical & Health Supplies	2,250		(500)	1,750		\$348		348	1,402	19.9%
506200	Maintenance & Repair	128,050	14,518	(2,000)	140,568	9,252	\$76,012	12,776	88,788	51,780	54.1%
506400	Highway Supplies	3,500		0	3,500	858	\$3,455		3,455	45	98.7%
510000	Local Mileage Reimbursement	6,600		0	6,600	400	\$3,423		3,423	3,177	51.9%
510100	Out of Area Travel	34,525		0	34,525	395	\$14,479		14,479	20,046	41.9%
510200	Training and Education	25,250		0	25,250	1,935	\$22,183		22,183	3,068	87.9%
515000	Total Utility Charges	120,751	0	3,000	123,751	(5,752)	109,046	0	109,046	14,705	88.1%
CONTRACTUAL PAYMENTS											
516010	Newstead Public - Akron	\$0		0	0		\$0		0	0	0.0%
	Ewell Free - Alden	\$61,191		(61,191)	0		\$0		0	0	0.0%
	Amherst Public	\$1,152,337		0	1,152,337		\$1,152,337	0	1,152,337	0	100.0%
	Angola Public	\$57,414		(2)	57,412		\$57,412	0	57,412	0	100.0%
	Aurora Public	\$0		0	0		\$0		0	0	0.0%
	Boston Free	\$61,389		(311)	61,078		\$61,078	0	61,078	0	100.0%
	Cheektowaga Public	\$609,881		(540,867)	69,014		\$69,014		69,014	0	100.0%
	Clarence Public	\$0		0	0		\$0		0	0	0.0%
	Collins Public	\$0		0	0		\$0		0	0	0.0%
	Concord Public	\$95,223		435	95,658		\$95,658	0	95,658	0	100.0%
	Eden Library	\$0		0	0		\$0		0	0	0.0%
	Elma Public	\$0		0	0		\$0		0	0	0.0%
	Grand Island Memorial	\$0		0	0		\$0		0	0	0.0%
	Hamburg Public	\$0		0	0		\$0		0	0	0.0%
	Lackawanna Public	\$201,605		706	202,311		\$202,311	0	202,311	0	100.0%
	Lancaster Public	\$0		0	0		\$0		0	0	0.0%
	Marilla Free	\$322		(311)	11		\$11		11	0	100.0%
	North Collins Public	\$0		0	0		\$0		0	0	0.0%
	Orchard Park Public	\$0		0	0		\$0		0	0	0.0%
	City of Tonawanda Public	\$0		0	0		\$0		0	0	0.0%
	Town of Tonawanda Public	\$0		0	0		\$0		0	0	0.0%
	West Seneca Public	\$0		0	0		\$0		0	0	0.0%
	Total Cnt Prmts-NP Pur Svs	\$2,239,362	\$0	(\$601,541)	\$1,637,821	\$0	\$1,637,821	\$0	\$1,637,821	\$0	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET
Preliminary Expenditure Detail as of 12/31/2007
100.0% of Budget Year

SAP Account Number	Account Description	2006			2007 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Total Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2007 Adopted Budget	Encumbered & PY Capital Project Balances									
516020	Professional Services Contracts	779,787	173,512	1,078	954,377	65,973	\$647,610	172,739	820,349	134,028	67.9%	
516030	Maintenance Contracts	134,455	25,785	0	160,240	26,988	\$118,210	3,560	121,769	38,470	73.8%	
530000	Other Expenses	118,488	7,969	(3,000)	123,457	21,152	\$82,245	14,095	96,340	27,117	66.6%	
545000	Rental Charges	1,879	45	0	1,924	76	\$971	23	993	931	50.4%	
555050	Insurance Premiums	45,000		0	45,000		\$0		0	45,000	0.0%	
559000	County Share Grants			311,057	311,057		\$311,057		311,057	0	100.0%	
561250	Acq: Building Improvements			0	0		\$0		0	0	0.0%	
561410	Lab & Technical Equipment	141,563	102,386	282,660	526,609	6,229	\$237,733	119,497	357,230	169,378	45.1%	
561440	Motor Vehicles			62,000	62,000		\$58,354		58,354	3,646	94.1%	
561430	Building, Grounds and Heavy Equip			0	0		\$0		0	0	0.0%	
561450	Library Books and Media	3,925,000		464,437	4,389,437	979,017	\$3,563,602	18,745	3,582,347	807,090	81.2%	
570000	Interfund Trans - Subs						\$0		0	0	0.0%	
570040	Interfund Subsidy Debt Svc (2002)	223,042		0	223,042	215,262	\$223,042		223,042	(0)	100.0%	
575040	Interfund Exp - Utilities											
	Fuel Oil	35,000		0	35,000		\$0		0	35,000	0.0%	
	Natural Gas	348,006		9,537	357,543	43,141	263,973		263,973	93,570	73.8%	
	Electricity	1,015,107		0	1,015,107	80,704	\$935,989		935,989	79,118	92.2%	
	Total Interfund Exp - Utilites	1,398,113	0	9,537	1,407,650	123,845	1,199,962	0	1,199,962	207,688	85.2%	
942000	Interfund - Holding Center	(116,454)		0	(116,454)	(58,227)	(\$116,454)		(116,454)	0	100.0%	
	Interfund - Correctional Facility	(172,647)			(172,647)	(86,324)	(\$172,647)		(172,647)	0	100.0%	
	Interfund - Court Storage	(8,093)			(8,093)	(4,047)	(\$8,093)		(8,093)	0	100.0%	
	Total ID Library Services	(\$297,194)	\$0	\$0	(\$297,194)	(\$148,597)	(\$297,194)	\$0	(\$297,194)	\$0	100.0%	
980000	Interdepart Services DISS	215,963		0	215,963	22,079	\$195,788		195,788	20,175	90.7%	
	System Operating Grand Totals	\$25,983,245	\$327,392	\$1,342,192	\$27,652,829	\$2,705,062	\$24,344,055	\$347,042	\$24,691,097	\$2,961,732	88.0%	

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET
Preliminary Expenditure Detail as of 12/31/2007
100.0% of Budget Year

SAP Account Number	Account Description	2006		2007 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Total Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2007 Adopted Budget	& PY Capital Project Balances								
ERIE COUNTY CAPITAL FUNDING FOR LIBRARY											
	Library Debt Service	1,556,137			1,556,137	47,175	\$1,556,137		1,556,137	0	100.0%
441	Proceeds from Tobacco Fund										
506200	Maintenance & Repair Supplies				\$0		\$0		0	0	0.0%
561410	Lab & Technical Equipment										
	2003 Funds (D.09103)		3,165		\$3,165		\$0		0	3,165	
	2004 Funds (D.09104)				\$0		\$0		0	0	
	Total Lab & Technical Equipmen	0	3,165	0	3,165	0	\$0	0	0	3,165	0.0%
561420	Office Furniture & Fixtures										
	2002 Funds (D.09052)		10,721		\$10,721		\$0		0	10,721	
	2003 Funds (D.09053)		15		\$15		\$0		0	15	
	2004 Funds (D.09054)		12,420		\$12,420		\$3,389		3,389	9,032	
	Total Office Furniture & Fixture:	0	23,157	0	23,157	0	3,389	0	3,389	19,768	14.6%
561430	Bldg Grounds & Hvy Equip										
	2002 Funds (D.09102)		20,183		\$20,183		\$0		0	20,183	
	Total Bldg Grounds & Hvy Equipr	0	20,183	0	20,183	0	\$0	\$0	0	20,183	0.0%
561440	Motor Vehicles										
	2004 Funds (D.09004)		7,332		\$7,332		\$0		0	7,332	
	Total Motor Vehicles	0	7,332	0	7,332	0	\$0	\$0	0	7,332	0.0%
561450	Library Books & Media-2003 (F.00005)		1		\$1		\$0		0	1	0.0%
	Total Tobacco Projects	\$0	\$53,838	\$0	\$53,838	\$0	\$3,389	\$0	\$3,389	\$50,449	6.3%
490	General Obligation Bond Proceeds										
516020	Pro Ser Cnt and Fees (OPAC)		1,165		1,165		\$0	1,160	1,160	4	0.0%
561250	Building Improvements		77,608		77,608	\$1,058	\$1,058		1,058	76,550	1.4%
561410	Lab & Technical Equipment (OPAC)				0		\$0		0	0	0.0%
561450	Library Books and Media 2003				0		\$0		0	0	0.0%
561450	Library Books and Media 2004		152		\$152		\$0		0	152	0.0%
	Total General Obligations	\$0	\$78,925	\$0	\$78,924	\$1,058	\$1,058	\$1,160	\$2,218	\$76,706	1.3%
	Total Erie County Capital for Lib	\$1,556,137	\$132,762	\$0	\$1,688,899	\$48,233	\$1,560,584	\$1,160	\$1,561,744	\$127,155	92.4%
1	Total Operating and Erie County Capital	\$27,539,382	\$460,154	\$1,342,192	\$29,341,728	\$2,753,295	\$25,904,639	\$348,202	\$26,252,841	\$3,088,887	88.3%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending December 31, 2007

2006 Ending Balance \$781,722.09

2007 Activity and Balances

Restricted Donations \$24,891.12

(Donations received with specific instructions restricting them to the Buffalo & Erie County Public Library direct uses)

Unrestricted Donations

Pending Board Action	\$9,097.64
Board Directed to Direct Library Programs	\$0.00
Board Directed to Library Foundation	\$0.00

Total Unrestricted Donations **\$9,097.64**

Interest Income \$41,222.59

Less Disbursements

Direct For Library Programs	(\$49,616.81)
To Library Foundation	\$0.00

Total Disbursements **(\$49,616.81)**

Balance, 2007 Activity \$25,594.54

Cumulative Balance Library Trust \$807,316.63

	Beg Balance	Net Deposits (Withdrawals)	Interest	Ending Balance
Encore Editions Proceeds				
Invested Per Resolution 2006-19	\$65,265.68	\$747.94	\$3,104.67	\$69,118.29

Combined Balance Trust and Invested Encore Proceeds: **\$876,434.92**

Notes:

Year-To-Date Disbursements include: \$5,714.86 for library material purchases per donor instructions as authorized by Resolution 2001-54; \$19,856.50 for purchases up to \$5,000 per donor instructions as authorized by Resolutions 2002-6 and 2006-29; \$590.00 use of United Way proceeds for assistive devices/software per Res. 2006-28; \$1,002.39 purchases for the Riverside and Niagara Libraries per Res 2005-28 and 2006-42; use of Gates hardware/software proceeds noted below; and \$5,146.25 to reimburse the Encore account for 2006 annual campaign mailer expense. They are partially offset by a \$10,422 E-Rate reimbursement for Renovation related data cabling expense.

Year-To-Date Restricted Donations include interest earnings from the Bill and Melinda Gates Foundation for public access computer hardware and software upgrades grant awarded in 2006 to benefit Buffalo and Lackawanna Libraries. Interest earnings from this award will also be applied to this use pursuant to the Gates Award and Resolution 2006-10. Year-to-date Gates award interest earned totals \$8,449.96. Year-to-date expenditures pursuant to the grant total \$27,728.81.