

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 3/21/2013

AGENDA ITEM NUMBER: E.2.b. Budget & Finance Committee Preliminary
Financials for the Month Ending **12/31/2012**

BACKGROUND:

The attached reports provide a summary of revenues and expenditures in the Library's Operating and Erie County Capital for Library Budgets for the year as of December 31, 2012 month-end close. The report presents the initial year-end close run figures, which are subject to the audit process with Erie County and its outside auditor, Drescher & Malicki, LLP. The report also details monthly activity for December. Overall, the Library operated within its budget for the period.

Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full Library Tax allocation was booked to the Library Fund in January.
- ✓ **New York State Library Aid payments modestly above budget.** Library aid payments are normally released by the State beginning two to three months after the State's budget is adopted. The state was behind this year with the first payment arriving in August. Final payments for the year were received in late November, 2012. The total for the year ended up \$41,929 (2.25%) above budget.
- ✓ **Interfund Subsidy Revenue/Misc Receipts:** Per the County Comptroller's office, the \$2,000,000 in County funding originally budgeted in the Interfund Subsidy line should be classified as a Miscellaneous Receipt. Year to date revenue was booked to the Misc. Receipts Line and has been received in full.
- ✓ **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. The continuing shift of fine payments to e-commerce, combined with fine revenue being modestly below budget, contributed to the under budget condition in this account.
- ✓ **Bottom line** - total operating revenue, excluding use of fund balance, ended the year at \$25,050,708 which was \$21,385 (0.09%) above the revised 2012 operating revenue budget of \$25,029,708.

EXPENSE:

- ✓ **Salaries and wage expense running under budget, a savings of \$1.1 million.** Turnover, particularly in the part-time ranks, contributed to the under-budget condition with year-to-date salary and wage expense consuming 91.4% of the budget. Turnover management and position reassessment upon vacancies continue.
- ✓ **Fringe Benefit expense also ran below budget - ending the year at 96.7% of the combined budget, saving \$201,763.** The impact of vacancies on percent driven benefits (payroll taxes, unemployment insurance and workers compensation) was partially offset by active employee health insurance expense being 1.3% above budget.
- ✓ **Natural gas and Electric utility cost mitigated by relatively mild winter temperatures and lower energy supply costs, saving a combined \$286,747 vs. the 2012 budget.** Year-end natural gas charges of \$125,953, at 63.3% of the 2012 annual budget are well below budget and below the \$168,863 paid in 2011. Likewise, year-end electricity charges of \$611,414, at 74.5% of the 2012 annual budget are also well below budget and below the \$747,712 paid in 2011. The library participates in Erie County's aggregated utility purchasing pool which saves cost compared to retail pricing.
- ✓ **Bottom line** - combined operating expenditures, encumbrances and funds reservations ended the year \$2.0 million (7.7%) under budget.

ACTION REQUIRED: None - Informational Report (6 pages attached)

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2012 OPERATING BUDGET
Revenue Detail as of 12/31/2012
Preliminary, Pre-Audit
100.0% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue December	YTD Revenue	To Be Realized	Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	\$308,009	\$0	\$308,009	\$22,809	\$292,383	\$15,626	94.9%
422000	Copies	25,219	0	25,219	1,699	\$22,448	2,771	89.0%
466040	Printing	41,838	0	41,838	3,426	\$41,870	(32)	100.1%
466030	Book Bags	2,500	0	2,500	96	\$1,897	603	75.9%
466020	Minor Sale - Other	12,747	0	12,747	646	\$9,059	3,688	71.1%
420510	Rent - Real Prop - Auditorium	16,000	0	16,000	675	\$14,946	1,054	93.4%
420530	Comm - Tel Booth Food Svs	23,040	0	23,040	6,322	\$21,451	1,589	93.1%
TOTAL REVENUE FROM LIBRARY OPERATIONS		\$429,353	\$0	\$429,353	\$35,673	\$404,054	\$25,299	94.1%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	\$19,872,457	\$0	\$19,872,457		\$19,872,457	\$0	100.0%
408140	NYS Aid-Lib Incl Incent	1,626,848	0	1,626,848		\$1,660,082	(33,234)	102.0%
408150	NYS Aid to Member Libraries	234,444	0	234,444		\$243,139	(8,695)	103.7%
408160	State Aid - Special		175,000	175,000		\$175,000	0	100.0%
486000	Interfund - Subsidy	2,000,000	(2,000,000)	0		\$0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		\$23,733,749	(\$1,825,000)	\$21,908,749	\$0	\$21,950,678	(\$41,929)	100.2%
OTHER REVENUE								
419010	Refunds - Cont Library	\$404,206	\$0	\$404,206	\$366,446	\$366,446	\$37,760	90.7%
423000	Refund P/Y Expenses	10,000	0	\$10,000	\$696	\$47,311	(37,311)	473.1%
466170	Refund Contract Lib Retire	0	0	0	327	\$5,087	(5,087)	0.0%
445030	Int & Earn - Gen Inv	15,000	0	15,000	1,064	\$14,026	974	93.5%
466000	Misc Receipts	0	2,000,000	2,000,000	166,821	\$2,001,082	(1,082)	100.1%
466010	NSF Check Fees	15	0	15		\$0	15	0.0%
467000	Misc Depart Income	4,000	0	4,000	151	\$4,024	(24)	100.6%
479010	Other Contributions	258,000	0	258,000		\$258,000	0	100.0%
TOTAL OTHER REVENUE		\$691,221	\$2,000,000	\$2,691,221	\$535,505	\$2,695,976	(\$4,755)	100.2%
SUBTOTAL OPERATING REVENUE		\$24,854,323	\$175,000	\$25,029,323	\$571,179	\$25,050,708	(\$21,385)	100.1%
402190	Appropriated Fund Balance	\$537,954	\$190,000	\$727,954		\$0	\$727,954	0.0%
TOTAL USE OF FUND BALANCE		\$537,954	\$190,000	\$727,954	\$0	\$0	\$727,954	0.0%
GRAND TOTAL OPERATING		\$25,392,277	\$365,000	\$25,757,277	\$571,179	\$25,050,708	\$706,569	97.3%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2012 OPERATING BUDGET
 Expenditure Detail as of 12/31/2012
 Preliminary, Pre-Audit
 100.0% of Budget Year

SAP Account Number	Account Description	2012 Adopted Budget	2011 Encumbered & PY Capital Project Balances	2012 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
<u>OPERATING EXPENDITURES</u>												
PERSONAL SERVICES												
Regular Salaries & Wages												
500000	Full Time - Salaries	\$8,062,700		\$0	\$8,062,700	\$626,291	\$7,703,173			\$7,703,173	\$359,527	95.5%
500010	Part Time - Wages	3,915,749		\$0	3,915,749	267,215	\$3,237,113			3,237,113	678,636	82.7%
500020	Regular PT - Wages	861,799		\$0	861,799	55,070	\$855,063			855,063	6,736	99.2%
500030	Seasonal Emp. Wages	104,538		\$0	104,538	2,301	\$41,506			41,506	63,032	39.7%
500300	Shift Differential	15,000		\$0	15,000	1,777	\$15,515			15,515	(515)	103.4%
500330	Holiday Worked	15,000		\$0	15,000	2,638	\$14,288			14,288	712	95.3%
500350	Other Employee Payments	30,000		\$0	30,000	948	\$26,948			26,948	3,052	89.8%
	Salaries & Wages	\$13,004,786	\$0	\$0	\$13,004,786	\$956,240	\$11,893,607	\$0		\$11,893,607	\$1,111,179	91.5%
501000	OVERTIME SALARIES & WAGES	\$190,000		\$0	\$190,000	\$20,930	\$169,370			\$169,370	\$20,630	89.1%
	TOTAL, PERSONAL SERVICES	\$13,194,786	\$0	\$0	\$13,194,786	\$977,171	\$12,062,977	\$0		\$12,062,977	\$1,131,809	91.4%
504990	REDUCTION FROM PERSONAL SERVICES	\$0		\$0	\$0		\$0			\$0	\$0	0.0%
504992	Contractual Salary Reserves	\$0		\$0	\$0		\$0			\$0	\$0	0.0%
	NET PERSONAL SERVICES	\$13,194,786			\$13,194,786		\$12,062,977			\$12,062,977	\$1,131,809	91.4%
FRINGE BENEFITS												
502000	Fringe Benefits			\$0	\$0		\$0			\$0	\$0	0.0%
502010	Employer FICA - REGULAR	\$818,103		\$0	818,103	59,655	\$744,812			744,812	73,291	91.0%
502020	Employer FICA - MEDICARE	\$191,293		\$0	191,293	14,060	\$174,961			174,961	16,332	91.5%
502030	Employee Health Insurance	\$2,163,211		\$0	2,163,211	224,439	\$2,192,149			2,192,149	(28,938)	101.3%
502040	Dental Plan	\$117,529		\$0	117,529	9,094	\$89,660			89,660	27,869	76.3%
502050	Workers Compensation	\$75,236		\$0	75,236	(4,292)	\$37,742			37,742	37,494	50.2%
502060	Unemployment Insurance	\$95,004		\$0	95,004	2,015	\$33,284			33,284	61,720	35.0%
502070	Hospital & Medical - Retirees	\$827,317		\$0	827,317	120,819	\$821,228			821,228	6,089	99.3%
502090	Health Insurance Waiver (Incl: 117)	\$28,404		\$0	28,404	2,601	\$30,109			30,109	(1,705)	106.0%
502100	Retirement	\$1,837,697		\$0	1,837,697	75,968	\$1,830,086			1,830,086	7,611	99.6%
502110	Flex Benefit Spending	\$2,000		\$0	2,000		\$0			0	2,000	0.0%
	TOTAL, FRINGE BENEFITS	\$6,155,794	\$0	\$0	\$6,155,794	\$504,358	\$5,954,031	\$0		\$5,954,031	\$201,763	96.7%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2012 OPERATING BUDGET
 Expenditure Detail as of 12/31/2012
 Preliminary, Pre-Audit
 100.0% of Budget Year

SAP Account Number	Account Description	2011		2012 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumb- rances	Remaining Balance	YTD % Expend
		2012 Adopted Budget	Encumbered & PY Capital Project Balances									
505000	Office Supplies	105,650	3,312	(6,000)	102,962	9,146	\$78,118	0		78,118	24,844	75.9%
505200	Clothing Supplies	3,350	2,798	0	6,148		\$2,890	1,783		4,673	1,475	47.0%
505600	Auto Truck & Heavy Equip Supplies	5,050		3,500	8,550	752	\$7,708			7,708	842	90.2%
505800	Medical & Health Supplies	1,400		0	1,400	68	\$68			68	1,332	4.8%
506200	Maintenance & Repair	91,500	478	5,000	96,978	10,848	\$91,750	816		92,566	4,411	94.6%
506400	Highway Supplies (Rock Salt)	11,500	1,355	0	12,855	2,295	\$5,392			5,392	7,463	41.9%
510000	Local Mileage Reimbursement	7,200		5,000	12,200	3,792	\$14,368			14,368	(2,168)	117.8%
510100	Out of Area Travel	20,000		(5,000)	15,000	1,314	\$14,327			14,327	673	95.5%
510200	Training and Education	41,400		0	41,400	891	\$39,474	25		39,499	1,901	95.3%
515000	Utility Charges (Telecom/water/sewer)											
	Water/Sewer	29,190		0	29,190	4,286	\$31,355			31,355	(2,165)	107.4%
	Telephone & Internet Service	226,005			226,005	(3,817)	\$216,666			216,666	9,339	95.9%
515000	Total Utility Charges	255,195		0	255,195	469	248,021	0		248,021	7,174	97.2%
516010	CONTRACTUAL PAYMENTS											
	Newstead Public - Akron	\$0		15,000	15,000		\$15,000			15,000	0	100.0%
	Ewell Free - Alden	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Amherst Public	\$0		60,000	60,000		\$60,000			60,000	0	100.0%
	Angola Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Aurora Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Boston Free	\$0	569	5,000	5,569		\$5,569	0		5,569	0	100.0%
	Clarence Public	\$0		15,000	15,000		\$15,000			15,000	0	100.0%
	Collins Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Concord Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Elma Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Grand Island Memorial	\$0	2,000	0	2,000		\$2,000	0		2,000	0	100.0%
	Lancaster Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Marilla Free	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	North Collins Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Orchard Park Public	\$0		5,000	5,000		\$5,000			5,000	0	100.0%
	Town of Tonawanda Public	\$0		30,000	30,000		\$30,000			30,000	0	100.0%
	Total Cnt Pmts-NP Pur Svs	\$0	\$2,569	\$175,000	\$177,569	\$0	\$177,569	\$0		\$177,569	\$0	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2012 OPERATING BUDGET
 Expenditure Detail as of 12/31/2012
 Preliminary, Pre-Audit
 100.0% of Budget Year

SAP Account Number	Account Description	2012 Adopted Budget	2011		Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumb- rances	Remaining Balance	YTD % Expend
			Encumbered & PY Capital Project Balances	2012 Budget Adjustments / Revisions								
516020	Professional Services Contracts & Fees	1,055,443	158,968	0	1,214,411	51,414	\$919,408	171,179		1,090,587	123,825	75.7%
516030	Maintenance Contracts	106,049	1,940	0	107,989	489	\$67,257	9,962		77,219	30,770	62.3%
530000	Other Expenses	158,565		(2,600)	155,965	4,177	\$118,600	5,783		124,383	31,582	76.0%
545000	Rental Charges	1,469		3,300	4,769	426	\$4,457			4,457	312	93.5%
555050	Insurance Premiums	45,000	17,981	0	62,981	3,570	\$46,752	15,353		62,105	876	74.2%
559000	County Share Grants			0	0		\$0			0	0	0.0%
561250	Acq: Building Improvements	0	59,350	(6,500)	52,850	0	\$0	12,950		12,950	39,900	0.0%
561410	Lab & Technical Equipment	83,568		196,500	280,068	83,331	\$236,594	8,862	34,140	279,596	473	84.5%
561420	Office Equip, Furn & Fixtures		1,221	0	1,221		\$0			0	1,221	0.0%
561430	Building, Grounds and Heavy Equip			0	0		\$0			0	0	0.0%
561450	Library Books and Media	3,058,000	229,099	0	3,287,099	339,120	\$2,897,627		243,963	3,141,590	145,509	88.2%
575000	Interfund Trans (RFID Efficiency Grant)	0			0		\$0			0	0	0.0%
570040	Interfund Subsidy Debt Svc	0		0	0		\$0			0	0	0.0%
575040	Interfund Exp - Utilities											
	Fuel Oil	5,000		0	5,000		\$0			0	5,000	0.0%
	Natural Gas	198,849		0	198,849	21,373	125,953			125,953	72,896	63.3%
	Electricity	820,265		0	820,265	70,954	\$611,414			611,414	208,851	74.5%
	Total Interfund Exp - Utilites	1,024,114	0	0	1,024,114	92,326	737,367	0		737,367	286,747	72.0%
942000	Interfund - Holding Center	(117,229)		0	(117,229)	(9,769)	(\$117,229)			(117,229)	(0)	100.0%
	Interfund - Correctional Facility	(174,119)			(174,119)	(14,510)	(\$174,119)			(174,119)	(0)	100.0%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(\$8,598)			(8,598)	0	100.0%
	Total ID Library Services	(\$299,946)	\$0	\$0	(\$299,946)	(\$24,995)	(\$299,946)	\$0		(\$299,946)	(\$0)	100.0%
910600	Intefund Expense - Purchasing Services	\$33,908		0	33,908	\$9,423	\$34,954			34,954	(1,046)	103.1%
910700	Interfund Expnese - Fleet Services	\$37,342		0	37,342	\$3,211	\$32,188			32,188	5,154	86.2%
980000	Interdepart Services DISS	195,940		(3,200)	192,740	41,608	\$218,287			218,287	(25,547)	113.3%
	System Operating Grand Totals	\$25,392,277	\$479,070	\$365,000	\$26,236,347	\$2,115,201	\$23,710,241	\$226,711	\$278,103	\$24,215,055	\$2,021,292	90.4%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2012 OPERATING BUDGET
 Expenditure Detail as of 12/31/2012
 Preliminary, Pre-Audit
 100.0% of Budget Year

SAP Account Number	Account Description	2012 Adopted Budget	2011 Encumbered & PY Capital Project Balances	2012 Budget Adjustments / Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>												
	Library Debt Service	1,302,760			1,302,760	39,350	\$1,302,760			1,302,760	0	100.0%
490	General Obligation Bond Proceeds											
561250	Building Improvements		33,234		33,234		\$0			0	33,234	0.0%
	Total General Obligations	\$0	\$33,234	\$0	\$33,234	\$0	\$0	\$0		\$0	\$33,234	0.0%
	Total Erie County Capital for Library	\$1,302,760	\$33,234	\$0	\$1,335,994	\$39,350	\$1,302,760	\$0		\$1,302,760	\$33,234	97.5%
	Grand Total Operating and Erie County Capital	\$26,695,037	\$512,304	\$365,000	\$27,572,341	\$2,154,551	\$25,013,001	\$226,711	\$278,103	\$25,517,815	\$2,054,526	90.7%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending December 31, 2012

Main Trust	\$1,082,287.91
Encore Editions Proceeds (Invested per resolution 2006-19)	\$90,660.38
2011 Ending Balance	\$1,172,948.29

2012 Activity and Balances

Restricted Donations	\$317,300.13
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses) - Includes \$75,000 for the Strategic Plan.	

Unrestricted Donations		
Pending Board Action	\$25,519.27	
Board Directed to Direct Library Programs	\$0.00	
Board Directed to Library Foundation	\$0.00	
Total Unrestricted Donations		\$25,519.27

Interest Income	\$3,623.17
-----------------	-------------------

Less Disbursements		
Direct For Library Programs/Services/Support	(\$536,107.97)	
To Library Foundation	\$0.00	
Total Disbursements		(\$536,107.97)

Balance, 2011 Activity	(\$189,665.40)
------------------------	-----------------------

Cumulative Balance Library Trust	\$983,282.89
----------------------------------	---------------------

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

Library material purchases	(\$258,000.00)
Programming support	(\$16,191.31)
Equipment, furnishings & supplies	(\$29,210.50)
Exhibit/display preparation and support	\$0.00
Strategic Plan	(\$126,033.58)
Rare Book Rm Archival Storage Improvements	(\$27,561.25)
Raiser's Edge Software and Related Fundraising Expense	(\$8,755.31)
Fundraiser Event Expense - 175th Anniversary and Young Professionals Events	(\$59,776.49)
Other	(\$10,579.53)
Total	(\$536,107.97)