

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 10/20/2016

AGENDA ITEM NUMBER: E.2.c.

Budget & Finance Committee
Financials for the Month Ending **08/31/2016**

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, 2016 month-end. The report also details monthly activity for August. Overall, with 66.7% of the budget year elapsed, year-to-date Library revenue, at 94.7% collected, is well within budget and year-to date expense, at 62.9%, is also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds:** The full \$23,474,134 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 approximately 90% of the total for the year. The Library's 2016 budget assumed state library aid at 2015's funding level. The enacted NY State 2016-17 budget actually increased library aid by 4.3% which, will provide an additional \$92,105 in the Operating fund and \$28,456 in the Grants fund.
- ✓ **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 2015 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 2015 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 62.8% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 63.2% overall.**

Vacancies resulted in below budget charges for payroll taxes. Vacancies, usage changes and negotiated increased employee contributions contributed to Active Employee Health insurance cost being slightly under budget (it was still 8.8% above Year-to-date charges for the same period last year). NY State Retirement charges are also running under budget, reflecting a decrease in rates and the continued shift to the lower cost Tier 6 plan via turnover. Workers compensation and unemployment insurance expense are both running above budget. For both accounts, the Library is charged based upon actual expense incurred which, is usually relatively low. The small budgeted amount for these accounts can lead to an over budget condition at times. Overall savings in other accounts are more than sufficient to offset the overage. Finally, the rate of growth in retiree medical charges so far this year have begun to moderate, coming in under budget at 64.2% of budget (3.5% above than the same period in 2015). 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 101.4% 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 Cable Business Class, 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 combined show at 90%.** The above budget variance results from the distribution of “bullet aid” sponsored by Senator Patrick Gallivan to support the libraries within his district.

EXPENSE (continued):

- ✓ **Insurance premiums shows at 91.5 %**
Reflects timing of policy renewal payments and the addition of cyber liability coverage, the account is expected to end the year within budget including budget transfers authorized by Resolution 2016-19.
- ✓ **Several remaining operating accounts above 66.7% reflect principally timing differences.**
These accounts, including Office Supplies, Maintenance Contracts and Lab/Tech equipment reflect timing variations and are expected to end the year within budget. The Out of Area Travel account is also impacted by the locations of recurring training and conferences. Budget transfers will be needed to complete the year for this account, with other training and local mileage accounts running well below budget providing sufficient funds for any transfers needed.
- ✓ **A mild winter and continued moderate rates again generate electric and natural gas savings.**
Natural gas charges of \$64,176, came in at 38.2% of the 2016 annual budget, however they were 35.2% LOWER than the \$98,971 paid in January - August 2015. Electricity charges of \$368,040 came in at 51.8% of the 2016 annual budget and were 9.1% BELOW the \$368,040 paid in January - August 2015. The winter season's relatively mild temperatures reduced usage and rates remain moderate. This reduced the budget impact for both natural gas and electricity (as natural gas is used for both heating and electrical generation). **Combined, interfund utility charges were \$71,491 (14.2%) BELOW those incurred for the same months in 2015.** Some, but not all of the previous year-to-date savings for electricity were offset by the warmer than normal temperatures experienced this spring and summer. 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
2016 OPERATING BUDGET
Revenue Detail as of 8/31/2016
66.7% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue August	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	336,493	0	336,493	26,054	204,860	131,633	60.9%
422000	Copies	18,839	0	18,839	1,896	15,029	3,810	79.8%
466040	Printing	52,217	0	52,217	5,270	39,934	12,283	76.5%
466030	Book Bags	1,300	0	1,300	70	724	577	55.7%
466020	Minor Sale - Other	8,000	0	8,000	457	4,052	3,948	50.7%
420510	Rent - Real Prop - Auditorium	18,000	0	18,000	1,329	12,212	5,788	67.8%
420530	Comm - Tel Booth Food Svs	18,240	0	18,240	1,482	11,436	6,804	62.7%
TOTAL REVENUE FROM LIBRARY OPERATIONS		453,089	0	453,089	36,559	288,246	164,843	63.6%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	23,474,134	0	23,474,134		23,474,134	(0)	100.0%
408140	NYS Aid-Lib Incl Incent	1,862,346	0	1,862,346		1,922,615	(60,269)	103.2%
408150	NYS Aid to Member Libraries	272,758	0	272,758		256,077	16,681	93.9%
408160	State Aid - Special	0	16,500	16,500		16,500	0	100.0%
409010	State Aid - Other	0	0	0		0	0	0.0%
486000	Interfund - Subsidy	0	0	0		0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		25,609,238	16,500	25,625,738	0	25,669,326	(43,588)	100.2%
OTHER REVENUE								
419010	Refunds - Cont Library	407,906	0	407,906		0	407,906	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000	8,715	37,048	(27,048)	370.5%
466170	Refund Contract Lib Retire	0	0	0		0	0	0.0%
466070	Refund P/Y Expenses	0		0		0	0	0.0%
445030	Int & Earn - Gen Inv	3,000	0	3,000	196	1,583	1,417	52.8%
466000	Misc Receipts	0	0	0		217	(217)	0.0%
466010	NSF Check Fees	15	0	15		0	15	0.0%
467000	Misc Depart Income	3,000	0	3,000	600	3,749	(749)	125.0%
479100	Other Contributions	60,000	0	60,000		0	60,000	0.0%
TOTAL OTHER REVENUE		483,921	0	483,921	9,512	42,597	441,324	8.8%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	714,843	170,000	884,843		0	884,843	0.0%
TOTAL USE OF FUND BALANCE		714,843	170,000	884,843	0	0	884,843	0.0%
GRAND TOTAL OPERATING REVENUE		27,261,091	186,500	27,447,591	46,071	26,000,168	1,447,423	94.7%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2016 OPERATING BUDGET

Expenditure Detail as of 8/31/2016

66.7% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	2015 Encumbered & PY Capital Project Balances	2016 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend/ & Encumb
<u>OPERATING EXPENDITURES</u>													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,085,418		0	9,085,418	\$812,079	5,922,086.70			5,922,086.70	3,163,331	65.2%	65.2%
500010	Part Time - Wages	4,024,053		0	4,024,053	318,141	2,433,581.21			2,433,581.21	1,590,472	60.5%	60.5%
500020	Regular PT - Wages	1,062,824		0	1,062,824	53,399	563,318.63			563,318.63	499,505	53.0%	53.0%
500300	Shift Differential	15,000		0	15,000	1,114	10,053.22			10,053.22	4,947	67.0%	67.0%
500330	Holiday Worked	15,000		0	15,000		9,024.23			9,024.23	5,976	60.2%	60.2%
500350	Other Employee Payments	60,000		0	60,000	5,700	20,430.00			20,430.00	39,570	34.1%	34.1%
	Salaries & Wages	14,262,295	0	0	14,262,295	\$1,190,433	8,958,493.99	0.00	0	8,958,493.99	5,303,801	62.8%	62.8%
501000	Overtime Salaries & Wages	195,000		0	195,000	\$9,663	126,535.05			126,535.05	68,465	64.9%	64.9%
	TOTAL, PERSONAL SERVICES	14,457,295	0	0	14,457,295	\$1,200,096	9,085,029.04	0.00	0	9,085,029.04	5,372,266	62.8%	62.8%
504990	Reduction From Personal Services	(318,881)		0	(318,881)		0.00			0.00	(318,881)	0.0%	0.0%
504992	Contractual Salary Reserves	51,557		0	51,557		0.00			0.00	51,557	0.0%	0.0%
	NET PERSONAL SERVICES	14,189,971	0	0	14,189,971	1,200,096	9,085,029.04	0.00	0	9,085,029.04	5,104,942	64.0%	64.0%
FRINGE BENEFITS													
502000	Fringe Benefits	0		0	0		0.00			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	896,354		0	896,354	74,284	556,250.26			556,250.26	340,104	62.1%	62.1%
502020	Employer FICA - MEDICARE	209,672		0	209,672	17,373	130,090.78			130,090.78	79,581	62.0%	62.0%
502030	Employee Health Insurance	2,586,136		0	2,586,136	231,685	1,682,781.29			1,682,781.29	903,355	65.1%	65.1%
502040	Dental Plan	117,436		0	117,436	8,572	58,952.70			58,952.70	58,483	50.2%	50.2%
502050	Workers Compensation	51,034		0	51,034	30,172	50,961.76			50,961.76	72	99.9%	99.9%
502060	Unemployment Insurance	17,055		0	17,055	1,483	17,464.29			17,464.29	(409)	102.4%	102.4%
502070	Hospital & Medical - Retirees	1,522,245		0	1,522,245	140,795	976,868.77			976,868.77	545,376	64.2%	64.2%
502090	Health Insurance Waiver	40,008		0	40,008	2,834	21,257.00			21,257.00	18,751	53.1%	53.1%
502100	Retirement	1,762,233		0	1,762,233	135,603	1,058,902.89			1,058,902.89	703,330	60.1%	60.1%
502000	Unallocated Fringe Benefits	3,617		0	3,617		0.00			0.00	3,617	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,205,790	0	0	7,205,790	642,801	4,553,529.74	0.00	0	4,553,529.74	2,652,260	63.2%	63.2%
	TOTAL COMPENSATION RELATED	21,395,761	0	0	21,395,761	1,842,897	13,638,558.78	0.00	0	13,638,558.78	7,757,202	63.7%	63.7%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2016 OPERATING BUDGET**

Expenditure Detail as of 8/31/2016

66.7% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	2015 Encumbered & PY Capital Project Balances	2016 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend/ & Encumb
505000	Office Supplies	140,350		0	140,350	18,576	99,025.15	29,902.67		128,927.82	11,422	70.6%	91.9%
505200	Clothing Supplies	4,000	226	0	4,226		91.40	225.50		316.90	3,909	2.2%	7.5%
505600	Auto Truck & Heavy Equip Supplies	8,550		0	8,550	49	3,184.69			3,184.69	5,365	37.2%	37.2%
505800	Medical & Health Supplies	1,000		0	1,000		0.00			0.00	1,000	0.0%	0.0%
506200	Maintenance & Repair	102,500	702	0	103,202	3,966	53,863.31	19,041.96		72,905.27	30,297	52.2%	70.6%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000		5,465.46	3,993.99		9,459.45	4,541	39.0%	67.6%
510000	Local Mileage Reimbursement	14,200		0	14,200	751	5,819.46			5,819.46	8,381	41.0%	41.0%
510100	Out of Area Travel	15,000		0	15,000	1,612	14,611.59			14,611.59	388	97.4%	97.4%
510200	Training and Education	54,755		0	54,755	140	23,075.50	460.00		23,535.50	31,220	42.1%	43.0%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	33,975			33,975	4,142	17,991.98			17,991.98	15,983	53.0%	53.0%
	Fuel Oil	1,000			1,000					0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	74,159		0	74,159	(3,326)	75,201.30			75,201.30	(1,042)	101.4%	101.4%
515000	Total Utility Charges	109,134		0	109,134	816	93,193.28	0.00	0	93,193.28	15,941	85.4%	85.4%
516010	CONTRACTUAL PAYMENTS												
	Ewell Free - Alden	1,153		1,500	2,653		2,653.00			2,653.00	0	100.0%	100.0%
	Aurora Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Boston Free	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Collins Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Concord Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Eden Library	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Elma Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Lackawanna Public	11,749		0	11,749		8,811.85	2,937.15		11,749.00	0	75.0%	100.0%
	Lancaster Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Marilla Free	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	North Collins Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	West Seneca Public	0		1,500	1,500		1,500.00			1,500.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	12,902	0	16,500	29,402	\$0	26,464.85	2,937.15	0	29,402.00	0	90.0%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2016 OPERATING BUDGET

Expenditure Detail as of 8/31/2016

66.7% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	2015 Encumbered & PY Capital Project Balances	2016 Budget Adjustments/Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend/ & Encumb
516020	Professional Services Contracts & Fees	864,427	82,687	0	947,114	61,221	593,601.56	175,779.26		769,380.82	177,733	62.7%	81.2%
516030	Maintenance Contracts	121,857	1,564	0	123,421	4,855	91,676.74	18,503.73		110,180.47	13,241	74.3%	89.3%
530000	Other Expenses	177,050	21,072	0	198,122	21,580	103,252.92	11,526.44		114,779.36	83,343	52.1%	57.9%
545000	Rental Charges	4,725		0	4,725	454	2,782.63	1,236.95		4,019.58	705	58.9%	85.1%
555050	Insurance Premiums	119,550		0	119,550		109,338.43			109,338.43	10,212	91.5%	91.5%
559000	County Share Grants			0	0		0.00			0.00	0	0.0%	0.0%
561410	Lab & Technical Equipment	75,145	32,013	170,000	277,158	9,547	191,368.97	15,096.66		206,465.63	70,692	69.0%	74.5%
561420	Office Equip, Furn & Fixtures			0	0		0.00			0.00	0	0.0%	0.0%
561430	Building, Grounds and Heavy Equip			0	0		0.00			0.00	0	0.0%	0.0%
561440	Motor Vehicles			0	0		0.00			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	178,970	0	3,187,970	243,726	1,909,302.55	0.00	178,970	2,088,272.55	1,099,697	59.9%	65.5%
575040	Interfund Exp - Utilities												
	Fuel Oil	0		0	0		0.00			0.00	0	0.0%	0.0%
	Natural Gas	167,911		0	167,911	1,000	64,176.23			64,176.23	103,735	38.2%	38.2%
	Electricity	710,479		0	710,479	89,476	368,040.31			368,040.31	342,439	51.8%	51.8%
	Total Interfund Exp - Utilites	878,390	0	0	878,390	90,476	432,216.54	0.00	0	432,216.54	446,173	49.2%	49.2%
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 Facilit	(104,461)			(104,461)	(8,705)	(69,640.65)			(69,640.65)	(34,820)	66.7%	66.7%
	Interfund - Court Storage	(8,598)			(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	33,120		0	33,120	\$2,284	18,268.00			18,268.00	14,852	55.2%	55.2%
910700	Interfund Expense - Fleet Servi	40,510		0	40,510	\$1,063	7,846.54			7,846.54	32,663	19.4%	19.4%
980000	Interdepart Services DISS	269,089		0	269,089	22,424	179,392.64			179,392.64	89,696	66.7%	66.7%
	System Operating Grand Tota	27,261,091	317,234	186,500	27,764,825	2,309,443	17,466,451.69	278,704.31	178,970	17,924,126.00	9,840,699	62.9%	64.6%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2016 OPERATING BUDGET

Expenditure Detail as of 8/31/2016

66.7% of Budget Year

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	2015 Encumbered & PY Capital Project Balances	2016 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	940,143			940,143	0	795,075.67			795,075.67	145,067.40	84.6%	84.6%	
490	General Obligation Bond Proceeds													
561250	Building Improvements		26,699		26,699		0			0	26,699	0.0%	0.0%	
	Total General Obligations	0	26,699	0	26,699	\$0	0.00	0.00	0	0.00	26,699	0.0%	0.0%	
	Total Erie County Capital for Library	940,143	26,699	0	966,842	\$0	795,075.67	0.00	0	795,075.67	171,766	82.2%	82.2%	
	Grand Total Operating and Erie County Capital	28,201,234	343,933	186,500	28,731,667	\$2,309,443	18,261,527.36	278,704.31	178,970	18,719,201.67	10,012,466	63.6%	65.2%	

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending August 31, 2016

Main Trust	\$1,066,784.93
Encore Editions Proceeds (Invested per resolution 2006-19)	\$92,647.26
2015 Ending Balance	\$1,159,432.19

2016 Activity and Balances

Restricted Donations		\$73,662.87
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)		
Unrestricted Donations		
Pending Board Action	\$43,312.65	
Board Directed to Direct Library Programs	\$0.00	
Board Directed to Library Foundation	\$0.00	
Total Unrestricted Donations		\$43,312.65
Interest Income		\$475.12
Less Disbursements		
Direct For Library Programs/Services/Support	(\$110,264.89)	
To Library Foundation	\$0.00	
Total Disbursements		(\$110,264.89)
Balance, 2016 Activity		\$7,185.75

Cumulative Balance Library Trust **\$1,166,617.94**

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

Library material purchases (direct from trust)	(\$116.45)
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$64,114.29)
Equipment, furnishings & supplies	(\$1,916.00)
Exhibit/display preparation and support/Rare Book Room	(\$10,251.46)
Preservation/Conservation (Audubon Birds)	(\$20,990.00)
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$7,446.10)
Fundraiser Event Expense	(\$838.00)
Other	(\$4,592.59)
Total	(\$110,264.89)