

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 9/21/2017

Budget & Finance Committee
Financials for the Month Ending **07/31/2017**

AGENDA ITEM NUMBER: E.2.f.

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, 2017 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 94.1% collected, is well within budget and year-to date expense, at 55.0%, is also within budget. Items of note include:

REVENUE:

- ✓ **Fine Revenue continues under budget** 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 3.6% below the same period in 2016.
- ✓ **Property Tax for Library Proceeds:** The full \$23,943,617 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 over 90% of the total for the year. The Library's 2017 budget assumed state library aid at 2016's funding level. The enacted NY State 2016-17 budget maintained this level of support.
- ✓ **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 2016 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 2016 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 56.3% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 53.4% overall.** Vacancies result in below budget charges for payroll taxes. Usage changes and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (YTD costs are 6.7% below Year-to-date charges for the same period last year). NY State Retirement charges are slightly above budget at 59.3%, however year-end adjustments are expected to bring the account within budget as the Library labor pool continues to shift to the lower cost Tier 6 plan via turnover. Finally, retiree medical charges so far this year continue to moderate, coming in at 53.1% of budget (2.2% above the same period in 2016). 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 74.5% 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 Jacobs, Gallivan and Ranzenhofer.
- ✓ **Insurance premiums shows at 93.9 %.** Reflects timing of policy renewal payments, current services contracted in this account are expected to end the year within budget.
- ✓ **Several remaining operating accounts above 58.1% reflect timing differences.** These accounts, including Professional Services and inter-fund charges, reflect timing variations and are expected to end the year within budget.
- ✓ **A mild winter helped counter higher Natural Gas rates to yield modest utility savings.** Natural gas charges of \$92,518, came in at 62.2% of the 2017 annual budget, reflecting seasonality and significantly higher rates. This expense was 46.4% higher than the \$63,176 paid in January – July 2016. Electricity charges of \$307,845 came in at 48.5% of the 2017 annual budget. This expense was 10.5% higher than the \$278,564 paid in January – July 2016. The season’s relatively mild temperatures helped, however rates increased significantly in 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined 2017 interfund utility charges of \$400,364 were below budget (51.1% of budget), however they were \$58,623 (17.2%) above those incurred for the same months in 2016.** 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

2017 OPERATING BUDGET

Revenue Detail as of 7/31/2017

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	317,592	0	317,592	23,721	24,989	168,025.78	149,566	52.9%
422000	Copies	19,844	0	19,844	2,010	1,877	13,781.91	6,062	69.5%
466040	Printing	57,957	0	57,957	6,496	4,774	35,922.68	22,034	62.0%
466030	Book Bags	1,300	0	1,300	140	120	661.00	639	50.8%
466020	Minor Sale - Other	6,361	0	6,361	387	229	2,480.18	3,881	39.0%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	1,411	3,259	12,666.99	8,433	60.0%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680		38	4,564.85	13,115	25.8%
	TOTAL REVENUE FROM LIBRARY OPERATIONS	441,834	0	441,834	34,165	35,287	238,103.39	203,731	53.9%
REVENUE FROM STATE & COUNTY GOVT.									
400020	Library Real Prop Tax	23,943,617	0	23,943,617			23,943,616.98	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,942,679	0	1,942,679		1,923,652	1,923,652.00	19,027	99.0%
408150	NYS Aid to Member Libraries	284,530	0	284,530		256,214	256,214.00	28,316	90.0%
408160	State Aid - Special	0	206,500	206,500			0.00	206,500	0.0%
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.	26,170,826	206,500	26,377,326	0	2,179,866	26,123,482.98	253,843	99.0%
OTHER REVENUE									
419010	Refunds - Cont Library	375,483	0	375,483			0.00	375,483	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000			33,940.26	(23,940)	339.4%
466170	Refund Contract Lib Retire	0	0	0			0.00	0	0.0%
466070	Refund P/Y Expenses	0		0			0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	190	196	1,605.08	395	80.3%
466000	Misc Receipts	0	0	0			252.63	(253)	0.0%
466010	NSF Check Fees	15	0	15		0	0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	249	110	1,323.35	3,677	26.5%
479100	Other Contributions	60,000	0	60,000			0.00	60,000	0.0%
	TOTAL OTHER REVENUE	452,498	0	452,498	439	306	37,121.32	415,377	8.2%
USE OF FUND BALANCE									
402190	Appropriated Fund Balance	485,186	283,377	768,563			0.00	768,563	0.0%
	TOTAL USE OF FUND BALANCE	485,186	283,377	768,563	0	0	0.00	768,563	0.0%
	GRAND TOTAL OPERATING REVENUE	27,550,344	489,877	28,040,221	34,603	2,215,459	26,398,707.69	1,641,513	94.1%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 7/31/2017
 58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust- ments/ Revisions	Adjusted Budget	June Expended	July Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
													YTD Expend	YTD Expend/ & Encumb
OPERATING EXPENDITURES														
PERSONAL SERVICES														
Regular Salaries & Wages														
500000	Full Time - Salaries	9,418,289		0	9,418,289	\$772,932	753,325	5,378,959.54			5,378,959.54	4,039,329	57.1%	57.1%
500010	Part Time - Wages	3,980,282		0	3,980,282	310,464	321,008	2,185,244.32			2,185,244.32	1,795,038	54.9%	54.9%
500020	Regular PT - Wages	813,694		0	813,694	57,858	60,649	409,632.48			409,632.48	404,062	50.3%	50.3%
500300	Shift Differential	16,000		0	16,000	2,089	1,358	10,069.54			10,069.54	5,930	62.9%	62.9%
500330	Holiday Worked	18,000		0	18,000	1,361	1,460	10,080.55			10,080.55	7,919	56.0%	56.0%
500350	Other Employee Payments	91,000		0	91,000	11,280	1,380	82,692.10			82,692.10	8,308	90.9%	90.9%
	Salaries & Wages	14,337,265	0	0	14,337,265	1,155,984	1,139,180	8,076,678.53	0.00	0	8,076,678.53	6,260,586	56.3%	56.3%
501000	Overtime Salaries & Wages	220,000		0	220,000	12,282	7,464	125,540.10			125,540.10	94,460	57.1%	57.1%
	TOTAL, PERSONAL SERVICES	14,557,265	0	0	14,557,265	1,168,266	1,146,644	8,202,218.63	0.00	0	8,202,218.63	6,355,046	56.3%	56.3%
504990	Reduction From Personal Services	(350,511)		0	(350,511)			0.00			0.00	(350,511)	0.0%	0.0%
504992	Contractual Salary Reserves	125,033		0	125,033			0.00			0.00	125,033	0.0%	0.0%
	NET PERSONAL SERVICES	14,331,787	0	0	14,331,787	1,168,266	1,146,644	8,202,218.63	0.00	0	8,202,218.63	6,129,568	57.2%	57.2%
FRINGE BENEFITS														
502000	Fringe Benefits	0		0	0			0.00			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	902,547		0	902,547	71,381	68,848	497,101.03			497,101.03	405,446	55.1%	55.1%
502020	Employer FICA - MEDICARE	211,067		0	211,067	16,695	16,100	116,257.09			116,257.09	94,810	55.1%	55.1%
502030	Employee Health Insurance	2,715,691		0	2,715,691	176,004	190,577	1,354,347.50			1,354,347.50	1,361,344	49.9%	49.9%
502040	Dental Plan	98,636		0	98,636	7,026	6,130	46,843.98			46,843.98	51,792	47.5%	47.5%
502050	Workers Compensation	48,310		0	48,310	1,824	9,953	33,900.33			33,900.33	14,410	70.2%	70.2%
502060	Unemployment Insurance	21,339		0	21,339	580	101	7,167.37			7,167.37	14,172	33.6%	33.6%
502070	Hospital & Medical - Retirees	1,608,584		0	1,608,584	126,971	91,601	854,144.38			854,144.38	754,440	53.1%	53.1%
502090	Health Insurance Waiver (Incl: 117)	34,008		0	34,008	2,284	2,285	16,076.50			16,076.50	17,932	47.3%	47.3%
502100	Retirement	1,704,743		0	1,704,743	186,104	124,742	1,011,407.90			1,011,407.90	693,335	59.3%	59.3%
502000	Unallocated Fringe Benefits	25,232		0	25,232			0.00			0.00	25,232	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,370,157	0	0	7,370,157	588,869	510,336	3,937,246.08	0.00	0	3,937,246.08	3,432,911	53.4%	53.4%
	TOTAL COMPENSATION RELATED	21,701,944	0	0	21,701,944	1,757,135	1,656,980	12,139,464.71	0.00	0	12,139,464.71	9,562,479	55.9%	55.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 7/31/2017
 58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust-ments/ Revisions	Adjusted Budget	June Expended	July Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	<u>% Current Budget</u>	
													YTD Expend/ & Encumb	YTD Expend
505000	Office Supplies	166,335		0	166,335	15,427	13,549	94,416.85	32,586.22		127,003.07	39,332	56.8%	76.4%
505200	Clothing Supplies	4,000	814	0	4,814		475	1,699.28			1,699.28	3,115	35.3%	35.3%
505600	Auto Truck & Heavy Equip Supplies	9,750		0	9,750	184	272	4,418.22			4,418.22	5,332	45.3%	45.3%
505800	Medical & Health Supplies	1,100		0	1,100	(14)		147.40			147.40	953	13.4%	13.4%
506200	Maintenance & Repair	104,300	8,876	0	113,176	6,449	14,190	54,302.15	20,606.06	8,876	83,784.21	29,392	48.0%	74.0%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000			3,681.65	4,011.70		7,693.35	6,307	26.3%	55.0%
510000	Local Mileage Reimbursement	13,000		0	13,000	(98)	200	4,417.36			4,417.36	8,583	34.0%	34.0%
510100	Out of Area Travel	15,000		0	15,000	902	1,135	8,336.46			8,336.46	6,664	55.6%	55.6%
510200	Training and Education	59,133		0	59,133	850	2,655	26,038.99	115.00		26,153.99	32,979	44.0%	44.2%
515000	Utility Charges (Telecom/water/sewer)													
	Water/Sewer	31,936			31,936	1,737	2,214	14,572.43			14,572.43	17,364	45.6%	45.6%
	Fuel Oil	1,000			1,000			0.00			0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	62,476		0	62,476	6,254	(22,319)	46,550.25			46,550.25	15,926	74.5%	74.5%
515000	Total Utility Charges	95,412		0	95,412	7,991	(20,105)	61,122.68	0.00	0	61,122.68	34,289	64.1%	64.1%
516010	CONTRACTUAL PAYMENTS													
	Newstead Public - Akron	239		9,000	9,239			239.00	9,000.00		9,239.00	0	2.6%	100.0%
	Ewell Free - Alden	1,376		2,500	3,876			1,376.00	2,500.00		3,876.00	0	35.5%	100.0%
	Amherst Public	0		36,000	36,000			0.00	36,000.00		36,000.00	0	0.0%	100.0%
	Angola Public	0		10,000	10,000			0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Aurora Public	0		2,500	2,500			0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Boston Free	1,642		2,500	4,142			1,642.00	2,500.00		4,142.00	0	39.6%	100.0%
	Clarence Public	0		9,000	9,000			0.00	9,000.00		9,000.00	0	0.0%	100.0%
	Collins Public	0		2,500	2,500			0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Concord Public	0		2,500	2,500			0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Eden Library	0		2,500	2,500			0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Elma Public	0		2,500	2,500			0.00	2,500.00		2,500.00	0	0.0%	100.0%
	Grand Island Memorial	0		10,000	10,000			0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Hamburg Public	0		20,000	20,000			0.00	20,000.00		20,000.00	0	0.0%	100.0%
	Lackawanna Public	12,436		0	12,436	3,109		9,327.00	3,109.00		12,436.00	0	75.0%	100.0%
	Lancaster Public	0		5,000	5,000			0.00	5,000.00		5,000.00	0	0.0%	100.0%
	Marilla Free	441		2,500	2,941			441.00	2,500.00		2,941.00	0	15.0%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 7/31/2017
 58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2017 Adopted Budget	Encumbe red & PY Capital Project Balances	2017 Budget Adjust- ments/ Revisions	Adjusted Budget	June Expended	July Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	<u>% Current Budget</u>	
													YTD Expended	YTD Expend/ & Encumb
	North Collins Public	682		2,500	3,182			682.00	2,500.00		3,182.00	0	21.4%	100.0%
	Orchard Park Public	0		10,000	10,000			0.00	10,000.00		10,000.00	0	0.0%	100.0%
	City of Tonawanda Public	0		10,000	10,000			0.00	10,000.00		10,000.00	0	0.0%	100.0%
	Town of Tonawanda Public	0		20,000	20,000			0.00	20,000.00		20,000.00	0	0.0%	100.0%
	West Seneca Public	0		5,000	5,000			0.00	5,000.00		5,000.00	0	0.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	16,816	0	166,500	183,316	\$3,109	\$0	13,707.00	169,609.00	0	183,316.00	0	7.5%	100.0%
516020	Professional Services Contracts & Fees	850,637	75,829	0	926,466	98,647	25,977	586,284.74	248,561.91		834,846.65	91,619	63.3%	90.1%
516030	Maintenance Contracts	120,517	1,583	50,000	172,100	9,479	(8,645)	34,100.44	125,783.91		159,884.35	12,215	19.8%	92.9%
530000	Other Expenses	187,950	15,341	40,000	243,291	13,630	9,603	94,405.17	3,351.77	14,920	112,676.94	130,614	38.8%	46.3%
545000	Rental Charges	4,725		0	4,725	194	58	1,581.58	2,768.93		4,350.51	374	33.5%	92.1%
555050	Insurance Premiums	139,100		0	139,100	22,055	3,830	130,553.29			130,553.29	8,547	93.9%	93.9%
559000	County Share Grants			0	0			0.00			0.00	0	0.0%	0.0%
561410	Lab & Technical Equipment	77,060	91,848	158,377	327,285	9,988	6,242	101,069.47	106,661.63		207,731.10	119,554	30.9%	63.5%
561420	Office Equip, Furn & Fixtures			110,000	110,000	1,564.73	1,304	2,868.47	22,338.00		25,206.47	84,794	2.6%	22.9%
561430	Building, Grounds and Heavy Equip			15,000	15,000			0.00	4,575.60		4,575.60	10,424	0.0%	30.5%
561440	Motor Vehicles			0	0			0.00			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	170,805	0	3,179,805	234,579	236,813	1,788,511.54		170,805	1,959,316.54	1,220,488	56.2%	61.6%
575040	Interfund Exp - Utilities													
	Fuel Oil	0		0	0			0.00			0.00	0	0.0%	0.0%
	Natural Gas	148,790		0	148,790	1,955	910	92,518.49			92,518.49	56,272	62.2%	62.2%
	Electricity	684,829		(50,000)	634,829	50,084	57,725	307,845.16			307,845.16	326,984	48.5%	48.5%
	Total Interfund Exp - Utilites	833,619	0	(50,000)	783,619	52,039	58,635	400,363.65	0.00	0	400,363.65	383,255	51.1%	51.1%
942000	Interfund - Holding Center	(90,865)		0	(90,865)	(7,572)	(7,572)	(53,004.57)			(53,004.57)	(37,860)	58.3%	58.3%
	Interfund - Correctional Facility	(104,461)		0	(104,461)	(8,705)	(8,705)	(60,935.57)			(60,935.57)	(43,525)	58.3%	58.3%
	Interfund - Court Storage	(8,598)		0	(8,598)	(717)	(717)	(5,015.50)			(5,015.50)	(3,583)	58.3%	58.3%
	Total ID Library Services	(203,924)	0	0	(203,924)	(\$16,994)	(\$16,994)	(118,955.64)			(118,955.64)	(84,968)	58.3%	58.3%
910600	Intefund Expense - Purchasing Services	27,638		0	27,638	\$2,082	\$2,082	14,572.82			14,572.82	13,065	52.7%	52.7%
910700	Interfund Expnese - Fleet Services	34,787		0	34,787	\$1,289	\$1,119	9,566.99			9,566.99	25,220	27.5%	27.5%
980000	Interdepart Services DISS	268,445		0	268,445	22,370	22,370	156,592.94			156,592.94	111,852	58.3%	58.3%
	System Operating Grand Totals	27,550,344	365,096	489,877	28,405,317	2,242,857	2,011,745	15,613,268.21	740,969.73	194,601	16,548,838.94	11,856,478	55.0%	58.3%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2017 OPERATING BUDGET
 Expenditure Detail as of 7/31/2017
 58.1% of Budget Year

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													YTD Expend	YTD Expend/ & Encumb
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>														
	Library Debt Service	956,761			956,761	0	2,655	820,083.82			820,083.82	136,677	85.7%	85.7%
490	General Obligation Bond Proceeds													
561250	Building Improvements		24,189		24,189	\$613	688	24,188.96			24,188.96	0	100.0%	100.0%
	Total General Obligations	0	24,189	0	24,189	\$613	688	24,188.96	0.00	0	24,188.96	0	100.0%	100.0%
	Total Erie County Capital for Library	956,761	24,189	0	980,950	\$613	3,343	844,272.78	0.00	0	844,272.78	136,677	86.1%	86.1%
Grand Total Operating and Erie County Capital		28,507,105	389,285	489,877	29,386,267	2,243,470	2,015,088	16,457,540.99	740,969.73	194,601	17,393,111.72	11,993,156	56.0%	59.2%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending July 31, 2017

Main Trust	\$1,079,133.31
Encore Editions Proceeds (Invested per resolution 2006-19)	\$91,653.97
2016 Ending Balance	\$1,170,787.28
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<u>2017 Activity and Balances</u>	
Restricted Donations	\$96,330.60
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$8,158.00
Interest Income	\$413.52
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Total 2017 Revenue	
\$104,902.12	
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Less Disbursements	
Year-to-date Disbursements Pursuant to Resolution 2010-8 Include:	
Library material purchases (direct from trust)	(\$3,033.36)
To Library Operating Fund to support Library material purchases	\$0.00
Programming support	(\$31,344.15)
Equipment, furnishings & supplies	(\$11,584.02)
Exhibit/display preparation and support/Rare Book Room	(\$22,031.50)
Preservation/Conservation (Audubon Birds)	(\$45,550.00)
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$8,080.76)
Fundraiser Event Expense	(\$493.96)
Other	(\$462.47)
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Subtotal Disbursements per Resolution 2010-8	
(\$122,580.22)	
Other Disbursements (Describe)	\$0.00
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Total 2017 Disbursements	
(\$122,580.22)	
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Balance, 2017 Activity	(\$17,678.10)
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Cumulative Balance Library Trust	\$1,153,109.18