

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 5/17/2018

AGENDA ITEM NUMBER: E.2.d.

Budget & Finance Committee
Financials for the Month Ending **3/31/2018**

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, 2018 month-end close. This is the first report for 2018 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. Overall, with 24.7% of the budget year elapsed, year-to-date Library revenues at 87.6% collected are well within budget and year-to-date expenditures, at 24.5%, were also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full \$24,422,489 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments normally occur in June-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 2018 budget assumed state library aid at 2017's funding level. The enacted NY State 2018-19 budget contained a 1.05% increase, approximately \$23,303. Once the State Library issues final aid tables, a budget adjustment will be forwarded for board consideration.
- ✓ **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 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 within budget.** Contract settlements with AFSCME and the Librarians Association were reached in late 2017, and with CSEA in early 2018. The above budget amount in the “Other Employee Payments” includes a one-time payment to CSEA members pursuant to that settlement. Funding to help support the settlements’ cost is included in the “Contract Salary Reserves” account. Overall, year-to-date Net Personal Services expense consumed 24.4% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 20.3% overall.**
Usage changes and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (at 17.4%, with YTD costs 19.6% below year-to-date charges for the same period last year). Workers compensation expense is running above budget due to medical procedure expense in February. Finally, retiree medical charges so far this year are also running below budget, coming in at 17.3% of budget (and 18.0% below the same period in 2017). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor these accounts.
- ✓ **Highway Supplies (rock salt) shows at 53.7%.**
This relatively small account (\$14,000 annual budget) is very seasonal in nature with the next set of purchases taking place in the fall. Prolonged winter weather conditions this season required significantly more salt usage this year.
- ✓ **Telephone and Internet Service charges show at 61.1% 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, 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 combined show at 53.9%.** 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. The six amounts at 100% are all below \$2,000.
- ✓ **Insurance premiums shows at 69.6%.**
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 24.7% reflect timing differences.**
These accounts, including Professional Services, Maintenance Contracts, Lab/Tech Equipment, and Library Materials reflect timing variations and are expected to end the year within budget.

EXPENSE (continued):

✓ **Prolonged winter weather lead to higher Natural Gas expense.**

Natural gas charges of \$78,703 came in at 53.4% of the 2018 annual budget, reflecting seasonality and prolonged winter weather. Expense was 11.4% higher than the \$70,620 paid in January - March 2017. Electricity charges of \$130,567 came in at 21.1% of the 2018 annual budget; however, they were 8.9% above the \$119,862 paid in January - March 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined, 2018 interfund utility charges of \$209,270 were modestly above budget (27.3% of budget), however they were \$18,787 (9.9%) above those incurred for the same months in 2017.** 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

2018 OPERATING BUDGET

Revenue Detail as of 3/31/2018

24.7% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue January	Revenue February	Revenue March	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS										
419000	Library Charges - Fines	295,594	0	295,594	20,835	23,897	32,273	77,005.16	218,589	26.1%
422000	Copies	17,398	0	17,398	1,254	1,860	2,762	5,875.68	11,522	33.8%
466040	Printing	62,963	0	62,963	3,578	4,707	6,140	14,425.35	48,538	22.9%
466030	Book Bags	1,100	0	1,100	66	57	114	237.00	863	21.5%
466020	Minor Sale - Other	5,591	0	5,591	327	412	471	1,209.75	4,381	21.6%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	2,139	1,814	1,714	5,666.55	15,433	26.9%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	1,115	18		1,132.73	16,547	6.4%
	TOTAL REVENUE FROM LIBRARY OPERATIONS	421,426	0	421,426	29,313	32,765	43,474	105,552.22	315,874	25.0%
REVENUE FROM STATE & COUNTY GOVT.										
400020	Library Real Prop Tax	24,422,489	0	24,422,489	24,422,489			24,422,488.99	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,943,728	0	1,943,728				0.00	1,943,728	0.0%
408150	NYS Aid to Member Libraries	284,683	0	284,683				0.00	284,683	0.0%
408160	State Aid - Special	0	0	0				0.00	0	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.	26,650,900	0	26,650,900	24,422,489	0	0	24,422,488.99	2,228,411	91.6%
OTHER REVENUE										
419010	Refunds - Cont Library	349,839	0	349,839				0.00	349,839	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000		694	1,327	2,020.48	7,980	20.2%
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			1,582	1,581.65	418	79.1%
466000	Misc Receipts	0	0	0			75	75.00	(75)	0.0%
466010	NSF Check Fees	15	0	15				0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	195	360	189	744.35	4,256	14.9%
479100	Other Contributions	60,000	0	60,000				0.00	60,000	0.0%
	TOTAL OTHER REVENUE	426,854	0	426,854	195	1,054	3,173	4,421.48	422,433	1.0%
USE OF FUND BALANCE										
402190	Appropriated Fund Balance	498,684	0	498,684				0.00	498,684	0.0%
	TOTAL USE OF FUND BALANCE	498,684	0	498,684	0	0	0	0.00	498,684	0.0%
	GRAND TOTAL OPERATING REVENUE	27,997,864	0	27,997,864	24,451,997	33,819	46,646	24,532,462.69	3,465,401	87.6%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET
 Expenditure Detail as of 3/31/2018
 24.7% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 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	
														YTD Expend	YTD /& Encumb
OPERATING EXPENDITURES															
PERSONAL SERVICES															
Regular Salaries & Wages															
500000	Full Time - Salaries	9,520,007		0	9,520,007	823,942	745,241	780,649	2,349,832.33			2,349,832.33	7,170,175	24.7%	24.7%
500010	Part Time - Wages	4,104,351		0	4,104,351	336,516	313,672	327,698	977,886.24			977,886.24	3,126,465	23.8%	23.8%
500020	Regular PT - Wages	759,767		0	759,767	69,588	67,317	76,039	212,943.85			212,943.85	546,823	28.0%	28.0%
500300	Shift Differential	19,000		0	19,000	1,097	1,499	1,380	3,975.50			3,975.50	15,025	20.9%	20.9%
500330	Holiday Worked	16,000		0	16,000	2,873	9	1,905	4,787.86			4,787.86	11,212	29.9%	29.9%
500350	Other Employee Payments	100,000		0	100,000	35,420	1,142	760	37,322.40			37,322.40	62,678	37.3%	37.3%
	Salaries & Wages	14,519,125	0	0	14,519,125	1,269,437	1,128,881	1,188,431	3,586,748.18	0.00	0.00	3,586,748.18	10,932,377	24.7%	24.7%
501000	Overtime Salaries & Wages	220,000		0	220,000	22,589	29,347	18,107	70,042.70			70,042.70	149,957	31.8%	31.8%
	TOTAL, PERSONAL SERVICES	14,739,125	0	0	14,739,125	1,292,026	1,158,227	1,206,538	3,656,790.88	0.00	0.00	3,656,790.88	11,082,334	24.8%	24.8%
504990	Reduction From Personal Services	(53,937)		0	(53,937)				0.00			0.00	(53,937)	0.0%	0.0%
504992	Contractual Salary Reserves	304,055		0	304,055				0.00			0.00	304,055	0.0%	0.0%
	NET PERSONAL SERVICES	14,989,243	0	0	14,989,243	1,292,026	1,158,227	1,206,538	3,656,790.88	0.00	0.00	3,656,790.88	11,332,452	24.4%	24.4%
FRINGE BENEFITS															
502000	Fringe Benefits	0		0	0				0.00			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	913,829		0	913,829	81,148	67,978	73,088	222,212.97			222,212.97	691,616	24.3%	24.3%
502020	Employer FICA - MEDICARE	213,712		0	213,712	18,978	15,898	17,093	51,969.12			51,969.12	161,743	24.3%	24.3%
502030	Employee Health Insurance	2,593,704		0	2,593,704	228,722	219,292	4,194	452,208.05			452,208.05	2,141,496	17.4%	17.4%
502040	Dental Plan	97,542		0	97,542	8,692	8,629	650	17,970.98			17,970.98	79,571	18.4%	18.4%
502050	Workers Compensation	48,921		0	48,921	(999)	24,110	918	24,029.26			24,029.26	24,892	49.1%	49.1%
502060	Unemployment Insurance	20,144		0	20,144	864	801	(72)	1,592.00			1,592.00	18,552	7.9%	7.9%
502070	Hospital & Medical - Retirees	1,629,339		0	1,629,339	112,057	120,273	49,789	282,119.22			282,119.22	1,347,220	17.3%	17.3%
502090	Health Insurance Waiver (Incl: 117)	27,012		0	27,012	3,634	3,367	3,567	10,568.00			10,568.00	16,444	39.1%	39.1%
502100	Retirement	1,589,302		0	1,589,302	123,496	135,583	133,062	392,141.38			392,141.38	1,197,161	24.7%	24.7%
502000	Unallocated Fringe Benefits	30,025		0	30,025				0.00			0.00	30,025	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,163,530	0	0	7,163,530	576,592	595,930	282,289	1,454,810.98	0.00	0.00	1,454,810.98	5,708,719	20.3%	20.3%
	TOTAL COMPENSATION RELATED	22,152,773	0	0	22,152,773	1,868,618	1,754,157	1,488,827	5,111,601.86	0.00	0.00	5,111,601.86	17,041,171	23.1%	23.1%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET
 Expenditure Detail as of 3/31/2018
 24.7% of Budget Year

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														YTD Expend	YTD /& Encumb
505000	Office Supplies	167,535	15	0	167,550	2,789	16,439	15,622	34,850.25	88,868.08		123,718.33	43,831	20.8%	73.8%
505200	Clothing Supplies	4,000	1,407	0	5,407		546	540	1,086.53	1,406.50		2,493.03	2,913	20.1%	46.1%
505600	Auto Truck & Heavy Equip Supplies	11,000		0	11,000	165	1,433	779	2,376.84			2,376.84	8,623	21.6%	21.6%
505800	Medical & Health Supplies	1,550	275	0	1,825				0.00	275.31		275.31	1,550	0.0%	15.1%
506200	Maintenance & Repair	106,400	16,523	0	122,923	9,024	12,420	(4,139)	17,305.35	18,704.74	14,867.50	50,877.59	72,045	14.1%	41.4%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000	4,090	2,916	515	7,520.00			7,520.00	6,480	53.7%	53.7%
510000	Local Mileage Reimbursement	11,000		0	11,000	376	431	756	1,563.28			1,563.28	9,437	14.2%	14.2%
510100	Out of Area Travel	20,000		0	20,000		721	3,487	4,208.32			4,208.32	15,792	21.0%	21.0%
510200	Training and Education	55,231		0	55,231	1,986	7,407	3,455	12,848.00			12,848.00	42,383	23.3%	23.3%
515000	Utility Charges (Telecom/water/sewer)														
	Water/Sewer	31,005			31,005	315	2,639	2,131	5,084.97			5,084.97	25,920	16.4%	16.4%
	Fuel Oil	1,000			1,000										
	Telephone & Internet Service	67,928		0	67,928	33,717	(29,729)	37,519	41,506.14			41,506.14	26,422	61.1%	61.1%
515000	Total Utility Charges	99,933		0	99,933	34,032	(27,090)	39,649	46,591.11	0.00	0.00	46,591.11	52,342	46.6%	46.6%
516010	CONTRACTUAL PAYMENTS														
	Newstead Public - Akron	724		0	724	724			724.00			724.00	0	100.0%	100.0%
	Ewell Free - Alden	1,591		0	1,591	1,591			1,591.00			1,591.00	0	100.0%	100.0%
	Boston Free	1,862		0	1,862	1,862			1,862.00			1,862.00	0	100.0%	100.0%
	Eden Library	880		0	880	880			880.00			880.00	0	100.0%	100.0%
	Lackawanna Public	11,875		0	11,875	2,969			2,968.75	8,906.25		11,875.00	0	25.0%	100.0%
	Marilla Free	738		0	738	738			738.00			738.00	0	100.0%	100.0%
	North Collins Public	1,647		0	1,647	1,647			1,647.00			1,647.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	19,317	0	0	19,317	10,411	0	0	10,410.75	8,906.25	0.00	19,317.00	0	53.9%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET
 Expenditure Detail as of 3/31/2018
 24.7% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 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	
														YTD Expend	YTD /& Encumb
516020	Professional Services Contracts & Fees	857,725	53,849	0	911,574	10,726	228,636	67,638	307,000.02	357,243.42		664,243.44	247,331	33.7%	72.9%
516030	Maintenance Contracts	124,900	44,589	0	169,489	44,538	509	19,596	64,644.30	52,446.56		117,090.86	52,398	38.1%	69.1%
530000	Other Expenses	188,800	49,849	0	238,649	3,516	15,415	16,169	35,099.79	28,331.14	48,492.00	111,922.93	126,726	14.7%	46.9%
545000	Rental Charges	4,925		0	4,925	87	84	187	357.97	1,342.75		1,700.72	3,224	7.3%	34.5%
555050	Insurance Premiums	150,048		0	150,048	211	71,107	33,105	104,423.12			104,423.12	45,625	69.6%	69.6%
561410	Lab & Technical Equipment	98,175	60,819	0	158,994	862	50,331	3,712	54,904.95	20,620.75	52,981.00	128,506.70	30,487	34.5%	80.8%
561420	Office Equip, Furn & Fixtures		69,147	0	69,147		232	1,216	1,447.71		67,699.29	69,147.00	0	2.1%	100.0%
561430	Building, Grounds and Heavy Equip		10,131	0	10,131				0.00		10,131.00	10,131.00	0	0.0%	100.0%
561440	Motor Vehicles			0	0				0.00			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	175,955	0	3,184,955	604,055	161,528	163,322	928,905.54		175,955.00	1,104,860.54	2,080,094	29.2%	34.7%
575040	Interfund Exp - Utilities														
	Fuel Oil	0		0	0				0.00			0.00	0	0.0%	0.0%
	Natural Gas	147,264		0	147,264	34,699	22,247	21,756	78,702.62			78,702.62	68,561	53.4%	53.4%
	Electricity	618,384		0	618,384	59,893	34,713	35,961	130,567.04			130,567.04	487,817	21.1%	21.1%
	Total Interfund Exp - Utilites	765,648	0	0	765,648	94,593	56,960	57,717	209,269.66	0.00	0.00	209,269.66	556,378	27.3%	27.3%
942000	Interfund - Holding Center	(89,542)		0	(89,542)			(22,385)	(22,385.49)			(22,385.49)	(67,157)	25.0%	25.0%
	Interfund - Correctional Facility	(99,889)			(99,889)			(24,972)	(24,972.24)			(24,972.24)	(74,917)	25.0%	25.0%
	Interfund - Court Storage	(8,598)			(8,598)			(2,150)	(2,149.50)			(2,149.50)	(6,449)	25.0%	25.0%
	Total ID Library Services	(198,029)	0	0	(198,029)	0	0	(49,507)	(49,507.23)			(49,507.23)	(148,522)	25.0%	25.0%
910600	Intefund Expense - Purchasing Services	28,766		0	28,766			6,542	6,542.00			6,542.00	22,224	22.7%	22.7%
910700	Interfund Expnese - Fleet Services	32,061		0	32,061	2,133	1,624	1,658	5,415.25			5,415.25	26,646	16.9%	16.9%
980000	Interdepart Services DISS	273,106		0	273,106			64,169	64,169.25			64,169.25	208,937	23.5%	23.5%
	System Operating Grand Totals	27,997,864	482,559	0	28,480,423	2,692,211	2,355,808	1,935,015	6,983,034.62	578,145.50	370,125.79	7,931,305.91	20,548,117	24.5%	27.8%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET
 Expenditure Detail as of 3/31/2018
 24.7% of Budget Year

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														YTD Expend	YTD /& Encumb
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>															
	Library Debt Service	1,031,377			1,031,377	36,337	0	189,350	225,686.28			225,686.28	805,691	21.9%	21.9%
	Grand Total Operating and Erie County Capital	29,029,241	482,559	0	29,511,800	2,728,548	2,355,808	2,124,364	7,208,721	578,146	370,126	8,156,992	21,353,808	24.4%	27.6%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending March 31, 2018

Main Trust	\$1,083,630.06
Encore Editions Proceeds (Invested per resolution 2006-19)	\$97,531.43
2017 Ending Balance	\$1,181,161.49

2018 Activity and Balances

Restricted Donations	\$55,268.87
(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	\$488.97
Total 2018 Revenue	
	\$55,757.84

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	(\$12,354.60)
Equipment, furnishings & supplies	(\$3,949.47)
Exhibit/display preparation and support/Rare Book Room	(\$7,020.00)
Preservation/Conservation	\$0.00
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$8,771.20)
Fundraiser Event Expense	\$0.00
Other	(\$360.55)

Subtotal Disbursements per Resolution 2010-8	(\$32,455.82)
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Other Disbursements (Describe)	\$0.00
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Total 2018 Disbursements	(\$32,455.82)
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Balance, 2018 Activity	\$23,302.02
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Cumulative Balance Library Trust	\$1,204,463.51
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