

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 3/21/2019

AGENDA ITEM NUMBER: E.2.c.

Budget & Finance Committee, Preliminary
Financials for the Month Ending **12/31/2018**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of December 31, 2018 preliminary year-end close. Final figures are subject to change as the outside audit process proceeds. The report also details monthly activity for December. Overall, the Library operated within its budget for the period. Revenue, excluding budgeted use of fund balance, ended the year at \$27,826,170 (100.04% of the budget for those items). Operating expenditures, excluding encumbrances and funds reservations, ended the year at \$27,250,600 (94.1% of budget). Including encumbrances and funds reservations, we ended the year at 96.0%. Items of note include:

REVENUE:

- ✓ **Library Charges - Fines:** Ended the year at 98.4% of 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 ran 0.5% above the same period in 2017.
- ✓ **Property Tax for Library Proceeds:** The full \$24,422,489 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments received in August, final payment received in November.** Library aid payments are normally released by the State beginning two to three months after the State's budget is adopted, with the balance transmitted in the late fall.
- ✓ **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 2017 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 2017 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 ended under budget.** Contract settlements with AFSCME and the Librarians Association were reached in late 2017, and with CSEA in early 2018. Funding to help support the settlements' cost is included in the "Contract Salary Reserves" account. Overtime ended the year above budget in part due to coverage needs as turnover occurs and due to maintenance staff's preparing ground floor space for the Presidential Center Offices (reimbursed by the Presidential Center) as well as library records storage. Overall, year-to-date Net Personal Services expense consumed 98.0% of the budget.
- ✓ **Fringe Benefit expense also ended the year under budget at 93.2% 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 at 87.5% (YTD costs ended 9.1% below 2017 charges). Workers compensation expense ended above budget due to medical procedure expense billed in February, April, July and October, while Unemployment expense ended the year 20.8% under budget. NY State Retirement charges ended modestly over budget at 102.1% but was 3.2% below 2017 charges as the Library labor pool continues to shift to the lower cost Tier 6 plan via turnover. Finally, retiree medical charges continue to moderate, ending the year at 90.2% of budget (2.7% above 2017 results).
- ✓ **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 Gallivan, Jacobs, Ranzenhofer and Assemblymember Walter. The bullet aid proceeds were distributed in November shortly after they were received.
- ✓ **Below budget Electric Utility costs helped counter the higher Natural Gas expense of a prolonged winter.** Natural Gas charges of \$143,160 came in at 97.2% of the 2018 annual budget, reflecting seasonality and prolonged winter weather. Expense was 18.4% higher than the \$120,938 paid in 2017. Electricity charges of \$576,310 came in at 93.2% of the 2018 annual budget; however, they were 6.3% above the \$542,367 paid in 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined, 2018 interfund utility charges of \$719,470 were modestly below budget (94.0% of budget), however they were \$56,165 (8.5%) above those incurred for the same months in 2017.** The Library participates in Erie County's aggregated utility purchasing pool which general saves costs compared to retail prices.

ACTION REQUIRED: None – Informational Report

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Revenue Detail as of 12/31/2018 (Pre-Audit)
100.0% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue December	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	295,594	0	295,594	27,188	290,905.19	4,689	98.4%
422000	Copies	17,398	0	17,398	2,051	24,945.28	(7,547)	143.4%
466040	Printing	62,963	0	62,963	4,903	61,267.50	1,696	97.3%
466030	Book Bags	1,100	0	1,100	49	892.00	208	81.1%
466020	Minor Sale - Other	5,591	0	5,591	401	4,802.70	788	85.9%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	2,632	23,988.26	(2,888)	113.7%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	678	11,721.50	5,959	66.3%
TOTAL REVENUE FROM LIBRARY OPERATIONS		421,426	0	421,426	37,902	418,522.43	2,904	99.3%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	24,422,489	0	24,422,489		24,422,488.99	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,943,728	19,131	1,962,859		1,962,859.00	0	100.0%
408150	NYS Aid to Member Libraries	284,683	2,821	287,504		287,504.00	0	100.0%
408160	State Aid - Special	0	294,500	294,500	242,500	294,500.00	0	100.0%
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	316,452	26,967,352	242,500	26,967,351.99	0	100.0%
OTHER REVENUE								
419010	Refunds - Cont Library	349,839	0	349,839	327,608	327,608.00	22,231	93.6%
423000	Refund P/Y Expenses	10,000	0	10,000		30,756.01	(20,756)	307.6%
466170	Refund Contract Lib Retire	0	0	0		0.00	0	0.0%
466070	Refund P/Y Expenses	0	0	0		0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	1,146	11,745.47	(9,745)	587.3%
466000	Misc Receipts	0	0	0		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	295	10,111.03	(5,111)	202.2%
479100	Other Contributions	60,000	0	60,000	60,000	60,000.00	0	100.0%
TOTAL OTHER REVENUE		426,854	0	426,854	389,049	440,295.51	(13,442)	103.1%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	498,684	173,048	671,732		0.00	671,732	0.0%
TOTAL USE OF FUND BALANCE		498,684	173,048	671,732	0	0.00	671,732	0.0%
GRAND TOTAL OPERATING REVENUE		27,997,864	489,500	28,487,364	669,451	27,826,169.93	661,194	97.7%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**
Expenditure Detail as of 12/31/2018 (Pre-Audit)
100.0% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Project Balances	2018 Budget Adjust-ments/ Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	% Current Budget		
											Remaining Balance	YTD Expend	YTD Expend /& Encumb
OPERATING EXPENDITURES													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,520,007		0	9,520,007	782,945	9,566,171.07			9,566,171.07	(46,164)	100.5%	100.5%
500010	Part Time - Wages	4,104,351		0	4,104,351	334,469	3,885,440.24			3,885,440.24	218,911	94.7%	94.7%
500020	Regular PT - Wages	759,767		0	759,767	64,359	814,154.54			814,154.54	(54,388)	107.2%	107.2%
500300	Shift Differential	19,000		0	19,000	1,814	20,978.26			20,978.26	(1,978)	110.4%	110.4%
500330	Holiday Worked	16,000		0	16,000	289	18,069.00			18,069.00	(2,069)	112.9%	112.9%
500350	Other Employee Payments	100,000		0	100,000	1,272	127,279.60			127,279.60	(27,280)	127.3%	127.3%
	Salaries & Wages	14,519,125	0	0	14,519,125	1,185,148	14,432,092.71	0.00	0.00	14,432,092.71	87,032	99.4%	99.4%
501000	Overtime Salaries & Wages	220,000		0	220,000	\$25,033	257,415.19			257,415.19	(37,415)	117.0%	117.0%
	TOTAL, PERSONAL SERVICES	14,739,125	0	0	14,739,125	1,210,181	14,689,507.90	0.00	0.00	14,689,507.90	49,617	99.7%	99.7%
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	1,210,181	14,689,507.90	0.00	0.00	14,689,507.90	299,735	98.0%	98.0%
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	72,086	891,986.60			891,986.60	21,842	97.6%	97.6%
502020	Employer FICA - MEDICARE	213,712		0	213,712	17,039	208,791.49			208,791.49	4,921	97.7%	97.7%
502030	Employee Health Insurance	2,593,704		0	2,593,704	295,215	2,270,708.96			2,270,708.96	322,995	87.5%	87.5%
502040	Dental Plan	97,542		0	97,542	11,279	90,518.55			90,518.55	7,023	92.8%	92.8%
502050	Workers Compensation	48,921		0	48,921	9,648	78,543.32			78,543.32	(29,622)	160.6%	160.6%
502060	Unemployment Insurance	20,144		0	20,144	113	4,195.17			4,195.17	15,949	20.8%	20.8%
502070	Hospital & Medical - Retirees	1,629,339		0	1,629,339	164,550	1,469,924.51			1,469,924.51	159,414	90.2%	90.2%
502090	Health Insurance Waiver (Incl: 117)	27,012		0	27,012	3,273	40,676.00			40,676.00	(13,664)	150.6%	150.6%
502100	Retirement	1,589,302		0	1,589,302	91,428	1,622,104.42			1,622,104.42	(32,802)	102.1%	102.1%
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	664,632	6,677,449.02	0.00	0.00	6,677,449.02	486,081	93.2%	93.2%
	TOTAL COMPENSATION RELATED	22,152,773	0	0	22,152,773	1,874,813	21,366,956.92	0.00	0.00	21,366,956.92	785,816	96.5%	96.5%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET
 Expenditure Detail as of 12/31/2018 (Pre-Audit)
 100.0% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbr ed & PY Capital Project Balances	2018 Budget Adjust-ments/ Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend /& Encumb
505000	Office Supplies	167,535	15	20,000	187,550	16,595	182,808.13			182,808.13	4,742	97.5%	97.5%
505200	Clothing Supplies	4,000	1,407	0	5,407	188	3,252.41	62.80		3,315.21	2,091	60.2%	61.3%
505600	Auto Truck & Heavy Equip Supplies	11,000		0	11,000	771	11,072.05			11,072.05	(72)	100.7%	100.7%
505800	Medical & Health Supplies	1,550	275	0	1,825		1,822.44			1,822.44	3	99.8%	99.8%
506200	Maintenance & Repair	106,400	16,523	25,000	147,923	13,219	111,727.66	1,591.65	34,493.00	147,812.31	111	75.5%	99.9%
506400	Highway Supplies (Rock Salt)	14,000		2,000	16,000	1,458	13,398.50			13,398.50	2,602	83.7%	83.7%
510000	Local Mileage Reimbursement	11,000		0	11,000	1,000	9,867.54			9,867.54	1,132	89.7%	89.7%
510100	Out of Area Travel	20,000		0	20,000	(949)	18,408.44			18,408.44	1,592	92.0%	92.0%
510200	Training and Education	55,231		0	55,231	2,795	31,064.75			31,064.75	24,166	56.2%	56.2%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	31,005			31,005	4,287	30,923.23			30,923.23	82	99.7%	99.7%
	Fuel Oil	1,000			1,000		0.00			0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	67,928		0	67,928	(1,557)	55,203.14			55,203.14	12,725	81.3%	81.3%
515000	Total Utility Charges	99,933		0	99,933	2,730	86,126.37	0.00	0.00	86,126.37	13,807	86.2%	86.2%
516010	CONTRACTUAL PAYMENTS												
	Newstead Public - Akron	724		15,000	15,724		15,724.00			15,724.00	0	100.0%	100.0%
	Ewell Free - Alden	1,591		2,500	4,091		4,091.00			4,091.00	0	100.0%	100.0%
	Amherst Public	0		86,000	86,000		86,000.00			86,000.00	0	100.0%	100.0%
	Angola Public	0		10,000	10,000		10,000.00			10,000.00	0	100.0%	100.0%
	Aurora Public	0		2,500	2,500		2,500.00			2,500.00	0	100.0%	100.0%
	Boston Free	1,862		2,500	4,362		4,362.00			4,362.00	0	100.0%	100.0%
	Clarence Public	0		15,000	15,000		15,000.00			15,000.00	0	100.0%	100.0%
	Collins Public	0		2,500	2,500		2,500.00			2,500.00	0	100.0%	100.0%
	Concord Public	0		2,500	2,500		2,500.00			2,500.00	0	100.0%	100.0%
	Eden Library	880		15,500	16,380		16,380.00			16,380.00	0	100.0%	100.0%
	Elma Public	0		2,500	2,500		2,500.00			2,500.00	0	100.0%	100.0%
	Grand Island Memorial	0		10,000	10,000		10,000.00			10,000.00	0	100.0%	100.0%
	Hamburg Public	0		20,000	20,000		20,000.00			20,000.00	0	100.0%	100.0%
	Lackawanna Public	11,875		4,400	16,275		16,275.00			16,275.00	0	100.0%	100.0%
	Lancaster Public	0		5,000	5,000		5,000.00			5,000.00	0	100.0%	100.0%
	Marilla Free	738		2,500	3,238		3,238.00			3,238.00	0	100.0%	100.0%
	North Collins Public	1,647		2,500	4,147		4,147.00			4,147.00	0	100.0%	100.0%
	Orchard Park Public	0		14,300	14,300		14,300.00			14,300.00	0	100.0%	100.0%
	City of Tonawanda Public	0		10,000	10,000		10,000.00			10,000.00	0	100.0%	100.0%
	Town of Tonawanda Public	0		20,000	20,000		20,000.00			20,000.00	0	100.0%	100.0%
	West Seneca Public	0		9,300	9,300		9,300.00			9,300.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	19,317	0	254,500	273,817	\$0	273,817.00	0.00	0.00	273,817.00	0	100.0%	100.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**
Expenditure Detail as of 12/31/2018 (Pre-Audit)
100.0% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Project Balances	2018 Budget Adjust-ments/ Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend /& Encumb
516020	Professional Services Contracts & Fees	857,725	53,849	0	911,574	89,759	761,570.67	41,753.08		803,323.75	108,250	83.5%	88.1%
516030	Maintenance Contracts	124,900	44,589	0	169,489	4,815	160,677.01			160,677.01	8,812	94.8%	94.8%
530000	Other Expenses	188,800	49,849	1,400	240,049	10,789	150,694.49	594.06	55,621.00	206,909.55	33,139	62.8%	86.2%
545000	Rental Charges	4,925		0	4,925	962	3,572.93			3,572.93	1,352	72.5%	72.5%
555050	Insurance Premiums	150,048		0	150,048	2,359	148,940.12			148,940.12	1,108	99.3%	99.3%
561410	Lab & Technical Equipment	98,175	60,819	156,600	315,594	11,533	144,674.01		162,431.00	307,105.01	8,489	45.8%	97.3%
561420	Office Equip, Furn & Fixtures		69,147	15,000	84,147	(453)	27,573.40		56,573.00	84,146.40	1	32.8%	100.0%
561430	Building, Grounds and Heavy Equip		10,131	15,000	25,131		3,292.00		21,839.00	25,131.00	0	13.1%	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	163,570	2,907,626.85		176,325.00	3,083,951.85	101,003	91.3%	96.8%
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	19,304	143,160.40			143,160.40	4,104	97.2%	97.2%
	Electricity	618,384		0	618,384	33,405	576,309.69			576,309.69	42,074	93.2%	93.2%
	Total Interfund Exp - Utilites	765,648	0	0	765,648	52,709	719,470.09	0.00	0.00	719,470.09	46,178	94.0%	94.0%
942000	Interfund - Holding Center	(89,542)		0	(89,542)	(7,834)	(89,914.55)			(89,914.55)	373	100.4%	100.4%
	Interfund - Correctional Facility	(99,889)			(99,889)	(7,426)	(98,991.18)			(98,991.18)	(898)	99.1%	99.1%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(8,598.00)			(8,598.00)	0	100.0%	100.0%
	Total ID Library Services	(198,029)	0	0	(198,029)	(\$15,977)	(197,503.73)			(197,503.73)	(525)	99.7%	99.7%
910600	Interfund Expense - Purchasing Services	28,766		0	28,766	\$5,892	29,879.29			29,879.29	(1,113)	103.9%	103.9%
910700	Interfund Expnese - Fleet Services	32,061		0	32,061	\$11,195	34,041.25			34,041.25	(1,980)	106.2%	106.2%
980000	Interdepart Services DISS	273,106		0	273,106	10,482	245,769.56			245,769.56	27,336	90.0%	90.0%
	System Operating Grand Totals	27,997,864	482,559	489,500	28,969,923	2,260,254	27,250,600.15	44,001.59	507,282.00	27,801,883.74	1,168,039	94.1%	96.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**
Expenditure Detail as of 12/31/2018 (Pre-Audit)
100.0% of Budget Year

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Project Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	December Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		
												YTD Expend	YTD / & Encumb	
<u>ERIE COUNTY CAPITAL / DEBT</u>														
<u>SERVICE FUNDING FOR LIBRARY</u>														
	Library Debt Service	1,042,497			1,042,497	19,043	1,042,497.35			1,042,497.35	0	100.0%	100.0%	
	Grand Total Operating and Erie County Capital	29,040,361	482,559	489,500	30,012,420	2,279,296	28,293,098	44,002	507,282	28,844,381	1,168,039	94.3%	96.1%	

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending December 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	\$351,783.66
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)	
Unrestricted Donations	\$300.00
Interest Income	\$3,677.81
Total 2018 Revenue	
\$355,761.47	

Less Disbursements

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

Library material purchases (direct from trust)	(\$24,165.23)
To Library Operating Fund to support Library material purchases	(\$43,530.35)
Programming support	(\$91,901.21)
Equipment, furnishings & supplies	(\$8,998.48)
Exhibit/display preparation and support/Rare Book Room	(\$21,471.90)
Preservation/Conservation	\$0.00
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$19,360.80)
Fundraiser Event Expense	\$0.00
Other	(\$16,144.77)

Subtotal Disbursements per Resolution 2010-8	(\$225,572.74)
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Other Disbursements (Describe)	\$0.00
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Total 2018 Disbursements	(\$225,572.74)
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Balance, 2018 Activity	\$130,188.73
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Cumulative Balance Library Trust	\$1,311,350.22
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