

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 6/20/2019

AGENDA ITEM NUMBER: E.2.d.

Budget & Finance Committee
Financials for the Month Ending **4/30/2019**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of the April 30, 2019 month-end close. The report also details monthly activity for April. Overall, with 32.9% of the budget year elapsed, year-to-date Library revenue at 88.1% collected is well within budget and year-to-date expense, at 31.7%, is also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full \$24,910,939 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 2019 budget assumed state library aid at 2018's funding level. The enacted NY State 2019-20 budget did not change the aid amount from 2018's funding level.
- ✓ **Commissions - Food Svcs** revenue reflects only vending machine commissions as Fables Café is not operating.
- ✓ **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 contract 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.** Overall, year-to-date Net Personal Services expense consumed 31.7% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 28.9% overall.**
Usage trends and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (at 26.5%, however YTD came in 7.3% above the same period last year). Retiree medical charges so far this year are also running modestly below budget, coming in at 29.6% of budget (however the amount was 4.9% above the same period in 2018). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor these accounts.
- ✓ **Maintenance and Repair Supplies show at 42.7%.**
The primary driver here is our purchases of LED bulbs for our conversion project. We purchase the LEDs prior to installation while Niagara Grid rebates are not received until after the bulbs are installed and inspected. The purchases so far this year are also covered by a funds reservation from 2018 in this account.
- ✓ **Highway Supplies (rock salt) show at 79.3%.**
This relatively small account (\$14,000 annual budget) is very seasonal in nature with the next set of purchases taking place in the fall. Higher salt prices and frequent freeze/thaw conditions this winter season contributed to expense this year.
- ✓ **Telephone and Internet Service charges show at 35.2% pending receipt of e-Rate reimbursements.** The federal e-Rate program covers up to 90% of eligible services in this category. While our Internet Access provider directly discounts this amount from our bill, our Wide Area Network (WAN) 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 Contract Libraries combined show at 70.2%.** 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 \$2,500.
- ✓ **Maintenance Contracts Expense presently within budget at 22.1%.** However, escalator maintenance costs once the present encumbrance is cleared (April 30th) are not included in the budget. Plans to phase out escalator use now that the new ADA compliant elevator is in operation have been delayed. The escalators, original to the building, have been in service since 1963. While well maintained, they are far beyond their normal lifespan. Escalator maintenance costs under the current contract total \$4,560 per month (\$54,720 per year). Discussions with Erie County DPW staff on a way forward have occurred and will continue. We will keep the Board apprised as this process moves forward.
- ✓ **Several remaining operating accounts above 32.9% reflect timing differences.**
These accounts, including Out of Area Travel, Training and Education, Professional Services, Insurance Premiums, and Library Materials reflect timing variations and are expected to end the year within budget.

EXPENSE (continued):

✓ **Interfund Expense – Utilities: Higher Natural Gas rates in January contributed to higher Natural Gas expense, continued LED conversions save electricity.**

Natural gas charges of \$97,236 came in at 60.5% of the 2019 annual budget, with January prices spiking 34% vs January 2018 before moderating in February-March. Actual Natural Gas consumed decreased 4.6% during the period vs the same period in 2018. Expense was 3.8% higher than the \$93,650 paid in January – April 2018.

Electricity charges of \$153,749 came in at 25.0% of the 2019 annual budget and were 8.3% BELOW the \$167,653 paid in January – April 2018. Electricity consumed system-wide also decreased by 0.3% vs the same period in 2018. LED conversions at multiple locations contributed to these savings. A concerted LED conversion effort at the Central Library, undertaken by Library Maintenance staff and supported by National Grid rebates, contributed to a 10.3% decrease in kWh consumed at the Central Library saving almost \$6,400 so far this year. Library Maintenance staff are also nearly done with LED conversions at the Buffalo Branch libraries.

Combined, 2019 interfund utility charges of \$250,986 were slightly under budget (32.3% of budget), however they were \$10,317 (3.9%) below those incurred for the same months in 2018. Given current trends, assuming average summer temperatures and no additional price shocks, costs should end the year below budget. 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

2019 OPERATING BUDGET

Revenue Detail as of 4/30/2019

32.9% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue April	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	290,463	0	290,463	23,952	101,087.96	189,375	34.8%
422000	Copies	18,677	0	18,677	2,277	7,282.87	11,394	39.0%
466040	Printing	62,435	0	62,435	5,117	19,037.52	43,397	30.5%
466030	Book Bags	900	0	900	62	246.15	654	27.4%
466020	Minor Sale - Other	4,708	0	4,708	299	1,428.00	3,280	30.3%
420510	Rent - Real Prop - Auditorium	18,900	0	18,900	1,071	6,388.32	12,512	33.8%
420530	Comm - Tel Booth Food Svs	19,500	0	19,500	855	2,880.52	16,619	14.8%
TOTAL REVENUE FROM LIBRARY OPERATIONS		415,583	0	415,583	33,634	138,351.34	277,232	33.3%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	24,910,939	0	24,910,939		24,910,939.00	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,962,859	0	1,962,859		0.00	1,962,859	0.0%
408150	NYS Aid to Member Libraries	287,504	0	287,504		0.00	287,504	0.0%
408160	State Aid - Special	0	0	0		0.00	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		27,161,302	0	27,161,302	0	24,910,939.00	2,250,363	91.7%
OTHER REVENUE								
419010	Refunds - Cont Library	333,040	0	333,040		0.00	333,040	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000	137	36,707.38	(26,707)	367.1%
445030	Int & Earn - Gen Inv	9,000	0	9,000	1,109	4,435.12	4,565	49.3%
466000	Misc Receipts	0	0	0		0.00	0	0.0%
466010	NSF Check Fees	15	0	15		0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	490	1,496.89	3,503	29.9%
479100	Other Contributions	45,000	0	45,000		0.00	45,000	0.0%
TOTAL OTHER REVENUE		402,055	0	402,055	1,736	42,639.39	359,416	10.6%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	506,529	0	506,529		0.00	506,529	0.0%
TOTAL USE OF FUND BALANCE		506,529	0	506,529	0	0.00	506,529	0.0%
GRAND TOTAL OPERATING REVENUE		28,485,469	0	28,485,469	35,370	25,091,929.73	3,393,539	88.1%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2019 OPERATING BUDGET

Expenditure Detail as of 4/30/2019

32.9% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	April Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend /& Encumb
<u>OPERATING EXPENDITURES</u>													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,999,381		0	9,999,381	\$822,254	3,250,890.57			3,250,890.57	6,748,490	32.5%	32.5%
500010	Part Time - Wages	4,282,165		0	4,282,165	339,262	1,327,000.41			1,327,000.41	2,955,165	31.0%	31.0%
500020	Regular PT - Wages	850,682		0	850,682	66,015	270,677.51			270,677.51	580,004	31.8%	31.8%
500300	Shift Differential	25,000		0	25,000	1,643	6,478.56			6,478.56	18,521	25.9%	25.9%
500330	Holiday Worked	20,000		0	20,000		6,299.73			6,299.73	13,700	31.5%	31.5%
500350	Other Employee Payments	120,000		0	120,000	1,860	7,990.00			7,990.00	112,010	6.7%	6.7%
	Salaries & Wages	15,297,228	0	0	15,297,228	1,231,035	4,869,336.78	0.00	0.00	4,869,336.78	10,427,891	31.8%	31.8%
501000	Overtime Salaries & Wages	270,000		0	270,000	\$21,089	88,397.42			88,397.42	181,603	32.7%	32.7%
	TOTAL, PERSONAL SERVICES	15,567,228	0	0	15,567,228	1,252,124	4,957,734.20	0.00	0.00	4,957,734.20	10,609,494	31.8%	31.8%
504990	Reduction From Personal Services	0		0	0		0.00			0.00	0	0.0%	0.0%
504992	Contractual Salary Reserves	54,996		0	54,996		0.00			0.00	54,996	0.0%	0.0%
	NET PERSONAL SERVICES	15,622,224	0	0	15,622,224	1,252,124	4,957,734.20	0.00	0.00	4,957,734.20	10,664,490	31.7%	31.7%
FRINGE BENEFITS													
502010	Employer FICA - REGULAR	965,197		0	965,197	75,597	298,320.03			298,320.03	666,877	30.9%	30.9%
502020	Employer FICA - MEDICARE	225,711		0	225,711	17,680	69,722.35			69,722.35	155,989	30.9%	30.9%
502030	Employee Health Insurance	2,529,612		0	2,529,612	175,958	669,499.80			669,499.80	1,860,112	26.5%	26.5%
502040	Dental Plan	95,550		0	95,550	7,068	22,590.91			22,590.91	72,959	23.6%	23.6%
502050	Workers Compensation	66,586		0	66,586	13,180	19,145.36			19,145.36	47,441	28.8%	28.8%
502060	Unemployment Insurance	10,595		0	10,595	955	4,294.24			4,294.24	6,301	40.5%	40.5%
502070	Hospital & Medical - Retirees	1,464,755		0	1,464,755	102,172	432,867.13			432,867.13	1,031,888	29.6%	29.6%
502090	Health Insurance Waiver (Incl: 117)	43,404		0	43,404	3,618	14,427.00			14,427.00	28,977	33.2%	33.2%
502100	Retirement	1,608,209		0	1,608,209	121,502	497,016.39			497,016.39	1,111,193	30.9%	30.9%
	TOTAL, FRINGE BENEFITS	7,009,619	0	0	7,009,619	517,729	2,027,883.21	0.00	0.00	2,027,883.21	4,981,736	28.9%	28.9%
	TOTAL COMPENSATION RELATED	22,631,843	0	0	22,631,843	1,769,853	6,985,617.41	0.00	0.00	6,985,617.41	15,646,226	30.9%	30.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2019 OPERATING BUDGET

Expenditure Detail as of 4/30/2019

32.9% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjust- ments/ Revisions	Adjusted Budget	April Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expended	YTD Expend /& Encumb
505000	Office Supplies	178,450		0	178,450	10,800	56,025.21	104,925.28		160,950.49	17,500	31.4%	90.2%
505200	Clothing Supplies	4,000	63	0	4,063	223	445.30	1,117.50		1,562.80	2,500	11.0%	38.5%
505600	Auto Truck & Heavy Equip Supplies	12,000		0	12,000	938	1,824.85			1,824.85	10,175	15.2%	15.2%
505800	Medical & Health Supplies	1,650		0	1,650		0.00			0.00	1,650	0.0%	0.0%
506200	Maintenance & Repair	111,150	36,085	0	147,235	9,574	62,856.09	15,926.62	4,480.67	83,263.38	63,971	42.7%	56.6%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000			11,103.00	2,082.50	13,185.50	815	79.3%	94.2%
510000	Local Mileage Reimbursement	11,000		0	11,000	811	2,970.39			2,970.39	8,030	27.0%	27.0%
510100	Out of Area Travel	20,000		0	20,000	5,009	8,920.47			8,920.47	11,080	44.6%	44.6%
510200	Training and Education	55,456		0	55,456	3,669	32,001.04			32,001.04	23,455	57.7%	57.7%
515000	Utility Charges (Telecom/water/sewer)												
	Fuel Oil	1,000			1,000		0.00			0.00	1,000	0.0%	0.0%
	Water/Sewer	31,665			31,665	2,180	7,842.43			7,842.43	23,823	24.8%	24.8%
	Telephone & Internet Service	71,084		0	71,084	6,519	25,056.34			25,056.34	46,028	35.2%	35.2%
515000	Total Utility Charges	103,749	0	0	103,749	8,699	32,898.77	0	0	32,899	70,850	31.7%	31.7%
516010	CONTRACTUAL PAYMENTS												
	Newstead Public - Akron	312		0	312		312.00			312.00	0	100.0%	100.0%
	Ewell Free - Alden	2,093		0	2,093		2,093.00			2,093.00	0	100.0%	100.0%
	Amherst Public	0		0	0		0.00			0.00	0	0.0%	0.0%
	Boston Free	1,394		0	1,394		1,394.00			1,394.00	0	100.0%	100.0%
	Eden Library	882		0	882		882.00			882.00	0	100.0%	100.0%
	Lackawanna Public	12,417		0	12,417	3,104	6,208.50	6,208.50		12,417.00	0	50.0%	100.0%
	Marilla Free	1,374		0	1,374		1,374.00			1,374.00	0	100.0%	100.0%
	North Collins Public	2,380		0	2,380		2,380.00			2,380.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	20,852	0	0	20,852	\$3,104	14,643.50	6,208.50	0.00	20,852.00	0	70.2%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 4/30/2019
 32.9% of Budget Year

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	April 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	859,648	41,753	0	901,401	24,680	369,984.80	433,331.67		803,316.47	98,085	41.0%	89.1%
516030	Maintenance Contracts	125,898		0	125,898	2,437	27,813.64	58,314.01		86,127.65	39,770	22.1%	68.4%
530000	Other Expenses	189,500	56,215	0	245,715	27,077	64,168.73	14,901.92	55,621.00	134,691.65	111,023	26.1%	54.8%
545000	Rental Charges	6,027		0	6,027	32	1,332.21	4,689.11		6,021.32	6	22.1%	99.9%
555050	Insurance Premiums	153,388		0	153,388	20,171	103,858.50			103,858.50	49,530	67.7%	67.7%
561410	Lab & Technical Equipment	92,667	162,431	0	255,098	7,037	49,736.57	16,681.30	150,739.12	217,156.99	37,941	19.5%	85.1%
561420	Office Equip, Furn & Fixtures		56,573	0	56,573	2,009	2,009.19		54,563.81	56,573.00	0	3.6%	100.0%
561430	Building, Grounds and Heavy Equip		21,839	0	21,839		0.00	0.00	21,839.00	21,839.00	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	176,325	0	3,185,325	285,097	1,089,153.73			1,089,153.73	2,096,171	34.2%	34.2%
575040	Interfund Exp - Utilities												
	Natural Gas	160,765		0	160,765	15,026	97,236.22			97,236.22	63,529	60.5%	60.5%
	Electricity	615,301		0	615,301	38,731	153,749.41			153,749.41	461,552	25.0%	25.0%
	Total Interfund Exp - Utilites	776,066	0	0	776,066	53,758	250,985.63	0.00	0.00	250,985.63	525,080	32.3%	32.3%
942000	Interfund - Holding Center	(90,627)		0	(90,627)	(7,552)	(30,209.00)			(30,209.00)	(60,418)	33.3%	33.3%
	Interfund - Correctional Facility	(96,308)			(96,308)	(8,026)	(32,102.67)			(32,102.67)	(64,205)	33.3%	33.3%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(2,866.00)			(2,866.00)	(5,732)	33.3%	33.3%
	Total ID Library Services	(195,533)	0	0	(195,533)	(\$16,294)	(65,177.67)			(65,177.67)	(130,355)	33.3%	33.3%
910600	Interfund Expense - Purchasing Services	31,732		0	31,732	\$2,358	9,433.00			9,433.00	22,299	29.7%	29.7%
910700	Interfund Expnese - Fleet Services	31,418		0	31,418	\$1,758	7,933.95			7,933.95	23,484	25.3%	25.3%
980000	Interdepart Services DISS	241,508		0	241,508	19,150	76,598.68			76,598.68	164,909	31.7%	31.7%
	System Operating Grand Totals	28,485,469	551,284	0	29,036,753	2,241,952	9,197,136.99	658,178.41	287,243.60	10,142,559.00	18,894,194	31.7%	34.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2019 OPERATING BUDGET

Expenditure Detail as of 4/30/2019

32.9% of Budget Year

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjust- ments/ Revisions	Adjusted Budget	April Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		
												YTD Expend	YTD /& Encumb	
<u>ERIE COUNTY DEBT SERVICE</u>														
<u>FUNDING FOR LIBRARY</u>														
	Library Debt Service	585,024			585,024		245,991.27			245,991.27	339,033	42.0%	42.0%	
	Grand Total Operating and Erie County Capital	29,070,493	551,284	0	29,621,777	2,241,952	9,443,128	658,178.41	287,243.60	10,388,550.27	19,233,226	31.9%	35.1%	

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending April 30, 2019

Main Trust	\$1,215,502.67
Encore Editions Proceeds (Invested per resolution 2006-19)	\$95,847.55
2018 Ending Balance	\$1,311,350.22
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<u>2019 Activity and Balances</u>	
Restricted Donations	\$55,996.02
(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	\$1,520.74
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Total 2019 Revenue	\$57,516.76
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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	(\$5,087.21)
Programming support	(\$9,005.06)
Equipment, furnishings & supplies	(\$5,314.64)
Exhibit/display preparation and support/Rare Book Room	(\$4,040.00)
Preservation/Conservation	\$0.00
Construction Grant Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$9,522.43)
Other	(\$441.66)
Subtotal Disbursements per Resolution 2010-8	(\$33,411.00)
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Other Disbursements (Describe)	\$0.00
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Total 2019 Disbursements	(\$33,411.00)
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Balance, 2019 Activity	\$24,105.76
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Cumulative Balance Library Trust	\$1,335,455.98