

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 12/19/2019

Budget & Finance Committee
Financials for the Month Ending **10/31/2019**

AGENDA ITEM NUMBER: E.2.c.

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of October 31, 2019 month-end. The report also details monthly activity for September. Overall, with 83.3% of the budget year elapsed, year-to-date Library revenue, at 95.3% collected, is well within budget and year-to date expense, at 77.8%, 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 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 well over 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 overall statewide library aid amount from 2018's funding level.
- ✓ **Commissions - Food Svcs** revenue reflects only vending machine commissions.
- ✓ **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 81.5% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 75.6% overall.**
Usage trends and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (at 73.9%, however YTD came in 4.0% above the same period last year). Retiree medical charges so far this year are also running below budget, coming in at 70.0% of budget (and the amount was 13.7% below 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.
- ✓ **Office Supplies show at 79.1%.**
The primary factors here are timing and increased purchases of toner for printers. The latter is largely offset by revenue charged for public printing.
- ✓ **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 92.3% 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 100.0%.** 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 remaining one, for the Lackawanna PL includes the last quarterly in advance payment.
- ✓ **One remaining operating account above 83.3% reflecting timing differences.**
This account, Insurance Premiums reflects timing variations and is 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 \$116,667 came in at 72.6% of the 2019 annual budget, with January prices spiking 34% vs January 2018 before moderating in February-March. Actual Natural Gas consumed decreased 3.1% during the period vs the same period in 2018. Expense was 4.8% higher than the \$111,330 paid in January – October 2018.

Electricity charges of \$433,792 came in at 70.5% of the 2019 annual budget and were 14.2% BELOW the \$505,772 paid in January – October 2018. Electricity consumed system-wide also decreased by 6.8% vs the same period in 2018. LED conversions at the Central Library were a major factor mitigating costs (excluding the Central Library, system usage was down 2.2%). A concerted LED conversion effort at the Central Library, undertaken by Library Maintenance staff and supported by National Grid rebates, contributed to an 11.9% decrease in kWh consumed at the Central Library saving over \$22,902 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 \$550,459 were under budget (70.9% of budget) and they were \$71,980 (14.2%) below those incurred for the same months in 2018. Given current trends, assuming 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 10/31/2019

83.3% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue October	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	290,463	0	290,463	35,271	259,616.39	30,847	89.4%
422000	Copies	18,677	0	18,677	2,872	21,562.14	(2,885)	115.4%
466040	Printing	62,435	0	62,435	5,418	50,857.05	11,578	81.5%
466030	Book Bags	900	0	900	62	677.15	223	75.2%
466020	Minor Sale - Other	4,708	0	4,708	470	3,849.00	859	81.8%
420510	Rent - Real Prop - Auditorium	18,900	0	18,900	1,439	15,224.39	3,676	80.6%
420530	Comm - Tel Booth Food Svs	19,500	0	19,500	1,066	8,466.55	11,033	43.4%
TOTAL REVENUE FROM LIBRARY OPERATIONS		415,583	0	415,583	46,598	360,252.67	55,330	86.7%
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		1,943,571.00	19,288	99.0%
408150	NYS Aid to Member Libraries	287,504	0	287,504		258,883.00	28,621	90.0%
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	27,113,393.00	47,909	99.8%
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		41,604.19	(31,604)	416.0%
445030	Int & Earn - Gen Inv	9,000	0	9,000	327	9,641.42	(641)	107.1%
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	323	4,347.96	652	87.0%
479100	Other Contributions	45,000	0	45,000		0.00	45,000	0.0%
TOTAL OTHER REVENUE		402,055	0	402,055	650	55,593.57	346,461	13.8%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	506,529	400,000	906,529		0.00	906,529	0.0%
TOTAL USE OF FUND BALANCE		506,529	400,000	906,529	0	0.00	906,529	0.0%
GRAND TOTAL OPERATING REVENUE		28,485,469	400,000	28,885,469	47,248	27,529,239.24	1,356,230	95.3%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET**

Expenditure Detail as of 10/31/2019
83.3% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	October Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/& Encumb
OPERATING EXPENDITURES													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,999,381		145,565	10,144,946	\$880,193	8,325,959.28			8,325,959.28	1,818,987	82.1%	82.1%
500010	Part Time - Wages	4,282,165		69,969	4,352,134	368,021	3,428,527.90			3,428,527.90	923,606	78.8%	78.8%
500020	Regular PT - Wages	850,682		(16,777)	833,905	66,475	683,476.08			683,476.08	150,429	82.0%	82.0%
500300	Shift Differential	25,000		0	25,000	1,882	17,263.93			17,263.93	7,736	69.1%	69.1%
500330	Holiday Worked	20,000		0	20,000	18	15,172.66			15,172.66	4,827	75.9%	75.9%
500350	Other Employee Payments	120,000		0	120,000	2,060	37,080.00			37,080.00	82,920	30.9%	30.9%
	Salaries & Wages	15,297,228	0	198,757	15,495,985	1,318,650	12,507,479.85	0.00	0.00	12,507,479.85	2,988,505	80.7%	80.7%
501000	Overtime Salaries & Wages	270,000		0	270,000	\$31,572	203,006.28			203,006.28	66,994	75.2%	75.2%
	TOTAL, PERSONAL SERVICES	15,567,228	0	198,757	15,765,985	1,350,222	12,710,486.13	0.00	0.00	12,710,486.13	3,055,499	80.6%	80.6%
504990	Reduction From Personal Services	0		(178,198)	(178,198)		0.00			0.00	(178,198)	0.0%	0.0%
504992	Contractual Salary Reserves	54,996		(54,996)	0		0.00			0.00	0	0.0%	0.0%
	NET PERSONAL SERVICES	15,622,224	0	(34,437)	15,587,787	1,350,222	12,710,486.13	0.00	0.00	12,710,486.13	2,877,301	81.5%	81.5%
FRINGE BENEFITS													
502010	Employer FICA - REGULAR	965,197		12,325	977,522	73,917	766,922.22			766,922.22	210,600	78.5%	78.5%
502020	Employer FICA - MEDICARE	225,711		2,882	228,593	17,287	179,314.57			179,314.57	49,278	78.4%	78.4%
502030	Employee Health Insurance	2,529,612		0	2,529,612	251,448	1,869,818.76			1,869,818.76	659,793	73.9%	73.9%
502040	Dental Plan	95,550		0	95,550	8,461	67,536.48			67,536.48	28,014	70.7%	70.7%
502050	Workers Compensation	66,586		0	66,586	11,783	46,574.56			46,574.56	20,011	69.9%	69.9%
502060	Unemployment Insurance	10,595		0	10,595	1,178	10,050.70			10,050.70	544	94.9%	94.9%
502070	Hospital & Medical - Retirees	1,464,755		0	1,464,755	121,216	1,025,124.12			1,025,124.12	439,631	70.0%	70.0%
502090	Health Insurance Waiver (Incl: 117)	43,404		0	43,404	3,551	35,716.50			35,716.50	7,688	82.3%	82.3%
502100	Retirement	1,608,209		19,230	1,627,439	128,334	1,323,377.39			1,323,377.39	304,062	81.3%	81.3%
	TOTAL, FRINGE BENEFITS	7,009,619	0	34,437	7,044,056	617,174	5,324,435.30	0.00	0.00	5,324,435.30	1,719,621	75.6%	75.6%
	TOTAL COMPENSATION RELATED	22,631,843	0	0	22,631,843	1,967,396	18,034,921.43	0.00	0.00	18,034,921.43	4,596,922	79.7%	79.7%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET**

Expenditure Detail as of 10/31/2019
83.3% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	October Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/& Encumb
505000	Office Supplies	178,450		15,000	193,450	15,292	156,453.45	22,250.25		178,703.70	14,746	80.9%	92.4%
505200	Clothing Supplies	4,000	63	0	4,063	230	2,686.99	524.63		3,211.62	851	66.1%	79.0%
505600	Auto Truck & Heavy Equip Supplies	12,000		0	12,000	255	2,401.18			2,401.18	9,599	20.0%	20.0%
505800	Medical & Health Supplies	1,650		0	1,650	138	216.96			216.96	1,433	13.1%	13.1%
506200	Maintenance & Repair	111,150	36,085	75,000	222,235	13,844	157,499.83	16,984.99		174,484.82	47,750	70.9%	78.5%
506400	Highway Supplies (Rock Salt)	14,000		4,000	18,000	2,083	13,185.50			13,185.50	4,815	73.3%	73.3%
510000	Local Mileage Reimbursement	11,000		0	11,000	504	7,914.36			7,914.36	3,086	71.9%	71.9%
510100	Out of Area Travel	20,000		0	20,000		15,227.74			15,227.74	4,772	76.1%	76.1%
510200	Training and Education	55,456		0	55,456	1,242	46,088.84	630.00		46,718.84	8,737	83.1%	84.2%
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	2,837	24,422.35			24,422.35	7,243	77.1%	77.1%
	Telephone & Internet Service	71,084		0	71,084	6,662	65,629.68			65,629.68	5,454	92.3%	92.3%
515000	Total Utility Charges	103,749	0	0	103,749	9,499	90,052.03	0	0	90,052	13,697	86.8%	86.8%
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		12,417.00			12,417.00	0	100.0%	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	0	20,852.00	0.00	0.00	20,852.00	0	100.0%	100.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET**

Expenditure Detail as of 10/31/2019
83.3% of Budget Year

% Current Budget

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516020	Professional Services Contracts & Fees	859,648	41,753	0	901,401	37,118	594,905.32	271,300.02		866,205.34	35,196	66.0%	96.1%
516030	Maintenance Contracts	125,898		45,000	170,898	5,029	133,674.12	33,194.71		166,868.83	4,029	78.2%	97.6%
530000	Other Expenses	189,500	56,215	(29,700)	216,015	5,200	153,511.66	10,803.72	44,921.00	209,236.38	6,779	71.1%	96.9%
545000	Rental Charges	6,027		0	6,027	431	4,835.23	1,186.09		6,021.32	6	80.2%	99.9%
555050	Insurance Premiums	153,388		0	153,388		149,113.75			149,113.75	4,274	97.2%	97.2%
561410	Lab & Technical Equipment	92,667	162,431	160,900	415,998	22,706	174,681.26	5,023.99	64,653.32	244,358.57	171,639	42.0%	58.7%
561420	Office Equip, Furn & Fixtures		56,573	84,800	141,373		33,335.43	25,465.50	82,572.00	141,372.93	0	23.6%	100.0%
561430	Building, Grounds and Heavy Equip		21,839	0	21,839	1,246	2,262.36		19,576.64	21,839.00	0	10.4%	100.0%
561440	Motor Vehicles			45,000	45,000		0.00	35,730.00		35,730.00	9,270	0.0%	79.4%
561450	Library Books and Media	3,009,000	176,325	0	3,185,325	266,560	2,495,712.18			2,495,712.18	689,613	78.4%	78.4%
575040	Interfund Exp - Utilities												
	Natural Gas	160,765		0	160,765	3,624	116,667.40			116,667.40	44,098	72.6%	72.6%
	Electricity	615,301		0	615,301	43,565	433,791.65			433,791.65	181,509	70.5%	70.5%
	Total Interfund Exp - Utilites	776,066	0	0	776,066	47,188	550,459.05	0.00	0.00	550,459.05	225,607	70.9%	70.9%
942000	Interfund - Holding Center	(90,627)		0	(90,627)	(7,552)	(75,522.50)			(75,522.50)	(15,105)	83.3%	83.3%
	Interfund - Correctional Facility	(96,308)			(96,308)	(8,026)	(80,256.69)			(80,256.69)	(16,051)	83.3%	83.3%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(7,165.00)			(7,165.00)	(1,433)	83.3%	83.3%
	Total ID Library Services	(195,533)	0	0	(195,533)	(\$16,294)	(162,944.19)			(162,944.19)	(32,589)	83.3%	83.3%
910600	Interfund Expense - Purchasing Services	31,732		0	31,732	\$2,358	23,582.50			23,582.50	8,150	74.3%	74.3%
910700	Interfund Expnese - Fleet Services	31,418		0	31,418	\$1,554	18,052.24			18,052.24	13,366	57.5%	57.5%
980000	Interdepart Services DISS	241,508		0	241,508	1,296	173,643.03			173,643.03	67,865	71.9%	71.9%
	System Operating Grand Totals	28,485,469	551,284	400,000	29,436,753	2,384,875	22,892,324.25	423,093.90	211,722.96	23,527,141.11	5,909,611	77.8%	79.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 10/31/2019
 83.3% of Budget Year

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												YTD Expend	YTD Expend/& Encumb
<u>ERIE COUNTY DEBT SERVICE FUNDING FOR LIBRARY</u>													
	Library Debt Service	585,024			585,024	0	562,088.38			562,088.38	22,936	96.1%	96.1%
Grand Total Operating and Erie County Capital		29,070,493	551,284	400,000	30,021,777	2,384,875	23,454,413	423,093.90	211,722.96	24,089,229.49	5,932,547	78.1%	80.2%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending October 31, 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	\$148,956.83
(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	\$3,462.46
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Total 2019 Revenue	\$152,419.29
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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	(\$58,849.49)
Equipment, furnishings & supplies	(\$10,732.82)
Exhibit/display preparation and support/Rare Book Room	(\$4,040.00)
Preservation/Conservation	\$0.00
Construction Aid Match	\$0.00
Raiser's Edge Software and General Fundraising Expense	(\$9,522.43)
Other	(\$537.09)
Subtotal Disbursements per Resolution 2010-8	(\$88,769.04)
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Other Disbursements (Describe)	\$0.00
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Total 2019 Disbursements	(\$88,769.04)
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Balance, 2019 Activity	\$63,650.25
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Cumulative Balance Library Trust	\$1,375,000.47