

BUFFALO & ERIE COUNTY PUBLIC LIBRARY
OPERATING FINANCIAL REPORT AS OF MAY 31, 2007
FOR
ERIE COUNTY LEGISLATURE, FINANCE AND MANAGEMENT COMMITTEE
June 27, 2007 Mid-Year Budget Review

BACKGROUND:

The attached reports provide a summary of revenues and expenditures in the Library's Operating Budget for the year as of May 31, 2007 month-end close. Overall, the Library operated within its budget for the period and expects to remain within overall budget totals through year-end.

Items of note include:

REVENUE:

- ✓ **Initial New York State Library Aid Payment expected 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 over 90% of the total for the year.

EXPENSE:

- ✓ **Overtime running modestly ahead of budget.** Overtime is used to address off-hours asbestos management tasks, Sunday coverage as the Central Library is open Sunday during the school year, and maintaining 24/7 security and boiler coverage. A combination of vacancies and short-term disabilities has contributed to the overage. Savings in other labor accounts more than offsets the increase.
- ✓ **Unemployment Insurance costs, a net credit of \$1,167 for January-May.** Unemployment Insurance expense is charged on an "estimated" basis using countywide percentages applied to payroll and reconciled to actual costs periodically (the county is self insured for both unemployment and workers compensation). The credit amount reflects a favorable correction adjustment resulting from the final reconciliation of 2006 expense. This expense has now returned to the low levels reflective of the Library's normal operations after two very difficult years (combined 2005 and 2006 expense totaled \$540,000).
- ✓ **Hospital and Medical – Retirees expense reflects higher than normal retirements in 2006.** Year-to-date charges through May are running above budget (with \$452,009 - 48.7% of the annual budget consumed). The County's fiscal struggles combined with most labor agreements expiring on 12/31/2006, contributed to a significantly higher level of retirements in 2006 than in a normal year. County labor agreements provide for 100% employer payment of the base retiree medical plan. Above inflation health care cost increases also contribute to the variance. Presently, savings from turnover and other fringe benefit accounts are offsetting this increased cost. Staff will continue to monitor this situation as the year progresses.
- ✓ **Contract library third quarter payments processed.** Contracting library payments for those libraries not participating in the Centralized Human Resources (CHR) program show at 75% reflecting the contract provision to provide quarterly payments on or about the first of January, April, July and October. In order to ensure prompt delivery, the payments were entered into the

SAP system in May to ensure checks would be generated and available by late June. Under CHR, the system administers payroll and benefits in cooperation with Erie County and using the County's SAP financial system. These expenses are paid through the SAP personnel and fringe benefit accounts (page 2 of 4 of the attached report) rather than through a quarterly contract payment (page 3 of 4). The Cheektowaga Public Library shows at 100% as they joined the CHR program earlier this year. Budget transfers reflecting this change were processed moving the remaining balance from the contractual payments account to the appropriate salary, wage and fringe accounts. As of now 17 of the 22 suburban library systems participate in the CHR program. The remaining 5 library systems are expected to join by the end of 2008.

- ✓ **Interfund billings for services provided to the Correctional Facility, Holding Center, and utility expense of the Court Storage area:** are now billed on a semi-annual basis with the first billing expected in June.

ACTION REQUIRED: None – Informational Report

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET
Revenue Detail as of 5/31/2007
41.4% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue May	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	\$318,073	\$0	\$318,073	\$22,584	\$127,966	\$190,107	40.23%
422000	Copies	26,889	0	26,889	2,147	\$13,470	13,419	50.09%
466040	Printing	16,349	0	16,349	1,875	\$9,059	7,290	55.41%
466030	Book Bags	1,000	0	1,000	59	\$543	457	54.30%
466020	Minor Sale - Other	23,000	0	23,000	458	\$12,125	10,875	52.72%
419020	InterLibrary Loan Shipping	2,100	0	2,100		\$0	2,100	0.00%
420510	Rent - Real Prop - Auditorium	5,000	0	5,000	1,438	\$3,667	1,333	73.34%
420530	Comm - Tel Booth Food Svs	21,168	0	21,168	500	\$5,501	15,667	25.99%
TOTAL REVENUE FROM LIBRARY OPERATIONS		\$413,579	\$0	\$413,579	\$29,060	\$172,331	\$241,248	41.67%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	\$22,171,833	\$0	\$22,171,833		\$22,171,833	\$0	100.00%
408140	NYS Aid-Lib Incl Incent	1,854,951	229,666	2,084,617		\$0	2,084,617	0.00%
408150	NYS Aid to Member Libraries	299,616	0	299,616		\$0	299,616	0.00%
408160	State Aid - Special		0	0		\$0	0	0.00%
486000	Interfund - Subsidy		0	0		\$0	0	0.00%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		\$24,326,400	\$229,666	\$24,556,066	\$0	\$22,171,833	\$2,384,233	90.29%
OTHER REVENUE								
419010	Refunds - Cont Library	\$391,722	\$83,378	\$475,100	(\$0)	\$0	\$475,100	0.00%
423000	Refund P/Y Expenses	10,000	0	\$10,000	\$6,772	\$54,404	(\$44,404)	544.04%
466170	Refund Contract Lib Retire	251,479	(87,754)	163,725		\$0	163,725	0.00%
466070	Refund P/Y Expenses			0		\$0	0	0.00%
445030	Int & Earn - Gen Inv	50,000	0	50,000	6,075	\$29,808	20,192	59.62%
466000	Misc Receipts		0	0		\$54	(54)	0.00%
466010	NSF Check Fees	15	0	15		\$0	15	0.00%
467000	Misc Depart Income		0	0	297	\$1,439	(1,439)	0.00%
499100	Accrued Invest Interest			0		\$0	0	0.00%
TOTAL OTHER REVENUE		\$703,216	(\$4,376)	\$698,840	\$13,143	\$85,705	\$613,135	12.26%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	\$540,050	\$1,120,154	\$1,660,204		\$0	\$1,660,204	0.00%
TOTAL USE OF FUND BALANCE		\$540,050	\$1,120,154	\$1,660,204	\$0	\$0	\$1,660,204	0.00%
GRAND TOTAL OPERATING REVENUE		\$25,983,245	\$1,345,444	\$27,328,689	\$42,204	\$22,429,868	\$4,898,820	82.07%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2007 OPERATING BUDGET
Expenditure Detail as of 5/31/2007
41.4% of Budget Year

SAP Account Number	Account Description	2007 Adopted Budget	2006 Encumbered Balances	2007 Budget Adjustments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
<u>OPERATING EXPENDITURES</u>											
PERSONAL SERVICES											
Regular Salaries & Wages											
500000	Full Time - Salaries	\$7,807,778		\$708,008	\$8,515,786	\$742,335	\$3,258,777		\$3,258,777	\$5,257,009	38.27%
500010	Part Time - Wages	2,223,038		\$133,690	2,356,728	210,533	\$955,901		955,901	1,400,827	40.56%
500020	Regular PT - Wages	896,004		(\$148,138)	747,866	49,550	\$259,186		259,186	488,680	34.66%
500030	Seasonal Emp. Wages	62,514		\$0	62,514	4,870	\$23,410		23,410	39,104	37.45%
500300	Shift Differential	15,500			15,500	1,131	\$6,369		6,369	9,131	41.09%
500330	Holiday Worked	24,000			24,000		\$5,946		5,946	18,054	24.77%
500350	Other Employee Payments	20,000			20,000	1,555	\$9,815		9,815	10,185	49.07%
	Salaries & Wages	\$11,048,834	\$0	\$693,560	\$11,742,394	\$1,009,975	\$4,519,404	\$0	\$4,519,404	\$7,222,990	38.49%
501000	OVERTIME SALARIES & WAGES	\$118,250		\$0	\$118,250	\$11,011	\$73,066		\$73,066	\$45,184	61.79%
	TOTAL, PERSONAL SERVICES	\$11,167,084	\$0	\$693,560	\$11,860,644	\$1,020,986	\$4,592,470	\$0	\$4,592,470	\$7,268,174	38.72%
504990	REDUCTION FROM PERSONAL SERVICES			\$0	\$0		\$0		\$0	\$0	0.00%
504992	Contractual Salary Reserves	\$245,266		\$0	\$245,266		\$0		\$0	\$245,266	0.00%
	NET PERSONAL SERVICES	\$11,412,350			\$12,105,910		\$4,592,470		\$4,592,470	\$7,513,440	37.94%
FRINGE BENEFITS											
502000	Fringe Benefits			\$0	\$0		\$0		\$0	\$0	0.00%
502010	Employer FICA - REGULAR	\$709,018		\$43,075	752,093	60,895	\$289,331		289,331	462,762	38.47%
502020	Employer FICA - MEDICARE	\$165,949		\$10,075	176,024	14,241	\$67,666		67,666	108,358	38.44%
502030	Employee Health Insurance	\$1,881,108		\$43,718	1,924,826	158,126	\$757,946		757,946	1,166,880	39.38%
502040	Dental Plan	\$121,518		\$2,330	123,848	9,158	\$42,745		42,745	81,103	34.51%
502050	Workers Compensation	\$120,169		\$1,652	121,821	8,602	\$53,045		53,045	68,776	43.54%
502060	Unemployment Insurance	\$28,610		\$376	28,986	485	(\$1,167)		(1,167)	30,153	-4.03%
502070	Hospital & Medical - Retirees	\$920,373		\$7,011	927,384	102,511	\$452,009		452,009	475,375	48.74%
502090	Health Insurance Waiver (Incl: 117)	\$32,400		\$1,200	33,600	2,500	\$12,400		12,400	21,200	36.90%
502100	Retirement	\$1,249,261		\$13,219	1,262,480	62,198	\$358,781		358,781	903,699	28.42%
502110	Flex Benefit Spending	\$2,000		\$0	2,000		\$0		0	2,000	0.00%
	TOTAL, FRINGE BENEFITS	\$5,230,406	\$0	\$122,656	\$5,353,062	\$418,717	\$2,032,756	\$0	\$2,032,756	\$3,320,306	37.97%

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Expenditure Detail as of 5/31/2007
41.4% of Budget Year

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505000	Office Supplies	85,375	3,113	0	88,488	3,276	\$24,379	8,316	32,695	55,793	27.55%
505200	Clothing Supplies	3,100	64	0	3,164	(576)	\$60		60	3,104	1.90%
505600	Auto Truck & Heavy Equip Supplies	5,630		0	5,630	8	\$2,765		2,765	2,865	49.12%
505800	Medical & Health Supplies	2,250		0	2,250	84	\$261	88	348	1,902	11.60%
506200	Maintenance & Repair	128,050	14,518	0	142,568	2,268	\$24,394	22,703	47,097	95,471	17.11%
506400	Highway Supplies	3,500		0	3,500		\$1,366		1,366	2,134	39.04%
510000	Local Mileage Reimbursement	6,600		0	6,600	226	\$974		974	5,626	14.76%
510100	Out of Area Travel	34,525		0	34,525	2,020	\$10,206		10,206	24,320	29.56%
510200	Training and Education	25,250		0	25,250		\$7,359		7,359	17,892	29.14%
515000	Total Utility Charges	120,751	0	0	120,751	2,462	46,314	0	46,314	74,437	38.35%
CONTRACTUAL PAYMENTS											
516010	Newstead Public - Akron	\$0		0	0		\$0		0	0	0.00%
	Ewell Free - Alden	\$61,191		(61,191)	0		\$0		0	0	0.00%
	Amherst Public	\$1,152,337		0	1,152,337	288,576	\$865,729	273,955	1,139,684	12,653	75.13%
	Angola Public	\$57,414		(2)	57,412	14,353	\$43,059	1,237	44,296	13,116	75.00%
	Aurora Public	\$0		0	0		\$0		0	0	0.00%
	Boston Free	\$61,389		(311)	61,078	15,270	\$45,809	183	45,991	15,087	75.00%
	Cheektowaga Public	\$609,881		(540,867)	69,014	(83,456)	\$69,014		69,014	0	100.00%
	Clarence Public	\$0		0	0		\$0		0	0	0.00%
	Collins Public	\$0		0	0		\$0		0	0	0.00%
	Concord Public	\$95,223		435	95,658	24,165	\$72,494	634	73,127	22,531	75.78%
	Eden Library	\$0		0	0		\$0		0	0	0.00%
	Elma Public	\$0		0	0		\$0		0	0	0.00%
	Grand Island Memorial	\$0		0	0		\$0		0	0	0.00%
	Hamburg Public	\$0		0	0		\$0		0	0	0.00%
	Lackawanna Public	\$201,605		706	202,311	50,578	\$151,733	43,878	195,611	6,700	75.00%
	Lancaster Public	\$0		0	0		\$0		0	0	0.00%
	Marilla Free	\$322		(311)	11		\$11		11	0	100.00%
	North Collins Public	\$0		0	0		\$0		0	0	0.00%
	Orchard Park Public	\$0		0	0		\$0		0	0	0.00%
	City of Tonawanda Public	\$0		0	0		\$0		0	0	0.00%
	Town of Tonawanda Public	\$0		0	0		\$0		0	0	0.00%
	West Seneca Public	\$0		0	0		\$0		0	0	0.00%
	Total Cnt Pmts-NP Pur Svs	\$2,239,362	\$0	(\$601,541)	\$1,637,821	\$309,485	\$1,247,848	\$319,886	\$1,567,734	\$70,087	76.19%

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516020	Professional Services Contracts & Fees	779,787	173,512	1,078	954,377	20,079	\$282,305	580,613	862,917	91,460	29.58%
516030	Maintenance Contracts	134,455	25,785	0	160,240	10,107	\$43,299	61,993	105,292	54,948	27.02%
530000	Other Expenses	118,488	7,969	0	126,457	9,601	\$31,359	504	31,863	94,594	24.80%
545000	Rental Charges	1,879	45	0	1,924	83	\$448	593	1,041	883	23.28%
555050	Insurance Premiums	45,000		0	45,000		\$0		0	45,000	0.00%
559000	County Share Grants (Grant Match)			311,057	311,057		\$0		0	311,057	0.00%
561250	Acq: Building Improvements			0	0		\$0		0	0	0.00%
561410	Lab & Technical Equipment	141,563	102,386	282,660	526,609	139,271	\$162,447	98,055	260,502	266,107	30.85%
561440	Motor Vehicles			62,000	62,000		\$0	58,354	58,354	3,646	0.00%
561430	Building, Grounds and Heavy Equip			0	0		\$0		0	0	0.00%
561450	Library Books and Media	3,925,000		464,437	4,389,437	330,422	\$1,125,283		1,125,283	3,264,154	25.64%
570000	Interfund Trans - Subs						\$0		0	0	0.00%
570040	Interfund Subsidy Debt Svc (2002 Ery Reti	223,042		0	223,042		\$0		0	223,042	0.00%
575040	Interfund Exp - Utilities										
	Fuel Oil	35,000		0	35,000		\$0		0	35,000	0.00%
	Natural Gas	348,006		9,537	357,543	2,869	\$180,100		180,100	177,443	50.37%
	Electricity	1,015,107		0	1,015,107	38,031	\$304,358		304,358	710,749	29.98%
	Total Interfund Exp - Utilites	1,398,113	0	9,537	1,407,650	40,899	484,458	0	484,458	923,192	34.42%
942000	Interfund - Holding Center	(116,454)		0	(116,454)		\$0		0	(116,454)	0.00%
	Interfund - Correctional Facility	(172,647)			(172,647)		\$0		0	(172,647)	0.00%
	Interfund - Court Storage	(8,093)			(8,093)		\$0		0	(8,093)	0.00%
	Total ID Library Services	(\$297,194)	\$0	\$0	(\$297,194)	\$0	\$0	\$0	\$0	(\$297,194)	0.00%
980000	Interdepart Services DISS	215,963		0	215,963	15,917	\$81,529		81,529	134,434	37.75%
	System Operating Grand Totals	\$25,983,245	\$327,392	\$1,345,444	\$27,656,081	\$2,325,336	\$10,202,281	\$1,151,103	\$11,353,384	\$16,302,698	36.89%