

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 9/19/2019

AGENDA ITEM NUMBER: E.2.b.

Budget & Finance Committee
Financials for the Month Ending 7/31/2019

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of July 31, 2019 month-end. The report also details monthly activity for June and July. Overall, with 58.1% of the budget year elapsed, year-to-date Library revenue, at 94.9% collected, is well within budget and year-to date expense, at 54.3%, 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 56.3% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 53.0% overall.**
Usage trends and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (at 50.8%, however YTD came in 8.3% above the same period last year). Retiree medical charges so far this year are also running modestly below budget, coming in at 51.9% of budget (and the amount was 3.5% 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 70.8%.**
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 60.3% 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 85.1%.** 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.
- ✓ **Several remaining operating accounts above 58.1% reflect timing differences.**
These accounts, including Training and Education and Insurance Premiums 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 \$111,227 came in at 69.2% of the 2019 annual budget, with January prices spiking 34% vs January 2018 before moderating in February-March. Actual Natural Gas consumed decreased 3.4% during the period vs the same period in 2018. Expense was 4.9% higher than the \$106,073 paid in January – July 2018.

Electricity charges of \$297,039 came in at 48.3% of the 2019 annual budget and were 10.8% BELOW the \$332,973 paid in January – July 2018. Electricity consumed system-wide also decreased by 4.0% vs the same period in 2018. LED conversions at the Central Library mitigated the July increases elsewhere (excluding the Central Library, system usage was actually up 2.8%). A concerted LED conversion effort at the Central Library, undertaken by Library Maintenance staff and supported by National Grid rebates, contributed to an 11.4% decrease in kWh consumed at the Central Library saving over \$15,100 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 \$408,266 were under budget (52.6% of budget) and they were \$30,780 (7.0%) 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 7/31/2019
58.1% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue June	Revenue July	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS									
419000	Library Charges - Fines	290,463	0	290,463	22,610	28,163	173,565.01	116,898	59.8%
422000	Copies	18,677	0	18,677	1,779	2,682	14,399.57	4,277	77.1%
466040	Printing	62,435	0	62,435	5,207	5,020	34,393.69	28,041	55.1%
466030	Book Bags	900	0	900	73	88	473.15	427	52.6%
466020	Minor Sale - Other	4,708	0	4,708	342	403	2,490.25	2,218	52.9%
420510	Rent - Real Prop - Auditorium	18,900	0	18,900	671	2,762	11,185.48	7,715	59.2%
420530	Comm - Tel Booth Food Svs	19,500	0	19,500	685	784	5,189.70	14,310	26.6%
	TOTAL REVENUE FROM LIBRARY OPERATIONS	415,583	0	415,583	31,366	39,903	241,696.85	173,886	58.2%
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	1,943,571.00	19,288	99.0%
408150	NYS Aid to Member Libraries	287,504	0	287,504		258,883	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	2,202,454	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	2,639		41,604.19	(31,604)	416.0%
445030	Int & Earn - Gen Inv	9,000	0	9,000	1,109	1,146	7,835.38	1,165	87.1%
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	220	635	2,580.50	2,420	51.6%
479100	Other Contributions	45,000	0	45,000			0.00	45,000	0.0%
	TOTAL OTHER REVENUE	402,055	0	402,055	3,967	1,781	52,020.07	350,035	12.9%
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	0.00	906,529	0.0%
	GRAND TOTAL OPERATING REVENUE	28,485,469	400,000	28,885,469	35,333	2,244,138	27,407,109.92	1,478,359	94.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 7/31/2019
 58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	June Expended	July 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	9,999,381		145,565	10,144,946	\$746,440	\$874,162	5,750,585.59			5,750,585.59	4,394,360	56.7%	56.7%
500010	Part Time - Wages	4,282,165		69,969	4,352,134	341,370	318,021	2,349,245.75			2,349,245.75	2,002,888	54.0%	54.0%
500020	Regular PT - Wages	850,682		(16,777)	833,905	69,708	71,084	484,083.44			484,083.44	349,822	58.1%	58.1%
500300	Shift Differential	25,000		0	25,000	1,625	1,348	11,955.39			11,955.39	13,045	47.8%	47.8%
500330	Holiday Worked	20,000		0	20,000	1,845	1,401	13,405.49			13,405.49	6,595	67.0%	67.0%
500350	Other Employee Payments	120,000		0	120,000	2,160	2,060	30,650.00			30,650.00	89,350	25.5%	25.5%
	Salaries & Wages	15,297,228	0	198,757	15,495,985	1,163,148	1,268,076	8,639,925.66	0.00	0.00	8,639,925.66	6,856,059	55.8%	55.8%
501000	Overtime Salaries & Wages	270,000		0	270,000	14,570	14,252	139,904.22			139,904.22	130,096	51.8%	51.8%
	TOTAL, PERSONAL SERVICES	15,567,228	0	198,757	15,765,985	1,177,718	1,282,328	8,779,829.88	0.00	0.00	8,779,829.88	6,986,155	55.7%	55.7%
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	1,177,718	1,282,328	8,779,829.88	0.00	0.00	8,779,829.88	6,807,957	56.3%	56.3%
FRINGE BENEFITS														
502010	Employer FICA - REGULAR	965,197		12,325	977,522	69,936	77,241	529,619.22			529,619.22	447,903	54.2%	54.2%
502020	Employer FICA - MEDICARE	225,711		2,882	228,593	16,355	18,064	123,816.53			123,816.53	104,776	54.2%	54.2%
502030	Employee Health Insurance	2,529,612		0	2,529,612	164,748	208,961	1,284,659.81			1,284,659.81	1,244,952	50.8%	50.8%
502040	Dental Plan	95,550		0	95,550	7,583	8,091	45,456.31			45,456.31	50,094	47.6%	47.6%
502050	Workers Compensation	66,586		0	66,586	1,045	717	22,164.36			22,164.36	44,422	33.3%	33.3%
502060	Unemployment Insurance	10,595		0	10,595	(92)	201	6,082.30			6,082.30	4,513	57.4%	57.4%
502070	Hospital & Medical - Retirees	1,464,755		0	1,464,755	61,269	143,492	759,692.44			759,692.44	705,063	51.9%	51.9%
502090	Health Insurance Waiver (Incl: 117)	43,404		0	43,404	3,501	3,701	25,213.50			25,213.50	18,191	58.1%	58.1%
502100	Retirement	1,608,209		19,230	1,627,439	125,630	124,909	938,098.17			938,098.17	689,341	57.6%	57.6%
	TOTAL, FRINGE BENEFITS	7,009,619	0	34,437	7,044,056	449,974	585,378	3,734,802.64	0.00	0.00	3,734,802.64	3,309,253	53.0%	53.0%
	TOTAL COMPENSATION RELATED	22,631,843	0	0	22,631,843	1,627,692	1,867,706	12,514,632.52	0.00	0.00	12,514,632.52	10,117,210	55.3%	55.3%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 7/31/2019
 58.1% of Budget Year

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													YTD Expend	YTD /& Encumb
505000	Office Supplies	178,450		0	178,450	17,719	32,059	126,426.55	50,933.84		177,360.39	1,090	70.8%	99.4%
505200	Clothing Supplies	4,000	63	0	4,063	130	610	1,220.65	842.15		2,062.80	2,000	30.0%	50.8%
505600	Auto Truck & Heavy Equip Supplies	12,000		0	12,000	82	145	2,052.57			2,052.57	9,947	17.1%	17.1%
505800	Medical & Health Supplies	1,650		0	1,650			78.90			78.90	1,571	4.8%	4.8%
506200	Maintenance & Repair	111,150	36,085	75,000	222,235	9,660	15,301	117,883.42	22,023.24		139,906.66	82,328	53.0%	63.0%
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	713	637	5,465.43			5,465.43	5,535	49.7%	49.7%
510100	Out of Area Travel	20,000		0	20,000	493	606	11,461.52			11,461.52	8,538	57.3%	57.3%
510200	Training and Education	55,456		0	55,456	455	1,291	36,547.84	160.00		36,707.84	18,748	65.9%	66.2%
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	2,581	2,524	16,679.93			16,679.93	14,985	52.7%	52.7%
	Telephone & Internet Service	71,084		0	71,084	5,706	5,979	42,893.06			42,893.06	28,191	60.3%	60.3%
515000	Total Utility Charges	103,749	0	0	103,749	8,286	8,504	59,572.99	0	0	59,573	44,176	57.4%	57.4%
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	9,312.75	3,104.25		12,417.00	0	75.0%	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	\$3,104	17,747.75	3,104.25	0.00	20,852.00	0	85.1%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 7/31/2019
 58.1% of Budget Year

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	June Expended	July 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	45,000	946,401	34,240	30,294	516,631.58	363,796.09		880,427.67	65,973	54.6%	93.0%
516030	Maintenance Contracts	125,898		0	125,898	11,220	4,574	78,472.69	27,930.18		106,402.87	19,495	62.3%	84.5%
530000	Other Expenses	189,500	56,215	0	245,715	16,015	20,208	110,321.49	9,229.05	55,621.00	175,171.54	70,544	44.9%	71.3%
545000	Rental Charges	6,027		0	6,027	940	79	2,960.08	3,061.24		6,021.32	6	49.1%	99.9%
555050	Insurance Premiums	153,388		0	153,388		38,680	142,538.33			142,538.33	10,850	92.9%	92.9%
561410	Lab & Technical Equipment	92,667	162,431	160,000	415,098	11,094	(1,969)	78,602.75	7,447.00	150,739.12	236,788.87	178,309	18.9%	57.0%
561420	Office Equip, Furn & Fixtures		56,573	75,000	131,573	1,437.74	8,852	22,415.98		34,157.02	56,573.00	75,000	17.0%	43.0%
561430	Building, Grounds and Heavy Equip		21,839	0	21,839			547.70		21,291.30	21,839.00	0	2.5%	100.0%
561440	Motor Vehicles			45,000	45,000			0.00			0.00	45,000	0.0%	0.0%
561450	Library Books and Media	3,009,000	176,325	0	3,185,325	227,024	201,810	1,677,207.05			1,677,207.05	1,508,118	52.7%	52.7%
575040	Interfund Exp - Utilities													
	Natural Gas	160,765		0	160,765	3,442	757	111,226.98			111,226.98	49,538	69.2%	69.2%
	Electricity	615,301		0	615,301	39,157	66,662	297,039.21			297,039.21	318,262	48.3%	48.3%
	Total Interfund Exp - Utilites	776,066	0	0	776,066	42,598	67,419	408,266.19	0.00	0.00	408,266.19	367,800	52.6%	52.6%
942000	Interfund - Holding Center	(90,627)		0	(90,627)	(7,552)	(7,552)	(52,865.75)			(52,865.75)	(37,761)	58.3%	58.3%
	Interfund - Correctional Facility	(96,308)			(96,308)	(8,026)	(8,026)	(56,179.68)			(56,179.68)	(40,128)	58.3%	58.3%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(717)	(5,015.50)			(5,015.50)	(3,583)	58.3%	58.3%
	Total ID Library Services	(195,533)	0	0	(195,533)	(\$16,294)	(\$16,294)	(114,060.93)			(114,060.93)	(81,472)	58.3%	58.3%
910600	Interfund Expense - Purchasing Services	31,732		0	31,732	\$2,358	\$2,358	16,507.75			16,507.75	15,224	52.0%	52.0%
910700	Interfund Expnese - Fleet Services	31,418		0	31,418	\$1,663	\$2,031	13,552.35			13,552.35	17,866	43.1%	43.1%
980000	Interdepart Services DISS	241,508		0	241,508	19,150	19,150	134,047.69			134,047.69	107,460	55.5%	55.5%
	System Operating Grand Totals	28,485,469	551,284	400,000	29,436,753	2,016,676	2,307,156	15,992,203.84	490,609.54	261,808.44	16,744,621.82	12,692,131	54.3%	56.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2019 OPERATING BUDGET

Expenditure Detail as of 7/31/2019

58.1% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	June Expended	July Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD /& Encumb
<u>ERIE COUNTY DEBT SERVICE</u>														
<u>FUNDING FOR LIBRARY</u>														
	Library Debt Service	585,024			585,024		929	277,410.16			277,410.16	307,614	47.4%	47.4%
Grand Total Operating and Erie County Capital		29,070,493	551,284	400,000	30,021,777	2,016,676	2,308,085	16,269,614	490,609.54	261,808.44	17,022,031.98	12,999,745	54.2%	56.7%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending July 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	\$77,757.80
(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	\$2,693.61
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Total 2019 Revenue	\$80,451.41
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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	(\$29,941.95)
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	(\$441.66)
Subtotal Disbursements per Resolution 2010-8	(\$59,766.07)
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Other Disbursements (Describe)	\$0.00
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Total 2019 Disbursements	(\$59,766.07)
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Balance, 2019 Activity	\$20,685.34
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Cumulative Balance Library Trust	\$1,332,035.56