

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 10/17/2019

Budget & Finance Committee
Financials for the Month Ending **8/31/2019**

AGENDA ITEM NUMBER: E.2.e.

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of August 31, 2019 month-end. The report also details monthly activity for August. Overall, with 66.6% of the budget year elapsed, year-to-date Library revenue, at 95.0% collected, is well within budget and year-to date expense, at 61.8%, 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 64.5% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 60.1% overall.**
Usage trends and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (at 57.6%, however YTD came in 3.9% above the same period last year). Retiree medical charges so far this year are also running below budget, coming in at 57.4% of budget (and the amount was 11.4% 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 71.9%.**
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 70.8% 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 66.6% reflect timing differences.**
These accounts, including Out of Area Travel, 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 \$112,117 came in at 69.7% of the 2019 annual budget, with January prices spiking 34% vs January 2018 before moderating in February-March. Actual Natural Gas consumed decreased 3.5% during the period vs the same period in 2018. Expense was 4.9% higher than the \$106,927 paid in January – August 2018.

Electricity charges of \$344,194 came in at 55.9% of the 2019 annual budget and were 13.4% BELOW the \$397,353 paid in January – August 2018. Electricity consumed system-wide also decreased by 6.7% vs the same period in 2018. LED conversions at the Central Library mitigated the July increases elsewhere (excluding the Central Library, system usage was down 3.0%). A concerted LED conversion effort at the Central Library, undertaken by Library Maintenance staff and supported by National Grid rebates, contributed to an 11.0% decrease in kWh consumed at the Central Library saving over \$16,900 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 \$456,312 were under budget (58.8% of budget) and they were \$47,968 (9.5%) 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 8/31/2019

66.6% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue August	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	290,463	0	290,463	26,432	199,997.00	90,466	68.9%
422000	Copies	18,677	0	18,677	2,108	16,507.32	2,170	88.4%
466040	Printing	62,435	0	62,435	5,624	40,017.79	22,417	64.1%
466030	Book Bags	900	0	900	86	559.15	341	62.1%
466020	Minor Sale - Other	4,708	0	4,708	455	2,945.25	1,763	62.6%
420510	Rent - Real Prop - Auditorium	18,900	0	18,900	858	12,043.87	6,856	63.7%
420530	Comm - Tel Booth Food Svs	19,500	0	19,500	1,154	6,343.72	13,156	32.5%
TOTAL REVENUE FROM LIBRARY OPERATIONS		415,583	0	415,583	36,717	278,414.10	137,169	67.0%
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	861	8,696.32	304	96.6%
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	770	3,350.47	1,650	67.0%
479100	Other Contributions	45,000	0	45,000		0.00	45,000	0.0%
TOTAL OTHER REVENUE		402,055	0	402,055	1,631	53,650.98	348,404	13.3%
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	38,348	27,445,458.08	1,440,011	95.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2019 OPERATING BUDGET

Expenditure Detail as of 8/31/2019

66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjustments/ Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reservations	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		145,565	10,144,946	\$841,176	6,591,761.99			6,591,761.99	3,553,184	65.0%	65.0%
500010	Part Time - Wages	4,282,165		69,969	4,352,134	350,800	2,700,045.30			2,700,045.30	1,652,089	62.0%	62.0%
500020	Regular PT - Wages	850,682		(16,777)	833,905	57,598	541,681.55			541,681.55	292,223	65.0%	65.0%
500300	Shift Differential	25,000		0	25,000	1,846	13,800.98			13,800.98	11,199	55.2%	55.2%
500330	Holiday Worked	20,000		0	20,000		13,405.49			13,405.49	6,595	67.0%	67.0%
500350	Other Employee Payments	120,000		0	120,000	2,510	33,160.00			33,160.00	86,840	27.6%	27.6%
	Salaries & Wages	15,297,228	0	198,757	15,495,985	\$1,253,930	9,893,855.31	0.00	0.00	9,893,855.31	5,602,130	63.8%	63.8%
501000	Overtime Salaries & Wages	270,000		0	270,000	\$15,575	155,478.82			155,478.82	114,521	57.6%	57.6%
	TOTAL, PERSONAL SERVICES	15,567,228	0	198,757	15,765,985	\$1,269,504	10,049,334.13	0.00	0.00	10,049,334.13	5,716,651	63.7%	63.7%
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	1,269,504	10,049,334.13	0.00	0.00	10,049,334.13	5,538,453	64.5%	64.5%
FRINGE BENEFITS													
502010	Employer FICA - REGULAR	965,197		12,325	977,522	76,584	606,203.49			606,203.49	371,319	62.0%	62.0%
502020	Employer FICA - MEDICARE	225,711		2,882	228,593	17,910	141,726.99			141,726.99	86,866	62.0%	62.0%
502030	Employee Health Insurance	2,529,612		0	2,529,612	172,695	1,457,355.28			1,457,355.28	1,072,257	57.6%	57.6%
502040	Dental Plan	95,550		0	95,550	7,120	52,576.03			52,576.03	42,974	55.0%	55.0%
502050	Workers Compensation	66,586		0	66,586	9,903	32,067.01			32,067.01	34,519	48.2%	48.2%
502060	Unemployment Insurance	10,595		0	10,595	1,302	7,384.42			7,384.42	3,211	69.7%	69.7%
502070	Hospital & Medical - Retirees	1,464,755		0	1,464,755	81,713	841,405.04			841,405.04	623,350	57.4%	57.4%
502090	Health Insurance Waiver (Incl: 117)	43,404		0	43,404	3,401	28,614.50			28,614.50	14,790	65.9%	65.9%
502100	Retirement	1,608,209		19,230	1,627,439	127,091	1,065,189.66			1,065,189.66	562,249	65.5%	65.5%
	TOTAL, FRINGE BENEFITS	7,009,619	0	34,437	7,044,056	497,720	4,232,522.42	0.00	0.00	4,232,522.42	2,811,534	60.1%	60.1%
	TOTAL COMPENSATION RELATED	22,631,843	0	0	22,631,843	1,767,224	14,281,856.55	0.00	0.00	14,281,856.55	8,349,986	63.1%	63.1%

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

Expenditure Detail as of 8/31/2019
66.6% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjust- ments/ Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expended	YTD /& Encumb
505000	Office Supplies	178,450		0	178,450	1,793	128,220.04	49,864.80		178,084.84	365	71.9%	99.8%
505200	Clothing Supplies	4,000	63	0	4,063	256	1,476.52	836.28		2,312.80	1,750	36.3%	56.9%
505600	Auto Truck & Heavy Equip Supplies	12,000		0	12,000		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	18,466	136,349.61	16,248.82		152,598.43	69,636	61.4%	68.7%
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	1,042	6,507.91			6,507.91	4,492	59.2%	59.2%
510100	Out of Area Travel	20,000		0	20,000	2,387	13,848.41			13,848.41	6,152	69.2%	69.2%
510200	Training and Education	55,456		0	55,456	7,155	43,702.84	160.00		43,862.84	11,593	78.8%	79.1%
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	4,680	21,359.47			21,359.47	10,306	67.5%	67.5%
	Telephone & Internet Service	71,084		0	71,084	7,406	50,299.01			50,299.01	20,785	70.8%	70.8%
515000	Total Utility Charges	103,749	0	0	103,749	12,085	71,658.48	0	0	71,658	32,091	69.1%	69.1%
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		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	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 8/31/2019
 66.6% of Budget Year

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												YTD Expend	YTD /& Encumb
516020	Professional Services Contracts & Fees	859,648	41,753	0	901,401	8,613	525,244.34	277,666.55		802,910.89	98,490	58.3%	89.1%
516030	Maintenance Contracts	125,898		45,000	170,898	23,119	101,591.25	56,600.44		158,191.69	12,706	59.4%	92.6%
530000	Other Expenses	189,500	56,215	0	245,715	17,664	127,985.95	9,022.13	55,621.00	192,629.08	53,086	52.1%	78.4%
545000	Rental Charges	6,027		0	6,027	768	3,728.50	2,292.82		6,021.32	6	61.9%	99.9%
555050	Insurance Premiums	153,388		0	153,388	6,575	149,113.75			149,113.75	4,274	97.2%	97.2%
561410	Lab & Technical Equipment	92,667	162,431	160,000	415,098	28,504	107,106.26	16,257.98	91,057.52	214,421.76	200,676	25.8%	51.7%
561420	Office Equip, Furn & Fixtures		56,573	75,000	131,573	1,453	23,869.42	21,293.00	11,410.58	56,573.00	75,000	18.1%	43.0%
561430	Building, Grounds and Heavy Equip		21,839	0	21,839	469	1,016.70		20,822.30	21,839.00	0	4.7%	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	242,886	1,920,093.44			1,920,093.44	1,265,232	60.3%	60.3%
575040	Interfund Exp - Utilities												
	Natural Gas	160,765		0	160,765	890	112,117.17			112,117.17	48,648	69.7%	69.7%
	Electricity	615,301		0	615,301	47,155	344,194.42			344,194.42	271,107	55.9%	55.9%
	Total Interfund Exp - Utilites	776,066	0	0	776,066	48,045	456,311.59	0.00	0.00	456,311.59	319,754	58.8%	58.8%
942000	Interfund - Holding Center	(90,627)		0	(90,627)	(7,552)	(60,418.00)			(60,418.00)	(30,209)	66.7%	66.7%
	Interfund - Correctional Facility	(96,308)			(96,308)	(8,026)	(64,205.35)			(64,205.35)	(32,103)	66.7%	66.7%
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(5,732.00)			(5,732.00)	(2,866)	66.7%	66.7%
	Total ID Library Services	(195,533)	0	0	(195,533)	(\$16,294)	(130,355.35)			(130,355.35)	(65,178)	66.7%	66.7%
910600	Interfund Expense - Purchasing Services	31,732		0	31,732	\$2,358	18,866.00			18,866.00	12,866	59.5%	59.5%
910700	Interfund Expnese - Fleet Services	31,418		0	31,418	\$1,456	15,008.24			15,008.24	16,410	47.8%	47.8%
980000	Interdepart Services DISS	241,508		0	241,508	19,150	153,197.36			153,197.36	88,311	63.4%	63.4%
	System Operating Grand Totals	28,485,469	551,284	400,000	29,436,753	2,195,176	18,187,380.03	455,429.57	178,911.40	18,821,721.00	10,615,032	61.8%	63.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2019 OPERATING BUDGET
 Expenditure Detail as of 8/31/2019
 66.6% of Budget Year

SAP Acct. Nbr.	Account Description	2019 Adopted Budget	2018 Encumbered & PY Reservations	2019 Budget Adjust- ments/ Revisions	Adjusted Budget	August Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget		
												YTD Expend /& Encumb	YTD Expend	
<u>ERIE COUNTY DEBT SERVICE FUNDING FOR LIBRARY</u>														
	Library Debt Service	585,024			585,024	62,213	339,622.84			339,622.84	245,401	58.1%	58.1%	
	Grand Total Operating and Erie County Capital	29,070,493	551,284	400,000	30,021,777	2,257,389	18,527,003	455,429.57	178,911.40	19,161,343.84	10,860,433	61.7%	63.8%	

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending August 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	\$91,362.51
(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	\$3,079.55
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Total 2019 Revenue	\$94,442.06
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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	(\$38,052.63)
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)
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Subtotal Disbursements per Resolution 2010-8	(\$67,876.75)
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Other Disbursements (Describe)	\$0.00
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Total 2019 Disbursements	(\$67,876.75)
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Balance, 2019 Activity	\$26,565.31
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Cumulative Balance Library Trust	\$1,337,915.53