

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 11/19/2009

AGENDA ITEM NUMBER: E.2.a. Budget & Finance Committee
Financials for the Month Ending **09/30/2009**

BACKGROUND:

The attached reports provide a summary of revenues and expenditures in the Library's Operating Budget for the year as of September 30, 2009 month-end close (74.8% of the budget year elapsed). The report also details monthly activity for September. 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:

- ✓ **Library SAP based fine revenue at 72.4% collected through September.** For patron convenience library fine revenue is collected at the local library or online through B&ECPL's e-commerce system. The SAP budget reflects the anticipated collections of the Central Library, 8 Buffalo Branches and the e-commerce system, budgeted at \$379,330 in the 2009 adopted budget. Over \$80,000 of revenue collected through September came from the online payment system. Revenue collected in the 28 libraries outside the City of Buffalo is not part of the SAP system and was estimated at \$659,220 for a combined total revenue estimate of \$1,038,550. Overall, the combined year-to-date revenue for all 37 libraries is slightly ahead of budget.
- ✓ **Initial New York State Library Aid payment finally received in August.** Library aid payments are normally released by the State beginning two to three months after the State's budget is adopted. The initial payment normally represents over 90% of the total for the year. This year, the payment process has been strung out. The library did not receive its first aid payment until August, amounting to \$1,485,067 (roughly 73% of the annual budget). An additional \$122,909 was received in October and will be reflected in the October report. The Library's 2009 adopted budget anticipated reduced state aid. The actual reduction implemented by New York State in its 2009-10 adopted budget was roughly 3+% less severe than the Library anticipated. However, we face the prospect of additional mid-year state aid reductions due to economic conditions.
- ✓ **Refunds - Contract Library** revenue represents a return of fine revenue collected by suburban contracting member libraries in excess of local expenses of those libraries. The revenue is transmitted as part of the year-end closing process.
- ✓ **Interest earnings are running below budget**, reflecting dramatically lower interest rates engineered by the US Federal Reserve to counter extreme recessionary forces. E-rate reimbursements from the prior year (refund P/Y expense revenue line) have helped to offset reduced interest earnings.

EXPENSE:

- ✓ **Salaries and wage expense running under budget.** Retirements and other turnover contribute to the under-budget condition with year-to-date salary and wage expense consuming 71.4% of the budget. The Library anticipated an aggressive turnover management process this year, budgeting an offsetting credit of \$440,000 in the "Reduction From Personal Services" account. Factoring in the credit budget, net labor costs are running at 72.8% of budget with 74.8% of the year completed.
- ✓ **Fringe Benefits - Health insurance costs continue to perform better than budget.** Continuing a trend from last year, the County's experienced rated single provider system, in which the Library participates, has experienced lower than expected costs. The increasingly popular prescription by mail service which incentivizes employees to utilize this contract and generics where possible remains a factor in lowering these costs. Year-to-date results also include a correction to the allocation of prior period costs between the active employee plan and the retiree medical plan. These savings more than offset above budget conditions in the retirement and unemployment insurance accounts.
- ✓ **Contractual payments to member libraries** include \$220,015 in library system grant match funding that combined with local municipal contributions to leverage \$443,606 in New York State Library Construction Grant proceeds for improvements at those libraries. This process was also utilized for projects to benefit the Central Library and Buffalo's Dudley library, utilizing \$198,460 in library system grant match funding that combined with local municipal contributions to leverage \$237,759 in New York State Library Construction Grant proceeds for improvements at those libraries. The Central and Dudley funds are budgeted in the Library Grants cost center. Exhibit 1 at the end of the attached budget monitoring report details the projects funded.
- ✓ **Utility cost mitigated by lower recessionary demand moderating rates.** Year-to-date charges for natural gas, at \$163,856, consumed 50.6% of the annual budget. As a significant portion of electricity supply is generated by natural gas, electric supply cost has also moderated (year-to-date electric expense came in at 55.2%). The library participates in Erie County's aggregated utility purchasing pool which also saves cost compared to traditional retail pricing. This report includes all utility charges for service with an "end read date" through September (including those that had not yet been paid in SAP in September).
- ✓ **Library books and media** are ordered using the library's automated acquisition module and through vendor electronic interfaces. These systems are not tied into SAP so activity at the encumbrance and goods receipt stages is not included in SAP reports. As of the end of September \$544,793 in items encumbered in the Library System had not yet been paid in SAP. Adding this to the SAP expended total would place library materials expenditures at \$2,992,065 or 72.0% of budget.
- ✓ **Interfund billings for services provided to the Correctional Facility, Holding Center, and utility expense of the Court storage area:** are now billed on a quarterly basis with the last billing made in September.

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2009 OPERATING BUDGET
Revenue Detail as of 9/30/2009
74.8% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue September	YTD Revenue	To Be Realized	Budget Collected
REVENUE FROM LIBRARY OPERATIONS								
419000	Library Charges - Fines	\$379,330	\$0	\$379,330	\$30,022	\$274,546	\$104,784	72.4%
422000	Copies	21,385	0	21,385	2,209	\$18,611	2,774	87.0%
466040	Printing	26,898	0	26,898	2,592	\$25,254	1,644	93.9%
466030	Book Bags	1,000	0	1,000	322	\$2,700	(1,700)	270.0%
466020	Minor Sale - Other	38,000	0	38,000	902	\$27,376	10,624	72.0%
419020	InterLibrary Loan Shipping	2,100	0	2,100		\$0	2,100	0.0%
420510	Rent - Real Prop - Auditorium	7,000	0	7,000	50	\$4,825	2,175	68.9%
420530	Comm - Tel Booth Food Svs	18,368	0	18,368	5,605	\$18,708	(340)	101.9%
TOTAL REVENUE FROM LIBRARY OPERATIONS		\$494,081	\$0	\$494,081	\$41,701	\$372,020	\$122,061	75.3%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	\$22,171,833	\$0	\$22,171,833		\$22,171,833	\$0	100.0%
408140	NYS Aid-Lib Incl Incent	1,769,160	0	1,769,160		\$1,485,067	284,093	83.9%
408150	NYS Aid to Member Libraries	254,674	0	254,674		\$0	254,674	0.0%
408160	State Aid - Special		0	0		\$0	0	0.0%
486000	Interfund - Subsidy	0	0	0		\$0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		\$24,195,667	\$0	\$24,195,667	\$0	\$23,656,900	\$538,767	97.8%
OTHER REVENUE								
419010	Refunds - Cont Library	\$564,595	\$0	\$564,595		\$0	\$564,595	0.0%
423000	Refund P/Y Expenses	10,000	0	\$10,000		\$34,348	(\$24,348)	343.5%
466170	Refund Contract Lib Retire	0	0	0		\$681	(681)	0.0%
466070	Refund P/Y Expenses			0		\$0	0	0.0%
445030	Int & Earn - Gen Inv	90,000	0	90,000	1,944	\$16,385	73,615	18.2%
466000	Misc Receipts		0	0		\$474	(474)	0.0%
466010	NSF Check Fees	15	0	15		\$55	(40)	366.7%
467000	Misc Depart Income	3,500	0	3,500	64	\$4,603	(1,103)	131.5%
499100	Accrued Invest Interest			0		\$0	0	0.0%
TOTAL OTHER REVENUE		\$668,110	\$0	\$668,110	\$2,007	\$56,546	\$611,564	8.5%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	\$1,344,583	\$491,540	\$1,836,123		\$0	\$1,836,123	0.0%
TOTAL USE OF FUND BALANCE		\$1,344,583	\$491,540	\$1,836,123	\$0	\$0	\$1,836,123	0.0%
GRAND TOTAL OPERATING REVENUE		\$26,702,441	\$491,540	\$27,193,981	\$43,708	\$24,085,465	\$3,108,515	88.6%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2009 OPERATING BUDGET
 Expenditure Detail as of 9/30/2009
74.8% of Budget Year

SAP Account Number	Account Description	2008		2009 Budget Adjustments/ Revisions	Adjusted Budget	September Expended	Year-to-Date Expended	Total Encumb. Encumbrances	Remaining Balance	YTD % Expend	
		2009 Adopted Budget	Encumbered & PY Capital Project Balances								
<u>OPERATING EXPENDITURES</u>											
PERSONAL SERVICES											
Regular Salaries & Wages											
500000	Full Time - Salaries	\$9,960,442		(\$12,610)	\$9,947,832	\$794,812	\$7,121,687	\$7,121,687	\$2,826,145	71.6%	
500010	Part Time - Wages	3,596,329		\$12,610	3,608,939	256,980	\$2,516,738	2,516,738	1,092,201	69.7%	
500020	Regular PT - Wages	750,417		\$0	750,417	71,191	\$569,002	569,002	181,415	75.8%	
500030	Seasonal Emp. Wages	67,121		\$0	67,121	6,445	\$59,008	59,008	8,113	87.9%	
500300	Shift Differential	17,500		\$0	17,500	1,246	\$12,742	12,742	4,758	72.8%	
500330	Holiday Worked	18,000		\$0	18,000	1,229	\$11,008	11,008	6,992	61.2%	
500350	Other Employee Payments	30,000		\$0	30,000	3,647	\$17,477	17,477	12,523	58.3%	
	Salaries & Wages	\$14,439,809	\$0	\$0	\$14,439,809	\$1,135,551	\$10,307,661	\$0	\$10,307,661	\$4,132,148	71.4%
501000	OVERTIME SALARIES & WAGES	\$325,000		\$0	\$325,000	\$6,837	\$122,370	\$122,370	\$202,630	37.7%	
	TOTAL, PERSONAL SERVICES	\$14,764,809	\$0	\$0	\$14,764,809	\$1,142,388	\$10,430,031	\$0	\$10,430,031	\$4,334,778	70.6%
504990	REDUCTION FROM PERSONAL SERVICES	(\$440,000)		\$0	(\$440,000)		\$0	\$0	(\$440,000)	0.0%	
504992	Contractual Salary Reserves	\$0		\$0	\$0		\$0	\$0	\$0	0.0%	
	NET PERSONAL SERVICES	\$14,324,809			\$14,324,809		\$10,430,031	\$10,430,031	\$3,894,778	72.8%	
FRINGE BENEFITS											
502000	Fringe Benefits			\$0	\$0		\$0	\$0	\$0	0.0%	
502010	Employer FICA - REGULAR	\$902,361		\$0	902,361	70,818	\$646,245	646,245	256,116	71.6%	
502020	Employer FICA - MEDICARE	\$211,036		\$0	211,036	16,562	\$151,138	151,138	59,898	71.6%	
502030	Employee Health Insurance	\$2,085,349		\$0	2,085,349	184,758	\$1,387,118	1,387,118	698,231	66.5%	
502040	Dental Plan	\$120,260		\$0	120,260	9,232	\$65,362	65,362	54,898	54.4%	
502050	Workers Compensation	\$124,226		\$0	124,226	2,616	\$34,030	34,030	90,196	27.4%	
502060	Unemployment Insurance	\$13,153		\$0	13,153	270	\$14,568	14,568	(1,415)	110.8%	
502070	Hospital & Medical - Retirees	\$1,138,494		\$0	1,138,494	86,976	\$427,448	427,448	711,046	37.5%	
502090	Health Insurance Waiver (Incl: 117)	\$42,000		\$0	42,000	3,967	\$34,453	34,453	7,547	82.0%	
502100	Retirement	\$995,757		\$0	995,757	76,180	\$840,974	840,974	154,783	84.5%	
502110	Flex Benefit Spending	\$2,000		\$0	2,000		\$0	0	2,000	0.0%	
	TOTAL, FRINGE BENEFITS	\$5,634,636	\$0	\$0	\$5,634,636	\$451,380	\$3,601,336	\$0	\$3,601,336	\$2,033,300	63.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2009 OPERATING BUDGET
 Expenditure Detail as of 9/30/2009
74.8% of Budget Year

SAP Account Number	Account Description	2008			Adjusted Budget	September Expended	Year-to-Date Expended	Total Expended Encumb.	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2009 Adopted Budget	Encumbered & PY Capital Project Balances	2009 Budget Adjustments/ Revisions							
505000	Office Supplies	144,350	5,188	0	149,538	3,775	\$45,162	17,856	63,018	86,520	30.2%
505200	Clothing Supplies	3,350		0	3,350		\$0		0	3,350	0.0%
505600	Auto Truck & Heavy Equip Supplies	7,300		5,000	12,300	1,680	\$9,661	78	9,739	2,561	78.5%
505800	Medical & Health Supplies	2,400		0	2,400		\$52		52	2,348	2.2%
506200	Maintenance & Repair	91,400	7,819	0	99,219	7,499	\$55,210	12,831	68,040	31,179	55.6%
506400	Highway Supplies (Rock Salt)	8,000		0	8,000		\$4,805	497	5,303	2,697	60.1%
510000	Local Mileage Reimbursement	6,600		0	6,600	211	\$3,315		3,315	3,285	50.2%
510100	Out of Area Travel	34,525		0	34,525	2,048	\$17,640		17,640	16,885	51.1%
510200	Training and Education	35,675		0	35,675	1,796	\$13,457		13,457	22,218	37.7%
515000	Total Utility Charges	156,360		0	156,360	(6,187)	81,365	0	81,365	74,995	52.0%
CONTRACTUAL PAYMENTS											
516010	Newstead Public - Akron	\$0		0	0		\$0		0	0	0.0%
	Ewell Free - Alden	\$0		0	0		\$0		0	0	0.0%
	Amherst Public	\$0		61,280	61,280		\$55,152	6,128	61,280	0	90.0%
	Angola Public	\$0		0	0		\$0		0	0	0.0%
	Aurora Public	\$0		0	0		\$0		0	0	0.0%
	Boston Free	\$0		5,690	5,690		\$5,121	569	5,690	0	90.0%
	Cheektowaga Public	\$0		107,417	107,417		\$96,675	10,742	107,417	0	90.0%
	Clarence Public	\$0		1,242	1,242		\$1,118	124	1,242	0	90.0%
	Collins Public	\$0		0	0		\$0		0	0	0.0%
	Concord Public	\$0		0	0		\$0		0	0	0.0%
	Eden Library	\$0		0	0		\$0		0	0	0.0%
	Elma Public	\$0		7,500	7,500		\$6,750	750	7,500	0	90.0%
	Grand Island Memorial	\$0		19,998	19,998		\$17,998	2,000	19,998	0	90.0%
	Hamburg Public	\$0		0	0		\$0		0	0	0.0%
	Lackawanna Public	\$0		0	0		\$0		0	0	0.0%
	Lancaster Public	\$0		0	0		\$0		0	0	0.0%
	Marilla Free	\$946		0	946		\$946		946	0	100.0%
	North Collins Public	\$0		0	0		\$0		0	0	0.0%
	Orchard Park Public	\$0		0	0		\$0		0	0	0.0%
	City of Tonawanda Public	\$0		16,888	16,888		\$15,199	1,689	16,888	0	90.0%
	Town of Tonawanda Public	\$0		0	0		\$0		0	0	0.0%
	West Seneca Public	\$0		0	0		\$0		0	0	0.0%
	Total Cnt Pmts-NP Pur Svs	\$946	\$0	\$220,015	\$220,961	\$0	\$198,959	\$22,002	\$220,961	\$0	90.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2009 OPERATING BUDGET
 Expenditure Detail as of 9/30/2009
74.8% of Budget Year

SAP Account Number	Account Description	2008			Adjusted Budget	September Expended	Year-to-Date Expended	Encumb. Encumbrances	Total Expenditures & Encumbrances	Remaining Balance	YTD % Expend
		2009 Adopted Budget	Encumbered & PY Capital Project Balances	2009 Budget Adjustments/ Revisions							
516020	Professional Services Contracts & Fees	691,985	154,509	30,000	876,494	3,779	\$520,872	332,102	852,974	23,520	59.4%
516030	Maintenance Contracts	151,678	12,459	0	164,137	4,522	\$76,993	24,450	101,443	62,695	46.9%
530000	Other Expenses	189,054	4,662	39,415	233,131	13,083	\$100,616	481	101,098	132,033	43.2%
545000	Rental Charges	1,719		0	1,719		\$1,081	461	1,542	177	62.9%
555050	Insurance Premiums	45,000		0	45,000		\$17,433		17,433	27,567	38.7%
559000	County Share Grants			0	0		\$0		0	0	0.0%
561250	Acq: Building Improvements			0	0		\$0		0	0	0.0%
561410	Lab & Technical Equipment	139,181	9,244	152,110	300,535	29,347	\$235,673	13,130	248,803	51,732	78.4%
561420	Office Equip, Furn & Fixtures		96,865	45,000	141,865	23,701	\$121,347	11,026	132,373	9,492	85.5%
561430	Building, Grounds and Heavy Equip			0	0		\$0		0	0	0.0%
561450	Library Books and Media	3,759,182	399,076	0	4,158,258	239,205	\$2,447,235	38	2,447,272	1,710,986	58.9%
570000	Interfund Trans - Subs						\$0		0	0	0.0%
570040	Interfund Subsidy Debt Svc (2002 Erly Retir	0		0	0		\$0		0	0	0.0%
575040	Interfund Exp - Utilities										
	Fuel Oil	0		0	0		\$15,964		15,964	(15,964)	0.0%
	Natural Gas	323,971		0	323,971	3,027	163,856		163,856	160,115	50.6%
	Electricity	1,034,303		0	1,034,303	67,845	\$571,149		571,149	463,154	55.2%
	Total Interfund Exp - Utilites	1,358,274	0	0	1,358,274	70,872	750,969	0	750,969	607,305	55.3%
942000	Interfund - Holding Center	(117,229)		0	(117,229)	(29,307)	(\$87,922)		(87,922)	(29,307)	75.0%
	Interfund - Correctional Facility	(174,119)			(174,119)	(43,530)	(\$130,589)		(130,589)	(43,530)	75.0%
	Interfund - Court Storage	(8,598)			(8,598)	(2,150)	(\$6,449)		(6,449)	(2,150)	75.0%
	Total ID Library Services	(\$299,946)	\$0	\$0	(\$299,946)	(\$74,987)	(\$224,960)	\$0	(\$224,960)	(\$74,987)	75.0%
980000	Interdepart Services DISS	215,963		0	215,963	14,088	\$137,309		137,309	78,654	63.6%
	System Operating Grand Totals	\$26,702,441	\$689,821	\$491,540	\$27,883,802	\$1,928,202	\$18,645,562	\$434,951	\$19,080,513	\$8,803,289	66.9%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2009 OPERATING BUDGET
 Expenditure Detail as of 9/30/2009
74.8% of Budget Year

SAP Account Number	Account Description	2008			Adjusted Budget	September Expended	Year-to-Date Expended	Encumb. Encumbrances	Total Expenditures & Remaining Balance	YTD % Expend	
		2009 Adopted Budget	Encumbered & PY Capital Project Balances	2009 Budget Adjustments/ Revisions							
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>											
	Library Debt Service	1,481,391			1,481,391	35,171	\$1,094,748	1,094,748	386,643	73.9%	
490	General Obligation Bond Proceeds										
561250	Building Improvements		36,795		36,795		\$0	0	36,795	0.0%	
	Total General Obligations	\$0	\$36,795	\$0	\$36,795	\$0	\$0	\$0	\$36,795	0.0%	
	Total Erie County Capital for Library	\$1,481,391	\$36,795	\$0	\$1,518,186	\$35,171	\$1,094,748	\$0	\$1,094,748	\$423,438	72.1%
	Grand Total Operating and Erie County Capital	\$28,183,832	\$726,616	\$491,540	\$29,401,989	\$1,963,373	\$19,740,310	\$434,951	\$20,175,261	\$9,226,728	67.1%

**Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending September 30, 2009**

2008 Ending Balance **\$716,504.49**

2009 Activity and Balances

Restricted Donations **\$75,849.83**

(Donations received with specific instructions restricting them to the Buffalo & Erie County Public Library direct uses)

Unrestricted Donations

Pending Board Action	\$49,234.75
Board Directed to Direct Library Programs	\$0.00
Board Directed to Library Foundation	\$0.00

Total Unrestricted Donations **\$49,234.75**

Interest Income **\$4,397.77**

Less Disbursements

Direct For Library Programs	(\$134,672.82)
To Library Foundation	\$0.00

Total Disbursements **(\$134,672.82)**

Balance, 2009 Activity **(\$5,190.47)**

Cumulative Balance Library Trust **\$711,314.02**

	Beg Balance	Net Deposits (Withdrawals)	Interest	Ending Balance
Encore Editions Proceeds				
Invested Per Resolution 2006-19	\$73,285.41	\$5,864.37	\$393.13	\$79,542.91

Combined Balance Trust and Invested Encore Proceeds: **\$790,856.93**

Notes:

Year-To-Date Disbursements include: **\$172.24** for library material purchases per donor instructions as authorized by Resolution 2001-54; **\$693.18** for Purchases for the Riverside and Niagara Libraries per Res 2005-28 and 2006-42; **\$68,567.77** for purchases up to \$10,000 per activity as authorized by Resolution 2009-3; **\$37,048.00** use of Gates hardware/software grant proceeds per Res 2006-10; **\$12,919.13** for 2008 annual campaign mailer; and **\$15,272.50** for 2009 fundraiser expense.