

BOARD OF TRUSTEES
BUFFALO & ERIE COUNTY PUBLIC LIBRARY
MEETING DATE: 5/19/2016

AGENDA ITEM NUMBER: E.2.b.

Budget & Finance Committee
Financials for the Month Ending **3/31/2016**

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of the March 31, 2016 month-end close. This is the first report for 2016 as the Library uses Erie County's SAP financial system and the County does not issue January and February month end close reports. The report also details monthly activity for January, February and March. Overall, with 24.9% of the budget year elapsed, year-to-date Library revenues at 86.7% collected are well within budget and year-to date expenditures, at 23.8%, were also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds Booked.** The full \$23,474,137 Library Tax allocation was booked to the Library Fund in January.
- ✓ **Initial New York State Library Aid payments normally occur 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 approximately 90% of the total for the year. The Library's 2016 budget assumed state library aid at 2015's funding level. The enacted NY State 2015-16 budget actually increased library aid by 4.3% which, if distributed in the same manner as last year's increase, would provide an additional \$93,834 in the Operating fund and \$28,828 in the Grants fund. The state library will issue revised aid charts, probably sometime in the late spring-early summer.
- ✓ **Refunds - P/Y Expenses** revenue represents reimbursable expenses occurring in the prior year for which reimbursements were received in the current year. The year-to-date amount is from contract library reimbursement of that portion of their 2015 salary and benefits covered by locally collected fine and fee revenue (payroll and benefits for all libraries' personnel is processed through the Library System, utilizing Erie County's SAP financial system). The amounts were credited after the cut-off for 2015 year-end accruals.
- ✓ **Refunds - Contract Library** revenue represents a return of fine revenue collected by contracting member 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 under budget.** Turnover contributed to the under-budget condition with year-to-date salary and wage expense consuming 23.4% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 21.4% overall.**
Vacancies resulted in below budget charges for payroll taxes. Usage changes and negotiated increased employee contributions contributed to Active Employee Health insurance cost being under budget (and 0.1% under Year-to-date charges for the same period last year). NY State Retirement charges are also running under budget, reflecting a decrease in rates and the continued shift to the lower cost Tier 6 plan via turnover. Finally, the rate of growth in retiree medical charges so far this year have begun to moderate, coming in at 22.6% of budget (still up 18.4% over the same period in 2015). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor this situation.
- ✓ **Highway Supplies (rock salt) shows at 39.0%**
This relatively small account (\$14,000 annual budget) is very seasonal in nature with the next set of purchases taking place in the fall.
- ✓ **Telephone and Internet Service charges show at 27.6% pending receipt of e-Rate reimbursements.** The federal e-Rate program covers up to 90% of eligible services in this expense category. While our Internet Access provider directly discounts this amount from our bill, our phone and data lines contractor, Time Warner Cable Business Class, 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 Member Libraries combined show at 80%.** The above budget variance results from the distribution of “bullet aid” sponsored by Senator Patrick Gallivan to support the libraries within his district.
- ✓ **Insurance premiums shows at 64.7 %**
Reflects timing of policy renewal payments, current services contracted in this account are expected to end the year within budget.
- ✓ **Several remaining operating accounts above 24.9% reflect timing differences.**
These accounts, including Training, Professional Services, maintenance contracts, other expenses, and Lab/Tech equipment reflect timing variations and are expected to end the year within budget.

EXPENSE (continued):

✓ **A mild winter and continued moderate rates again generate electric and natural gas savings.**

Natural gas charges of \$50,413, came in at 30.0% of the 2016 annual budget, however they were 38.4% LOWER than the \$50,413 paid in January - March 2015. Electricity charges of \$103,603 came in at 14.6% of the 2015 annual budget and were 31.2% BELOW the \$150,600 paid in January - March 2015. The season's relatively mild temperatures reduced usage which also put continued downward pressure on rates. This reduced the budget impact for both natural gas and electricity (as natural gas is used for both heating and electrical generation). **Combined, interfund utility charges were \$78,398 (33.7%) BELOW those incurred for the same months in 2015.** 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

2016 OPERATING BUDGET

Revenue Detail as of 3/31/2016

24.9% of Budget Year

SAP Account Number	Account Description	Adopted Budget	Adjustments	Adjusted Budget	Revenue January	Revenue February	Revenue March	YTD Revenue	To Be Realized	% of Budget Collected
REVENUE FROM LIBRARY OPERATIONS										
419000	Library Charges - Fines	336,493	0	336,493	26,421	28,530	31,302	86,253	250,240	25.6%
422000	Copies	18,839	0	18,839	1,359	1,693	1,603	4,655	14,184	24.7%
466040	Printing	52,217	0	52,217	3,852	4,821	5,768	14,441	37,776	27.7%
466030	Book Bags	1,300	0	1,300	52	91	152	295	1,006	22.7%
466020	Minor Sale - Other	8,000	0	8,000	432	522	610	1,564	6,437	19.5%
420510	Rent - Real Prop - Auditorium	18,000	0	18,000	1,410	685	1,850	3,946	14,054	21.9%
420530	Comm - Tel Booth Food Svs	18,240	0	18,240	1,398	1,364	1,369	4,130	14,110	22.6%
TOTAL REVENUE FROM LIBRARY OPERATIONS		453,089	0	453,089	34,924	37,705	42,654	115,283	337,806	25.4%
REVENUE FROM STATE & COUNTY GOVT.										
400020	Library Real Prop Tax	23,474,134	0	23,474,134	23,474,134			23,474,134	(0)	100.0%
408140	NYS Aid-Lib Incl Incent	1,862,346	0	1,862,346				0	1,862,346	0.0%
408150	NYS Aid to Member Libraries	272,758	0	272,758				0	272,758	0.0%
408160	State Aid - Special	0	16,500	16,500	16,500			16,500	0	100.0%
409010	State Aid - Other	0	0	0				0	0	0.0%
486000	Interfund - Subsidy	0	0	0				0	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		25,609,238	16,500	25,625,738	23,490,634	0	0	23,490,634	2,135,104	91.7%
OTHER REVENUE										
419010	Refunds - Cont Library	407,906	0	407,906				0	407,906	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000		20,381	7,922	28,303	(18,303)	283.0%
466170	Refund Contract Lib Retire	0	0	0				0	0	0.0%
466070	Refund P/Y Expenses	0		0				0	0	0.0%
445030	Int & Earn - Gen Inv	3,000	0	3,000			577	577	2,423	19.2%
466000	Misc Receipts	0	0	0			217	217	(217)	0.0%
466010	NSF Check Fees	15	0	15				0	15	0.0%
467000	Misc Depart Income	3,000	0	3,000	153	347	529	1,028	1,972	34.3%
479100	Other Contributions	60,000	0	60,000				0	60,000	0.0%
TOTAL OTHER REVENUE		483,921	0	483,921	153	20,727	9,245	30,125	453,796	6.2%
USE OF FUND BALANCE										
402190	Appropriated Fund Balance	714,843	0	714,843				0	714,843	0.0%
TOTAL USE OF FUND BALANCE		714,843	0	714,843	0	0	0	0	714,843	0.0%
GRAND TOTAL OPERATING REVENUE		27,261,091	16,500	27,277,591	23,525,710	58,433	51,899	23,636,042	3,641,549	86.7%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2016 OPERATING BUDGET
 Expenditure Detail as of 3/31/2016
 24.9% of Budget Year

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	Encumbe red & PY Capital Balances	2016 Budget Adjust-ments/ Revisions	Adjusted Budget	January Expended	February Expended	March 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	9,085,418		0	9,085,418	690,503	694,368	766,155	2,151,025.18			2,151,025.18	6,934,393	23.7%	23.7%
500010	Part Time - Wages	4,024,053		0	4,024,053	295,892	285,394	317,752	899,038.55			899,038.55	3,125,014	22.3%	22.3%
500020	Regular PT - Wages	1,062,824		0	1,062,824	90,991	85,226	80,554	256,770.53			256,770.53	806,053	24.2%	24.2%
500300	Shift Differential	15,000		0	15,000	1,056	1,245	1,180	3,480.92			3,480.92	11,519	23.2%	23.2%
500330	Holiday Worked	15,000		0	15,000	2,291	2,088		4,378.97			4,378.97	10,621	29.2%	29.2%
500350	Other Employee Payments	60,000		0	60,000	1,680	2,300	700	4,680.00			4,680.00	55,320	7.8%	7.8%
	Salaries & Wages	14,262,295	0	0	14,262,295	1,082,412	1,070,621	1,166,341	3,319,374.15	0.00	0.00	3,319,374.15	10,942,921	23.3%	23.3%
501000	Overtime Salaries & Wages	195,000		0	195,000	21,058	23,584	22,386	67,027.82			67,027.82	127,972	34.4%	34.4%
	TOTAL, PERSONAL SERVICES	14,457,295	0	0	14,457,295	1,103,470	1,094,205	1,188,727	3,386,401.97	0.00	0.00	3,386,401.97	11,070,893	23.4%	23.4%
504990	Reduction From Personal Services	(318,881)		0	(318,881)				0.00			0.00	(318,881)	0.0%	0.0%
504992	Contractual Salary Reserves	51,557		0	51,557				0.00			0.00	51,557	0.0%	0.0%
	NET PERSONAL SERVICES	14,189,971	0	0	14,189,971	1,103,470	1,094,205	1,188,727	3,386,401.97	0.00	0.00	3,386,401.97	10,803,569	23.9%	23.9%
FRINGE BENEFITS															
502000	Fringe Benefits	0		0	0				0.00			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	896,354		0	896,354	68,325	66,014	72,495	206,833.53			206,833.53	689,520	23.1%	23.1%
502020	Employer FICA - MEDICARE	209,672		0	209,672	15,979	15,439	16,955	48,372.95			48,372.95	161,299	23.1%	23.1%
502030	Employee Health Insurance	2,586,136		0	2,586,136	212,152	211,083	117,534	540,769.50			540,769.50	2,045,367	20.9%	20.9%
502040	Dental Plan	117,436		0	117,436	8,886	8,836	1,965	19,686.69			19,686.69	97,749	16.8%	16.8%
502050	Workers Compensation	51,034		0	51,034	965	(9,066)	4,465	(3,635.08)			(3,635.08)	54,669	-7.1%	-7.1%
502060	Unemployment Insurance	17,055		0	17,055	715	946	3,260	4,921.42			4,921.42	12,134	28.9%	28.9%
502070	Hospital & Medical - Retirees	1,522,245		0	1,522,245	88,158	111,298	145,048	344,502.98			344,502.98	1,177,742	22.6%	22.6%
502090	Health Insurance Waiver (Incl: 117)	40,008		0	40,008	2,551	2,551	2,551	7,653.00			7,653.00	32,355	19.1%	19.1%
502100	Retirement	1,762,233		0	1,762,233	130,750	120,419	119,676	370,845.99			370,845.99	1,391,387	21.0%	21.0%
502000	Unallocated Fringe Benefits	3,617		0	3,617				0.00			0.00	3,617	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,205,790	0	0	7,205,790	528,481	527,521	483,949	1,539,950.98	0.00	0.00	1,539,950.98	5,665,839	21.4%	21.4%
	TOTAL COMPENSATION RELATED	21,395,761	0	0	21,395,761	1,631,952	1,621,726	1,672,676	4,926,352.95	0.00	0.00	4,926,352.95	16,469,408	23.0%	23.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2016 OPERATING BUDGET
 Expenditure Detail as of 3/31/2016
 24.9% of Budget Year

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	Encumbe red & PY Capital Balances	2016 Budget Adjust-ments/ Revisions	Adjusted Budget	January Expended	February Expended	March Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
														YTD Expend	YTD /& Encumb
505000	Office Supplies	140,350		0	140,350	18,061	9,883	9,345	37,289.00	77,468.51		114,757.51	25,592	26.6%	81.8%
505200	Clothing Supplies	4,000	226	0	4,226	69			68.60	225.50		294.10	3,931	1.6%	7.0%
505600	Auto Truck & Heavy Equip Supplies	8,550		0	8,550	416	518	108	1,042.42	81.27		1,123.69	7,426	12.2%	13.1%
505800	Medical & Health Supplies	1,000		0	1,000				0.00			0.00	1,000	0.0%	0.0%
506200	Maintenance & Repair	102,500	702	0	103,202	5,541	5,206	9,385	20,131.49	26,285.09		46,416.58	56,786	19.5%	45.0%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000	3,574	1,892		5,465.46	3,993.99		9,459.45	4,541	39.0%	67.6%
510000	Local Mileage Reimbursement	14,200		0	14,200	630	508	883	2,020.14			2,020.14	12,180	14.2%	14.2%
510100	Out of Area Travel	15,000		0	15,000			434	433.72			433.72	14,566	2.9%	2.9%
510200	Training and Education	54,755		0	54,755	10,316	400	5,626	16,341.50			16,341.50	38,414	29.8%	29.8%
515000	Utility Charges (Telecom/water/sewer)														
	Water/Sewer	33,975			33,975	1,446	2,887	2,042	6,375.61			6,375.61	27,599	18.8%	18.8%
	Fuel Oil	1,000			1,000							0.00	1,000	0.0%	0.0%
	Telephone & Internet Service	74,159		0	74,159	6,839	6,826	6,838	20,503.42			20,503.42	53,656	27.6%	27.6%
515000	Total Utility Charges	109,134		0	109,134	8,285	9,713	8,881	26,879.03	0.00	0.00	26,879.03	82,255	24.6%	24.6%
516010	CONTRACTUAL PAYMENTS														
	Ewell Free - Alden	1,153		1,500	2,653	2,653			2,653.00			2,653.00	0	100.0%	100.0%
	Aurora Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Boston Free	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Collins Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Concord Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Eden Library	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Elma Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Lackawanna Public	11,749		0	11,749	2,937		2,937	5,874.60	5,874.40		11,749.00	0	50.0%	100.0%
	Lancaster Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Marilla Free	0		1,500	1,500			1,500	1,500.00			1,500.00	0	100.0%	100.0%
	North Collins Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	West Seneca Public	0		1,500	1,500	1,500			1,500.00			1,500.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	12,902	0	16,500	29,402	19,090	0	4,437	23,527.60	5,874.40	0.00	29,402.00	0	80.0%	100.0%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2016 OPERATING BUDGET
Expenditure Detail as of 3/31/2016
24.9% of Budget Year

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	Encumbe red & PY Capital Balances	2016 Budget Adjust-ments/ Revisions	Adjusted Budget	January Expended	February Expended	March 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	864,427	82,687	0	947,114	29,603	31,164	213,929	274,696.28	365,454.58		640,150.86	306,963	29.0%	67.6%
516030	Maintenance Contracts	121,857	1,564	0	123,421	3,614	10,177	19,210	33,001.16	41,765.09		74,766.25	48,655	26.7%	60.6%
530000	Other Expenses	177,050	21,072	0	198,122	2,939	17,143	47,941	68,023.79	24,549.14	20,415.00	112,987.93	85,134	34.3%	57.0%
545000	Rental Charges	4,725		0	4,725	65	350	370	785.23	3,614.17		4,399.40	326	16.6%	93.1%
555050	Insurance Premiums	119,550		0	119,550			77,356	77,356.14			77,356.14	42,194	64.7%	64.7%
559000	County Share Grants			0	0				0.00			0.00	0	0.0%	0.0%
561410	Lab & Technical Equipment	75,145	32,013	0	107,158	1,501	4,076	34,112	39,690.11	12,024.94	31,978.00	83,693.05	23,465	37.0%	78.1%
561420	Office Equip, Furn & Fixtures			0	0				0.00			0.00	0	0.0%	0.0%
561430	Building, Grounds and Heavy Equip			0	0				0.00			0.00	0	0.0%	0.0%
561440	Motor Vehicles			0	0				0.00			0.00	0	0.0%	0.0%
561450	Library Books and Media	3,009,000	178,970	0	3,187,970	202,143	295,781	343,447	841,372.09	0.00	178,970.00	1,020,342.09	2,167,628	26.4%	32.0%
575040	Interfund Exp - Utilities														
	Fuel Oil	0		0	0				0.00			0.00	0	0.0%	0.0%
	Natural Gas	167,911		0	167,911	20,565	17,755	12,093	50,413.18			50,413.18	117,498	30.0%	30.0%
	Electricity	710,479		0	710,479	35,594	33,616	34,393	103,602.98			103,602.98	606,876	14.6%	14.6%
	Total Interfund Exp - Utilites	878,390	0	0	878,390	56,159	51,371	46,486	154,016.16	0.00	0.00	154,016.16	724,374	17.5%	17.5%
942000	Interfund - Holding Center	(90,865)		0	(90,865)				(22,716)	(22,716.25)		(22,716.25)	(68,149)	25.0%	25.0%
	Interfund - Correctional Facility	(104,461)			(104,461)				(26,115)	(26,115.25)		(26,115.25)	(78,346)	25.0%	25.0%
	Interfund - Court Storage	(8,598)			(8,598)				(2,150)	(2,149.50)		(2,149.50)	(6,449)	25.0%	25.0%
	Total ID Library Services	(203,924)	0	0	(203,924)	0	0	(50,981)	(50,981.00)			(50,981.00)	(152,943)	25.0%	25.0%
910600	Intefund Expense - Purchasing Services	33,120		0	33,120			6,851	6,850.50			6,850.50	26,270	20.7%	20.7%
910700	Interfund Expnese - Fleet Services	40,510		0	40,510	1,106	893	703	2,701.54			2,701.54	37,808	6.7%	6.7%
980000	Interdepart Services DISS	269,089		0	269,089	22,424	22,424	22,424	67,272.24			67,272.24	201,817	25.0%	25.0%
	System Operating Grand Totals	27,261,091	317,234	16,500	27,594,825	2,017,488	2,083,227	2,473,621	6,574,336.15	561,336.68	231,363.00	7,367,035.83	20,227,789	23.8%	26.7%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2016 OPERATING BUDGET
 Expenditure Detail as of 3/31/2016
 24.9% of Budget Year

SAP Acct. Nbr.	Account Description	2016 Adopted Budget	Encumbe red & PY Capital Balances	2016 Budget Adjust-ments/ Revisions	Adjusted Budget	January Expended	February Expended	March Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
														YTD Expend	YTD /& Encumb
<u>ERIE COUNTY CAPITAL FUNDING FOR LIBRARY</u>															
	Library Debt Service	894,489			894,489	34,682	0	172,052	206,733.86			206,733.86	687,755	23.1%	23.1%
490	General Obligation Bond Proceeds														
561250	Building Improvements		26,699		26,699				0.00			0.00	26,699	0.0%	0.0%
	Total General Obligations	0	26,699	0	26,699	0	0	0	0.00	0.00	0.00	0.00	26,699	0.0%	0.0%
	Total Erie County Capital for Library	894,489	26,699	0	921,188	34,682	0	172,052	206,733.86	0.00	0.00	206,733.86	714,454	22.4%	22.4%
	Grand Total Operating and Erie County Capital	28,155,580	343,933	16,500	28,516,013	2,052,170	2,083,227	2,645,673	6,781,070.01	561,336.68	231,363.00	7,573,769.69	20,942,244	23.8%	26.6%

Buffalo and Erie County Public Library
Treasurer's Report of
Year to Date Donations
Results for the Period Ending March 31, 2016

Main Trust		\$1,066,784.93
Encore Editions Proceeds (Invested per resolution 2006-19)		\$92,647.26
2015 Ending Balance		\$1,159,432.19
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<u>2016 Activity and Balances</u>		
Restricted Donations		\$24,180.63
(Donations received with instructions restricting them to the Buffalo & Erie County Public Library direct uses and fundraising for identified program use)		
Unrestricted Donations		
Pending Board Action	\$43,012.65	
Board Directed to Direct Library Programs	\$0.00	
Board Directed to Library Foundation	\$0.00	
Total Unrestricted Donations		\$43,012.65
Interest Income		\$177.09
Less Disbursements		
Direct For Library Programs/Services/Support To Library Foundation	(\$50,493.17)	
	\$0.00	
Total Disbursements		(\$50,493.17)
Balance, 2016 Activity		\$16,877.20
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Cumulative Balance Library Trust		\$1,176,309.39
Year-to-date Disbursements Pursuant to Resolution 2010-8 Include:		
Library material purchases (direct from trust)		(\$116.45)
To Library Operating Fund to support Library material purchases		\$0.00
Programming support		(\$11,701.03)
Equipment, furnishings & supplies		(\$1,916.00)
Exhibit/display preparation and support/Rare Book Room		(\$6,406.46)
Preservation/Conservation (Audubon Birds)		(\$22,698.00)
Construction Grant Match		\$0.00
Raiser's Edge Software and General Fundraising Expense		(\$7,446.10)
Fundraiser Event Expense		\$0.00
Other		(\$209.13)
Total		(\$50,493.17)