

BUFFALO & ERIE COUNTY PUBLIC LIBRARY
OPERATING FINANCIAL REPORT AS OF MAY 31, 2018, FOR
ERIE COUNTY LEGISLATURE 2018 MID-YEAR BUDGET HEARING
July 18, 2018

BACKGROUND:

The attached report provides a summary of revenue and expenditure performance in the Library's Operating Budget for the year as of May 31, 2018 month-end. The report also details monthly activity for May. Overall, with 41.4% of the budget year elapsed, year-to-date Library revenue, at 88.0% collected, is within budget and year-to-date expense, at 39.8%, is also within budget. Items of note include:

REVENUE:

- ✓ **Property Tax for Library Proceeds:** The full \$24,422,489 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 2018 budget assumed state library aid at 2017's funding level. The enacted NY State 2018-19 budget contained a 1% increase, totaling \$21,952. The State Library issued final aid tables in June, a budget adjustment is included for Board consideration at the July 19th meeting.
- ✓ **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 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 Wages expense running under budget.** Contract settlements with AFSCME and the Librarians Association were reached in late 2017, and with CSEA in early 2018. The above budget amount in the “Other Employee Payments” includes a one-time payment to CSEA members pursuant to that settlement. Funding to help support the settlements’ cost is included in the “Contract Salary Reserves” account. Overall, year-to-date Net Personal Services expense consumed 40.5% of the budget.
- ✓ **Fringe Benefit expense is running under budget at 39.1% overall.** Usage changes and negotiated increased employee contributions contributed to Active Employee Health Insurance cost being under budget (at 32.1%, with YTD costs 15.7% below year-to-date charges for the same period last year). Workers compensation expense is running above budget due to medical procedure expense in February. Finally, retiree medical charges so far this year are also running below budget, coming in at 34.1% of budget (and 12.6% below the same period in 2017). Said expense is subject to significant swings due to changes in usage by retirees. We will closely monitor these accounts.
- ✓ **Highway Supplies (rock salt) show at 53.7%.** This relatively small account (\$14,000 annual budget) is very seasonal in nature with the next set of purchases taking place in the fall. Prolonged winter weather conditions this season required significantly more salt usage this year.
- ✓ **Telephone and Internet Service charges show at 109.7% 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, 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 Member Libraries combined show at 81.6%.** 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 \$2,000.
- ✓ **Insurance Premiums shows at 71.8 %.** Reflects timing of policy renewal payments, current services contracted in this account are expected to end the year within budget.

EXPENSE (continued):

- ✓ **Several remaining operating accounts above 41.4% reflect timing differences.** These accounts, including Maintenance & Repair, Out of Area Travel, Maintenance Contracts, Lab/Tech Equipment, and Library Materials, reflect timing variations and are expected to end the year within budget.
- ✓ **Below budget Electric Utility costs helped counter the higher Natural Gas expense of a prolonged winter.** Natural Gas charges of \$103,571 came in at 70.3% of the 2018 annual budget, reflecting seasonality and prolonged winter weather. Expense was 15.5% higher than the \$89,654 paid in January - May 2017. Electricity charges of \$214,399 came in at 34.7% of the 2018 annual budget; however, they were 7.2% above the \$200,036 paid in January - May 2017. Natural Gas is one of several fuels and alternate energy sources used to provide electricity. **Combined, 2018 interfund utility charges of \$317,970 were slightly above budget (41.5% of budget), however they were \$28,280 (9.8%) above those incurred for the same months in 2017.** 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

2018 OPERATING BUDGET

Revenue Detail as of 5/31/2018

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	295,594	0	295,594	20,298	121,941.54	173,652	41.3%
422000	Copies	17,398	0	17,398	1,965	10,245.73	7,152	58.9%
466040	Printing	62,963	0	62,963	4,621	25,038.11	37,925	39.8%
466030	Book Bags	1,100	0	1,100	40	381.00	719	34.6%
466020	Minor Sale - Other	5,591	0	5,591	294	1,958.75	3,632	35.0%
420510	Rent - Real Prop - Auditorium	21,100	0	21,100	2,464	9,694.25	11,406	45.9%
420530	Comm - Tel Booth Food Svs	17,680	0	17,680	1,777	7,046.69	10,633	39.9%
TOTAL REVENUE FROM LIBRARY OPERATIONS		421,426	0	421,426	31,460	176,306.07	245,120	41.8%
REVENUE FROM STATE & COUNTY GOVT.								
400020	Library Real Prop Tax	24,422,489	0	24,422,489		24,422,488.99	0	100.0%
408140	NYS Aid-Lib Incl Incent	1,943,728	0	1,943,728		0.00	1,943,728	0.0%
408150	NYS Aid to Member Libraries	284,683	0	284,683		0.00	284,683	0.0%
408160	State Aid - Special	0	13,000	13,000		13,000.00	0	100.0%
409010	State Aid - Other	0	0	0		0.00	0	0.0%
486000	Interfund - Subsidy	0	0	0		0.00	0	0.0%
TOTAL REVENUE FROM STATE & COUNTY GOVT.		26,650,900	13,000	26,663,900	0	24,435,488.99	2,228,411	91.6%
OTHER REVENUE								
419010	Refunds - Cont Library	349,839	0	349,839		0.00	349,839	0.0%
423000	Refund P/Y Expenses	10,000	0	10,000		30,756.01	(20,756)	307.6%
466170	Refund Contract Lib Retire	0	0	0		0.00	0	0.0%
466070	Refund P/Y Expenses	0		0		0.00	0	0.0%
445030	Int & Earn - Gen Inv	2,000	0	2,000	1,146	3,836.17	(1,836)	191.8%
466000	Misc Receipts	0	0	0		75.00	(75)	0.0%
466010	NSF Check Fees	15	0	15		0.00	15	0.0%
467000	Misc Depart Income	5,000	0	5,000	270	1,177.96	3,822	23.6%
479100	Other Contributions	60,000	0	60,000		0.00	60,000	0.0%
TOTAL OTHER REVENUE		426,854	0	426,854	1,416	35,845.14	391,009	8.4%
USE OF FUND BALANCE								
402190	Appropriated Fund Balance	498,684	195,000	693,684		0.00	693,684	0.0%
TOTAL USE OF FUND BALANCE		498,684	195,000	693,684	0	0.00	693,684	0.0%
GRAND TOTAL OPERATING REVENUE		27,997,864	208,000	28,205,864	32,875	24,647,640.20	3,558,224	87.4%

BUFFALO AND ERIE COUNTY PUBLIC LIBRARY

2018 OPERATING BUDGET

Expenditure Detail as of 5/31/2018

41.4% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	YTD Expend	YTD Expend/ & Encumb
<u>OPERATING EXPENDITURES</u>													
PERSONAL SERVICES													
Regular Salaries & Wages													
500000	Full Time - Salaries	9,520,007		0	9,520,007	\$821,957	3,931,534.53			3,931,534.53	5,588,472	41.3%	41.3%
500010	Part Time - Wages	4,104,351		0	4,104,351	328,370	1,622,902.89			1,622,902.89	2,481,448	39.5%	39.5%
500020	Regular PT - Wages	759,767		0	759,767	61,823	346,064.76			346,064.76	413,702	45.5%	45.5%
500300	Shift Differential	19,000		0	19,000	1,426	6,848.83			6,848.83	12,151	36.0%	36.0%
500330	Holiday Worked	16,000		0	16,000	(185)	9,029.01			9,029.01	6,971	56.4%	56.4%
500350	Other Employee Payments	100,000		0	100,000	1,760	40,942.40			40,942.40	59,058	40.9%	40.9%
	Salaries & Wages	14,519,125	0	0	14,519,125	\$1,215,151	5,957,322.42	0.00	0.00	5,957,322.42	8,561,803	41.0%	41.0%
501000	Overtime Salaries & Wages	220,000		0	220,000	\$29,705	116,478.63			116,478.63	103,521	52.9%	52.9%
	TOTAL, PERSONAL SERVICES	14,739,125	0	0	14,739,125	\$1,244,856	6,073,801.05	0.00	0.00	6,073,801.05	8,665,324	41.2%	41.2%
504990	Reduction From Personal Services	(53,937)		0	(53,937)		0.00			0.00	(53,937)	0.0%	0.0%
504992	Contractual Salary Reserves	304,055		0	304,055		0.00			0.00	304,055	0.0%	0.0%
	NET PERSONAL SERVICES	14,989,243	0	0	14,989,243	1,244,856	6,073,801.05	0.00	0.00	6,073,801.05	8,915,442	40.5%	40.5%
FRINGE BENEFITS													
502000	Fringe Benefits	0		0	0		0.00			0.00	0	0.0%	0.0%
502010	Employer FICA - REGULAR	913,829		0	913,829	75,152	368,329.49			368,329.49	545,500	40.3%	40.3%
502020	Employer FICA - MEDICARE	213,712		0	213,712	17,576	86,141.50			86,141.50	127,571	40.3%	40.3%
502030	Employee Health Insurance	2,593,704		0	2,593,704	209,088	833,014.03			833,014.03	1,760,690	32.1%	32.1%
502040	Dental Plan	97,542		0	97,542	8,178	32,414.54			32,414.54	65,127	33.2%	33.2%
502050	Workers Compensation	48,921		0	48,921	3,595	43,055.29			43,055.29	5,866	88.0%	88.0%
502060	Unemployment Insurance	20,144		0	20,144	62	1,792.83			1,792.83	18,351	8.9%	8.9%
502070	Hospital & Medical - Retirees	1,629,339		0	1,629,339	143,023	555,514.64			555,514.64	1,073,824	34.1%	34.1%
502090	Health Insurance Waiver (Incl: 117)	27,012		0	27,012	3,567	17,702.00			17,702.00	9,310	65.5%	65.5%
502100	Retirement	1,589,302		0	1,589,302	130,097	652,364.72			652,364.72	936,937	41.0%	41.0%
502000	Unallocated Fringe Benefits	30,025		0	30,025		0.00			0.00	30,025	0.0%	0.0%
	TOTAL, FRINGE BENEFITS	7,163,530	0	0	7,163,530	590,337	2,590,329.04	0.00	0.00	2,590,329.04	4,573,201	36.2%	36.2%
	TOTAL COMPENSATION RELATED	22,152,773	0	0	22,152,773	1,835,193	8,664,130.09	0.00	0.00	8,664,130.09	13,488,643	39.1%	39.1%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 5/31/2018

41.4% of Budget Year

% Current Budget

SAP Acct. Nbr.	Account Description	2018 Adopted Budget	Encumbe red & PY Capital Balances	2018 Budget Adjust- ments/ Revisions	Adjusted Budget	May Expended	Year-to-Date Expended	Encumb.	Funds Reser- vations	Total Expenditures & Encumbrances	Remaining Balance	% Current Budget	
												YTD Expend	YTD Expend/ & Encumb
505000	Office Supplies	167,535	15	0	167,550	16,340	68,465.64	64,003.74		132,469.38	35,080	40.9%	79.1%
505200	Clothing Supplies	4,000	1,407	0	5,407		1,086.53	1,406.50		2,493.03	2,913	20.1%	46.1%
505600	Auto Truck & Heavy Equip Supplies	11,000		0	11,000	131	2,512.82			2,512.82	8,487	22.8%	22.8%
505800	Medical & Health Supplies	1,550	275	0	1,825	258	257.74			257.74	1,568	14.1%	14.1%
506200	Maintenance & Repair	106,400	16,523	25,000	147,923	21,743	51,065.63	39,138.56	2,872.00	93,076.19	54,847	34.5%	62.9%
506400	Highway Supplies (Rock Salt)	14,000		0	14,000		7,520.00			7,520.00	6,480	53.7%	53.7%
510000	Local Mileage Reimbursement	11,000		0	11,000	1,276	3,402.47			3,402.47	7,598	30.9%	30.9%
510100	Out of Area Travel	20,000		0	20,000	2,570	8,578.24			8,578.24	11,422	42.9%	42.9%
510200	Training and Education	55,231		0	55,231	1,543	15,591.00	345.00		15,936.00	39,295	28.2%	28.9%
515000	Utility Charges (Telecom/water/sewer)												
	Water/Sewer	31,005			31,005	3,527	10,473.57			10,473.57	20,531	33.8%	33.8%
	Fuel Oil	1,000			1,000								
	Telephone & Internet Service	67,928		0	67,928	30,500	74,483.85			74,483.85	(6,556)	109.7%	109.7%
515000	Total Utility Charges	99,933		0	99,933	34,027	84,957.42	0.00	0.00	84,957.42	13,976	85.0%	85.0%
516010	CONTRACTUAL PAYMENTS												
	Newstead Public - Akron	724		0	724		724.00			724.00	0	100.0%	100.0%
	Ewell Free - Alden	1,591		0	1,591		1,591.00			1,591.00	0	100.0%	100.0%
	Amherst Public	0		13,000	13,000		13,000.00			13,000.00	0	100.0%	100.0%
	Boston Free	1,862		0	1,862		1,862.00			1,862.00	0	100.0%	100.0%
	Eden Library	880		0	880		880.00			880.00	0	100.0%	100.0%
	Lackawanna Public	11,875		0	11,875		5,937.50	5,937.50		11,875.00	0	50.0%	100.0%
	Marilla Free	738		0	738		738.00			738.00	0	100.0%	100.0%
	North Collins Public	1,647		0	1,647		1,647.00			1,647.00	0	100.0%	100.0%
	Total Cnt Pmts-NP Pur Svs	19,317	0	13,000	32,317	\$0	26,379.50	5,937.50	0.00	32,317.00	0	81.6%	100.0%

**BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
2018 OPERATING BUDGET**

Expenditure Detail as of 5/31/2018

41.4% of Budget Year

% Current Budget

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												YTD Expend	YTD Expend/ & Encumb	
516020	Professional Services Contracts & Fees	857,725	53,849	0	911,574	23,206	359,624.45	286,403.01		646,027.46	265,546	39.5%	70.9%	
516030	Maintenance Contracts	124,900	44,589	0	169,489	9,848	87,823.11	35,305.66		123,128.77	46,361	51.8%	72.6%	
530000	Other Expenses	188,800	49,849	0	238,649	13,445	56,073.96	25,506.79	48,492.00	130,072.75	108,576	23.5%	54.5%	
545000	Rental Charges	4,925		0	4,925	36	463.03	1,069.44		1,532.47	3,393	9.4%	31.1%	
555050	Insurance Premiums	150,048		0	150,048		107,747.12			107,747.12	42,301	71.8%	71.8%	
561410	Lab & Technical Equipment	98,175	60,819	155,000	313,994	8,685	66,661.40	16,861.26	52,981.00	136,503.66	177,490	21.2%	43.5%	
561420	Office Equip, Furn & Fixtures		69,147	0	69,147	3,106	4,553.24		64,593.76	69,147.00	0	6.6%	100.0%	
561430	Building, Grounds and Heavy Equip		10,131	15,000	25,131	2,958	2,958.00		7,173.00	10,131.00	15,000	11.8%	40.3%	
561440	Motor Vehicles			0	0		0.00			0.00	0	0.0%	0.0%	
561450	Library Books and Media	3,009,000	175,955	0	3,184,955	229,169	1,344,362.61			1,344,362.61	1,840,592	42.2%	42.2%	
575040	Interfund Exp - Utilities													
	Fuel Oil	0		0	0		0.00			0.00	0	0.0%	0.0%	
	Natural Gas	147,264		0	147,264	9,921	103,570.55			103,570.55	43,693	70.3%	70.3%	
	Electricity	618,384		0	618,384	46,746	214,399.46			214,399.46	403,985	34.7%	34.7%	
	Total Interfund Exp - Utilites	765,648	0	0	765,648	56,667	317,970.01	0.00	0.00	317,970.01	447,678	41.5%	41.5%	
942000	Interfund - Holding Center	(89,542)		0	(89,542)	(7,462)	(37,309.15)			(37,309.15)	(52,233)	41.7%	41.7%	
	Interfund - Correctional Facility	(99,889)			(99,889)	(8,324)	(41,620.40)			(41,620.40)	(58,269)	41.7%	41.7%	
	Interfund - Court Storage	(8,598)			(8,598)	(717)	(3,582.50)			(3,582.50)	(5,016)	41.7%	41.7%	
	Total ID Library Services	(198,029)	0	0	(198,029)	(\$16,502)	(82,512.05)			(82,512.05)	(115,517)	41.7%	41.7%	
910600	Intefund Expense - Purchasing Services	28,766		0	28,766	\$2,181	10,903.34			10,903.34	17,863	37.9%	37.9%	
910700	Interfund Expnese - Fleet Services	32,061		0	32,061	\$2,120	9,504.28			9,504.28	22,557	29.6%	29.6%	
980000	Interdepart Services DISS	273,106		0	273,106	21,390	106,948.75			106,948.75	166,157	39.2%	39.2%	
	System Operating Grand Totals	27,997,864	482,559	208,000	28,688,423	2,269,387	11,327,028.33	475,977.46	176,111.76	11,979,117.55	16,708,305	39.5%	41.8%	