

QUEENS LIBRARY
FINANCE AND INVESTMENT COMMITTEE
THURSDAY, MAY 24, 2018

Central Library
89-11 Merrick Boulevard, Jamaica, NY 11432

AGENDA

7:00 PM FINANCE AND INVESTMENT COMMITTEE REGULAR MEETING

I. Call to Order

II. Agenda Action Items

1. Approval of Bills for the Month of April 2018 (ID # 1726)
2. Acceptance of Financial Reports for the Period Ending April 2018 (ID # 1732)
3. FY'18 City Fund Budget Modifications (ID # 1741)
4. FY18 State General Fund Budget Modifications (ID # 1736)
5. FY'18 Board Designated Fund Budget Modifications (ID # 1740)
6. FY18 Fines and Fees Fund Budget Modifications (ID # 1734)
7. Property Casualty - May 2018 (ID # 1765)

III. Agenda Report Items

1. Payroll for the Month of April 2018 (ID # 1733)

IV. Adjournment

1. Motion to Adjourn (ID # 1744)

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1726

AGENDA: Approval of Bills for the Month of April 2018

Background:

In accordance with New York State Law, the Board of Trustees has sole authority over the expenditure of funds appropriated for library purposes and must have a method in place for the review and approval of all expenditures.

Current Status:

The Chief Financial Officer submits for approval bills in the aggregate sum of \$4,047,883 being the amount of April 2018 bills vouchered and paid consisting of \$73,543 in Fines & Fees Funds, \$803,564 in City Funds, \$473,028 in Federal & State Funds, \$2,643,982 in Trust & Agency Funds, \$18,625 in Board-Designated & Private Grants Funds, and \$35,141 from the Workers' Compensation Reserve Fund. All expenditures were made in accordance with Budgets and Appropriations approved by the Board of Trustees.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the approval of the April 2018 bills in the aggregate sum of \$4,047,883.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1732

AGENDA: Acceptance of Financial Reports for the Period Ending April 2018

Background:

In accordance with Library By-Laws, the Library's financial statements shall be reviewed on a regular basis.

Current Status:

The Chief Financial Officer submits the Budget Reports attached for Board approved operating funds and Balance Sheets for all funds as of April 30, 2018.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Budget Reports for Board approved operating funds and Balance Sheets for all funds as of April 30, 2018 be accepted.

Attachments:

04_18 Financial Statements (DOCX)

THE QUEENS BOROUGH PUBLIC LIBRARY

FINANCIAL STATEMENTS

AS OF APRIL 30, 2018

FINANCE & INVESTMENT COMMITTEE MEETING

MAY 24, 2018

**City General Fund
Budget Report as of April 30, 2018**

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
City Appropriations	\$ 105,236	\$ 105,276	\$ 92,779	-	\$ 12,497	12%
Interest Income	4	10	10	-	-	0%
Rental	46	46	31	-	15	33%
Sundry Revenues	-	1	2	-	(1)	0%
Reader Printer	4	-	-	-	-	0%
Total Revenues	\$ 105,290	\$ 105,333	\$ 92,822	\$ -	\$ 12,511	12%
<u>Appropriations</u>						
Personal Services	\$ 64,846	\$ 62,557	\$ 51,725	-	\$ 10,832	17%
Health Insurance	14,425	15,725	12,230	-	3,495	22%
Social Security	4,883	4,882	3,881	-	1,001	21%
Unemployment Insurance	125	125	68	-	57	46%
Employee Welfare Fund	2,727	2,714	2,183	-	531	20%
Pension	16	-	-	-	-	0%
Disability Insurance	113	154	124	-	30	19%
Workers' Compensation	717	-	-	-	-	0%
Training	187	93	47	9	37	40%
General Supplies	1,306	1,199	961	169	69	6%
Maintenance & Custodial Supplies	771	549	399	132	18	3%
Equipment	405	432	163	51	218	50%
Furniture	63	258	57	198	3	1%
Library Materials	2,174	2,207	1,958	122	127	6%
Contractual Services	2,987	2,784	1,463	559	762	27%
Postage	162	91	84	1	6	7%
Telecommunications	797	775	503	5	267	34%
Carfare, Travel & Mileage	38	36	35	-	1	3%
Maintenance & Repairs - Vehicles	137	125	110	-	15	12%
Maintenance & Repairs - Buildings	1,846	1,613	1,036	306	271	17%
Information Systems Services	1,892	1,526	995	465	66	4%
Rentals - Land/Buildings	1,185	1,404	1,340	-	64	5%
Heat, Light, and Power	27	2,583	20	-	2,563	99%
P & C Insurance Premiums	988	988	905	-	83	8%
Adult Literacy	1,785	1,785	1,528	20	237	13%
Various City Funded Programs	688	728	518	71	139	19%
Total Appropriations	\$ 105,290	\$ 105,333	\$ 82,333	\$ 2,108	\$ 20,892	20%
Net Income/(Loss)	\$ -	\$ -	\$ 10,489	\$ -	\$ (8,381)	

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

Fines and Fees Fund
Budget Report as of April 30, 2018

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Estimated Revenues						
Fines on Overdue Items	\$ 1,100	\$ 998	\$ 831	-	\$ 167	17%
Lost Library Cards	51	48	40	-	8	17%
Lost & Damaged Items Fees	250	233	195	-	38	16%
Interest Income- Fines/Fees	2	2	2	-	-	0%
Scanstation	-	6	5	-	1	17%
Total Revenues	\$ 1,403	\$ 1,287	\$ 1,073	-	\$ 214	17%
Appropriations						
Training	9	135	104	17	14	10%
General Supplies	-	2	2	-	-	0%
Equipment	-	5	1	4	-	0%
Library Materials	422	180	154	20	6	3%
Contractual Services	972	954	686	182	86	9%
Information System Services	-	4	4	-	-	0%
Total Appropriations	\$ 1,403	\$ 1,280	\$ 951	\$ 223	\$ 106	8%
Net Income/(Loss)	\$ -	\$ 7	\$ 122	\$ -	\$ 108	

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

Federal General Fund
Budget Report as of April 30, 2018
In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
Federal USDF Program Refunds	\$ 1,221	\$ 1,221	738	-	\$ 483	40%
Total Revenues	\$ 1,221	\$ 1,221	738	-	\$ 483	40%
<u>Appropriations</u>						
Telecommunications	\$ 1,221	\$ 1,221	\$ 837	\$ -	\$ 384	31%
Total Appropriations	\$ 1,221	\$ 1,221	\$ 837	\$ -	\$ 384	31%
Net Income/(Loss)	\$ -	\$ -	\$ (99)	\$ -	\$ 99	

State General Fund
Budget Report as of April 30, 2018
In thousands

<u>Estimated Revenues</u>	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Insurance		\$ 75	\$ 75	-	\$ -	0%
Basic Grant Revenues	\$ 4,976	\$ 5,395	-	-	5,395	100%
Consolidated Systems Aid	1,575	1,575	-	-	1,575	100%
Total Revenues	\$ 6,551	\$ 7,045	\$ 75	\$ -	\$ 6,970	99%
<u>Appropriations</u>						
Personal Services	\$ 708	\$ 731	\$ 355	\$ -	\$ 376	51%
Health Insurance	14	15	10	-	5	33%
Social Security	57	34	31	-	3	9%
Employee Welfare Fund	1	1	-	-	1	100%
Training	35	30	23	8	(1)	-3%
General Supplies	40	41	39	1	1	2%
Equipment	191	120	73	45	2	2%
Furniture	95	95	72	9	14	15%
Library Materials	1,737	1,737	1,145	204	388	22%
Contractual Services	621	755	365	2	388	51%
Maintenance & Repairs - Buildings	712	1,107	496	592	19	2%
Information Systems Services	2,112	2,112	1,535	562	15	1%
Total Appropriations	\$ 6,323	\$ 6,778	\$ 4,144	\$ 1,423	\$ 1,211	18%
Net Income/(Loss)	\$ 228	\$ 267	\$ (4,069)	\$ -	\$ 5,759	

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

Board-Designated Fund
Budget Report as of April 30, 2018

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
Interest & Dividend Income	\$ 250	\$ 250	\$ 184	-	\$ 66	26%
Library Merchandise Sales	-	-	-	-	-	0%
Gains (Losses) on Investments	210	560	551	-	9	2%
Total Revenues	\$ 460	\$ 810	\$ 735	-	\$ 75	9%
<u>Appropriations</u>						
Training	\$ 14	\$ 11	\$ 6	\$ 2	\$ 3	27%
General Supplies	35	39	18	2	19	49%
Contractual Services	354	362	197	60	105	29%
Carfare, Travel & Mileage	22	22	17	2	3	14%
Information Systems Services	34	26	8	-	18	69%
Total Appropriations	\$ 459	\$ 460	\$ 246	\$ 66	\$ 148	32%
Net Income/(Loss)	\$ 1	\$ 350	\$ 489	\$ -	\$ (73)	

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

Workers' Comp Fund
Budget Report as of April 30, 2018

In thousands

<u>Estimated Revenues</u>	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Interest Income	\$ 1	\$ 1	\$ 1	\$ -	\$ -	0%
Interfund Transfers	597	597	-	-	597	100%
Total Revenues	598	598	1	-	597	100%
<u>Appropriations</u>						
Personal Services	\$ 82	\$ 82	\$ 68	-	\$ 14	17%
Health Insurance	8	8	6	-	2	25%
Social Security	8	8	5	-	3	38%
Employee Welfare Fund	9	9	1	-	8	89%
Workers' Compensation	285	285	97	-	188	66%
Contractual Services	142	142	90	-	52	37%
P & C Insurance Premiums	64	64	52	-	12	19%
Total Appropriations	\$ 598	\$ 598	\$ 319	-	\$ 279	47%
Net Income/(Loss)	\$ -	\$ -	\$ (318)	\$ -	\$ 318	

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET – FINES & FEES FUND GROUP

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 2,380,319
Money Market Accounts	236,315
Repurchase Agreements	-
On Hand	39,841
Accounts Receivable	
Accounts Receivable and Employee Advances	9,139
Grants and Contracts Receivable	
New York City	-
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Others	-
Other Assets	
Interfund Receivables	169,316
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	515,339
TOTAL ASSETS	\$ 3,350,269

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 5,440
Accrued Payroll & Related Expense	-
Note Payable	-
Compensated Absences Payable	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	-
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	515,339
Unrestricted - Other	2,829,490
Current Restricted	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,350,269

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET – CITY FUNDS GROUP

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 189,666
Money Market Accounts	1,010
Repurchase Agreements	-
On Hand	735
Accounts Receivable	
Accounts Receivable and Employee Advances	7,457
Grants and Contracts Receivable	
New York City	10,702,987
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	90,866
Prepaid Expenses	
Prepaid Insurance	-
Prepaid Rent	100,720
Other Assets	
Interfund Receivables	-
Security Deposit	-
Investments	-
Property & Equipment (net of depreciation)	7,401,429
TOTAL ASSETS	\$ 18,494,870

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 225,903
Accrued Payroll & Related Expense	-
Note Payable	-
Compensated Absences Payable	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	12,580,234
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	7,401,429
Unrestricted - Other	5,682,394
Restricted - Other	(7,395,090)
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,494,870

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET – STATE & FEDERAL FUNDS GROUP

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 669,157
Money Market Accounts	-
Repurchase Agreements	-
On Hand	70
Accounts Receivable	
Accounts Receivable and Employee Advances	14,128
Grants and Contracts Receivable	
New York City	481,184
New York State	957,876
Federal Government	52,830
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Other	-
Other Assets	
Interfund Receivables	2,496,118
Certificates of Deposit	-
Investments	8,095,298
Security Deposits	25,667
Property & Equipment (net of depreciation)	28,125,962
TOTAL ASSETS	\$ 40,918,290

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 129,615
Accrued Payroll & Related Expense	3,150
Line of Credit Payable	-
Compensated Absences Payable	6,196,356
Deferred Revenue	-
Other Liabilities and Interfund Payables	-
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	28,125,962
Unrestricted - Other	9,530,022
Restricted - Other	(3,066,815)
TOTAL LIABILITIES AND FUND BALANCES	\$ 40,918,290

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET – TRUST & AGENCY FUND

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 788,270
Money Market Accounts	-
Repurchase Agreements	-
On Hand	-
Accounts Receivable	
Accounts Receivable	-
Grants and Contracts Receivable	
New York City	-
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Health Insurance	-
Other Assets	
Interfund Receivables	337,685
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	-
TOTAL ASSETS	\$ 1,125,955

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 281,177
Accrued Payroll & Related Expense	-
Note Payable	-
Incurred Compensation Losses	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	844,778
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	-
Unrestricted – Other	-
Restricted – Other	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,125,955

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET—BOARD DESIGNATED & PRIVATE GRANTS FUND

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 1,467,394
Money Market Accounts	-
On Hand	511
Accounts Receivable	
Accounts Receivable	20,636
Grants and Contracts Receivable	
New York City	-
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Other	-
Other Assets	
Interfund Receivables	1,186,467
Certificates of Deposit	-
Investments	4,071,126
Property & Equipment (net of depreciation)	1,086,758
	-
TOTAL ASSETS	\$ 7,832,892

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 3,891
Accrued Payroll & Related Expense	-
Note Payable	-
Compensated Absences Payable	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	-
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	1,086,758
Unrestricted - Other	6,662,685
Restricted - Other	79,558
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,832,892

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

BALANCE SHEET – WORKERS’ COMPENSATION FUND

At April 30, 2018

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 523,403
Money Market Accounts	-
Repurchase Agreements	-
On Hand	-
Accounts Receivable	
Accounts Receivable	-
Grants and Contracts Receivable	
New York City	-
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Health Insurance	-
Other Assets	
Interfund Receivables	1,513,529
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	-
TOTAL ASSETS	\$ 2,036,932

Liabilities and Fund Balances

Liabilities	
Accounts Payable	-
Accrued Payroll & Related Expense	-
Note Payable	-
Incurred Compensation Losses	\$ 283,825
Deferred Revenue	-
Other Liabilities and Interfund Payables	-
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	-
Unrestricted - Other	1,753,107
Restricted - Other	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,036,932

Attachment: 04_18 Financial Statements (1732 : Acceptance of Financial Reports for the Period Ending April 2018)

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1741

AGENDA: FY'18 City Fund Budget Modifications

Background:

In accordance with the Library's Budget Management Policy, increases in total budget revenues or expenses require Board of Trustees approval.

Budget modifications are necessary in the City Fund Budget to update previous budget estimates to actual results through April 30, 2018.

Current Status:

The budget modifications below were initiated to align budgets (Fines/Fees, City, State General Fund)

1. Decrease Personal Services & Benefits by \$1,849,000
2. Increase Training by \$42,000
3. Increase General Supplies by \$118,000
4. Increase Maintenance & Custodial Supplies by \$56,000
5. Increase Equipment by \$212,000
6. Increase Furniture by \$218,000
7. Increase Library Materials by \$2,000
8. Decrease Contractual by \$2,440,000
9. Decrease Postage by \$33,000
10. Increase Telecommunications by \$64,000
11. Increase Carfare, Travel & Mileage by \$2,000

12. Increase Maintenance & Repairs - Buildings by \$322,000
13. Increase Information Systems Services by \$317,000
14. Increase Rentals- Land/Buildings by \$238,000
15. Increase P & C Insurance Premiums by \$184,000
16. Increase Local Initiatives by \$40,000*
17. Increase Heat, Light & Power by \$2,551,000

<i>(in thousands)</i>	Current Budget	Amendment	Revised Budget
<u>Appropriations</u>			
Personal Services & Benefits	\$88,006	(1,849)	86,157
Training	51	42	93
General Supplies	1,081	118	1,199
Maintenance & Custodial Supplies	493	56	549
Equipment	220	212	432
Furniture	40	218	258
Library Materials	2,205	2	2,207
Contractual Services	5,224	(2,440)	2,784
Postage	124	(33)	91
Telecommunications	711	64	775
Carfare, Travel & Mileage	34	2	36
Maintenance & Repairs - Vehicles	125	-	125
Maintenance & Repairs - Buildings	1,291	322	1,613
Information Systems Services	1,209	317	1,526
Rentals - Land/Buildings	1,166	238	1,404
P & C Insurance Premiums	804	184	988
Adult Literacy Program	1,785	-	1,785
Local Initiatives	688	40	728
Heat, Light & Power	32	2,551	2,583
	<u>\$105,289</u>	<u>44*</u>	<u>\$ 105,333</u>

*Overall Local Initiatives budget increased by \$40k.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Fiscal Year 2018 City Fund Budget be modified as follows:

Appropriations

<i>Personal Services & Benefits</i>	-	(1,849,000)
<i>Training</i>	+	42,000
<i>General Supplies</i>	+	118,000
<i>Maintenance & Custodial Supplies</i>	+	56,000
<i>Equipment</i>	+	212,000
<i>Furniture</i>	+	218,000
<i>Library Materials</i>	+	2,000
<i>Contractual Services</i>	-	(2,440,000)
<i>Postage</i>	-	(33,000)
<i>Telecommunications</i>	+	64,000
<i>Carfare, Travel & Mileage</i>	+	2,000
<i>Maintenance & Repairs - Buildings</i>	+	322,000
<i>Information Systems Services</i>	+	317,000
<i>Rentals - Land/Buildings</i>	+	238,000
<i>P & C Insurance Premiums</i>	+	184,000
<i>Local Initiatives</i>	+	40,000
<i>Heat, Light & Power</i>	+	2,551,000
		<hr/>
		44,000
		<hr/>

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1736

AGENDA: FY18 State General Fund Budget Modifications

Background:

In accordance with the Library's Budget Management Policy, increases in total budget revenues or expenses require Board of Trustees approval.

Budget modifications are necessary in the State General Fund Budget to update previous budget estimates based upon projected operating needs through April 30, 2018.

Current Status:

The budget modifications below were initiated to align budgets (Fines/Fees, City, State General Fund). This action was taken to stabilize budgets.

1. Decrease Training by \$4,000
2. Decrease Equipment by \$41,000
3. Increase Contractual Services by \$134,000
4. Increase Maintenance & Repairs - Buildings by \$395,000
5. Decrease Information System Services by \$31,000

<i>(in thousands)</i>	<u>Current Budget</u>	<u>Amendment</u>	<u>Revised Budget</u>
<u>Appropriations</u>			
Personal Services and Benefits	\$781	-	\$781
Training	35	(4)	31
General Supplies	40	-	40
Equipment	161	(41)	120
Furniture	95	-	95
Library Materials	1,737	-	1,737
Contractual Services	621	134	755
Maintenance & Repairs - Buildings	712	395	1,107
Information Systems Services	2,143	(31)	2,112
	<u>\$6,325</u>	<u>453</u>	<u>6,778</u>

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Fiscal Year 2018 State General Fund Budget be modified as follows:

<i>Training</i>	-	<i>4,000</i>
<i>Equipment</i>	-	<i>41,000</i>
<i>Contractual Services</i>	+	<i>134,000</i>
<i>Maintenance & Repairs - Buildings</i>	+	<i>395,000</i>
<i>Information Systems Services</i>	-	<i>31,000</i>
<i>Total Appropriations</i>	+	<u><i>\$453,000</i></u>

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1740

AGENDA: FY'18 Board Designated Fund Budget Modifications

Background:

In accordance with the Library's Budget Management Policy, increases in total budget revenues or expenses require Board of Trustees approval.

Budget modifications are necessary in the City Fund Budget to update previous budget estimates to actual results through April 30, 2018.

Current Status:

The budget modifications below were initiated to align budgets

1. Increase Training by \$1,000
2. Increase General Supplies by \$24,000
3. Increase Furniture by \$40,000
4. Decrease Contractual by \$64,000

<i>(in thousands)</i>	Current Budget	Amendment	Revised Budget
<u>Appropriations</u>			
Training	10	1	11
General Supplies	16	24	40
Furniture	0	40	40
Contractual Services	404	(64)	340
Carfare, Travel & Mileage	22	-	22
Information Systems Services	8	-	8
	<u>\$460</u>	<u>1</u>	<u>\$ 461</u>

Recommended Motion for Consideration by the Finance and Investments Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Fiscal Year 2018 City Fund Budget be modified as follows:

Appropriations

<i>Training</i>	+	<i>1,000</i>
<i>General Supplies</i>	+	<i>24,000</i>
<i>Furniture</i>	+	<i>40,000</i>
<i>Contractual Services</i>	-	<i>(64,000)</i>
		<u><i>1,000</i></u>

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1734

AGENDA: FY18 Fines and Fees Fund Budget Modifications

Background:

In accordance with the Library’s Budget Management Policy, increases in total budget revenues or expenses require Board of Trustees approval.

Budget modifications are necessary in the Fines and Fees Fund Budget to update previous budget estimates based upon projected operating needs through April 30, 2018.

Current Status: The budget modifications below were initiated to align budgets (Fines/Fees, City, State General Fund). This action was taken to balance revenue to expenses.

1. Decrease Personal Services by \$26,000
2. Decrease Training by \$18,000
3. Decrease General Supplies by \$2,000
4. Decrease Equipment by \$25,000
5. Decrease Library Materials by \$24,000
6. Decrease Contractual Services by \$67,000
7. Decrease Information System Services by \$39,000

(in thousands)

	<u>Current Budget</u>	<u>Amendment</u>	<u>Revised Budget</u>
<u>Appropriations</u>			
Personal Services	\$ 26	\$ (26)	-
Training	153	(18)	135

General Supplies	4	(2)	2
Equipment	35	(30)	5
Library Materials	189	(9)	180
Contractual Services	1,021	(67)	954
Information System Services	43	(39)	4
	<u>\$1,471</u>	<u>(191)</u>	<u>\$1,280</u>

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Fiscal Year 2018 Fines and Fees Fund Budget be modified as follows:

<i>Personal Services</i>	-	26,000
<i>Training</i>	-	18,000
<i>General Supplies</i>	-	2,000
<i>Equipment</i>	-	25,000
<i>Library Materials</i>	-	24,000
<i>Contractual Services</i>	-	67,000
<i>Information System Services</i>	-	39,000
<i>Total Appropriations</i>	-	<u><u>\$191,000</u></u>

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1765

AGENDA: Property Casualty - May 2018

Background:

At the Finance and Investment Committee meeting held on February 22, 2018, Library staff advised the Committee Members that, given the fact that we have been working collaboratively with a new Commercial General Liability (CGL) carrier (Chubb) to ensure a smooth transition with respect to the handling of claims, it was in the Library's best interest to continue that relationship. Accordingly, we advised the Members that we intended on renewing the existing policies, absent extraordinary circumstances. No such circumstances have arisen, and the Library has moved forward with having its broker obtain renewal quotes.

The following is a description of the Library's current Property and Casualty Insurance Program and the renewal quotes obtained by the broker:

Commercial General Liability

Library coverage includes General Liability (GL) and Auto policies that are purchased as part of a Commercial Coverage package being provided by the incumbent carrier, Chubb.

The CGL policy includes coverage found in typical liability policies such as fire damage and medical costs, while also maintaining coverage for Pre-K programs, an in-house security guard program as required by New York State, as well as adding coverage for the recently-purchased warehouse and Glendale swing space.

We maintain a separate policy for sexual abuse and molestation (SAM). The Library must maintain coverage, or have no exclusions in a policy, for abuse and molestation in order to protect the organization as well as be eligible for multiple grants from agencies, including DYCD, that require this coverage.

In addition, two Umbrella policies are in place providing up to \$20M in coverage over the limits in the underlying Chubb policy.

The 2017-18 limits are depicted in the table below:

General Liability	\$1M/\$2M aggregate / location
Sexual Abuse and Molestation	\$6M
Auto	\$1M
Umbrella	\$10M
Umbrella XS	\$10M XS of \$10M

Directors and Officers/Employment Practices

Directors and Officers (D&O) insurance is intended to provide coverage for the Library, Board of Trustees and employees from errors and omissions associated with the Library's governance and management. The most frequent types of claims filed under such policies include those attributable to poor governance and their failure to provide three basic fiduciary responsibilities owed to the organization; specifically, the duty of obedience, loyalty and due care. Wrongful Acts may include actual or alleged acts, errors or omissions on the part of those covered. Defense costs erode the limits.

Employment Practices Liability Insurance (EPLI) is intended to cover the organization for claims involving wrongful acts arising from employment practices. The most frequent types of claims filed under such policies include claims for wrongful termination, discrimination, retaliation, defamation, invasion of privacy, failure to promote, deprivation of a career opportunity, and sexual harassment. EPLI claims can be brought not only by employees, but third parties as well. Defense costs erode the policy limits.

D&O and EPLI are currently provided by Hiscox (\$5M primary) and Great American (\$5M excess of \$5M). Limits are depicted in the table below:

Primary - \$5M Limit	Deductible D&O - \$50,000
Excess - \$5M excess of \$5M	Deductible EPLI - \$100,000

Property

The Library has strived to maintain certain levels of coverage on library materials, furniture and boiler equipment. The property program was remarketed twice, post-Hurricane Sandy, based on

non-renewals and premium increases by our former carriers. Coverage, through Arch Specialty, is depicted in the table below:

Property Limit	\$20M	Deductible \$500K
Sublimit Flood	\$10M	Deductible \$500K
Sublimit Flood Zone	\$2M	Deductible \$500K

Crime

Crime coverage, depicted in the table below, is currently provided by Travelers:

Faithful Performance	\$3M	Deductible \$50K
Forgery/Alteration	\$100K	Deductible \$5K
On Premises	\$50K	Deductible \$1K

Accidental Death & Dismemberment (AD&D)

The AD&D coverage, offered by Chubb, provides different layers of protection with \$100,000 minimum coverage for employees and Trustees. The policy, which pays benefits to the beneficiary if the cause of death or dismemberment of an employee or Trustee is an accident, is in the second year of a 3-year policy effective through June 2019.

Current Status:

The following programs are being presented for the 2018-19 renewal. The negotiated broker fees, some below the industry standard fees of 15% - 20%, are also listed below:

Coverage	Carrier	Broker Fee/ Commission
General Liability	Chubb	12.5%
Auto	Chubb	12.5%
Umbrella Excess	Chubb	15%
D&O/EPLI	Hiscox/Great American	11%

SAM	AIG	12.5%
Property	Arch	15%
Crime	Travelers	20%
AD&D	Chubb	15%

Renewal Quotes

The Library worked with its broker, Arthur J. Gallagher & Co., to renew existing programs and provide for a July 1st renewal so as to coincide with the Library's fiscal year. Additional coverage was needed this year based on the addition of the new warehouse and the Glendale swing space. Premium increases reflect additional coverage, loss ratios and an increase in program attendance by children. The two umbrella programs were combined into one since the Philadelphia Insurance Company was not offering a timely, competitive quote. Chubb agreed to write the full \$20M umbrella.

A summary of the Library's expiring coverage and premiums (chart 1) and the recommendation for renewal coverage and quotes (chart 2) follows:

Coverage (1)	Carrier	Expiring Premium 2017
General Liability	Chubb	\$250,803
Auto	Chubb	\$133,336
Umbrella - \$10M	Philadelphia	\$80,000
Umbrella - XS \$10M	Chubb	\$35,000
SAM - \$6M	AIG	\$100,804
D&O/EPLI \$5M	Hiscox	\$38,209
D&O/EPLI XS \$5M	Great American	\$18,600
Crime	Travelers	\$8,320
Property	Arch	\$282,938

AD&D	Chubb	\$10,640
TOTAL PREMIUM		\$958,650

Coverage (2)	Carrier	Renewal Quotes 2018
General Liability	Chubb	\$271,440
Auto	Chubb	\$136,912
Umbrella - \$20M	Chubb	\$125,000
A&M - \$6M	AIG	\$109,218
D&O/EPLI \$5M	Hiscox	\$38,751
D&O/EPLI XS \$5M	Great American	\$18,600
Crime	Travelers	\$8,725
Property	Arch	\$301,597
AD&D	Chubb	\$10,640
TOTAL PREMIUM		\$1,020,883

Recommended Motion for Consideration by the Finance and Investments Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees that the Library award the Property and Casualty Insurance Programs provided above to Arthur J. Gallagher & Co. effective July 1, 2018 through June 30, 2019.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1733

AGENDA: Payroll for the Month of April 2018

Payroll for the Month of April 2018

The Chief Financial Officer reports the payrolls paid during the month of April 2018 in the aggregate sum of \$5,333,958 consisting of \$1,767 in Fines and Fees Funds, \$5,135,955 in City Funds, \$186,497 in Federal & State Funds, \$3,357 in the Board Designated Funds, and \$6,382 in

the Workers' Compensation Reserve Funds. All expenditures were made in accordance with Budgets and Appropriations approved by the Board of Trustees.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: May 24, 2018

ITEM ID #: 1744

AGENDA: Motion to Adjourn

Recommended Motion for Consideration:

I move that the meeting be adjourned.