

QUEENS LIBRARY
FINANCE AND INVESTMENT COMMITTEE
THURSDAY, JUNE 27, 2019

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

AGENDA

6:45 PM FINANCE AND INVESTMENT COMMITTEE REGULAR MEETING

I. CALL TO ORDER

II. AGENDA

A. Action Items

1. Property and Casualty Insurance (ID # 2038)
2. Approval of Bills for the Month of May 2019 (ID # 2000)
3. Acceptance of Financial Reports for the Period Ending May 2019 (ID # 2002)
4. FY'20 City General Fund Budget (ID # 2007)
5. FY'20 State General Fund Budget (ID # 2010)
6. FY'20 Federal General Fund Budget (ID # 2011)
7. FY'20 Workers' Compensation Fund Budget (ID # 2012)
8. FY'20 Fines & Fees Budget (ID # 2008)
9. FY'20 Board Designated Budget (ID # 2009)

B. Report Items

1. Payroll for the Month of May 2019 (ID # 2001)
2. Workers' Compensation Self-Insurance Program (ID # 2039)

III. ADJOURNMENT

1. Motion to Adjourn (ID # 2034)

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2038

AGENDA: Property and Casualty Insurance

BACKGROUND:

At the Finance and Investment Committee meeting held on January 24, 2019, Library staff advised the Committee Members that, given the fact that we have been working collaboratively with the Commercial General Liability (CGL) carrier (Chubb) 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 Library's existing policies, absent extraordinary circumstances. Subsequent to the meeting, the D&O/EPLI carrier advised the Library that it is no longer offering this coverage in this sector (non-profit) so we instructed the broker to obtain quotes through the market.

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), Auto and Umbrella 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, injury and medical costs, while also maintaining coverage for Pre-K programs and the in-house security guard program as required by New York State.

We maintain a separate policy for sexual abuse and molestation (SAM) through the Lexington Insurance Company. 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.

The 2018-19 limits are depicted in the table below:

General Liability	\$1M/\$2M aggregate / location
Auto	\$1M
Umbrella	\$20M
Sexual Abuse and Molestation	\$6M / \$50,000 Deductible

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 coverage is 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 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 last year of a 3-year policy effective through June 2019.

Current Status:

The following programs are being presented for the 2019-20 renewal.

The negotiated broker fees, some below the industry standard fees of 15% - 20%, are also listed below:

Coverage	Carrier	Broker Commission
General Liability	Chubb	12.5%
Auto	Chubb	12.5%
Umbrella Excess	Chubb	15%
SAM	AIG	12.5%
D&O/EPLI	Hiscox/Great American	11%
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. Premium increases reflect a hardening market in the liability and D&O/EPLI sectors. The overall increase is approximately 7.5%.

The Library’s current D&O/EPLI primary carrier, Hiscox, did not offer a quote for the upcoming renewal due to a change in their appetite for class of business. Accordingly Gallagher obtained quotes from the market. The Library’s broker received over 15 declinations, citing various reasons, but we were offered three quotes as follows:

D&O/EPLI PRIMARY CARRIER	RENEWAL QUOTE
Allied World	\$50,260
Ironshore	\$65,000
Zurich	\$76,494

The recommended primary carrier and comparison with the incumbent is below. Premiums and deductibles have increased but we maintain our limit of coverage:

	HISCOX (Expiring)	ALLIED (Recommended)
Premium	\$38,751	\$50,260
EPLI / D&O Limit Primary	\$5M	\$5M
Deductible D&O	\$50,000	\$100,000
Deductible EPLI	\$100,000	\$150,000

A summary of the Library’s expiring policies and premiums (chart 1) and the recommendation for renewal quotes (chart 2) is as follows:

EXPIRING

Coverage (1)	Carrier	Expiring Premium 2018-2019
General Liability	Chubb	\$271,440
Auto	Chubb	\$142,412
Umbrella - XS \$20M	Chubb	\$124,945
SAM - \$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		\$1,026,328

RENEWAL

Coverage (2)	Carrier	Renewal Quotes 2019-2020
General Liability	Chubb	\$298,618
Auto	Chubb	\$151,087
Umbrella - \$20M	Chubb	\$126,220
SAM - \$6M	AIG	\$121,929
D&O/EPLI \$5M	Allied World	\$50,789
D&O/EPLI XS \$5M	Great American	\$25,000
Crime	Travelers	\$8,734
Property	Arch	\$313,385
AD&D	Chubb	\$7,938
TOTAL PREMIUM		\$1,103,700

Recommended Motion for Consideration by the Finance & Investment 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, 2019 through June 30, 2020.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2000

AGENDA: Approval of Bills for the Month of May 2019

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 \$4,036,448 being the amount of May 2019 bills vouchered and paid consisting of \$90,443 in Fines & Fees Funds, \$801,346 in City Funds, \$418,716 in Federal & State Funds, \$2,597,527 in Trust & Agency Funds, \$62,383 in Board-Designated & Private Grants Funds, and \$66,033 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 May 2019 bills in the aggregate sum of \$4,036,448.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2002

AGENDA: Acceptance of Financial Reports for the Period Ending May 2019

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 May 31, 2019.

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 May 31, 2019 be accepted.

Attachments:

05_19 Financial Statements (DOCX)

QUEENS PUBLIC LIBRARY

FINANCIAL STATEMENTS

AS OF MAY 31, 2019

FINANCE & INVESTMENT COMMITTEE MEETING

JUNE 27, 2019

City General Fund						
Budget Report as of May 31, 2019						
<i>In thousands</i>						
	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Estimated Revenues						
City Appropriations	\$ 109,943	\$ 112,195	\$ 106,836	-	\$ 5,359	5%
Interest Income	1	1	-	-	1	100%
Rental	1	23	21	-	2	9%
Sundry Revenues	1	10	13	-	(3)	0%
Total Revenues	\$ 109,946	\$ 112,229	\$ 106,870	\$ -	\$ 5,359	5%
Appropriations						
Personal Services	\$ 65,469	\$ 66,860	\$ 58,159	-	\$ 8,701	13%
Health Insurance	16,763	16,772	14,454	-	2,318	14%
Social Security	4,812	5,163	4,362	-	801	16%
Unemployment Insurance	68	175	116	-	59	34%
Employee Welfare Fund	2,685	2,685	2,159	-	526	20%
Disability Insurance	154	154	94	-	60	39%
Workers' Compensation	617	615	-	-	615	0%
Training	37	50	19	-	31	62%
General Supplies	931	959	818	75	66	7%
Maintenance & Custodial Supplies	461	472	407	33	32	7%
Equipment	98	91	69	11	11	12%
Furniture	6	6	6	-	-	0%
Library Materials	2,164	2,066	1,875	123	68	3%
Contractual Services	5,422	4,680	1,484	378	2,818	60%
Postage	91	91	78	3	10	11%
Telecommunications	585	654	500	84	70	11%
Carfare, Travel & Mileage	33	39	38	-	1	3%
Maintenance & Repairs - Vehicles	131	131	98	-	33	25%
Maintenance & Repairs - Buildings	1,310	1,512	1,286	197	29	2%
Information Systems Services	598	1,208	1,014	153	41	3%
Rentals - Land/Buildings	1,254	1,534	1,473	-	61	4%
Heat, Light, and Power	2,553	2,585	21	-	2,564	99%
P & C Insurance Premiums	1,025	1,025	1,019	-	6	1%
Adult Literacy	1,875	1,898	1,752	7	139	7%
Various City Funded Programs	804	804	596	54	154	19%
Total Appropriations	\$ 109,946	\$ 112,229	\$ 91,897	\$ 1,118	\$ 19,214	17%
Net Income/(Loss)	\$ -	\$ -	\$ 14,973	\$ -	\$ (13,855)	

Fines and Fees Fund
Budget Report as of May 31, 2019

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
Fines on Overdue Items	\$ 907	\$ 907	\$ 865	-	\$ 42	5%
Lost Library Cards	46	46	43	-	3	7%
Lost & Damaged Items Fees	174	236	211	-	25	11%
Interest Income- Fines/Fees	-	25	13	-	12	48%
Scanstation	8	18	17	-	1	6%
Total Revenues	\$ 1,135	\$ 1,232	\$ 1,149	-	\$ 83	7%
<u>Appropriations</u>						
Training	129	128	73	31	24	19%
General Supplies	5	3	2	1	-	0%
Equipment	1	1	1	-	-	0%
Library Materials	166	315	256	25	34	11%
Contractual Services	830	780	508	98	174	22%
Maintenance & Repairs - Buildin	-	1	1	-	-	0%
Information System Services	4	4	4	-	-	0%
Total Appropriations	\$ 1,135	\$ 1,232	\$ 845	\$ 155	\$ 232	19%
Net Income/(Loss)	\$ -	\$ -	\$ 304	\$ -	\$ (149)	

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

**Federal General Fund
Budget Report as of May 31, 2019**

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
Federal USDF Program Refunds	\$ 1,055	\$ 1,055	861	-	\$ 194	18%
Total Revenues	\$ 1,055	\$ 1,055	861	-	\$ 194	18%
<u>Appropriations</u>						
Telecommunications	\$ 1,055	\$ 1,055	\$ 930	\$ -	\$ 125	12%
Total Appropriations	\$ 1,055	\$ 1,055	\$ 930	\$ -	\$ 125	12%
Net Income/(Loss)	\$ -	\$ -	\$ (69)	\$ -	\$ 69	

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

**State General Fund
Budget Report as of May 31, 2019**

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Estimated Revenues						
Basic Grant Revenues	\$ 3,966	\$ 3,966	-	-	3,966	100%
Consolidated Systems Aid	1,591	1,591	-	-	1,591	100%
Total Revenues	\$ 5,557	\$ 5,557	\$ -	\$ -	\$ 5,557	100%
Appropriations						
Personal Services	\$ 420	\$ 443	\$ 396	\$ -	\$ 47	11%
Health Insurance	14	14	6	-	8	57%
Social Security	35	35	30	-	5	14%
Employee Welfare Fund	1	1	-	-	1	100%
Training	29	30	23	3	4	13%
General Supplies	37	17	9	4	4	24%
Equipment	189	189	95	50	44	23%
Furniture	98	21	20	1	-	0%
Library Materials	1,455	1,459	1,303	18	138	9%
Contractual Services	141	109	32	44	33	30%
Maintenance & Repairs - Buildings	989	1,048	474	534	40	4%
Information Systems Services	2,149	2,182	1,683	395	104	5%
Heat, Light, and Power	-	9	9	-	-	0%
Total Appropriations	\$ 5,557	\$ 5,557	\$ 4,080	\$ 1,049	\$ 428	8%
Net Income/(Loss)	\$ -	\$ -	\$ (4,080)	\$ -	\$ 5,129	

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

Board-Designated Fund
Budget Report as of May 31, 2019

In thousands

	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
<u>Estimated Revenues</u>						
Interest & Dividend Income	\$ 252	\$ 252	\$ 207	-	\$ 45	18%
Gains (Losses) on Investments	210	210	294	-	(84)	-40%
Total Revenues	\$ 462	\$ 462	\$ 501	-	\$ (39)	-8%
<u>Appropriations</u>						
Training	\$ 9	\$ 9	\$ 5	\$ 2	\$ 2	22%
General Supplies	23	18	13	-	5	28%
Contractual Services	401	393	285	70	38	10%
Carfare, Travel & Mileage	21	21	17	4	-	0%
Information Systems Services	8	21	8	13	-	0%
Total Appropriations	\$ 462	\$ 462	\$ 328	\$ 89	\$ 45	10%
Net Income/(Loss)	\$ -	\$ -	\$ 173	\$ -	\$ (84)	

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

Workers' Comp Fund
Budget Report as of May 31, 2019
In thousands

<u>Estimated Revenues</u>	Adopted Budget	Current Budget	Y-T-D Actual	Open Orders	Remaining Balance	Percent Remaining
Interfund Transfers	523	567	-	-	567	100%
Total Revenues	523	567	-	-	567	100%
<u>Appropriations</u>						
Personal Services	\$ 87	\$ 87	\$ 79	-	\$ 8	9%
Health Insurance	7	18	15	-	3	17%
Social Security	6	8	7	-	1	13%
Employee Welfare Fund	3	3	2	-	1	33%
Workers' Compensation	250	281	260	-	21	7%
Contractual Services	110	110	86	-	24	22%
P & C Insurance Premiums	60	60	50	-	10	17%
Total Appropriations	\$ 523	\$ 567	\$ 499	-	\$ 68	12%
Net Income/(Loss)	\$ -	\$ -	\$ (499)	\$ -	\$ 499	

BALANCE SHEET – FINES & FEES FUND GROUP*At May 31, 2019***Assets**

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 2,441,882
Money Market Accounts	289,024
Repurchase Agreements	-
On Hand	36,851
Accounts Receivable	
Accounts Receivable and Employee Advances	19,424
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	351,707
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	355,992
TOTAL ASSETS	\$ 3,494,880

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 17,128
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)	355,992
Unrestricted - Other	3,121,760
Current Restricted	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,494,880

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

BALANCE SHEET – CITY FUNDS GROUP

At May 31, 2019

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 3,817,306
Money Market Accounts	1,298
Repurchase Agreements	-
On Hand	(57)
Accounts Receivable	
Accounts Receivable and Employee Advances	1,617
Grants and Contracts Receivable	
New York City	7,068,120
New York State	-
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Other	-
Prepaid Rent	-
Other Assets	
Interfund Receivables	-
Security Deposit	1,700
Investments	-
Property & Equipment (net of depreciation)	7,391,049
TOTAL ASSETS	\$ 18,281,033

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 185,108
Accrued Payroll & Related Expense	(20,922)
Note Payable	-
Compensated Absences Payable	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	7,240,840
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	7,391,049
Unrestricted - Other	11,523,853
Restricted - Other	(8,038,895)
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,281,033

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

BALANCE SHEET – STATE & FEDERAL FUNDS GROUP

At May 31, 2019

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 4,338,944
Money Market Accounts	-
Repurchase Agreements	-
On Hand	-
Accounts Receivable	
Accounts Receivable and Employee Advances	16,104
Grants and Contracts Receivable	
New York City	498,041
New York State	1,584,400
Federal Government	-
Contributions Receivable	
From New York State	-
From Individuals, Corporations and Foundations	-
Prepaid Expenses	
Prepaid Other	-
Other Assets	
Interfund Receivables	-
Certificates of Deposit	-
Investments	8,405,269
Security Deposits	25,667
Property & Equipment (net of depreciation)	28,953,347
TOTAL ASSETS	\$ 43,821,772

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 79,004
Accrued Payroll & Related Expense	3,150
Line of Credit Payable	-
Compensated Absences Payable	6,267,852
Deferred Revenue	-
Other Liabilities and Interfund Payables	147,877
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	28,953,347
Unrestricted - Other	9,439,838
Restricted - Other	(1,069,296)
TOTAL LIABILITIES AND FUND BALANCES	\$ 43,821,772

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

BALANCE SHEET – TRUST & AGENCY FUND

At May 31, 2019

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 1,122,374
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	-
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	-
TOTAL ASSETS	\$ 1,122,374

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 124,425
Accrued Payroll & Related Expense	-
Note Payable	-
Incurred Compensation Losses	-
Deferred Revenue	-
Other Liabilities and Interfund Payables	997,949
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	-
Unrestricted – Other	-
Restricted – Other	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,122,374

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

BALANCE SHEET—BOARD DESIGNATED & PRIVATE GRANTS FUND

At May 31, 2019

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 1,492,258
Money Market Accounts	-
On Hand	-
Accounts Receivable	
Accounts Receivable	9,551
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	1,366,976
Certificates of Deposit	-
Investments	4,228,668
Property & Equipment (net of depreciation)	1,024,118
	-
TOTAL ASSETS	\$ 8,121,571

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 487
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)	1,024,118
Unrestricted - Other	6,753,172
Restricted - Other	343,794
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,121,571

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

BALANCE SHEET – WORKERS’ COMPENSATION FUND

At May 31, 2019

Assets

Cash & Cash Equivalents	
Checking Accounts – Interest Bearing	\$ 1,486,548
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	9,915
Certificates of Deposit	-
Investments	-
Property & Equipment (net of depreciation)	-
TOTAL ASSETS	\$ 1,496,463

Liabilities and Fund Balances

Liabilities	
Accounts Payable	\$ 365
Accrued Payroll & Related Expense	-
Note Payable	-
Incurred Compensation Losses	337,477
Deferred Revenue	-
Other Liabilities and Interfund Payables	-
Fund Balances	
Invested in Capital Assets, Net of Related Debt (Unrestricted Funds)	-
Unrestricted - Other	1,158,621
Restricted - Other	-
Permanently Restricted (Endowments)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,496,463

Attachment: 05_19 Financial Statements (2002 : Acceptance of Financial Reports for the Period Ending May 2019)

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2007

AGENDA: FY'20 City General Fund Budget

Background:

Following negotiations with the Mayor, the City Council recently adopted the City Budget for fiscal year 2020. The City Budget covers the operating costs necessary to provide public service to the residents of Queens based on the historic Carnegie Agreement between the Library and the City of New York.

Current Status:

The attached budget document provides a detailed review of the Queens Library's proposed FY'20 City General Fund Budget based upon the funding allocation announced by the City Council.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 City General Fund Budget as detailed in the Fiscal Year 2020 City General Fund Budget document dated June 27, 2019, and adopt the budget amounts as indicated in the Fiscal Year 2020 City General Fund Budget document.

Attachments:

FY20 Budget City Fund Budget (DOC)

Queens Public Library

FISCAL YEAR

2020

CITY GENERAL FUND BUDGET

Based on the

City

Adopted Budget

Proposal

June 27, 2019

Attachment: FY20 Budget City Fund Budget (2007 : FY'20 City General Fund Budget)

City General Fund
In Thousands

See		FY'15	FY'16	FY'17	FY'18	FY'19	FY'19	FY'20
<u>Note</u>	<u>Estimated Revenues</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Current</u>	<u>Actual</u>	<u>City</u>
						<u>5/31/19</u>	<u>Y-T-D</u>	<u>Budget</u>
1	City Appropriations	92,586	100,647	102,371	105,416	112,195	106,836	122,090
2	Interest Income	14	17	8	10	1	-	-
3	Reader/Printer Receipts	10	7	-	-	-	-	-
4	Rental/Sundry	21	81	46	36	33	34	1
5	Legal Settlements/Insurance Proceeds	133	-	-	-	-	-	-
	Total Estimated Revenues	92,764	100,752	102,425	105,462	112,229	106,870	122,091
	<u>Appropriations</u>							
6	Personal Services	54,483	56,458	62,701	63,856	66,860	58,159	67,116
7	Employee Benefits	19,080	22,640	22,385	24,007	25,564	21,185	28,265
8	Training	33	47	12	105	47	19	46
9	General Supplies	957	992	1,346	1,094	965	893	968
10	Maintenance & Custodial Supplies	533	592	626	532	469	440	472
11	Equipment	290	1,193	246	222	88	80	88
12	Furniture	35	56	43	155	6	6	6
13	Library Materials	3,062	4,766	2,076	2,181	2,066	1,998	2,063
14	Contractual Services	2,636	2,537	2,178	1,922	4,694	1,862	2,615
15	Postage	130	125	162	90	91	81	90
16	Telecommunications	327	684	644	657	654	584	755
17	Carfare, Travel & Mileage	32	39	38	42	35	38	40
18	Maintenance & Repairs - Vehicles	152	142	142	161	131	98	131
19	Maintenance & Repairs - Buildings	1,502	1,405	1,534	1,321	1,497	1,483	1,303
20	Information Systems Services	2,879	2,505	1,518	1,178	1,208	1,167	1,110
21	Rentals - Land/Buildings	1,369	1,271	1,314	1,398	1,534	1,473	1,505
22	P & C Insurance Premiums	567	575	738	967	1,025	1,019	1,121
23	Adult Literacy Program	1,508	1,799	1,660	1,915	1,898	1,759	1,992
24	Local Initiatives	241	230	135	728	804	650	875
25	City Council (one-time)							3,906
26	NYC Subsidy (baseline)							4,464
	Cash Fund Total	89,816	98,056	99,498	102,531	109,636	92,994	118,931
27	Heat, Light & Power	2,948	2,696	2,927	2,931	2,593	21	3,160
	Total Appropriations	92,764	100,752	102,425	105,462	112,229	93,015	122,091
	Net Budgeted Results	-	-	-	-	-	13,855	-

Attachment: FY20 Budget City Fund Budget (2007 : FY'20 City General Fund Budget)

Fiscal Year 2020 City General Fund Budget Notes

ESTIMATED REVENUES

1. City Appropriations - funding appropriated to the Library in the City's FY20 Budget.
2. Rental/Sundry Revenues - rental income is from a commercial tenant renting space in the Library's Mitchell Linden condominium units. The lease is in effect until 2020.

APPROPRIATIONS

3. Personal Services – reflects the cost of system-wide personnel totaling \$67.1 million. The salary budget includes general wage increases and staffing for the new Hunters Point Community Library.
4. Employee Benefits – reflects the cost of benefits including health insurance; social security at 7.65% of wages; unemployment costs; health and welfare benefits for employees and retirees at City-negotiated premium rates; statutory short-term disability insurance for staff not covered by the DC 37 Welfare Fund, long term disability and life insurance; and estimated cost to fund the Self-Funded Workers' Compensation Insurance Fund based on budgeted salaries.
5. Training – the cost paid to the DC 37 Education Fund as per the City-Wide Union Contract and workforce development training for non-union staff is included in this budget.
6. General Supplies - the estimated cost for general supplies.
7. Maintenance & Custodial Supplies - contains funds for the cost of cleaning, custodial and maintenance supply items.
8. Equipment - the annual cost of replacement equipment for the self-check systems, security, network and custodial equipment.
9. Furniture - the cost of new and replacement furniture system-wide.

10. Library Materials - this budget includes the cost of library materials in print and electronic formats.
11. Contractual Services - includes costs for programs, recruitment, advertising, audit services, theft detection systems contract, leased equipment, outside printing costs, materials processing, volunteer services, maintenance contracts, copiers, security services, interest expense, contingency funds, and other contractual items.
12. Postage - includes the cost of general postage and mail-a-book postage.
13. Telecommunications - includes funds for voice and data telecommunications circuits, communications equipment installations and maintenance contracts, and telecommunications consulting. The City budget reflects the Library's total cost for telecommunications since the budget assumes that the remaining percentage will be reimbursed through the Federal Universal Services Discount Fund (E-Rate) program.
14. Carfare, Travel and Mileage - reflects the cost of staff travel while on Library business in the metropolitan area (primarily travel among branches).
15. Maintenance and Repairs - Vehicles - funds for repairs to the Library's fleet.
16. Maintenance and Repairs - Buildings - includes the cost of maintenance and repairs to roofs, doors, windows, paving, painting, floor coverings, electrical repairs, HVAC contracts and repairs, and other building maintenance items. It does not include renovations of facilities.
17. Information Systems Services - includes the cost of hardware and software service contracts for computer systems, software licenses, and self-check maintenance contracts.
18. Rentals - Land/Buildings - reflect the estimated cost for six leased properties (Far Rockaway, Fresh Meadows, Lefrak City, Pomonok, Queensbridge and Ravenswood) and depreciation of three Library owned facilities (Middle Village, Mitchell Linden and Rosedale).
19. P & C Insurance Premiums - the budget for Property & Casualty Insurance is based upon current insurance renewal rates.
20. Adult Literacy Program - Adult Literacy Program - this budget includes

costs associated for the Adult Literacy program, such as staff, library materials, supplies and equipment.

21. Local Initiatives - City funding sponsored by Council Members. Prior year budgets included a one-time funding for early learning initiatives, adult literacy, training programs, technology upgrades for community libraries, afterschool programs, and general program support.
22. Heat, Light and Power - the Heat, Light, and Power budget does not represent actual dollars paid to the Library from the City of New York. The utility bills for all City-owned buildings are mailed to the City, and the City pays the bills directly. There is a portion that is allocated for the warehouse and where Library is a tenant expense.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2010

AGENDA: FY'20 State General Fund Budget

Background:

New York State provides unrestricted support to all public library systems in the State on a calendar year basis. Generally, the amount of Library Aid is first proposed by the Governor and then negotiated with the Legislature when the State Budget is adopted. Given the timing of the State Budget, the funding is typically received after July of each year (6 months late).

Estimated State Aid for the 2019/20 State Budget that was recently adopted will provide the Queens Library with Local Consolidated Systems Aid of \$1.08 million and Basic Grant Aid of \$4.48 million.

This funding supports program expenses, one-time renovation projects, equipment purchases, library materials, and technology expenses.

Current Status:

The attached budget document provides a detailed review of the proposed FY'20 State General Fund Budget. Estimated revenues total \$5,556,447. Proposed appropriations equal \$5.5 million.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 State General Fund Budget as detailed in the Fiscal Year 2020 State General Fund Budget document dated June 27, 2019, and adopt the budget amounts as indicated in the Fiscal Year 2020 State General Fund Budget document.

Attachments:

FY20 State Budget (DOC)

Queens Public Library

FISCAL YEAR

2020

**STATE
GENERAL FUND
BUDGET**

Basic Grant Aid

Local Consolidated Systems Aid

June 27, 2019

Attachment: FY20 State Budget (2010 : FY'20 State General Fund Budget)

Fiscal Year 2020 State General Fund Budget

In Thousands

<u>See</u> <u>Note</u>	<u>Estimated Revenues</u>	FY19 Adopted Budget	FY19 Current Budget	FY19 Actual 5/31/19	FY20 Proposed Budget	Dollar Change
1	Basic Grant Aid	3,966	3,966	-	3,813	(153)
2	Local Consolidated Systems Aid	1,591	1,591		1,744	153
	Total Estimated Revenues	<u>5,557</u>	<u>5,557</u>	<u>-</u>	<u>5,557</u>	<u>-</u>
	<u>Appropriations</u>					
3	Personal Services	\$ 420	443	396	972	529
4	Employee Benefits	14	14	6	109	95
5	Social Security	35	35	30	75	40
6	Employee Welfare Fund	1	1	-	1	-
7	Training	29	30	26	29	(1)
8	General Supplies	37	17	13	17	-
9	Equipment	189	189	145	183	(6)
10	Furniture	98	21	21	19	(2)
11	Library Materials	1,455	1,459	1,321	1,459	-
12	Contractual Services	141	109	76	74	(35)
13	Maintenance & Repairs - Buildings	989	1,048	1,008	436	(612)
14	Information Systems Services	2,149	2,182	2,078	2,183	1
15	Heat, Light, and Power	-	9	9	-	(9)
	Total Appropriations	<u>5,557</u>	<u>5,557</u>	<u>5,129</u>	<u>5,557</u>	<u>-</u>
	Appropriated Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,129)</u>	<u>\$ -</u>	<u>-</u>

Attachment: FY20 State Budget (2010 : FY'20 State General Fund Budget)

Fiscal Year 2020 State General Fund Budget Notes

ESTIMATED REVENUES

- 1. Basic Grant Aid - unrestricted State Aid for general operating purposes which is calculated based on a state-wide Library Aid formula. The funding period for this aid is January 1 through December 31.
- 2. Local Consolidated Systems Aid - unrestricted State Aid for general operating purposes which is calculated based on a state-wide Library Aid formula. The grant period for this aid is January 1 through December 31.

APPROPRIATIONS

- 3. Personal Services – personal service cost for Foundation and government grant personnel was budgeted using the Basic Grant Aid funds.
- 4. Employee Benefits – reflects the cost of benefits for full-time personnel eligible for benefits and social security at 7.65% of wages.
- 5. Training – professional development for employees budgeted to this fund only.
- 6. General Supplies – Supplies for program services included in this fund.
- 7. Equipment - funds for technology equipment needs system wide.
- 8. Furniture – replacement furniture as needed.
- 9. Library Materials - funding for library materials in print and non-print formats. Decrease is a result of a corresponding increase in other funds.
- 10. Contractual Services – contractual service for technology initiatives.
- 11. Carfare, Travel & Mileage – travel expenses, not budgeted in this fund for FY 20.

Attachment: FY20 State Budget (2010 : FY'20 State General Fund Budget)

12. Maintenance & Repairs - Buildings – funding for architect/engineering fees, funding for costs to support DDC-managed projects and capital projects system-wide, now funded in City Budget appropriations in FY 20.
13. Information Systems Services - software development and maintenance and annual software licenses. One-time technical costs for mobile applications, enterprise system (SAP), website, employee self-service, automated time and scheduling, library circulation system, asset management system and text messaging services.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2011

AGENDA: FY'20 Federal General Fund Budget

Background:

The Federal Universal Services Discount Fund (USDF) program provides discounts to public schools and libraries for telecommunications and network-related costs. The Library has participated in the program since its inception in fiscal year 1999.

Current Status:

The attached budget document provides an overview of the proposed FY'20 Federal General Fund Budget for this program. Estimated revenues total \$783,850. Proposed appropriations equal \$783,850. The budget provides for system-wide telecommunications costs that are in the process of being approved and funded at a variable percentage discount rate.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 Federal General Fund Budget as detailed in the Fiscal Year 2020 Federal General Fund Budget document dated June 27, 2019.

Attachments:

FY20 Federal General Fund Budget (DOC)

Queens Public Library

FISCAL YEAR

2020

**FEDERAL
GENERAL FUND
BUDGET**

June 27, 2019

Attachment: FY20 Federal General Fund Budget (2011 : FY'20 Federal General Fund Budget)

Federal General Fund

In Thousands

<u>See</u>		FY'19	FY'19	FY'19	FY'20	Dollar
<u>Note</u>	<u>Estimated Revenues</u>	<u>Budget</u>	<u>Budget</u>	<u>5/31/19</u>	<u>Budget</u>	<u>Change</u>
1	Federal USDF Program Refunds	1,055	1,055	861	784	(271)
	Total Estimated Revenues	1,055	1,055	861	784	(271)

<u>Appropriations</u>						
2	Telecommunications	1,055	1,055	930	784	(271)
	Total Appropriations	1,055	1,055	930	784	(271)

Attachment: FY20 Federal General Fund Budget (2011 : FY'20 Federal General Fund Budget)

Fiscal Year 2020 Federal General Fund Budget Notes

ESTIMATED REVENUES

1. Federal USDF Program Refunds - estimated revenues based upon USDF reimbursement funding request for estimated telecommunications costs at a percentage discount (refund) rate depending on the type of services from the Federal Universal Services Discount Fund.

APPROPRIATIONS

2. Telecommunications - telecommunication costs system-wide at a variable percentage of projected total QPL expenses for FY'20 as per the application submitted to Schools & Libraries.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2012

AGENDA: FY'20 Workers' Compensation Fund Budget

Background:

In 1995, the Library implemented a self-insurance program to fulfill its legal obligation to provide workers' compensation benefits to employees. Prior to this, workers' compensation insurance had been purchased from the State Insurance Fund.

As premiums increased, service provided to Library staff by the carrier was minimal and remained stable. By improving safety and internal claims management, the Library believed it could improve service to our employees while achieving substantial savings.

Revenues include interest income on fund balances and intercompany transfers.

Expenses include required assessments by the State Workers' Compensation Board, third-party administrator fees to manage claims, excess insurance, and the payment of claims as approved by the State Workers' Compensation Board.

Current Status:

The attached budget document provides a detailed review of the proposed FY'20 Workers' Compensation Fund Budget. Estimated revenues total \$536,000. Proposed appropriations equal \$536,000.

The FY '20 budget reflects an intercompany transfer of funds to the Workers' Compensation Fund for payment of claims. Transfers are calculated based on the state insurance workers' compensation funding model with rates provided by the third-party administrator.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 Workers' Compensation Fund Budget as detailed in the Fiscal Year 2020 Workers' Compensation Fund Budget document dated June 27, 2019.

Attachments:

FY20 Workers Comp Fund Budget (DOC)

Queens Public Library

FISCAL YEAR

2020

WORKERS' COMPENSATION FUND

BUDGET

June 27, 2019

Attachment: FY20 Workers Comp Fund Budget (2012 : FY'20 Workers' Compensation Fund Budget)

Workers' Compensation Fund						
<i>In Thousands</i>						
			FY'19	FY'19	FY'19	FY'20
See			Adopted	Current	Actual	Proposed
Note	Estimated Revenues		Budget	Budget	5/31/19	Budget
1	Interfund Transfer		523	567	-	536
	Total Estimated Revenues		523	567	-	536
	Appropriations					
1	Personal Services		87	87	79	87
2	Employee Benefits		16	29	24	29
3	Workers' Compensation		250	281	260	250
4	Contractual Services		110	110	86	110
5	P & C Insurance Premiums		60	60	50	60
	Total Appropriations		523	567	499	536
	Appropriated Fund Balance		-	-	(499)	-

Attachment: FY20 Workers Comp Fund Budget (2012 : FY'20 Workers' Compensation Fund Budget)

Fiscal Year 2020 Workers' Compensation Fund Budget Notes

ESTIMATED REVENUES

1. Investment Earnings - the budget reflects projected interest earnings on cash balances in the Workers' Compensation Fund during the year.
2. Interfund Transfers- self-insured inter-fund workers compensation funding transfers based on state insurance workers compensation funding models for the payment of all workers' compensation claims.

APPROPRIATIONS

3. Personal Services - estimated cost of wages for one employee who manages this program. Annual performance increase of 3% is budgeted.
4. Employee Benefits - includes health insurance, social security tax, welfare fund benefits and projected pension contributions for staff paid from this fund.
5. Workers' Compensation - projected cost of claims paid during the year.
6. Contractual Services - includes third-party administrator to administer claims; banking services; assessments and fees.
7. P & C Insurance Premiums - annual insurance premium for excess catastrophic insurance for this program.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2008

AGENDA: FY'20 Fines & Fees Budget

Background:

Receipts from fines and fees, and interest earnings on Fines & Fees Fund cash balances, are recorded in the Queens Library's Fines & Fees Fund.

This budget funds materials, programs, professional development and contractual expenses for public service related expenses.

Current Status:

The attached budget document provides a listing of the estimated revenues for the FY'20 Fines & Fees Fund budget. Total estimated revenues are \$ \$1.1 million. Budget appropriations are proposed in the amount of \$1.1 million and include program materials and recognition events for staff.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 Fines & Fees Fund Budget as detailed in the Fiscal Year 2020 Fines & Fees Fund Budget document dated June 27, 2019.

Attachments:

FY20 Fines Fees Budget (DOC)

Queens Public Library

FISCAL YEAR

2020

FINES & FEES FUND

Corporate Budget

June 27, 2019

Attachment: FY20 Fines Fees Budget (2008 : FY'20 Fines & Fees Budget)

Fines and Fees Fund*In thousands*

	FY 19 Adopted Budget	FY 19 Current Budget	FY 19 Actual	FY 20 Proposed budget	Dollar Change
<u>Estimated Revenues</u>					
Fines on Overdue Items	\$ 907	\$ 907	\$ 865	\$ 907	\$ -
Lost Library Cards	46	46	43	46	\$ -
Lost & Damaged Items Fees	174	236	211	174	\$ (62)
Scanstation Revenue	8	18	13	8	\$ (10)
Interest Income- Fines/Fees	-	25	17	25	\$ -
Total Revenues	\$ 1,135	\$ 1,232	\$ 1,149	1,160	\$ (72)
<u>Appropriations</u>					
Training	\$ 129	128	104	137	9
General Supplies	5	3	3	2	(1)
Equipment	1	1	1	1	-
Library Materials	166	315	281	307	(8)
Contractual Services	830	780	606	708	(72)
Maintenance & Repairs - Building	-	1	1	1	-
Information System Services	-	4	4	4	-
Total Appropriations	\$ 1,131	\$ 1,232	\$ 1,000	\$ 1,160	\$ (72)
Net Income/(Loss)	\$ 4	\$ -	\$ 149	\$ -	\$ -

Attachment: FY20 Fines Fees Budget (2008 : FY'20 Fines & Fees Budget)

Fiscal Year 2020 Fines & Fees Fund Budget Notes

ESTIMATED REVENUES

1. Fines on Overdue Items, Lost Library Cards, and Lost & Damaged Item Fees - reflects projected revenues based upon current revenue trends and fine schedules. Projected revenue has decreased as a result of decreased fine collection and increased lending of e-books that do not accrue fines.

FY 20 APPROPRIATIONS

2. Training – professional development for employees.
3. General Supplies – supplies for program services included in this budget.
4. Equipment – funds for technology system wide.
5. Library Materials - budget allocation for the purchase of library materials in print and electronic formats.
6. Contractual Services – includes programs, library marketing, and services to aid with collection of overdue fines.
7. Information Systems Services – includes software licensing software.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2009

AGENDA: FY'20 Board Designated Budget

Background:

The Queens Library's Board-Designated Fund contains a fund balance of approximately \$7.3 million. An allocation is established from annual investment earnings on these funds to fund operating expenses.

This budget includes funding for expense allocations for Board of Trustees expenses and other Library expenses.

Current Status:

The attached budget document provides a listing of Estimated Revenues for the FY'20 Board-Designated Fund Budget. Total Estimated Revenues are \$460,639. Budget appropriations are proposed in the amount of \$460,639.

Recommended Motion for Consideration by the Finance & Investment Committee:

I move that the Finance & Investment Committee recommend to the Board of Trustees the adoption of the FY'20 Board-Designated Fund Budget as detailed in the Fiscal Year 2020 Board-Designated Fund Budget document dated June 27, 2019.

Attachments:

FY20 Board Designated (DOC)

QUEENS PUBLIC LIBRARY

FISCAL YEAR

2020

BOARD-DESIGNATED FUND

Corporate Budget

June 27, 2019

Attachment: FY20 Board Designated (2009 : FY'20 Board Designated Budget)

Board-Designated Fund						
<i>In Thousands</i>						
		FY'19	FY'19	FY'19	FY'20	
See		Adopted	Current	Actual	Proposed	Dollar
Note	Estimated Revenues	Budget	Budget	5/31/19	Budget	Change
1	Interest & Dividend Income	252	252	207	250	(2)
2	Gains (Losses) on Investments	210	210	294	210	-
	Total Estimated Revenues	462	462	501	460	(2)
	<u>Appropriations</u>					
3	Training	9	9	7	8	(1)
4	General Supplies	23	18	13	18	-
6	Contractual Services	401	393	355	393	-
7	Carfare, Travel & Mileage	21	21	21	21	-
8	Information Systems Services	8	21	21	20	(1)
	Total Appropriations	462	462	417	460	(2)
	Appropriated Fund Balance	-	-	84	-	-

Fiscal Year 2020 Board-Designated Fund Budget Notes

ESTIMATED REVENUES

1. Interest & Dividend Income - projected interest and dividend income on State, Federal, and Board-Designated Funds balances.
2. Gains (Losses) on Investments - projected gains on long-term investments from the Board-Designated Fund portfolio of stocks and bonds, and investment income on unrestricted State and Federal fund group balances.

APPROPRIATIONS

3. Training - conference training for the Board of Trustees.
4. General Supplies - budget allocations for library merchandise purchases; trustees meeting expenses; other trustee expenses; government and community affairs, and sundry supplies.
5. Contractual Services - budget allocations for investment advisory services; legislative representation in Albany and The City of New York; trustee attendance at networking events; bank and financial services and annual Legislative Day in Albany.
6. Carfare, Travel & Mileage - parking for senior managers approved by the Board of Trustees in 1991.
7. Information Systems Services- annual license fee for board agenda software.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2001

AGENDA: Payroll for the Month of May 2019

Payroll for the Month of May 2019

The Chief Financial Officer reports the payrolls paid during the month of May 2019 in the aggregate sum of \$5,493,959 consisting of \$5,202,975 in City Funds, \$282,309 in Federal & State Funds, \$2,040 in Board Designated, and \$6,635 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: June 27, 2019

ITEM ID #: 2039

AGENDA: Workers' Compensation Self-Insurance Program

BACKGROUND

This is a report regarding the status of the Library's workers' compensation self-insurance program.

In 1995, the Library made an initial contribution of \$564,000 to fund the Library's workers' compensation self-insurance program. The total program funding level through March 31, 2019 was \$10,486,900. We did not contribute funds in FY 18.

The contributions have been based on what the estimated cost of financing this risk with an insurer would have been using the New York State Workers' Compensation and Ratings Board formulas and rates and applying them to the Library's payroll.

A Third Party Administrator (TPA) has been retained to administer the Library's workers' compensation program. The services provided by the TPA include claims processing, medical invoice reviews, completing and filing reports, providing information for assessments, projecting funding needs, annual reporting, medical claims management, loss control and consulting services, excess insurance analysis, excess insurance coverage placement and general program management. The TPA's services also include conducting investigations, arranging independent medical exams and providing legal representation at the Workers' Compensation Board.

FCS Administrators, Inc. is in the third year of a three-year contract to provide TPA services in support of the Library's self-insured program. Total charges for the TPA for the first year of the program was \$27,294, which includes monthly charges, bill review, case management and a one-time fee for data conversions. The second year charges totaled \$22,093. The former TPA's charges averaged \$60,000 per year.

There are currently 24 open claims, 21 of which were filed within the last three (3) years.

FINANCIAL REVIEW

The annual funding level for the workers' compensation program from July 1, 2012 through March 31, 2019 is \$2,754,512 as depicted in Table 1:

TABLE 1

Fiscal Year	Funding Level
2013	\$369,061
2014	\$585,456
2015	\$593,786
2016	\$611,638
2017	\$594,571
*2018	\$0
Total	\$2,754,512

*Calculated funding \$523,464

A detailed review of the financial aspects of the self-insured program from July 1, 2013 through March 31, 2019 is as follows:

Claims Paid and Reserved	\$(879,644)
Third Party Administration	\$(242,200)
Reinsurance	\$(292,802)
Assessments/Fees/Studies	\$(378,534)
Internal Workers Comp Administrator	<u>\$(565,931)</u>
Total Paid and Reserved Costs	\$(2,359,111)
Current Change in Claims Reserve Estimate	\$(76,084)
Total Incurred Costs	\$(2,435,195)
Less: Interest Earnings	<u>\$6,110</u>
Net Cost	\$(2,429,085)

The *estimated* cost of commercial insurance premiums that would have been paid to a carrier(s) through six policy years, in lieu of implementing the self-insurance program, is **\$3,277,976**. As calculated above, the net cost of self-insuring this risk during the same period is **\$2,429,085**.

Queens Library Board/Committee Item

BOARD/COMMITTEE: Finance and Investment Committee

DATE OF MEETING: June 27, 2019

ITEM ID #: 2034

AGENDA: Motion to Adjourn

Recommended Motion for Consideration:

I move that the meeting be adjourned.