Sacramento Public Library Authority

August 27, 2009 **Agenda Item 14.0: Monthly Financial Report**

TO: **Sacramento Public Library Authority Board Members**

FROM: **Vicki Johnson, Director of Finance**

RE: **Monthly Financial Report with Quarterly Update**

RECOMMENDED ACTION: Receive and file.

MONTHLY FINANCIAL REPORT – June 2009

Revenues:
Total revenues reached $37,655,109 in June and are tracking at 97% of normal expectations. Overall revenues increased by $4,416,390 from May due primarily from the receipt of $4,060,589 in city special tax assessment contributions.

Expenditures:
Total expenditures at the end of June are $34,276,328, an increase of $4,446,624 from May, but approximately 11% below expectations. Salaries and benefits represent 67% of total expenditures and are tracking at 7% below expectations due to the number of vacancies maintained. Books and materials are within 1% of expectations at the end of June. Services and supplies are tracking at 16% below expectations.

Since the beginning of the fiscal year, fund balance has increased by $3,378,781.

QUARTERLY UPDATE

In the last quarter of fiscal year 2009 the Library recognized all available revenue from contributing jurisdictions, with the three largest revenue sources being property taxes, City of Sacramento general fund contribution and City of Sacramento special parcel tax. The revenue sources met or slightly exceeded the budgeted expectations for FY 2008/09.

Fine and fee revenue in the last quarter declined slightly from the previous quarter at $216,726 and $248,017 respectively; however, overall fines and fees in FY 2008/09 increased $248,558, or 45%, over FY 2007/08. This increase is partially due to a rise in the customer base which grew by 11% in 2009, but is more greatly attributed to changes in collection practices. The changes included a modification to Board policy which reduced the threshold at which a customer's account is blocked from $15 to $5 and the change in practice which implemented electronic payment options, both online and over the counter.

CUSTOMER AMOUNTS OWED

The rate of growth in customer amounts owed in June notably tapered off at $45,878 compared with May's increase of $78,407.

Of the increase, $12,772 is associated with customer amounts owed for fines and fees and $ 33,106 is due to an increase in unreturned books. Fines and fees have remained steady at 33% of total customer amounts owed (see Attachment B).

The number of customers owing the Library rose from 220,294 to 221,139 in June, a modest increase of 845 or 0.4% compared to total Library customers, which rose by 7,122, or 1.3%.

In June, the number of cardholders owing money to the Library was 39.41% of total cardholders, compared with May's 39.77%. By comparison, the March 2008 benchmark revealed 41.58% of cardholders owed money to the Library. Staff continues to take actions to improve collection of amounts owed to the Library, in addition to recommending a policy to write off bad debt on a regular basis.

ATTACHMENTS

Attachment A: Statement of Revenues and Expenditures – June 2009
Attachment B: Trend History of Customer Amounts Owed Report

SACRAMENTO PUBLIC LIBRARY
Statement of Revenues and Expenditures
For the Period Ending June 30, 2009

	Budget[1]	Actual[2]	$ Variance	% of Budget (Benchmark 100.00%)[3]
REVENUES				
Program revenues:				
Service fees				
Fines and penalties	414,300	799,264	(384,964)	192.92
Facility rental income	456,200	273,064	183,136	59.86
Operating grants and contributions:				
Library property tax	20,450,000	20,714,763	(264,763)	101.29
Sac. City contributions	9,004,600	9,004,831	(231)	100.00
Other agency contributions	166,000	184,868	(18,868)	111.37
Sac. City special tax	4,370,400	4,433,565	(63,165)	101.45
State appropriations	630,300	664,317	(34,017)	105.40
Federal and state grants	92,722	68,111	24,611	73.46
Investment income - permanent funds	0	6,186	(6,186)	0.00
Total program revenues	35,584,522	36,148,969	(564,447)	101.59%
General revenues:				
Gifts and donations	598,078	969,409	(371,331)	162.09
Investment income	560,000	418,496	141,504	74.73
Other income	232,477	118,235	114,242	50.86
Total general revenues	1,390,555	1,506,140	(115,585)	108.31%
Other source of funds[4]	1,763,984	0	1,763,984	0.00
Total revenues	38,739,061	37,655,109	(680,032)	97.20%
EXPENDITURES				
Salaries and benefits	24,771,112	23,058,176	1,712,935	93.08
Books and materials	3,228,526	3,198,539	29,987	99.07
Services and supplies	7,614,399	6,360,223	1,254,177	83.53
Capital and equipment	2,278,408	1,659,390	619,018	72.83
Other use of funds[5]	766,814			
Total expenditures	38,659,259	34,276,328	3,616,117	88.66%
Net Revenues (Expenditures)	79,802	3,378,781	(4,296,149)	4233.95%

1 Budget numbers reflect the mid-year adopted budget
2 Actual amounts are subject to change pending close of the 2009 fiscal year
3 Benchmark of 100.00% represents the expected percent of budget expired at June 30, 2009
4 Other source of funds are prior year fund balances reserved or restricted for the current period
5 Other use of funds are current revenues restricted for future use

Sacramento Public Library Authority
History of Customer Amounts Owed and Fines and Fees Received
As Of June 30, 2009

	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	June 2009
Customer Amounts Owed - Fines and Fees	1,704,171	1,718,244	1,739,745	1,712,289	1,721,010	1,732,674	1,740,134	1,761,127	1,773,899
Value of Unreturned Books	3,292,604	3,356,190	3,449,202	3,427,772	3,425,894	3,465,797	3,494,968	3,552,382	3,585,488
Total Customer Amounts Owed	**4,996,775**	**5,074,434**	**5,188,947**	**5,140,061**	**5,146,904**	**5,198,471**	**5,235,101**	**5,313,508**	**5,359,387**
Customer Amounts Owed - prior month end	$4,882,697	$4,996,775	$5,074,434	$5,188,947	$5,140,061	5,146,904	5,198,471	5,235,101	5,313,508
Fines and Fees Paid	(46,278)	(57,890)	(78,678)	(73,344)	(65,693)	(59,682)	(61,662)	(61,559)	(61,938)
Annual Records purged				(58,911)	-	-	-	-	
Increase in Fines and Fees	160,356	135,549	193,191	83,369	72,536	111,249	98,293	139,966	107,816
Customer Amounts Owed - month end	$4,996,775	$5,074,434	$5,188,947	$5,140,061	$5,146,904	5,198,471	5,235,101	5,313,508	5,359,387
Net Monthly Change	114,078	77,659	114,513	(48,886)	6,843	51,567	36,630	78,407	45,878