

**MADISON PUBLIC LIBRARY**  
**Supplementary Notes to the Preliminary December 2022 Financial Reports**  
**As of February 14, 2023**

Key Indicators

Budget Year Remaining	0%
Budget Year Lapsed	100%
Total Operating Revenue	95%
Total Operating Expense	95%
Total Wages & Benefits Expense	99%
Total Supplies Expense	71%
Total Services Expense	91%
Total Debt/Inter-Dept Charges	99%

Financial Snapshots

Year to Date:

									12/31/2022
								Year remaining	0%
								Year lapsed	100%
MADISON PUBLIC LIBRARY DECEMBER 31, 2022 YEAR TO DATE BUDGET REPORT AS OF FEBRUARY 14, 2023									
THIS PRELIMINARY REPORT CREATED PRIOR TO FINAL 2022 YEAR END ENTRIES.									
	2022 Revised Budget	2022 YTD Actuals	Encumbrances	% Budget Used	2022 Under/ (Over) Budget	2021 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
<b>Revenue Totals</b>	<b>23,122,386</b>	<b>21,973,489</b>	-	95%	<b>1,148,897</b>	<b>21,619,901</b>	<b>353,589</b>	2%	
<b>Expenses Totals:</b>	<b>(23,122,386)</b>	<b>(21,994,569)</b>	<b>(60,404)</b>	95%	<b>1,067,413</b>	<b>(21,142,418)</b>	<b>(852,151)</b>	4%	
<b>Wages &amp; Benefits Totals</b>	(14,116,494)	(13,949,654)	-	99%	166,839	(13,258,744)	690,911	5%	
<b>Supplies Totals</b>	(1,582,559)	(1,084,507)	(42,421)	71%	455,631	(952,308)	132,200	14%	
<b>Purchased Services Totals</b>	(4,457,355)	(4,021,569)	(17,983)	91%	417,802	(3,888,317)	133,252	3%	
<b>Debt and Inter-Dept Totals</b>	(2,965,979)	(2,938,838)	-	99%	27,141	(3,043,050)	(104,212)	-3%	
<b>Net Gain/(Loss)</b>	-	<b>(21,080)</b>	<b>(60,404)</b>		<b>2,216,310</b>	<b>477,483</b>			
<b>Fund Balance 1/1/2022</b>		<b>2,156,355</b>							
<b>Fund Balance 12/31/2022 - ESTIMATED</b>		<b>2,700,798</b>							

Month to Date:

MADISON PUBLIC LIBRARY DECEMBER 2022 MONTH TO DATE REPORT AS OF FEBRUARY 14, 2023.												
THIS PRELIMINARY REPORT CREATED PRIOR TO FINAL 2022 YEAR END ENTRIES.												
	January 2022 Month to Date	February 2022 Month to Date	March 2022 Month to Date	April 2022 Month to Date	May 2022 Month to Date	June 2022 Month to Date	July 2022 Month to Date	August 2022 Month to Date	September 2022 Month to Date	October 2022 Month to Date	November 2022 Month to Date	December 2022 Month to Date
<b>Revenue Totals</b>	<b>8,171,732</b>	<b>4,199,190</b>	<b>28,209</b>	<b>3,749,963</b>	<b>90,951</b>	<b>1,700,398</b>	<b>88,627</b>	<b>3,398,734</b>	<b>347,536</b>	<b>12,906</b>	<b>48,197</b>	<b>137,048</b>
<b>Expenses Totals:</b>	<b>(1,374,118)</b>	<b>(1,393,676)</b>	<b>(1,330,568)</b>	<b>(3,910,971)</b>	<b>(1,375,932)</b>	<b>(1,315,127)</b>	<b>(1,263,903)</b>	<b>(1,233,789)</b>	<b>(1,788,887)</b>	<b>(3,792,748)</b>	<b>(1,421,510)</b>	<b>(1,793,372)</b>
<b>Wages &amp; Benefits Totals</b>	(459,529)	(1,186,882)	(1,068,263)	(1,620,351)	(1,059,820)	(1,150,495)	(1,055,279)	(1,040,302)	(1,530,104)	(1,048,336)	(1,054,451)	(1,675,845)
<b>Supplies Totals</b>	(198,841)	(72,066)	(85,126)	(52,275)	(149,825)	(60,985)	(55,281)	(53,304)	(125,390)	(115,781)	(234,478)	118,811
<b>Purchased Services Totals</b>	(715,086)	(133,453)	(176,564)	(1,923,304)	(124,523)	(103,071)	(143,186)	(114,894)	(132,619)	(133,444)	(130,594)	(190,829)
<b>Debt and Inter-Dept Totals</b>	(663)	(1,276)	(615)	(315,041)	(41,763)	(576)	(10,158)	(25,289)	(774)	(2,495,187)	(1,988)	(45,509)
<b>Net Gain/(Loss)</b>	<b>6,797,613</b>	<b>2,805,514</b>	<b>(1,302,359)</b>	<b>(161,008)</b>	<b>(1,284,980)</b>	<b>385,271</b>	<b>(1,175,276)</b>	<b>2,164,945</b>	<b>(1,441,351)</b>	<b>(3,779,841)</b>	<b>(1,373,313)</b>	<b>(1,656,324)</b>

## Executive Summary

The financial reports represent the revenues, expenses and budget at the time of producing the report. This supplementary report provides analysis of MPL's financial statements. Variances between current and last year to date actuals are reported as either a timing variance where actual transactions occur on a non-linear timing basis, or a permanent variance where actual performance will not meet or exceed the estimated year-end budget target. The City of Madison processes year-end accrual entries, but does not process month-end accrual entries. This can skew the financial data reported in January, February and December. The wages and benefits are the most notably affected by this process. Percentage of budget used reflects actual expense and encumbrances; Madison Public Library encumbers many annual expenses at the beginning of the year.

Accounting for donations and grants utilizes the Project Ledger in Munis, the City's financial software. Munis places limitations on budget processing in Project Ledger, only allowing use of a singular General Ledger account for budget entries. Madison Public Library staff spend the donations and grants using many different General Ledger accounts. This process can overspend budget on one account and underspend budget on another account. While budget and spending is processed at the account level, overall the City requires spending to be within budget at the major account group level. The major account groups are listed as the sections on this report: Revenue; Wages and Benefits; Supplies; Purchased Services; and Debt/Inter-Departmental Charges.

Finance continues to post 2022 entries through March 29, 2023. Amounts reported can change through that date. Once the City's annual audit is completed there is the potential for additional auditor entries. Auditor entries are unusual and any processed would be for material corrections to financial statements. Library Board will receive the final 2022 financial reports at the May 2023 meeting.

## Changes to Previously Reported Amounts

MPL creates the MTD Financial Report when the City of Madison Finance Office is still posting to prior periods. Changes to prior period amounts are listed in bold font in the notes.

## Revenue

Revenue budget used: 95%

- Finance has not yet processed the 2022 revenue accrual entry. This entry will post payments received through February 24 back to 2022, if the payment relates to 2022 activity.
- Real Estate Taxes have all installments processed.
- Federal Revenues Operating 2021 total included the e-rate rebate. We recently learned there will be another E-rate rebate processed, accrued back to 2022, in the amount of \$15,668.
- Other Unit of Government Revenues Operating April amount includes the Dane County Contract revenue of \$1,277,496, with offsetting expense of \$1,803,076, netting to an expense of \$525,580.
  - Also included in this is the adjacent county revenue, received in 2023 that will be accrued back to 2022. The amount at the time of this report is \$17,529.
- Contributions and Donations will also have revenue accrued back to 2022. At the time of this report, there will be revenue of \$137,227 accrued back.

## Wages and Benefits

Wages and Benefits budget used: 99%

- Wages and Benefits has 26.1 pay periods out of 26.1 pay periods. Last YTD had 26.2 pay periods out of 26.2.
  - January is low due to the City's accrual process posting a portion of the first 2022 payroll back to 2021.
  - April had three pay periods.

- September had three pay periods.
- December had four pay periods, due to the year-end payroll processing.
- Hourly Overtime Wages have been incurred due to the staffing issues to keep branches open. In the past, people would come in to work with a cold or when they weren't feeling 100%; the pandemic has taught people to stay home when they are sick. While we do not have budget for hourly overtime we are tracking under budget overall in this major category.
- Compensated Absence Escrow represents retiree sick leave payouts. These expenses are incurred throughout the year; budget is established by the City. Library's year-end budget transfer reallocated budget to this account.
- Post Employment Health Plans expenses are processed in January only. There was an additional charge processed in December related to the 0.5% cost of living increase to wages earlier in the year, which was retroactive to the beginning of the year.

## Supplies

Supplies budget used: 71%

- Office Supplies **November expense increased by \$52 due to transactions posting after the November report was prepared.**
- Furniture **November expense increased by \$152 due to transactions posting after the November report was prepared.**
- Program Supplies **November expense increased \$1,140 due to transactions posting after the November report was prepared.** Budget includes approximately \$175,000 in funds intended to be spent over multiple years. The percent of budget used when adjusted for this is 87%.
- Work Supplies **November expense increased \$26 due to transactions posting after the November report was prepared.**
- Library Collections **November expense increased \$381 due to transactions posting after the November report was prepared.** Library Collection Materials details:
  - Combined Capital and Operating budget is \$1,584,353 with purchases to date of \$1,279,203, 81% of budget is used. There are additional encumbrances not reflected in Munis of \$42,451, bringing us to 83% of budget used.
  - Capital budget:
    - General Collections budget is \$976,405 with purchases to date of \$921,846, 94% of budget is used.
    - Pinney Collections budget is \$72,118 with purchases to date of \$40,772, 57% of budget is used.
    - Lakeview Too Good To Miss budget is \$50,921 with purchases to date of \$13,079, 26% of budget is used.
  - Operating budget is \$484,908; with purchases to date of \$303,507, 63% of budget used.
- Building Supplies is over budget due to an unexpected purchase of door parts for Central.
- Plumbing Supplies **November expense increase \$336 due to transactions posting after the November report was prepared.**
- Equipment Supplies is over budget due to phone purchases for City VOIP services.

## Purchased Services

Purchased Services budget used: 91%

- Telephone Expense **October and November expenses increased by \$862 due to transactions posting after the November report was prepared.**
- Building Improvement/Repair/Maint:
  - Monthly common area maintenance charges of \$20,272 for Hawthorne, Ashman, Meadowridge, Pinney, Sequoya and Goodman South.
  - Additional December expense is catching up the Lakeview monthly common area maintenance charges, \$33,000. This represents payments for March 2021 through December 2022.

- Recruitment **November expenses increased by \$56 due to transactions posting after the November report was prepared.** These expenses are for background check charges on newly hired staff.
- Conferences and Training December expenses include Joint Conference of Librarians of Color (JCLC) travel expenses, and International Book Fair travel expenses.
- Credit Card Services represent South Central Library Services (SCLS) online payment fees.
- Consulting Services December expense includes Bubbler website development (\$1,713) and The Care Plan staff support services funded by MPLF annual donation for professional development (\$12,500).
  - The additional available budget will be carried forward into 2023 and will be encumbered in January 2023. This is the IMLS grant for Developing Librarian's Toolkit.
- Advertising Services November expenses include Facebook ads for programs and general marketing ads.
- Security Services is slightly over budget due to some unexpected system upgrades. December expense is the installation of the upgraded burglar alarm system at Sequoya.
- Program Services expenses are mainly payments made to MPL partners for programming, **November expenses increased by \$70 due to transactions posting after the November report was prepared.** Some of the higher expenses in December are for Artist Residency programs at various locations. Budget includes approximately \$150,000 in funds intended to be spent over multiple years, budget used is 84% when this is factored into the calculation.
- Community Agency Contracts represents the Dane County Contract expense, with offsetting revenue of \$1,277,496, netting to an expense of \$525,580.
- Taxes and Special Assessments December expenses include a credit from Meadowridge's 2021 taxes.

#### Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 99%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services for fuel and vehicle maintenance, **October and November expense increased \$2,299 due to posting of the monthly charges after the November report was prepared.** December expense includes \$3,324 for interest and depreciation charges.
- Inter-Dept Charge from Traffic Engineering is an annual expense. There may be additional minor charges for repairs.
- Inter-Dept Charge from Insurance has three of four quarters posted.
- Inter-Dept Charge from Workers Comp only has the January through July expenses posted in July.
- Transfer out to Debt Service represents the principal and interest payments on Library's GO Borrowing. 2022 payments have been processed in full.