

MADISON PUBLIC LIBRARY
Supplementary Notes to the May 2022 Financial Reports
As of June 28, 2022

Key Indicators

Budget Year Remaining	58%
Budget Year Lapsed	42%
Total Operating Revenue	72%
Total Operating Expense	41%
Total Wages & Benefits Expense	39%
Total Supplies Expense	41%
Total Services Expense	79%
Total Debt/Inter-Dept Charges	12%

Financial Snapshots

Year to Date:

									5/31/2022
								Year remaining	58%
								Year lapsed	42%
MADISON PUBLIC LIBRARY MAY 31, 2022 YEAR TO DATE BUDGET REPORT AS OF JUNE 28, 2022									
	2022 Revised Budget	2022 YTD Actuals	Encumbrances	% Budget Used	2022 Under/ (Over) Budget	2021 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	22,639,706	16,239,131	-	72%	6,400,576	15,591,778	647,353	4%	
Expenses Totals:	(22,748,667)	(9,379,532)	(455,660)	41%	12,913,474	(8,818,028)	(561,504)	6%	
Wages & Benefits Totals	(13,978,071)	(5,392,741)	-	39%	8,585,330	(5,082,222)	310,519	6%	
Supplies Totals	(1,393,062)	(556,370)	(21,005)	41%	815,688	(350,101)	206,269	59%	
Purchased Services Totals	(4,414,495)	(3,072,349)	(434,656)	79%	907,491	(2,983,897)	88,452	3%	
Debt and Inter-Dept Totals	(2,963,039)	(358,072)	-	12%	2,604,966	(401,809)	(43,736)	-11%	
Net Gain/(Loss)	(108,960)	6,859,599	(455,660)		19,314,050	6,773,750			
Fund Balance 1/1/2022		2,156,355							
Fund Balance 12/31/2022 - ESTIMATED									

Month to Date:

MADISON PUBLIC LIBRARY PRELIMINARY 2021 MONTH TO DATE REPORT AS OF MAY 23, 2022.												
	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
Revenue Totals	8,170,819	4,199,190	28,209	3,749,963	90,951	-	-	-	-	-	-	-
Expenses Totals:	(1,373,574)	(1,393,676)	(1,330,064)	(3,909,822)	(1,372,396)	-	-	-	-	-	-	-
Wages & Benefits Totals	(458,984)	(1,186,882)	(1,067,759)	(1,619,824)	(1,059,293)	-	-	-	-	-	-	-
Supplies Totals	(198,841)	(72,066)	(85,126)	(52,275)	(148,063)	-	-	-	-	-	-	-
Purchased Services Totals	(715,086)	(133,453)	(176,564)	(1,923,304)	(123,940)	-	-	-	-	-	-	-
Debt and Inter-Dept Totals	(663)	(1,276)	(615)	(314,420)	(41,100)	-	-	-	-	-	-	-
Net Gain/(Loss)	6,797,245	2,805,514	(1,301,855)	(159,860)	(1,281,445)	-	-	-	-	-	-	-

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.

The 2021 carry forward funds budget entries have been posted.

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: 72%

- Real Estate Taxes have the first three installments processed. Installments are posted in January, February, April, June and August.
- 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.
- Library Lost and Damaged Fees **April total increased by \$36.**

Wages and Benefits

Wages and Benefits budget used: 39%

- Wages and Benefits has 9.5 pay periods out of 26 pay periods. Last YTD had 9.8 pay periods out of 26.1.
 - 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.
- 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.
- Compensated Absence Escrow represents retiree sick leave payouts. These expenses are incurred throughout the year; budget is established by the City. Library anticipates additional expenses through the year, if Wages and Benefits are over budget at year-end Library will use Fund Balance to make us whole.
- Post Employment Health Plans expenses are processed in January only.

Supplies

Supplies budget used: 41%

- Hardware Supplies are over budget due to gaming laptops purchased with MPLF funds budgeted in Program Supplies. MPL needs to process a budget transfer for these funds.
- Library Collections Materials:
 - Combined Capital and Operating budget is \$1,515,721 with purchases to date of \$576,020, 38% of budget is used. There are additional encumbrances not reflected in Munis of \$60,935, bringing us to 42% of budget used.
 - Capital budget:
 - General Collections budget is \$976,405 with purchases to date of \$320,627, 33% of budget is used.
 - Pinney Collections budget is \$72,118 with purchases to date of \$16,888, 23% of budget is used.
 - Lakeview Too Good To Miss budget is \$50,921 with purchases to date of \$4,439, 9% of budget is used.
 - Operating budget increased \$57,700 from the carry forward funds budget entry. Budget is \$416,276; with purchases to date of \$234,065, 56% of budget used.
- Plumbing Supplies are over budget due to replacing touch faucets with sensor faucets at multiple facilities.

Purchased Services

Purchased Services budget used: 79% (When factoring out the Dane County Contract, budget used is 39%)

- Natural Gas expense is higher due to MGE rate increases. January usage charges, paid in February, were extremely high. We may need to reallocate budget from another line item. We will watch this and potentially receive additional budget during the mid-year appropriation.
- Electricity expense January amount increased by \$86. Finance staff posted an expense in May back to January and it was reversed in May because it was for the old LSC.
- Telephone Expense **April total increased by \$273, due to a late posting of bills processed by City Finance.**
- Systems Communication Internet expense is at 97% budget. This is expected, as the main expense is an annual purchase made in January.
- Building Improvement/Repair/Maint:
 - Monthly common area maintenance charges of \$14,896 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney and Sequoya.
 - Additional May expenses include break room counter install at Ashman and 2021 common area maintenance charge reconciliations at Sequoya and Goodman South.
- Fire Protection is over budget due to equipment upgrades unknown at the time the 2022 budget request was created.
- Equipment Improvement/Repair/Maint encumbrance represents 2022 HVAC maintenance and printer/copier maintenance.
- Conferences and Training May expenses are for Joint Conference of Librarians of Color registration, airfare and hotel deposits; Library Juice Academy project management; and, Library Works community led planning.
- Membership expense for May is for American Library Association. Budget used at 88% is expected, the largest expenses post at the beginning of the year.
- Uniform Laundry May expense includes a charge for lost items; this charge of \$490 will be credited back in June.
- Credit Card Services May charge represents the SCLS online payment system charges for the first quarter of 2022.
- Other Services and Expenses May expense is for the continued collections diversity audit.
- Community Agency Contracts represents the Dane County Contract expense, with offsetting revenue of \$1,277,496, netting to an expense of \$525,580.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 12%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services for **March increased by \$320**, and April has not been posted as of the time this report was created.
- Inter-Dept Charge from Traffic Engineering is an annual expense. There may be additional minor charges for repairs.
- Inter-Dept Charge from Insurance is the January through May expenses.
- Inter-Dept Charge from Workers Comp has not been posted by City Finance yet.
- Transfer out to Debt Service is the April interest payment on Library's General Obligation (GO) borrowing. The principal and interest payment will be processed in October.