

MADISON PUBLIC LIBRARY
Supplementary Notes to the 2027 Operating Budget Request
As of June 27, 2026

Executive Summary

The 2027 budget request reports represent the revenues and expenses budget as directed by the City of Madison. This supplementary report provides analysis of Madison Public Library's 2027 operating budget request. MPL's creation of the operating budget request is to ensure MPL is in balance overall with the target balance, and within each sub fund and service.

MPL has two sub funds: 1) levy and earned revenue (sub fund 00000); and, 2) private funds (sub fund 12002). Levy and earned revenue funds represent the revenues from real estate taxes and services MPL provides to the community and other library systems. The separation of the fund types is to ensure MPL does not go over budget for levy and earned revenue funds. Levy and earned revenue funds do not carry forward, revenue that exceeds expenses lapses to fund balance. Private funds unspent at the end of the year are carried forward to the next year to be spent as directed by donors and grant administrators.

Continuing in 2027

- Budget request has a baked in budget efficiency for every agency, MPL's amount is \$187,447, or .75%. The Mayor directed Central Budget staff to build this into each agency's cost to continue budget. It is up to agency discretion how to distribute these budget efficiencies among the expense budget. Agencies are allowed to leave the budget efficiency reductions in the salaries section and determine throughout the year how to disburse these reductions to expense account budget.
- Central Budget staff have analyzed historical salary savings and have adjusted the savings for each agency based on the data. MPL's salary savings for 2027 is 3% of total permanent salary budget.

New in 2027

- The Mayor has directed all agencies, including enterprise agencies, to submit a 2% reduction plan.
- Supplemental requests are not allowed.
- New positions are not allowed.
- Service proposals have been simplified, with one form per agency instead of one form per service within the agency. This is why the 2027 operating budget request report is a singular report by agency instead of a report for each service.

2027 Operating Budget Request

Each Library service contains the two sub funds, which must have balanced budgets. During the request phase of budget planning the Real Estate Taxes Revenue budget remains blank, these amounts are determined by the amount of expenses exceeding revenue for levy and earned revenue funds in each service. Overall Library must meet the target amount of \$24,802,818; this can be distributed among the seven services in whatever manner MPL determines is needed for operations.

The grand total represents the target balance given to MPL by the Mayor and Central Budget staff. This report lists the levy and earned revenue amounts separate from the private funds amounts, with a grand total request column. The grand total row balances exactly to the budget target amount given to MPL; this is the total Real Estate Taxes Revenue that will be transferred to MPL in 2027. MPL staff have analyzed request amounts based upon historical data, known revenue and expense amounts, and Central Budget staff have built in wage increases for longevity, step increases and Cost of Living Adjustment (COLA) increases.

The notes detail what assumptions were made when determining the 2026 amounts to request for each line item. There are many “(blank)” lines with amounts at \$0. Library has many accounts that do not have annual activity but may have activity every other year or further apart. There are multiple lines of notes within many of the object codes due to either having multiple different assumptions or having funds in multiple services.

Central Budget staff do a payroll snapshot early in the year for next year’s budget. Due to the timing of this snapshot, there can be many payroll changes between the time of the snapshot and the time of the budget request. Changes to payroll or benefits after the snapshot are recorded in Pending Personnel. The snapshot does not include hourly staff, so hourly position COLA and benefits increases are recorded here. Another example of what is in Pending Personnel is if a position is created after the snapshot, the payroll and benefits are recorded in this account. After budget is adopted MPL then moves the amounts in Pending Personnel to the accounts where they belong. This practice isolates any payroll changes for Central Budget staff to review.