

MADISON PUBLIC LIBRARY
Supplementary Notes to the July 2023 Financial Reports
As of August 28, 2023

Key Indicators

Budget Year Remaining	42%
Budget Year Lapsed	58%
Total Operating Revenue	80%
Total Operating Expense	52%
Total Wages & Benefits Expense	52%
Total Supplies Expense	66%
Total Services Expense	88%
Total Debt/Inter-Dept Charges	7%

Financial Snapshots

Year to Date:

									7/31/2023
								Year remaining	42%
								Year lapsed	58%
MADISON PUBLIC LIBRARY JULY 31, 2023 YEAR TO DATE BUDGET REPORT AS OF AUGUST 28, 2023									
	2023 Revised Budget	2023 YTD Actuals	Encumbrances	% Budget Used	2023 Under/ (Over) Budget	2022 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	23,117,550	18,498,743	-	80%	4,618,808	18,029,068	469,675	3%	
Expenses Totals:	(23,174,750)	(12,154,222)	(437,833)	52%	10,582,695	(11,964,295)	(189,927)	2%	
Wages & Benefits Totals	(14,567,032)	(7,559,750)	-	52%	7,007,282	(7,600,617)	(40,867)	-1%	
Supplies Totals	(1,210,918)	(800,756)	180	66%	410,342	(674,398)	126,357	19%	
Purchased Services Totals	(4,593,850)	(3,590,247)	(438,013)	88%	565,590	(3,319,188)	271,059	8%	
Debt and Inter-Dept Totals	(2,802,950)	(203,469)	-	7%	2,599,481	(370,092)	(166,623)	-45%	
Net Gain/(Loss)	(57,200)	6,344,521	(437,833)		15,201,503	6,064,773			
Fund Balance 1/1/2023		2,882,844							
Fund Balance 12/31/2023 - ESTIMATED									

Month to Date:

MADISON PUBLIC LIBRARY JULY 2023 MONTH TO DATE REPORT AS OF AUGUST 28, 2023													
	January 2023 Month to Date	February 2023 Month to Date	March 2023 Month to Date	April 2023 Month to Date	May 2023 Month to Date	June 2023 Month to Date	July 2023 Month to Date	August 2023 Month to Date	September 2023 Month to Date	October 2023 Month to Date	November 2023 Month to Date	December 2023 Month to Date	
Revenue Totals	8,396,148	4,062,556	33,181	2,348,124	1,644,829	1,847,565	166,339	-	-	-	-	-	
Expenses Totals:	(1,408,595)	(1,473,124)	(1,865,844)	(1,559,700)	(3,179,060)	(1,311,477)	(1,356,422)	-	-	-	-	-	
Wages & Benefits Totals	(478,279)	(1,211,530)	(1,540,572)	(1,066,624)	(1,079,303)	(1,086,893)	(1,096,549)	-	-	-	-	-	
Supplies Totals	(200,585)	(108,233)	(161,063)	(101,647)	(95,183)	(62,514)	(71,529)	-	-	-	-	-	
Purchased Services Totals	(729,259)	(152,644)	(159,986)	(194,309)	(2,004,224)	(161,775)	(188,050)	-	-	-	-	-	
Debt and Inter-Dept Totals	(472)	(716)	(4,222)	(197,120)	(350)	(295)	(295)	-	-	-	-	-	
Net Gain/(Loss)	6,987,553	2,589,432	(1,832,663)	788,425	(1,534,231)	536,088	(1,190,083)	-	-	-	-	-	

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.

The mid-year budget appropriation entry approved at the June 2023 meeting is posted effective July 2023, and are reflected in the July 2023 Financial Reports.

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 the City processes budget and spending 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.

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: 80%

- Real Estate Taxes Finance has posted the first and second installments. Real Estate Taxes is the main revenue for Library and installments post in January, February, April, June and August the percent of revenue budget used grows quickly as the installments post.
- Library Lost and Damaged Fees July amount is negative because MPL processed more refunds than fees taken in. **June amount increased \$22 due to late posting of cash receipts.**
- Transfer in From Grants represents Library's share of FEMA COVID expense reimbursements to local governments.

Wages and Benefits

Wages and Benefits budget used: 52%

- Wages and Benefits has 13.5 pay periods out of 26.0 pay periods. Last YTD had 13.6 pay periods out of 26.1.
 - January is low due to the City's accrual process posting a portion of the first 2023 payroll back to 2022.
 - February returns to normal number of payrolls processed in a month.
 - March had three payrolls processed.
- Compensated Absence Escrow represents retiree sick leave payouts. These expenses are incurred throughout the year; budget is established by the City.
- Health Insurance Benefit budget used percentage is higher than year lapsed percentage, these premiums are paid in advance. July has eight months of premiums processed.
- Post Employment Health Plans expenses are processed in January.

Supplies

Supplies budget used: 66%

- Hardware Supplies **April amount increased \$480 due to late posting of transactions.**
- Program Supplies July purchases include art club supplies at GSMB; bubbler in the neighborhood supplies for neighborhood branches; We Read and Dream Bus summer programming supplies, summer school programming in collaboration with Madison Reading project and various other programs. **April amount increased \$2,320 and May amount increased \$353 due to late posting of transactions.**
- Work Supplies **April amount increased \$1,403 due to late posting of transactions.**
- Food and Beverage July expense is for Pride Prom, held at Central June 24.
- Library Collections Materials **April amount increased \$17 due to late posting of transactions,** details of all purchases YTD:
 - Combined Capital and Operating budget is \$1,308,721 with purchases to date of \$874,307, 67% of budget is used. There are additional encumbrances not reflected in Munis of \$76,850, bringing us to 73% of budget used.
 - Capital budget:
 - General Collections budget is \$794,560 with purchases to date of \$468,011, 59% of budget is used.
 - Pinney Collections budget is \$31,346 with purchases to date of \$31,346, 100% of budget is used.
 - Lakeview Too Good To Miss budget is \$41,527 with purchases to date of \$17,567, 42% of budget is used.
 - Operating budget is \$441,298 with purchases to date of \$357,383, 81% of budget used.
 - Levy budget is \$221,086 with purchases to date of \$196,990, 89% of budget used.
 - Donations budget is \$220,203 with purchases to date of \$160,393, 73% of budget used.
- Building Supplies **April amount increased \$212 due to late posting of transactions.**

Purchased Services

Purchased Services budget used: 85%. When factoring out the Dane County Contract, budget used is 81%.

- Systems Communication Internet expense is at 96% budget. This is expected, as the main expense is an annual purchase made in January.
- Building Improvement/Repair/Maint July expenses include Pinney window washing of \$2,000, Central lift hose repair of \$511.60.
 - Monthly common area maintenance charges of \$22,499 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney, Sequoya and Goodman South.
 - Ashman property has a new management company and the 2023 common area maintenance charges increased dramatically.
 - The City's Office of Real Estate person assigned to this property is currently working with the management company to verify all charges are applicable to common area maintenance.
- Pest Control **May amount increased \$220 due to late posting of transactions.**
- Facility Rental is currently under budget. We do not have the new lease for Lakeview completed, commencing 10/1/2023. Once that is complete Library will encumber the remaining expense for 2023.
- Equipment Improvement Repair Maint June expenses include Central floor cleaner repair of \$634 and Sequoya HVAC repair of \$1,698 not covered in the annual HVAC contract.
- Conferences and Training:
 - January expenses include UW Reference Desk Ready courses, JCLC conference registrations and travel expense deposits.
 - February expenses include JCLC travel expenses for final flight and hotel charges and Drupalcon registration fees.

- March expenses include US Book show, Digipalooza travel, Drupalcon travel and registration.
- April expenses include ALA annual conference registrations and trauma informed care for MPL staff.
- May expenses include Shaping Our Offering training for library programming, Publishers Weekly Book Show registration and ALA annual conference registration.
- June expenses include ALA annual conference travel expenses.
- July expenses include ALA annual conference hotel and travel expenses, staff head shots (originally planned for last year's staff day, but there were so many requests some had to be delayed until now), Censorship and Banned Books: How to Defend Intellectual Freedom training.
- Memberships July expense is MPL's share of the City's Amazon Prime business account.
- Consulting Services is over budget because that 2022 carry forward funds budget entry was not posted at the time of the data pull for this report. This encumbrance represents the contract for Developing Librarian's Observation Toolkit, funded by a grant. **May amount increased by \$17,500 due to late posting of transactions.**
- Advertising Services July expenses include the 2023-2024 Downtown Map and Guide; We Read, Youth Voices Contest, Teejop and Neighborhood Bubbler Artist in Residence programs.
- Transportation Services represents the expenses of our partnership with Madison Reading Project for the Home Delivery program.
- Program Services June expenses include Bubbler in the Neighborhood programming, Wild Rumps programs, cooking programs at LAK; Community English programs at MEA; Toddlers in motion and art programs at PIN; Yoga programs at GSMB; Jazz and StemFORCE programs at SEQ; Our Town Everywhere programs at various locations; Making Justice programs and various programming throughout the branches.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 7%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services Finance has processed the **April amount of \$1,071, which includes \$832 for repairs to the Ford Transit van and the Kubota utility vehicle.**
- Inter-Dept Charge from Traffic Engineering is for radio system maintenance. This is an annual charge, and there may be some smaller charges for repairs not covered by the maintenance plan.
- Transfer out to Debt Service expense for principal and interest payments will post in October.