

MADISON PUBLIC LIBRARY  
 Supplementary Notes to the May 2026 Financial Reports  
 As of June 23, 2026

Financial Snapshots

<u>Key Indicators</u>			
Budget Year Remaining	58%		
Budget Year Lapsed	42%		
<u>Percent of Budget Used</u>	<u>Grand Total</u>	<u>Levy/Earned Revenue</u>	<u>Private Funds</u>
Total Operating Revenue	60%	60%	68%
Total Operating Expense	46%	46%	64%
Total Wages & Benefits Expense	38%	38%	5%
Total Supplies Expense	66%	59%	80%
Total Services Expense	88%	90%	39%
Total Debt/Inter-Dept Charges	6%	6%	0%

Year to Date:

									5/31/2026
									Year remaining
									Year lapsed
<b>MADISON PUBLIC LIBRARY MAY 31, 2026 YEAR TO DATE BUDGET REPORT AS OF JUNE 23, 2026</b>									
	2026 Revised Budget	2026 YTD Actuals	Encumbrances	% Budget Used	2026 Under/ (Over) Budget	2025 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	25,960,730	15,529,619	-	60%	10,431,111	17,981,947	(2,452,328)	-14%	
Expenses Totals:	(25,990,180)	(11,438,175)	(577,155)	46%	14,150,200	(10,600,398)	(837,777)	8%	
Wages & Benefits Totals	(17,242,644)	(6,490,644)	-	38%	10,927,348	(6,006,594)	479,049	8%	
Supplies Totals	(1,254,507)	(796,995)	(25,659)	66%	431,853	(837,792)	(40,797)	-5%	
Purchased Services Totals	(5,197,418)	(4,015,911)	(551,496)	88%	630,011	(3,599,391)	416,521	12%	
Debt and Inter-Dept Totals	(2,295,612)	(134,624)	-	6%	2,160,988	(156,622)	(21,997)	-14%	
Net Gain/(Loss)	(29,450)	4,091,444	(577,155)		24,581,312	7,381,549			
	<u>Levy/Earned Rev</u>	<u>Private Funds</u>							
Fund Balance 1/1/2026	2,020,240	287,284							
Fund Balance 12/31/2026 - ESTIMATED									

Month to Date:

<b>MADISON PUBLIC LIBRARY MAY 2026 MONTH TO DATE REPORT AS OF JUNE 23, 2026.</b>												
	January 2026 Month to Date	February 2026 Month to Date	March 2026 Month to Date	April 2026 Month to Date	May 2026 Month to Date	June 2026 Month to Date	July 2026 Month to Date	August 2026 Month to Date	September 2026 Month to Date	October 2026 Month to Date	November 2026 Month to Date	December 2026 Month to Date
Revenue Totals	9,634,840	4,079,864	1,388,911	355,186	70,818	-	-	-	-	-	-	-
Expenses Totals:	(1,972,562)	(1,989,599)	(4,273,015)	(1,693,508)	(1,509,491)	-	-	-	-	-	-	-
Wages & Benefits Totals	(951,328)	(1,599,526)	(1,316,764)	(1,321,328)	(1,301,699)	-	-	-	-	-	-	-
Supplies Totals	(245,860)	(248,679)	(168,371)	(70,349)	(63,735)	-	-	-	-	-	-	-
Purchased Services Totals	(775,050)	(141,070)	(2,787,556)	(168,179)	(144,057)	-	-	-	-	-	-	-
Debt and Inter-Dept Totals	(324)	(324)	(324)	(133,652)	-	-	-	-	-	-	-	-
Net Gain/(Loss)	7,662,278	2,090,265	(2,884,104)	(1,338,322)	(1,438,673)	-	-	-	-	-	-	-

## 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 most notably affected by this process. The percentage of budget used incorporates both actual expenses and encumbrances in the calculation. Encumbrances are known expenditures that MPL reserves for future obligations, mainly through creation of Purchase Orders.

Continuing in 2026, City Finance imposed budget efficiencies on all agencies. The way this was done is to effectively reduce every agency's budget by 0.75%. This was done because most agencies have typically been under budget by at least 0.75% in previous years. Doing so in this manner allows agencies to realize expenditure reductions throughout the year without requiring budget reduction scenarios in their budget requests. The budget efficiencies were placed in the Wages major account group because it is expected that most agencies would meet the efficiencies through position vacancies.

The sign on the amounts in the reports has been reversed from accounting signs. Accounting revenues are reported as negatives, or credits; and accounting expenses are reported as positives, or debits. This report reflects the revenues as a positive number and the expenses as a negative number. Most Board members who depend on these reports think of revenues as a positive entry in a checkbook register, and expenses as a negative entry in a checkbook register; therefore, these reports have amounts listed in a checkbook register fashion.

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. There are two times per year the City will realign budget to reflect actual spending: during the mid-year projections and year-end appropriations. The goal of this is to align budget with actual spending for future budgets.

Budget Transfers report details the budget amendments processed by Library's accountant. Budget amendments should be reviewed and approved by Madison Public Library Board per WI State Statute 43 section 58. MPL assumes a conservative amount of donations building the budget request, this assumed budget is only added to the general ledger because we don't know what projects will be applied to the funds during the request process. As MPL receives the funds budget is added to the project ledger, net neutral to general ledger, until the assumed donation total has been reached. Once the assumed donation budget has been reached, future budget entries add to both general ledger and project ledger. In 2025 MPL reached the assumed donation budget in March.

The City has added their investment portfolios and investment policy to the Finance website. You can find these reports at <https://www.cityofmadison.com/finance/treasury/investment-portfolios>.

## 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: 60%

- Real Estate Taxes payments are the main revenue for Library and installments post in January, February, April, June and August.

## Wages and Benefits

Wages and Benefits budget used: 38%

- Wages and Benefits have 9.2 pay periods out of 26.9 pay periods. Last YTD had 9.3 pay periods out of 26.1.
  - January is low due to the City's accrual process posting the first and a portion of the second 2026 payroll back to 2025.
- Salary Savings represents the amount of savings due to vacancies throughout the year.
- Premium Pay represents night premium, Sunday premium, bi-lingual pay and on call payroll expenses.
- Budget Efficiencies: when reviewing the wages and benefits keep in mind that is where Budget staff built in the 0.75% reduction in budget for all agencies for 2026.
- Post Employment Health Plans expenses are processed in January.

## Supplies

Supplies budget used: Actuals: 63%; Actuals plus Encumbrances: 66%. Actuals without Library Materials is 43%.

- Furniture May expenses include patio furniture umbrellas, stands and hardware for Lakeview funded by the Friends of Lakeview Library, breakroom privacy screens and chair repair parts.
- Hardware Supplies April expenses increased \$1,438 due to a transaction posting after the report was created. May expenses include printer replacements for Technical Services staff and staff computer replacements.
- Postage May expenses are high because they include both April (\$2,369) and May (\$3,173).
- Program Supplies April expenses include Making Justice: Parents as First Teachers; We Read; summer bubbler artist in residence supplies; share your voice program; Coffee & Connections, print and resist at Central; book club, baby play date and storytimes at Hawthorne; art supplies at Ashman; teen tok program at Meadowridge; storytimes and science club supplies at Pinney; game night, prize basked supplies at Sequoya; south side history program at Goodman South.
- Library Collections Materials:
  - Combined Capital and Operating budget totals \$2,352,067 with purchases to date of \$1,095,805, 47% of budget is used. There are additional encumbrances not reflected in Munis of \$256,096, bringing us to 57% of the budget used.
  - Capital budget:
    - General Collections budget is \$1,152,211 with purchases to date of \$288,810, 25% of budget is used.
    - Imagination Center at Reindahl Park budget is \$682,389 with purchases to date of \$330,537, 48% of budget is used.
  - Operating budget is \$517,467 with purchases to date of \$476,458, 92% of budget used.
    - Levy budget is \$325,067 with purchases to date of \$267,344, 82% of budget used.
    - Donations (MPLF and Friends) budget is \$192,400 with purchases to date of \$209,114, 109% of budget used.
- Uniform Clothing Supplies May expense is for new We Read staff t-shirts purchased with funds from Madison Public Library Foundation.
- Food and Beverage Supplies May expense is for Library's All Staff Day, purchased with funds from Madison Public Library Foundation.

- Building Supplies May expense includes a large purchase for bathroom occupied/vacant indicators for Central.
- HVAC Supplies May expense is for Central's cooler tower new pump. This was an unanticipated expense causing this line item to be overbudget.

### Purchased Services

Purchased Services budget used: Actuals: 77%; Actuals plus Encumbrances: 88%.

- When factoring out SCLS and Dane County contract payments budget used: Actuals 50%, Actuals plus Encumbrances: 73%.
- Natural Gas budget is 63% used when we are only 42% into the year. This is expected as the winter months are high usage. Early 2026 included extreme cold temperatures, MPL expenses are slightly higher than early 2025.
- Systems Communication Internet budget is almost fully used. MPL make the annual payment to SCLS for ILS and Tech fees in January.
- Building Improvement/Repair/Maint May expenses include:
  - Monthly common area maintenance (CAM) charges \$21,976 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney, Sequoya and Goodman South.
  - Central loading urinals and sewer flush, cooling tower pipe repair.
  - Pinney front door load wheel replacement.
- Fire Protection is over budget due to some unanticipated expenses for troubleshooting at Ashman, panel batteries at Sequoya and work to temporarily bypass the chiller room at Central while the chiller was being replaced.
- Facility Rental May expense increased, Lakeview's lease terms has the annual rent increase in May instead of January.
- Office Equipment Repair is over budget. The encumbrance amount is an estimated amount based on a full year of 2025 expenses, budget was based on 2024 expenses. The first quarter 2026 bill was paid in March, if an annual amount is projected based on Q1 the annual total will be \$13,400, under budget.
- Equipment Improv Repair Maint May expenses include HVAC, chiller and gas detector repairs at Central; HVAC preventative maintenance at all neighborhood library branches.
- Conferences and Training April expenses decreased \$300 due to a reclassification from Consulting Services. May expenses include PLA annual conference lodging and transportation, ALSC registration and airfare, and Spanish for Libraries class.
- Membership May expense is MPL's Costco membership.
- Consulting Services April expenses increased \$300 due to a reclassification from Conferences and Training. May expenses include reflective support sessions.
- Advertising Services April expenses increased \$1,050 due to a transaction posting after the report was created. May expenses include an ad campaign for library card sign-up and library value calculator, management team head shots, share your voices campaign, we read ads and Magic Pride Fest table fee.
- Transportation Services is MPL's youth delivery program.
- Program Services May expenses include Making Justice; Parents as First Teachers; bubbler artist in residence programs system-wide; cinesthesia and art programs at Central; cooking club at Hawthorne; cooking, poetry, afterschool art programs at Lakeview; art club and nature everywhere at Monroe Street; bilingual storytimes, art programs, chapters writing group and pen pals at Pinney; Chinese storytimes, D&D, Jazz at Sequoya; community English classes, nature everywhere, art club at Goodman South Madison.

## Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 6%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance. January through March charges posted in April.
- Inter-Dept Charge from Fleet Services does not have any monthly entries posted yet.
- Inter-Dept Charge from Traffic Engineering is for radio system maintenance, typically charged in May or June. This is an annual charge, and there may be some smaller charges for repairs not covered by the maintenance plan.
- Inter-Dept Charge from Insurance and Workers Comp is for Library's share of the City's expenses.
- Transfer out to Debt Service is for Library's General Obligation Bond issuance repayments. April payment is interest only. October's payment will be principal and interest and use the remaining available budget.