

**MADISON PUBLIC LIBRARY**  
**Supplementary Notes to the Final December 2022 Financial Reports**  
**As of May 23, 2023**

Key Indicators

Budget Year Remaining	0%
Budget Year Lapsed	100%
Total Operating Revenue	96%
Total Operating Expense	95%
Total Wages & Benefits Expense	99%
Total Supplies Expense	71%
Total Services Expense	90%
Total Debt/Inter-Dept Charges	99%

Financial Snapshots

Year to Date:

								12/31/2022
								Year remaining 0%
								Year lapsed 100%
<b>MADISON PUBLIC LIBRARY DECEMBER 31, 2022 YEAR TO DATE BUDGET REPORT AS OF MAY 23, 2023</b>								
	2022 Revised Budget	2022 YTD Actuals	Encumbrances	% Budget Used	2022 Under/ (Over) Budget	2021 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %
Revenue Totals	23,122,386	22,174,438	-	96%	947,948	21,619,901	554,538	3%
Expenses Totals:	(23,122,386)	(22,011,321)	(1,954)	95%	1,109,111	(21,142,418)	(868,904)	4%
Wages & Benefits Totals	(14,116,494)	(13,949,654)	-	99%	166,839	(13,258,744)	690,911	5%
Supplies Totals	(1,532,559)	(1,084,507)	(1,954)	71%	446,098	(952,308)	132,200	14%
Purchased Services Totals	(4,507,355)	(4,038,672)	0	90%	468,683	(3,888,317)	150,355	4%
Debt and Inter-Dept Totals	(2,965,979)	(2,938,488)	-	99%	27,491	(3,043,050)	(104,562)	-3%
Net Gain/(Loss)	-	163,117	(1,954)		2,057,058	477,483		
Fund Balance 1/1/2022		2,156,355						
Fund Balance 12/31/2022 - FINAL		2,882,844						

Month to Date:

<b>MADISON PUBLIC LIBRARY DECEMBER 2022 MONTH TO DATE REPORT AS OF FEBRUARY 14, 2023.</b>												
<b>THIS PRELIMINARY REPORT CREATED PRIOR TO FINAL 2022 YEAR END ENTRIES.</b>												
	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	8,171,732	4,199,190	28,209	3,749,963	90,951	1,700,398	88,627	3,398,734	347,536	12,906	48,197	337,997
Expenses Totals:	(1,374,118)	(1,393,676)	(1,330,568)	(3,910,971)	(1,375,932)	(1,315,127)	(1,263,903)	(1,233,789)	(1,788,887)	(3,792,748)	(1,421,510)	(1,810,124)
Wages & Benefits Totals	(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)
Supplies Totals	(198,841)	(72,066)	(85,126)	(52,275)	(149,825)	(60,985)	(55,281)	(53,304)	(125,390)	(115,781)	(234,478)	118,811
Purchased Services Totals	(715,086)	(133,453)	(176,564)	(1,923,304)	(124,523)	(103,071)	(143,186)	(114,894)	(132,619)	(133,444)	(130,594)	(207,932)
Debt and Inter-Dept Totals	(663)	(1,276)	(615)	(315,041)	(41,763)	(576)	(10,158)	(25,289)	(774)	(2,495,187)	(1,988)	(45,159)
Net Gain/(Loss)	6,797,613	2,805,514	(1,302,359)	(161,008)	(1,284,980)	385,271	(1,175,276)	2,164,945	(1,441,351)	(3,779,841)	(1,373,313)	(1,472,128)

## 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 City of Madison has completed the 2022 audit and year-end process. The notes in this report highlight the changes from the 2022 preliminary financial reports and the final financial reports presented today.

## Revenue

Revenue budget used: 96%

- Real Estate Taxes all installment transfers are complete.
- Federal Revenues Operating increased \$15,666 for 2022 E-rate rebate received in 2023.
- 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. December increased \$36,749 for adjacent county library payments.
- Reproduction Services increased by \$6,249 for 2022 revenue received in 2023.
- Library Lost and Damaged Fees increased by \$6,439 for 2022 revenue received in 2023.
- Contributions and Donations increased \$135,806 for 2022 revenue received in 2023.
- Miscellaneous Revenue increased \$3 for 2022 revenue received in 2023.

## Wages and Benefits

Wages and Benefits budget used: 99%

- Wages and Benefits expenses remain the same as the preliminary report presented at the February 2023 meeting.
- 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%

- Supplies expenses remain the same as the preliminary report presented at the February 2023 meeting.
- Program Supplies 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%.
- Library Collections 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.
- Equipment Supplies is over budget due to phone purchases for City VOIP services.

## Purchased Services

Purchased Services budget used: 91%

- 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.
  - **December decreased \$20,859 representing adjustments for 2022 common area maintenance reconciliations:**
    - **Pinney 2022 CAM resulted in a repayment to MPL of \$24,710.**
    - **Goodman South Madison 2022 CAM resulted in an additional payment of \$3,646.**
- Equipment Repair and Maintenance **increased \$956 for 2022 repairs paid in 2023.**
- Conferences and Training December expenses include Joint Conference of Librarians of Color (JCLC) travel expenses, and International Book Fair travel expenses. **December decreased by \$259 for a JCLC cancelation registration refund.**
- 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. 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. **December expense increased by \$36,788 due to Lakeview landlord presenting bills for the 2020 and 2021 taxes not previously billed, and the 2022 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. 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.
- Transfer out to Debt Service represents the principal and interest payments on Library's GO Borrowing. 2022 payments have been processed in full. **December expense decreased by \$350 for a posting error discovered during year-end reconciliations, related to the October principal and interest payment.**