

MADISON PUBLIC LIBRARY
Supplementary Notes to the May 2023 Financial Reports
As of June 26, 2023

Key Indicators

Budget Year Remaining	58%
Budget Year Lapsed	42%
Total Operating Revenue	71%
Total Operating Expense	41%
Total Wages & Benefits Expense	37%
Total Supplies Expense	50%
Total Services Expense	85%
Total Debt/Inter-Dept Charges	7%

Financial Snapshots

Year to Date:

								5/31/2023
								Year remaining 58%
								Year lapsed 42%
MADISON PUBLIC LIBRARY MAY 31, 2023 YEAR TO DATE BUDGET REPORT AS OF JUNE 26, 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	23,108,447	16,480,312	-	71%	6,628,135	16,240,043	240,269	1%
Expenses Totals:	(23,165,646)	(9,462,621)	(584,559)	41%	13,118,466	(9,385,265)	(77,356)	1%
Wages & Benefits Totals	(14,567,032)	(5,376,309)	-	37%	9,190,723	(5,394,843)	(18,534)	0%
Supplies Totals	(1,321,498)	(662,088)	(1,594)	50%	657,817	(558,133)	103,955	19%
Purchased Services Totals	(4,474,166)	(3,222,702)	(582,965)	85%	668,498	(3,072,932)	149,771	5%
Debt and Inter-Dept Totals	(2,802,950)	(201,522)	-	7%	2,601,428	(359,358)	(157,835)	-44%
Net Gain/(Loss)	(57,200)	7,017,691	(584,559)		19,746,601	6,854,778		
Fund Balance 1/1/2023		2,882,844						
Fund Balance 12/31/2023 - ESTIMATED								

Month to Date:

MADISON PUBLIC LIBRARY MAY 2023 MONTH TO DATE REPORT AS OF JUNE 26, 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	1,640,302	-	-	-	-	-	-	-
Expenses Totals:	(1,408,595)	(1,473,124)	(1,865,719)	(1,554,196)	(3,160,987)	-	-	-	-	-	-	-
Wages & Benefits Totals	(478,279)	(1,211,530)	(1,540,572)	(1,066,624)	(1,079,303)	-	-	-	-	-	-	-
Supplies Totals	(200,585)	(108,233)	(161,224)	(97,214)	(94,830)	-	-	-	-	-	-	-
Purchased Services Totals	(729,259)	(152,644)	(159,986)	(194,309)	(1,986,504)	-	-	-	-	-	-	-
Debt and Inter-Dept Totals	(472)	(716)	(3,936)	(196,049)	(350)	-	-	-	-	-	-	-
Net Gain/(Loss)	6,987,553	2,589,432	(1,832,538)	793,928	(1,520,685)	-	-	-	-	-	-	-

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 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: 71%

- 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. **April amount increased \$2,341,962.**
- Other Unit of Government Revenues Operating April amount represents the Dane County Contract payment received. The remaining available budget represents expected 2023 adjacent county payments.
- Reproduction Services **March amount increased \$50, a March cash receipts journal was posted 6/8/23.**
- Catering Concessions is well over budget; MPL received the 2022 Q4 payment well after the deadline for accruing 2022 revenue back.
- Reimbursement of April amount is negative due to billing errors found for the MSCR shared space at Meadowridge branch. MPL inadvertently billed MSCR for the full amount of labor of MPL Facilities staff, when they should have been billed 40% of the total labor.

Wages and Benefits

Wages and Benefits budget used: 37%

- Wages and Benefits has 9.5 pay periods out of 26.0 pay periods. Last YTD had 9.6 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.
- Post Employment Health Plans expenses are processed in January.

Supplies

Supplies budget used: 50%

- Copy Printing Supplies includes bulk purchases of copy paper totaling \$4,800.
- Furniture is over budget, MPL has not yet requested the Lakeview Rosen-Weston funds for 2023, some of which will increase furniture budget. May expenses include Hawthorne computer privacy screens and Lakeview chair reupholstering.
- Hardware Supplies May purchases include additional wireless access points from SCLS and a programming MacBook.
- Software Licenses & Supplies May purchases include event diagram software for Central events and an additional Adobe license.
- Program Supplies May purchases include art club supplies at GSMB; African Story time supplies at GSMB; various after school activity clubs supplies at MEA; exhibit banners for MAD; science club supplies at PIN; We Read summer programming supplies and various other programs.
- Library Collections Materials details:
 - Combined Capital and Operating budget is \$1,308,721 with purchases to date of \$715,813, 55% of budget is used. There are additional encumbrances not reflected in Munis of \$68,017, bringing us to 60% of budget used.
 - Capital budget:
 - General Collections budget is \$794,560 with purchases to date of \$356,165, 45% 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 \$12,332, 30% of budget is used.
 - Operating budget is \$441,298 with purchases to date of \$315,970, 72% of budget used.
 - Levy budget is \$221,086 with purchases to date of \$167,600, 76% of budget used.
 - Donations budget is \$220,203 with purchases to date of \$148,370, 67% of budget used.
- Machinery and Equipment May purchase includes a new refrigerator for Ashman, funded by donations from a patron and Ashman Friends.

Purchased Services

Purchased Services budget used: 85%. When factoring out the Dane County Contract, budget used is 79%.

- 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 May expenses include a credit for Pinney's 2022 CAM reconciliation, a toilet repair at Central and some work done at Lakeview to dampen sound for the study rooms.
 - 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.
 - We based the 2023 budget request on prior year's charges, totaling \$35,000; currently the new management company's monthly amount is \$6,904; or \$82,847 annually.
 - Library and Budget staff reviewed the expected budget shortfall during the mid-year appropriation process and will adjust budget accordingly. Library will not need to pull the excess from Fund Balance.
- Fire Protection is at 95% budget because MPL has encumbered the annual maintenance contracts.

- Pest Control is projecting to be over budget due to some new services. While the percentage seems large the dollar amount is small and we should easily be able to cover the overage.
- 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: this account is currently over budget by \$93,641, there is a budget entry of \$94,634 needed for the ARPA funds to upgrade AV equipment at Sequoya and Goodman South Madison for the Amplifying Community Voices project. MPL has encumbered the annual maintenance contracts for HVAC and public printers. April expense includes \$32,193 for Sequoya meeting room AV upgrades. **March amount decreased \$275 due to a 3/31/23 journal entry posted 6/21/23.**
- 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.
- 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.
- Advertising Services May expenses include marketing give away materials, purchase of an In Business Expo booth, youth voices writer's contest ads, and Central's Naturalist ads.
- Transportation Services represents the expenses of our partnership with Madison Reading Project for the Home Delivery program.
- Program Services May expenses include afterschool art program at LAK; summer Artist in Residence programs planning; community English classes at GSMB; Jazz programs at SEQ; Library Takeover programs at Central; Making Justice programs and various programming throughout the branches. **March amount increased \$275 due to a 3/31/23 journal entry posted 6/21/23.**

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 January (fuel only) and February (fuel only) expenses. **April amount increased \$295.**
- 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. May expense is for a spare radio to be used when an old radio was put out of service.
- Transfer out to Debt Service April expense represents the interest payment on GO borrowing.