

MADISON PUBLIC LIBRARY
Supplementary Notes to the September 2023 Financial Reports
As of October 25, 2023

Key Indicators

Budget Year Remaining	25%
Budget Year Lapsed	75%
Total Operating Revenue	94%
Total Operating Expense	65%
Total Wages & Benefits Expense	70%
Total Supplies Expense	74%
Total Services Expense	88%
Total Debt/Inter-Dept Charges	10%

Financial Snapshots

Year to Date:

									9/30/2023
								Year remaining	25%
								Year lapsed	75%
MADISON PUBLIC LIBRARY SEPTEMBER 30, 2023 YEAR TO DATE BUDGET REPORT AS OF OCTOBER 25, 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	23,481,037	22,029,509	-	94%	1,451,528	21,775,338	254,171	1%	
Expenses Totals:	(23,481,037)	(15,377,334)	(298,643)	65%	7,805,059	(14,962,842)	(414,493)	3%	
Wages & Benefits Totals	(14,619,313)	(10,221,097)	-	70%	4,398,216	(10,171,023)	50,074	0%	
Supplies Totals	(1,264,291)	(920,045)	(20,503)	74%	323,743	(853,060)	66,984	8%	
Purchased Services Totals	(4,794,483)	(3,956,371)	(278,140)	88%	559,972	(3,542,604)	413,767	12%	
Debt and Inter-Dept Totals	(2,802,950)	(279,822)	-	10%	2,523,128	(396,154)	(116,332)	-29%	
Net Gain/(Loss)	0	6,652,175	(298,643)		9,256,588	6,812,496			
Fund Balance 1/1/2023		2,882,844							
Fund Balance 12/31/2023 - ESTIMATED									

Month to Date:

MADISON PUBLIC LIBRARY AUGUST 2023 MONTH TO DATE REPORT AS OF SEPTEMBER 27, 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	3,437,232	93,534	-	-	-
Expenses Totals:	(1,408,595)	(1,473,124)	(1,865,844)	(1,559,700)	(3,179,990)	(1,311,803)	(1,356,422)	(1,333,444)	(1,888,412)	-	-	-
Wages & Benefits Totals	(478,279)	(1,211,530)	(1,540,572)	(1,066,624)	(1,079,303)	(1,086,893)	(1,096,549)	(1,094,606)	(1,566,740)	-	-	-
Supplies Totals	(200,585)	(108,233)	(161,063)	(101,647)	(95,183)	(62,514)	(71,529)	(49,420)	(69,869)	-	-	-
Purchased Services Totals	(729,259)	(152,644)	(159,986)	(194,309)	(2,004,224)	(161,775)	(188,050)	(189,123)	(177,001)	-	-	-
Debt and Inter-Dept Totals	(472)	(716)	(4,222)	(197,120)	(1,280)	(621)	(295)	(295)	(74,802)	-	-	-
Net Gain/(Loss)	6,987,553	2,589,432	(1,832,663)	788,425	(1,535,161)	535,762	(1,190,083)	2,103,788	(1,794,877)	-	-	-

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: 94%

- Real Estate Taxes Finance has posted all 2023 installments. Real Estate Taxes is the main revenue for Library and installments post in January, February, April, June and August.
- Federal Revenues Operating represents the first payment received for the IMLS grant to develop the observational app for Librarians.
- Contributions and Donations **August amount increased by \$6,000 due to a cash receipt posted in early October.**
- Transfer in From Grants May amount represents Library's share of FEMA COVID expense reimbursements to local governments.

Wages and Benefits

Wages and Benefits budget used: 70%

- Wages and Benefits has 18.5 pay periods out of 26.0 pay periods. Last YTD had 18.6 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 and September 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. September has ten months of premiums processed.
- Post Employment Health Plans expenses are processed in January.

Supplies

Supplies budget used: Actuals: 73%; Actuals plus Encumbrances: 74%

- Program Supplies September purchases include Hawthorne family movie nights, Lakeview mindfulness and mental wellness programs, Meadowridge tinkering Tuesday programs, Bubbler's Making Justice program and various other programs.
- Library Collections Materials details of all purchases YTD:
 - Combined Capital and Operating budget is \$1,318,716 with purchases to date of \$1,062,808, 81% of budget is used. There are additional encumbrances not reflected in Munis of \$83,736 bringing us to 87% of budget used.
 - Capital budget:
 - General Collections budget is \$794,560 with purchases to date of \$618,346, 78% 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 \$21,871, 53% of budget is used.
 - Operating budget is \$451,284 with purchases to date of \$391,246, 87% of budget used.
 - Levy budget is \$221,086 with purchases to date of \$202,832, 92% of budget used.
 - Donations (MPLF and Friends) budget is \$230,198 with purchases to date of \$188,414, 82% of budget used.
- Food and Beverage September expense represents the All Staff Day breakfast and lunch, thank you to Madison Public Library Foundation and Madison Public Library Board for their support of Library's All Staff Day!

Purchased Services

Purchased Services budget used: Actuals: 83%; Actuals plus Encumbrances: 88%.

When factoring out the Dane County Contract, budget used: Actuals: 73%; Actuals plus Encumbrances: 73%.

- Sewer and Stormwater will be over budget by year-end, but the dollar amounts are relatively small so this will not impact Library's overall budget for Purchased Services.
- 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 September expenses include Central's hot water heater and bathroom repairs.
 - 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. Work continues, the new owner and management company have been slow to respond. The management company recently approved payment of the 2022 reconciliation without the expenses the City maintains are unallowable. They have not yet agreed on the 2023 expenses.
- Custodial Building Use Charges increased in September and will remain at the increased rate through December. This is reflective of the Sunday hours resumed in September.
- Equipment Improvement Repair Maint September expenses include Central water softener repairs and the meeting room tech upgrades at Sequoya and Goodman South Madison.
- 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.
- August expenses include ALA annual conference hotel, travel and meal expenses; Digipalooza conference travel, hotel and meal expenses.
- September expenses include WLA conference registrations, YWCA's Racial Justice Summit registration, Meadowridge staff's ServSaf trainings (required because of the kitchen) and All Staff Day expenses.
- Consulting Services September expenses include The Care Plan strategic planning contract payment.
- Advertising Services August expenses include Meet Your Madison Public Librarian media and various neighborhood branch program advertising.
- Program Services August expenses include: Central's growing voices program; Ashman's sewing programs; Lakeview's art exhibition, teen cooking and standing instability programs; Meadowridge's express yourself, mindful movement and mental health and tinkering Tuesday programs; Pinney's tots in motion, bilingual storytime, artist in residence program and the mini feria del libro event; Sequoya's children programs; Goodman's art club programs; and Bubbler's mural residency, Making Justice and Madison Artist Night programs.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 10%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services Finance has processed the **June amount of \$326, which includes \$44 for repairs to the Ford Transit van**. The September charges are for interest and depreciation January through September.
- 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.
- Inter-Dept Charge from Insurance is Library's January through September share of the City's insurance.
- Transfer out to Debt Service expense for principal and interest payments will post in October.