

MADISON PUBLIC LIBRARY
Supplementary Notes to the November 2025 Financial Reports
As of January 2, 2026

Financial Snapshots

<u>Key Indicators</u>			
Budget Year Remaining	9%		
Budget Year Lapsed	91%		
<u>Percent of Budget Used</u>	<u>Grand Total</u>	<u>Levy/Earned Revenue</u>	<u>Private Funds</u>
Total Operating Revenue	99%	100%	83%
Total Operating Expense	89%	88%	80%
Total Wages & Benefits Expense	87%	87%	105%
Total Supplies Expense	82%	82%	81%
Total Services Expense	91%	89%	78%
Total Debt/Inter-Dept Charges	97%	97%	0%

Year to Date:

								11/30/2026
							Year remaining 9%	
MADISON PUBLIC LIBRARY NOVEMBER 30, 2025 YEAR TO DATE BUDGET REPORT AS OF JANUARY 2, 2026								
	2025 Revised Budget	2025 YTD Actuals	Encumbrances	% Budget Used	2025 Under/ (Over) Budget	2024 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %
Revenue Totals	25,357,285	25,154,503	-	99%	202,782	23,900,787	1,253,717	5%
Expenses Totals:	(25,145,820)	(22,102,156)	(165,264)	89%	3,098,339	(21,630,498)	(471,658)	2%
Wages & Benefits Totals	(16,042,119)	(13,963,238)	-	87%	2,298,821	(13,607,272)	355,966	3%
Supplies Totals	(1,581,421)	(1,215,102)	(77,422)	82%	288,897	(1,082,329)	132,773	12%
Purchased Services Totals	(5,026,986)	(4,511,197)	(87,842)	91%	427,946	(4,381,805)	129,393	3%
Debt and Inter-Dept Totals	(2,495,294)	(2,412,618)	-	97%	82,676	(2,559,092)	(146,474)	-6%
Net Gain/(Loss)	211,465	3,052,348	(165,264)		3,301,121	2,270,289		
	Levy/Earned Rev	Private Funds						
Fund Balance 1/1/2025	2,464,159	319,040						
Fund Balance 12/31/2025 - ESTIMATED	2,414,159	219,040						

Month to Date:

MADISON PUBLIC LIBRARY NOVEMBER 2025 MONTH TO DATE REPORT AS OF JANUARY 2, 2026.												
	January 2025 Month to Date	February 2025 Month to Date	March 2025 Month to Date	April 2025 Month to Date	May 2025 Month to Date	June 2025 Month to Date	July 2025 Month to Date	August 2025 Month to Date	September 2025 Month to Date	October 2025 Month to Date	November 2025 Month to Date	December 2025 Month to Date
Revenue Totals	10,323,149	4,259,960	23,182	3,210,959	164,692	1,942,225	23,257	4,733,807	9,443	395,280	68,550	-
Expenses Totals:	(3,674,170)	(2,238,944)	(1,646,158)	(1,586,275)	(1,454,850)	(1,538,144)	(1,432,404)	(2,017,367)	(1,440,368)	(3,652,099)	(1,421,052)	-
Wages & Benefits Totals	(959,768)	(1,384,784)	(1,219,576)	(1,218,455)	(1,224,013)	(1,256,517)	(1,227,468)	(1,805,129)	(1,216,285)	(1,217,881)	(1,233,363)	-
Supplies Totals	(325,418)	(96,405)	(254,161)	(86,227)	(75,580)	(55,869)	(45,422)	(47,313)	(72,203)	(99,482)	(57,021)	-
Purchased Services Totals	(2,388,196)	(757,215)	(171,750)	(127,606)	(154,623)	(149,143)	(158,471)	(164,393)	(150,367)	(158,765)	(130,667)	-
Debt and Inter-Dept Totals	(788)	(541)	(671)	(153,987)	(635)	(76,614)	(1,042)	(532)	(1,513)	(2,175,970)	-	-
Net Gain/(Loss)	6,648,978	2,021,016	(1,622,976)	1,624,684	(1,290,159)	404,081	(1,409,147)	2,716,440	(1,430,925)	(3,256,819)	(1,352,502)	-

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 2025, City Finance imposed budget efficiencies on all agencies. The way this was done is to effectively reduce every agency's budget by 1%. This was done because most agencies have typically been under budget by at least 1% 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 and Benefits major account group because it was 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. MPL reached the assumed donation budget during March 2025.

NEW: 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: 99%

- Real Estate Taxes payments are the main revenue for Library and installments post in January, February, April, June and August.
- Other Unit of Government Revenues Operating October amount is the annual SCLS Youth Literacy grant funds.
- Reproduction Services October saw its highest monthly amount collected via the new credit card readers on the public printers, mainly due to an extra week in October.
- South Central Library System contract amounts second (and final) installment was received in October.

Wages and Benefits

Wages and Benefits budget used: 87%

- Wages and Benefits have 22.3 pay periods out of 26.1 pay periods. Last YTD had 21.5 pay periods out of 26.2.
 - January is low due to the City's accrual process posting a portion of the first 2025 payroll back to 2024.
- 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 1% reduction in budget for all agencies for 2025.
- Post Employment Health Plans expenses are processed in January.

Supplies

Supplies budget used: Actuals: 77%; Actuals plus Encumbrances: 82%

- Copy Printing Supplies includes a bulk purchase of paper in November.
- Furniture Supplies has 210% of the budget used. Some branches used MPLF or Friends funds for furniture purchases, budget was brought into program supplies. It was unknown at the time of adding the budget how the funds would be spent. October expenses include a deposit on chair and stool replacements at Sequoya (funded by their Endowment), and an ADA desk purchase for staff.
- Program Supplies November purchases include Making Justice program; Black Film Festival program; Parents as First Teachers; 150th celebration; babies and toddler programs at various locations; science club programs at various branches; cooking and Day of the Dead programs at various locations.
- Library Collections Materials:
 - Combined Capital and Operating budget totals \$1,837,252 with purchases to date of \$1,410,390, 77% of budget is used. There are additional encumbrances not reflected in Munis of \$177,238, bringing us to 86% of the budget used.
 - Capital budget:
 - General Collections budget is \$911,211 with purchases to date of \$755,806, 83% of budget is used.
 - Lakeview High Demand budget is \$375 with purchases to date of \$375, 100% of budget is used.
 - Imagination Center at Reindahl Park budget is \$300,000 with purchases to date of \$111,361, 37% of budget is used.
 - Operating budget is \$625,667 with purchases to date of \$542,849, 87% of budget used.
 - Levy budget is \$257,284 with purchases to date of \$255,977, 99% of budget used.
 - Donations (MPLF and Friends) budget is \$368,383 with purchases to date of \$286,871, 78% of budget used.

- Electrical Supplies November purchases include ballasts and bulbs for Central (\$2,567) and light fixture parts for Pinney (\$1,955).
- HVAC Supplies is over budget due to an unanticipated boiler control board purchase for Sequoya.
- Plumbing Supplies November purchases were mainly for Central toilets, faucets, supply lines, etc.
- Machinery and Equipment is over budget; there were purchases of \$13,600 with Foundation and Friends funds that were not budgeted in object 53410. November encumbrance is for self-check machines at Central, Monroe Street, Sequoya, Lakeview and Hawthorne, funded by Library's surplus of operating funds.
- Equipment Supplies is over budget, the expenses used carry forward budget which was posted to Hardware Supplies when brought into 2025, not knowing exactly where all technology purchases would be posting.
- Inventory purchases are for patron hygiene and clothing needs.

Purchased Services

Purchased Services budget used: Actuals: 90%; Actuals plus Encumbrances: 91%.

When factoring out the Dane County and SCLS Contract, budget used: Actuals: 77%; Actuals plus Encumbrances: 81%.

- Water Expense is beginning to reduce, this is expected. Central's air conditioning system uses water for cooling, so that it increases during the summer months. The October expense amount is for September activity, water usage will decrease in November and December.
- Telephone Expense will exceed the budget for the year. It was unknown when processing the 2025 operating budget request that MPL would need to add copper lines to three locations to enable long-distance faxing. MPL is projecting \$2,666 over budget for Telephone Expenses in 2025.
- Systems Communication Internet budget is almost fully used; this is where we record the SCLS contract payment of \$608,792 in February. There will be very few additional expenses for the remainder of the year. July expense is for OCLC Online Computer Library Center annual license and hosted server fees.
- Building Improvement/Repair/Maint November expenses only include monthly common area maintenance (CAM) charges \$20,062 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney, Sequoya and Goodman South.
- Office Equipment Repair is a newly used expense category to capture the cost of the multi-function device maintenance contracts and charges. These had previously been reported in Equipment Improv/Repair/Maint. They have been moved to this account to clearly call out the expenses. Because of this change Office Equipment Repair will be over budget in 2025. These are now billed quarterly on a combined invoice; in the past they were billed monthly with an invoice for each location. This will streamline the process for MPL Finance staff.
- Equipment Improvement, Repair and Maintenance is over budget due to some purchases made with private funds that were budgeted elsewhere. November expenses include Central HVAC ball valve replacement, Ashman no heat service call and Sequoya HVAC troubleshooting resulting in boiler gas valve replacement.
- Lease Rental of Equipment is over budget due to unanticipated rental of floor buffer equipment at Central.
- Conferences and Training November expense is for a UW Back in Circulation conference.
- Credit Card Services will now have monthly fees in addition to the quarterly SCLS eCommerce fees. This is due to the credit card readers now attached to public printers in all locations and public copiers at Hawthorne and Meadowridge.
- Advertising Services is over budget due to grant and donation funded marketing with budget added fully to programming, not knowing some would be spent on marketing. November expenses are for Teejop ads and program photography, library card signup week stickers.
- Security Services is over budget in part due to an unanticipated panic button replacements at Central and the need to install cell dialers for the security systems at Central, Ashman and Meadowridge. These locations currently use POTS lines (copper lines) for security and fire monitoring; the FCC has mandated elimination of POTS lines.

- Transportation Services is for the youth delivery program.
- Program Services November expenses include cooking classes and storytimes at multiple locations; art programs at multiple locations; Lakeview teen programs; Pinney PlayLab, art, teen writing, creative movement/dance; Sequoja Jazz, yoga for kids, Dungeons and Dragons; Goodman South family art club; and Making Justice programs, Day of the Dead programs at various locations, and 150th art exhibitions.
- Community Agency Contracts represents MPL's payment to Dane County Library Service walk-in contract, with offsetting revenue, net expense to MPL is \$982,605. This is a net increase of \$356,773, or 57% over the 2024 contract. Dream Bus expenses will be recorded here when MPL begins to operationalize the expenses in 2025 Q3.
- Taxes and Special Assessments are only at 72% of the budget used because Lakeview taxes are a singular payment at the end of the year. Hawthorne and Meadowridge taxes are paid monthly and reconciled at year-end.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 97%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance, September through November charges have not been processed.
- Inter-Dept Charge from Fleet Services October and November charges have not been processed.
- 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 and Workers Comp is for Library's share of the City's expenses. Finance staff are now posting the expenses semi-annually, rather than monthly. The total expense allocated to Library will fully use the budget. The monthly amounts for the charges are:
 - Insurance \$10,436.50.
 - Workers Compensation \$1,327.25.
- Transfer out to Debt Service is for Library's General Obligation Bond issuance repayments. The largest (and final) payment processed in October for principal and interest payments. Due to a recent change in accounting Library's debt service payments for borrowing, beginning with 2021 borrowing and going forward, is now recorded in the General Fund. Library Fund debt service payments will continue to decrease annually through 2032.