

MADISON PUBLIC LIBRARY
Supplementary Notes to the April 2024 Financial Reports
As of May 29, 2024

<u>Key Indicators</u>			
Budget Year Remaining	67%		
Budget Year Lapsed	33%		
<u>Percent of Budget Used</u>	<u>Grand Total</u>	<u>Levy/Earned Revenue</u>	<u>Private Funds</u>
Total Operating Revenue	70%	72%	35%
Total Operating Expense	37%	37%	32%
Total Wages & Benefits Expense	32%	32%	34%
Total Supplies Expense	49%	46%	53%
Total Services Expense	67%	74%	19%
Total Debt/Inter-Dept Charges	7%	7%	0%

Financial Snapshots

Year to Date:

									4/30/2024
								Year remaining	67%
								Year lapsed	33%
MADISON PUBLIC LIBRARY APRIL 30, 2024 YEAR TO DATE BUDGET REPORT AS OF MAY 29, 2024									
	2024 Revised Budget	2024 YTD Actuals	Encumbrances	% Budget Used	2023 Under/ (Over) Budget	2023 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	24,071,772	16,958,298	-	70%	7,113,473	14,840,010	2,118,289	14%	
Expenses Totals:	(24,104,365)	(8,845,037)	(621,425)	37%	14,845,801	(6,307,263)	(2,537,775)	40%	
Wages & Benefits Totals	(15,492,163)	(4,915,164)	-	32%	10,784,897	(4,297,006)	618,158	14%	
Supplies Totals	(1,152,713)	(560,123)	(8,960)	49%	583,630	(571,529)	(11,406)	-2%	
Purchased Services Totals	(4,766,876)	(3,194,536)	(612,465)	80%	959,875	(1,236,199)	1,958,338	158%	
Debt and Inter-Dept Totals	(2,692,613)	(175,215)	-	7%	2,517,399	(202,530)	(27,315)	-13%	
Net Gain/(Loss)	(32,593)	8,113,261	(621,425)		21,959,274	8,532,747			
	<u>Levy/Earned Rev</u>	<u>Private Funds</u>							
Fund Balance 1/1/2023	2,161,282	721,563							
Fund Balance 12/31/2023 - ESTIMATED									

Month to Date:

MADISON PUBLIC LIBRARY APRIL 2024 MONTH TO DATE REPORT AS OF MAY 29, 2024												
	January 2024 Month to Date	February 2024 Month to Date	March 2024 Month to Date	April 2024 Month to Date	May 2024 Month to Date	June 2024 Month to Date	July 2024 Month to Date	August 2024 Month to Date	September 2024 Month to Date	October 2024 Month to Date	November 2024 Month to Date	December 2024 Month to Date
Revenue Totals	10,169,772	3,657,621	195,465	2,935,440	-	-	-	-	-	-	-	-
Expenses Totals:	(3,417,904)	(1,726,358)	(2,078,732)	(1,622,043)	-	-	-	-	-	-	-	-
Wages & Benefits Totals	(515,190)	(1,421,402)	(1,777,000)	(1,201,572)	-	-	-	-	-	-	-	-
Supplies Totals	(198,612)	(143,525)	(132,981)	(85,005)	-	-	-	-	-	-	-	-
Purchased Services Totals	(2,703,807)	(161,136)	(168,457)	(161,136)	-	-	-	-	-	-	-	-
Debt and Inter-Dept Totals	(295)	(295)	(295)	(174,330)	-	-	-	-	-	-	-	-
Net Gain/(Loss)	6,751,868	1,931,263	(1,883,267)	1,313,398	-	-	-	-	-	-	-	-

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. 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 year budgets.

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. This April 2024 report has no previous period changes.

Revenue

Revenue budget used: 70%

- Real Estate Taxes City Finance has posted the January, February and April 2024 installments. Real Estate Taxes is the main revenue for Library and installments post in January, February, April, June and August.
- Other Unit of Government Revenues January amount represents the Dane County Library Service revenue from the walk-in contract, with offsetting expenses posting to Community Agency Contracts, net expense to MPL is \$625,832. April amount represents payment from Southwest Wisconsin Library System for Reference Library services.
- South Central Library Services April revenue is for backup reference/ILL services and materials in demand services.
- Fund Balance Applied March budget increase represents the private funds carry forward budget entries.

Wages and Benefits

Wages and Benefits budget used: 32%

- Wages and Benefits has 7.5 pay periods out of 26.2 pay periods. Last YTD had 7.5 pay periods out of 26.0.
 - 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 due to the City's accrual process, which is only performed annually and not monthly.
 - March includes three pay periods.
- Salary Savings represents the amount of savings due to vacancies throughout the year. In the past this was around \$224k - \$273k; for 2024 Budget staff adjusted the amount to align with actual salary savings; Library's is now \$385k.

- 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 2024.
- Compensated Absence represents retiree payouts for unused vacation and comp time.
- Compensated Absence Escrow represents retiree sick leave payouts. These expenses are incurred throughout the year; budget is established by the City. If Library exceeds payroll and benefits budget this is an acceptable use of Fund Balance to make Library whole.
- Post Employment Health Plans expenses are processed in January.

Supplies

Supplies budget used: Actuals: 49%; Actuals plus Encumbrances: 49%

- Copy Printing Supplies April amount includes a bulk purchase of copy paper for public printing/copying.
- Furniture April purchases include adjustable height tables for technical services staff and new office chair replacing an ancient chair.
- Program Supplies February expenses include purchases for We Read summer reading program; Parents as First Teachers program; Pinney PlayLab; Lakeview teen programs; Meadowridge's Anime Club and Get Down Party; Making Justice Program; various arts and crafts supplies for all locations and volunteer appreciation gift cards.
- Library Collections Materials details of all purchases YTD.
 - Combined Capital and Operating budget totals \$1,322,164 with purchases to date of \$620,002, 47% of budget is used. There are additional encumbrances not reflected in Munis of \$65,806 bringing us to 52% of budget used.
 - Capital budget:
 - General Collections budget is \$840,483 with purchases to date of \$293,485, 35% of budget is used. Library's 2024 Capital collections budget was increased in anticipation of beginning purchasing for Reindahl.
 - Lakeview High Demand budget is \$16,715 with purchases to date of \$4,327, 26% of budget is used. MPL has additional funds available to draw in support of the Lakeview collections purchases.
 - Operating budget is \$464,966 with purchases to date of \$322,190, 69% of budget used.
 - Levy budget is \$247,143 with purchases to date of \$169,362, 69% of budget used.
 - Donations (MPLF and Friends) budget is \$217,823 with purchases to date of \$152,828, 70% of budget used.
- Food and Beverage April expense is for water, soda, snacks and Greenbush Bakery donuts for staff during National Library Week, funded by MPLF.

Purchased Services

Purchased Services budget used: Actuals: 67%; Actuals plus Encumbrances: 80%.

- When factoring out the Dane County and SCLS Contract, budget used: Actuals: 44%; Actuals plus Encumbrances: 66%.
- Systems Communication Internet has the main expense posting in January, with additional small purchases throughout the year. This represents MPL's payment to South Central Library System for technology, network services, PC support and Integrated Library System (ILS) services. Also included in this expenditure are payments to WI Dept of Corrections for prisoner email service.
 - Building Improvement/Repair/Maint April expenses include:
 - Encumbrances are for common area maintenance charges and painting at Lakeview (funded by Lakeview Friends), countertop and windowsill replacements at Sequoya (funded by endowment).
 - Monthly common area maintenance charges of \$23,496 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney, Sequoya and Goodman South.

- Central automatic door repairs (\$1,339); Central semi-annual drain maintenance (\$600); Sequoia community room windowsills and countertop replacement (\$5,240).
- Equipment Improvement Repair Maint April expenses include:
 - Monthly MFD maintenance for all locations (\$252) and the in-house printer maintenance (\$1,817) with credits for grant funded print jobs of \$3,337.
 - Central motor replacement (\$2,922), HVAC repair (\$2,907).
 - Cooling tower maintenance at Central, Pinney, Sequoia, Goodman South and Library Support Center (\$810).
 - Plumbing repairs and RPV valve inspections (\$4,090).
- Conferences and Training April expenses include expenses include PLA conference accommodations and travel.
- Memberships April expense is for Library's Costco accounts.
- Advertising Services April expenses include advertising for Naturalist in Residence, sample We Read card game for promo video and photo shoot gift cards.
- Program Services April expenses include: art exhibitions and art club programs at various branches; Meadowridge teen programs; Lakeview's teen programs; teen writing classes; Youth Voices writer's contest; Pinney's youth programs; Sequoia's Dungeons and Dragons; Goodman's mental wellness programs and Spanish storytime; Our Town Everywhere (which is wrapping up in May) and Making Justice programs.
- Other Services and Expenses is the collections diversity audit by Ingram.
- Community Agency Contracts represents MPL's payment to Dane County Library Service walk-in contract, with offsetting revenue, net expense to MPL is \$625,832.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 7%; Finance staff have not posted any Fleet, Traffic Engineering, Insurance or Workers Comp transactions at the time of this report.

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services is for fuel and maintenance charges.
- 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 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. The largest payment is in October when principal and interest payments are due.