

MADISON PUBLIC LIBRARY
 Supplementary Notes to the March 2026 Financial Reports
 As of April 29, 2026

Financial Snapshots

<u>Key Indicators</u>			
Budget Year Remaining	75%		
Budget Year Lapsed	25%		
<u>Percent of Budget Used</u>	<u>Grand Total</u>	<u>Levy/Earned Revenue</u>	<u>Private Funds</u>
Total Operating Revenue	58%	58%	61%
Total Operating Expense	34%	34%	49%
Total Wages & Benefits Expense	22%	22%	5%
Total Supplies Expense	54%	48%	69%
Total Services Expense	84%	88%	21%
Total Debt/Inter-Dept Charges	0%	0%	0%

Year to Date:

									3/31/2026
									Year remaining 75%
									Year lapsed 25%
MADISON PUBLIC LIBRARY MARCH 31, 2026 YEAR TO DATE BUDGET REPORT AS OF APRIL 29, 2026									
	2026 Revised Budget	2026 YTD Actuals	Encumbrances	% Budget Used	2026 Under/ (Over) Budget	2025 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	25,960,730	15,103,615	-	58%	10,857,115	14,606,297	497,319	3%	
Expenses Totals:	(25,960,730)	(8,234,203)	(686,685)	34%	17,215,191	(7,559,273)	(674,930)	9%	
Wages & Benefits Totals	(17,242,644)	(3,867,617)	-	22%	13,550,375	(3,564,127)	298,490	9%	
Supplies Totals	(1,228,635)	(662,910)	(4,792)	54%	560,933	(675,985)	(13,075)	-2%	
Purchased Services Totals	(5,193,840)	(3,703,676)	(681,893)	84%	808,271	(3,317,162)	386,514	12%	
Debt and Inter-Dept Totals	(2,295,612)	-	-	0%	2,295,612	(2,000)	(2,000)	-100%	
Net Gain/(Loss)	-	6,869,412	(686,685)		28,072,306	7,047,024			
	<u>Levy/Earned Rev</u>	<u>Private Funds</u>							
Fund Balance 1/1/2026	2,020,240	287,284							
Fund Balance 12/31/2026 - ESTIMATED									

Month to Date:

MADISON PUBLIC LIBRARY MARCH 2026 MONTH TO DATE REPORT AS OF APRIL 29, 2026.												
	January 2026 Month to Date	February 2026 Month to Date	March 2026 Month to Date	April 2026 Month to Date	May 2026 Month to Date	June 2026 Month to Date	July 2026 Month to Date	August 2026 Month to Date	September 2026 Month to Date	October 2026 Month to Date	November 2026 Month to Date	December 2026 Month to Date
Revenue Totals	9,634,840	4,079,864	1,388,911	-	-	-	-	-	-	-	-	-
Expenses Totals:	(1,972,237)	(1,989,275)	(4,272,691)	-	-	-	-	-	-	-	-	-
Wages & Benefits Totals	(951,328)	(1,599,526)	(1,316,764)	-	-	-	-	-	-	-	-	-
Supplies Totals	(245,860)	(248,679)	(168,371)	-	-	-	-	-	-	-	-	-
Purchased Services Totals	(775,050)	(141,070)	(2,787,556)	-	-	-	-	-	-	-	-	-
Debt and Inter-Dept Totals	-	-	-	-	-	-	-	-	-	-	-	-
Net Gain/(Loss)	7,662,602	2,090,589	(2,883,780)	-	-	-	-	-	-	-	-	-

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 2026, City Finance imposed budget efficiencies on all agencies. The way this was done is to effectively reduce every agency's budget by 0.75%. This was done because most agencies have typically been under budget by at least 0.75% 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 major account group because it is 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. In 2025 MPL reached the assumed donation budget in March.

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: 58%

- Real Estate Taxes payments are the main revenue for Library and installments post in January, February, April, June and August.
- Other Unit of Gov Revenues Op March is the Dane County contract.
- Reproduction Services **January amount decreased \$786 due to 2025 revenue accrual reversals.**
- Catering Concessions **January amount decreased \$68 due to 2025 revenue accrual reversals.**
- Lost and Damaged Fees **January amount decreased \$22 due to 2025 revenue accrual reversals.**

Wages and Benefits

Wages and Benefits budget used: 22%

- Wages and Benefits have 5.2 pay periods out of 26.9 pay periods. Last YTD had 5.3 pay periods out of 26.1.
 - January is low due to the City's accrual process posting the first and a portion of the second 2026 payroll back to 2025.
- 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.
- Overtime Wages Permanent are higher than usual with staff working to order and receive Reindahl collections during the ILS migration process, which will freeze collection activities in the system mid-April.
- 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: 54%; Actuals plus Encumbrances: 54%. Actuals without Library Materials is 28%.

- Furniture **February amount increased \$540 due to a bill arriving late.**
- Hardware Supplies March expenses include computer replacements at Goodman South Madison.
- Software Licenses March expenses include Zoom Room licenses for Central, Pinney and Goodman South Madison.
- Program Supplies February expenses include Making Justice: Parents as First Teachers; Seed Library; Bubbler Artist in Residence supplies at multiple branches; Junk Journaling, Coffee & Connections, youth play space, tax assistance at Central; art programs, cooking programs at Hawthorne; Tertulia, book club at Meadowridge; art and maker programs at Pinney; game night, Chinese storytime, sewing programs at Sequoia; and science and history programs at Goodman South.
- Library Collections Materials:
 - Combined Capital and Operating budget totals \$2,352,067 with purchases to date of \$967,931, 41% of budget is used. There are additional encumbrances not reflected in Munis of \$242,226, bringing us to 51% of the budget used.
 - Capital budget:
 - General Collections budget is \$1,152,211 with purchases to date of \$236,114, 20% of budget is used.
 - Imagination Center at Reindahl Park budget is \$682,389 with purchases to date of \$269,485, 39% of budget is used.
 - Operating budget is \$517,467 with purchases to date of \$462,332, 89% of budget used.
 - Levy budget is \$325,067 with purchases to date of \$254,096, 78% of budget used.

- Donations (MPLF and Friends) budget is \$192,400 with purchases to date of \$208,236, 108% of budget used.
- Machinery and Equipment March expenses include self-check replacements for Meadowridge and a printer for technical services.

Purchased Services

Purchased Services budget used: Actuals: 71%; Actuals plus Encumbrances: 84%.

- Budget used factoring out SCLS and Dane County contract payments: Actuals 37%, Actuals plus Encumbrances: 66%.
- Natural Gas budget is 54% used when we are only 25% into the year. This is expected as the winter months are high usage. Early 2026 included extreme cold temperatures, MPL expenses are slightly higher than early 2025.
- Systems Communication Internet budget is almost fully used. MPL make the annual payment to SCLS for ILS and Tech fees. February expenses include the annual Web Dewey fees, annual SurveyMonkey subscription, and some copy paper that accidentally entered in this account, which was reclassified in April. April's amount will be a positive amount on the report because of the reclassification.
- Building Improvement/Repair/Maint **February amount increased by \$316 due to a bill arriving late.** March expenses include:
 - Monthly common area maintenance (CAM) charges \$21,322 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney, Sequoya and Goodman South, and an adjustment for Goodman South of \$1,963.
 - Common area maintenance reconciliations for 2025 reduced the total by \$4,751.
 - Central 3rd floor window \$4,740.
 - Meadowridge urinal blockage clearing \$293.
- Fire Protection is over budget due to some unanticipated expenses for troubleshooting at Ashman, panel batteries at Sequoya and work to temporarily bypass the chiller room at Central while the chiller was being replaced.
- Office Equipment Repair is over budget. The encumbrance amount is an estimated amount based on a full year of 2025 expenses, budget was based on 2024 expenses. The first quarter 2026 bill was paid in March, if an annual amount is projected based on Q1 the annual total will be \$13,400, under budget.
- Equipment Improv Repair Maint **January amount increased \$330 because of a 2025 accrual reversal of a refund.** March expenses are for cooling tower maintenance at several locations; furnace troubleshooting at Monroe Street, water heater repairs/replacements at Pinney and Sequoya.
- Recruitment March expenses include an advertisement with ALA for Library positions.
- Conferences and Training March expense is for PLA annual conference registration.
- Membership March expenses are for the City's annual Amazon Prime membership, and an accidental charge that was refunded in April. The April expense on the report will be a positive number.
- Credit Card Services March expense is higher due to an increase in credit card payments at the public printers/copiers.
- Advertising Services March expenses include MPL branded staff t-shirts, payment for an ad campaign for Reindahl in August – September with Destination Madison, foam core posters.
- Program Services March expenses include Making Justice; Youth Voices; Anji playdate, growing voices, art programs at several locations; cinesthesia and art programs at Central; Agatha Christie 100 years and cooking at Meadowridge; art club at Monroe Street; bilingual storytimes, yoga, We Make, chapters writing group and pen pals at Pinney; Chinese storytimes, Jazz and simply stitched at Sequoya; art club and bilingual storytime at Goodman South Madison.
- Transportation services March expenses are for January through March youth delivery.
- Community Agency Contracts is the annual Dane County contract payment and the quarterly Dream Bus payment.

Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 0%

- Finance staff have not processed any 2026 inter-departmental charges yet, they are busy with year-end reconciliations and processes and preparing for the external audit of the 2025 financial records.
- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services.
- Inter-Dept Charge from Traffic Engineering is for radio system maintenance, typically charged in May or June. 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.
- Transfer out to Debt Service is for Library's General Obligation Bond issuance repayments.