

**MADISON PUBLIC LIBRARY**  
**Supplementary Notes to the September 2022 Financial Reports**  
**As of October 26, 2022**

Key Indicators

Budget Year Remaining	25%
Budget Year Lapsed	75%
Total Operating Revenue	95%
Total Operating Expense	65%
Total Wages & Benefits Expense	73%
Total Supplies Expense	61%
Total Services Expense	85%
Total Debt/Inter-Dept Charges	13%

Financial Snapshots

Year to Date:

									9/30/2022
									Year remaining 25%
									Year lapsed 75%
<b>MADISON PUBLIC LIBRARY SEPTEMBER 30, 2022 YEAR TO DATE BUDGET REPORT AS OF OCTOBER 26, 2022</b>									
	2022 Revised Budget	2022 YTD Actuals	Encumbrances	% Budget Used	2022 Under/ (Over) Budget	2021 YTD Actuals	CYTD - LYTD Variance \$	CYTD - LYTD Variance %	
Revenue Totals	22,852,979	21,775,338	-	95%	1,077,641	21,007,972	767,366	4%	
Expenses Totals:	(22,852,979)	(14,964,545)	(284,280)	65%	7,604,154	(13,660,301)	(1,304,245)	10%	
Wages & Benefits Totals	(13,984,947)	(10,171,023)	-	73%	3,813,924	(9,095,317)	1,075,705	12%	
Supplies Totals	(1,466,905)	(836,005)	(60,660)	61%	570,239	(639,929)	196,076	31%	
Purchased Services Totals	(4,438,089)	(3,561,842)	(223,619)	85%	652,627	(3,457,792)	104,050	3%	
Debt and Inter-Dept Totals	(2,963,039)	(395,675)	-	13%	2,567,363	(467,262)	(71,587)	-15%	
Net Gain/(Loss)	-	6,810,793	(284,280)		8,681,794	7,347,671			
Fund Balance 1/1/2022		2,156,355							
Fund Balance 12/31/2022 - ESTIMATED									

Month to Date:

<b>MADISON PUBLIC LIBRARY AUGUST 2021 MONTH TO DATE REPORT AS OF SEPTEMBER 26, 2022.</b>													
	January 2022 Month to Date	February 2022 Month to Date	March 2022 Month to Date	April 2022 Month to Date	May 2022 Month to Date	June 2022 Month to Date	July 2022 Month to Date	August 2022 Month to Date	September 2022 Month to Date	October 2022 Month to Date	November 2022 Month to Date	December 2022 Month to Date	
Revenue Totals	8,171,732	4,199,190	28,209	3,749,963	90,951	1,700,398	88,627	3,398,734	347,536	-	-	-	
Expenses Totals:	(1,374,118)	(1,393,676)	(1,330,568)	(3,910,971)	(1,375,932)	(1,315,127)	(1,263,903)	(1,233,789)	(1,766,493)	-	-	-	
Wages & Benefits Totals	(459,529)	(1,186,882)	(1,068,263)	(1,620,351)	(1,059,820)	(1,150,495)	(1,055,279)	(1,040,302)	(1,530,104)	-	-	-	
Supplies Totals	(198,841)	(72,066)	(85,126)	(52,275)	(149,825)	(60,985)	(55,281)	(53,304)	(108,335)	-	-	-	
Purchased Services Totals	(715,086)	(133,453)	(176,564)	(1,923,304)	(124,523)	(103,071)	(143,186)	(114,894)	(127,760)	-	-	-	
Debt and Inter-Dept Totals	(663)	(1,276)	(615)	(315,041)	(41,763)	(576)	(10,158)	(25,289)	(295)	-	-	-	
Net Gain/(Loss)	6,797,613	2,805,514	(1,302,359)	(161,008)	(1,284,980)	385,271	(1,175,276)	2,164,945	(1,418,957)	-	-	-	

## 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 budget and spending is processed 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: 95%

- Real Estate Taxes have all installments processed.
- Federal Revenues Operating 2021 total included the e-rate rebate, which we will not be receiving in 2022.
- Other Unit of Government Revenues Operating April amount includes the Dane County Contract revenue of \$1,277,496, with offsetting expense of \$1,803,076, netting to an expense of \$525,580.
- Facility Rental **August amount changed from \$15,070 to \$10,070. Finance accidentally posted a cash receipts journal twice, which included the Foundation's rent payment.** September is negative due to a refund of a deposit for a cancelled event.
- Contributions and Donations **August amount changed from \$88,125 to \$46,125. Finance accidentally posted a cash receipts journal twice, which included the Foundation's donation payment.**
- Reimbursement of Expense **January amount changed from \$-28,440 to \$-27,527 due to a correcting entry for 2021 unemployment insurance amounts previously posted by Central Payroll.**

## Wages and Benefits

Wages and Benefits budget used: 73%

- Wages and Benefits has 18.5 pay periods out of 26 pay periods. Last YTD had 18.8 pay periods out of 26.1.
  - January is low due to the City's accrual process posting a portion of the first 2022 payroll back to 2021.
  - April had three pay periods.
  - September had three pay periods.
- Hourly Overtime Wages have been incurred due to the staffing issues to keep branches open. In the past, people would come in to work with a cold or when they weren't feeling 100%; the pandemic has taught people to stay home when they are sick. While we do not have budget for hourly overtime we are tracking under budget overall in this major category.

- Compensated Absence Escrow represents retiree sick leave payouts. These expenses are incurred throughout the year; budget is established by the City. Library anticipates additional expenses through the year, if Wages and Benefits are over budget at year-end Library will use Fund Balance to make us whole.
- Unemployment Benefits September has credits totaling \$3,986 representing an additional correcting entry when all 2021 WI DWD payments were received and reconciled.
- Post Employment Health Plans expenses are processed in January only.

## Supplies

Supplies budget used: 61%

- Program Supplies budget includes approximately \$200,000 in funds intended to be spent over multiple years. The percent of budget used when adjusted for this is 83%.
- Library Collections Materials:
  - Combined Capital and Operating budget is \$1,517,721 with purchases to date of \$903,409, 60% of budget is used. There are additional encumbrances not reflected in Munis of \$90,625, bringing us to 65% of budget used.
  - Capital budget:
    - General Collections budget is \$976,405 with purchases to date of \$546,091, 56% of budget is used.
    - Pinney Collections budget is \$72,118 with purchases to date of \$29,666, 41% of budget is used.
    - Lakeview Too Good To Miss budget is \$50,921 with purchases to date of \$7,241, 15% of budget is used.
  - Operating budget is \$418,276; with purchases to date of \$320,232, 77% of budget used.
- Food and Beverage September expenses represent the meals for All Staff Day, funded by the Foundation.
- Building Supplies is over budget due to an unexpected purchase of door parts for Central.
- Plumbing Supplies are over budget due to replacing touch faucets with sensor faucets at multiple facilities.
- Machinery and Equipment September charges are for the new Envisionware RFID reader equipment at Meadowridge, Sequoya and Goodman South Madison branches. All branches are now using Envisionware equipment.
- Equipment Supplies is over budget due to phone purchases for City VOIP services.

## Purchased Services

Purchased Services budget used: 85% (When factoring out the Dane County Contract, budget used is 45%)

- Natural Gas expense is higher due to MGE rate increases. January usage charges, paid in February, were extremely high. We may need to reallocate budget from another line item.
- Telephone Expense **August total increased by \$293, due to transactions posting after last month's report was prepared.** The CenturyLink long distance service (\$352 per month) was canceled now that all branches are connected to the city network and have the VOIP phones, and are using the city-wide long distance service; which we have been paying for since January.
- Systems Communication Internet expense is at 100% budget used. This is expected, as the main expense is an annual purchase made in January. The September expenses represents an annual hosting fee and additional Tech/ILS fees.
- Building Improvement/Repair/Maint:
  - Monthly common area maintenance charges of \$14,896 for Hawthorne, Ashman, Lakeview, Meadowridge, Pinney and Sequoya.
  - Additional September expenses include the annual RP Testing (for pathogens in the water lines) at Central, Sequoya and Goodman South; toilet and drain repairs at Hawthorne and Meadowridge; door repairs at Lakeview; and window cleaning at Pinney.
- Equipment Improvement/Repair/Maint
- Fire Protection is over budget due to equipment upgrades unknown at the time the 2022 budget request was created.

- Equipment Improvement/Repair/Maint encumbrance represents 2022 HVAC maintenance and printer/copier maintenance. There were some unexpected repairs causing MPL to be over budget. Most items are encumbered and will not increase the budget percentage used as the bills are paid. The September amount also includes the Gordon Flesch annual maintenance charges for the public printers of \$16,543.
- Mileage is over budget as staff have resumed outreach programs outside of Library branches. While we anticipated less mileage due to Zoom meetings, we did not anticipate the number of outreach programs. Another factor is our Computer Specialist and Computer Tech are traveling to branches and claiming mileage, when in the past that mileage was not claimed.
- Conferences and Training September expenses are for All Staff Day programs, YWCA Racial Justice Summit, and Excel classes.
- Management Services is for Central event assistance.
- Advertising Services September expenses include Facebook ads for programs, paper bags for giveaways, posters and signs.
- Security Services is slightly over budget due to some unexpected system upgrades.
- Program Services expenses are mainly payments made to MPL partners for programming. Budget includes approximately \$150,000 in funds intended to be spent over multiple years, budget used is 55% when this is factored into the calculation.
- Community Agency Contracts represents the Dane County Contract expense, with offsetting revenue of \$1,277,496, netting to an expense of \$525,580.

#### Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 13%

- Inter-Dept Charge from Engineering is for Hawthorne building maintenance.
- Inter-Dept Charge from Fleet Services **June, July and August expenses have now been posted; prior amounts reported were \$0.**
- Inter-Dept Charge from Traffic Engineering is an annual expense. There may be additional minor charges for repairs.
- Inter-Dept Charge from Insurance is the third quarter 2022 expenses.
- Inter-Dept Charge from Workers Comp only has the January through July expenses posted in July.
- Transfer out to Debt Service is the April interest payment on Library's General Obligation (GO) borrowing. The principal and interest payment will be processed in October.