

**MADISON PUBLIC LIBRARY**  
**Supplementary Notes to the March 2021 Year to Date Budget Report**  
**As of April 26, 2021**

Key Indicators

|                                |     |
|--------------------------------|-----|
| Budget Year Lapsed             | 25% |
| Total Operating Revenue        | 56% |
| Total Operating Expense        | 18% |
| Total Wages & Benefits Expense | 19% |
| Total Supplies Expense         | 30% |
| Total Services Expense         | 23% |
| Total Debt/Inter-Dept Charges  | 1%  |

Financial Snapshot

|  |                        |                     |              |                  |                                 |                     |                            |                           |
|--|------------------------|---------------------|--------------|------------------|---------------------------------|---------------------|----------------------------|---------------------------|
|  |                        |                     |              |                  |                                 |                     |                            | 3/31/2021                 |
|  |                        |                     |              |                  |                                 |                     |                            | Year remaining 75%        |
|  |                        |                     |              |                  |                                 |                     |                            | Year lapsed 25%           |
| <b>MADISON PUBLIC LIBRARY MARCH 31, 2021 YEAR TO DATE BUDGET REPORT AS OF APRIL 26, 2021</b> |                        |                     |              |                  |                                 |                     |                            |                           |
|  | 2021 Adopted<br>Budget | 2021 YTD<br>Actuals | Encumbrances | % Budget<br>Used | 2021 Under/<br>(Over)<br>Budget | 2020 YTD<br>Actuals | CYTD - LYTD<br>Variance \$ | CYTD - LYTD<br>Variance % |
| Revenue Totals   | 21,690,915             | 12,179,743          | -            | 56%              | 9,511,172                       | 12,456,251          | (276,507)                  | -2%                       |
| Expenses Totals:   | (21,719,382)           | (3,856,109)         | (612,825)    | 18%              | 17,250,448                      | (4,086,747)         | 230,637                    | -6%                       |
| Wages & Benefits Totals  | (13,681,850)           | (2,629,352)         | -            | 19%              | 11,052,498                      | (2,782,249)         | (152,897)                  | -5%                       |
| Supplies Totals  | (867,794)              | (260,761)           | (19,258)     | 30%              | 587,775                         | (299,413)           | (38,652)                   | -13%                      |
| Purchased Services Totals  | (4,083,216)            | (930,917)           | (593,567)    | 23%              | 2,558,732                       | (970,120)           | (39,203)                   | -4%                       |
| Debt and Inter-Dept Totals   | (3,086,522)            | (35,079)            | -            | 1%               | 3,051,443                       | (34,964)            | 116                        | 0%                        |
| Net Gain/(Loss)  | (28,467)               | 8,323,634           | (612,825)    |                  | 26,761,620                      | 8,369,504           |                            |                           |
| Fund Balance 12/31/2020  |                        | 2,242,244           |              |                  |                                 |                     |                            |                           |
| Fund Balance 1/1/2021  |                        | 1,678,069           |              |                  |                                 |                     |                            |                           |

Executive Summary

The year to date budget report represents the current net operating position of the library at the time of producing the report. This report provides analysis on MPL's current and last year to date expense and budget performance by comparison. 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.

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.

The 2021 carry forward funds entry has not been made. The year-end close process was recently completed. Instructions from Central Budget is to bring in only the funds we will be able to spend in 2021. MPL staff are

reviewing the 2020 carry forward amounts to determine what they have the capacity to spend in 2021. Once this entry has been made the budget for many line items will increase.

### Revenue

Revenue budget used: 56%

- Real Estate Taxes Revenue has been credited with the January and February 2021 installments. Historically, 62% - 67% of Real Estate Taxes Revenue is received in the first two months of the year. The remaining installments will be credited in April, June and August.
- Federal Revenues Operating is over budget due to the eRate rebate of \$67,850 received. This was unknown at the time the 2021 operating budget was created.
- Library Fees is negative due to more refunds than revenue.
- Contributions and Donations are at 51% of anticipated funds. During the 2021 Operating Budget process MPL estimated these funds very conservatively. If MPL receives more than anticipated in the budget the Madison Public Library Board will need to approve acceptance and appropriation of funds over \$10,000, per MGO 4.29. This will allow MPL to increase the revenue and expense budget accordingly.

### Wages and Benefits

Wages and Benefits budget used: 19%

- Wages and Benefits has 4.8 pay periods paid out of 26.1 pay periods. Last Year to Date had 4.2 pay periods paid out of 26.2 pay periods.
- Wages and benefits continue to be less than 2021 due to continued vacant positions. MPL is currently in the process of filling these vacancies.

### Supplies

Supplies budget used: 30%

- Office Supplies are trending to be over budget by \$3,000. MPL has supply needs unknown at the time of the 2021 Operating Budget process. MPL requested additional funds for 2022 in the Cost to Continue budget process.
- Library Collections purchases deemed as fixed assets are now housed in the Capital Fund. An analysis of all 2021 Library Collections purchases is performed and a final entry is created to move purchases between operating and capital expenses.
  - Capital budget is \$740,000 with purchases YTD of \$39,715; 6% of budget is used.
  - Operating budget is \$282,020; with purchases YTD of \$169,247; 51% of budget is used.
- Safety Supplies expenses are high for this time of year, due to purchases of additional safety partitions in January.
- Building Supplies expense includes additional Plexiglas barriers purchased for Library service expansion. This purchase was not anticipated during the 2020 Operating Budget process.
- Machinery and Equipment encumbrance is for Monroe Street self-check machines, being funded with endowment and donations. The 2020 carry forward budget amendment will increase budget.

### Purchased Services

Purchased Services budget used: 23%

- Natural Gas is at 50% budget, which is normal. Historically over 50% of this budget is used in the first quarter of the year.
- Systems Communication Internet expense is mainly comprised of an annual purchase made in January.
- Elevator Repair expense is mainly comprised of an annual purchase made in January.

- Communication Device Repair and Maintenance expense is mainly comprised of an annual purchase made in January.
- Recruitment expense includes \$649 using carry forward funds, not yet posted to budget.
- Membership expense is mainly comprised of annual renewals paid in January.
- Consulting Services is using carry forward funds, not yet posted to budget.
- Security Service annual contracts are paid in January and April.

#### Debt/Inter-Dept Charges

Debt/Inter-Dept Charges budget used: 1%

- Inter-Dept Charge from Traffic Engineering is an annual charge, with minor adjustments at year end.