

Water Utility

Agency Number: **64**
Budget Function: **Public Works and Transportation**

The mission of the Madison Water Utility is to provide and maintain an adequate supply of safe water for consumption and fire protection, with quality service and at a reasonable price, for present and future generations.

| <u>Major Service</u> | <u>2004 Actual</u> | <u>2005 Budget</u> | <u>2005 Projected</u> | <u>2006 Request</u> | <u>2006 Executive</u> | <u>2006 Adopted</u> |
|----------------------|------------------------|------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| Water Supply | 0 | 0 | 409,087 | 0 | 0 | 0 |
| Agency Total | \$ 0 | \$ 0 | \$ 409,087 | \$ 0 | \$ 0 | \$ 0 |

Executive Budget Highlights

The Budget includes:

1. Funding for continuation of existing services.
2. The deletion of the Assistant Water Supply Supervisor position and the creation of an Engineering Aide 2 position to acknowledge the need for a permanent solution to the work load in our engineering mapping section that has been performed by hourly employees for the past three years.
3. The utility will be filing a formal rate case with the Public Service Commission of Wisconsin in 2005 and the revenue figures in the 2006 operating budget request include an estimated 11% rate increase. This rate increase is projected to be phased in beginning with the April 2006 billing and the full 11% increase will be effective with the October 2006 billing. The Water Utility's last full rate increase was granted in August of 2002 and it was just under 12%. On July 13, 2005 a simplified rate case increase was granted in the amount of 3%. That rate increase will begin its phase in with the October 2005 billing.
4. A revenue bond issue of approximately \$12,000,000 is anticipated for the Spring of 2006. The last revenue bond issue was in August of 2003. A refunding issue was completed in March of 2005.

The agency submitted no supplemental budget requests.

Water Utility

Budget Service Descriptions:

Water Supply

The Madison Water Utility serves 60,000 customers, providing 12 billion gallons of water a year. The Utility operates 24 wells to supply the water, which is delivered to customers through over 800 miles of water main.

| Service Summary | | | |
|----------------------------|---------------|---------------|------------------|
| | 2004 | 2005 | 2006 |
| | <u>Actual</u> | <u>Budget</u> | <u>Executive</u> |
| Total Expenditures | \$ 17,145,697 | \$ 19,454,200 | \$ 19,583,800 |
| Less Inter-Agency Billings | 17,145,697 | 19,454,200 | 19,583,800 |
| Net Total | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

Water Utility Summary by Major Object of Expenditure

| | 2004 | 2005 | 2005 | 2006 | 2006 | 2006 |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Projected</u> | <u>Request</u> | <u>Executive</u> | <u>Adopted</u> |
| Permanent Salaries | \$ 5,487,490 | \$ 5,796,288 | \$ 5,796,288 | \$ 6,165,585 | \$ 6,165,585 | \$ 0 |
| Hourly Employee Pay | 185,315 | 151,620 | 151,620 | 150,000 | 150,000 | 0 |
| Overtime Pay | 201,735 | 151,620 | 151,620 | 150,000 | 150,000 | 0 |
| Fringe Benefits | 2,016,541 | 2,145,488 | 2,145,488 | 2,278,885 | 2,278,885 | 0 |
| Purchased Services | 2,321,781 | 2,524,003 | 2,775,130 | 2,561,132 | 2,561,132 | 0 |
| Supplies | 986,968 | 459,678 | 1,256,674 | 1,749,722 | 1,749,722 | 0 |
| Inter-Departmental Charges | 609,095 | 523,371 | 513,371 | 506,858 | 506,858 | 0 |
| Debt/Other Financing Uses | 4,731,872 | 4,881,432 | 4,677,976 | 5,254,670 | 5,254,670 | 0 |
| Capital Assets | <u>604,900</u> | <u>2,820,700</u> | <u>629,200</u> | <u>766,948</u> | <u>766,948</u> | <u>0</u> |
| Total Expenditures | \$ 17,145,697 | \$ 19,454,200 | \$ 18,097,367 | \$ 19,583,800 | \$ 19,583,800 | \$ 0 |
| Inter-Agency Billings | <u>17,145,697</u> | <u>19,454,200</u> | <u>17,688,280</u> | <u>19,583,800</u> | <u>19,583,800</u> | <u>0</u> |
| Net Budget | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 409,087</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |