

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>2007 Actual</u>	<u>2008 Budget</u>	<u>2008 Projected</u>	<u>2009 Request</u>	<u>2009 Executive</u>	<u>2009 Adopted</u>
Water Supply	0	0	0	0	0	0
Agency Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Adopted Budget Highlights

The Budget includes:

1. A plan to limit expenditures to the amount of estimated revenues for 2009. This budget results in a positive cash flow for the Water Utility in 2009, which eliminates the necessity for additional borrowing from the General Fund. To reach this limited expenditure plan the Water Utility will: delay painting of one elevated storage tank until 2010, delay several vehicle replacements and additions, reduce computer and tool purchases, reduce training and travel expense, reduce hourly employee expense and increase salary savings through managing vacancies.
2. Revenue estimates are based on current consumption patterns and two rate increases taking effect in 2009. The Utility filed a formal rate case with the Public Service Commission (PSC) of Wisconsin in April 2008. The Utility anticipates this rate case being approved at 14% and taking effect with the March 2009 billings. The Utility will file a second rate case with the PSC in January 2009. The second rate increase is estimated at 8% and will begin taking effect with the November 2009 billings.
3. The elimination of one Meter Mechanic 2 (1.0 FTE), one Water Utility Operations Leadworker (1.0 FTE) and one Equipment Operator 3 (1.0 FTE). All three positions are vacant.
4. Funding for principal and interest debt service payments of \$6.3 million. A new revenue bond issue of approximately \$12 million is anticipated in the summer of 2009. The Utility's last bond issue was in December 2007.
5. Funding of \$350,000 for painting of one elevated storage tank at High Point Road.
6. Funding for a continuation of existing services.

