

OUR CITY OF MADISON



Finance Budget Overview

David Schmiedicke, *Finance Director*

Finance Operating Budget Overview

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Finance Operating Budget

As of January 2023, our agency maintains a \$14.4 million operating budget across five budgeted services:

Service	Operating Budget
Accounting	\$3,184,762
Budget and Program Mgmt	\$1,112,106
Internal Audit and Grants Mgmt	\$602,610
Risk Management / Admin Support / Document Services	
Admin Support / Document Svcs	\$436,705
Insurance Fund (admin/claims)	\$3,490,368
Worker's Comp Fund (admin/claims)	\$4,366,452
Treasury	\$1,129,819
TOTAL	\$14,422,922

Note: Operating budget by services represent total personnel and non-personnel expenses; interdepartmental charges and billings have been excluded to reflect true cost of services.

ACCOUNTING



2023 Total Operating Budget
\$3,184,762

Service: Accounting

Service Description

This service is responsible for the accounting, payroll, and procurement operations of the City of Madison. The service develops and maintains accounting-related internal controls, oversees the annual financial statement and audit preparation, and develops, coordinates and implements the City's accounting and financial reporting systems. The goal of the service is to mitigate risk for financial losses and to ensure adherence to Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board Statements (GASB).

BUDGET AND PROG MGMT



2023 Total Operating Budget
\$1,112,106

Service: Budget & Prgm Mgmt

Service Description

This service is responsible for preparing the City's annual capital and operating budgets, as well as providing assistance to City agencies with budget development and analysis. The service performs financial, compliance and performance reviews of City agencies, and supports city-wide efforts to coordinate, manage and use data effectively in support of racial equity, social justice, and performance goals. The goal of the service is to continue to expand data visualization tools allowing policymakers and residents to interact with the budget, implement a new service structure for budget development, execute projects as part of the Data Management work plan, and execute data projects as part of an annual research agenda.

INTERNAL AUDIT AND GRANTS



2023 Total Operating Budget

\$602,610

Service: Internal Audit

Service Description

This service is responsible for developing and administering the City's comprehensive internal audit program including internal control systems, program, performance accomplishments of city agencies, determining if agencies carried out policies directed or approved by the Common Council, and grant facilitation, oversight, accounting, auditing, reporting, and single audit preparation activities.

RISK MGMT / ADMIN SUPPORT / DOCUMENT SERVICES

Risk Management / Insurance / Worker's Compensation

Service Description

This service is responsible for administration of the City's general liability, auto liability, property and other miscellaneous insurance programs, and acts as the liaison between the City and the Wisconsin Municipal Mutual Insurance Company (WMMIC). Risk Management also monitors the insurance requirements of City contracts and investigates the appropriateness of claims against the City. Risk Management is also responsible for the implementation, administration and continued enhancement of the City Safety and Worker's Compensation programs.

Insurance

Service Description

This service purchases insurance and implements other risk management techniques to protect the assets of the City. Protection of City assets is accomplished by minimizing the City's exposure/risk by purchasing insurance or through a contract. If neither option is possible or reasonable, risk avoidance and loss control techniques (i.e., training and other programs designed to mitigate risk) may be used.

Worker's Compensation

Service Description

This service coordinates citywide programs with safety committees, managers, and employees to provide a safe working environment for City employees. If an employee becomes injured or ill on the job, staff work with providers to provide appropriate and timely benefits as provided under the Worker's Compensation laws established by the State of Wisconsin.

Administrative Support / Document Services

Service Description

This service provides clerical and office services to City agencies. In addition to the Administrative Support Team staff who are assigned to various City agencies to assist with both special projects and day-to-day operations, a centralized Document Services Unit provides confidential word processing services, as well as software support to City agencies, application conversion, website administration, and assistance with agency budget preparation. This Unit develops and prepares newsletters and brochures, complex financial schedules, database management, routine documents, and can provide Braille output of a variety of documents upon request.

2023 Total Operating Budget

\$8,393,625

Treasury



2023 Total Operating Budget

\$1,129,819

Service: Treasury

Service Description

This service processes over one million payments per year with an increasing number of payments received through electronic payment channels which requires the development of new processes and procedures. The primary customers of this service are the general public and City agencies that rely on the service. The goals of this service are to enhance the ability of the taxpayer to avoid delinquency, while at the same time maximizing the collection of delinquent taxes by July 31st; and to meet or exceed the budget goal for interest earnings. The major initiatives planned for this service include the continued development and expansion of electronic payments.

Operating Budget by Fund

Finance is a general fund and internal service fund agency. This means our operations are primarily funded by city levy and internal billings to other departments.

Fund	2023 Adopted Budget
General	\$4,465,472
Internal Service	\$7,956,920
Other (Revenue, Grants, Agency Charges)	\$1,820,530
TOTAL	\$15,410,554

Finance Capital Budget Overview

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Finance Capital Budget

As of January 2023, Finance maintains a 2023 Capital Budget of \$370,000 across one program.

Program	2023 Capital Budget
Capital Budget Administration	\$370,000

Capital Budget Administration



2023 Program Capital Budget
\$370,000

Project
Citywide Element

Capital Budget Administration
Effective Government

Project # **12509**
Project Type **Program**

Project Description

This program is for costs associated with administering and overseeing the City’s capital budget and Capital Improvement Plan. These costs are primarily staffing costs from the Finance Department for time spent building the capital budget and administering the budget. The amount is based on results from the Cost Allocation study that was completed in the Summer of 2022. The goal of the program is to provide accurate and timely analysis regarding capital budget items.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
Transfer In From General Fund	370,000	370,000	370,000	370,000	370,000	370,000
TOTAL	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000

Finance Additional Budget Resources

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Upcoming Budget Concerns

The following budget concerns are important for Alders to be aware of:

- Staff and funding levels to:
 - Meet governmental accounting standards requirements and payroll processing
 - Oversee and provide training on the city financial system
 - Address budget, policy and data innovation workload
 - Ensure robust internal audit program
- City-wide budget issues:
 - Implementing an equity-imbued, outcomes-focused, and results-oriented budget process
 - Maintaining city fund balance goal (15% of general fund budget)
 - Addressing long-term financial challenges
 - Costs are increasing faster than allowable revenue growth (levy limits)
 - Maintaining triple-A bond rating and sustainable debt levels through long-term capital planning and prioritization
 - Affordability of city user fees and charges

FINANCE Budget Resources

- [2023 Adopted Capital Budget](#)
- 2023 Adopted Operating Budget
 - [Finance](#)
 - [Insurance](#)
 - [Worker's Compensation](#)



OUR CITY OF MADISON



Stay Connected!

David Schmiedicke, Finance Director
dschmiedicke@cityofmadison.com

608-267-8710

CITY OF MADISON