

Executive Budget User's Guide

Agency Budgets

Agencies were instructed to submit 2018 budget requests that did not exceed the 2017 Adopted Budget. Agency requests were updated to include planned salary adjustments (step and longevity increases), a revised fleet rate and updated insurance and workers' compensation expenses, along with various cost to continue adjustments.

Agency budgets are presented in Section 4 of the document. Budgets are presented in alphabetical order. Agency budgets are presented by service and by fund at the major expenditure level.

- Service-An activity or set of activities performed by an agency that has: identifiable costs for budgetary purposes, and a clear purpose with measurable objectives.
- Major Object: A set of like accounts defining the nature of revenues and expenditures. Major objects within the City of Madison's chart of accounts include:

Revenue

- General Revenues
- Intergovernmental Revenues
- Charges for Services
- Licenses & Permits
- Fine Forfeiture Assessments
- Investments & Contributions
- Miscellaneous Revenue
- Other Finance Source
- Transfer In

Expenditures

- Salaries
- Fringe Benefits
- Supplies
- Purchased Services
- Debt/Other Financing Uses
- Inter Departmental Billings and Charges
- Transfers Out

Agency chapters are organized into 5 sections. Information previously submitted as a supplement now appears within agency sections.

1. Agency Overview
 - a. Includes the agency overview, mission, and key highlights included in the Executive Budget.
2. Budget Overview
 - a. Provides an overview of agency budgets by service and by fund organized by major type of expenditure
3. Service Overview
 - a. Includes a description discussing the scope of work provided by the service. All service budgets are presented at the major object level.
4. Position Detail
 - a. Includes the count and salary of full-time equivalent (FTE) positions funded included in the Executive Budget.
5. Line Item Detail
 - a. Outlines line item expenditures within the agency's primary fund.

Pay Increases

The Executive Budget includes the following wage increases:

- Sworn Police and Fire: The annualization of a 1% planned increase for December 2017.
- Teamsters: The annualization of a 2% increase planned for December 2017.
- All Other Civilian Positions: The annualization of the 1% pay increase planned for December 2017.

Payroll Allocations

The 2018 budget reflects budgeted payroll allocations for all budgeted positions. Many internal support agencies allocate a portion of their salaries to enterprise agencies to which they provide services. Payroll allocations are also used for distributing staff costs across funds including capital, grants, and enterprise funds. The salary amounts presented in the Position Overview reflect the full salary of positions within the agency where the position is located. The budgeted amount shown in the Line Item Detail reflects permanent wages as allocated in the budget.

The authorized Full Time Equivalent (FTE) position strength encompasses current year modifications adopted by Common Council through September of 2017.

Allocation of Fringe Benefits

Fringe benefit amounts reflected in agency budgets are based on anticipated 2018 rates. Benefits that remain centrally budgeted included: sick leave escrow payments, City employee bus subsidy payments, and unemployment benefits. Benefits budgeted centrally within the General Fund are distributed to agencies based on actual expenditures throughout the year.

Enterprise Funds

The operating budget includes revenue and expenditure information pertaining to Madison's enterprise funds including:

- Monona Terrace
- Golf Enterprise
- Transit Utility (Metro Transit)
- Parking Utility
- Sewer Utility
- Stormwater Utility
- Water Utility

All enterprise funds, except Monona Terrace and Transit Utility, do not receive a subsidy from the General Fund. Monona Terrace receives a subsidy through the Room Tax Fund as authorized by the Room Tax Commission. The Transit Utility also receives a General Fund subsidy outlined in the proposed budget for Metro Transit. Savings resulting from lower than anticipated expenses and revenues generated in excess of budgeted levels are maintained in the individual enterprise operating funds. This policy affords enterprise managers the opportunity to utilize positive budget variances to benefit future year operations. It also builds capacity to respond to future budget shortfalls from enterprise resources, without affecting General Fund expenditure levels.