

Water**Function: Public Works***Budget Overview*

Agency Budget by Fund

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Water Utility	45,882,963	45,232,406	45,619,591	45,600,921	45,582,700	46,453,823
TOTAL	\$ 45,882,963	\$ 45,232,406	\$ 45,619,591	\$ 45,600,921	\$ 45,582,700	\$ 46,453,823

Agency Budget by Service

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Water Quality	898,587	986,974	7,533,463	1,087,499	1,361,733	1,120,971
Water Engineering	2,253,257	2,006,758	2,096,144	2,193,586	1,988,540	2,716,208
Water Operations & Maintenance	10,122,867	9,908,211	10,891,511	12,815,340	12,608,348	12,377,546
Water Customer Service	2,601,328	3,031,380	2,885,349	3,070,915	2,935,122	3,181,643
Water Finance & Admin	30,006,926	29,299,083	22,213,123	26,433,581	26,688,957	27,057,455
TOTAL	\$ 45,882,963	\$ 45,232,406	\$ 45,619,591	\$ 45,600,921	\$ 45,582,700	\$ 46,453,823

Agency Budget by Major-Revenue

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Intergov Revenues	(133,361)	(138,000)	-	-	-	-
Charges For Services	(43,100,382)	(43,785,220)	(44,407,568)	(44,965,000)	(44,965,000)	(45,109,700)
Fine & Forfeiture	(251,660)	(242,300)	(179,540)	(59,000)	(59,000)	(222,200)
Investments & Other Contributions	(977,467)	(300,000)	(468,167)	(280,000)	(280,000)	(250,000)
Misc Revenue	(561,898)	(322,780)	(519,288)	(278,700)	(278,700)	(380,500)
Other Financing Source	(830,623)	(444,106)	(1,550)	(18,221)	-	(491,423)
Transfer In	(27,572)	-	(43,481)	-	-	-
TOTAL	\$ (45,882,963)	\$ (45,232,406)	\$ (45,619,592)	\$ (45,600,921)	\$ (45,582,700)	\$ (46,453,823)

Agency Budget by Major-Expenses

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Salaries	8,677,134	9,039,183	9,253,672	9,586,202	9,489,720	9,548,742
Benefits	3,751,270	2,804,480	3,006,979	3,031,255	2,943,448	2,991,583
Supplies	1,026,036	2,322,500	956,387	2,462,300	2,462,300	2,238,100
Purchased Services	4,240,842	5,430,000	4,216,393	5,100,790	4,763,123	5,980,476
Debt & Other Financing	29,926,286	27,646,350	22,493,949	18,968,000	19,479,011	19,292,500
Inter Depart Charges	843,701	949,893	904,194	1,098,441	1,091,165	1,071,322
Inter Depart Billing	(2,582,305)	(2,960,000)	(2,546,360)	(2,385,000)	(2,385,000)	(2,511,000)
Transfer Out	-	-	7,334,378	7,738,933	7,738,933	7,842,100
TOTAL	\$ 45,882,963	\$ 45,232,406	\$ 45,619,591	\$ 45,600,921	\$ 45,582,700	\$ 46,453,823



To: Dave Schmiedicke, Finance Director

From: Krishna Kumar, General Manager, Madison Water Utility

Date: July 12, 2021

Subject: 2022 Operating Budget Transmittal Memo

Major Goals

Madison Water Utility (MWU) is comprised of 5 service lines; Water Quality, Water Engineering, Water Supply and Operations, Water Customer Service and Communication/Outreach and Water Finance and General Administration. Our 2022 operating budget request seeks to fund these service lines to enable them to meet their desired goals:

- Water Quality – ensure the delivery of safe, high-quality water to customers and to comply with requirements of the Safe Drinking Water Act
- Engineering – use Asset Management and Water Master Plan to meet or exceed levels of service to our customers
- Water Supply and Operations – maintain and upgrade the water supply system to ensure customers are provided with an adequate quantity of high quality water for consumption and fire protection
- Customer Service and Communication/Outreach – generate accurate water consumption and billing data to ensure proper billing; provide communication and community outreach for conservation and sustainability education
- Finance and General Administration – provide accurate, reliable and transparent financial information to internal and external stakeholders while exploring ways to make utility rates affordable for all customers

COVID Recovery

We anticipate our buildings being open to the public in 2022. We have prepared our 2022 operating budget request based on normal operations. We have experienced a change in consumption amongst our customer classes due to COVID in 2020 and 2021. Our 2022 budget assumes more people will return to work in 2022 thereby reducing our residential/multi-family/duplex revenues but increasing our commercial/industrial/governmental classes. We have begun charging late fees again per the PSC order and have included late fees in our 2022 operating budget.

2022 Request & Equity

MWU works with consultants and the PSC to set rates so that they are not overly burdensome on any one ratepayer. Our main replacement program is designed to replace and maintain our infrastructure on a consistent basis so that the cost is equally spread among all generations that receive the benefit of our distribution system. We are currently exploring potential ways to address water affordability issues while staying within regulatory guidelines.

2022 Request & Sustainability

MWU maintains a vehicle replacement program for over 100 vehicles and power equipment. This program has been updated to include green and energy efficient replacements as our fleet ages and replacements are required.

Major Changes in 2022 Operating Request

We have included an additional \$600,000 for tank painting in 2022. There was no tank painting included in our 2021 budget.

We are continuing to maintain or reduce expenses where applicable to build up our cash reserves.

We did not experience reduced revenues due to COVID. We did experience a change in consumption patterns amongst our classes. We have built our 2022 operating revenues based on a two year average in an attempt to account for the change in consumption patterns. We are projecting an overall revenue increase of \$560,000 in 2022 from 2021.

We closed 2020 with an operating cash balance of \$10.2 M; we anticipate an ending operating cash balance of \$9.4 M for 2021. The requested budget for 2022 is estimated to result in an operating cash balance of \$7.1 M.

Later this year, we are planning to submit a rate case to the WI Public Service Commission (PSC) to increase our water rates. We do not anticipate approval of this case and implementation of new rates until the end of 2022 at the earliest. As in years past, we have budgeted revenues based on current PSC approved rates.

c.c. *Christie Baumel, Deputy Mayor*
Christine Koh, Budget and Program Evaluation Manager
Stephanie Mabrey, Budget Analyst
Kathy Schwenn, Finance Manager

2022 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Water Utility

SELECT YOUR AGENCY'S SERVICE:

Water Customer Service

SERVICE NUMBER:

864

SERVICE DESCRIPTION:

This service provides customer service for billing and meter operations to ensure accurate water consumption and billing data. This service also conducts the Water Utility's communication and community outreach for conservation and sustainability education, media relations, external communication, and promotion of the utility's water conservation initiatives. Communication and Community Outreach also develops Madison Water Utility's evolving crisis communication and strategic communication plans and oversees the Home Water Conservation, Water Wagon, and Got Water programs.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$2,607,602	\$3,031,380	\$2,885,349	\$3,070,915	\$2,935,122	\$3,181,643
Total	\$2,607,602	\$3,031,380	\$2,885,349	\$3,070,915	\$2,935,122	\$3,181,643
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$1,285,230	\$1,831,980	\$1,386,484	\$1,935,311	\$1,893,715	\$1,969,662
Non-Personnel	\$1,224,093	\$1,199,400	\$1,381,394	\$1,135,604	\$1,041,407	\$1,211,981
Agency Billings	\$98,279	\$0	\$117,471	\$0	\$0	\$0
Total	\$2,607,602	\$3,031,380	\$2,885,349	\$3,070,915	\$2,935,122	\$3,181,643
FTEs	0.00	18.31		20.11	20.11	21.00

PRIORITY

Citywide Element Green and Resilient

Describe how this service advances the Citywide Element:

The Water Utility strives to conserve the limited water resources of Madison through our conservation programs. We offer toilet rebates to customers that replace high water usage toilets with more efficient units. Customers have the ability to view their water usage in real time through our "My Water" program and can monitor and adjust their usage accordingly. Educational programs are offered throughout the year to the community to educate and inform citizens of the limited water resources available in Madison. We monitor the water going through our distribution system to minimize water loss. Our Customer Billing area works with citizens of Madison to identify potential causes of high water usage and potential undected leaks.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Bill for Services to Customers	50	Manage meter reading and customer billing data to provide monthly billings to 78,000 active accounts.
Manage Customer Inquiries	20	Conduct inquiries into customer accounts to address billing questions from ratepayers and support the services of the water utility.
Install, Inspect and Monitor Customer Meters and Installations	15	Conduct on-site visits to customer properties to install, inspect and replace customer meters to enable accurate consumption readings and provide reliable billings.
Communicate Water Utility Current Events and Promotions	15	Inform and communicate with the community regarding current operational and promotional initiatives at the Water Utility.

Insert item

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

MWU is including funding for an IT specialist. This position is housed in the IT budget but will be 100% funded by Water. 80% of this position is funded in the Customer Service resulting in a personnel cost increase of \$71,000.

MWU is currently working on switching the billing software from CIS to Tyler UB and the expected go live date is in 2022. With the switch over coming in 2022 we have budgeted increased costs to communicate with customers about the change and some added software expenses that are expected with the change over.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text" value="2100"/>	<input type="text" value="\$57,000"/>	<input type="text" value="IT Specialist 3 80% (18/10) IT position #5001"/>
Benefits	<input type="text" value="2100"/>	<input type="text" value="\$14,000"/>	<input type="text" value="IT Specialist 3 80% (18/10) IT position #5001"/>
Total		<input type="text" value="\$71,000"/>	

Explain the assumptions behind the allocation change.

Dollars were based on job class for IT Specialist 3 using 2019 numbers.

What is the justification behind the allocation change?

Water has several computer systems that are used exclusively by Water and IT does not have the manpower to support all of our systems. Additionally we are moving to Tyler Utility Billing for our billing software and this will require additional IT support. This position will be in the IT budget but will be 100% funded by MWU.

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	<input type="text"/>	<input type="text"/>	
Premium Pay	<input type="text"/>	<input type="text"/>	
Hourly	<input type="text" value="2100"/>	<input type="text" value="\$53,000"/>	<input type="text" value="4 Meter Shop hourly workers"/> <input type="text" value="1 Communications Intern"/>
Total		<input type="text" value="\$53,000"/>	

Explain the assumptions behind the requested funding.

Meter Shop - 4 hourly @ \$16.67/hr for 600 hrs each
Communication Intern - 700 hours @ \$18.57/hr

What is the justification behind the increased funding?

The meter shop uses the additional workers to enable them to change out meters as required by the PSC schedule.
The summer communication intern works with our communications section on the water wagon events.

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	

Insert item

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

Non-Personnel

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
<input type="text" value="2100"/>	<input type="text" value="53"/>	<input type="text" value="\$50,000"/>	<input type="text" value="Budgeted additional expenditures due to conversion to Tyler UB"/>
<input type="text" value="2100"/>	<input type="text" value="54"/>	<input type="text" value="\$50,000"/>	<input type="text" value="Budgeted additional expenditure due to conversion to Tyler UB"/>

Insert item

Explain the assumptions behind the requested funding.

These increases are based on the assumption that MWU will be switching from CIS to Tyler UB in 2022.

What is the justification behind the increased funding?

In order to facilitate a smooth transition between the billing software programs there is a need for increased communication with customers to educate them about the change and the differences that they can expect to see as MWU transitions to a new software program (i.e what their bill is going to look like, how they can make on-line payments, how they can retrieve their water use information).

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Madison Water Utility (MWU) is regulated by the Public Service Commission (PSC) of WI. All operational work is done following the guidelines of the PSC, Dept. of Natural Resources and various other federal/state agencies. All wells are regulated for various contaminants and a report is issued annually showing the results. Notification of this report is mailed out to all residents and is available on our website. It is available in multiple languages.

MWU is exploring potential ways to address water affordability as the costs of replacing and maintaining our infrastructure continues to increase causing our rates to increase. Water is an essential resource and keeping our rates affordable for all residents of Madison is a high priority.

MWU follows all City of Madison purchasing guidelines. By doing this, we ensure that all taxpayers have the opportunity to bid on goods and services needed by MWU. Madison offers a local preference on the bid scoring.

MWU follows all City of Madison Affirmative Action rules. By doing this, we ensure that all persons and businesses that receive our dollars are following best practices in regards to hiring.

MWU follows all City of Madison hiring rules. By doing this, we ensure that we are receiving a diverse pool of candidates and that MWU's workforce is diverse.

a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?

All consumers of Madison water benefit from the 2022 operating budget. The budget ensures that we are following our mission of providing safe and affordable water to the residents and visitors of Madison.

b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

None.

c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

MWU regularly works with community groups through our outreach when specific neighborhoods are affected by our operations. We attend community and neighborhood meetings to inform the residents and answer any questions. We have an informative website and social media presence to ensure that all residents are aware of our operations and how it might affect them.

When a neighborhood is affected by MWU work (flushing program, main break repair, etc) we communicate directly with each resident and/or leave material to inform them of the work that is being done and how it will impact them.

d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.

No.

e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

We will continue to be transparent and post on social media and our website as well as continue to attend community and neighborhood meetings.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description
<input type="checkbox"/> Insert item		
Total	\$0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
<input type="checkbox"/> Insert item		
Total	0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.

Submit

2022 Operating Budget Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Water Utility

SELECT YOUR AGENCY'S SERVICE:

Water Engineering

SERVICE NUMBER:

862

SERVICE DESCRIPTION:

This service provides technical support, mapping, long-term planning, and direction to the Water Utility capital improvement and infrastructure renewal program. The goal of this service is to use Asset Management and Master Plan technology to meet and maintain levels of service to customers.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$2,253,257	\$2,006,758	\$2,096,144	\$2,193,586	\$1,988,540	\$2,716,208
<i>Total</i>	<i>\$2,253,257</i>	<i>\$2,006,758</i>	<i>\$2,096,144</i>	<i>\$2,193,586</i>	<i>\$1,988,540</i>	<i>\$2,716,208</i>
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$1,434,748	\$1,476,558	\$1,525,886	\$1,588,648	\$1,575,870	\$1,572,908
Non-Personnel	\$549,211	\$530,200	\$443,803	\$604,938	\$412,670	\$1,143,300
Agency Billings	\$269,297	\$0	\$126,455	\$0	\$0	\$0
<i>Total</i>	<i>\$2,253,256</i>	<i>\$2,006,758</i>	<i>\$2,096,144</i>	<i>\$2,193,586</i>	<i>\$1,988,540</i>	<i>\$2,716,208</i>
FTEs	0.00	10.87		11.87	11.87	17.00

PRIORITY

Citywide Element

Describe how this service advances the Citywide Element:

Water engineering provides a wide array of services associated with planning, developing, maintaining and managing the utility's asset infrastructure to ensure a desired level of service is provided to the community. Water engineering staff work closely with other city agencies in managing shared projects to improve efficiency and achieve shared goals.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Infrastructure Planning and Design	25	Internal development of infrastructure necessary to provide the utility's desired level of service.
Construction Project Management and Regulatory Compliance	35	Monitoring shared construction projects to determine specification requirements associated with the utility's infrastructure and maintain compliance with federal, state and local regulations.
GIS and Asset Management	20	Mapping systems infrastructure and monitoring conditions of water utility's system assets for planning and maintenance purposes.
Construction Inspection and Field Surveying	20	Monitor compliance with internal and contractor specifications to ensure facilities and systems are adequately constructed.

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

This increase in the budget includes \$600,000 for a tank painting. MWU continues to build on its asset management plan. In addition to our Asset manager and our desire to continue to develop and grow our plan we are including additional \$122,500 for Asset Management services, Master Plan services and hydraulic modeling services.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text"/>	<input type="text"/>	<input type="text"/>
Benefits	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text" value="\$0"/>	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	<input type="text"/>	<input type="text"/>	<input type="text"/>
Premium Pay	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hourly	<input type="text" value="2100"/>	<input type="text" value="\$110,600"/>	<input type="text" value="Construction inspectors, engineering intern and mapping intern"/>
Total		<input type="text" value="\$110,600"/>	

Explain the assumptions behind the requested funding.

2 partial year interns at \$22,300 each.
3 construction inspectors at \$22,000 each

What is the justification behind the increased funding?

All of these positions provide high value and significant benefit to the Water Utility. The interns bring in highly qualified individuals that do excellent work. The construction inspectors fill a need to cover our construction projects during the summer.

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

Non-Personnel

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
<input type="text" value="2100"/>	<input type="text" value="54"/>	<input type="text" value="\$600,000"/>	<input type="text" value="Tank painting and consulting services"/>

Explain the assumptions behind the requested funding.

MWU will be repainting one of the tanks in 2022 and the cost estimate is based on previous cost estimates.

What is the justification behind the increased funding?

MWU trying to perform routine maintenance to reduce overall costs and extend the life of our assets instead of replacing them earlier.

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Madison Water Utility (MWU) is regulated by the Public Service Commission (PSC) of WI. All operational work is done following the guidelines of the PSC, Dept. of Natural Resources and various other federal/state agencies. All wells are regulated for various contaminants and a report is issued annually showing the results. Notification of this report is mailed out to all residents and is available on our website. It is available in multiple languages.

MWU is exploring potential ways to address water affordability as the costs of replacing and maintaining our infrastructure continues to increase causing our rates to increase. Water is an essential resource and keeping our rates affordable for all residents of Madison is a high priority.

MWU follows all City of Madison purchasing guidelines. By doing this, we ensure that all taxpayers have the opportunity to bid on goods and services needed by MWU. Madison offers a local preference on the bid scoring.

MWU follows all City of Madison Affirmative Action rules. By doing this, we ensure that all persons and businesses that receive our dollars are following best practices in regards to hiring.

MWU follows all City of Madison hiring rules. By doing this, we ensure that we are receiving a diverse pool of candidates and that MWU's workforce is diverse.

a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?

All consumers of Madison water benefit from the 2022 operating budget. The budget ensures that we are following our mission of providing safe and affordable water to the residents and visitors of Madison.

b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

None.

c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

MWU regularly works with community groups through our outreach when specific neighborhoods are affected by our operations. We attend community and neighborhood meetings to inform the residents and answer any questions. We have an informative website and social media presence to ensure that all residents are aware of our operations and how it might affect them.

When a neighborhood is affected by MWU work (flushing program, main break repair, etc) we communicate directly with each resident and/or leave material to inform them of the work that is being done and how it will impact them.

d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.

No.

e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

We will continue to be transparent and post on social media and our website as well as continue to attend community and neighborhood meetings.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description
Total	\$0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
Total	0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.

2022 Operating Budget Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Water Utility

SELECT YOUR AGENCY'S SERVICE:

Water Finance & Admin

SERVICE NUMBER:

865

SERVICE DESCRIPTION:

This service is responsible for financial services including general accounting, financial reporting, regulatory reporting / compliance, budgeting, debt management and utility-rate management. The goal of this service is to provide accurate, reliable and transparent financial information to internal and external stakeholders while managing utility rates.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$17,046,324	\$29,299,083	\$22,213,123	\$26,433,581	\$26,688,957	\$27,057,455
Total	\$17,046,324	\$29,299,083	\$22,213,123	\$26,433,581	\$26,688,957	\$27,057,455
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	(\$46,453,823)
Personnel	\$4,003,776	\$719,440	\$3,189,241	\$742,696	\$535,821	\$785,106
Non-Personnel	\$15,247,579	\$30,625,750	\$21,212,042	\$27,009,563	\$27,471,814	\$27,717,027
Agency Billings	(\$2,205,031)	(\$2,046,107)	(\$2,188,160)	(\$1,318,678)	(\$1,318,678)	(\$1,444,678)
Total	\$17,046,324	\$29,299,083	\$22,213,123	\$26,433,581	\$26,688,957	(\$19,396,368)
FTEs		6.06		6.26	5.26	6.00

PRIORITY

Citywide Element Effective Government

Describe how this service advances the Citywide Element:

This service supports City-wide finance through the financial management of the water utility and the day to day processing of financial transactions, strategic planning and development of reliable reporting mechanisms to maintain equitable rates for its ratepayers. Water Utility finance also completes regulatory reporting and filing requirements.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Process Daily Financial Transactions (A/P, A/R, Payroll, Revenue, Reconciliations)	35	Complete daily entry of A/P invoices, utility payroll transactions, A/R and revenue reconciliations, daily approvals of MUNIS work, troubleshoot transactional processing issues.
Complete Month and Year-End Closing Activities	35	Process all activity that relates to the closing monthly transactional activities including reconciliations, coordinating with City Finance to make adjustments, reclassifying data and creation assets and monthly reports.
Creation of Periodic Reporting Including Annual Financial Statements and Annual PSC Report	20	Creation of monthly/quarterly/annual financial reports for use in decision making and analysis and presentation to the Water Board.
Budget Creation/Monitoring, Debt Management and PSC Rate Studies	10	Activities associated with the financial management of the water utility including establishing and maintaining earning and spending targets, financing of facility and infrastructure projects and the analysis and completion of rate studies with the PSC.

Insert item

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

MWU is including funding for an IT Specialist. This position is housed in the IT budget but will be 100% funded by Water. 20% of this position is funded in the Finance and Admin Service resulting in a personnel cost increase of \$18,000. Budget includes additional consulting services in 2022 for rate case (\$200,000) due to potential introduction of capital funding through expense depreciation and affordability funding.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	2100	\$14,000	IT Specialist 3 20% (18/10) IT position #5001
Benefits	2100	\$4,000	IT Specialist 3 20% (18/10) IT position #5001
Total		\$18,000	

Explain the assumptions behind the allocation change.

Dollars were based on job class for IT Specialist 3 using 2019 numbers.

What is the justification behind the allocation change?

Water has several computer systems that are used exclusively by Water and IT does not have the manpower to support all of our systems. Additionally we are moving to Tyler Utility Billing for our billing software and this will require additional IT support. This position will be in the IT budget but it will be 100% funded by MWU.

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime			
Premium Pay			
Hourly	2100	\$120,000	Accounting help at year-end to close books. Special project help.
Total		\$120,000	

Explain the assumptions behind the requested funding.

1 additional accountant 650 hours @ \$30/hr

What is the justification behind the increased funding?

MWU requires more manpower in the first quarter to close the prior year and prepare the PSC annual report. This is not required for the rest of the year so it has been our practice to hire an hourly to assist with year-end closing in order to complete the audit and prepare the financial statements and PSC Annual Report on time.

MWU is exploring work flow efficiencies which may result in the need for part-time help on a project by project basis.

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
2100	4's	\$74,700	Changes in consumption classes

Insert item

Explain the assumptions behind the change to budgeted revenue.

Transition from residential consumption to other classes of consumption.

What is the justification behind the proposed change?

As restrictions from COVID have been changing MWU is expecting a transition from residential consumption back to other types of consumption. A two year average was used with the rates that were approved by the PSC in 2020 to estimate the revenues for 2022.

Non-Personnel

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
2100	56	\$525,000	Principal and interest

Insert item

Explain the assumptions behind the requested funding.

These are the expected principal payments that MWU will expect for 2022.

What is the justification behind the increased funding?

During a given year MWU sets aside the cash that will be needed for the bond payment that is going to occur on 1/1 of the following year. Based on the bond and interest payment schedules this will be the cost that MWU will be experiencing during 2022.

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Madison Water Utility (MWU) is regulated by the Public Service Commission (PSC) of WI. All operational work is done following the guidelines of the PSC, Dept. of Natural Resources and various other federal/state agencies. All wells are regulated for various contaminants and a report is issued annually showing the results. Notification of this report is mailed out to all residents and is available on our website. It is available in multiple languages.

MWU is exploring potential ways to address water affordability as the costs of replacing and maintaining our infrastructure continues to increase causing our rates to increase. Water is an essential resource and keeping our rates affordable for all residents of Madison is a high priority.

MWU follows all City of Madison purchasing guidelines. By doing this, we ensure that all taxpayers have the opportunity to bid on goods and services needed by MWU. Madison offers a local preference on the bid scoring.

MWU follows all City of Madison Affirmative Action rules. By doing this, we ensure that all persons and businesses that receive our dollars are following best practices in regards to hiring.

MWU follows all City of Madison hiring rules. By doing this, we ensure that we are receiving a diverse pool of candidates and that MWU's workforce is diverse.

- | | |
|--|--|
| a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services? | All consumers of Madison water benefit from the 2022 operating budget. The budget ensures that we are following our mission of providing safe and affordable water to the residents and visitors of Madison. |
| b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback? | None. |
| c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback? | MWU regularly works with community groups through our outreach when specific neighborhoods are affected by our operations. We attend community and neighborhood meetings to inform the residents and answer any questions. We have an informative website and social media presence to ensure that all residents are aware of our operations and how it might affect them.

When a neighborhood is affected by MWU work (flushing program, main break repair, etc) we communicate directly with each resident and/or leave material to inform them of the work that is being done and how it will impact them. |
| d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently. | No. |
| e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process? | We will continue to be transparent and post on social media and our website as well as continue to attend community and neighborhood meetings. |

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description

Insert item

Total	\$0	
--------------	-----	--

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description

Insert item

Total	0	
--------------	---	--

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
------	----------	-------------

Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.

2022 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Water Utility

SELECT YOUR AGENCY'S SERVICE:

Water Operations & Maintenance

SERVICE NUMBER:

863

SERVICE DESCRIPTION:

This service provides the maintenance, repair, and replacement of the water distribution system, as well as the maintenance, repair, and replacement of deep wells, booster stations, and facilities/properties. The goal of this service is to maintain and upgrade the water supply system to insure customers are provided with an adequate quantity of high quality water for consumption and fire protection.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$10,457,247	\$9,908,211	\$10,891,511	\$12,815,340	\$12,608,348	\$12,377,546
Total	\$10,457,247	\$9,908,211	\$10,891,511	\$12,815,340	\$12,608,348	\$12,377,546
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$5,162,680	\$7,066,711	\$5,573,555	\$7,515,412	\$7,318,504	\$7,429,046
Non-Personnel	\$5,217,329	\$2,805,500	\$5,036,236	\$5,267,809	\$5,265,001	\$4,943,500
Agency Billings	\$77,237	\$36,000	\$281,720	\$32,119	\$24,843	\$5,000
Total	\$10,457,246	\$9,908,211	\$10,891,511	\$12,815,340	\$12,608,348	\$12,377,546
FTEs		74.58		75.58	73.58	79.00

PRIORITY

Citywide Element Green and Resilient

Describe how this service advances the Citywide Element:

Operations and maintenance allow the utility to provide its desired level of quality water service through providing the natural resource to the community and the preservation of utility infrastructure and distribution facilities providing the service.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Operation and Monitoring of Wells, Booster Stations and Reservoirs	25	Labor and materials associated with managing infrastructure that draws water from its source and distributes it timely and efficiently throughout the distribution system for its intended use of consumption and fire protection.
Water Testing, Treatment	25	Labor and materials associated with treating raw water from its source and testing it to monitor that a quality product enters the distribution system before delivery to the community.
Maintenance of Electrical/Mechanical Equipment and Facilities	25	Labor, materials and transportation necessary to repair and replace operational equipment that allows supply facilities to operate efficiently and timely.
Maintenance of Pipes/Mains/Buried Assets	25	Labor and materials necessary to repair and replace distribution facilities that allow the utility to provide a high level of service with minimal interruption of service to the community.

Insert item

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request? \$230,802 Decrease

What are the service level impacts of the proposed funding changes?

MWU has been actively working on reducing costs over the years. We have been able to cut our costs in work supplies and consulting leading to budgeted amounts being reduced from 2021's budget.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service? No

Table with 4 columns: Type, Fund, Amount, Description. Rows include Perm Wages, Benefits, and Total (\$0).

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay? Yes

Table with 4 columns: Type, Fund, Amount, Description. Rows include Overtime, Premium Pay, Hourly (2100, \$40,000), and Total (\$40,000).

Explain the assumptions behind the requested funding.

5 hydrant painters/lawn crew at \$16/hr for 500 hours

What is the justification behind the increased funding?

Hourly hydrant painters and lawn crew are needed in the summer months as our crews are busier in these months with street projects, flushing program and repairs.

Revenue

Are you proposing a change to the service's budgeted revenue?

No

Are you proposing an increase or a decrease to the budgeted revenue?

Select...

Table with 4 columns: Fund, Major, Amount, Description.

Insert item

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

Non-Personnel

Are you requesting additional non-personnel funding for this service?

No

Table with 4 columns: Fund, Major, Amount, Description.

Insert item

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Madison Water Utility (MWU) is regulated by the Public Service Commission (PSC) of WI. All operational work is done following the guidelines of the PSC, Dept. of Natural Resources and various other federal/state agencies. All wells are regulated for various contaminants and a report is issued annually showing the results. Notification of this report is mailed out to all residents and is available on our website. It is available in multiple languages.

MWU is exploring potential ways to address water affordability as the costs of replacing and maintaining our infrastructure continues to increase causing our rates to increase. Water is an essential resource and keeping our rates affordable for all residents of Madison is a high priority.

MWU follows all City of Madison purchasing guidelines. By doing this, we ensure that all taxpayers have the opportunity to bid on goods and services needed by MWU. Madison offers a local preference on the bid scoring.

MWU follows all City of Madison Affirmative Action rules. By doing this, we ensure that all persons and businesses that receive our dollars are following best practices in regards to hiring.

MWU follows all City of Madison hiring rules. By doing this, we ensure that we are receiving a diverse pool of candidates and that MWU's workforce is diverse.

a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?

All consumers of Madison water benefit from the 2022 operating budget. The budget ensures that we are following our mission of providing safe and affordable water to the residents and visitors of Madison.

b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

None.

c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

MWU regularly works with community groups through our outreach when specific neighborhoods are affected by our operations. We attend community and neighborhood meetings to inform the residents and answer any questions. We have an informative website and social media presence to ensure that all residents are aware of our operations and how it might affect them.

When a neighborhood is affected by MWU work (flushing program, main break repair, etc) we communicate directly with each resident and/or leave material to inform them of the work that is being done and how it will impact them.

d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.

No.

e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

We will continue to be transparent and post on social media and our website as well as continue to attend community and neighborhood meetings.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes

No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

\$0

What is the proposed reduction to this service's budget?

\$0

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description

Insert item

Total	\$0	
--------------	-----	--

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Select... ▼

Does the proposed reduction result in eliminating permanent positions?

Select... ▼

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

Select... ▼

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description

Insert item

Total	0	
--------------	---	--

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		

Total

0

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.

Submit

2022 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Water Utility

SELECT YOUR AGENCY'S SERVICE:

Water Quality

SERVICE NUMBER:

861

SERVICE DESCRIPTION:

This service provides field testing, routine and specialty water sample collection, laboratory results interpretation, and long-term trend analysis for a variety of potential chemical and biological contaminants in drinking water. The goal of the service is to ensure delivery of safe, high-quality water to customers and to comply with requirements of the Safe Drinking Water Act. This service also oversees compliance monitoring, wellhead protection, private well permitting and abandonment, and cross connection control.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$898,587	\$986,974	\$7,533,463	\$1,087,499	\$1,361,733	\$1,120,971
Total	\$898,587	\$986,974	\$7,533,463	\$1,087,499	\$1,361,733	\$1,120,971
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$541,970	\$748,974	\$585,486	\$835,390	\$1,109,258	\$783,603
Non-Personnel	\$335,003	\$238,000	\$6,927,631	\$252,109	\$252,475	\$337,368
Agency Billings	\$21,614	\$0	\$20,346	\$0	\$0	\$0
Total	\$898,587	\$986,974	\$7,533,463	\$1,087,499	\$1,361,733	\$1,120,971
FTEs		10.00		8.00	12.00	7.00

PRIORITY

Citywide Element

Describe how this service advances the Citywide Element:

This service provides the necessary elements to meet and maintain established water quality goals while protecting Madison's water supply and infrastructure designed to provide safe, clean drinking water to the community and its residents.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Water Quality Regulation Objectives	35	Activities necessary to monitor and determine compliance with current federal, state and internal water quality requirements.
Water Quality Scheduling	15	Activities necessary to manage sampling and monitoring techniques at all water utility infrastructure assets.
Well Operation Permits & Private Plumbing Inspections	35	Activities necessary to manage, inspect and maintain quality at non-utility assets connected to the utility's distribution system.
Manage Data for Long Term Planning	15	Identifying current and potential sources of contamination and determining the resources necessary to mitigate those sources.

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

This decrease is due to the fact that FTE positions were allocated to our old org code of 86100 and were added, in error, to Water Quality's service line. These positions have been reallocated to the correct service lines.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text"/>	<input type="text"/>	
Benefits	<input type="text"/>	<input type="text"/>	
Total		<input type="text" value="\$0"/>	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	<input type="text"/>	<input type="text"/>	
Premium Pay	<input type="text"/>	<input type="text"/>	
Hourly	2100	\$18,000	Cross connection inspector.
Total		<input type="text" value="\$18,000"/>	

Explain the assumptions behind the requested funding.

1000 hours @ \$18/hr

What is the justification behind the increased funding?

Additional cross connection inspector is needed to ensure no cross contamination in our water supply.

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

Non-Personnel

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
2100	53	\$30,000	Added budget for increased expenses related to new requirement to deliver the consumer confidence report semi-annually instead of annually.
2100	54	\$69,600	Added budget for increased expenses related to new requirement to deliver the consumer confidence report semi-annually instead of annually. Also added budget for contaminant source inventories, monitoring well

installation, and well investigation at Well 14. One other area that increased was for lab services in order to offer additional lead testing for customers.

Explain the assumptions behind the requested funding.

DNR requirement to provide a consumer confidence report (CCR) changed from annually to semi-annually, offering more lead testing to customers in 2022 and increased costs for contaminant source inventories.

What is the justification behind the increased funding?

Change in the DNR requirements for the CCR. Increasing consumer confidence by offering more lead testing at the consumer end and better monitoring of contaminants in the water supply.

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Madison Water Utility (MWU) is regulated by the Public Service Commission (PSC) of WI. All operational work is done following the guidelines of the PSC, Dept. of Natural Resources and various other federal/state agencies. All wells are regulated for various contaminants and a report is issued annually showing the results. Notification of this report is mailed out to all residents and is available on our website. It is available in multiple languages.

MWU is exploring potential ways to address water affordability as the costs of replacing and maintaining our infrastructure continues to increase causing our rates to increase. Water is an essential resource and keeping our rates affordable for all residents of Madison is a high priority.

MWU follows all City of Madison purchasing guidelines. By doing this, we ensure that all taxpayers have the opportunity to bid on goods and services needed by MWU. Madison offers a local preference on the bid scoring.

MWU follows all City of Madison Affirmative Action rules. By doing this, we ensure that all persons and businesses that receive our dollars are following best practices in regards to hiring.

MWU follows all City of Madison hiring rules. By doing this, we ensure that we are receiving a diverse pool of candidates and that MWU's workforce is diverse.

a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?

All consumers of Madison water benefit from the 2022 operating budget. The budget ensures that we are following our mission of providing safe and affordable water to the residents and visitors of Madison.

b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

None.

c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

MWU regularly works with community groups through our outreach when specific neighborhoods are affected by our operations. We attend community and neighborhood meetings to inform the residents and answer any questions. We have an informative website and social media presence to ensure that all residents are aware of our operations and how it might affect them.

When a neighborhood is affected by MWU work (flushing program, main break repair, etc) we communicate directly with each resident and/or leave material to inform them of the work that is being done and how it will impact them.

d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.

No.

e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

We will continue to be transparent and post on social media and our website as well as

continue to attend community and neighborhood meetings.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description
Total	\$0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
Total	0	

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.