



To: Mayor Satya Rhodes-Conway

From: Krishna Kumar, General Manager, Madison Water Utility

Date: July 19, 2024

Subject: 2025 Operating Budget Transmittal Memo

CC: Deputy Mayors; Finance Director, Budget & Program Evaluation Staff

Major Goals

Madison Water Utility (MWU) is comprised of 7 core service lines; Water Customer Service including Meter Shop, Communication and Outreach, Water Engineering, Water Finance and General Administration, Water Operations & Maintenance, Water Supply and Water Quality. Our 2025 operating budget request seeks to fund these service lines to enable them to meet their desired goals:

- Communication and Outreach – inform, engage and educate the community about the Utility’s sustainability and conservation efforts, programs, construction projects and general utility operations through a variety of outreach methods
- Customer Service and Meter Shop – generate accurate water consumption and billing data to ensure proper billing
- Engineering – use Asset Management and Water Master Plan to meet or exceed levels of service to our customers
- 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 and generate water consumption and billing data to ensure proper billing
- Water Operations and Maintenance – 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
- Water Quality – ensure the delivery of safe, high-quality water to customers and to comply with requirements of the Safe Drinking Water Act
- Water Supply - monitor water supply system to ensure customers are provided with adequate quantity of high quality water for consumption and fire protection

2025 Revenue Projections for 2025 compared to 2024 adopted budget

MWU has based its 2025 operating revenues on our last approved rate case in 2022 effective in 2023. MWU continues to explore potential ways to address water affordability issues while staying within regulatory guidelines. MWU does not anticipate any major changes to our services based on revenue.

Major Changes in 2025 Operating Request

We are continuing to maintain or reduce expenses where applicable to build up our cash reserves. The following items were the largest changes from our 2024 Operating Budget to our 2025 Operating Budget request:

- Permanent Wages: increase of \$642K mainly due to increase in permanent wages
- Purchased Supplies: increase of \$412K mainly due to cost increase in equipment supplies
- Purchased Services: increase of \$1.021M mainly due to building improvements and increased cost in repair and maintenance work

Actual and Projected Fund Balances

Operating Fund Balance Summary (in Millions \$)				
	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Executive
Opening Fund Balance	<u>8.6</u>	<u>6.2</u>	<u>12.2</u>	<u>8.2</u>
Water Revenues	49.0	55.6	53.9	54.0
Operating Expenditures	(44.9)	(47.0)	(48.6)	(48.8)
Trans to Construction Fund	(1.5)	(2.6)	(8.5)	(6.2)
Reserved for Tank Coat Repaint	-	-	(0.8)	(0.8)
Trans to Bond Repmt Fund	<u>(5.0)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (Deficit)	<u>(2.4)</u>	<u>6.0</u>	<u>(4.0)</u>	<u>(1.8)</u>
Ending Fund Balance	<u>6.2</u>	<u>12.2</u>	<u>8.2</u>	<u>6.4</u>

c.c. *Christie Baumel, Deputy Mayor*
Christine Koh, Budget and Program Evaluation Manager
Robert Mulcahy, Budget Analyst
January Vang, Water Utility Finance Manager
Kristine Jabas, Accountant 3

Water

Agency Budget by Fund

Fund	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Water Utility	48,027,230	49,449,500	65,823,033	58,580,500	58,580,500	60,796,144
Total	\$ 48,027,230	\$ 49,449,500	\$ 65,823,033	\$ 58,580,500	\$ 58,580,500	\$ 60,796,144

Agency Budget by Service

Service	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Water						
Communications And Outre						282,680
Water Customer Service						3,104,126
Water Engineering	Service history not shown due to Results Madison service restructure. Services listed here will take effect January 1, 2025.					14,896,520
Water Finance And Admin						25,911,168
Water Operations & Maintenance						10,257,706
Water Quality						1,534,964
Water Supply						4,808,981
Total	\$ 48,027,230	\$ 49,449,500	\$ 65,823,033	\$ 58,580,500	\$ 58,580,500	\$ 60,796,144

Agency Budget by Major-Revenue

Major Revenue	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Charges For Services	(47,246,689)	(48,625,000)	(56,795,541)	(56,974,500)	(56,974,500)	(56,693,144)
Fine Forfeiture Asmt	(258,886)	(199,000)	(347,301)	(230,000)	(230,000)	(293,000)
Invest Other Contrib	334,248	(160,000)	(2,381,196)	(860,000)	(860,000)	(1,090,000)
Misc Revenue	(850,510)	(465,500)	(979,237)	(516,000)	(516,000)	(920,000)
Other Finance Source	(1,477)	-	(5,185,808)	-	-	(1,800,000)
Transfer In	(3,916)	-	(133,950)	-	-	-
Total	\$ (48,027,230)	\$ (49,449,500)	\$ (65,823,033)	\$ (58,580,500)	\$ (58,580,500)	\$ (60,796,144)

Agency Budget by Major-Expense

Major Expense	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Salaries	9,058,640	10,042,323	9,530,736	10,519,597	11,058,552	11,162,029
Benefits	3,079,453	3,198,498	4,066,547	3,458,559	3,509,177	3,514,577
Supplies	1,678,453	2,320,500	1,960,732	2,620,622	2,635,822	3,032,174
Purchased Services	4,857,176	7,616,050	4,879,148	6,475,651	7,284,211	7,497,055
Debt Othr Financing	23,950,427	18,486,073	40,329,084	25,436,971	23,767,898	18,624,727
Inter Depart Charges	1,043,486	1,145,721	1,091,460	1,219,843	1,445,583	1,445,583
Inter Depart Billing	(2,516,235)	(2,527,000)	(2,674,044)	(2,550,742)	(2,550,742)	(2,110,000)
Transfer Out	6,875,831	9,167,335	6,639,371	11,400,000	11,430,000	17,630,000
Total	\$ 48,027,230	\$ 49,449,500	\$ 65,823,033	\$ 58,580,500	\$ 58,580,500	\$ 60,796,144

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Communications And Outreach

Please provide an updated Service Description below.

If this is an existing service, please see the "Service Description" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency's Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

This service works collaboratively with Billing, Customer Service, and Meter Operations to conduct the Water Utility's communication and community outreach pertaining to conservation and sustainability education, media relations, external and interdepartmental communication, and promotion of the Utility's various programs and conservation initiatives. The Communications Department also develops Madison Water Utility's evolving crisis communication in addition to other strategic communication plans. Water Utility's outreach program includes Home Water Conservation, Water Wagon, Toilet Rebate, and Madison Customer Assistance Program (MadCAP).

Please provide updated Activities Performed by Service.

If this is an existing service, please see the "Activities Performed by Service" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency's Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

- Inform, engage, and educate the community (including staff) about the Utility's sustainability and conservation efforts, programs, construction projects, and general utility operations through a variety of outreach methods.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	53 - SUPPLIES	\$14,010	Previously the Communication and Outreach was included in the Customer Service service line and starting in 2025 it will have it own service line.
2100 - WATER UTILITY	54 - PURCHASED SERVICES	\$43,130	Previously the Communication and Outreach was included in the Customer Service service line and starting in 2025 it will have its own service line.
2100 - WATER UTILITY	46 - INVEST OTHER CONTRIB	-\$20,000	This is for contributions to the water wagon.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There is not a change to current activities or service levels. Previously the Communication and Outreach service was included in the Customer Service service line. Starting in 2025 it will have its own service line hence the difference from the cost to continue to the requested amount.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
 Yes – Includes proposed allocation changes

If yes, complete the "Position Allocation Change Form" and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
 Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:
Click or tap here to enter text.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

Note: If "Yes," the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:
Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

Click or tap here to enter text.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

Click or tap here to enter text.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Customer Service

Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

This service provides customer service and meter operations for 80,000 active municipal service accounts. This service also ensures accurate water consumption billing along with sewer, stormwater, landfill, urban forestry, and resource recovery.

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

- Customer Billing: Manage meter reading and customer billing data to provide monthly billing to 80,000 accounts.
- Manage Customer Inquiries: Conduct inquiries into customer accounts to address billing questions from ratepayers. This can be over the phone, by email, or in person.
- Provide final billings to title companies.
- Handle payment processing and adjustments to accounts.
- Meter Installation & Inspection: Conduct on-site visits to customer properties to install, inspect, and replace customer meters to enable accurate consumption readings and provide reliable billing.
- Provide meter testing, repair, refurbishment, and non-standard meter reading.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency's base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of *Major* Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	51 - SALARIES	\$36,912.00	Increase in hourly wages and overtime in order to continue to deliver the municipal service bills in a timely manner and to be able to provide the meter testing and replacement per PSC requirements.
2100 - WATER UTILITY	53 - SUPPLIES	\$64,631	Postage increased by \$76,400. After being on the new billing software for almost a year we have been able to obtain a more accurate estimate of postage costs. The increase also takes into consideration the increase in the rising prices. A portion of supplies was reduced because communication and outreach were included in this service line before, but now a new service line has been created for 2025 for communication and outreach.
2100 - WATER UTILITY	54 - PURCHASED SERVICES	-\$397,185	A portion of services was reduced because communication and outreach were included in this service line before, but now a new service line has been created for 2025 for communication and outreach. The bank services fees were also allocated to the correct account and were reduced to get closer to the actual costs from the prior year. Consulting services were also reduced. Some of the consulting services were a onetime expense for 2024 and this was not known at the time that the cost to continue was done. Other services and expense also decreased by \$50,000 since we are no longer utilizing IDOX.
Select	Select	Enter \$.	Click or tap here to enter text.

Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There is no change to current activities or service levels. In previous years communication and outreach were included with customer service but starting in 2025 it will be a separate service line. The change in the budget is needed to more accurately portray the actual expenses when converting our billing system to TUB and taking into consideration the onetime expense that were accounted for in 2024. The postage costs have increased with TUB, but there was a decrease to the other services for the discontinued use of IDOX. A one-time consultant expense was also included in 2024, which will not be need in 2025.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
- Yes – Includes proposed allocation changes

If yes, complete the "Position Allocation Change Form" and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
- Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Reclass position # 5093 – Admin Clerk 1-20 located in Customer Service into a Data Analyst 3 18-10 located under the Finance and Admin service.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
- Yes – Includes proposed change to # of FTEs

Note: If “Yes,” the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

Water Utility has identified a need to better manage our data. This reclass will ensure that Water Utility can maintain multiple disparate operational systems, consolidate operational systems as able, implement data warehouse support, identify non-enterprise systems for integration into enterprise system and create efficiencies with reporting workload.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

This proposed personnel changes will not address or advance any specific inequities. Water Utility will ensure proper equitable hiring tools are utilize for this hiring.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Engineering

Please provide an updated Service Description below.

If this is an existing service, please see the "Service Description" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency's Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No change needed.

Please provide updated Activities Performed by Service.

If this is an existing service, please see the "Activities Performed by Service" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency's Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

No change needed.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency's base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	51 - SALARIES	-\$30,000	Reduction in hourly wages
2100 - WATER UTILITY	53 - SUPPLIES	\$41,350	Increase in expected computer and hardware needs for 2025 and increase work supplies to match actuals spent
2100 - WATER UTILITY	54 - PURCHASED SERVICES	-\$11,450	Reduction in system and software maintenance to match actuals spent
2100 - WATER UTILITY	59 - TRANSFER OUT	\$6,200,000	This is the amount that is expected to be used to pay for our capital projects that are funded by reserves.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There will not be a change to the current activities or services levels. The majority of the increase in supplies is due to the rotation of computers that need to be replaced. The reduction in hourly wages is to match the expected hourly employee needs for 2025.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
 Yes – Includes proposed allocation changes

If yes, complete the “Position Allocation Change Form” and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
 Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:
Click or tap here to enter text.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

Note: If “Yes,” the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:
Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

Click or tap here to enter text.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

Click or tap here to enter text.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Finance And Admin

Please provide an updated Service Description below.

If this is an existing service, please see the "Service Description" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency's Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No change needed

Please provide updated Activities Performed by Service.

If this is an existing service, please see the "Activities Performed by Service" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency's Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

No change needed

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency's base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of *Major* Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	43 - CHARGES FOR SERVICES	\$281,355.81	This is to reflect a slight decrease in expected revenue from Municipal Services Bills. This also includes a fund balance applied.
2100 - WATER UTILITY	45 - FINE FORFEITURE ASMT	-\$63,000	A three year average is used to budget for these costs.
2100 - WATER UTILITY	46 - INVEST OTHER CONTRIB	-\$210,000	Interest rates increased more than expected. The increase is to reflect the higher interest rates.
2100 - WATER UTILITY	51 - SALARIES	\$32,443	This is for the reclass of an Admin Clerk 1 position to a Data Analyst 3 position.
2100 - WATER UTILITY	54 - PURCHASED SERVICES	\$74,000	Increase in consulting services for next expected rate case that is planned to be filed in 2024.
2100 - WATER UTILITY	56 - DEBT OTHR FINANCING	-\$5,143,171.26	Principal and interest payments for 2025. Last year the fund generated was in the Finance service line, this year it is in the Engineering service line.
2100 - WATER UTILITY	58 - INTER DEPART BILLING	\$440,742	Reflects the expected inter'd billing after the new MOU that was signed in 2023.
2100 - WATER UTILITY	47 - MISC REVENUE	-\$404,000	The miscellaneous revenue was updated to reflect an updated average and the lease revenue was also budgeted for this year.

2100 - WATER UTILITY	48 - OTHER FINANCE SOURCE	-\$1,800,000	This is the portion from our reserves that is expected to be used to cover our reserve projects in the capital budget.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There is no change to current activities or service levels. These changes are needed to accurately reflect the expected expenses and revenues in 2025.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
- Yes – Includes proposed allocation changes

If yes, complete the "Position Allocation Change Form" and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
- Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Reclass position # 5093 – Admin Clerk 1-20 located in Customer Service into a Data Analyst 3 18-10 located under the Finance and Admin service.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
- Yes – Includes proposed change to # of FTEs

Note: If "Yes," the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

Water Utility has identified a need to better manage our data. This reclass will ensure that Water Utility can maintain multiple disparate operational systems, consolidate operational systems as able, implement data warehouse support, identify non-enterprise systems for integration into enterprise system and create efficiencies with reporting workload.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

This proposed personnel changes will not address or advance any specific inequities. Water Utility will ensure proper equitable hiring tools are utilize for this hiring.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Operations & Maintenance

Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No change needed

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

- **Water Main & Pipe Maintenance:** Repair and replace distribution facilities that allow the Utility to provide a high level of service with minimal service interruption.
- **Equipment & Facility Maintenance:** Repair and replace operational equipment that allows supply facilities to operate efficiently and timely.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	51 - SALARIES	\$14,024	Increase in hourly employees – the budget is for four hourly employees
2100 - WATER UTILITY	52 - BENEFITS	-\$19,600	The reduction is due to a new service line being created for supply – in the past operations and supply were under one service line
2100 - WATER UTILITY	53 - SUPPLIES	-\$367,368.69	The reduction is due to a new service line being created for supply – in the past operations and supply were under one service line. Within the Operations service line there was an increase in work, safety, electrical, HVAC supplies due to the rising prices.
2100 - WATER UTILITY	54 - PURCHASED SERVICES	-\$2,580,600.86	The reduction is due to a new service line being created for supply – in the past operations and supply were under one service line.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There is not a change to the current activities. In the past Water Operations and Water Supply were under one service line. Starting in 2025 they will have their own service lines. This accounts for the

majority of decreases in this service line. Operations did still have some increases for hourly wages to be able to maintain our system as it is currently operating. There were also increase in some of the supply area due to rising costs and for maintaining an aging fleet.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
 Yes – Includes proposed allocation changes

If yes, complete the "Position Allocation Change Form" and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
 Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Reclassify position #4663 from Maintenance Worker to Cross Connection Control Inspector. This would be moving the position from Water Operations and Maintenance service to Water Quality service.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

Note: If "Yes," the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

The proposed change increases the number of budgeted cross connection control inspectors from three to four. This change is expected to increase the overall number of inspections completed,

thereby enhancing our ability to ensure safe drinking water for our community, and allow the utility to meet the State requirement to cause a survey to be conducted for every industrial, commercial, and public authority water service a minimum of once every 2 years. The latest State-conducted Sanitary Survey identified this as an area for needed improvement. In addition, the additional position lays the groundwork for succession planning, allowing for the transfer of technical, professional & institutional knowledge from veteran staff nearing retirement to new staff within the work unit

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

The equitable hiring tool will be utilized throughout the recruitment and hiring process for this position, ensuring that all activities are viewed through an equity lens. Furthermore, the position will test the newly-revised department on-boarding procedures [EAP Component #1] intended to share information about equity programs, services, and City-sponsored multi-cultural events, and to eliminate inequitable practices related to the on-boarding process.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Quality

Please provide an updated Service Description below.

If this is an existing service, please see the "Service Description" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency's Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No change needed

Please provide updated Activities Performed by Service.

If this is an existing service, please see the "Activities Performed by Service" in the [2024 Adopted Budget](#). Write "No change needed," if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency's Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

No change needed

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	53 - SUPPLIES	\$214,800	Majority of the increase due new expense for Well 15 filter that needs to be changed twice a year. Also, equipment needed for Well 18 to improve water quality without wellhead treatment
2100 - WATER UTILITY	54 - PURCHASED SERVICES	\$125,300	New expense for testing unit wells.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

There is not a change to the current activities or service levels. The additional expense is needed to ensure safe drinking water to the community. Currently there is a capital project being done on Well 15 and after that is completed, we will need to replace a filter twice a year.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
 Yes – Includes proposed allocation changes

If yes, complete the "Position Allocation Change Form" and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
 Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Reclassify position #4663 from Maintenance Worker to Cross Connection Control Inspector. This would be moving the position from Water Operations and Maintenance service to Water Quality service.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

Note: If "Yes," the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

The proposed change increases the number of budgeted cross connection control inspectors from three to four. This change is expected to increase the overall number of inspections completed, thereby enhancing our ability to ensure safe drinking water for our community, and allow the utility to meet the State requirement to cause a survey to be conducted for every industrial, commercial, and public authority water service a minimum of once every 2 years. The latest State-conducted Sanitary Survey identified this as an area for needed improvement. In addition, the additional position lays the groundwork for succession planning, allowing for the transfer of technical, professional & institutional knowledge from veteran staff nearing retirement to new staff within the work unit.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

The equitable hiring tool will be utilized throughout the recruitment and hiring process for this position, ensuring that all activities are viewed through an equity lens. Furthermore, the position will test the newly-revised department on-boarding procedures [EAP Component #1] intended to share information about equity programs, services, and City-sponsored multi-cultural events, and to eliminate inequitable practices related to the on-boarding process.

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Water
Enter your Service:	Water Supply

Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

This service provides the operation and monitoring of wells, booster stations and reservoirs and supplying fire protection. The goal of this service is to operate and monitor the water supply system to ensure customers are provided with an adequate quantity of high-quality water for consumption and fire protection.

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

- Operation and Monitoring of Wells, Booster Stations and Reservoirs & Supplying Fire Protection: Manage infrastructure that draws water from its source and distributes it timely and efficiently throughout the distribution system.
- Water Testing & Treatment: Treat raw water from its source and test it to monitor that a quality product enters the distribution system before delivery to the community.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2100 - WATER UTILITY	51 - SALARIES	\$47,321	Supply was previously included with Operations in service line 863. Starting in 2025 Supply will have its own service line. The salary amounts that are for premium pay, workers compensation wages, compensated absence and overtime wages associated with Supply.
2100 - WATER UTILITY	52 - BENEFITS	\$20,000	Supply was previously included with Operations in service line 863. Starting in 2025 Supply will have its own service line. The benefit amounts that are for compensated absence escrow associated with Supply.
2100 - WATER UTILITY	53 - SUPPLIES	\$423,630	Supply was previously included with Operations in service line 863. Starting in 2025 Supply will have its own service line. These are the supplies associated with the Supply service line.
2100 - WATER UTILITY	54 - PURCHASED SERVICES	\$2,959,650	Supply was previously included with Operations in service line 863. Starting in 2025 Supply will have its own service line. These are the purchased amounts associated with the Supply service line. Within supply there was an increase in the electricity and sewer based on the trending expenses for 2024.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Select	Select	Enter \$.	Click or tap here to enter text.
<p>Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?</p> <p>There will not be a change to current activities or service levels. Supply previously was included with Operations in a service line and it was decided to separate the two areas into separate service lines for 2025.</p>			
<p>Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.</p> <p>This change will not specifically address specific inequities or advance other equity goals. This change is not related to a Neighborhood Resource Team recommendation.</p>			
<p>Part 3. Personnel Changes</p>			
<p>All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. If you are not submitting personnel changes, skip this section.</p>			
<p>Allocation Changes: Does your proposal change the position allocations of existing positions?</p> <p><input checked="" type="checkbox"/> No – No allocation changes <input type="checkbox"/> Yes – Includes proposed allocation changes</p> <p><i>If yes, complete the “Position Allocation Change Form” and submit as part of your proposal.</i></p>			
<p>Reclassifications: Does your proposal reclassify existing positions?</p> <p><input checked="" type="checkbox"/> No – No reclassifications <input type="checkbox"/> Yes – Includes proposed reclassifications</p> <p><i>If yes, provide the position number and briefly describe the change:</i> Click or tap here to enter text.</p>			
<p># of FTEs: Does your proposal change the total number of FTE positions?</p> <p><input checked="" type="checkbox"/> No – No change to # of FTEs <input type="checkbox"/> Yes – Includes proposed change to # of FTEs</p> <p><i>*Note: If “Yes,” the proposed change must be net neutral to the target budget, and salary and benefits must be considered when computing the cost of the change.</i></p> <p><i>If yes, provide the position classification and briefly describe the change:</i> Click or tap here to enter text.</p>			
<p>Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?</p> <p>Click or tap here to enter text.</p>			

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

Click or tap here to enter text.