City of Madison
2022 Operating Budget Instructions

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Office of the Mayor

Satya Rhodes-Conway, Mayor

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Date:	May 24, 2021
To:	Department and Division Heads
From:	Mayor Satya Rhodes-Conway
Subject:	2022 Operating Budget: Agency Guidance

The past year has brought into stark relief the incredible interconnectedness of our world and the dramatic racial, gender, social and economic inequalities in our society. We have seen that public health and well-being have different implications depending on the type of work we perform, our economic status, and our race. In so many ways, the pandemic ripped aside the fabric of our society exposing what we too often chose not to look at in the comfortable past.
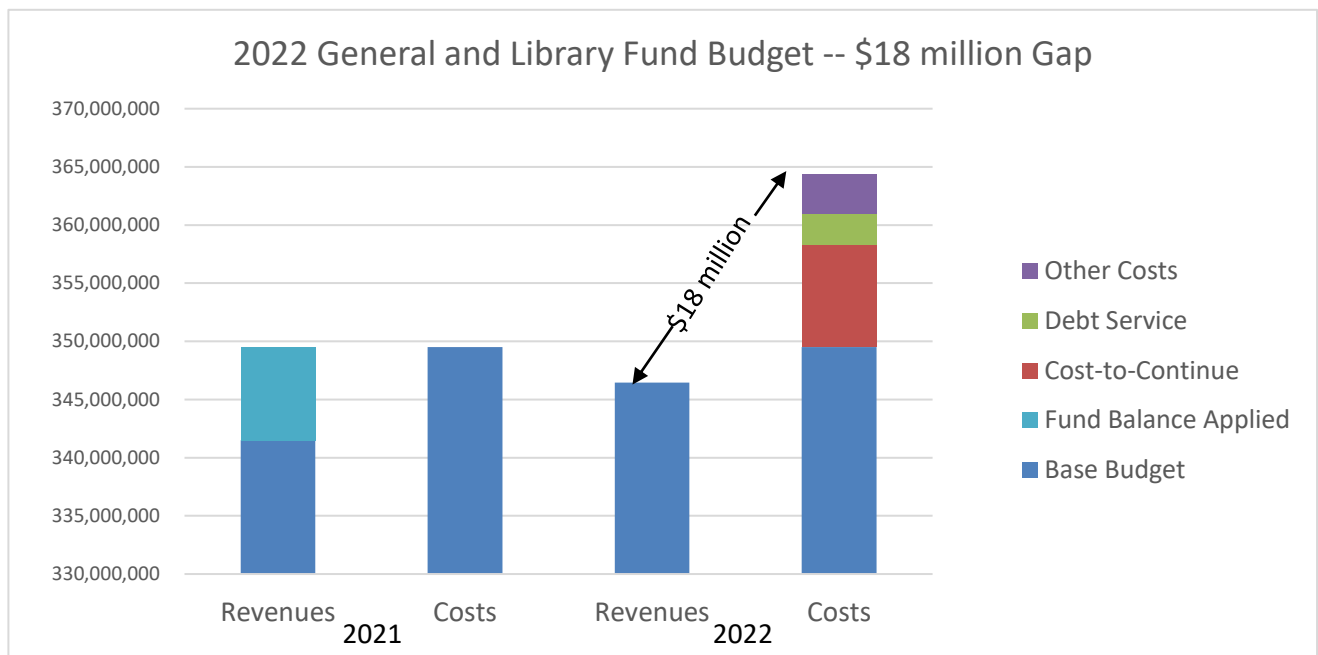
The incredible swiftness in producing a vaccine and the resulting end to public health restrictions are a time for celebration for what has been accomplished and a time to mourn the private pain and loss that are so easily obscured in data and statistics. As we pause and reflect on our collective experience, let us not forget that we cannot and we will not unlearn what has transpired over the past fourteen months.

City services were transformed rapidly and dramatically at the onset of the pandemic. We found ways to help our residents – remaking city facilities to serve those without secure housing, maintaining public access and accountability through virtual meetings, keeping our city safe through mask and cleanliness protocols, and reimagining the public space to support businesses.

It is with this backdrop, these memories and experiences, and these very real accomplishments, that we embark on building back our city better than before. As we continue this journey, we do so with on-going budget challenges, as well as the opportunities afforded us through the federal American Rescue Plan Act and the $47 million in direct aid it provides to our city.

Today our focus is on starting the process for developing the 2022 operating budget. We made a number of fundamental changes in how we provide services in the 2021 budget, we must continue on that path in the 2022 budget.

As demonstrated in the chart below, we face a budget gap of $18 million. Over one-half of this gap is due to one-time measures used to balance the 2021 budget -- $8 million from our rainy day fund, $1.2 million in one-time compensation reductions, temporary delays in filling vacant positions, and other short-term strategies.

2022 General and Library Fund Budget -- $18 million Gap

It seems hard to believe, but the dissolution of the Town of Madison and the resulting incorporation of much of its population and land area into the City of Madison that was first codified nearly 20 years ago will occur in less than eighteen months -- October 31, 2022. City agencies have carefully documented the estimated cost of providing services to our new neighbors – upwards of $4.0 million in annual operating costs on an ongoing basis beginning in 2022. This compares with an estimated $2.3 million in town revenue set to begin in 2023.   The $18 million budget gap reflects some of the costs in preparation for serving those portions of the town and its residents that will soon be a part of the city.

The Finance Department estimates that in order to continue our current service levels and incorporate the Town of Madison attachment, General and Library fund expenditures will increase by $15 million, or 4.3%. By comparison, because of state mandated limits on property taxes and the economic effects of the pandemic, revenues are estimated to increase by 1.5%.

State law limits our options to increase revenues. As such, to balance a deficit of this magnitude, we will have to employ a number of cost reduction strategies, most of which will need to be on-going.

We need to ask ourselves serious questions about whether or not we should be in the business of providing certain services. I am calling on all of you to do what families in our community do every day -- focus on the essentials. As you review your services and develop your operating budgets for 2022, you should continue to focus on considerations of racial equity and social justice and seek to answer the outreach and process questions posed in developing your 2022 capital budget proposals.

To that end, I have established the following guidance for operating budget requests:

Base Proposals
- Agencies will receive budget targets consistent with the cost-to-continue funding levels.

- Agencies can reallocate funding across services so long as the overall agency amount is in line with the budget target.
- Agencies will prepare one proposal for each of their services within their budget.

Enterprise Agencies

- All Enterprise Fund Agencies will submit operating budget plans consistent with current revenue projections for 2022.
    - Agencies projecting revenue shortfalls for 2022 will need to present a base budget that includes expenditure reductions to meet available revenue.
    - Rate increases should be carefully analyzed in the context of equity and resident ability to pay; expenditures should be prioritized wherever possible.
- Enterprise Agencies not receiving a General Fund subsidy do not need to submit a budget reduction scenario.

Reduction Targets

- All General & Library Fund agencies will present 5% reduction proposals.
    - Proposed reductions need to be ongoing and should be not one-time.
    - Be creative in developing proposals to reduce costs of your service delivery. If you have ideas that might save money but do not fit in the confines of the budget proposal process bring those ideas to your Budget Analyst so we can explore them further.
    - Prioritize your services and consider ending services of limited value or effectiveness.
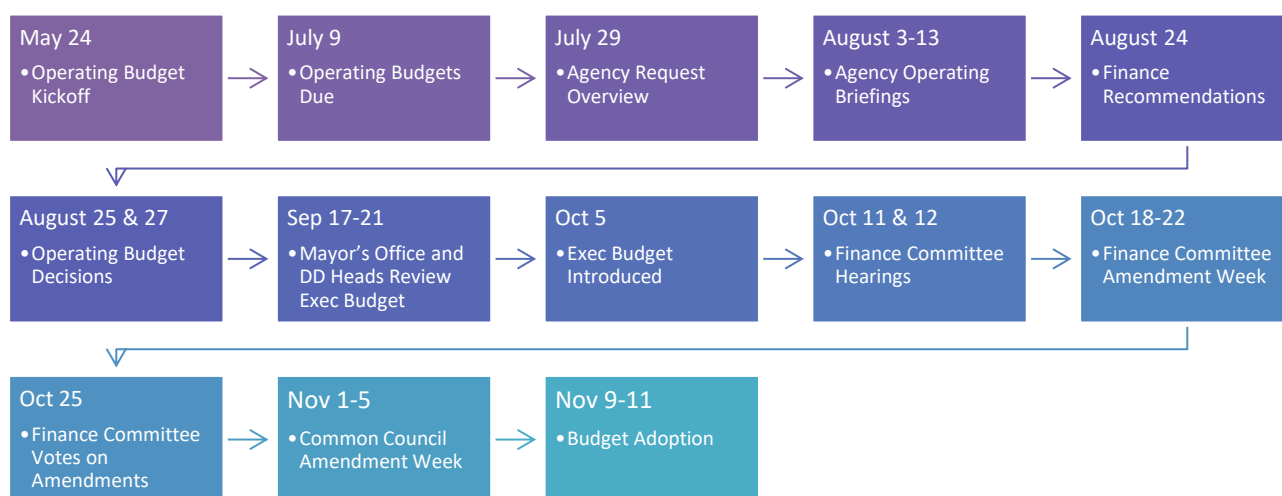- Public Health is exempt from submitting a reduction scenario.

Other Guidance

- Keep racial equity and social justice at the forefront of everything we do – use the new equity questions included in the capital budget process to guide the development of your operating budget proposals.
- Think about ways we can potentially save beyond the silos of your agency. Bring forward your ideas of ways to improve our coordination to help improve efficiency and reduce costs.
- No new revenues that result from charging other agencies should be proposed; other types of revenue proposals will be considered.
- Proposals that result in shifting costs to another funding source must be sustainable on an ongoing basis.
- Novel ways to combine services and other innovative ideas are strongly encouraged.
- Agencies should not include any Town of Madison-related costs in their budget requests. Costs associated with the Town attachment will be prioritized and included in the 2022 Executive Operating Budget.
- Supplemental requests may be submitted for urgent needs. These are limited to one request per agency. Where possible, include ways increases can be scaled or phased in over time.

Rising to this challenge is not something any one of us can do on our own. We have learned much over the past year and worked together and supported one another to accomplish a great deal as #TeamCity. Our teams must continue to innovate and prioritize. I look forward to your ideas to balance our budget and build back better.
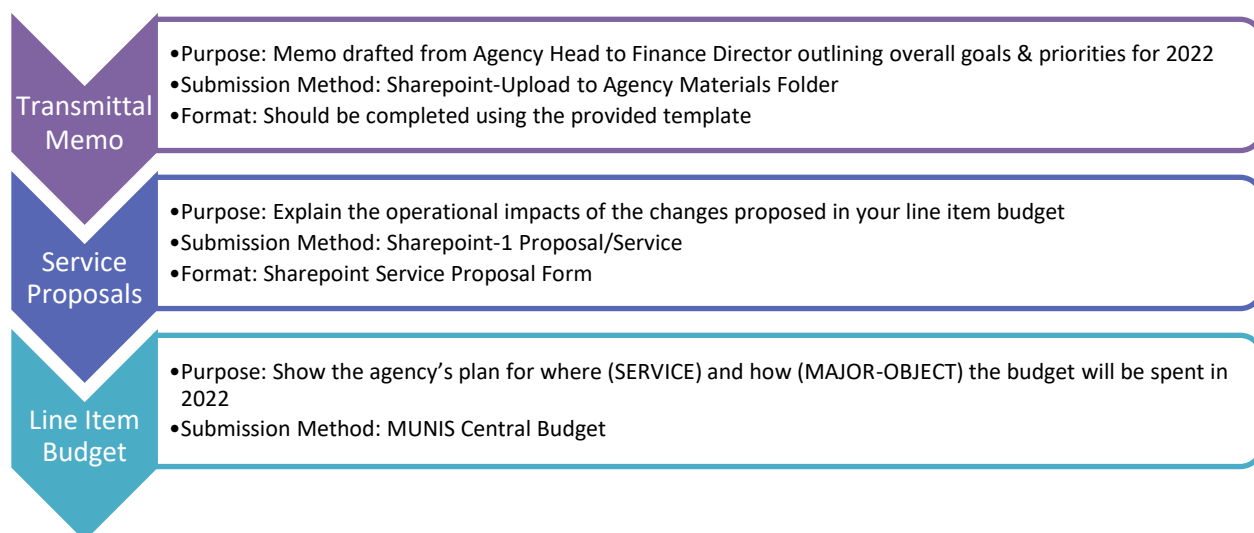
Budget Timeline

See below for key dates in the 2022 Operating Budget planning process.

May 24 • Operating Budget Kickoff	**July 9** • Operating Budgets Due	**July 29** • Agency Request Overview	**August 3-13** • Agency Operating Briefings	**August 24** • Finance Recommendations
August 25 & 27 • Operating Budget Decisions	**Sep 17-21** • Mayor's Office and DD Heads Review Exec Budget	**Oct 5** • Exec Budget Introduced	**Oct 11 & 12** • Finance Committee Hearings	**Oct 18-22** • Finance Committee Amendment Week
Oct 25 • Finance Committee Votes on Amendments	**Nov 1-5** • Common Council Amendment Week	**Nov 9-11** • Budget Adoption		

Budget Deliverables

All systems will be open to users to following the Budget Kickoff; systems will be closed following the July 9TH deadline.

Transmittal Memo
- Purpose: Memo drafted from Agency Head to Finance Director outlining overall goals & priorities for 2022
- Submission Method: Sharepoint-Upload to Agency Materials Folder
- Format: Should be completed using the provided template

Service Proposals
- Purpose: Explain the operational impacts of the changes proposed in your line item budget
- Submission Method: Sharepoint-1 Proposal/Service
- Format: Sharepoint Service Proposal Form

Line Item Budget
- Purpose: Show the agency's plan for where (SERVICE) and how (MAJOR-OBJECT) the budget will be spent in 2022
- Submission Method: MUNIS Central Budget

Agency Targets

Agency targets will be delivered via email following the Budget Kickoff. The target amounts are intended to represent the cost to continue the current level of service.

Continued in 2022

Cost to Continue adjustments are shown as Level 1 within MUNIS. This will allow us to better distinguish changes made as part of cost to continue versus changes made as part of the agency request. Agency requests will be reflected in Level 2 of the MUNIS projection.

Cost to Continue Adjustments

Global Adjustments

Line Item	Assumption
Personnel Costs	• All positions have received a 1% increase to account for step and longevity increases scheduled for 2022 • Projection updated to reflect all newly created positions authorized by Common Council following budget adoption • 2022 allocations are based on the allocations in the 2021 Adopted Budget
Worker's Comp Rate	Agency allocations based on agency share of exposure from prior claims
General Liability Insurance	Agency allocations based on agency share of losses

Fleet Rate	• The fleet rate is comprised of 4 factors: maintenance, fuel, deprecation, and principal and interests costs.
	   o Maintenance: Allocation based on prior year usage trends
	   o Fuel: Allocation based on prior year usage
	   o Depreciation: Allocation based on agency's share of the total value of the City's fleet
	   o Principal and Interest: Allocation based on agency's share of the total value of the City's fleet
	Note: Principal is only included for the new Fleet Services building, while interest is included for all Fleet assets

Space Charges	• Rates based on square footage and projected costs in 2022 • CCB rates have been updated based on anticipated County charges in 2022

Developing Cost to Continue

Cost to continue estimates reflect the projected cost of maintaining the current level of service in 2022. The 2022 cost to continue estimates were developed working with agencies to reflect any increases to the agency's budget based on current commitments.

Budget Analyst Portfolios

Budget Analysts are available to serve as a resource to agencies as you work through the process of building your budget. See the list below for the current portfolio assignments of the budget team.

Christine Koh, Budget and Program Evaluation Manager, CKoh@cityofmadison.com

Budget Analyst Assignments-Effective June 2020

Analyst & Contact Information			
Betsy (Elizabeth) York	**Steph (Stephanie) Mabrey**	**Brent Sloat**	**Ryan Pennington**
EYork@cityofmadison.com	SMabrey@cityofmadison.com	BSloat@cityofmadison.com	Rpennington@cityofmadison.com
Agency Portfolio			
Fire	Assessor	PCED Office of the Director	Metro
Police	Clerk	CDD	TE
Public Health	Engineering	EDD (TIF)	Parking
Municipal Court	Sewer	Planning	Transportation
Debt	Stormwater	CDA	General Fund Revenue
Library	Landfill	Building Inspection	HR
Mayor	Water	Monona Terrace	EAP
Common Council	Fleet	Room Tax	DCR
Misc Appropriations	Streets	IT	Attorney
Workers Comp/Insurance	Parks/Golf (Impact Fees)		
Finance/Treasurer			

Office Hours

Due to COVID-19, in-person office hours will not be offered during the operating budget build; however, Budget Analysts are available to schedule working sessions with individual agencies to work through budget deliverables.

Transmittal Memo

> **Transmittal Memo**
> - Purpose: Memo drafted from Agency Head to Finance Director outlining overall goals & priorities for 2022
> - Submission Method: Sharepoint-Upload to Agency Materials Folder
> - Format: Should be completed using the provided template

- Agencies should develop transmittal memos using the template provided. Transmittal templates include separate prompts for General Fund and Enterprise agencies. Agencies should answer the prompts applicable to their agency.
- Transmittal memos should be used to articulate the agency's priorities for the upcoming fiscal year. These should be drafted in memo format, on agency letterhead, and addressed to the Finance Director. When completed, save the memo as a pdf and upload it to the Agency Operating Budget Materials folder in SharePoint.
- Transmittal memos will be used to brief the Mayor's Office on agency budget proposals.

Sample Memo

To: Dave Schmiedicke, Finance Director
From: Joe Smith, Department of General Services
Date: July 9, 2021
Subject: 2022 Operating Budget: Transmittal Memo

2022 Operating Request: Major Goals

Major Goals

The Department of General Services is comprised of two services: the Office of Sustainability and Equipment Procurement. Our 2022 budget request seeks to support the following service level goals:

- Office of Sustainability: Work with partner City agencies to implement 75% of established short-term sustainability goals. The Office will support agencies to identify existing sources of funding to execute these projects.
- Equipment Procurement: Analyze existing asset maintenance information to ensure annual replacements address the costliest assets to maintain.

COVID Recovery

Like all other agencies, we have had to work to adjust the way we provide services under the new normal resulting from COVID. Our 2022 budget requests has transferred budget from supplies to purchased services to better support online service delivery to make it easier for businesses and residents to interact our services.

2022 Request & Equity

Our 2022 operating request has identified specific strategies, identified with other City agencies and community partners, to improve sustainability projects in and near neighborhoods with higher percentages of BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.).

2022 Request & Sustainability

Within our budget request we are proposing a transfer from our supplies budget to our hardware/software system maintenance line to upgrade our asset management system.

Major Changes in 2022 Operating Request

Within our budget request we are proposing to transfer two existing positions from Equipment Procurement to the Office of Sustainability. These positions are currently vacant and we are proposing reclassifying them to Program Managers to increase the capacity and bandwidth for Sustainability programs. Equipment Procurement has been able to absorb the reduction in staffing through efficiency projects that have resulted in eliminating redundancies.

Summary of Reductions

A 5% reduction equates to $200,000 for our agency. We have proposed the following actions to reduce spending:

1. Eliminate one of the vacant positions we have proposed to transfer to the Sustainability program.
2. Expand the replacement life cycle for Equipment Procurement reducing the number of assets purchased annually. Under the current approach assets are replaced within the established life cycle regardless of asset condition. Implementing this recommendation would continue replacing equipment that is costly from a maintenance perspective, while continuing to utilize those assets that are still rated as good.

We believe these reductions can be realistically implemented without compromising our ability to achieve service level goals.

I look forward to working with all of my colleagues in City government as we work to bring the 2022 budget into balance.

c.c.   Deputy Mayors
         Budget & Program Evaluation Staff

Service Budget Proposals

Service budget proposals have four parts:
1. Part 1: Base Budget Proposal
   a. Budget Information
   b. Priority
   c. Activities Performed
   d. Service Budget Changes
2. Part 2: Racial Equity and Social Justice
3. Part 3: Proposed Budget Reduction
4. Part 4: Optional Supplemental Request

Part 1: Base Budget Proposal
Identifying Information

- Select your Agency from the dropdown list
- Select the Service from the dropdown list
- The Service Number and Service Description will auto populate based on the service that was selected. The description is consistent with what was published in the 2021 Adopted Budget publication.

Budget Information

Part 1: Base Budget Proposal

BUDGET INFORMATION

		2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Budget by Fund							
	General-Net						
	Other-Expenditures						
Total		$0	$0	$0	$0	$0	$0
Budget by Major							
	Revenue						
	Personnel						
	Non-Personnel						
	Agency Billings						
Total		$0	$0	$0	$0	$0	$0
	FTEs						

- The amounts in the table will populate based on the selected service. The Budget by Major section in the table contains all funding sources.
- The FTE counts are based on position allocations from prior adopted budgets.
- Complete the 2022 Request column with the amounts submitted in your line item budget in MUNIS, this includes any FTE changes resulting from an allocation change.

Priority

Section Purpose: Identify which of the Citywide Elements the service most closely aligns with.

PRIORITY

Citywide Element [▼]

Describe how this service advances the Citywide Element:

[   ]

- In this section you will explain how the service advances a specific element identified in Imagine Madison. After you select the Citywide Element you describe how the activities are aligned with the strategies and actions within the Element.
  - To complete this section:
    - Select the Citywide Element that the project advances from the dropdown.
    - NOTE: You will only be able to select one element, for services that may meet multiple elements select the element where there is the most direct relationship. Reference Appendix A from Imagine Madison for additional context behind the Citywide Elements.

Activities Performed by this Service

Section Purpose: Provide a breakout of the major work products performed by the service.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description

☑ Insert item

- In this section you will break-out the activities performed by this service. The goal of this section is to convey the major work products completed by the service.
  - The "% of Effort" represents the percentage of resources (time and budget) spent on providing the activity. The percentage should be an estimate based on your best judgement. See the Appendix B for a sample service proposal that includes a breakout of activities.
- *TIP*: Reference your agency's Service Inventory from Results Madison for activities that were brainstormed during your engagement. A second resource are current sub-services that exist within your chart of account.

Service Budget Changes

Section Purpose: Explain the assumptions and justifications behind any changes made to the line item budget as part of the agency request. This section is broken into four categories: Permanent Positions, Other Personnel Expenditures, Revenue, and Non-Personnel Costs.

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?

- Service Impact: Provide the change in dollar amount between the cost to continue service budget and the requested service budget. Provide a narrative summarizing the service change and service impact of the requested funding change.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service? Select... * ▾

Type	Fund	Amount	Description
Perm Wages			
Benefits			
Total		$0	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

- Personnel – Permanent Positions: If the agency's request includes changes to position allocations, provide the change details by fund, dollar amount, and description.
  - Explain the assumptions used to build the new payroll allocation and why the allocation is being changed.

- o *Tip:* The assumption questions are intended to understand how you arrived at the requested amount. The Justification questions are intended to understand why the change is being made.

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay? Select... * ▾

Type	Fund	Amount	Description
Overtime			
Premium Pay			
Hourly			
Total		$0	

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

- • Personnel – Other Personnel Spending: If the agency request includes modifications to other personnel expenses (i.e. overtime, hourly, etc.) provide the change details by fund, dollar amount, and description.
  - o Explain the assumptions used to estimate the amount of the change.
  - o Explain the justification for the change.
  - o *Tip:* The assumption questions are intended to understand how you arrived at the requested amount. The Justification questions are intended to understand why the change is being made.

Revenue

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

Yes ▾

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

Select... ▾

Fund	Major	Amount	Description

☑ Insert item

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

- • Revenue: If the proposed service change includes modifications to revenue, provide the change details by fund, major, dollar amount, and description.
  - o Explain the assumptions used to estimate the amount of the change.
  - o Explain the justification for the change.
  - o *Tip:* The assumption questions are intended to understand how you arrived at the requested amount. The Justification questions are intended to understand why the change is being made.

Non-Personnel

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

Select... ▾

Fund	Major	Amount	Description

☑ Insert item

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

- Non-Personnel: If the proposed service change includes modifications to non-personnel expenditures, provide the change details by fund, major, dollar amount, and description. This category includes all expense majors except 51-Salaries and 52-Benefits.
  - Explain the assumptions used to estimate the amount of the change.
  - Explain the justification for the change.
  - **Tip:** The assumption questions are intended to understand how you arrived at the requested amount. The Justification questions are intended to understand why the change is being made.

Part 2: Racial Equity and Social Justice

New to 2022, this section continues efforts to include racial equity in budget decision-making processes. These questions encourage you to consider budget requests in regard to their effect on marginalized communities.

Need assistance with this section?
1. Start with your budget analyst
2. Ask your department equity team for input
3. Want a consult?
   a. Email Kristy Kumar (kkumar@cityofmadison.com or Tariq Saqqaf (tsaqqaf@cityofmadison.com)

As you can see in the screenshot on the next page, there are a total of seven questions, with five sub-questions for question one. The following pages walk you through an example case study, a Teen Specialist position at the Warner Park Community Recreation Center in the Parks Division, as a guide for this section of the budget proposal. Some services will lend themselves to more complete answers, but please do your best to accurately complete this section. Please refer to these instructions when initially working on your proposal and reach out to one of the aforementioned contacts if you need more assistance.

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:

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

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

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Question 1

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:

Equity tip:
- Begin question 1 by answering questions 1a through 1e and then use the field above to summarize those responses.

Example case study for Part 2: Racial Equity and Social Justice
- Teen Specialist position at the Warner Park Community Recreation Center in the Parks Division

Question 1a

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?

Equity tips:
- People or entities who directly benefit are usually the direct consumer of a service or product
- People or entities who may not benefit likely have zero direct or indirect service provisions or may have a perceived or actual opportunity cost with the proposed service provision

Example response:
- Directly benefits – teens using warner park, families of those teens, the Parks Division, and the person hired as the Teen Specialist
- Indirectly benefits – teens on the north side and teens in general, families of those teens, immediate neighborhoods, the City in general, school district, community centers, neighborhood centers, other non-profit organizations, and residents on the Northside
- Does not benefit – other user groups of Warner Park Recreation Center (e.g., seniors)
- Gaps and barriers – addressed a gap or need in area; higher concentration of BIPOC teen population on north side; needed a position because of a measurable service gap from other providers or community agencies

Question 1b

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?

Equity tips:
- It is important to understand the stories behind the data. Racially disaggregating data can help us get a better understanding of what the situation actually is and who is most affected by it. As we shift increasingly to using data, more data will become available. Keep in mind that while we want to reach out to marginalized groups and be able to speak to their experience if we are to truly be inclusive, there are also times where including data of a certain type may constitute a violation of privacy and we need to find that balance. Ask yourself:
  - If you are using this data, should you be?
  - If you aren't collecting this data, should you collect any data like this?

- Remember that effective or useful data can be both quantitative and qualitative

Example response:
- Larger percentage of teen population on the north side; larger BIPOC population, as determined by census tracts
- Service gap for the teens in this area
- High amount or high density of single parent households
- Higher density housing
- Lower income

Question 1c

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?

Equity tips:
- Include **residents** who may be affected by the change, especially BIPOC (Black, Indigenous, and people of color) residents, in addition to city agencies and partners. Keep in mind, some residents may be more mobile, which can influence how and when you get their input.
- The more we are able to work collaboratively with other city agencies and other community partners, the less strain we put on residents for engagement and the better able we are to collectively move toward operating equitably and inclusively. Remember to think about other city agencies that might be affected or working on something similar beyond the obvious partners.

Example response:
- Mendota Community School
- DSS Community Center
- Northside Planning Council
- Lakeview Library
- Brentwood Village Neighborhood Association
- Community Development Division
- Madison Police Department (Youth Police Initiative to help relationships with Police and teens of color in the area)
- MSCR
- Four neighborhood centers on the north side
- Incorporated feedback through the teen programming ultimately launched at center
  - Policy and procedure changes
  - Program Coordinator position

Question 1d

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.

Equity tip:
- Use the parties identified in question 1a to help answer this question

Example response:
- Not taking this action, adding the position, will result in harm to the community, particularly following the community engagement and identifiable need for the increased service
- Potential alienation of other user groups who may not like the direction the community center is going
- Other community agencies who might see a reduction in funding or resources

Question 1e

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

Equity tips:
- Getting feedback is just one part of inclusive processes. Reporting back and staying in communication are just as important.

Example response:
- Warner Park Advisory committee, Parks Commission, Neighborhood Resource Team
- Collaborative programming with community partners and centers

Question 2

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)?

If so, please identify the respective group and recommendation.

○ Yes   ○ No

Equity tips:
- Try to incorporate recommendations from these efforts as much as possible

Example response:
- Neighborhood Resource Team

Part 3: Proposed Budget Reduction

This section requests responses for a service budget decrease of 5%.

What is 5% of the agency's net budget?   [_____] *

What is the proposed reduction to this service's budget?   [_____] *

- The 5% reduction target should be calculated using the target amount provided in the target memo. Agencies have discretion in how the reduction amount is allocated across services.

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	

- Reductions will be presented in two ways: at the activity level describing how the reduction would be operationalized and by major describing how the reduction would be reflected by budget line items.

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. How can impacts of this reduction be mitigated?

- Provide detailed responses to the six questions regarding the scenario of a decreased service budget.
- Answer the last question, regarding the effect of the reduction on the end user, in the context or in relation to Part 2: Racial Equity and Social Justice.

Part 4: Optional Supplemental Request

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.

- 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
- Where possible, include ways increases can be scaled or phased in over time
- Describe the implications of any 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)?

Saving/Submitting Your Proposal

Clicking the submit button will save you work. If you start working on your proposal but need to step away, this button also serves as a save function. You can hit submit and come back to the proposal when you are ready to complete the process.

Line Item Budget

- Purpose: Show the agency's plan for where (SERVICE) and how (MAJOR-OBJECT) the budget will be spent in 2022
- Submission Method: MUNIS Central Budget

- Line item budgets are built using the budget module within MUNIS, Central Budget Entry. Budgets are built using projections for the upcoming fiscal year, there are two projections set up for the 2022 budget build:
  - 20221-Annual Funds
    - This is the default projection that will automatically open in Central Budget.
    - The base budget is built by rolling the current year budget forward and performing the cost to continue adjustments.
  - 20222-Multi-Year Funds
    - This projection is using for budgeting expenditures in the City's grant fund (Fund 1220) and restricted fund (Fund 1250).
    - This projection is pre-loaded with personnel expenditures for staff time charged to these funding sources.
    - All other accounts are defaulted to zero.
    - When complete, agency budgets within these funds should balance to zero (revenues equal expenditures).
    - All line items in fund 1220 should have detail entry with the Project field completed, this will tie the specific grant to the line item. This requires the project and corresponding strings to be set up and approved within MUNIS.

Position Reclassifications
- Agencies can include position reclassification requests as part of operating proposals. If your agency is planning to include funding for the reclassification of a position, use object 51113 (Pending Personnel). Amounts entered in this line item <u>must</u> include Detail Entry outlining: (1) the position number being reclassified, (2) the job class of the new position classification, and (3) justification for the request. Planned position reclassifications must be absorbed within your target amount.
- These changes must also be described in your Service proposal submitted in Sharepoint.

Payroll Allocation Changes
- The payroll allocations used to build the Cost to Continue budget are consistent with the allocations in the 2021 Adopted Operating Budget.

- Agencies can request changes to payroll allocations using the Payroll Allocation Change form, see Appendix D for instructions on completing the form. The form is available on the Budget Sharepoint site.
- All changes to allocations must be net neutral to the General Fund or absorbed within the agency's target.

Detail Entry

- Detail entry is intended to breakout objects that include multiple types of expenditures and represent a large share of the agency's budget.
- All detail included in the 2021 Adopted Budgets rolled forward to the 2022 budget projection and should be updated based on your 2022 request.
- Agency user permissions do not allow agency staff to delete detail records that may no longer be relevant. Contact your Budget Analyst for assistance in deleting records that may not be needed in your 2022 request.
- Do not enter negative amounts in detail entry-if you need to change an amount update the unit cost.
- Every detail entry must have a description and justification. The description states what's being purchased, the justification is explaining why the purchase is needed.
- Detail Entry is strongly encouraged. Providing more information in detail entry will reduce follow up questions from your Budget Analyst. It will also carry forward to future budgets which will reduce data entry in future years and can serve as helpful reminders of what is included in the budget.
- Detail entry may be used on any object code but is **required** in the following instances:
    1. Increases to revenue budgeted within General Fund agencies
    2. Pending Personnel (Object 51113)
    3. Grant budgets
- Reference Appendix A for instructions on adding detail with Central Budget Entry.
- An example of informative detail entry is below:

31100 -53210 -00000 **P FIELD WRK SUP**	⬚
31100 -53211 -00000 P FIELD GUN AM SUP	⬚
31100 -53220 -00000 P FIELD LAB PHOTO	
31100 -53230 -00000 P FIELD MEDICAL SUP	
31100 -53245 -00000 P FIELD UNIFRM SUP	⬚
31100 -53250 -00000 P FIELD FOOD BEV	
31100 -53315 -00000 P FIELD BUILD SUP	
31100 -53360 -00000 P FIELD TREE SHRUB	
31100 -53410 -00000 P FIELD MACH EQUIP	⬚
31100 -53413 -00000 P FIELD EQUIP SUP	⬚
31100 -53420 -00000 P FIELD GASOLINE	

Year	Period	Line	Description	Amount
2021	1	10	SET medic and specialty supplies	9,750.00
2021	1	20	Supplies for replacement an...	32,700.00
2021	1	40	Youth Academies/Amigos en A...	1,400.00
2021	1	50	Traffic supplies - crossing...	4,070.00
2021	1	60	Specialty patrol supplies -...	4,000.00
2021	1	70	Investigative supplies	1,500.00
2021	1	80	Radio supplies and replacements	14,150.00
2021	1	90	SWAT supplies	15,600.00
2021	1	100	TASER and inservice supplies	22,200.00
2021	1	110	Event supplies	1,500.00
2021	1	120	Crowd management supplies (...	16,920.00
2021	1	130	Academy and other training ...	8,160.00
2021	1	140	Supplies purchased with rei...	6,000.00
2021	1	150	Academy C2C Initial Issue 5...	1,200.00
2021	1	160	Academy C2C Gas Masks/Crowd...	4,100.00

Budgeting for Grants

Agency requests should include any grant funding anticipated for 2022. All grants that have been previously reported on the Single Audit and are anticipated to continue in 2022, should be included as part of the agency request. Any new grants that are anticipated to have activity (either revenue and/or expense) in 2022 should be budgeted.

Enter grant budgets in Projection 20222 – 2022 Operating Budget – Multi-Year Funds. The Cost to Continue budgets in this projection have been populated with personnel costs based on allocations in the payroll system. Most other objects are at zero.

Both the grant funding and any matching city funding should be budgeted based on the City's fiscal year (January – December). The agency will enter estimated spending plans into MUNIS during the budget development process. This will provide estimated grant activity for inclusion in the published budget document. Prior to uploading the multi-year budgets into MUNIS, the Budget Team will work with the agency and determine which budgets can be deleted from the upload. This will eliminate duplicate budget amounts in MUNIS.

Submitted grant budgets should be organized by General Ledger account (org and object). Each line item of your grant budget should include detail entry with the project information for the grant. Project shells and strings will need to be set up and approved prior to being able to complete this step. See the instructions for detail entry regarding steps to follow when adding detail information.

Additional positions or position changes can be attached to projects through the salary and benefit projection. If a grant budget includes a change to a permanent position, work with your Budget Analyst to attach project information to the position.

Appendix A: Adding Detail Entry

When Detail Entry is Required
1. Increases to revenue budgeted within General Fund agencies
2. Pending Personnel (Object 51113)
3. Grant budgets

Do not enter negative numbers in Detail Entry.

Steps to add Detail Entry

Begin by selecting the object and the org in Central Budget where you would like to add detail. Within the account, select the **+** icon.

After clicking the + icon, you will see a screen displaying any current detail that exists on the account you've selected. Within the ribbon of this screen select the 'Add Detail' icon.

After selecting the 'Add Detail' icon, a box will display asking if you would like to add Operating/Capital data or Salary data. ***Select the Operating/Capital option.***

After selecting the Operating/Capital box, the Detail Entry Screen will be displayed. This is the screen where you will update the detail information for the account. Use the table below to determine what fields are applicable for the type of detail you are adding.

Detail Type	Object	Required Fields	Data
Pending Personnel	51113	Unit Cost	Detail Amount
		Description	Position being reclassified
		Justification	Justification for the requested reclassification
Capital Asset	53410	Unit Cost	Detail Amount
		User Defined	CA-From Dropdown
		Description	Description of the requested asset
Increased Revenue	Multiple	Unit Cost	Detail Amount
		Description	Revenue Description
		Justification	Assumption used to determine increase amount
Non-Personnel-Objects that include multiple types or purchases	53 & 54	Unit Cost	Detail Amount
		Description	Breakdown of planned expenditures within object
Grant	Multiple	Unit Cost	Detail Amount
		Project String	Select Project String from dropdown

Budget Detail Screen

Unit Cost

Enter the amount for the detail entry; the amount box will automatically populate after a unit cost is entered.

User Defined

When adding detail for Capital Assets select CA-CAPITAL ASSETS from dropdown list

Project String (Required for all Grant Budgets)

Select the magnifying glass icon. After selecting this icon, a dropdown list will appear with all the existing project strings. Begin typing in the project number and select the relevant project string. If the string does not come up in the dropdown list, verify that the project and string have been approved from within the Project Master.

Description

Type a short description regarding this expenditure/revenue. If you are entering an amount in pending personnel include the position number associated with the requested reclassification.

Budget Detail

Year	2017	Vendor	#
Quantity	1	Commodity	
Unit Cost	$	Inventory Item	#
Amount	$	UOM	
Projected	$	Freight	%
Request Group		Bid	#
User Defined		Asset	#
Project String			

Description

Justification

Classification

☐ One-Time Expenditure Or Revenue
☐ Priority Item

Save and close   Close

Justification

Required for all amounts budgeted within Pending Personnel and adjustments made to revenue budgeted within General Fund agencies.

After following these steps select the 'Save and Close' button.

TIP: YOU WILL REPEAT THIS STEP FOR ALL DETAIL ITEMS BUDGETED IN THE ORG AND OBJECT

Appendix B: Sample Service Budget Proposal

2021 Operating Budget
Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Streets	⌄

SELECT YOUR AGENCY'S SERVICE:

Recycling	⌄

SERVICE NUMBER:

442

SERVICE DESCRIPTION:

This service is responsible for the City's recycling program. Specific functions of the service include: bi-weekly curbside collection of recyclables; curbside yard waste and leaf collection; operation of three City yard waste drop-off sites; and curbside brush collection. The goal of this service is to collect recyclables and yard waste on a timely basis for City residents.

Part 1: Base Budget Proposal

BUDGET INFORMATION

		2018 Actual	2019 Adopted	2019 Actual	2020 Adopted	2021 C2C	2021 Request
Budget by Fund							
	General-Net	$7,411,138	$7,859,301	$7,411,138	$7,859,301	$8,314,110	$8,314,110
	Other-Expenditures	$0	$0	$0	$0	$0	$0
Total		$7,411,138	$7,859,301	$7,411,138	$7,859,301	$8,314,110	$8,314,110
Budget by Major							
	Revenue	($1,164,944)	($1,081,000)	($1,164,944)	($1,081,000)	($831,000)	($831,000)
	Personnel	$3,903,048	$4,344,165	$3,903,048	$4,344,165	$4,383,366	$4,383,366
	Non-Personnel	$1,362,215	$1,488,600	$1,362,215	$1,488,600	$1,488,600	$1,488,600
	Agency Billings	$3,310,819	$3,107,536	$3,310,819	$3,107,536	$3,273,144	$3,273,144
Total		$7,411,138	$7,859,301	$7,411,138	$7,859,301	$8,314,110	$8,314,110
	FTEs		47.14		47.14	46.83	46.83

PRIORITY

Citywide Element | Green and Resilient | ⌄

Describe how this service advances the Citywide Element:

The curbside and drop-off collection of yardwaste, brush, leaves, and consumer recyclables promotes a reusable method for waste from the City's residents. Collection of organic waste materials prevents clogged street drains, unsightly waste piles on resident properties, and creates mulch for landscaping use. Waste is also diverted from the Dane County Landfill when recycled.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Bi-weekly cart collection	70%	Green cart for residential and under 8-unit recyclables
Yardwaste/leaf collection	10%	Seasonal spring and fall collection cycle through 6 city regions
Drop-off site operations	10%	Three dropoff sites for residents use (west, central, and east)
Brush collection	10%	Seasonal spring collection cycle through 6 city regions

☑ Insert item

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request? | $91,950

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

To achieve 100% on-time collection of recyclables for an additional three miles of recycling routes added via new development on the City's west side in the past two years, overtime costs have been increased for existing staffing levels in the Streets Division, and one 0.65 FTE Street Maintenance Operator (position #5678) will be created into a full 1.0 FTE.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service? Yes [▼]

Type	Fund	Amount	Description
Perm Wages	General	$17,500	Wage increase for increasing one position from 0.65 FTE to 1.0 FTE
Benefits	General	$5,250	Benefits increase for increasing one position from 0.65 FTE to 1.0 FTE
Total		$22,750	

Explain the assumptions behind the allocation change.

This additional FTE will be able to conducting recycling collection an additional 12 hours per week. 12 hours per week translates to an additional mile of recycling collection.

What is the justification behind the allocation change?

This allocation change (in conjunction with the overtime increase outlined below) allows the Streets Division to maintain 100% on-time recycling collection for all City of Madison routes.

Personnel-Other Personnel Spending

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

Type	Fund	Amount	Description
Overtime	General	$70,000	24 hours of additional overtime per week to allow for 100% on-time recycling collection.
Premium Pay			
Hourly			
Total		$70,000	

Explain the assumptions behind the requested funding.

The additional 24 hours in overtime translates to about two additional miles of recycling collection routes. Overtime is paid out as double-pay for Street Maintenance Operators.

What is the justification behind the increased funding?

This increase in overtime, in conjunction with the increase in FTE above, will allow the Streets Division to maintain 100% on-time recycling collection for the three additional route miles of new development.

Revenue

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

Yes [▼]

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

Increase [▼]

Fund	Major	Amount	Description
General	Charges for Servic	$1,000	Increased recycling drop-off revenue

🔲 Insert item

Explain the assumptions behind the change to budgeted revenue.

The City has experienced a 2% increase in charges for recycling drop-off revenue over the past year, which translates to approximately a 2% increase in this revenue source.

What is the justification behind the proposed change?

This revenue increase aligns with the increase experienced over the past three fiscal years. It is anticipated this increase will continue due to increased awareness of and advocacy for recycling by private entities.

Non-Personnel

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

Yes

Fund	Major	Amount	Description
General	Supplies	$200	Additional uniforms for the position being increased from 0.65 to 1.0 FTE.

☑ Insert item

Explain the assumptions behind the requested funding.

The position being increased from 0.65 to 1.0 FTE will be driving recycling routes an additional two days per week. The uniform costs approximately $100 each, and two additional uniforms will be purchased.

What is the justification behind the increased funding?

The Streets Division requires staff to be wearing uniforms when operating City vehicles.

Part 2: Proposed Budget Reduction

What is 5% of the agency's expenditure budget? $441,876

What is the proposed reduction to this service's budget? $106,003

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
Yardwaste/leaf collection	53,001.5	Decrease frequency of yardwaste/leaf collection
Brush collection	53,001.5	Decrease frequency of yardwaste/leaf collection

☑ Insert item

Total	$Amount	
Total	$106,003	

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	$106,003	Will leave vacant 1.5 SMO positions typically assigned to yardwaste leaf collection and brush collection (Position number 1234 and 4321)
Non-Personnel		
Agency Billings		
Total	$106,003	

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.

The City is not mandated to perform these services.

Has this reduction been proposed in prior years?   No

Does the proposed reduction result in eliminating permanent positions?   Yes ▾

       If yes, what is the decrease in FTEs: 1.5

Does the proposed reduction impact other agencies (i.e. Fleet Services)?   No ▾

       If yes, which agencies:

Describe why the proposed reduction was chosen.

This reduction will allow Streets to eliminate 1.5 vacant positions and generate savings, while minimizing impact to residents. These services represent the smallest portion of Streets recycling services, and residents can still access yard waste disposal through drop-off sites.

Explain the impacts of the proposed reduction on the end user of the service. How can impacts of this reduction be mitigated?

Users of this service will see less frequent pickup of yard waste materials in Spring and Fall. The impacts of this reduction can be mitigated by providing messaging about drop-off sites for waste materials in conjunction with information about decreased collection frequency.

Submit

v. 05-26-20

Appendix C: Building a Budget Projection Cube

Budget cubes allow you to build custom views of your budget. Once the cube is built it will continue to automatically update nightly based on what's been submitted in Central Budget. This section provides an overview of how to use cubes and the data fields available within the Budget Projections Cube.

Tip: MUNIS permissions must be configured to allow users to access Cubes; if you are unable to access cubes contact Brian Falkowski.

Cube Basics

- Cubes allow you to access MUNIS data from Excel
- Data will appear in a Pivot Table format
- Information is current as of the previous day
- Changes you make to your budget submission will be captured in the cube the following day
- Cubes will allow you to view data from multiple projections in one view
- Very important for grant & segregated fund appropriations
- This format provides you the capability to produce a variety of reports and charts for your Department leadership

Accessing Cubes

To access the cubes open Excel and follow the steps listed below:
1. Select Data from the Excel ribbon
2. Select the 'From Other Sources' button
3. Select 'From Analysis Services'
4. After clicking 'Analysis Services' you will see a pop up box asking for server info
5. Type in the Server Name: tylerag1
6. Select mu_live_General Ledger Cubes from dropdown
7. Select Budget Projections Cube
8. Hit Finish to create the pivot table

Formatting Your Cube

Cubes are built using Pivot Table functionality within Excel. After you've connected to the server and built your cube you can now begin building your report. Below are the recommended fields for viewing your cube at the Agency-Service-Major level.

> Filters: Projection Number (20221: 2022 Operating Budget Annual Funds)
> Rows:
>> Segment 3 (Agency)
>> Segment 4 (Service)
>> CharCode Hierarchy (Major)
>> - By selecting the hierarchy option, you will be able to drill down to the object detail
> Values: Level 1 (Agency Request)

Viewing Data

After you have built your cube you can now begin analyzing data.

Row Labels	Level1
⊟00 - UNDEFINED	-242,814,802.00
1100 - BS GENERAL	0.00
⊞41 - GENERAL REVENUES	0.00
110010 - GENERAL PURPOSE REVENUE	-283,178,831.00
⊞41 - GENERAL REVENUES	-209,491,631.00
⊞42 - INTERGOV REVENUES	-35,776,459.00
⊞43 - CHARGES FOR SERVICES	-8,743,000.00
⊞44 - LICENSES AND PERMITS	-6,998,500.00
⊞45 - FINE FORFEITURE ASMT	-7,410,000.00
⊞46 - INVEST OTHER CONTRIB	-1,485,000.00
⊞47 - MISC REVENUE	-3,596,000.00
⊞48 - OTHER FINANCE SOURCE	-1,366,506.00
⊞49 - TRANSFER IN	-8,311,735.00

Use filter arrow to select a specific org or major

Use the + sign to see object detail

Row Labels	Level1
⊟00 - UNDEFINED	-242,814,802.00
1100 - BS GENERAL	0.00
⊞41 - GENERAL REVENUES	0.00
110010 - GENERAL PURPOSE REVENUE	-283,178,831.00
⊞41 - GENERAL REVENUES	-209,491,631.00
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⊞45 - FINE FORFEITURE ASMT	-7,410,000.00
⊞46 - INVEST OTHER CONTRIB	-1,485,000.00
⊞47 - MISC REVENUE	-3,596,000.00
⊞48 - OTHER FINANCE SOURCE	-1,366,506.00
⊞49 - TRANSFER IN	-8,311,735.00

Appendix D: Position Allocation Change Request Form

To request a position allocation change within your 2022 operating budget request, use the Payroll Allocation Change form found on the Budget Sharepoint site (see below for a screenshot showing how to access this tool).

If you are submitting changes for multiple positions complete a form for each position that is being changed. All fields on the form must be completed in order for the allocation to be updated.

When entering the allocated percentages into the tables for the current and new position allocation, please ensure that the percent allocated amounts total to 100. All position allocations need to total to 100 even if a position has an FTE strength less than 1.0. Any allocation change that increases staffing

Org Code	Project (PL or GL)	Percent Allocated
11111	00000	20
22222	00000	20
33333	00000	60
		100

costs in the General Fund requires an explanation of how the increased costs will be offset.

Org Code	Project (PL or GL)	Percent Allocated
11111	00000	20
22222	00000	20
33333	00000	60
		100

Example
Current Allocation
New Allocation

Process for Getting Allocation Updated:

1. Upload the completed forms to the Agency Operating Materials folder in Sharepoint.
2. When uploading the file, title it as 'Agency Name-Position Number' (ex. Finance-#798).
3. Notify your Budget Analyst once the forms have been uploaded, updates will take 1-3 days to be reflected in MUNIS. Changes made through allocation adjustments must be explained in your service proposal.