



2024 Proposed Operating Budget

September 14, 2023

Madison Metropolitan Sewerage District





Budget Introduction

- Highlights today
- Document at madsewer.org/2024-budget
- Next steps
- Bottom line



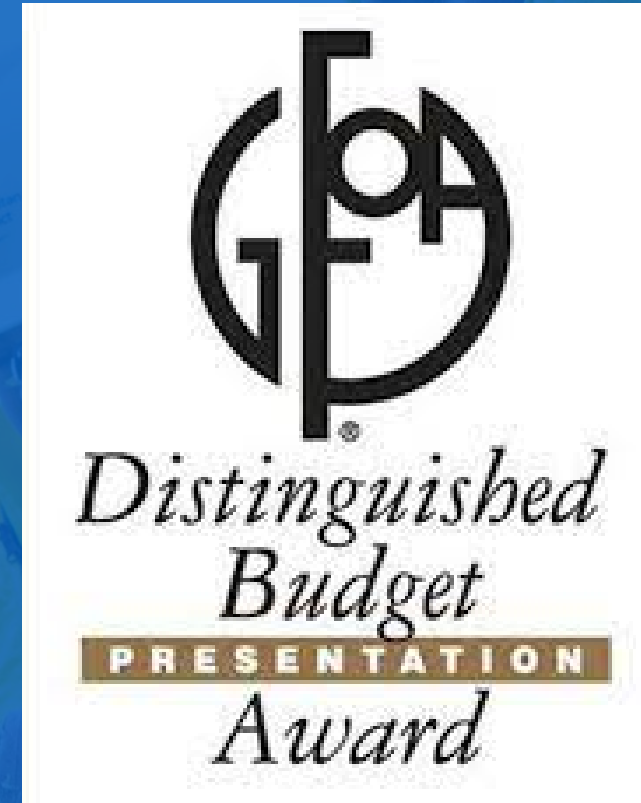
GFOA = Budgeting Best Practices

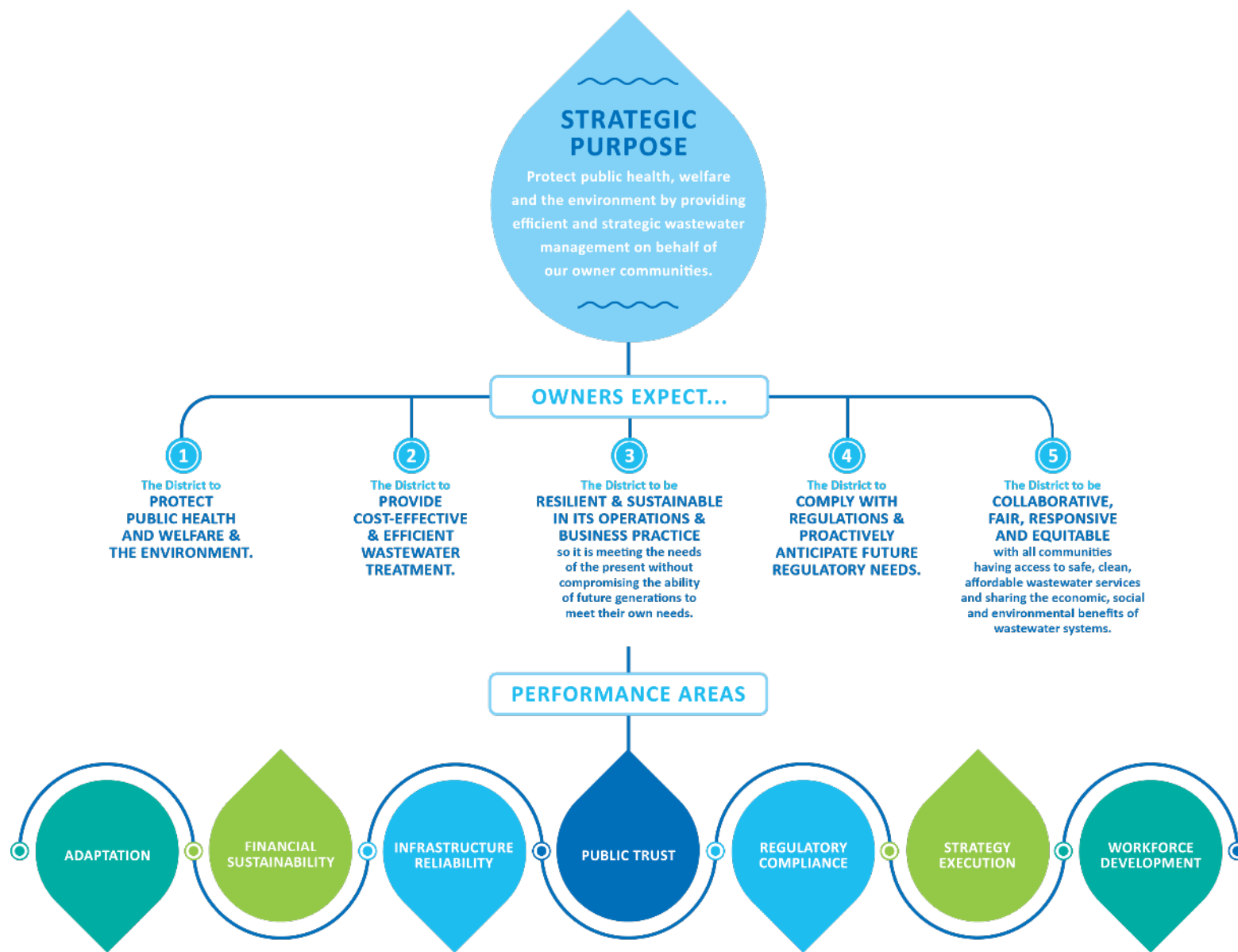
Excel at

- Financial planning
- Operations
- Communication
- Policy

YEARS RECEIVED

2013 • 2014 • 2015 • 2016 • 2017
2018 • 2019 • 2020 • 2021 • 2022 • 2023





District Strategic Plan

Spending Drivers

- Strict water quality standards
- Regulatory oversight
- Around the clock reliability
- Growing communities
- Anchor institution



A “Do More” Budget

Performance

Strategic Plan

7 Performance Areas
Focus Items

Projects

Capital Improvements Plan

Aging Infrastructure — 65%
Growing Communities — 25%
Regulation & Reliability — 10%

Productivity

Enterprise Resource Planning System

Financial Processes
Work Planning
HR Management

People

Capable Workforce

Competitive pay and benefits
Capacity, new positions

Charges for Average Household

\$262.50

2024 total charges,
District only

\$22.39

More than 2023



Madison Metropolitan Sewerage District

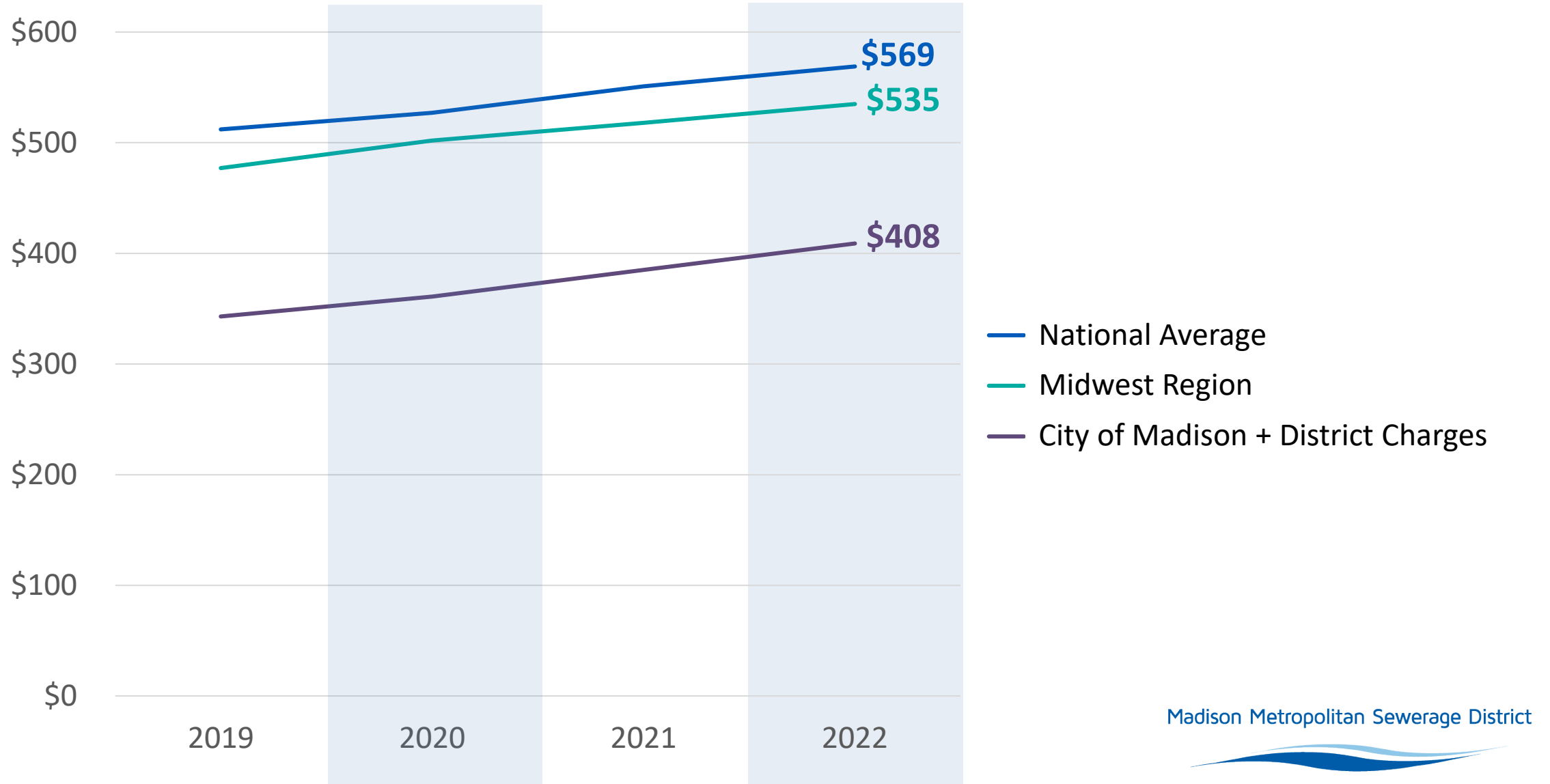
2024 Service Charges Changes

AMOUNT	% CHANGE	BUDGET ITEM
\$3,656,600	7.2%	Required Increases <i>energy, chemicals</i> <i>capital contribution</i> <i>reserves</i> <i>fees, etc.</i>
\$1,364,100	2.7%	Needed Increases <i>pay increase</i> <i>new positions</i> <i>maintenance projects</i>
- \$455,700	- 0.9%	Revenue Offset and Misc.
4,565,000	9.0%	Total

New Positions

POSITION	NEED/URGENCY
Night Operator - Lead	<ul style="list-style-type: none">• Coverage• Safety• Meet growing operations group burdens
Assistant Plant Operations Manager	<ul style="list-style-type: none">• Critical expertise backup• Additional capacity for plant capital projects
Business Service Specialist	<ul style="list-style-type: none">• Expanded governance coordination• Support growing District• Help find process efficiencies
Treatment Plant Planning Engineer	<ul style="list-style-type: none">• Critical missing planning expertise• Support urgent heat and power planning

Benchmark Cost-Per-Household



Enhanced Budgeting Process

1. Start with six-year Capital Improvements Plan (CIP)
2. Identify operational requirements & needs
3. Find efficiencies
4. Align budget to priorities
5. Early estimates to owner communities





Finding Efficiencies

- Realistic review of department budgets
- 14.0 FTE new positions deferred, including:
 - Plant operators
 - Maintenance technicians
 - Operations and maintenance engineers
 - IT support
- *\$500M+ in avoided costs: phosphorous & chloride treatment*



Timeline

September 28

Public hearing and deliberation

October 5

Deadline to receive written comments

October 12

Commission deliberation and final direction

October 26

Commission adopts 2024 budgets & rates

November 1

Customers notified of new rates





Thank you

Madison Metropolitan Sewerage District

