Budget Contacts Meeting

Welcome!
Answer the Zoom poll question as an introduction.

Agenda

1. Review of Budget Feedback Survey

2. Overview of 2023 budget calendar

3. Preview of 2023 Capital request form

4. Budget 101
   What is the chart of accounts? A fund? Service? Major?
   Why does it matter?

5. Wrap up/ Q&A

Agency Feedback on the Budget Process

2022 Budget Feedback Survey

Purpose

- Understand staff experience of budget process
- What's working? What needs improvement?
- Use feedback to improve budget tools & communications

Respondent Profile

# of Respondents:

- **58 responses!**
- High engagement (i.e. high response rates to optional questions, substantive comments)

Staff Roles:

- 39% Dept/ Div head
- 35% Finance-focused staff
- 26% Other mgmt
- 9% Other role

Budget Experience:

- 85% have previously completed a budget

Agency Size:

- 55%: 50+ FTEs
- 35%: 13-50 FTEs
- 11%: $\leq$12 FTEs

What is working well

Communications

91% agree or strongly agree (A/SA) "budget phases and deadlines were clearly communicated"

Timeline

72% A/SA "I felt I had enough time to complete required budget deliverables"
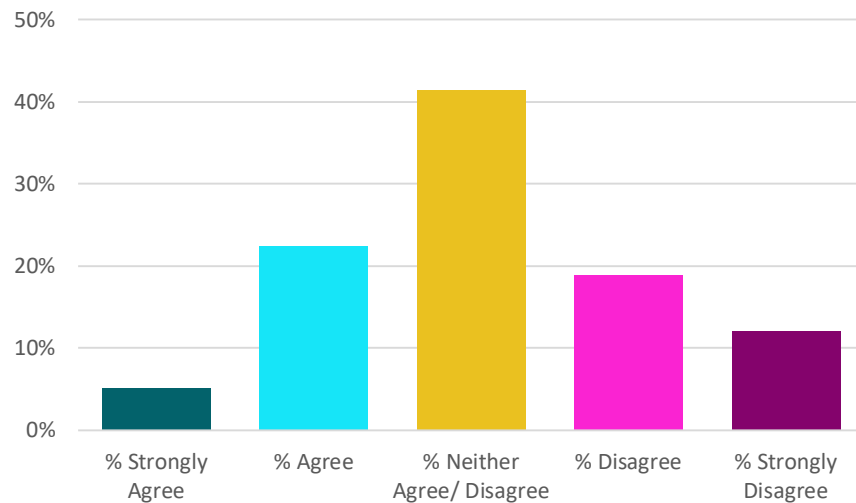
Skills & Support

67% A/ SA"I had access to adequate budget training, resources and assistance"

69% A/ SA "I had the knowledge and skills needed to prepare my budget requests"
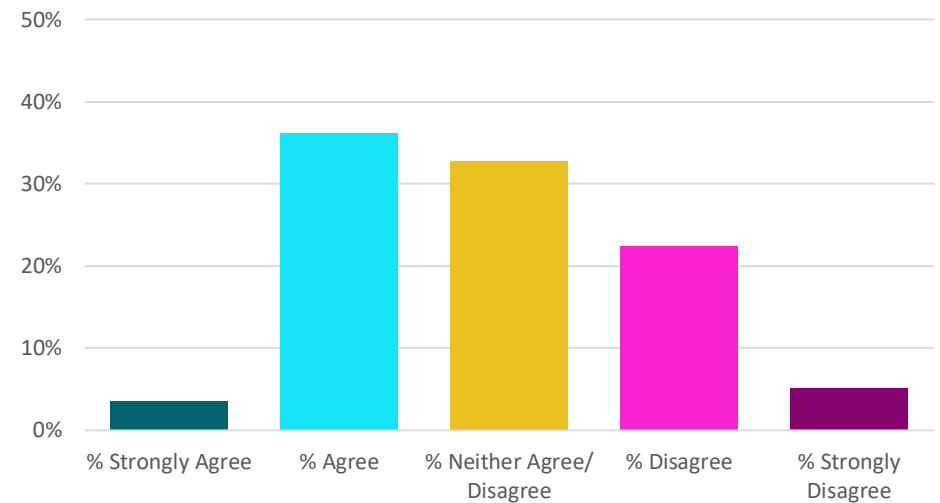
Transparency & Prioritization

The executive budget decision-making process is transparent.
- 31% disagree/strongly disagree

**In general, I understand the priorities driving resource allocation decisions.**
- 28% disagree/strongly disagree

These statements had the **lowest levels of agreement*** of the 9 questions on the overall budget process. At the same time, these statements had high levels of "neither agree/disagree responses," suggesting some respondents had neutral, rather than negative sentiments.

*One question had higher rates of "disagree" responses – we'll address that in the next slide.

No consensus on whether the budget allocates sufficient resources

I believe the budget allocates sufficient financial resources for my agency to do its job in the coming year. (n=58)
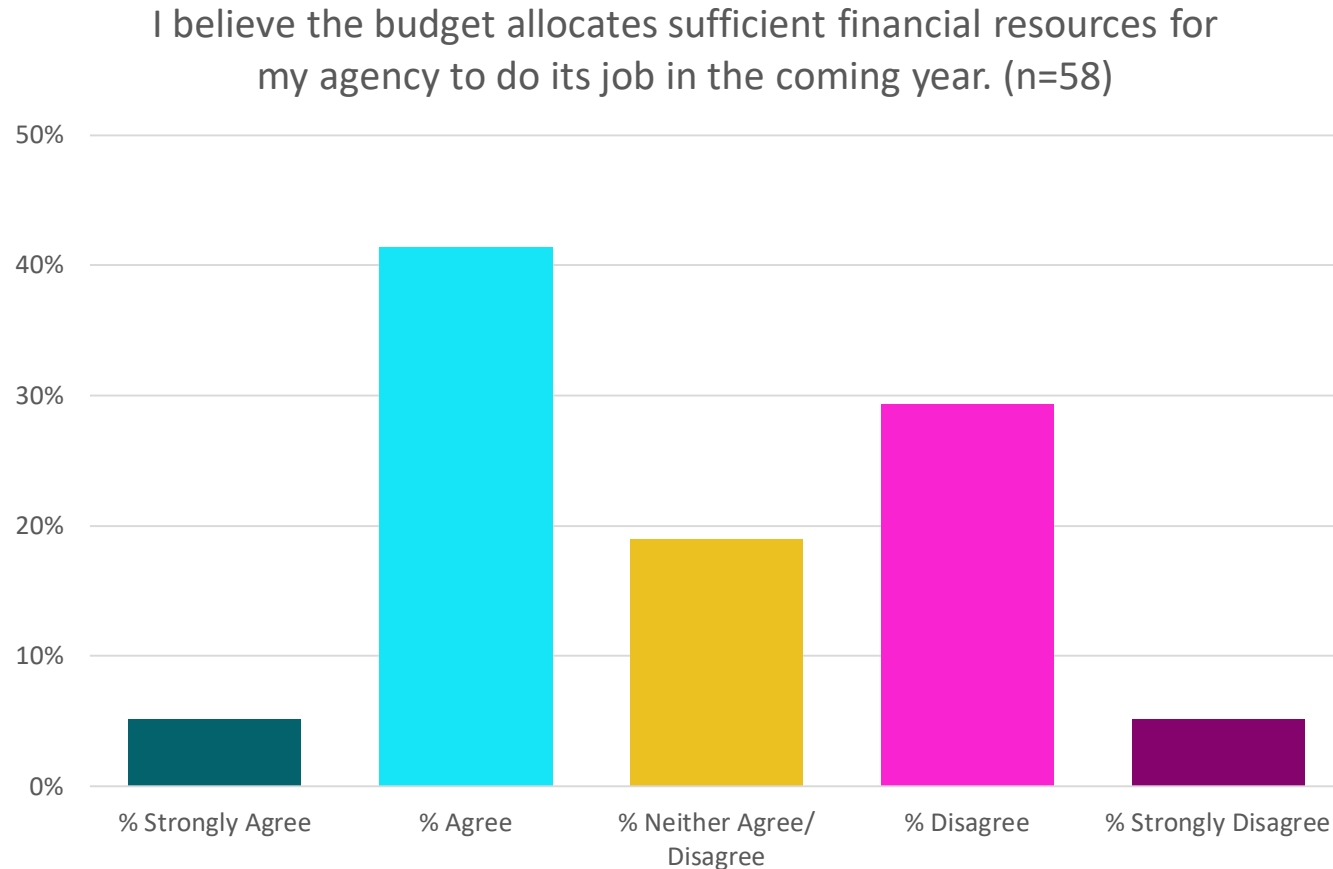
- 46% Agree/ Strongly Agree the budget allocates sufficient resources

- 34% Disagree/ Strongly Disagree – this was the question with strongest "disagree" response

- Only question with a bimodal distribution

Racial Equity and Social Justice (RESJ) Section

How much do you agree/ disagree with the following statements regarding the new RESJ section (n=58)
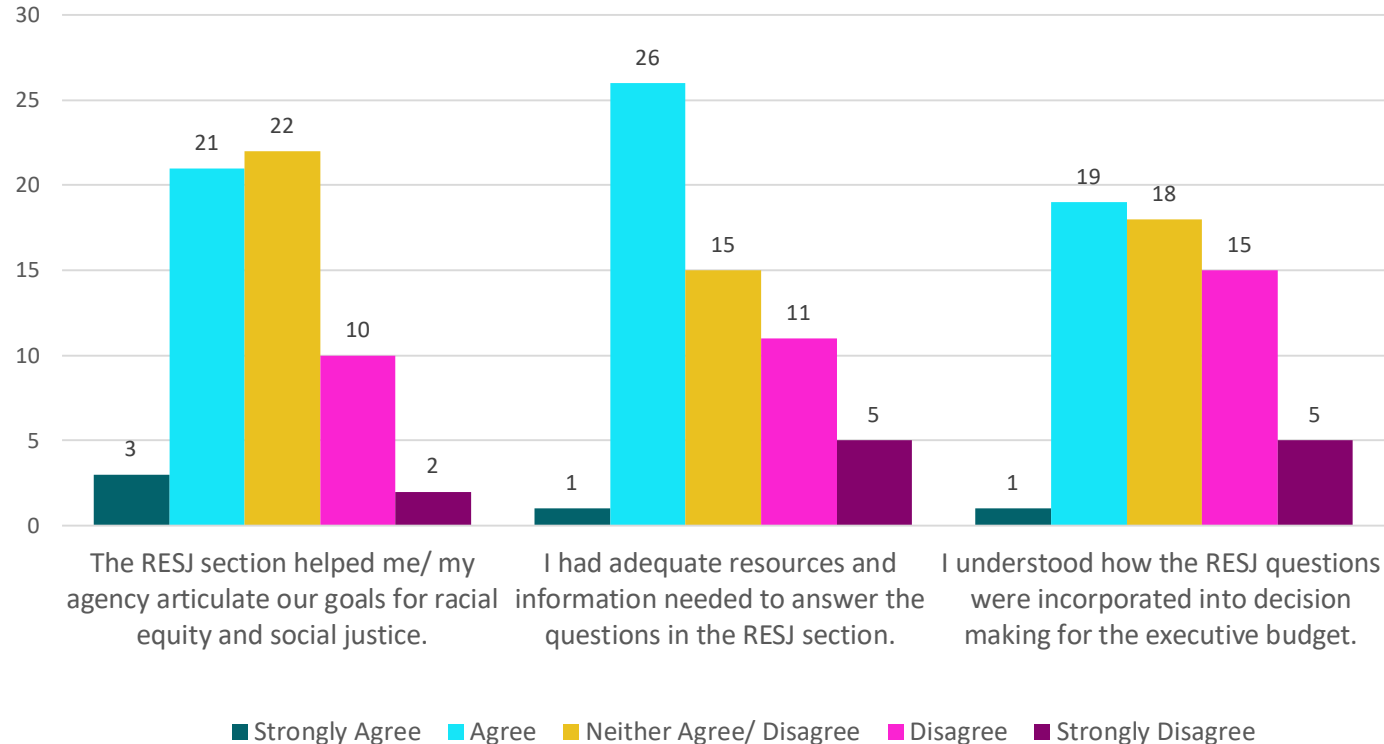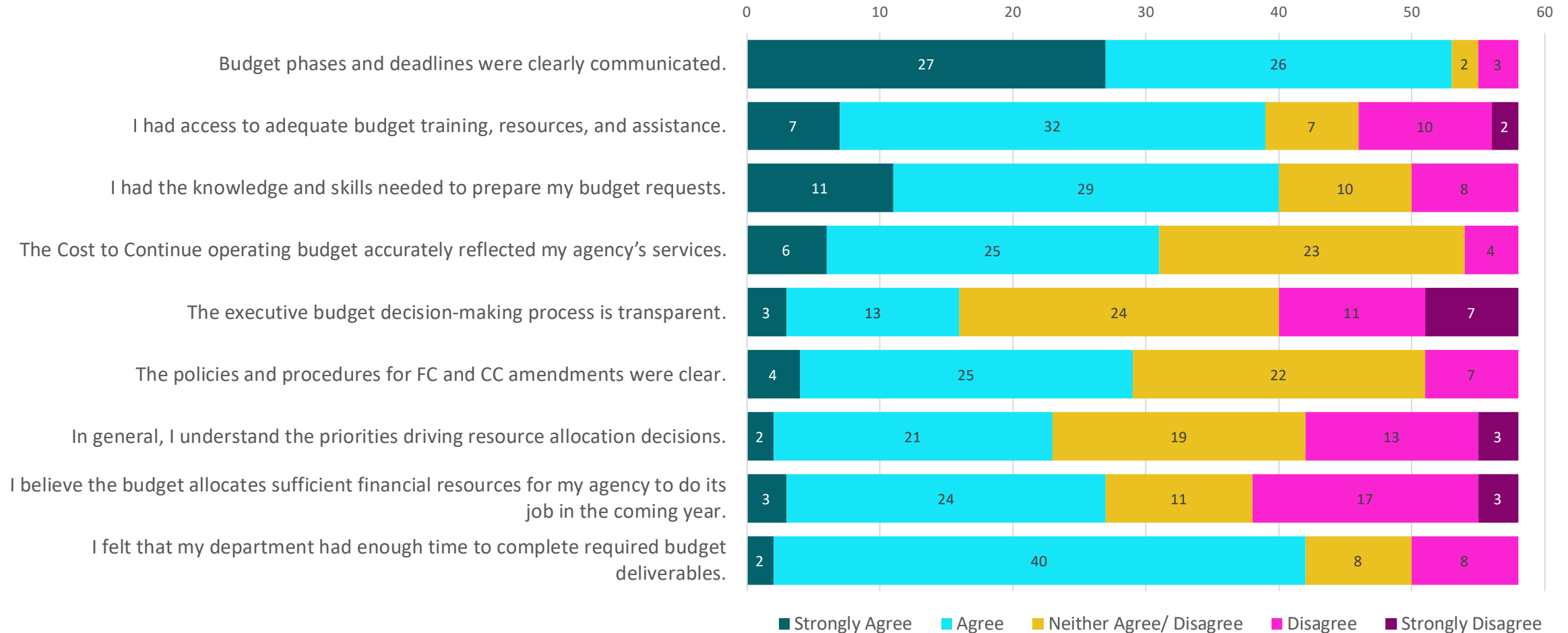

- 41% agree or strongly agree (A/SA) that RESJ questions helped articulate equity goals

- 47% A/SA they were equipped to answer these questions

- 34% A/SA they understood how RESJ was used in decision making

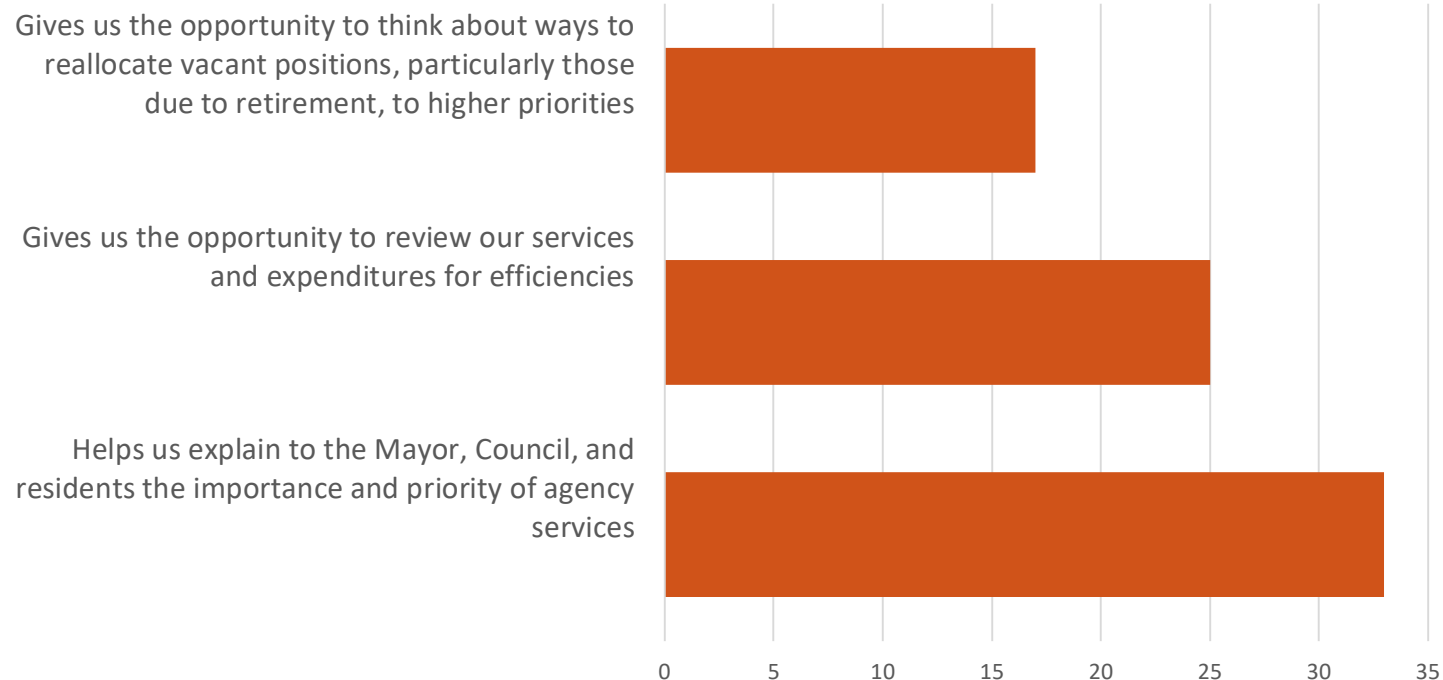- High rates of "neither agree/ disagree" responses

REFERENCE: All Budget Development & Process Questions

"Please select the extent to which you agree or disagree with the following statements about the 2022 budget development process." (n=58)

Statement	Strongly Agree	Agree	Neither Agree/ Disagree	Disagree	Strongly Disagree
Budget phases and deadlines were clearly communicated.	27	26	2	3	
I had access to adequate budget training, resources, and assistance.	7	32	7	10	2
I had the knowledge and skills needed to prepare my budget requests.	11	29	10	8	
The Cost to Continue operating budget accurately reflected my agency's services.	6	25	23	4	
The executive budget decision-making process is transparent.	3	13	24	11	7
The policies and procedures for FC and CC amendments were clear.	4	25	22	7	
In general, I understand the priorities driving resource allocation decisions.	2	21	19	13	3
I believe the budget allocates sufficient financial resources for my agency to do its job in the coming year.	3	24	11	17	3
I felt that my department had enough time to complete required budget deliverables.	2	40	8	8	

Reduction Scenarios are Challenging

Are there any ways in which the budget reduction exercise was useful for your department? Select all that apply. (n=46)

Category	Value
Gives us the opportunity to think about ways to reallocate vacant positions, particularly those due to retirement, to higher priorities	~17
Gives us the opportunity to review our services and expenditures for efficiencies	~25
Helps us explain to the Mayor, Council, and residents the importance and priority of agency services	~33

"Gives us an opportunity to be more creative to accomplish goals"

"This is a very tough exercise"

Most comments noted the challenges of proposing reductions. Themes included:
- Negative impact on employee morale
- Doing more with less
- No more 'low hanging fruit'

Trainings & Resources

- Respondents asked for information and resources to be shared in a variety of ways – from small group trainings to detailed budget manuals

- We'll be testing out a few different formats – including budget contacts meetings – to share information throughout the year

Q17 If the budget team were to develop additional trainings or resource materials, what format(s) would you prefer? Select all that apply.

Answered: 53   Skipped: 5
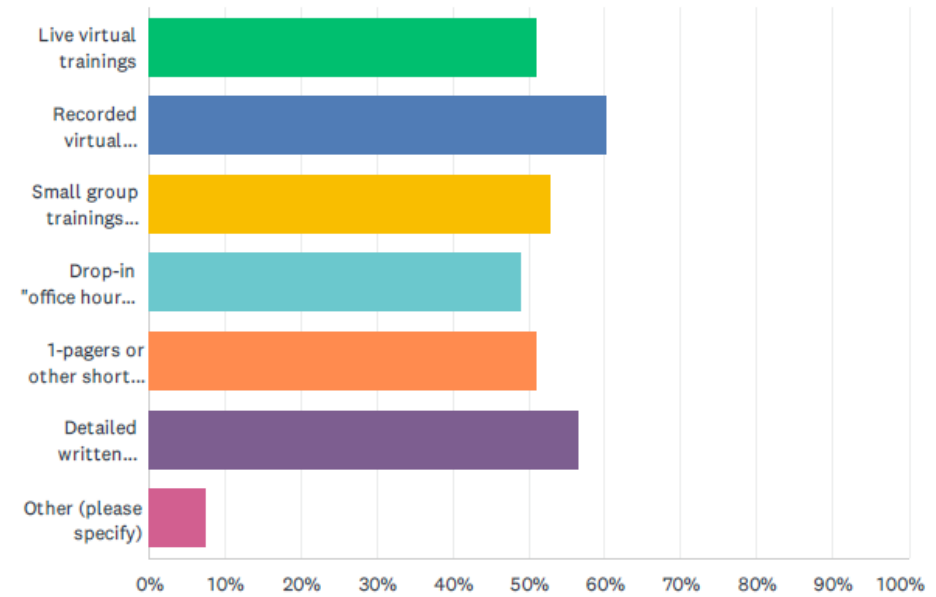
ANSWER CHOICES	RESPONSES	
Live virtual trainings	50.94%	27
Recorded virtual trainings	60.38%	32
Small group trainings customized for my agency	52.83%	28
Drop-in "office hours" with budget staff	49.06%	26
1-pagers or other short memos outlining key information	50.94%	27
Detailed written instructions, procedures, or manuals (more than 1 page)	56.60%	30
Other (please specify)	7.55%	4
Total Respondents: 53		

2023 Budget Calendar & Budget Contacts Meetings

Key Dates for 2023 Budget Development

	Capital	Operating
Kick-Off Meeting	Tuesday, March 22 10:30am	Tuesday, June 21 2:00pm
Agency Requests Due	Friday, April 22	Friday, July 22
Agency Briefings with Mayor's Office	May 6 – 20	August 10 – 17
Executive Budget introduced to Common Council (CC)	Tuesday, September 6	Tuesday, October 11
Finance Committee (FC) Briefings	September 12 – 13	October 17 – 18
FC Amendment Meeting	September 28	October 31
CC Amendment Week	November 7 – 11	
CC Budget Adoption Meetings	November 15 – 17	

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Simplified Calendar View

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Capital	• 3/22: Capital Kick Off	• 4/22: Agency Cap Requests Due	• 5/6 - 5/20: Agency Briefings				• Finance Committee Meetings		• Common Council Meetings
Operating				• 6/21: Operating Kick Off	• 7/22: Agency Op Requests Due	• 8/10 - 8/17: Agency Briefings		• Finance Committee Meetings	
Projections	• Year end analysis & Cost to Continue planning			• Mid Year Projections & Agency Meetings	• Mid Year Resolution (Intro 7/19; adopt 8/2)			• Year End Projections & Agency Meetings	• Year End Resolution (Intro 11/22, adopt 12/6)

Shared Calendar

- Outlook budget calendar shared 2/14

- Includes specific dates & times for briefings

- Capital Briefings will be scheduled by next week

- Want to update your agency's budget contacts? Email ckoh@cityofmadison.com

Budget Contacts Meeting

- Budget contacts meetings will be one forum for sharing information & providing trainings

- Scheduled approximately once a month

- Open to all staff involved in budget development; some months may have a specific topic that is more or less relevant to certain staff/ agencies

March 16 @ 2pm	**March 22 @ 10:30am**	**March 31 @ 10am**

• Review of Budget Feedback Survey
• Overview of 2023 budget calendar
• Preview of 2023 Capital request form
• Budget 101: Understanding the Chart of Accounts
	• Capital Budget Kick Off
	• Mayor's Message
	• Budget Instructions
	• SharePoint forms available by end of day
		• Capital Budget Work Session
		  • Breakout rooms hosted by Budget Team and Subject Matter Experts
		  • Drop-in office hours format

Preview of future topics

April	**May (Date TBD)**	**June 21 @ 2pm**	**July (Date TBD)**

• Budget analysts meet directly with agencies on Cost to Continue
 	
• Target week of 4/18
	• Budget Projections 101
	   • Why we do projections
	   • How we do projections (using Munis data)
	   • Training on Munis Cubes
		• Operating Budget Kick Off
		• Mayor's Message
		• Budget Instructions
		• SharePoint forms available by end of day
		IN ADDITION: Budget analysts meet directly with agencies on projections throughout June
			• Operating Budget Work Session
			   • Breakout rooms hosted by Budget Team and Subject Matter Experts
			   • Drop-in office hours format

Capital Budget Form Preview

How will the process compare to last year?

	What's staying the same	What's new/ different
Capital & Operating	• Capital and Operating Requests will be in SharePoint • Agencies will have to submit a transmittal memo as part of their request • Budget team will share instructions, memo template, and briefing slide template in advance	• Racial equity and social justice questions will continue to be in both capital and operating forms, but questions will be more focused
Capital Only	• Management Team will review & evaluate new capital projects and provide recommendations to mayor's office	• Capital form will include new questions on sustainability/ climate resilience and operating impacts • Evaluation rubric will be shared with agencies in advance
Operating Only	• TO BE DETERMINED: Reduction scenarios/ supplemental requests	

Capital Budget Forms

- All budget forms will be available in SharePoint

  Full link: http://share/sites/Finance/Budget/SitePages/Capital%202017.aspx

- Site is currently under construction, will be updated by Capital Kick Off on 4/22

- Following screenshots are **DRAFTS**

2023 Budget Process

Capital Budget

- Capital budget materials are due on **Tuesday, April 22**.
- Instructions and the Mayor's budget message are available at the following links:
  - Mayor's 2022 Capital Budget Message
  - 2022 Capital Budget Instructions
- Navigate to this page and select "Add Document" to start a new capital budget request form.
- Save copies of completed attachments in your agency's Capital Materials folder. Attachments may include the following:
  - Transmittal Memo
  - Surveillance forms

Operating Budget

- More information will be provided at budget kickoff on June 17 .
- Operating budget materials are due on July 22.

What's staying the same: Identifying Information

2023 Capital Improvement Plan
Program Budget Proposal

Identifying Information

Agency	Finance	**Proposal Name**	Capital Budget Administration
Project Number	12509	**Project Type**	Program
Project Category	Other	**Priority:**	Select...
2023 Project Number			

Description

This program is for costs associated with administering and overseeing the City's capital budget and Capital Improvement Plan. The goal of the program is to provide accurate and timely analysis regarding capital budget items. The costs are primarily staffing costs from the Finance Department for time spent building the capital budget and administering the budget. The budgeted amount is based on results from the Cost Allocation study that was completed in the Summer of 2020. The Cost Allocation study is updated annually and the budget amounts will be updated in the Executive Budget based on the current plan.

Does the project/program description require updates? If yes, please include below.

Alignment with Strategic Plans and Citywide Priorities

Citywide Element:	Effective Government
Strategy	Ensure that the City of Madison government is transparent and accountable.

Describe how this project/program advances the Citywide Element:

What's staying the same: Budget Information & Project Schedule

Budget Information

Prior Appropriation* $800,000   **2016-2021 Actuals** $400,000   **2022 Budget**
*Based on Fiscal Years 2016-2022

Budget by Funding Source

Funding Source	2023	2024	2025	2026	2027	2028
⌄						
Total	$0	$0	$0	$0	$0	$0

☑ Insert Funding Source

If TIF or Impact Fee funding source, which district(s)?

Budget by Expenditure Type

Expense Type	2023	2024	2025	2026	2027	2028
⌄						
Total	$0	$0	$0	$0	$0	$0

☑ Insert Expense Type

Explain any changes from the 2022 CIP in the proposed funding for this project/program.

Project Schedule & Location

Can this project be mapped?   ○ Yes   ○ No

2023 Projects

Project Name	Est Cost	Location

☑ Insert item

2024 Projects

Project Name	Est Cost	Location

☑ Insert item

2025 Projects

Project name	Est Cost	Location

What's new

New/ Updated questions:

- New: question on alignment with other strategic plans

- New: question on climate resilience and sustainability

- Updated: questions on racial equity and social justice

Why did we make these changes?

- Opportunity to articulate how capital investments advance citywide priorities

- Inform decision making

What's new, continued

Operating Costs

- Section has been updated to include new questions on the proposals impact on administrative/ internal services (e.g. Facilities, Fleet, IT)

Why did we make this change?

- Create a holistic picture of the resources needed to implement a program/ project
- Encourage collaboration and early planning between agencies

Preview of new questions (1 of 3)

Other Strategic Plans:

- Does the project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)? [Y/N]
  - If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Climate Resilience and Sustainability:

- Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations? [Y/N]
  - If Yes, describe how.

Preview of new questions (2 of 3)

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.

- Is the proposed project/program primarily focused on maintenance or repair? [Y/N]
  - IF YES: Describe how routine maintenance and/or scheduled repair considers equity and quality of life for residents. Describe how you use an equity lens to prioritize maintenance and/or repair projects.
  - IF NO: For projects/programs that are not specifically focused on maintenance and repair, what specific inequities does this program intend to address? How and for whom?
  - IF NO: What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

- Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)? [Y/N]
  - If so, please identify the specific NRT and recommendation. Be as specific as possible.

Preview of new questions (3 of 3)

Operating Costs

Projects/Programs with a technological component will be required to follow City of Madison information technology policies and procedures for software/hardware acquisition and project support by IT staff. Answer the following questions below and upload relevant supplemental materials to your agency's SharePoint folder.

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	○ Yes ○ No
Software (either local or in the cloud)?	○ Yes ○ No
A new website or changes to an existing sites?	○ Yes ○ No

For projects/programs requesting new software/hardware:

Have you submitted a Software/Hardware Request form? IT New Software Request Form	○ Yes ○ No
Have you submitted an IT project request form? IT Project Request Form	○ Yes ○ No
Have you worked with IT to complete an IT Budget Analysis form? If yes, please upload your agency's capital SharePoint folder.	○ Yes ○ No

Changes to existing hardware/ software:

Will any existing software or processes need to be modified to support this project/program or initiative?	○ Yes ● No
If yes, have you uploaded a plan for incorporating those changes to your agency's capital SharePoint folder? Agency Capital Materials	○ Yes ● No

Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2)	○ Yes ● No
If yes, have you submitted the surveillance request form to your agency's capital SharePoint folder? Surveillance Budget Request Attachment	○ Yes ● No

Other Operating Costs

In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	○ Yes ● No
Vehicle setup or maintenance costs?	● Yes ○ No
External management or consulting contracts?	○ Yes ● No
How many additional FTE positions required for ongoing operations of this project/program?	100

Budget 101