

MADISON'S CAPITAL BUDGET: 2020 OVERVIEW

PRESENTATION TO SUSTAINABLE MADISON COMMITTEE





PROCESS OVERVIEW & KEY DATES



CIP PLANNING PROCESS: PROCESS OVERVIEW

Agency Requests

Planning process begins at Budget Kickoff where Mayor provides guidance for agency submissions

Agencies review current & planned projects to prioritize against Mayor's guidance

Agencies prepare proposals for all items within their Capital program

Agency requests submitted

Executive Budget

Agency requests are analyzed and evaluated in context of priority & readiness; Agencies make presentations regarding their requests

Finance Recommendations put forth proposed CIP that meets Mayor's priorities & desired borrowing level

Finance Recommendations refined based on feedback from Mayor & CIRC

Executive Budget finalized; budget document prepared

Council Adoption

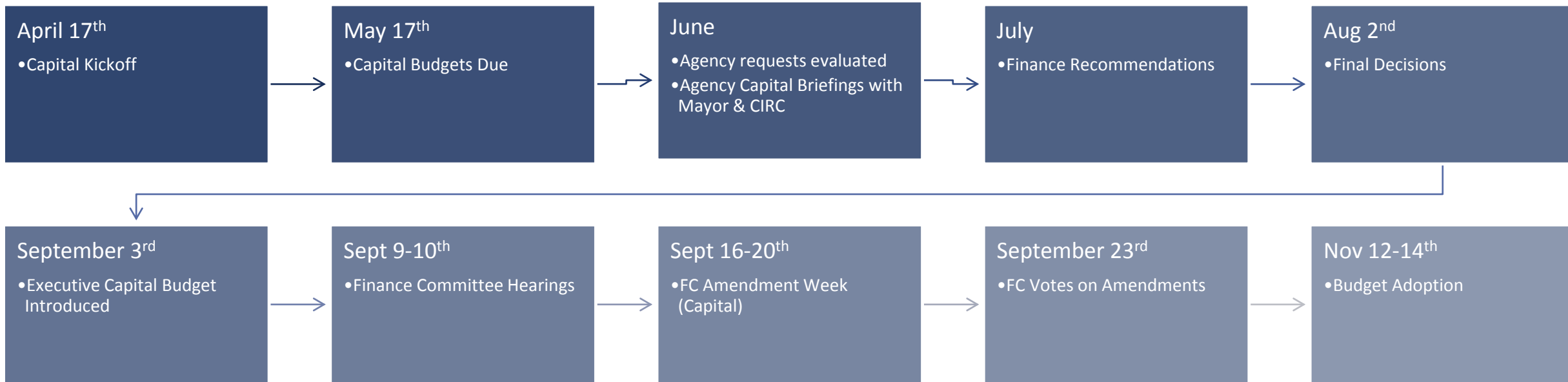
Executive Budget introduced at CC & referred to Finance Committee

Finance Committee holds hearings on Agency capital budgets

Finance Committee proposes & votes on amendments to Exec CIP; Budget is referred back to CC as amended

CC proposes additional amendments to CIP; Capital Budget & CIP is adopted

2020 BUDGET CALENDAR (CAPITAL IMPROVEMENT PLAN)



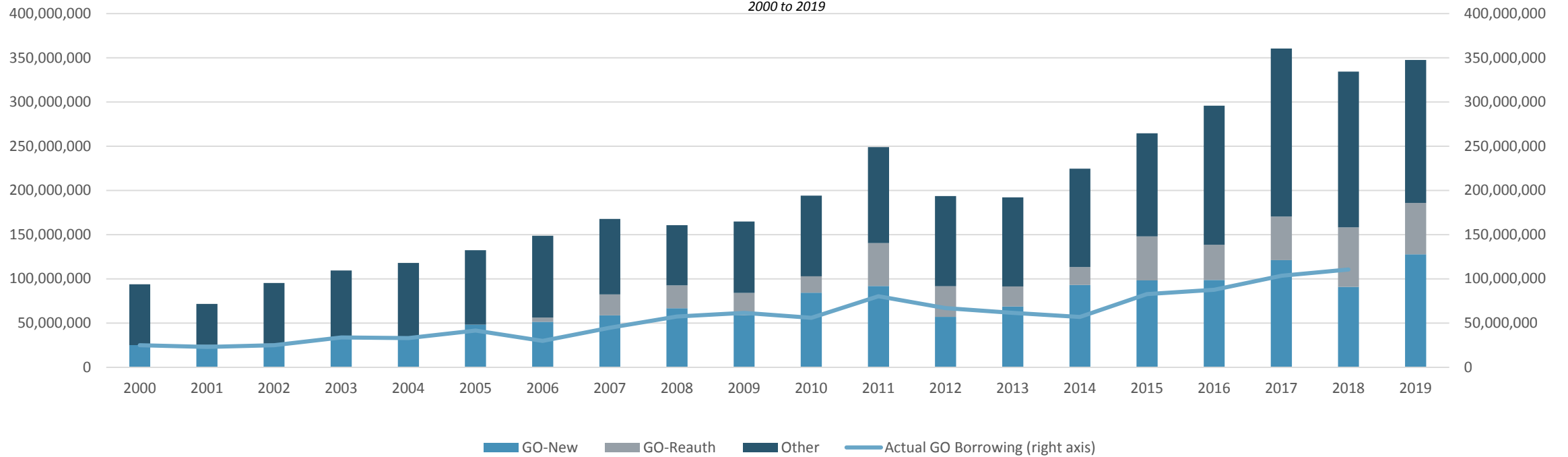


THE CAPITAL BUDGET- HOW IT'S FUNDED & WHERE THE \$ GOES



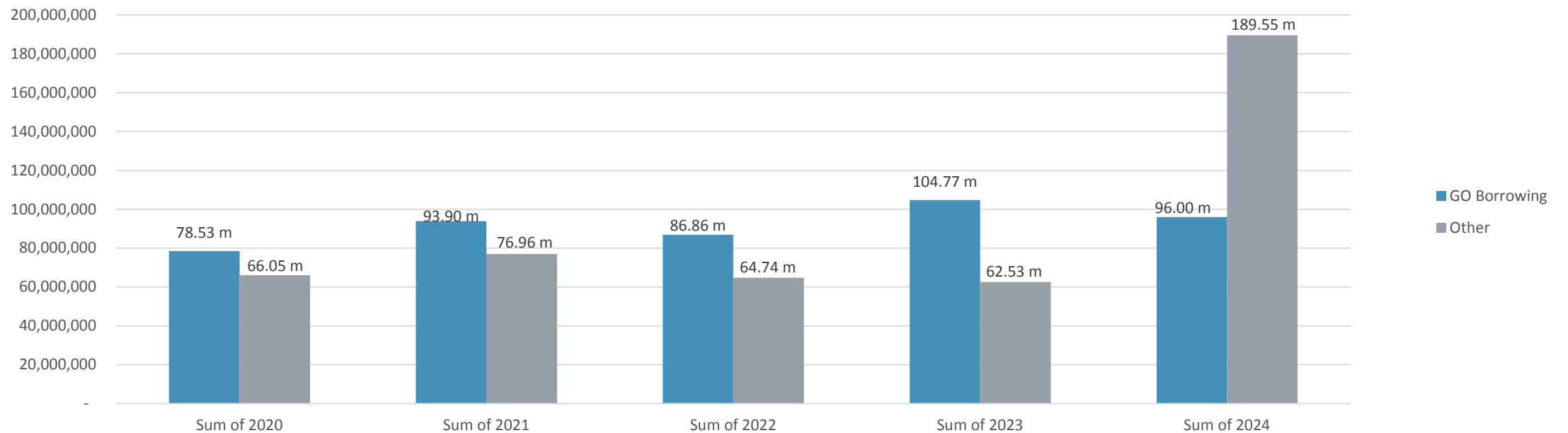
CAPITAL SPENDING TRENDS

Adopted Capital Budgets
2000 to 2019



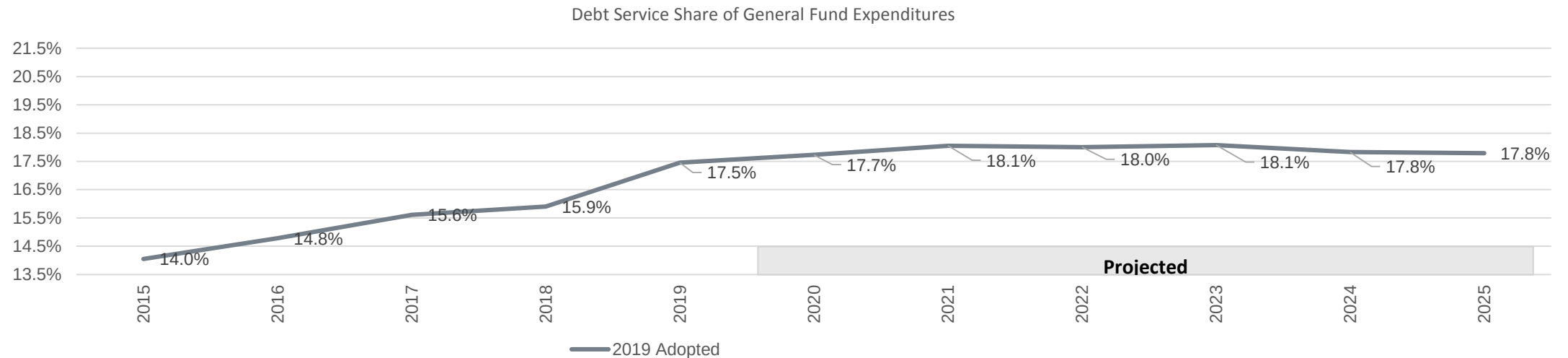
HOW CAPITAL SPENDING IS FUNDED

Capital Spending by Year
2019 Adopted Capital Improvement Plan



*GO Borrowing is primarily repaid through the General Fund (property tax)
Other funding includes revenue bonds (utility projects), various grants, TIF, & Impact Fees*

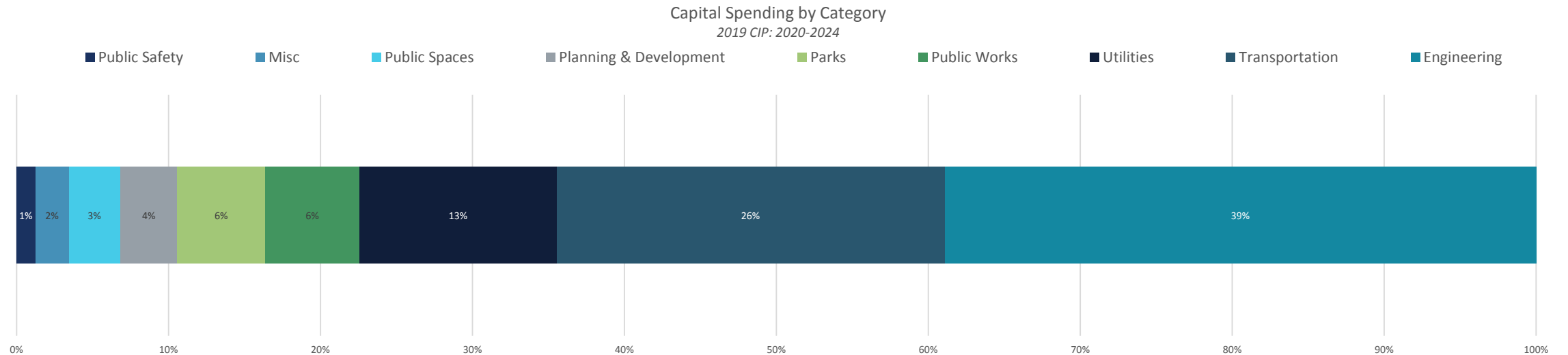
DEBT SERVICE TRENDS



33% of each CIP year reauthorized to subsequent year; total budget increases 3% per year; 20 year borrowing on modest level. 2019 reflects reduction in application of general debt reserves.

GO Borrowing is repaid through the Operating Budget and is primarily funded by the Property Tax
The historical policy goal is that debt service not exceed 12.5% of the General Fund Operating Budget; in 2019 debt service represents 17.5% of the General Fund budget

CAPITAL SPENDING BY CATEGORY

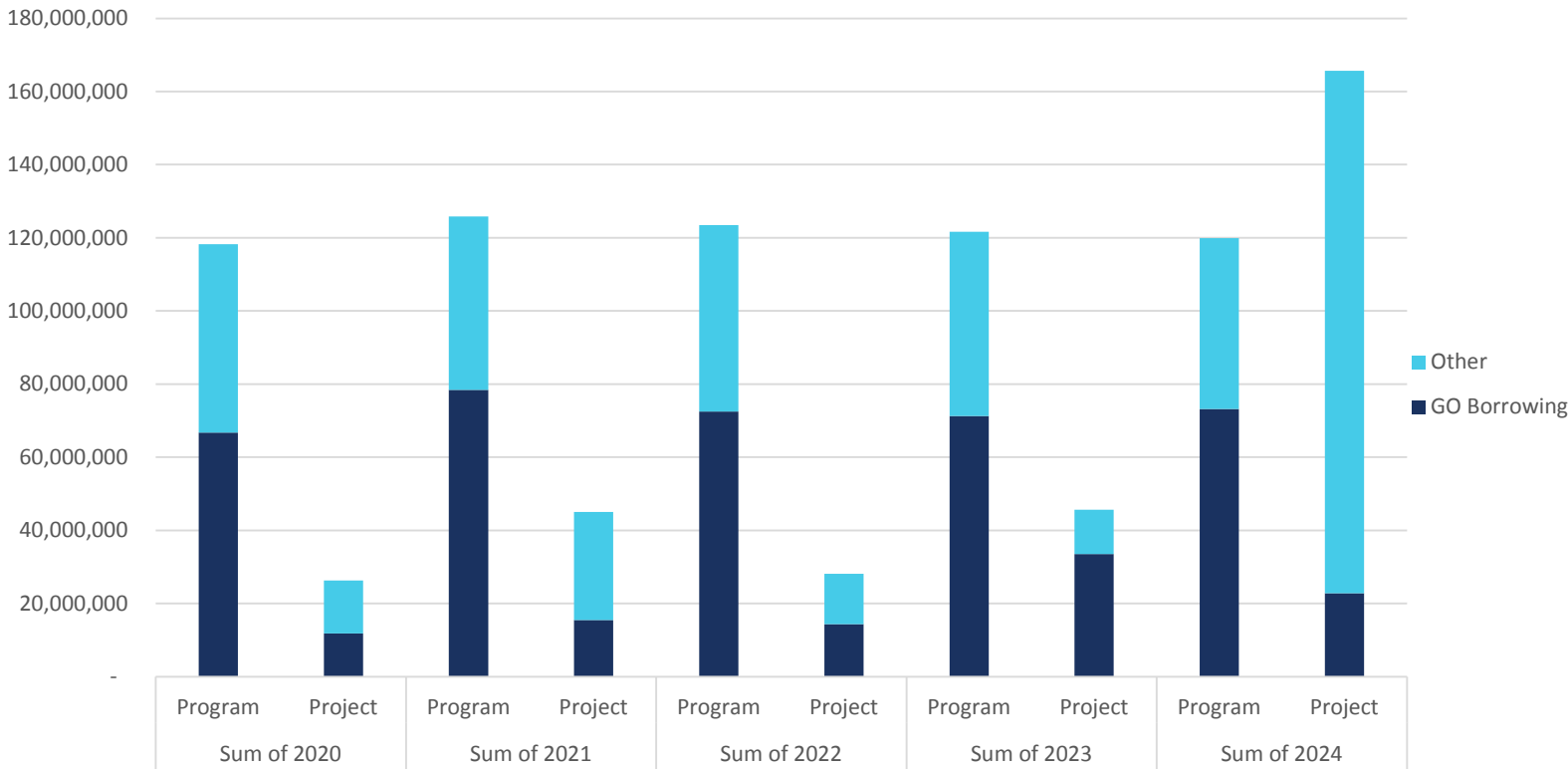


Spending on utilities, transportation, and engineering projects represents the largest share (78%) of the CIP.

CAPITAL PROJECTS VS. PROGRAMS

Capital Projects	Capital Programs
Lifespan Project has a defined start & end date, commonly is the construction of a new asset	Lifespan Funds enhancements to existing capital assets
Common Examples Construction of new facilities or parks, major road construction projects, and construction of new ped/bike infrastructure	Common Examples Repairs to roads or sidewalks, replacement of equipment

Capital Spending: Projects vs. Programs
2019 CIP



PROJECTS:
54

PROGRAMS:
98

2020

Budget: \$144.6m

GO: 78.5m

Other: 66.0m

Cedar Street:
\$1.8mCottage
Grove Rd:
\$6.1mGammon
Road: \$6.8mPark Street:
\$1.5mWest Towne
Path: \$4.0m

2021

Budget: \$170.9m

GO: 93.9m

Other: 77.0

Blair/John
Nolen
Intersection:
\$3.2mCCB 4th &
5th Floor
RemodelGarver Path:
\$1.7mJames
Madison:
\$1.3mLakeview
Reservoir:
\$2.1mMLK Blvd:
\$1.9m*Outer
Capitol Loop:
\$2.1m*Park Street:
\$3.4mUniversity
Ave: \$23.4m

2022

Budget: \$151.6m

GO: 86.9m

Other: 64.7m

Odana Hills
Clubhouse:
\$2.0m*Reindahl
Library:
\$15.0mUnit Well 12:
\$3.8mWest Towne
Path: \$1.7mWilson St-
MLK to King:
\$1.8m

2023

Budget: \$167.3m

GO: 104.8m

Other: 62.5m

Pump Station
129
(Reconstruct)Elver Park
Improvements:
\$1.5mMetro
Satellite
Facility:
\$30.0mVilas Park
Improvements:
\$1.3mWell 14
Mitigation:
\$4.2m

2024

Budget: \$285.6m

GO: 96.0m

Other Funds:
189.6mAtwood-Fair
Oaks-CGRBlair Street,
South:
\$7.0mBus Rapid
Transit:
\$80.0m*John Nolen
Dr: \$30.3mLake St
Garage:
\$20.8mPleasant
View Dr:
\$8.6m

MAJOR CAPITAL PROJECTS BY YEAR



2020 AGENCY BUDGET GUIDANCE



BUDGET GUIDANCE: AGENCY BUDGET TARGETS

Projects

- No new projects for 2020
- New projects can be added to the CIP in years 2021-2025

Programs

- Program spending should continue at current levels across the 2020 CIP
- Program funding in 2025 can be increased by up to 4.0% based on inflationary projections
- Minor projects need to be broken out for each year of the CIP

AGENCY BUDGET PROPOSALS: COMPONENTS

Capital Projects	Capital Programs
<i>Budget Information</i> The project's total budget, prior appropriation, and anticipated amounts by year shown by funding source & expense	<i>Budget Information</i> The program's budget by year shown by funding source & expense type
<i>Performance</i> A metric & data source for how the desired impact of the project can be measured, along with baseline & target information	<i>Performance</i> A metric & data source for how the impact of the program can be measured, along with baseline & target data for the metric.
<i>Priority</i> Demonstrate how the project connects to a Citywide Element & Strategy along with an explanation	<i>Priority</i> Demonstrate how the project connects to a Citywide Element & Strategy along with an explanation
<i>Schedule & Location</i> The schedule for the project by year	<i>Planned Projects by Year</i> Projects or purchases planned by year for each year of the CIP
<i>Operating Costs</i> Annual operating costs associated with completing the project	<i>Operating Costs</i> Annual operating costs associated with completing the project