

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4305

Authorizing the CDA to approve the 2019
Operating Budget for the Village on Park,
and amending the Capital Budget.

Presented December 13, 2018
Referred _____
Reported Back _____
Adopted December 13, 2018
Placed on File _____
Moved By Sheri Carter
Seconded By Dean Brasser
Yeas 5 Nays 0 Absent 1
Rules Suspended _____
Legistar File Number 54044

RESOLUTION

WHEREAS, the Community Development Authority of the City of Madison (the "CDA") is the owner of The Village on Park, located at 2300 South Park Street (the "Village on Park"); and

WHEREAS, the CDA has worked with property management and on-site staff to create a budget for the Village on Park for calendar year 2019 based on past budgets and operating expenses, and ongoing capital projects. See attached Exhibit A for summary.

WHEREAS, the property manager is recommending the replacement of a freight elevator hydraulic power unit, at an estimated cost of \$28,000.

WHEREAS, staff recommends requesting an amendment to the City's approved 2019 Capital Budget of \$232,000, for a new total of \$260,000 ("Amended Capital Budget Total"), to authorize budget authority for the repair.

NOW, THEREFORE, BE IT RESOLVED that the CDA hereby adopts the 2019 Operating Budget and Amended Capital Budget Total for the Village on Park per Exhibit A.

**Village on Park
2019 Proposed Budget**

Based on the October Property Management Report and November 30 MUNIS Data

	2018 Year To Date¹	2018 Projected Year End	2018 Budget	2019 Proposed Budget
Revenue				
Rent Income	\$1,361,727	\$1,609,019	\$1,614,316	\$1,669,644
Other Income	\$5,361	\$6,321	\$5,760	\$5,760
City of Madison Rent Income ²	\$31,083	\$31,083	\$16,318	\$38,926
<i>Revenue Total</i>	<i>\$1,398,171</i>	<i>\$1,646,423</i>	<i>\$1,636,394</i>	<i>\$1,714,330</i>
Operating Expenditures				
Property Expenditures				
Janitorial	\$31,466	\$37,125	\$32,160	\$34,160
Other Janitorial	\$8,610	\$10,367	\$9,270	\$10,895
HVAC	\$27,389	\$29,089	\$40,950	\$51,150
Repairs and Maintenance	\$219,148	\$259,454	\$255,350	\$292,533
Utilities	\$122,364	\$151,722	\$157,385	\$157,158
General and Administrative	\$59,587	\$70,669	\$70,229	\$75,297
Other Expenses	\$868	\$1,038	\$1,020	\$1,020
City of Madison Expenditures				
City of Madison Salaries	\$19,519	\$21,112	\$6,876	\$10,773
City of Madison Benefits	\$3,419	\$4,488	\$1,931	\$1,442
Other City of Madison Expenditures	\$18,736	\$93,695	\$370,320	\$88,427
City of Madison Landscaping	\$0	\$0	\$14,099	\$0
Building	\$0	\$0	\$25,000	\$0
Postage	\$0	\$0	\$200	\$100
Building Improvements	\$0	\$0	\$242,021	\$0
Mortgage and Title Services	\$150	\$150	\$0	\$0
Other Services and Expenses	\$1,132	\$6,091	\$0	\$0
Insurance Premium	\$17,454	\$17,454	\$19,000	\$18,327
Payment in Lieu of Taxes (PILOT)	\$0	\$70,000	\$70,000	\$70,000
<i>Operating Expense Total</i>	<i>\$511,106</i>	<i>\$678,758</i>	<i>\$945,491</i>	<i>\$722,855</i>
Other Expenditures				
Non-Operating Expenditures	\$11,146	\$11,146	\$18,718	\$11,600
<i>Other Expenditure Total</i>	<i>\$11,146</i>	<i>\$11,146</i>	<i>\$18,718</i>	<i>\$11,600</i>
Net Operating Income	\$875,919	\$956,519	\$672,185	\$979,875
Capital Expenses and Debt Service				
Capital Expenses ³	\$25,400	\$30,775		\$260,000
Zander Waterproofing - Alley				\$25,180
Trash Corals				\$34,000
Dock Cinder Blocks				\$1,350
Roof Section 3A	\$25,400	\$30,775		\$169,304
Capital Expenditure Contingency				\$2,166
Freight Elevator (Proposed)				\$28,000
Debt Service ⁴	\$711,761	\$711,761	\$967,010	\$798,255
<i>Capital Expenses and Debt Service Total</i>	<i>\$737,161</i>	<i>\$742,536</i>	<i>\$967,010</i>	<i>\$1,058,255</i>
Net Operating Income Less Capital and Debt Service⁵	\$138,758	\$213,983	(\$294,825)	(\$78,380)

¹Does not include encumbrances

²The budgeted revenue for the 2019 Public Health reimbursement is \$5,000 in MUNIS. Public Health rent is not separately budgeted in MUNIS. Staff will work with finance on a budget adjustment.

³Village on Park is authorized for \$232,000 in the 2019 Capital Budget. The proposed freight elevator repair will require Common Council approval.

⁴Debt Service is budgeted at \$795,282 in MUNIS for 2019. Staff will work with finance on a budget adjustment.

⁵The projected negative cash flow will be covered by existing fund balances.