



2023 Capital Budget: Executive Budget Overview

Finance Committee
September 12, 2022

Agenda

1. Navigating Budget Resources

- Capital Budget Web Page
- How to interpret agency budgets

2. Executive Budget Summary

- Budget by Element and Funding Source
- Changes from 2022 Adopted to 2023 Executive
- Debt Service Trends & Reauthorizations

3. Agency Briefings

- Schedule & Format
- Amendments

Navigating Budget Resources

Where to find the Capital Budget

The executive capital budget and executive summary were published [online](https://www.cityofmadison.com/finance/budget/2023/capital) (<https://www.cityofmadison.com/finance/budget/2023/capital>) on 9/6/22.

2023 Capital Budget

Agency Request: Proposals submitted by agencies

Executive Budget

Agency Requests

Executive Budget

[FULL EXECUTIVE CAPITAL BUDGET PDF](#)

Executive Summary: Overview and summary of major changes

[Executive Budget: Summary PDF](#)

[2023 Project Map](#)

Project Map: Interactive map with project highlights

Introduction & Summaries

- [Capital Policy PDF](#)
- [Capital Budget Summaries PDF](#)
- [Horizon List PDF](#)
- [Glossary PDF](#)

Agency Budgets: Detailed project/program budget by agency

Agency Capital Budgets

- [CDA Redevelopment PDF](#)
- [Community Development Division PDF](#)
- [Economic Development Division PDF](#)
- [Engineering - Bicycle and Pedestrian PDF](#)
- [Engineering - Facilities Management PDF](#)

Introduction & Summaries:

- Guidelines for capital budget submissions; policies on special assessments, reauthorizations, and more
- Summary tables with budget by agency, by funding source, borrowing summaries, and more
- Glossary with key definitions

Components of an Agency Budget: Summary

Summary Section (1-2 pages)

Agency Request Summary: Table showing capital request by project/ program, by year

Changes from 2022 CIP: Graph comparing the 2022 Adopted CIP with the 2023 Executive CIP

Major Changes: Narrative description of significant changes

Community Development Division

Capital Improvement Plan

Project Summary: Executive

	2023	2024	2025	2026	2027	2028
Affordable Housing-Consumer Lending	3,157,000	3,157,000	3,207,000	3,207,000	3,207,000	3,257,000
Affordable Housing-Development Projects	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,500,000
Permanent Men's Shelter	11,000,000	-	-	-	-	-
Reserve Fund to Maintain Temporary Shelter Facilities	150,000	-	-	-	-	-
Senior Center Building Improvements	47,000	52,000	40,000	98,000	-	-
	\$ 24,354,000	\$ 13,209,000	\$ 13,247,000	\$ 13,305,000	\$ 13,207,000	\$ 13,757,000

Changes from 2022 CIP



Major Changes

- Affordable Housing-Development Projects
 - Program budget increased by \$3m each year from 2023 -2027 compared to 2022 Adopted Capital Budget to increase CDD's capacity to increase the City's inventory of affordable housing and expand housing options available to residents
 - Increase program budget will also support up to \$250,000 per year in administrative costs needed to manage and implement projects
- Permanent Men's Shelter
 - Executive budget adds \$11m for the project (\$6m Dane County; \$3m City; \$2m federal)
 - The total project budget, including appropriations in the 2021 and 2022 adopted capital budgets, is \$21m; this total includes \$1m in prior appropriation in the Economic Development Division's budget for land acquisition
- Reserve Fund to Maintain Temporary Shelter Facilities
 - New program in 2023 to fund extraordinary maintenance or repair expenses that might be necessary to sustain operations at three City-supported temporary shelter facilities

Components of an Agency Budget: Budget Overview

Budget Overview (1-2 pages)

CIP By Expenditure Type: Table summarizing what we are paying for (e.g. building, bike path, equipment, land), by year

CIP by Funding Source: Table summarizing how we are paying for it (e.g. GO Borrowing, inter governmental sources, TIF increment)

Borrowing Summary: Tables showing general Fund GO, Non-General Fund GO, and estimated debt services; graph showing total budget by source

Community Development Division

Budget Overview

2023 CIP by Expenditure Type

	2023	2024	2025	2026	2027	2028
Building	11,197,000	52,000	40,000	98,000	-	-
Loans	13,157,000	13,157,000	13,207,000	13,207,000	13,207,000	13,757,000
Total Expenditures	\$ 24,354,000	\$ 13,209,000	\$ 13,247,000	\$ 13,305,000	\$ 13,207,000	\$ 13,757,000

2023 CIP by Funding Source

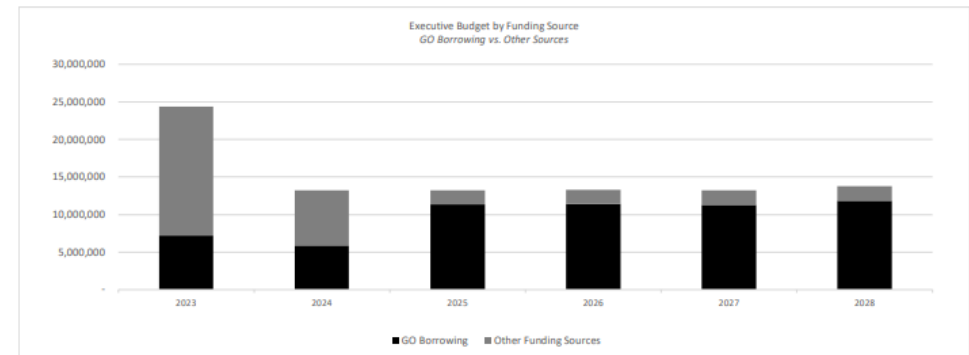
	2023	2024	2025	2026	2027	2028
GF GO Borrowing	7,212,000	5,867,000	11,355,000	11,413,000	11,315,000	11,865,000
County Sources	6,000,000	-	-	-	-	-
Federal Sources	3,130,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
Loan Repayment	560,000	560,000	560,000	560,000	560,000	560,000
Miscellaneous Revenue	2,000	2,000	2,000	2,000	2,000	2,000
Reserves Applied	250,000	250,000	-	-	-	-
State Sources	200,000	200,000	200,000	200,000	200,000	200,000
TIF Increment	7,000,000	5,200,000	-	-	-	-
Total Funding	\$ 24,354,000	\$ 13,209,000	\$ 13,247,000	\$ 13,305,000	\$ 13,207,000	\$ 13,757,000

Borrowing Summary

	2023	2024	2025	2026	2027	2028
Borrowing Schedule						
General Fund GO Borrowing	7,212,000	5,867,000	11,355,000	11,413,000	11,315,000	11,865,000
Non-General Fund GO Borrowing	-	-	-	-	-	-
Total GO Borrowing	\$ 7,212,000	\$ 5,867,000	\$ 11,355,000	\$ 11,413,000	\$ 11,315,000	\$ 11,865,000

Annual Debt Service

General Fund GO Borrowing	937,560	762,710	1,476,150	1,483,690	1,470,950	1,542,450
Non-General Fund GO Borrowing	-	-	-	-	-	-



Components of an Agency Budget: Project Details

Detailed Project Information: Detailed information for each project/ program, including a project description and budget by funding source

Community Development Division

Project Overview

Project	Affordable Housing-Consumer Lending	Project #	62010
Citywide Element	Neighborhoods and Housing	Project Type	Program

Project Description

This program supports several direct consumer lending programs administered by the Community Development Division (CDD), including the Home Purchase Assistance (i.e., Home-Buy the American Dream), Housing Rehabilitation Services, and Property Tax Financing for Eligible Seniors programs. The goals of these programs are to help eligible City residents acquire homes, finance home repairs and pay their property taxes. City funds complement, or are occasionally combined with, available federal and state funding to help residents purchase homes and/or secure rehabilitation loans. These programs contribute to the City's Housing Forward Initiative's objectives of increasing homeownership levels among households of color and helping ensure that senior homeowners can stay in their homes and other homeowners can make needed repairs. Projects planned include placing greater emphasis on households of color in the down payment assistance program and adjusting subsidies for lower-income households to make ownership more accessible in the face of rising housing prices. In addition, CDD will expand the Rehabilitation Program to support proposals that involve purchase and rehabilitation of small scale multi-family properties with the goal of preserving and improving naturally occurring affordable housing options for lower-income households.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	1,015,000	1,015,000	1,315,000	1,315,000	1,315,000	1,365,000
Federal Sources	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
Loan Repayment	560,000	560,000	560,000	560,000	560,000	560,000
Miscellaneous Revenue	2,000	2,000	2,000	2,000	2,000	2,000
Reserves Applied	250,000	250,000	-	-	-	-
State Sources	200,000	200,000	200,000	200,000	200,000	200,000
TOTAL	\$ 3,157,000	\$ 3,157,000	\$ 3,207,000	\$ 3,207,000	\$ 3,207,000	\$ 3,257,000

Components of an Agency Budget: 2023 Appropriation

2023 Appropriation: Table summarizing 2023 appropriations only

- Includes agency's original funding request and the amount included in the executive budget
- Budget for 'out-years' is not included in the table

Community Development Division

2023 Appropriation Schedule

2023 Appropriation

Executive Budget

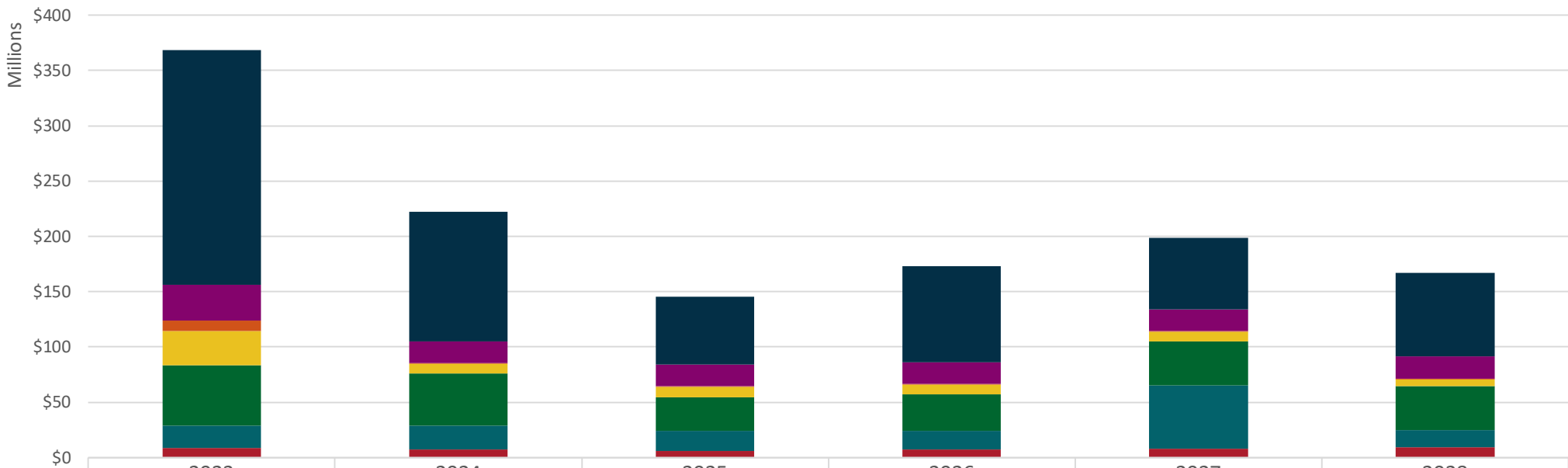
	Request	GO Borrowing	Other	Total
Accessory Dwelling Units Lending Program	500,000	-	-	-
Affordable Housing-Consumer Lending	3,157,000	1,015,000	2,142,000	3,157,000
Affordable Housing-Development Projects	12,500,000	3,000,000	7,000,000	10,000,000
Community Facilities Improvements	1,000,000	-	-	-
Permanent Men's Shelter	11,000,000	3,000,000	8,000,000	11,000,000
Reserve Fund to Maintain Temporary Shelter Facilities	150,000	150,000	-	150,000
Senior Center Building Improvements	47,000	47,000	-	47,000
	\$ 28,354,000	\$ 7,212,000	\$ 17,142,000	\$ 24,354,000

Executive Budget Summary

2023 Capital Budget = \$368.4 million

2023- 2028 Capital Improvement Plan = \$1.27 billion

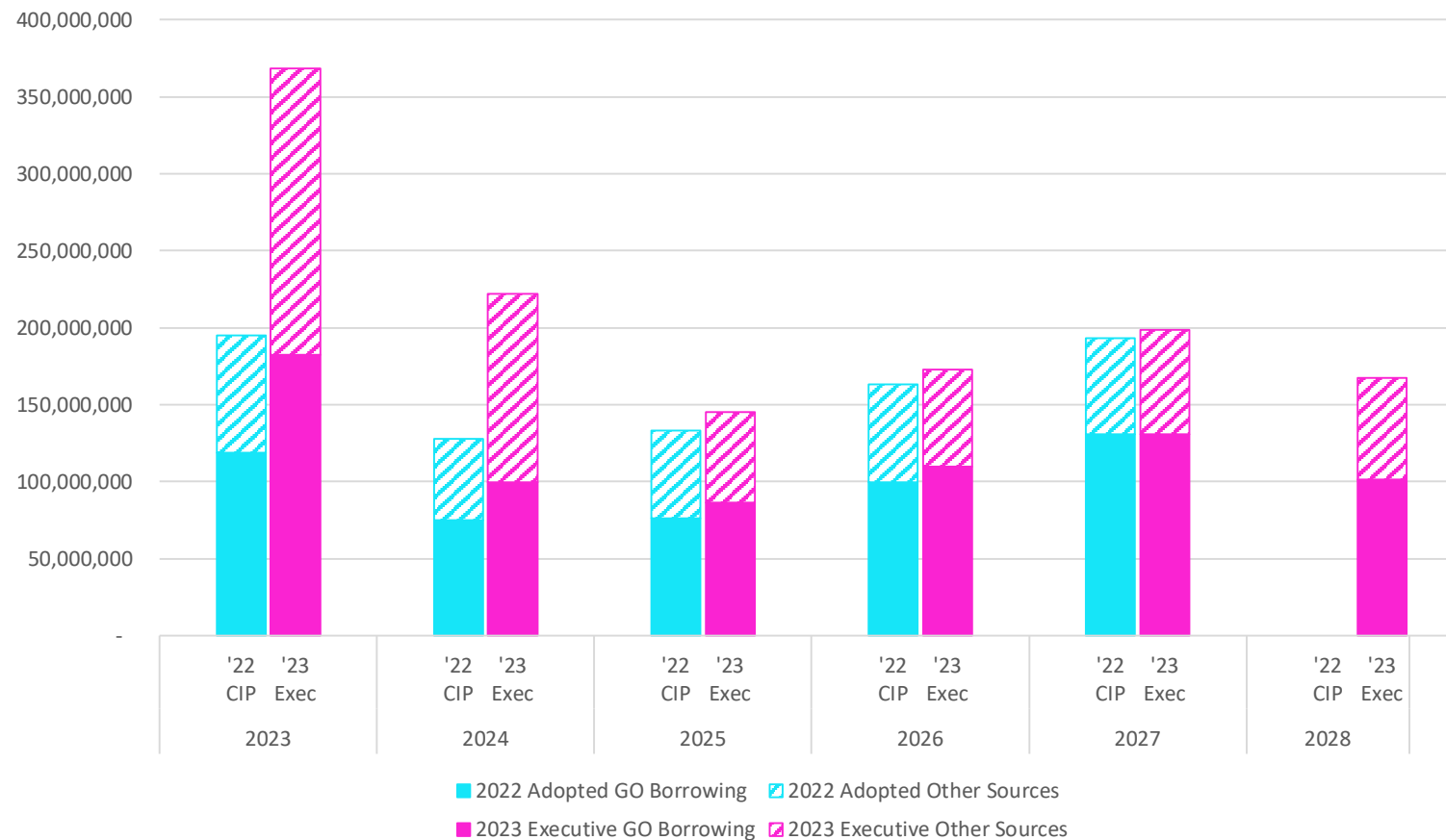
Capital Investments by Element, by Year



	2023	2024	2025	2026	2027	2028
Land Use and Transportation	\$212,224,495	\$117,046,000	\$61,291,000	\$86,481,000	\$64,773,000	\$75,857,000
Neighborhoods and Housing	\$32,257,000	\$19,569,000	\$19,631,000	\$19,644,000	\$19,657,000	\$20,221,000
Economy and Opportunity	\$9,870,000	\$570,000	\$570,000	\$570,000	\$570,000	\$570,000
Culture and Character	\$30,907,000	\$9,161,500	\$9,474,000	\$9,402,100	\$8,699,750	\$6,139,000
Green and Resilient	\$54,141,325	\$46,869,000	\$30,361,000	\$32,676,000	\$39,591,000	\$39,491,500
Effective Government	\$20,176,719	\$21,440,919	\$18,453,019	\$17,074,470	\$57,094,420	\$15,902,875
Health and Safety	\$8,865,535	\$7,521,090	\$5,590,090	\$7,022,685	\$8,249,544	\$9,061,111

2023 Executive Budget compared to the 2022 Adopted CIP

2022 Adopted CIP Compared to 2023 Executive CIP
All Funds



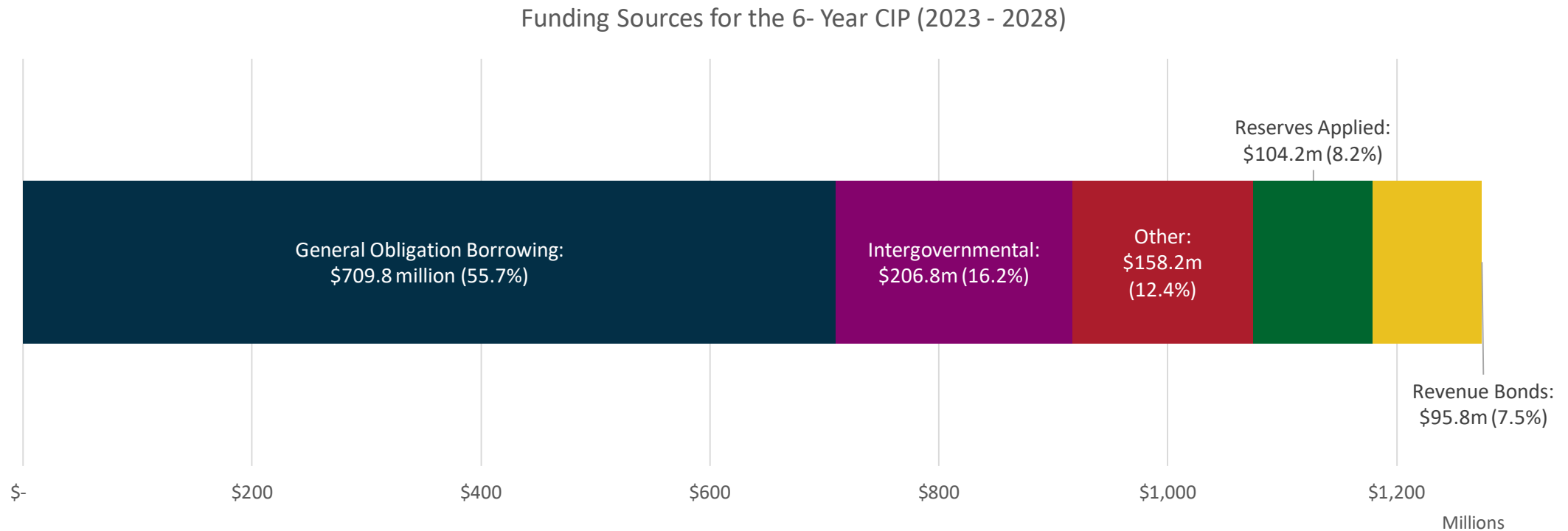
2023 – 2027

- Adds \$368.4 million compared to same period in 2022 adopted CIP
- Assumes significant federal & state funding
- Major projects driving increase in 2023 include (all funds):
 - + \$48.6m State St. Garage (NEW)
 - + \$23m Small Starts for electric BRT fleet
 - + \$11m Men's Shelter
 - + \$20m Safe Streets for All (NEW)
 - + \$10m E-W BRT inflation adjustment
 - + \$7.8m Village on Park Redevelopment

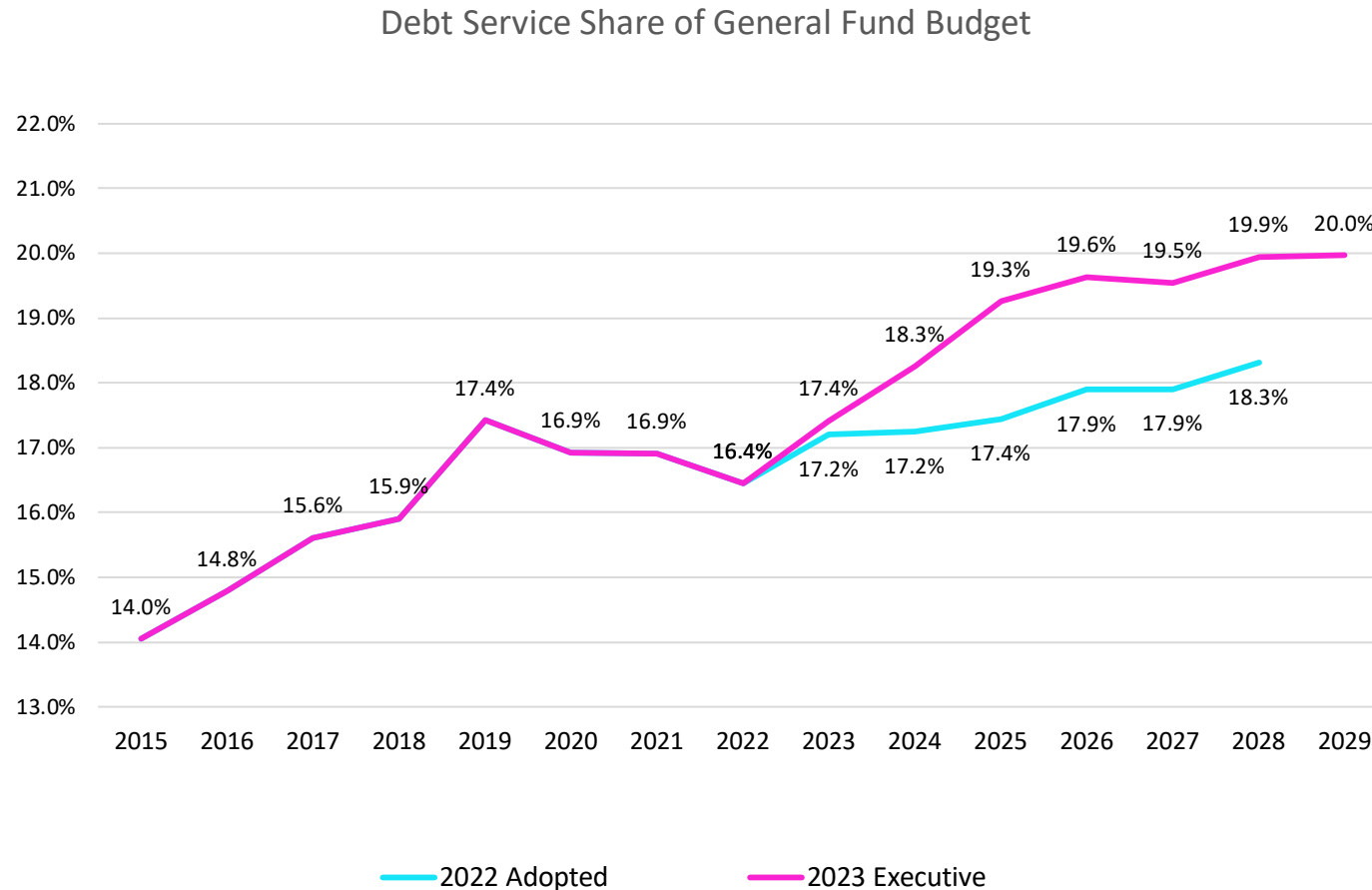
2028

- Request adds \$167.2 million in 2028, including \$101.3 million in new borrowing

GO Borrowing is the Primary Funding Source for the CIP

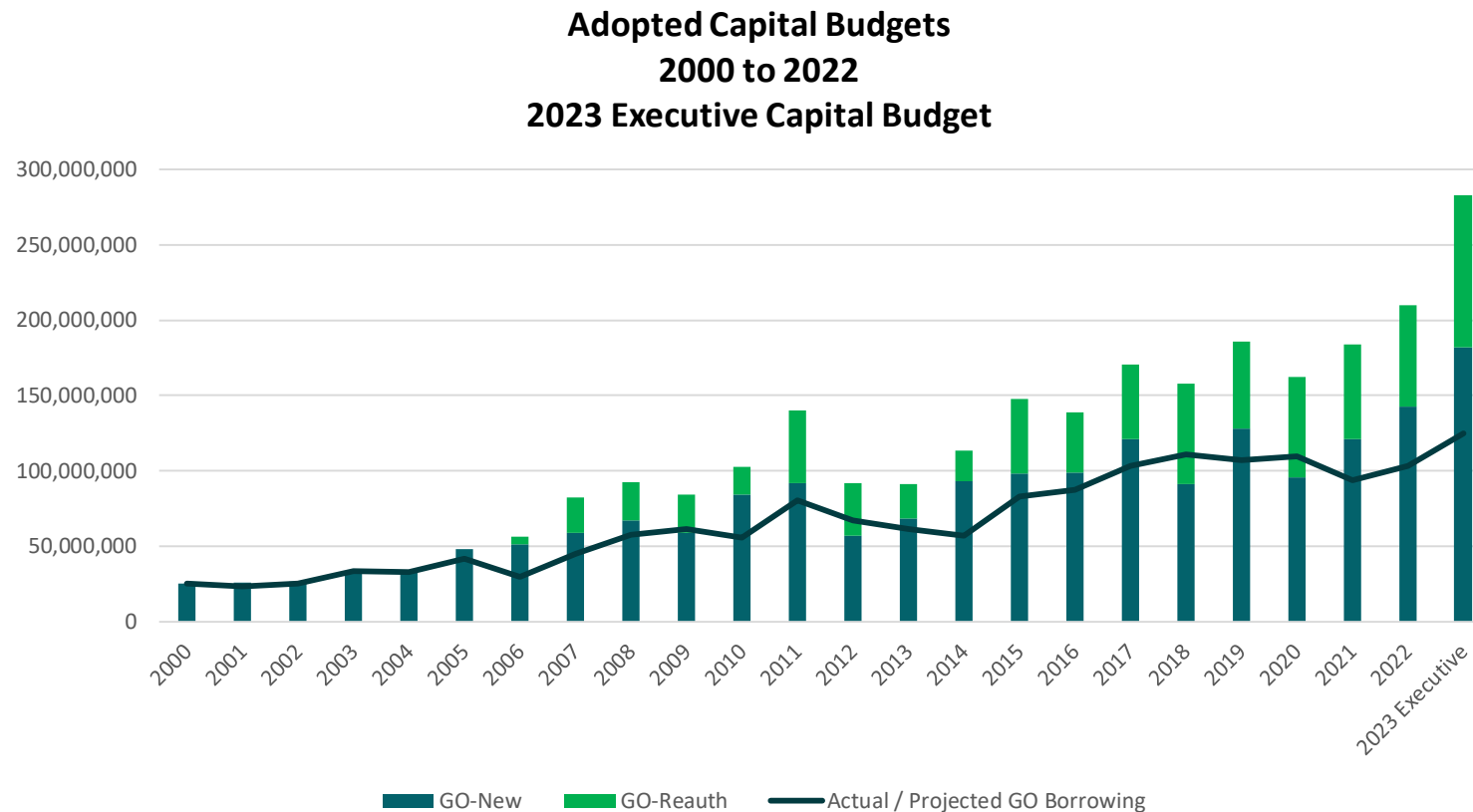


Debt Service Projection



- At the request level, debt service share would increase to 20% by 2029
- In 2023, General Fund debt service is projected to be **approximately \$61m**
- General Fund debt service would increase **approximately \$36 million** over the same time period (2024-2028 operating budgets) as 2022 adopted.

Actual Borrowing Compared to Budget Authority



- Actual GO borrowing is consistently less than budget authority
- Since 2000, average borrowing = 69% of authorized budget; since 2013 = 59% of authorized budget.
- Amount is determined through borrowing exercise conducted over the summer, prior to the debt sale

Carryforward Appropriations

- Carryforward appropriations reauthorize borrowing for projects included in prior CIPs
 - Example: Project XYZ is approved in 2022. The work is ongoing in 2023 but the agency is not requesting additional funds. Since there is no new 2023 appropriation, this will not show up in the agency request. Instead, this is authorized through the carryforward appropriation.
- Executive Budget Summary includes projects carrying forward \$1 million or more in GO Borrowing
- Agency sections include carry forward tables showing unused appropriation authority from all funding sources for transparency

Reauthorizations /Carry Forward Balances

Capital projects and programs typically span multiple years. In some cases, General Obligation (GO) borrowing appropriated in one year may not be fully expended within the year. If the agency still requires these funds to successfully execute a project, this budget will be reauthorized as a carry forward balance.

Carry forward balances will be presented as part of the resolution authorizing the General Obligation (GO) Borrowing, which is adopted by the Common Council in September 2022. Based on projected borrowing levels as of July 31, 2022, \$101.1 million in previously authorized GO Borrowing will carry forward from 2022 to 2023. The table below shows the 28 projects (out of 236 projects) carrying forward \$1 million or more in GO borrowing. These projects represent 70% (\$72m) of the total carry forward amount.

A full list of carryforward appropriations will be attached to [Legistar File 73264](#). Additionally, a list of carryforward appropriations by agency are included in each of the agency budgets in the following section.

Agency	Project	GO Borrowing Amount
COMMUNITY DEVELOPMENT	COMMUNITY FACILITIES IMPROVEMENTS	\$ 1,000,000
COMMUNITY DEVELOPMENT	MEN'S HOMELESS SHELTER	\$ 4,000,000
ENGINEERING - FACILITIES MGMT	FAIRCHILD BLDG IMPROVEMENTS	\$ 1,000,000
ENGINEERING - FACILITIES MGMT	PARK FACILITY IMPROVEMENTS	\$ 1,303,295
ENGINEERING - MAJOR STREETS	CTH AB INTERCHANGE	\$ 4,999,389
ENGINEERING - MAJOR STREETS	JOHN NOLEN DRIVE	\$ 1,980,000
ENGINEERING - MAJOR STREETS	PAVEMENT MANAGEMENT	\$ 3,540,000
ENGINEERING - MAJOR STREETS	PLEASANT VIEW ROAD	\$ 1,185,000
ENGINEERING - MAJOR STREETS	RECONSTRUCTION STREETS	\$ 5,243,604
ENGINEERING - MAJOR STREETS	UNIVERSITY AVE (SHOREWOOD-UNIV BAY)	\$ 3,411,509
FIRE	FIRE STATION-6W BADGER RD	\$ 3,500,000
FLEET SERVICES	2021 FLEET EQUIPMENT REPLACEMENT	\$ 1,000,000
FLEET SERVICES	FIRE APPARATUS / RESCUE VEHICLES	\$ 1,600,000
FLEET SERVICES	FLEET EQUIPMENT REPLACEMENT	\$ 3,000,000

Snapshot of reauthorization table in Executive Budget, Page 7

Carry Forward Appropriations in Agency Budgets

NEW table added to 2023 budget

- Lists projects that have unused appropriation authority
- **Unused Appropriation Authority:** shows how much of the prior appropriation has not yet been borrowed/ expended across all funding sources for the project.
- **Reauthorized GO Borrowing:** Shows the amount that has not yet been borrowed for the project and is being reauthorized to 2023.

Carry Forward GO Borrowing

	Unused Appropriation Authority	Reauthorized GO Borrowing
13942 ACCESSORY DWELLING UNIT MAJOR PROJE	400,000	-
17110 AFFORDABLE HOUSING-DEVELOPMENT	25,182,000	-
13774 ARPA-HOTELS CONVERTED TO HOUSING	1,000,000	-
13983 ARPA-OCCUPY MADISON SOLAR PRJ	150,000	-
13775 ARPA-SALVATION ARMY DARBO SITE	2,500,000	-
13776 ARPA-YOUTH-CENTERED HOUSING	2,000,000	-
17002 BRIDGE LAKE PT COMM CENTER	2,498,103	-
13672 COMMUNITY FACILITIES IMPROVE MAJOR	1,000,000	1,000,000
62010 HSNG CONSUMER LOAN PRGMS	4,657,163	570,000
13344 MEN'S HOMELESS SHELTER	8,143,153	4,000,000
10066 NEIGHBORHOOD CENTERS	266,497	-
11819 PARK EDGE/PARK RIDGE EMP CNTR	340,319	-
12434 SENIOR CENTER BUILDING IMPROVEMENTS	103,370	-
13398 TEMPORARY FAMILY SHELTER	56,577	-
	\$ 48,297,183	\$ 5,570,000

Snapshot of carryforward borrowing table for CDD, page 30

Agency Briefings

Schedule for Briefings

Monday (9/12)

- Public Spaces
 - Library
 - Monona Terrace
- PCED
 - CDA Redevelopment
 - Community Development
 - Economic Development
 - Planning (rescheduled)*
- Public Health & Safety
 - Public Health
 - Fire
 - Police
- Administration
 - Finance
 - Zoo

Tuesday (9/13)

- Administration
 - Mayor's Office
 - Information Technology
- Engineering
 - Bike & Ped
 - Facilities
 - Major Streets
 - Other
 - Sewer
 - Stormwater
- Public Works
 - Water
 - Fleet
 - Parks
 - Streets
- Transportation
 - Parking
 - Traffic Engineering
 - Transportation
 - Metro

Briefing Format

- Agencies will give a brief presentation (~10 minutes, 1-4 slides per agency) highlighting significant projects and major changes in their CIP
- Discussion and Q&A to follow each presentation

Amendment Process Tips & Timeline

Engaging Agency Staff:

- Reach out to the impacted agency to discuss your amendment ideas; staff may have input on timeline, feasibility, and capacity needed to implement ideas
- Copy budget staff on communications with agencies so we are aware of potential amendments

Timeline:

- Alders can begin submitting amendment ideas any time after the budget is introduced
- **Submit preliminary amendments by Wednesday 9/21 at 12pm**
 - Amendment ideas do not have to be fully developed this deadline, but we do have to know you are planning to submit
- **Final amendments will be published on Friday 9/23 around 12pm**

Sponsorship:

- Any alder can submit an FC amendment
- Non-FC members must have an FC sponsor; Council president can be asked to courtesy sponsor
- If you have co-sponsors, be sure to include all sponsors in emails to budget staff so we can verify who is signed on to an amendment