



2026 Capital Budget: Executive Budget Overview

Finance Committee
September 8, 2025

Agenda

1. Navigating Budget Resources

- Capital Budget Web Page
- How to read agency budgets

2. Executive Budget Summary

- Budget by Element and Funding Source

3. GO Debt Service

- Relationship between Capital and Operating Budgets

4. Agency Briefings and Process Reminders

- Briefing Schedule
- Amendment Process
- Preview of Operating Digital Budget Book

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/2026/2026-capital-budget) on 9/2/25:
<https://www.cityofmadison.com/finance/budget/2026/2026-capital-budget>

2026 Capital Budget

Executive Budget

- [Full Executive Capital Budget](#) PDF
- [Executive Summary](#) PDF

Executive Summary: Overview and summary of major changes

Introduction & Summaries

- [City of Madison Mission and Values](#) PDF
- [Capital Budget Overview and Policies](#) PDF
- [Capital Budget Summaries](#) PDF
- [Horizon List](#) PDF

Introduction & Summaries:

- Guidelines, policies, summary tables by agency, funding & expense types
- Horizon List

Agency Budgets:

- Organized by functional areas

Administration and General Government

- [Finance Department](#) PDF
- [Information Technology](#) PDF

Components of an Agency Budget: CIP Overview

CIP Overview (1-2 pages)

- **Summary Table:** List of all capital projects and programs, with total funding by year
- **Changes from 2025 Adopted CIP (Graph):** Clustered bar graph that compares the total funding for the agency, by year, in the 2026 Executive CIP and the 2025 Adopted CIP
- **Description of Major Changes:** Comments on significant changes between the 2026 Executive CIP and the 2025 Adopted CIP. There is a comment on every project/program, even if there is no change. Comments may include changes in funding amount, funding source, project scope, timeline, or other aspects of the project.

Engineering - Bicycle and Pedestrian

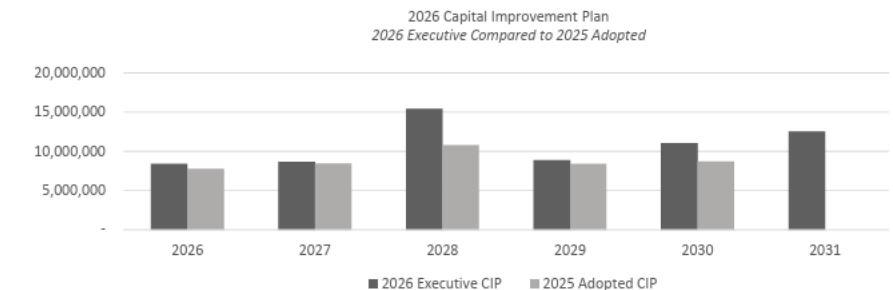
Capital Improvement Plan (CIP) Overview

Budget Phase: Executive

Summary Table

	2026	2027	2028	2029	2030	2031
Bikeways Program	2,867,200	2,945,000	3,174,000	2,868,000	2,936,000	3,083,000
Sidewalk Program	5,275,000	5,525,000	5,775,000	6,025,000	6,275,000	6,525,000
State Street Pedestrian Improvements	-	-	-	-	1,850,000	2,900,000
Stoughton Road Ped/Bike Enhancements	-	-	5,000,000	-	-	-
West Towne Path Phase 2	250,000	200,000	1,496,000	-	-	-
	\$ 8,392,200	\$ 8,670,000	\$ 15,445,000	\$ 8,893,000	\$ 11,061,000	\$ 12,508,000

Changes from 2025 Adopted CIP



Description of Major Changes

Bikeways Program

- Program budget increased by \$1.0 million in federal funding from 2026-2030. This reflects a 15.7% increase.
- Program funding source changed from \$395,000 in Non-General Fund GO Borrowing to \$395,000 in TIF Increment (TID 51) in 2027.

Components of an Agency Budget: Expenditures & Revenues

Summary of Expenditures and Revenues (1-2 pages)

- **2026 CIP by Expenditure Type:** Table with budget amounts by expenditure type (e.g. Bike Path, Building, Land, Street), by year
- **2026 CIP by Funding Source:** Table with budget amounts by funding source (e.g. General Fund (GF) General Obligation (GO) Borrowing; Federal Sources; Impact Fees; Reserves Applied; TIF Increment), by year
- **Borrowing Summary:** Table with General Fund GO Borrowing and Non-General Fund GO Borrowing by year
- **Annual Debt Service:** Estimated debt service, assuming a 10-year repayment schedule and 3% interest
- **Executive Budget by Funding Source (Graph):** Stacked bar graph showing GO Borrowing and Other Sources by year

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Summary of Expenditures and Revenues

2026 CIP by Expenditure Type

	2026	2027	2028	2029	2030	2031
Bike Path	3,117,200	2,945,000	9,670,000	2,868,000	2,936,000	3,083,000
Land	-	200,000	-	-	-	-
Street	5,275,000	5,525,000	5,775,000	6,025,000	8,125,000	9,425,000
	\$ 8,392,200	\$ 8,670,000	\$ 15,445,000	\$ 8,893,000	\$ 11,061,000	\$ 12,508,000

2026 CIP by Funding Source

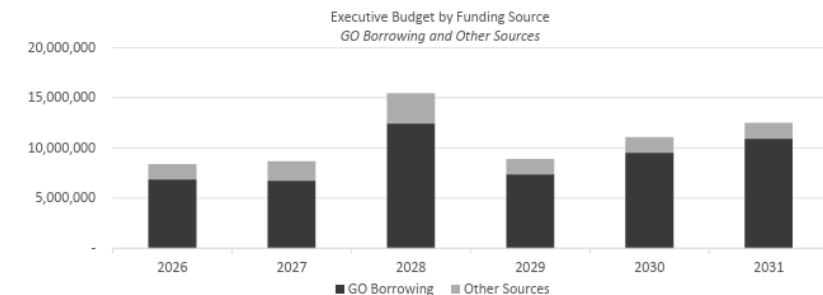
	2026	2027	2028	2029	2030	2031
GF GO Borrowing	6,856,000	6,740,000	12,424,000	7,368,000	7,686,000	8,008,000
Non-GF GO Borrowing	-	-	-	-	1,850,000	2,900,000
Federal Sources	1,511,200	1,510,000	1,500,000	1,500,000	1,500,000	1,575,000
Special Assessment	25,000	25,000	25,000	25,000	25,000	25,000
TIF Increment	-	395,000	1,496,000	-	-	-
	\$ 8,392,200	\$ 8,670,000	\$ 15,445,000	\$ 8,893,000	\$ 11,061,000	\$ 12,508,000

Borrowing Summary

	2026	2027	2028	2029	2030	2031
General Fund GO Borrowing	6,856,000	6,740,000	12,424,000	7,368,000	7,686,000	8,008,000
Non-General Fund GO Borrowing	-	-	-	-	1,850,000	2,900,000
	\$ 6,856,000	\$ 6,740,000	\$ 12,424,000	\$ 7,368,000	\$ 9,536,000	\$ 10,908,000

Annual Debt Service

	2026	2027	2028	2029	2030	2031
General Fund GO Borrowing	891,280	876,200	1,615,120	957,840	999,180	1,041,040
Non-General Fund GO Borrowing	-	-	-	-	240,500	377,000
	\$ 891,280	\$ 876,200	\$ 1,615,120	\$ 957,840	\$ 1,239,680	\$ 1,418,040



Components of an Agency Budget: Carryforward GO Borrowing

Carryforward GO Borrowing Section (1 page)

- **Carryforward GO Borrowing:** Table that summarizes funding authorized in prior capital budgets that will carryforward in 2026. Data reflects unspent funds as of July 31, 2025.
 - “Unused Appropriation Authority” column reflects all unused funds that will carryforward (borrowing, federal sources, grants).
 - “Reauthorized GO Borrowing” column reflects GO Borrowing that will be reauthorized in 2026.

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Carryforward General Obligation Borrowing

	Unused Appropriation Authority	Reauthorized GO Borrowing
10138 BIKEWAYS PROGRAM	2,059,577	764,849
10142 CANNONBALL BIKE TRAIL	1,510,737	66,025
10143 CAPITAL CITY TRAIL	992,619	296,124
10148 SIDEWALK PROGRAM	752,375	2,407,319
10160 GARVER PATH	2,845	-
10165 WEST TOWNE PATH	877,223	306,569
11859 AUTUMN RIDGE PATH	373,480	534,451
11868 TROY DR UNDERPASS	8,617,145	2,465,679
13015 MAIN STREET IMPROVEMENTS	5,971	10,910
13664 HERMINA-STARKWEATHER CRK PED BRIDGE	652,057	651,700
13835 CTH M	19,290	-
14143 BADGER RUSK PATH	1,155,420	10,000
	\$ 17,018,739	\$ 7,513,626

Components of an Agency Budget: Project & Program Details

Project & Program Details (1- 10 pages)

- **Identifying Information:** Project Name, Number, Type (Project or Program); and Citywide Element
- **Project Description:** Brief narrative on the purpose and scope of the project
- **Funding Table:** Table that summarizes funding by source, by year

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Project & Program Details

Project	Bikeways Program	Project #	10138
Citywide Element	Land Use and Transportation	Project Type	Program

Project Description

This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City Standards and provide new paths to close gaps in the network. Projects within this program are prioritized based on pavement quality rating of existing bikeways and projects awarded federal funds through the Transportation Alternatives Program. The focus of funding in 2026 will be for path resurfacing and new paths. Capital City Path Phase 5 & 6 is planned for 2026. E Rusk Ave & Moorland are planned for 2027. Woodward Drive is planned for 2028, and W Beltline Path is planned for 2029.

	2026	2027	2028	2029	2030	2031
GF GO Borrowing	1,356,000	1,040,000	1,674,000	1,368,000	1,436,000	1,508,000
Federal Sources	1,511,200	1,510,000	1,500,000	1,500,000	1,500,000	1,575,000
TIF Increment	-	395,000	-	-	-	-
Total	\$ 2,867,200	\$ 2,945,000	\$ 3,174,000	\$ 2,868,000	\$ 2,936,000	\$ 3,083,000

Project	Sidewalk Program	Project #	10148
Citywide Element	Land Use and Transportation	Project Type	Program

Project Description

This program is for repairs to defective sidewalks and installation of new sidewalks. The goal of this program is to provide consistent maintenance of sidewalks for safe conditions, reduce the chance of injury, and to improve and maintain ADA compliance. Each year the Sidewalk Program repairs sidewalks in two or three Council Districts on a 10-year replacement cycle. In 2026, this program has planned sidewalk improvements for Council Districts 2 & 6.

	2026	2027	2028	2029	2030	2031
GF GO Borrowing	5,250,000	5,500,000	5,750,000	6,000,000	6,250,000	6,500,000
Special Assessment	25,000	25,000	25,000	25,000	25,000	25,000
Total	\$ 5,275,000	\$ 5,525,000	\$ 5,775,000	\$ 6,025,000	\$ 6,275,000	\$ 6,525,000

Components of an Agency Budget: 2026 Appropriation

2026 Appropriation (1 page)

- Table summarizing 2026 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

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2026 Appropriation Schedule

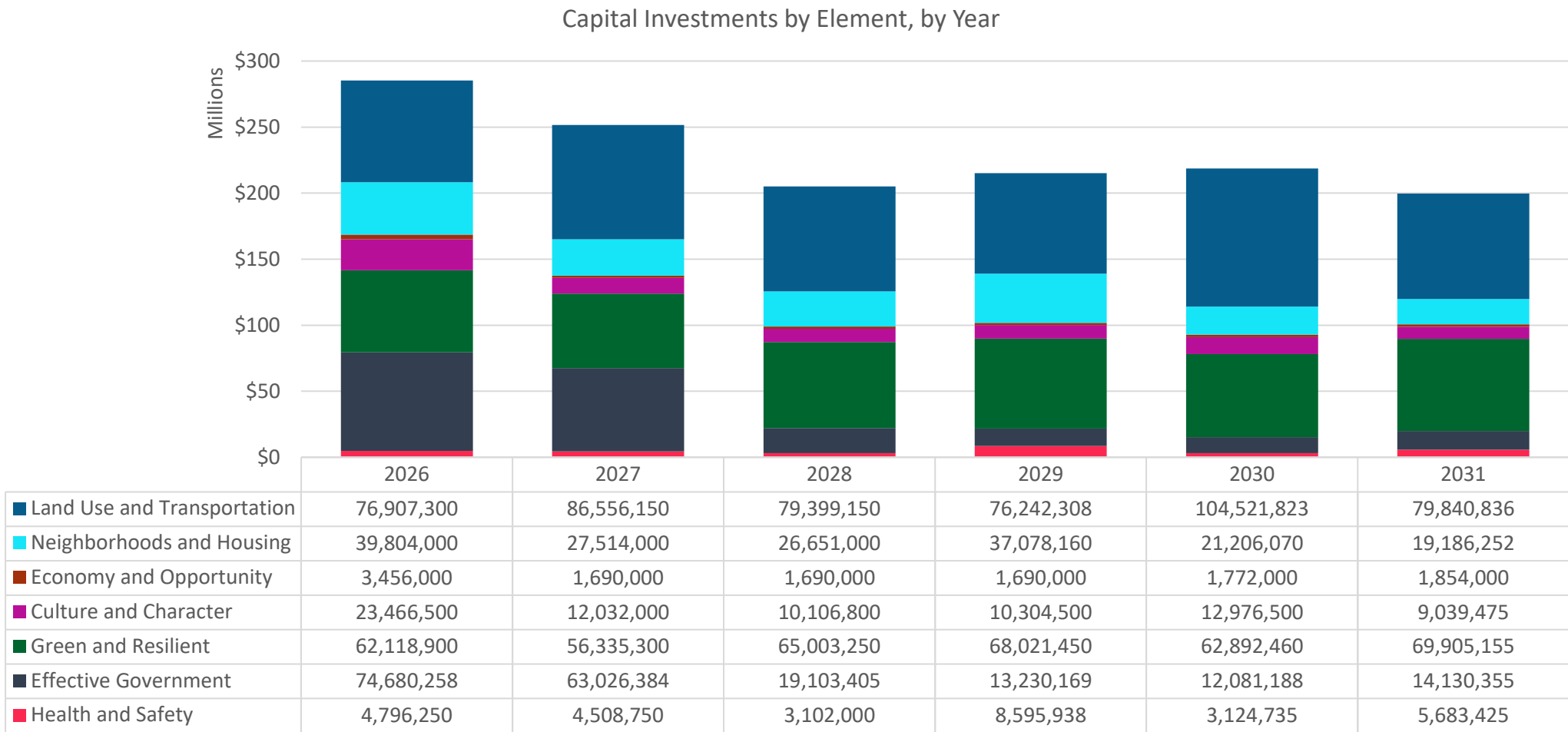
2026 Appropriation

	Request	Executive Budget		
		GO Borrowing	Other	Total
Bikeways Program	2,490,000	1,356,000	1,511,200	2,867,200
Sidewalk Program	5,275,000	5,250,000	25,000	5,275,000
West Towne Path Phase 2	250,000	250,000	-	250,000
	\$ 8,015,000	\$ 6,856,000	\$ 1,536,200	\$ 8,392,200

Executive Budget Summary

2026 Capital Budget = \$285.2 million

2026 – 2031 Capital Improvement Plan = \$1.38 billion

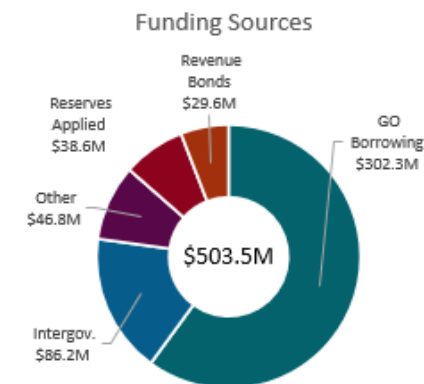
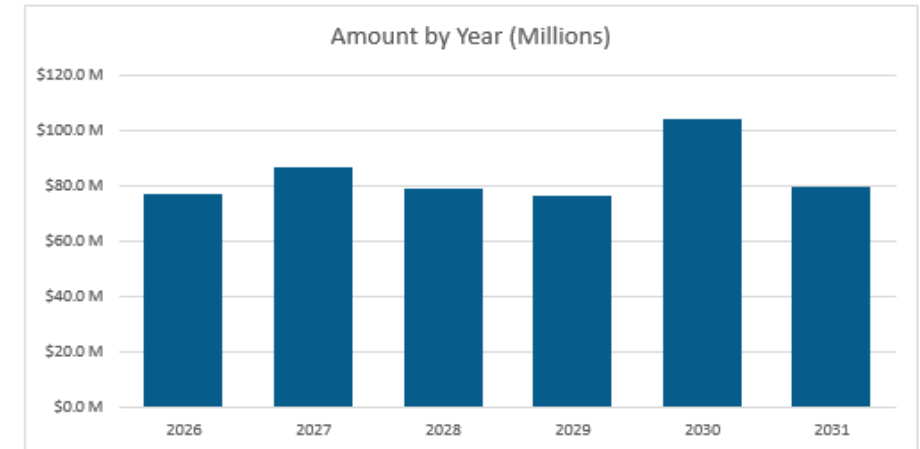


Citywide Elements

- Agencies select Citywide element as part of their submission process
- Projects may address multiple priorities/ elements, but are only presented in one category
- Executive summary has 1-pagers for each element, showing funding by year, by source, and highlights major projects
- Elements are presented in the same order as the Imagine Madison comprehensive plan

Projects by Element: Land Use & Transportation

The 2026 CIP includes \$503.5 million in Land Use & Transportation projects and programs, which represents 36.3% of the CIP. This is the largest element in the CIP. This category primarily reflects expenditures for recurring programs to maintain the [City's street](#) and sidewalk infrastructure and fund Metro Transit's fleet of buses. Major road reconstructions, such as John Nolen Drive and Regent Street, are also included in this category. These projects are primarily funded by GO borrowing (60.0%; \$302.3 million). The next largest share of funding is from intergovernmental sources (17.1%; \$86.2 million), representing large federal grants for transit and infrastructure.

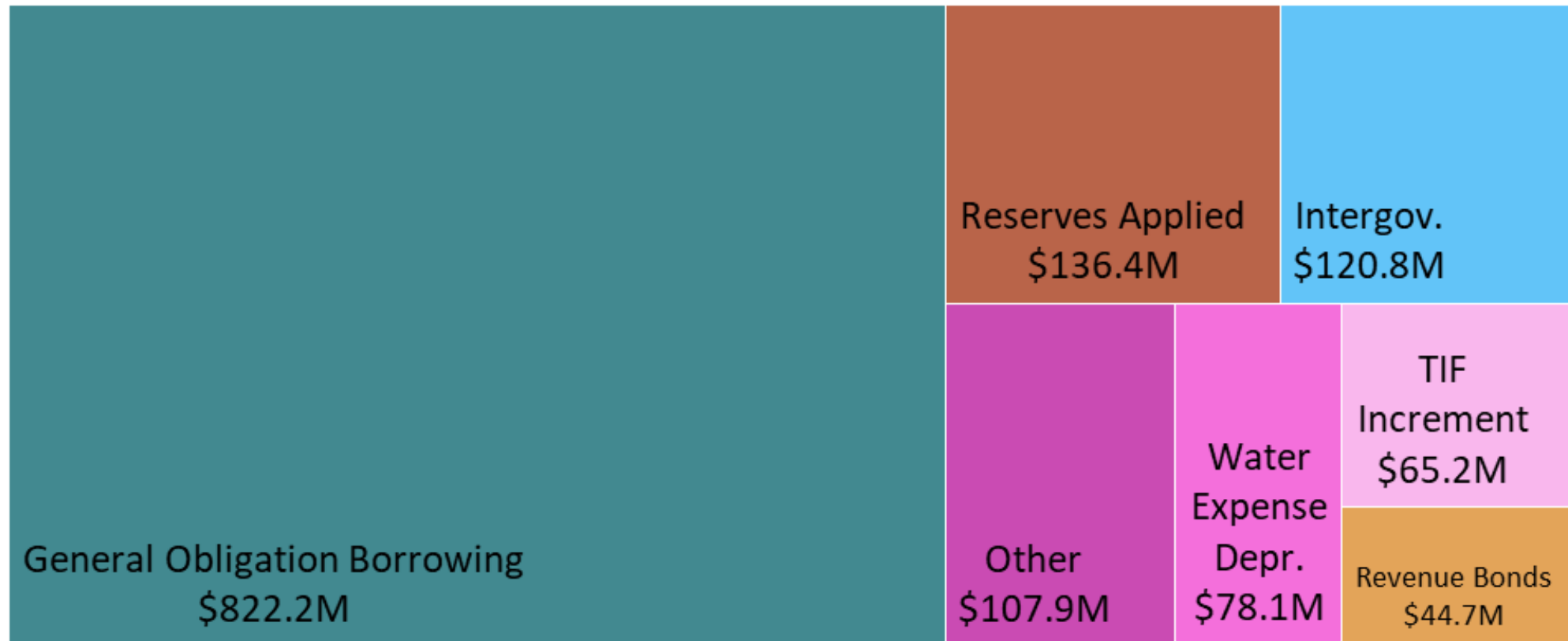


Project & Program Highlights (All Funds)

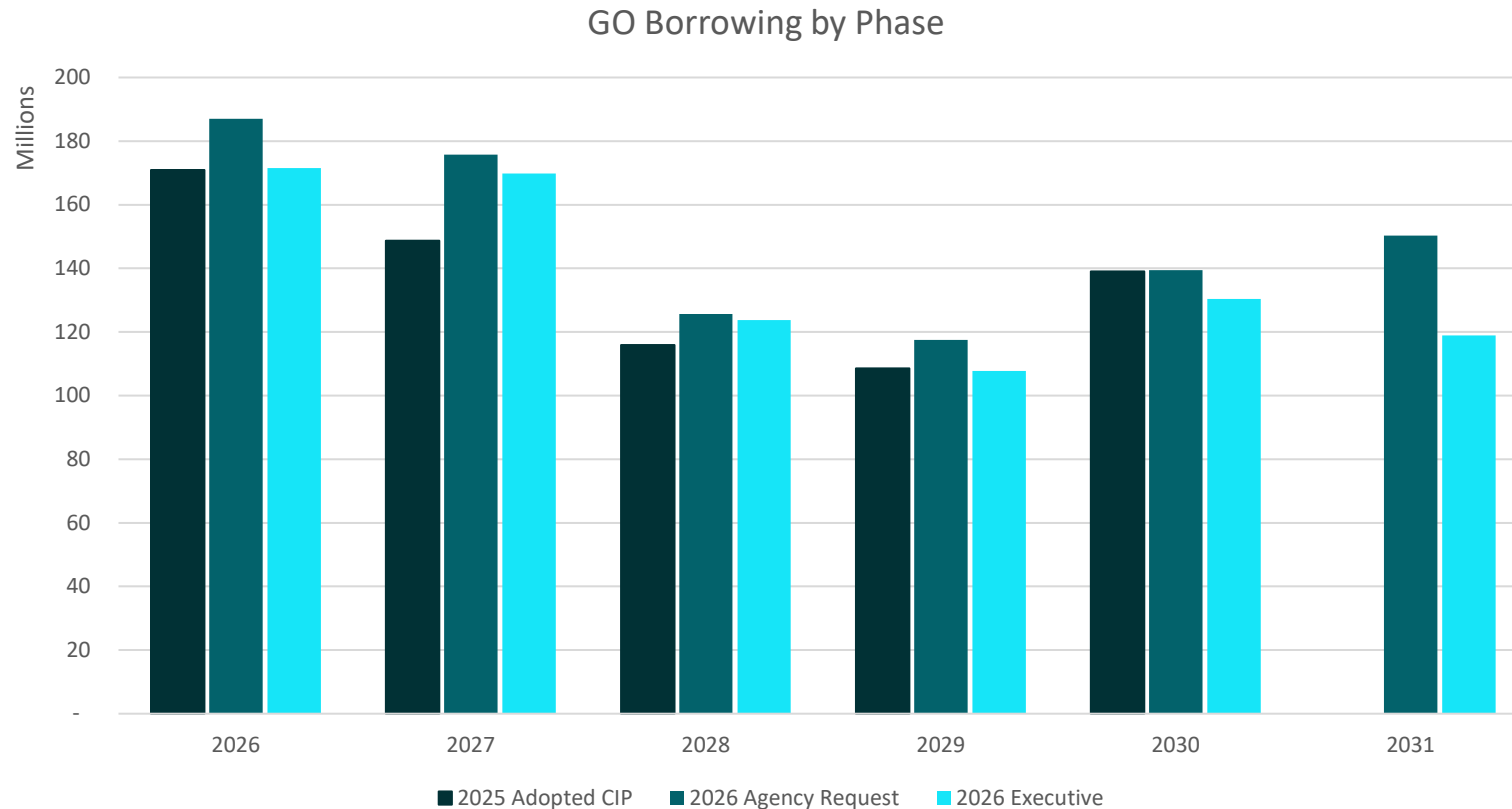
- **2026 – 2031 (ongoing programs):** Reconstruction Streets (\$126.5m); Pavement Management (\$123.8m); Transit Buses and Charging Equipment (\$90.9m); Sidewalk Program (\$35.1m); Bikeways Program (\$17.9m); Safe Streets Madison (\$10.3m)
- **2026 – 2031 (major projects):** John Nolen Drive (\$11.3m); High Point/ Raymond/ MidTown (\$17.2m); Regent St (\$17.5m)

GO Borrowing is the primary funding source of the CIP (60%), followed by Reserves (10%)

Funding Sources for the 6- Year CIP (2026-2031)



GO Borrowing by Phase



- The executive budget is \$20.4 million higher than the 2025 CIP. This reflects updated cost estimates and other adjustments to various projects.
- The Executive Budget is \$73.5 million less than agency requests. This reflects shifting costs to non-borrowing funding sources, updating project timelines, and prioritization.

A note on comparing the 2026 budget to prior years

- The annual capital budget can have large variances year-over-year based on the timing of major projects.
- For some large projects (e.g. new City facility, Bus Rapid Transit), costs are typically fully budgeted in the first year of construction/ implementation even if it will be a multi-year effort. This ensures agencies have sufficient budget authority to let contracts.
- 2026 Budget only shows new funding. Previously authorized funding shows in the “carryforward” tables.
- The 2025 adopted capital budget was CIP was \$426.5 million compared to 2026 executive budget of \$285.2 million. This difference is primarily due to 2025 including \$175 million (of which \$158 million is federal funding) for North South BRT

Transportation

Carryforward General Obligation Borrowing

	Unused Appropriation Authority	Reauthorized GO Borrowing
12775 INTER-CITY INTERMODAL BUS TERMINAL	193,280	-
13665 North-South Bus Rapid Transit	179,566,177	7,831,000
13781 Inter-City Rail Station and Plan	455,630	380,000
14355 Reconnecting Communities Pilot Grant	933,394	50,000
14699 Interstate 94 Interchanges	250,000	250,000
14793 GRANT PROG: SUPPORT ACCESSIBLE TAXI	52,579	-
17607 BUS RAPID TRANSIT PROGRAM	8,921,910	150,000
	\$ 190,372,970	\$ 8,661,000

GO Debt and Debt Service

Background

- The City issues debt each year to help finance the cost of projects authorized in the adopted capital budget.
- Most of that debt is in the form of a “general obligation” – this means the City pledges to repay the debt from its general taxing authority (the property tax levy). The remainder of the City’s debt is issued as a “revenue obligation” – this means a specific revenue source, in the City’s case it is usually sewer or water user fees, is pledged to repay the debt.
- Repayment of the principal and interest on general obligation debt is usually made over a 10 year period.
- Annual repayment of the principal and interest is called “debt service” and is included in the operating budget.
- Debt service on a new issuance begins in the year following the debt sale (e.g., repayment of principal and interest on debt sold to finance projects in the 2025 capital budget will begin in the 2026 budget).

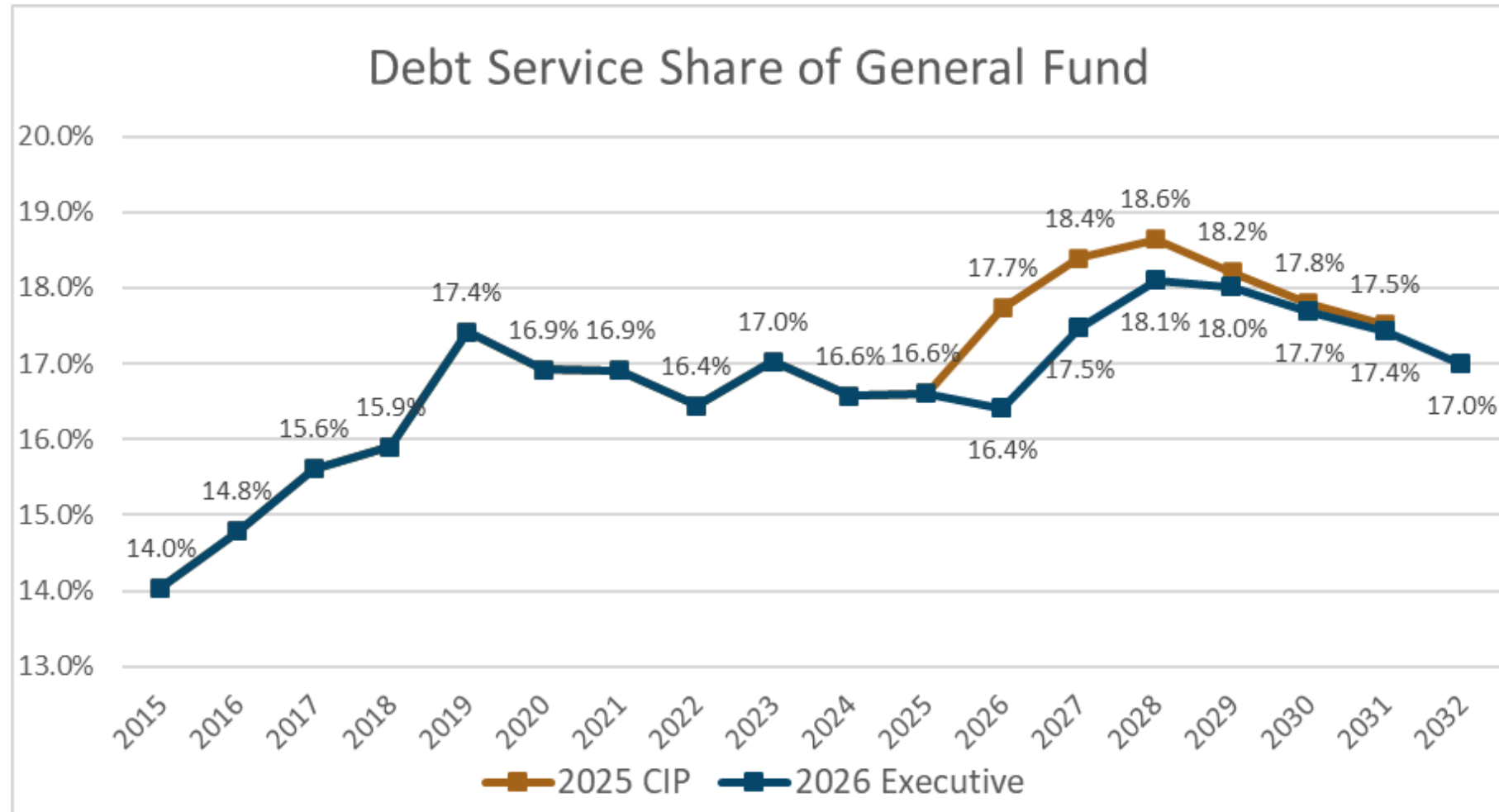
Debt Service in the Operating Budget

Budget by Function-General & Library Funds



	2024 Adopted	2025 Adopted	Change	% Change
Administration	30,665,782	32,134,805	1,469,023	4.79%
Debt Service	63,879,900	68,147,105	4,267,205	6.68%
General Government	2,981,006	3,037,505	56,499	1.90%
Misc & Dir Approp to Cap	10,076,416	11,761,683	1,685,267	16.72%
Planning & Development	28,351,278	31,217,922	2,866,644	10.11%
Public Facilities	20,748,477	22,174,898	1,426,422	6.87%
Public Safety & Health	172,427,357	182,256,977	9,829,620	5.70%
Public Works	50,110,608	52,163,641	2,053,033	4.10%
Transportation	26,127,925	29,588,622	3,460,696	13.25%
TOTAL	405,368,750	432,483,159	27,114,409	6.69%

Projected debt service as a share of the budget is lower than 2025



Impact of Debt Service on Expenditures

- City cannot cut debt service on already issued debt; otherwise will default
- Levy Limit Calculation
 - Increases prior year levy by net new construction factor, ***excluding debt service***
 - Adds debt service for upcoming year based on amount borrowed in current year (ex. 2026 debt service in levy limit = 2025 borrowing = 2025 adopted capital budget)
- Interaction between Levy Limit and Debt Service
 - Less debt service ***does*** lower allowable total property tax
 - Less debt service ***does not*** increase the allowable levy for operations
 - Debt service paid from other funds (e.g., Stormwater projects) helps the operating budget by creating allowable levy that does not need to be used for debt service
 - ***Reducing borrowing in the capital budget does not address the structural deficit/ ERIP limit or create additional room for operating expenditures***

Agency Briefings & Process Updates

Schedule for Briefings

Monday (9/8)

- Public Spaces
 - Library
 - Monona Terrace
- Public Health & Safety
 - Fire
 - Police
- PCED
 - Planning
 - CDA Redevelopment
 - Community Development
 - Economic Development
- Transportation
 - Metro
 - Parking
 - Traffic Engineering
 - Transportation

Tuesday (9/9)

- Administration
 - Information Technology
 - Mayor's Office
 - Finance
 - Zoo
- Public Works
 - Fleet
 - Parks
 - Streets
 - Water
- Engineering
 - Bike & Ped
 - Facilities
 - Major Streets
 - Other
 - Sewer
 - Stormwater

Briefing Format

- Agencies will give a brief presentation (~5 minutes) highlighting significant projects and major changes in their CIP
- No separate slide presentation
- Discussion and Q&A to follow each presentation

Amendment Process Tips & Timeline

Review the Amendment Presentation at the 8/25 Meeting:

- We provided an in-depth explanation of the amendment process and tips for development amendments at the August 25 Finance Committee Meeting. You can [review the recording](#) and presentation attached to [Legistar 89653](#)
- Reach out with any questions

Timeline:

- **Submit preliminary amendments by Wednesday 9/24 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 9/26 around 1pm**

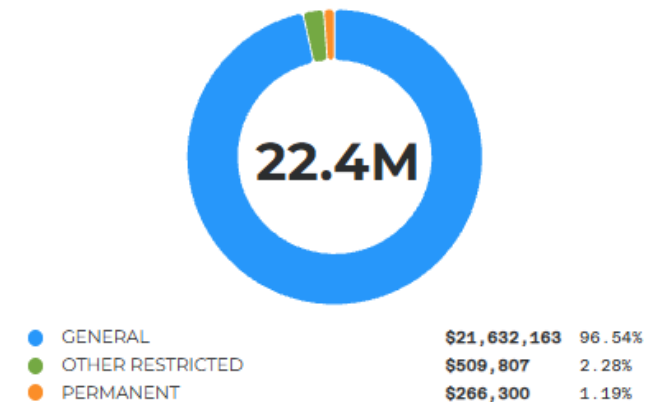
Sponsorship:

- Any alder can submit an FC amendment; Non-FC members must have an FC 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

Coming Soon: Digital Budget Book

- Executive operating budget will be released October 7.
- The budget will be published using ClearGov Digital Budget Book (approved in the 2025 budget).
- Some sections will look different, but many new features that will improve navigation and include more visualizations.
- There will still be the option to print a PDF book.
- We will provide a full demo after the release date.

FY26 Expenditures by Fund



Expenditures by Fund ^

Category	2025 Adopted	FY 2026 Budgeted	2025 Adopted vs. FY 2026 Budgeted (% Change)
GENERAL	\$21,145,458	\$21,632,163	2.30%
OTHER RESTRICTED	\$497,738	\$509,807	2.42%
PERMANENT	\$237,300	\$266,300	12.22%
Total Expenditures	\$21,880,496	\$22,408,269	2.41%