Office of the Mayor

Satya Rhodes-Conway, Mayor

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Date: March 18, 2025
To: Department and Division Heads
From: Mayor Satya Rhodes-Conway
Subject: 2026 Capital Budget & Capital Improvement Plan: Agency Guidance

Madison's continued success is due in large part to City government making strategic, long-term investments in the infrastructure that improves the lives of all our residents. The City's capital budget and capital improvement plan (CIP) are roadmaps for where we make the crucial investments that support our community's long-term health. Fortunately, we have a strong foundation to build on. The fundamental financial health of our City is sound. We enjoy the highest possible rating from Moody's Investors Service, which allows us to borrow at the lowest possible interest cost. Our city's economy is strong and resilient, and if we proceed with prudence, we can maintain and improve our economy for everyone.

However, our next capital budget must reflect the uncertain realities of the state, national, and global context. We are likely to face a world with higher prices, greater need for community services, and reduced funding from the federal government. We need to prepare to be flexible and make difficult decisions under trying and potentially volatile economic conditions. More than ever, additions to the capital budget must meet multiple city priorities and focus on meeting the basic needs of everyone who calls Madison home.

That calls for prioritizing projects that meet the greatest needs of the community, will save money in the long-run, and limit the cost of debt service. I'm confident in our ability to do right by our residents by focusing on projects which underpin Madison's success: investments in basic infrastructure, increased efficiency to reduce long-term costs, housing, and projects that promote economic development.

I'm grateful to our talented staff for their hard work and creative thinking that will help us overcome external challenges. I have no doubt that by working together we can set the standard for how municipal governments find the balance between living up to the values of our community while also exercising fiscal prudence.

With this context, I am providing the following guidance for capital requests for the 2026 Capital Budget and Capital Improvement Plan (CIP).

Fiscal Responsibility & Planning
The 2025 adopted CIP is the baseline for the 2026 CIP.
- The 2026 executive capital budget will keep overall debt service as a share of the operating budget at or below projections for the 2025 CIP.
- Agencies should scrutinize the adopted 2025 CIP to determine if the timeline and funding reflect current plans, the project is realistic, and there is sufficient capacity to implement.
- Agencies must prioritize their requests in the transmittal memo.
- Projects included in the 2025 CIP are not guaranteed funding in 2026. Projects may be reduced or delayed as needed to meet citywide borrowing targets and priorities.

Changes to the Current CIP
Agencies may propose changes to reflect current plans. The following changes do not require submitting additional justification for approval.
- **Reductions:** Projects that will be delayed or will not happen as originally proposed should be submitted as a reduction proposal.
- **Cost neutral adjustments:** Agencies may shift project timelines within a project across years in the CIP. Agencies may also shift funding across projects as long as the total over the five years (2026 through 2030) does not increase from 2025 adopted levels.
- **Program increases in final year:** Agencies may request a 5% increase to programs in 2031.

Funding Increases and New Projects
Agencies may request budget increases or new projects under the following conditions. Agencies will be required to submit justification for these increases or new project requests.
- **Increases to existing projects and programs:** Agencies may submit increase requests if: 1) there is a known increase to project costs (e.g., recent construction bids, updated studies), or 2) there are anticipated cost increases related to inflation or other economic factors. Agencies must provide a detailed explanation of the data and analysis used to develop increase requests.
- **New Projects:** Agencies may submit new requests if: 1) the project is primarily funded by non-general obligation borrowing funding sources (e.g., grants, TIF increment), 2) the project meets an emergency need not anticipated in 2025, 3) the project is currently on the Horizon List and is ready to be advanced, or 4) the project is planned for the last year of the CIP (2031).
- **Horizon List:** Agencies may submit requests to add projects to the Horizon List if a project is forthcoming but is not fully scoped.

Federal Budget Uncertainty and Presidential Executive Orders
Given the uncertainty of the outcome of the federal budget process, agencies should continue including federal funding in the CIP until Congress adopts a federal budget and related legislation.
- The 2025 CIP should be the baseline for federal funding assumptions in the 2026 CIP. Agencies may update their proposal based on new information, but should not pre-emptively remove federal funding prior to final Congressional action on the federal budget.
- The transmittal memo should include a risk assessment of federal funding in the budget. This assessment should include a contingency plan if federal funding is reduced.
- Due to the timing of the federal budget process, the 2026 capital budget and CIP may not be able to fully reflect changes in federal funding. The focus of any changes necessary due to federal budget actions will be on the 2026 capital budget. Changes to the out-years of the CIP (2027-2031) can be reflected in the 2027 capital budget process.

Thank you for your commitment to serving the City and your stewardship of our resources.

Mayor Satya Rhodes-Conway

2026 Capital Budget Kick Off

Agenda

- Welcome & Mayor's Message

- Overview of 2026 Budget Timeline

- Capital Budget Borrowing Targets

- Budget Guidance

- Components of a Complete Request

Mayor's Message

Overview of 2026 Budget Timeline

Key Dates for 2026 Budget Development

	Capital	Operating
Kick-Off Meeting	Tuesday, March 18 11:00am	Monday, June 16 2:00pm
Agency Requests Due	Friday, April 18	Friday, July 18
Agency Briefings with Mayor's Office	May 14 & 16	August 13 – 21
Executive Budget introduced to Common Council (CC)	Tuesday, September 2	Tuesday, October 7
Finance Committee (FC) Briefings	September 8 – 9	October 13 – 14
FC Amendment Meeting	September 29	October 27
CC Amendment Week	October 27 – November 5	
CC Budget Adoption Meetings	November 11 – 13	

Simplified Calendar View

Highlight = Dates not on public calendar on prior slide

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Capital	• 3/18: Capital Kick Off	• 4/18: Agency Cap Requests Due	• 5/14 & 16: Agency Briefings	• 6/30: Change requests form	• 7/9: Change requests due	• Develop Budget	• CC Intro (9/2) and FC Mtgs (9/8, 9/9, 9/29)		• Common Council Meetings (11/11-13)
Operating	• 3/31: Send cost to continue to agencies	• 4/14-4/25: Agency C2C meetings		• 6/16: Operating Kick Off	• 7/18: Agency Op Requests Due	• 8/13-21: Agency Briefings	• Develop budget	• CC Intro (10/7) and FC Mtgs (10/13, 10/14, 10/27)	
Projections				• Mid Year Projections & Agency Meetings	• Mid Year Resolution (Intro 7/15; adopt 8/5)			• Year End Projections & Agency Meetings	• Year End Resolution (Intro 11/25, adopt 12/9)

How will the process compare to last year?

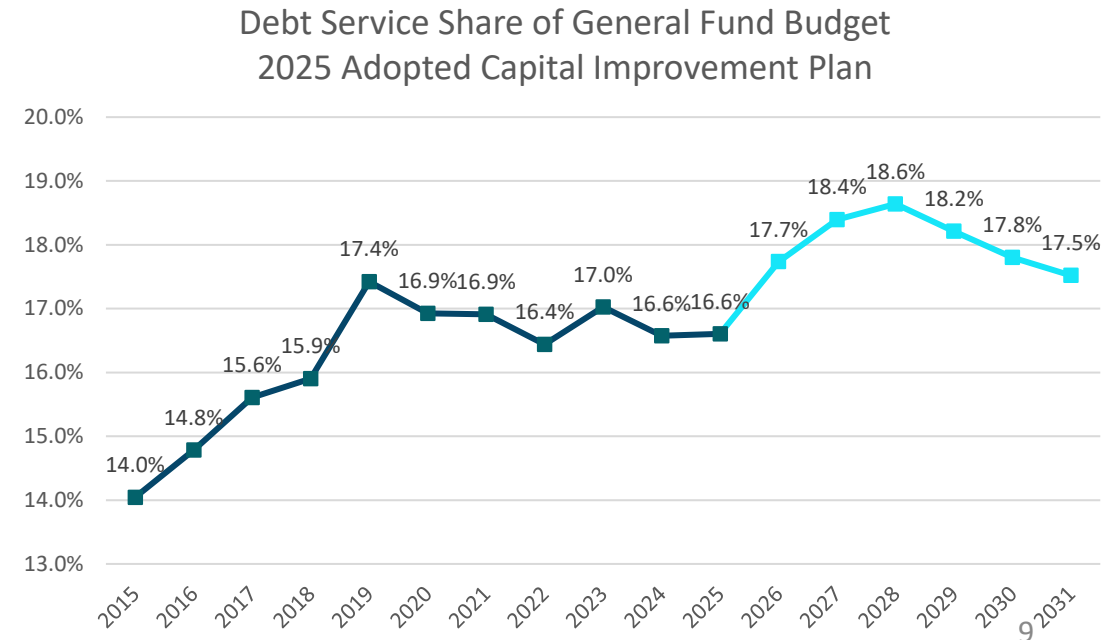|	What's staying the same	What's new/ different
Calendar	• **Deadlines:** key dates fall in the same week as last year • **Change Request Form:** Due July 9	
Proposal Components	• **Short Form:** Simplified form for projects currently in CIP • **Long Form:** Additional information for new proposals • **Horizon List Request:** Separate request form	• **Short Form:** Allowable for *all* existing projects, even if proposing changes • **Transmittal Memo:** Agencies with federal funding will have to include a risk assessment for funding and alternate priority list/ contingency plans
Request Submittal and Briefings	• **Submittal Process:** Excel proposal forms and supplemental materials saved in Common Drive folder • **Mayoral Briefings:** Q&A discussion with **no** presentations or slides required	

Capital Budget Borrowing Targets

Considerations for Setting a Borrowing Target

Bond Rating

- Madison's general obligation debt has the highest rating from Moody's Investors Service – Aaa. This rating ensures the lowest possible interest cost.

- Factors in the rating include overall debt burden, level of operating reserves, strength of the local economy and the city's financial management.

- The city's debt, including pension and other post-employment benefit obligations, is considered moderate/high by Moody's.

Debt Service Share in Operating

- 2015: Debt Service = 14.0% of GF Budget

- 2025: Debt Service = 16.6% of GF Budget

- 2028: Debt Service = 18.6% of GF Budget

Debt Service Share of General Fund Budget
2025 Adopted Capital Improvement Plan

Year	Value
2015	14.0%
2016	14.8%
2017	15.6%
2018	15.9%
2019	17.4%
2020	16.9%
2021	16.9%
2022	16.4%
2023	17.0%
2024	16.6%
2025	16.6%
2026	17.7%
2027	18.4%
2028	18.6%
2029	18.2%
2030	17.8%
2031	17.5%

Actual borrowing is significantly lower than budget authority

Authorized/Unissued Borrowing Continues to Increase
Adopted Capital Budgets
2000 to 2025

Legend: GO-New | GO-Reauth | Actual / Projected GO Borrowing (right axis)
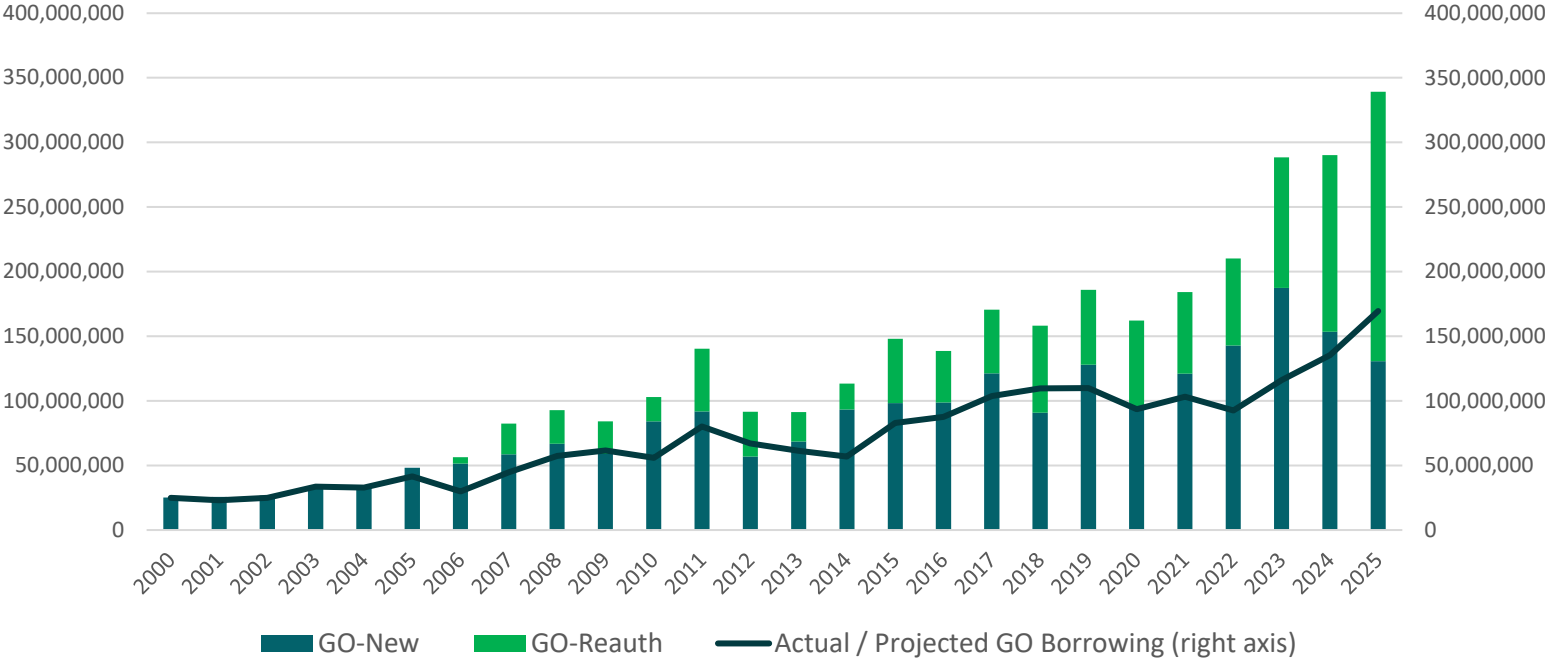
- Actual GO borrowing is consistently less than budget authority

- Since 2000, average borrowing = 69% of authorized budget; since 2013 = 55% of authorized budget

- Amount is determined through borrowing exercise conducted over the summer, prior to the debt sale

10

Interaction Between Capital Budget Borrowing and Operating Deficit

- **Most capital projects are partially or wholly supported by general obligation debt issued by the City.**
  - GO borrowing includes general fund (GF) and non-GF sources (e.g. Stormwater, TIF).
  - There are some benefits to borrowing from non-GF sources, but this borrowing is still backed by the full faith and credit of the City. Guidance on borrowing limits applies to both GF and non-GF borrowing.

- **Reducing debt service does not address the structural deficit.**
  - Debt service is excluded from levy limit calculations, which is based on net new construction.
  - Reducing debt service will not increase the allowable levy for operations.

- **Reducing debt services does lower allowable total property tax.**
  - Debt service is added back in to levy limit based on amount borrowed in current year (ex. 2026 debt service in levy limit = 2025 borrowing = 2025 adopted capital budget).
  - Reducing debt service will lower total tax bill for residents.

Capital versus Operating Expenses

Allowable Capital Expenses per [MGO 4.02(6)(c)(3)](#):

1. Land purchases and improvements >$3,000; or

2. Projects requiring the borrowing of money including, but not limited to construction or reconstruction of public utilities, streets, sidewalks, storm and sanitary drainage facilities; or

3. New construction and construction of buildings >$5,000; or

4. Major alterations to buildings/ facilities which are not routine repairs and which substantially enhance the value of a structure or change its use; or

5. Original equipment or motor vehicle purchases >$20,000 in cost and having a life expectancy of 10+ years, unless, for new capital projects, the repayment term of the debt coincides with the useful life of the asset; or

6. Such other capital outlays as the Mayor and Common Council shall designate.

- City ordinance defines allowable capital expenses. Focus on tangible assets (e.g. land, buildings vehicles).

- Capital budget proposals should **not** include:

  - Routine maintenance

  - Software licenses/ Software as a Service (SaaS); some technology implementation costs can be capitalized, but subscriptions/ licenses should not be included in capital requests

  - Programmatic expenses (e.g. events related to a project)

- Agencies should scrutinize the capitalization of staff time to ensure costs are related to eligible capital expenditures/ creation of a capital asset.

Note on Software Costs

- Previously, we have allowed charging some software costs to capital projects. Historically, this involved charging the 1st year of software costs to capital then moving expenses to the operating budget for subsequent years.

- New accounting standard issued by the Governmental Accounting Standards Board (GASB 96) creates new requirements for "Subscription-Based Information Technology Arrangements" (SBITAs), which encompass most software.

- GASB 96 fundamentally treats annual subscription costs as a lease that should be funded on a pay-as-you-go basis, not debt financed.

Software costs that CAN be capitalized	Software costs that CANNOT be capitalized
• Most costs for initial implementation (e.g. configuration, coding, testing, other costs to put the subscription asset into service) • Most costs for substantial modifications to an existing SBITA software (e.g. adding a new module)	• Subscription/ license costs • Ongoing storage fees • Migration costs to move to the cloud • Training, support, and other maintenance costs

Note on Software Costs

- If your project includes a technology component, you should **not** include the cost of software licenses or other recurring expenses in your capital project.

- If you have a question about whether certain costs are eligible to be capitalized (e.g. implementation), contact the Finance Department.

- If you currently have enterprise-wide software in your capital budget, or plan to pay for software with non-borrowing sources in the capital budget, contact the Finance Department to discuss.

- The Operating Budget process will include steps to identify and budget for software costs.
    - Agencies should identify recurring license costs for *current* software as part of Cost to Continue in April. Cost to Continue will not address new technology/ new requests.
    - Finance is planning to allocate funding in Direct Appropriations to cover mid-year requests that are not included in agency's base budget.
    - Operating request guidance is TBD.

Long-Range Facilities Planning

- PCED / Finance / Engineering-Facilities joint effort.

- Engineering-Facilities outreach to agencies with questionnaire along with data from Planning.

- *Goal* – facility needs based on Planning data over a 5- to 20-year horizon.

- *Request* – agencies engage with Engineering-Facilities when contacted.

- *Timeline* – have plan ready for development of 2027 capital budget (i.e., by March 2026).

- *Agencies in CCB* – developing an RFP for a "Total Cost of Ownership" analysis which will serve as a starting point for long-range facilities options.

- *Public/Private Opportunities* – Identifying City assets for joint development; USDOT grant for transit-oriented development and TIFIA loans.

Major Facilities Projects – Key Interactions

- 2026 Capital Budget will continue to reference and explain upcoming major project interactions:

  - *Park / Badger* – CDA Housing, Public Health, Fire Department, Police Department
  - *Fish Hatchery Rd* (former TOM Town Hall) -- Police South District and Evidence Storage
  - *Potential Sale of Sayle Street* – future disposition of that facility along with Parking Enforcement needs
  - *Homeless Shelters* – permanent facility and disposition of temporary facility
  - *Far West Public Works Facility* – timing moved up in 2025 capital budget

Capital Budget Guidance

Budget Process: Continuing efforts to streamline request process

All existing programs will be eligible to use "Short Form" proposal. Agencies that simply request to implement existing projects/ programs will have **significantly reduced** budget submission requirements.

"Short Form" Proposal *Used for all existing projects/ programs*	"Long Form" Proposal *Used for any new proposals*
• Review project description, schedule, and operating impacts; update non-budgetary info as needed • For programs, allowable to add funding in 2031 with a 5% increase • Agencies may request increased funding/ other significant changes to existing projects if needed; increases must be thoroughly explained	• Complete proposal form with justification for the new project • Form has been simplified compared to prior years; fewer narrative questions

Budget Guidance:
Fiscal Responsibility & Planning

The 2025 adopted CIP is the baseline for the 2026 CIP.

1. **Borrowing Targets**
   - **Citywide Target:** Keep projected debt service at or below current levels.

   - **Agency Target:** No hard target for agency increases. Increases may be requested to respond to inflation and other economic pressures but are not guaranteed to be approved.

2. **Agencies should scrutinize projects and programs approved in the 2025 CIP.**
   - Ensure the timeline and funding requests reflect current plans, are realistic, and that there is sufficient staff capacity to move them forward.
   - If changes to the 2025 Adopted CIP are needed, agencies will be able to submit changes.

3. **Agencies must prioritize requests in the transmittal memo.**

   - Agencies must explain their criteria for prioritization and how the projects address community needs

4. **Projects in the 2025 CIP are not guaranteed funding in 2026.**

   - Existing projects and program may be reduced or delayed to meet citywide borrowing targets.

Budget Guidance: Changes to Current CIP

Agencies may propose changes to reflect current plans. The following changes do not require submitting additional justification for approval.

1. **Reductions:** Projects that will be delayed or will not happen as originally proposed should be submitted as a reduction proposal.

2. **Cost neutral adjustments:** Agencies may shift project timelines within a project across years in the CIP. Agencies may also shift funding across projects as long as the total over the five years (2026 through 2030) does not increase from 2025 adopted levels.

3. **Program increases in final year:** Agencies may request a 5% increase to programs in 2031.
    - Guidelines allow for a 5% increase in program budgets in the final year of the CIP (2030).
    - This guidance is consistent with budget guidance from 2022 and prior, which limited inflation increases to the final year of the CIP.

Budget Guidance: Funding Increases & New Projects

Agencies may request budget increases or new projects under the following conditions. Agencies will be required to submit justification for increases or new projects.

1. **Increases to existing projects and programs:**
   - There is a known increase to project costs (e.g., recent construction bids, updated studies)
   - There are anticipated cost increases related to inflation or other economic factors
   - Agencies must provide a detailed explanation of the data and analysis used to develop increase requests

2. **New Projects:**
   - The project is primarily funded by non-general obligation borrowing (e.g., grants, TIF increment)
   - The project meets an emergency need not anticipated in 2025
   - The project is currently on the Horizon List and is ready to be advanced
   - The project is planned for the last year of the CIP (2031).

3. **Horizon List:** Agencies may submit requests to add projects to the Horizon List if a project is forthcoming but is not fully scoped.

Budget Guidance: Federal Budget Uncertainty

Given the uncertainty of the outcome of the federal budget process, agencies should continue including federal funding in the CIP until Congress adopts a federal budget and related legislation.

1. **Assuming continued federal funding until final Congressional action on the budget.**
   - The 2025 CIP should be the baseline for federal funding assumptions in the 2026 CIP.
   - Agencies may update their proposal based on new information but should not pre-emptively remove federal funding prior to final Congressional action on the federal budget.

2. **Assess risk of federal funding sources.**
   - The transmittal memo should include a risk assessment of federal funding in the budget.
   - This assessment should include a contingency plan and alternate priority list if federal funding is reduced.

3. **Focus on 2026 budget.**
   - Due to the timing of the federal budget process, the 2026 capital budget and CIP may not be able to fully reflect changes in federal funding.
   - The focus of any changes necessary due to federal budget actions will be on the 2026 capital budget.
   - Changes to the out-years of the CIP (2027-2031) can be reflected in the 2027 capital budget process.

Budget Guidance: Prioritization & Strategic Alignment

1. **Agencies must prioritize their project and program requests.**

   - The agency transmittal memo should include a prioritized list of all 2026 proposals and explain the internal methodology for prioritization.

2. **Alternate priority list for projects with federal funding**

   - Provide an alternate priority list if federal funding is reduced or no longer available. Describe your contingency plan for these projects.

3. **Additional information required for proposals requesting new projects or funding increases.**

   - Any requests for new projects or funding increases for existing projects must answer additional questions in the proposal forms and provide justification in the transmittal memo.

   - Proposal must explain what efforts have been made to reallocate funds within your existing budget prior to requesting additional funding.

Components of a Budget Request

Project vs. Program

- A ***capital project*** is a large-scale, time limited project with a defined start and end date.

- A ***capital program*** is a large-scale, continuing work plan.

- Some sections of the proposal form vary between projects and programs. If you're not sure whether something is a project or program, check the "Project Type" in the adopted budget.

Engineering - Major Streets

Project Overview

Project	**Atwood Avenue**	Project #	**11127**
Citywide Element	**Land Use and Transportation**	Project Type	**Project**

Project Description

This project funds the reconstruction of Atwood Avenue from Fair Oaks Avenue to Cottage Grove Road to a three-lane boulevard with multi-use paths. Median and crosswalk enhancements are proposed for safe pedestrian crossing to Olbrich Gardens and Olbrich Park. The multi-use path will be utilized for the Lake Loop route around Lake Monona. A new pedestrian and bicycle bridge over the Starkweather Creek is included in the project. The goal of the project is to improve the facilities for pedestrians, bicyclists, motor vehicles and transit. Federal funds are approved by the Metropolitan Planning Organization (MPO). Funding shown is City cost share.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	4,530,000	-	-	-	-	-
Municipal Capital Participate	486,000	-	-	-	-	-
Reserves Applied	350,000	-	-	-	-	-
Revenue Bonds	797,000	-	-	-	-	-
Special Assessment	551,000	-	-	-	-	-
TOTAL	$ 6,714,000	$ -	$ -	$ -	$ -	$ -

Project	**Bridge Repair**	Project #	**10538**
Citywide Element	**Land Use and Transportation**	Project Type	**Program**

Project Description

This program is for repair, replacement, and painting of bridges to maintain a safe condition. The goal of this program is to provide safe bridges measured by routine evaluation. Project funding in this program includes bridge repair and resurfacing. Funding in 2023 is for epoxy resurfacing of bridge decks.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	170,000	170,000	177,000	186,000	195,000	205,000
TOTAL	$ 170,000	$ 170,000	$ 177,000	$ 186,000	$ 195,000	$ 205,000

Proposal Components

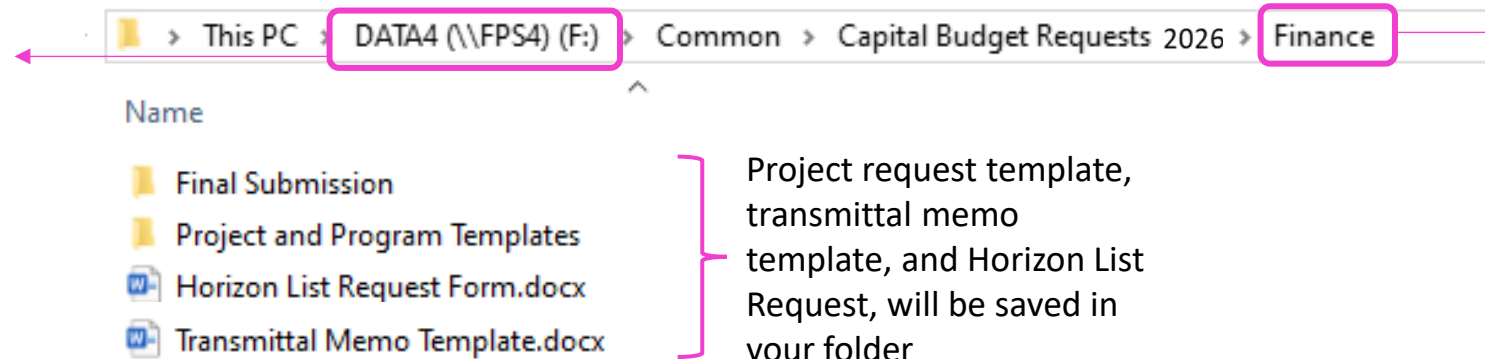|	1. Transmittal Memo	2. Project/ Program Proposal	3. Horizon List Requests (if applicable)	4. Agency Briefings	5. Change Request Form (July)
Description & Purpose	• Memo drafted from Agency Head to Finance Director • Outlines major changes and priorities of request	• Request funding for capital projects and programs • Provide details on budget, project timeline, and description	• Inform Mayor and Finance of new Horizon List (HL) requests and proposed changes to existing HL items	• Meeting with Mayor and Management Review Team	• Form to capture changes to proposals after the original request period • Only submitted as needed
How to Submit	• Common Drive: Upload to Agency Folder in Common Drive	• Common Drive: Submit 1 Proposal per project/ program	• Common Drive: Submit 1 Horizon List form	• No slides or formal presentation • Attend scheduled briefing	• Email budget analyst
Format	• Template provided by Finance • Final version on agency letterhead in memo format	• Excel Form • "Short Form" if existing project • "Long Form" if new project	• Word document outlining all proposed changes to existing HL items and new HL requests	• Open Q&A between Mayor's Office and review team to discuss projects	• Excel file; template will be available in late-June upon request.

Where to find budget materials

- All budget materials on Common Drive (not SharePoint)

- "Capital Budget Requests 2026" Folder

- F:\Common\Capital Budget Requests 2026

File path will depend on which server you have access to (fps1, fps2, fps4)

Regardless of server, you will be able to navigate to "Capital Budget Requests 2026" folder by going to Common Drive

> This PC > DATA4 (\\FPS4) (F:) > Common > Capital Budget Requests 2026 > Finance

Navigate to your agency's folder. Be careful to only edit your agency files.

Name

Final Submission
Project and Program Templates
Horizon List Request Form.docx
Transmittal Memo Template.docx

Project request template, transmittal memo template, and Horizon List Request, will be saved in your folder

Transmittal Memo Outline

	1. Transmittal Memo
Description & Purpose	• Memo drafted from Agency Head to Mayor and Finance Director • Outlines major changes and priorities of request
How to Submit	• Common Drive: Upload to Agency Folder in Common Drive
Format	• Template provided by Finance • Final version on agency letterhead in memo format

Outline of Transmittal Memo

- Summary of Changes from 2025 CIP
    - Not required if submitting a request consistent with the 2025 CIP
    - Description of budget neutral changes or reductions
    - Description of requests/ requests for increased funding and justification for timing if proposed prior to 2031

- Risk Assessment of Federal Funding
    - Required if projects include federal funding
    - Describe contingency plans if funding is reduced or no longer available

- Prioritized List of Capital Requests
    - Prioritized list of all proposals and methodology for prioritization
    - Alternate prioritization if federal funding is reduced

- Enterprise Agencies:
    - Use of Enterprise Funds to support debt service and impact on user rates

Transmittal Memo Prompts

Summary of Changes from 2025 Capital Improvement Plan

- **No Change:** If you are not proposing changes from the 2025 CIP, please keep this header and write "No changes from the 2025 Capital Improvement Plan."
- **Budget Neutral Changes or Reductions:** If you are proposing budget neutral changes (e.g. shifting funding across years or across projects), provide a brief summary of changes.
- **Increases or New Projects:** If you are proposing to increase a project/ program budget or add a new project, describe the proposal and timing for implementation. Explain what efforts you have made to reallocate funds within your existing budget prior to requesting additional funding. For increase requests, include a justification for why additional funding is needed and explain how you developed your cost estimates. For new project requests, explain how the proposal considers equity and quality of life for residents.

Risk Assessment of Federal Funding

- If any project includes federal funding, include a risk assessment of each federal funding source. The format of this risk assessment is at agency discretion, but you can refer to Transportation's presentation to Finance Committee on March 3 as an example (File 86892, Recording).
- Explain what information you used to develop your risk assessment.
- Describe your contingency plan if federal funding is reduced or no longer available for your project(s). Would you pause or cancel the project? Seek to reallocate funds from another project? Other strategy?
- If your contingency plan results in stopping or cancelling projects, what would be the community impact?

Prioritized List of Capital Requests

- Provide a prioritized list of all 2026 proposals. The prioritized list should indicate the project/ program name, Munis number, and priority ranking. Define the criteria that was used to prioritize this list, such as how it advances your agency's goals, addresses community needs, advances citywide priorities, and project readiness.
- If your budget includes federal funding, include an alternate priority list in the event that federal funding is no longer available.

Enterprise Agencies Only

- Discuss the ability of the Enterprise fund to support debt service for the proposed capital projects.
- How will your capital proposal impact user rates in 2026? If you are anticipating a rate increase, what is your preliminary estimate for household impact?

Project/ Program Request Form

	2. Project/ Program Proposal
Description & Purpose	• Request funding for capital projects and programs • Provide details on budget, project timeline, and description
How to Submit	• Common Drive: Submit 1 Proposal per project/ program
Format	• Excel Form • "Short Form" for existing projects • "Long Form" for new projects

Submit one (1) Excel form per proposal

• F:\Common\Capital Budget Requests 2026

• "Short Form" – significantly simplified form for existing projects

• "Long Form" – similar to last year's form; full proposal for any **new** requests

☑ DO	☒ DON'T
• Test the files **early** in the process to make sure you have access to files • Ask for help; email your budget analyst to troubleshoot issues • Save a local copy of request forms and upload final drafts to Common Drive	• Do not wait until the last week to start your requests • Do not rename folders • Do not go into other agency folders

Short Form Preview

- Finance has pre-populated a short form for all projects/ programs that have funding in 2026 – 2030 included in the 2025 CIP

- Use this form for all existing projects/ programs, even if you are requesting to increase funding or make other significant changes

Long Form Preview

- One template for any proposal that creates a new project/ program
- Similar to last year's form – includes questions on alignment with citywide strategic plans, detailed budget proposal, schedule, and operating impacts
- Conditional formatting built into form depending on whether the request is a Project or Program in the project type field
- Agencies create a copy of the template for each proposal they want to submit

Horizon List Requests

	3. Horizon List Requests
Description & Purpose	• Inform Mayor and Finance of new Horizon List (HL) requests and proposed changes to existing HL items
How to Submit	• Common Drive: Submit 1 Horizon List form
Format	• Word document outlining all proposed changes to existing HL items and new HL requests

Submit Word Doc Form to make Horizon List Changes or Add New Items

- Submit all changes to current Horizon List or requests to add new projects to the Horizon List by the proposal deadline

- Purpose is to identify projects that meet a clear community purpose but are not yet conceptualized to the level needed to be included in an agency request.

- Typically encompasses projects that are identified through other planning processes (for example, a Parks Master Plan or neighborhood plan) but are not yet ready for a full budget proposal due to outstanding issues.

- NOT a 'wish list' for projects you would have submitted if not for the limitations on new projects

- Required information includes: Project Description; Estimated Budget (if known); Estimated Operating Impacts (if known); Issues to be Addressed (e.g. additional studies, scoping, sequencing with other projects)

Agency Briefings

	4. Agency Briefings
Description & Purpose	• Meeting with Mayor and Management Review Team
How to Submit	• No slides or formal presentation • Attend scheduled briefing
Format	• Open Q&A between Mayor's Office and review team to discuss projects

Briefings to be scheduled 5/14 & 5/16

• Similar format as last year – no presentations, open-ended Q&A format with the Mayor and review team

• Finance will provide standard questions. Be prepared to discuss any component of your request.

• Assume that the review team has read your proposal

• If there are no questions for your agency, you may leave the briefing early

Tentative Schedule

Date	Time	Agencies
5/14/2025	10am-12pm	• Admin (Finance, IT, Mayor, Zoo) • PCED (CDA Redevelopment, CDD, EDD, Planning) • Public Facilities (Library, Monona Terrace) • Public Safety (Police, Fire)
5/14/2025	2pm-4pm	• Engineering (including Sewer & Storm) • Public Works (Fleet, Parks, Streets) • Water
5/16/2025	10am-11am	• Transportation (Metro, Parking, TE, DOT) • Overflow as needed

Change Request Forms (July)

	5. Change Request Form (July)
Description & Purpose	• Form to capture changes to proposals after the original request period • Only submitted as needed
How to Submit	• Email budget analyst
Format	• Excel file; template will be available in late-June upon request.

- Form instituted in 2025 budget development to capture change requests (for example, due to known cost changes based on construction bids, federal policy change)

- Will be available to agencies by June 30, due July 9

Management Review Team

- Management Review Team is a cross-disciplinary staff team that will evaluate proposals and make recommendations to the Mayor. Members include:

  - Dept. of Civil Rights: Norm Davis
  - Engineering: Jim Wolfe
  - Eng. – Facilities: Bryan Cooper

  - Finance: Dave Schmiedicke
  - IT: Sarah Edgerton
  - PCED: Matt Wachter

  - Streets/ PW Lead: Charlie Romines
  - Sustainability: Jessica Price

- Review Team may ask agencies for additional information or brief meetings with agencies to follow up on specific projects

- Review Team members and Deputy Mayors will participate in briefings and decision meetings

- Review Team will meet outside of briefings to develop recommendations to present to Mayor's office

Resources

Budget Team:

- Analyst assignments on Employeenet
- Technical issues with the budget form: email rpennington@cityofmadison.com

Subject Matter Experts:

- **Dept. of Civil Rights/ Racial Equity and Social Justice:** Kristy Kumar (kkumar@cityofmadison.com)
- **Facilities:** Bryan Cooper (bcooper@cityofmadison.com)
- **Information Technology** (IT project requests, surveillance tech): Sarah Edgerton (sedgerton@cityofmadison.com) and Amanda Lythjohan (alythjohan@cityofmadison.com)
- **Sustainability & Resilience:** Jessica Price (jprice2@cityofmadison.com)