Overview
The City of Madison prepares an annual Operating Budget, Capital Budget, and Capital Improvement Plan. The Operating Budget funds the day-to-day activities of the City while the Capital Budget funds major construction projects including building & renovating facilities, road sidewalk & bike path projects, enhancements to the City's transportation network, and major improvements to parks and utilities. When adopted, the Capital Budget includes the Capital Improvement Plan (CIP) that outlines projects anticipated for the next 5 years.

Steps in the Budget Process

1st Quarter: January-March
Planning Preparation
- The Finance Department updates long range projections by analyzing prior year spending compared to the current year budget to prepare an outlook for the next year.
- Updated projections are presented to the Mayor to establish the desired property tax levy and debt service amounts for the upcoming year.

2ND QUARTER: April-June
Agency Requests
Using the levy & debt service goals, the Mayor sets targets for agency Operating & Capital Budget requests. Agencies prepare requests for both the Capital & Operating budgets.
- CAPITAL BUDGET: Agencies prepare requests for each item in their capital program. Requests include the project's budget, projected timeline, & desired outcome.
- OPERATING BUDGET: Agencies prepare a request for each service within their agency. Requests include how much the service costs & the number of positions needed and what strategies will be implemented with the requested funding.

3rd QUARTER: JULY-AUGUST
Develop Executive Budget
- Agencies present their budget requests to the Mayor's Office.
- The Mayor weighs agency requests against priorities for the upcoming year. Using these priorities the Mayor prepares an Executive Budget consistent with the desired property tax levy & debt level.

4TH QUARTER: SEPTEMBER-NOVEMBER
Council Review & Approval
- The Executive Budget is introduced to the Common Council and referred to the Finance Committee. The Capital Budget & CIP are introduced the first Tuesday of September; the Operating Budget is introduced the first Tuesday of October.
- The Finance Committee holds hearings for each agency to discuss what's included in the Executive Budget.
- Following agency hearings, the Finance Committee offers & votes on amendments to the Executive Budget.
- The Finance Committee recommends the Executive Budget as amended back to the Common Council.
- In November the Common Council offers & votes on amendments to the budget; following these votes the budget is adopted.

Ways to Get Involved

Public Hearings
Once the Executive Budget is released residents can testify on any element of the Executive Budget during Public Hearings held at Common Council meetings in September & October.

Budget Conversations
Throughout budget development the Mayor & Alders will schedule budget conversations to get feedback from residents about priorities & the budget. Keep an eye out on the City's website & neighborhood association listservs for these opportunities.