

City Manager's FY2025 Recommended Budget \$495.6 Million



City Council Work Session
April 8, 2024

Overview of Presentation



- Economy
- Financial Policies
- Citywide & General Fund Budget Overview
- 5-year Forecasts and Funding Assumptions
- Supplemental Recommendations
- Capital Improvement Program (CIP)

FY2025 Recommended Budget

Economy

Economic Assumptions

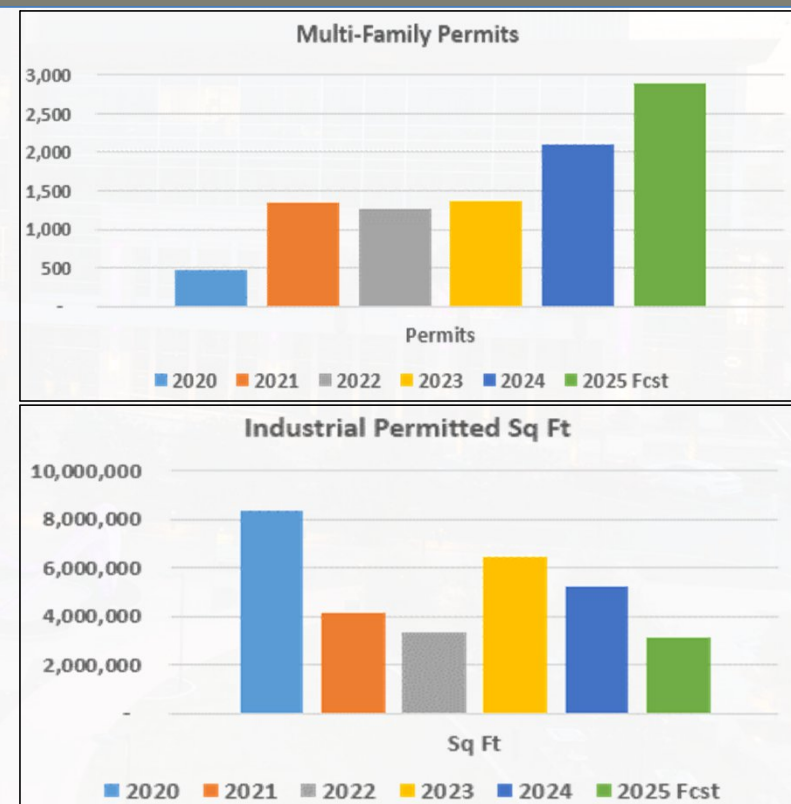
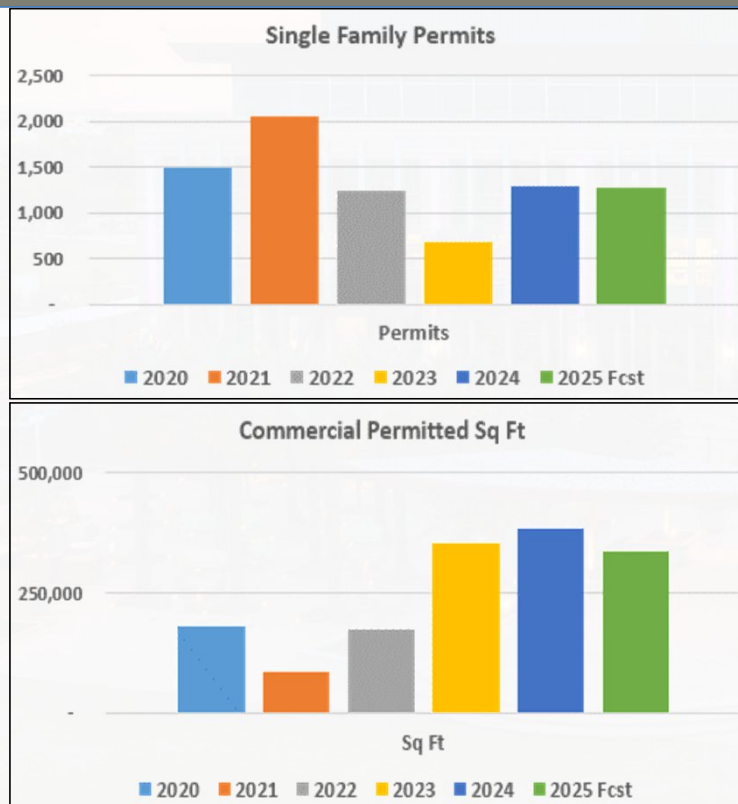


- Resilient Economy
 - Arizona continues to outperform
- At what level will interest rates normalize?
- Election year volatility

Economy



PERMIT ACTIVITY BY FISCAL YEAR



FY2025 Recommended Budget

Financial Policies

Financial Policies



FY2025 RECOMMENDED BUDGET – COMPLIANCE

- Ongoing expenses are paid for with ongoing revenues
- \$7.2 million of Construction Sales Tax recognized as ongoing
- Where available, restricted funds are used prior to General Funds
- 15% Contingency for General Fund and each Enterprise Fund
- Enterprise Funds are self-sufficient as presented
- Combined property tax rate maintained at \$1.74
 - Primary property tax levy maximized

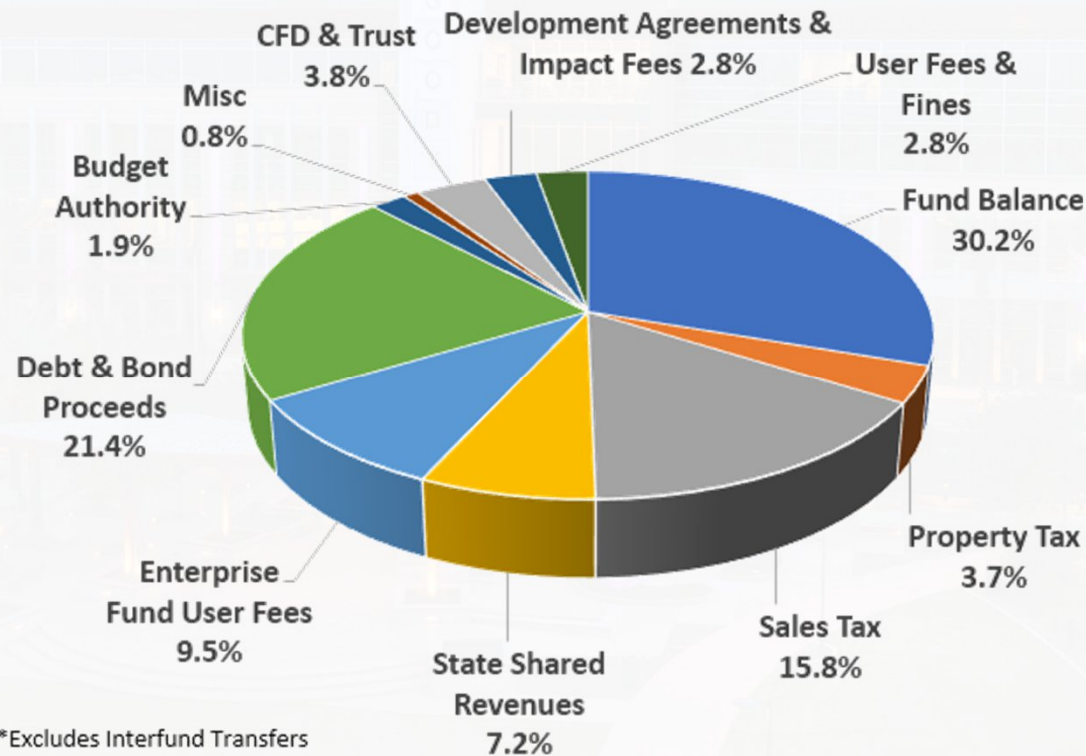
FY2025 Recommended Budget Sources

“Where does the money come from?”

FY2025 Recommended Budget



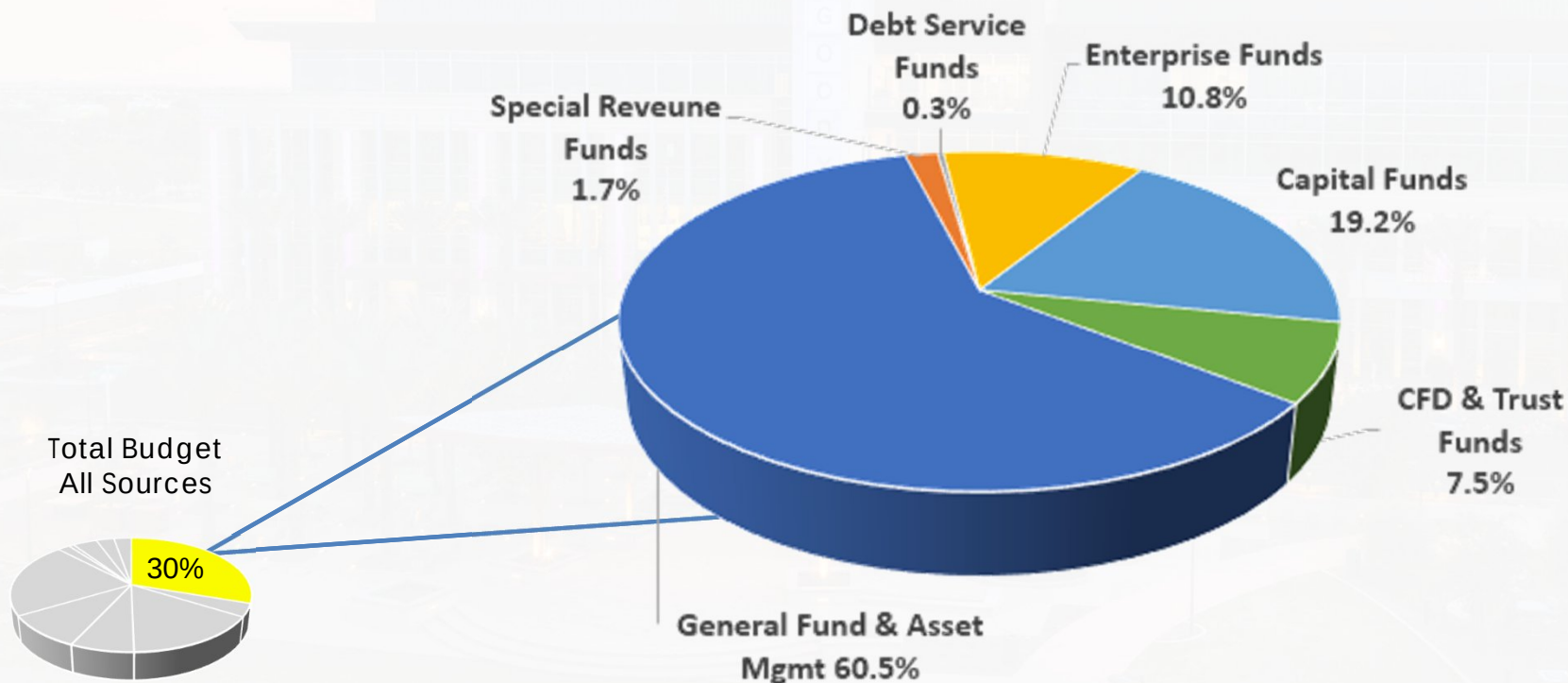
SOURCES: ALL- \$774.0 MILLION



FY2025 Recommended Budget



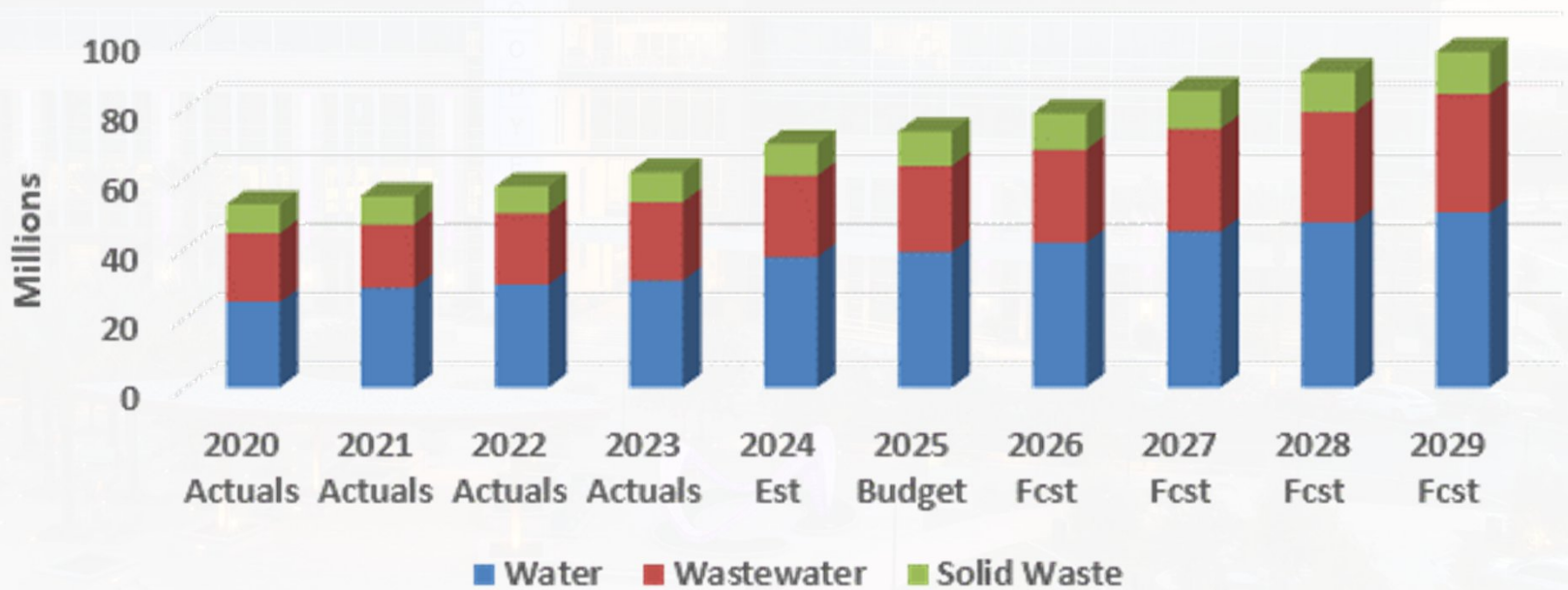
SOURCES: FUND BALANCE - \$233.7 MILLION



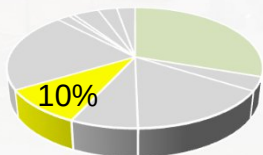
FY2025 Recommended Budget



SOURCES: ENTERPRISE FUND USER FEES - \$73.6 MILLION



Total Budget
All Sources



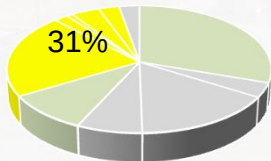
FY2025 Recommended Budget



SOURCES: OTHER \$238.8 MILLION

Debt & Bond Proceeds^	\$166.0 Million
CFD & Trusts	\$29.7 Million
Development Agreements & Impact Fees ^	\$21.7 Million
Budget Authority	\$15.0 Million
Misc	\$6.3 Million

Total Budget
All Sources



^ Includes 1-time sources that can vary greatly year to year

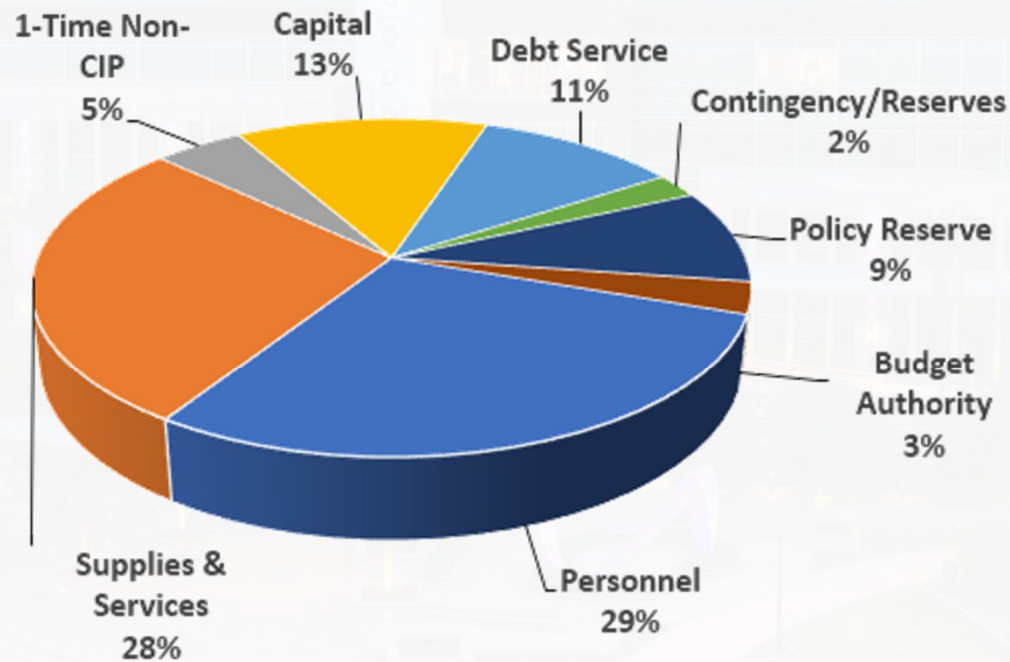
FY2025 Recommended Budget Uses

“Where does the money go?”

FY2025 Recommended Budget



USES BY FUNCTION: \$495.6 MILLION

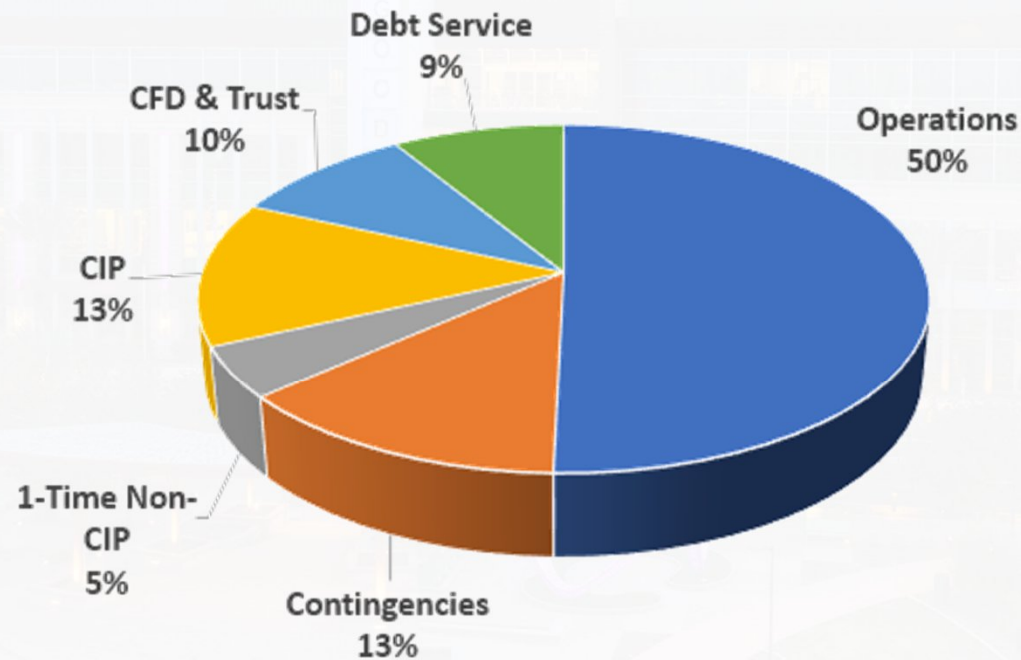


* Excludes Interfund Transfers

FY2025 Recommended Budget



USES BY TYPE: \$495.6 MILLION



Excludes Interfund Transfers

FY2025 Recommended Budget



USES: BY DEPARTMENT \$495.6 MILLION

Mayor&Council	414,900	DevServices	12,271,600
CMO	4,838,700	EcDev	3,822,200
Legal	3,217,600	Engineering	58,993,200
Court	2,734,700	Parks	40,002,100
City Clerk	1,183,500	PublicWorks	33,273,500
Finance	6,203,800	Water Services	52,104,800
HR	8,205,200	Debt	43,717,300
IT	13,603,300	Non-Departmental	5,500,000
DigComm	1,866,900	Contingency	65,107,800
Fire	42,926,400	CFD & Trust	46,981,900
PD	48,645,200		

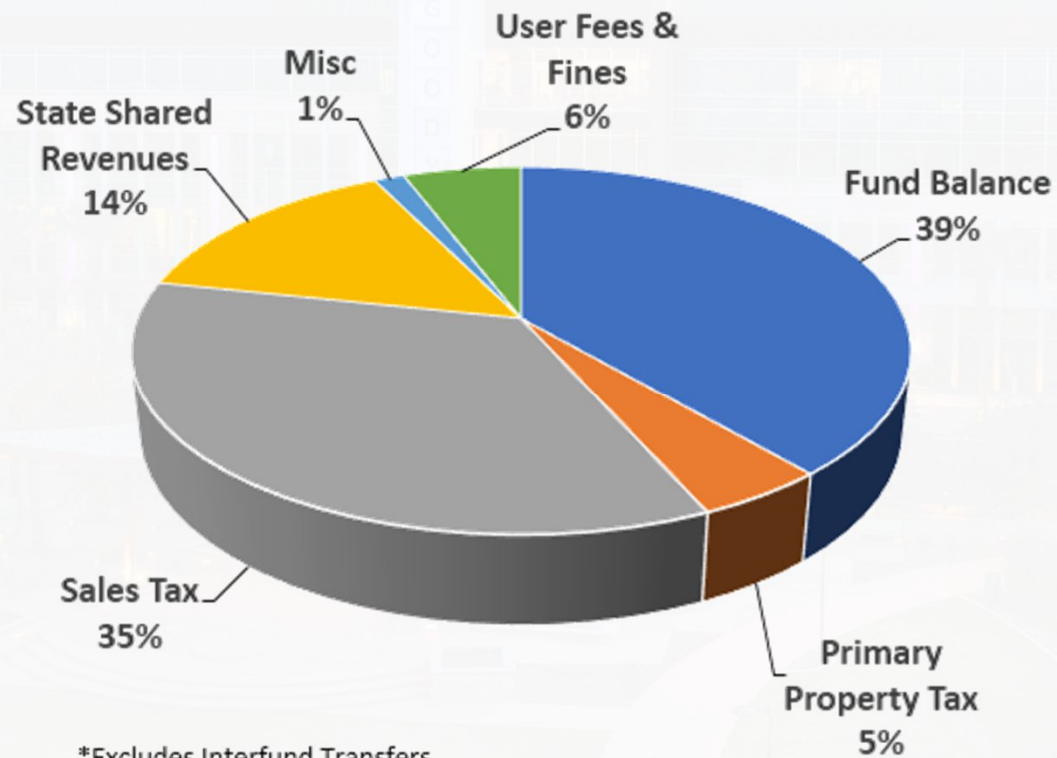
FY2025 General Fund Budget Sources

“Where does the money come from?”

FY2025 General Fund



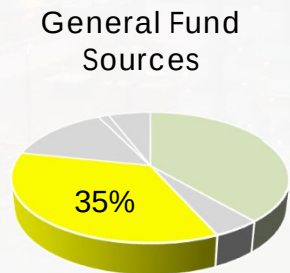
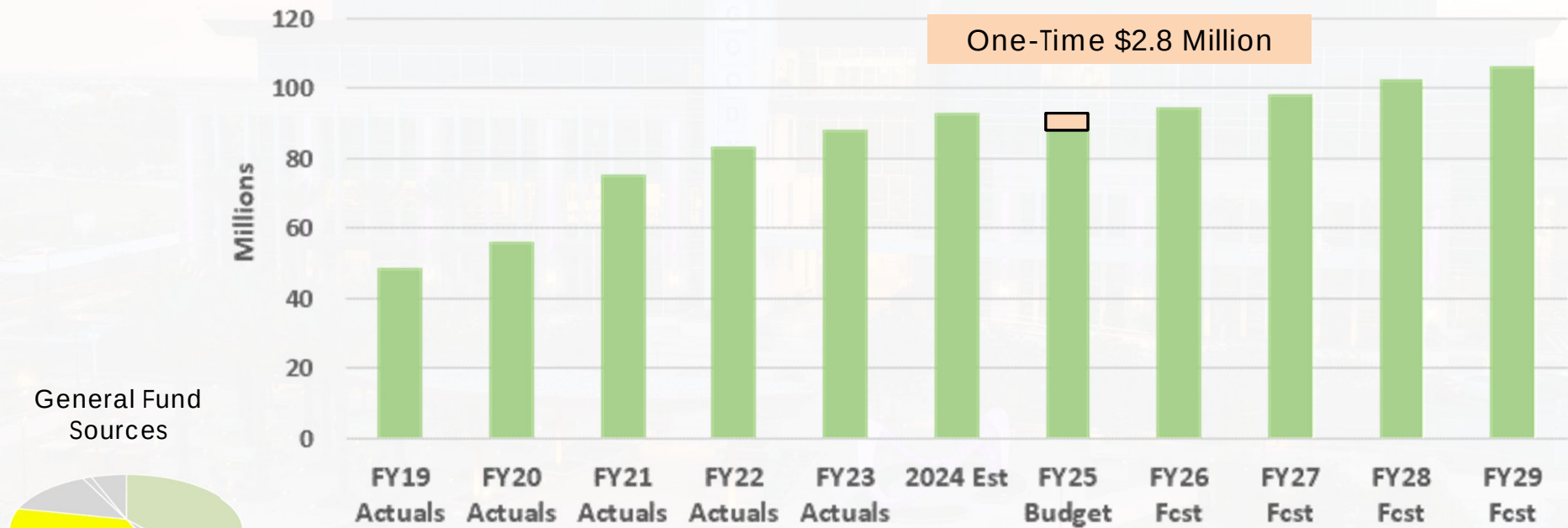
SOURCES: ALL- \$326.9 MILLION



FY2025 General Fund



SOURCES: NON-CONSTRUCTION SALES TAX- \$93.9 MILLION*

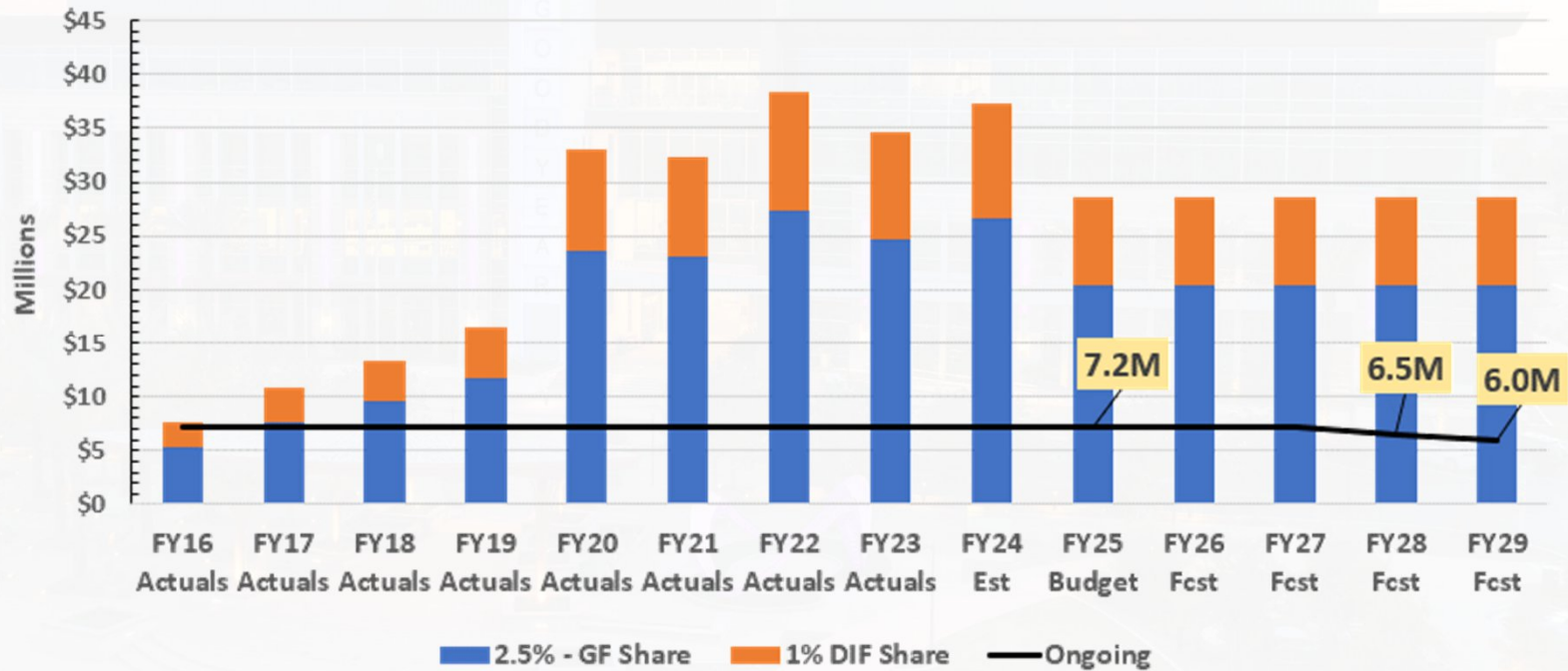


NOTE: FY2025 Ongoing Non-Construction Sales Tax Budget -2.2% vs FY2024 Estimate due to loss of Residential Rental. \$2.8M in FY2025 budgeted as 1-time. 19

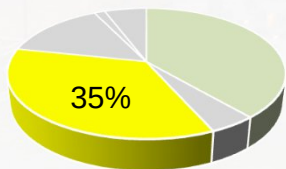
FY2025 General Fund



SOURCES: CONSTRUCTION SALES TAX- \$20.4 MILLION



General Fund Sources

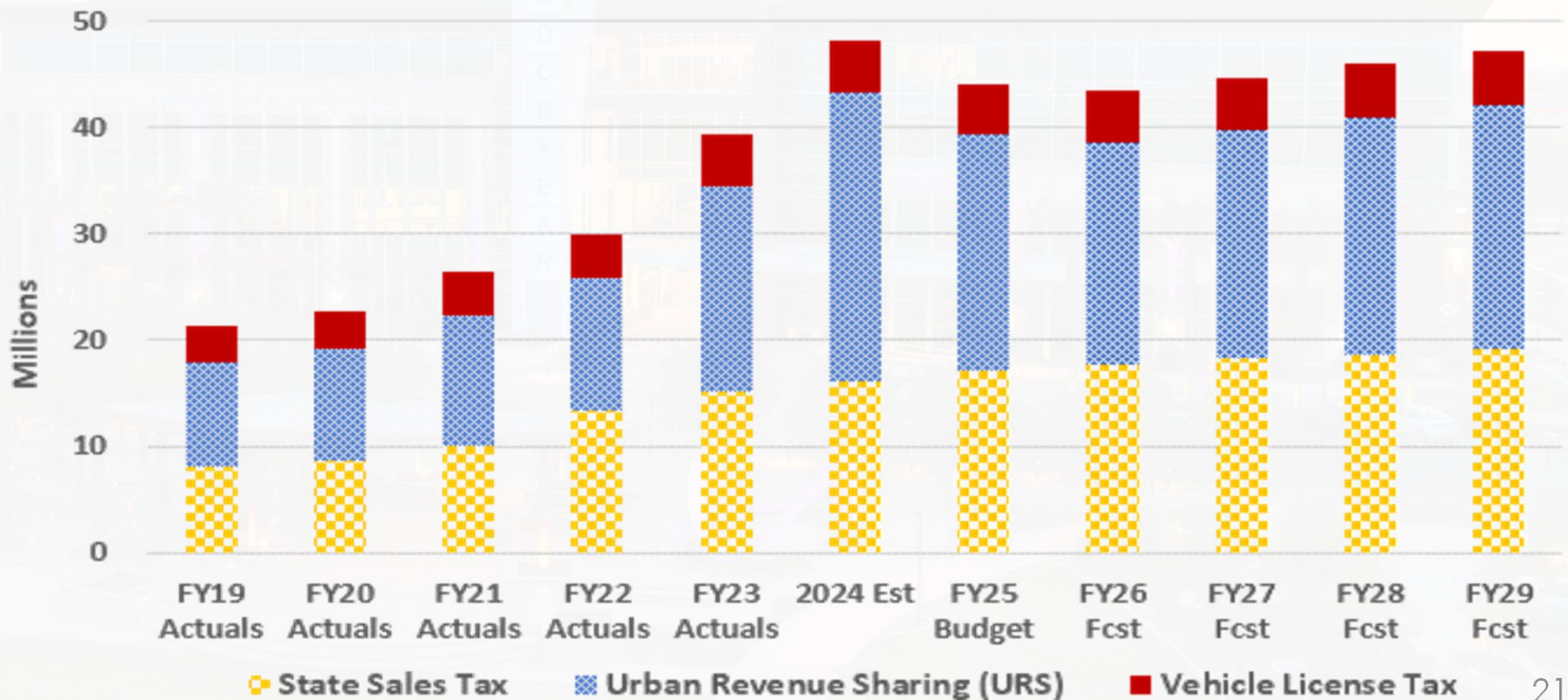
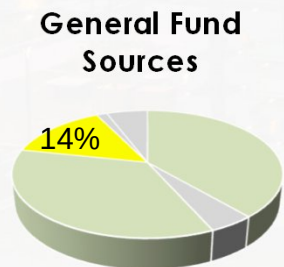


FY2025 Ongoing Construction Sales Tax = \$7.2M

FY2025 General Fund



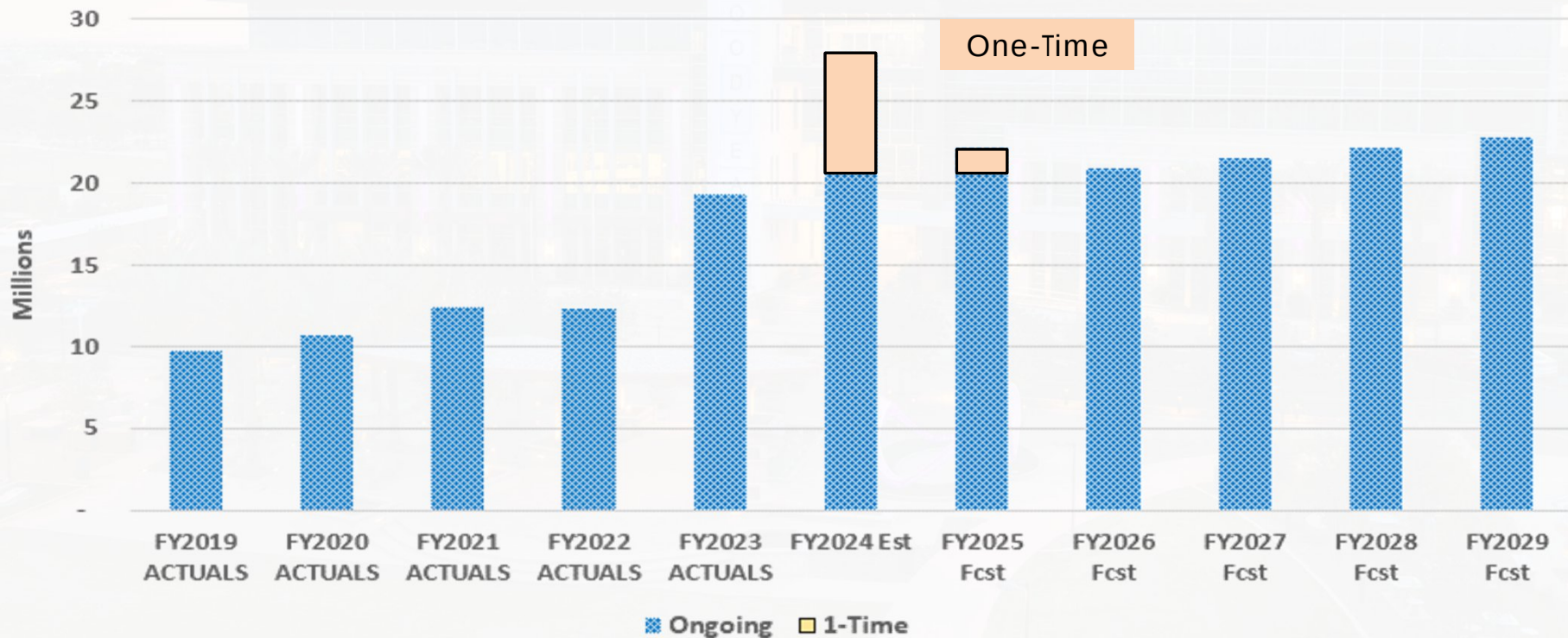
SOURCES: STATE SHARED REVENUES - \$44.0 MILLION



FY2025 General Fund



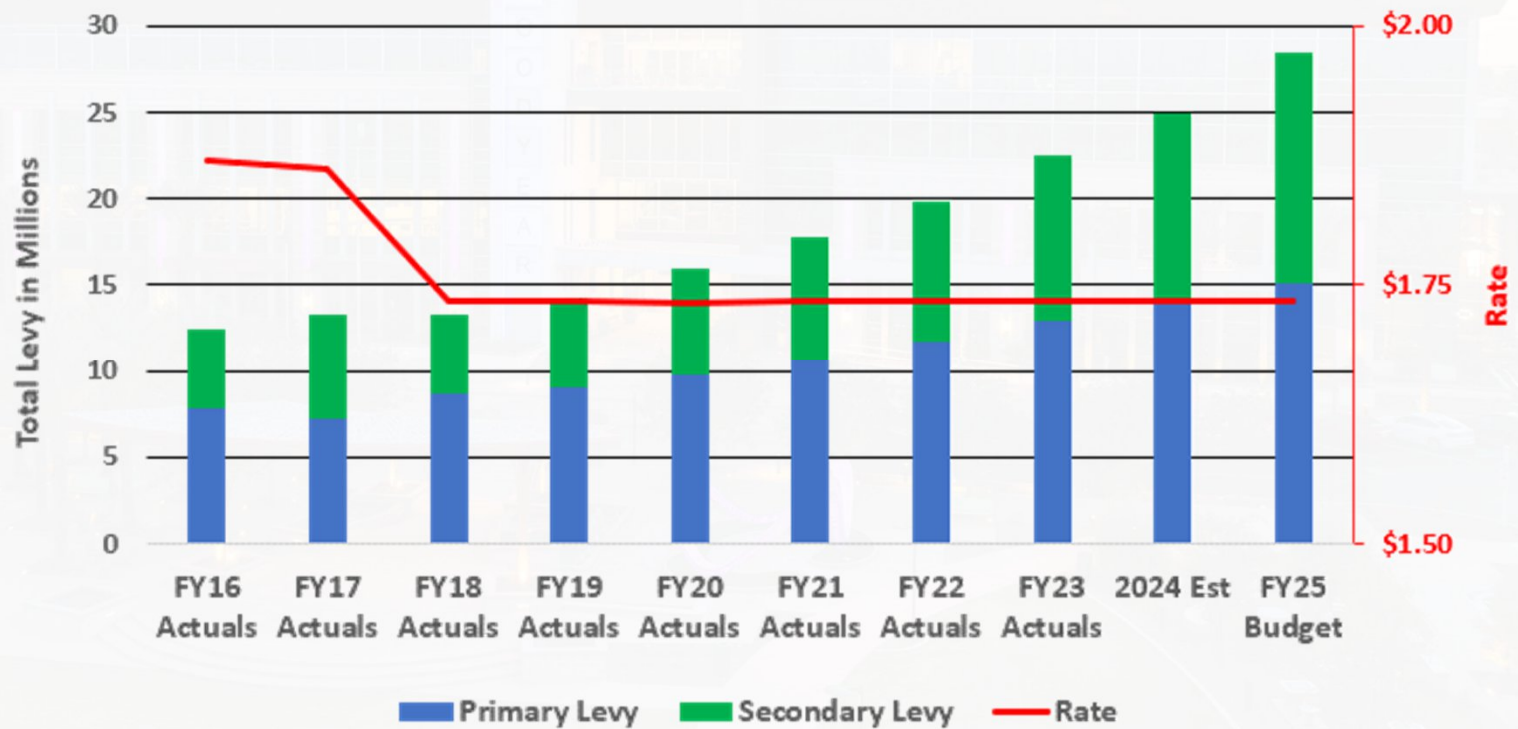
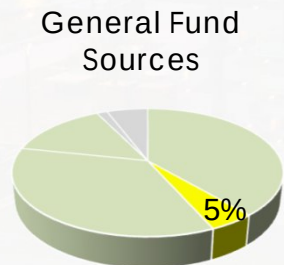
SOURCES: STATE SHARED REVENUES - URS (INCOME TAX)



FY2025 General Fund



SOURCES: PRIMARY PROPERTY TAX LEVY - \$15.1 MILLION



FY2025 General Fund



SOURCES: PROPERTY TAXES

- Maximized Primary Property Tax
- Secondary set at rate to cover General Obligation Debt Service

	FY2024 Assessed			FY2025 Assessed		
	Valuation	FY2024 Levy	FY2024 Rate*	Valuation	FY2025 Levy	FY2025 Rate*
Primary	1,447,838,834	13,923,866	\$ 0.9617	1,635,614,667	15,140,885	\$ 0.9257
Secondary	1,447,838,834	11,196,100	\$ 0.7733	1,635,614,667	13,237,000	\$ 0.8093
Totals		25,119,966	\$ 1.7350		28,377,885	\$ 1.7350

Goodyear Property Tax - \$100,000 home \$ **173.50**

Goodyear Property Tax - \$105,000 home (maximum 5% appreciation, \$8.68 per \$100,000 AV increase) \$ **182.18**

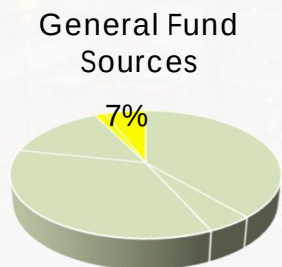
Goodyear Property Tax - \$227,082 Median Assessed Value for Goodyear Single Family Home: \$ **393.99**

FY2025 General Fund



SOURCES: REMAINING REVENUE HIGHLIGHTS

Development Related	\$10.4 Million
Franchise Fees	\$4.7 Million
Investment Income	\$3.5 Million
AZSTA	\$3.0 Million
Parks & Rec Fees	\$1.9 Million
Court	\$1.0 Million
Licenses/Registration & Rentals	\$0.9 Million



FY2025 General Fund



SOURCES: REVENUES GENERAL FUND SUBSIDIZED

HURF	\$7.4 Million
Ballpark	\$3.7 Million
Ambulance	\$0.7 Million

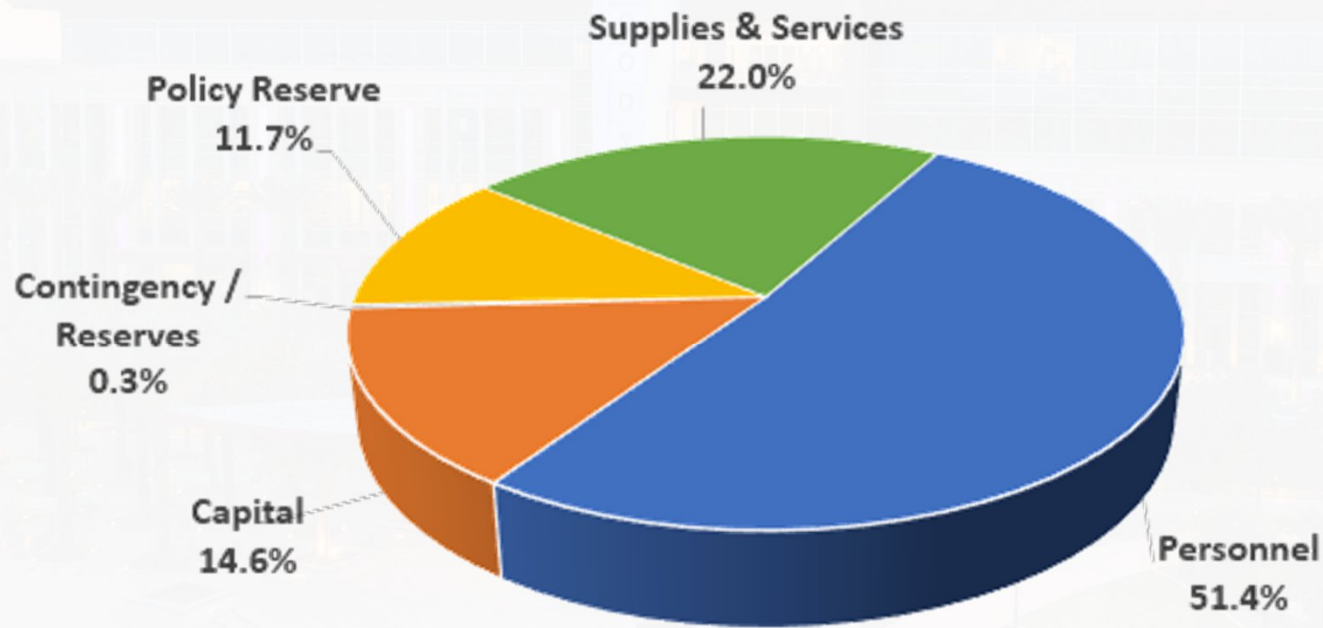
FY2025 General Fund Budget Uses

“Where does the money go?”

FY2025 General Fund



USES BY FUNCTION: \$232.6 MILLION



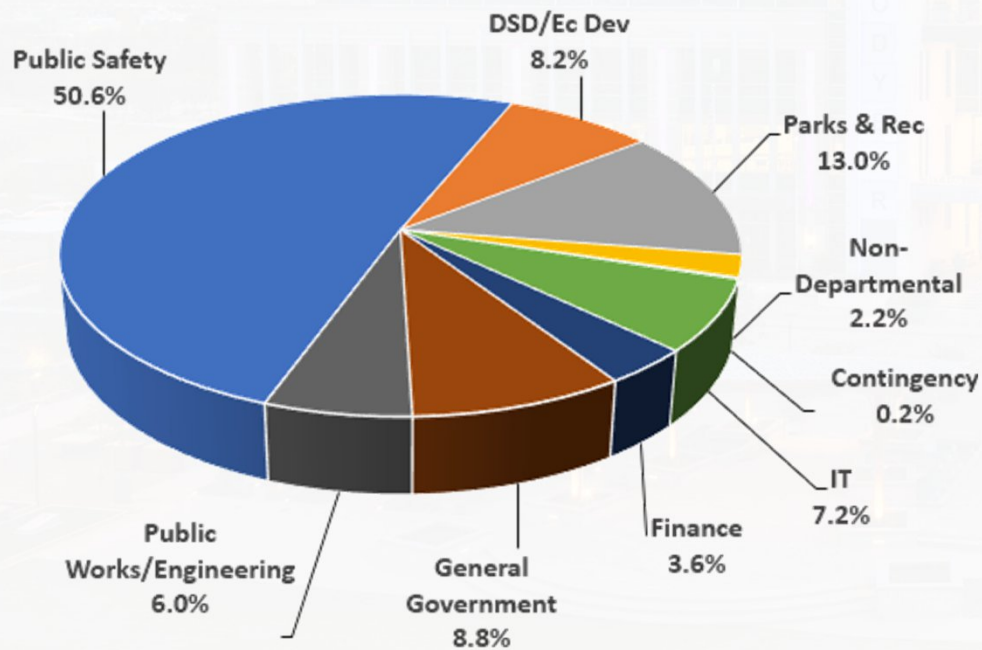
*Excludes Interfund Transfers

FY2025 General Fund



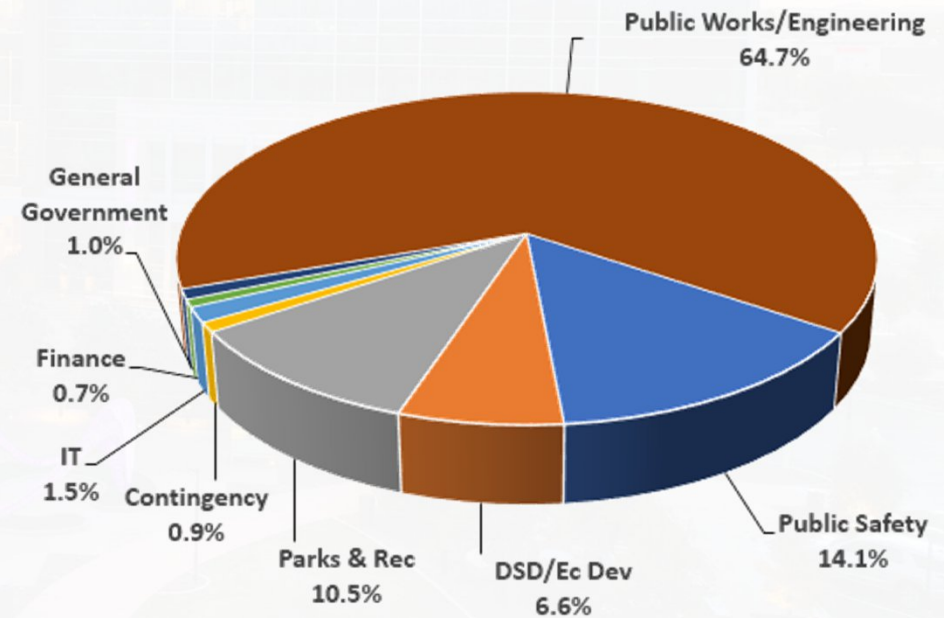
USES- ONGOING VS ONE-TIME: \$232.6 MILLION

Ongoing: \$156.6 Million



*Excludes Interfund Transfers

One-Time \$76.0 Million



*Excludes Interfund Transfers

QUESTIONS?

5-Year Forecasts & Funding Assumptions



5-Year Forecasts & Funding Assumptions

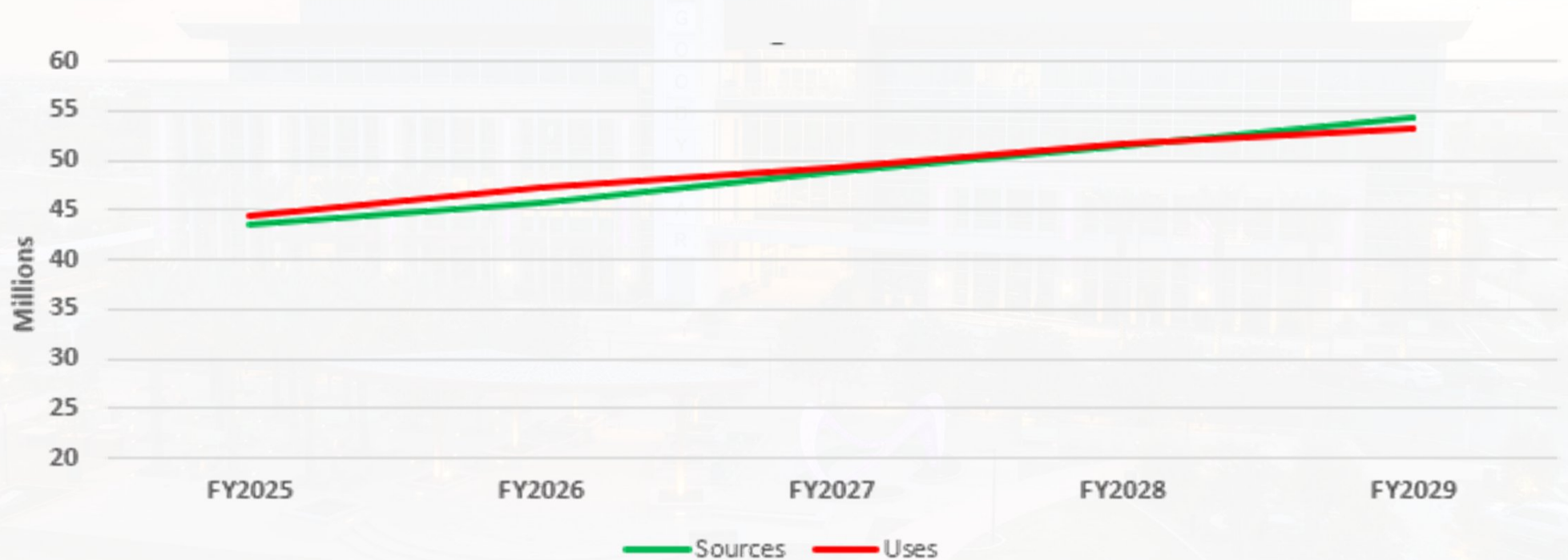
GENERAL FUND 5-YEAR FORECAST





5-Year Forecasts & Funding Assumptions

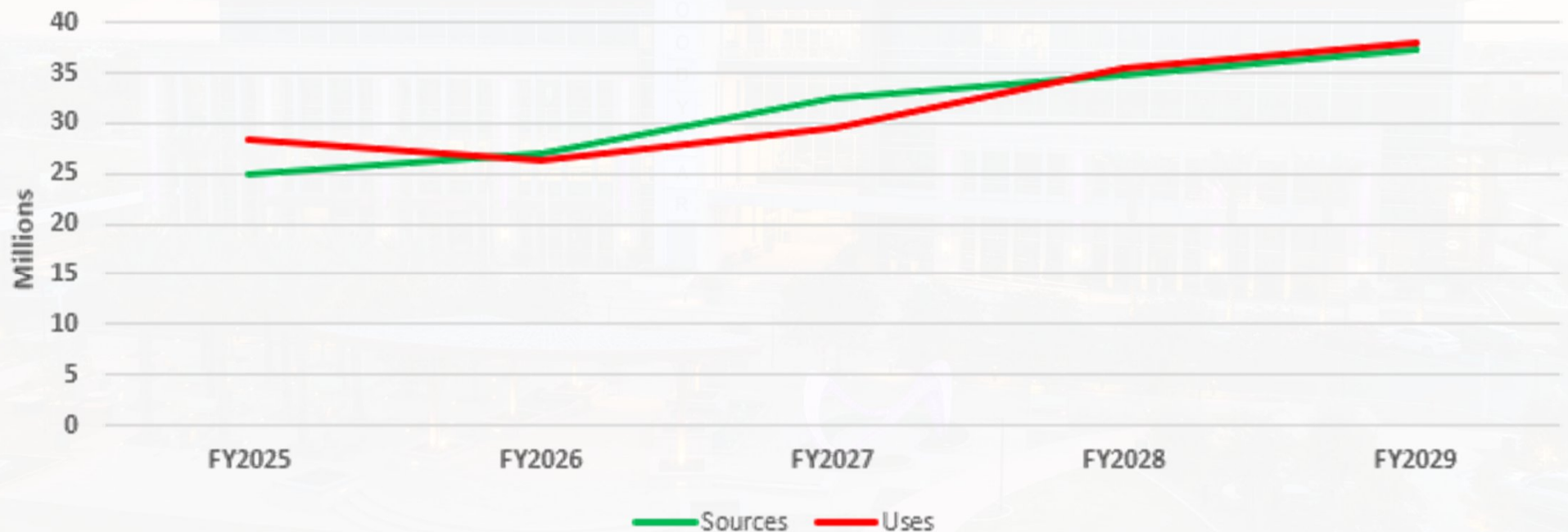
WATER 5-YEAR FORECAST





5-Year Forecasts & Funding Assumptions

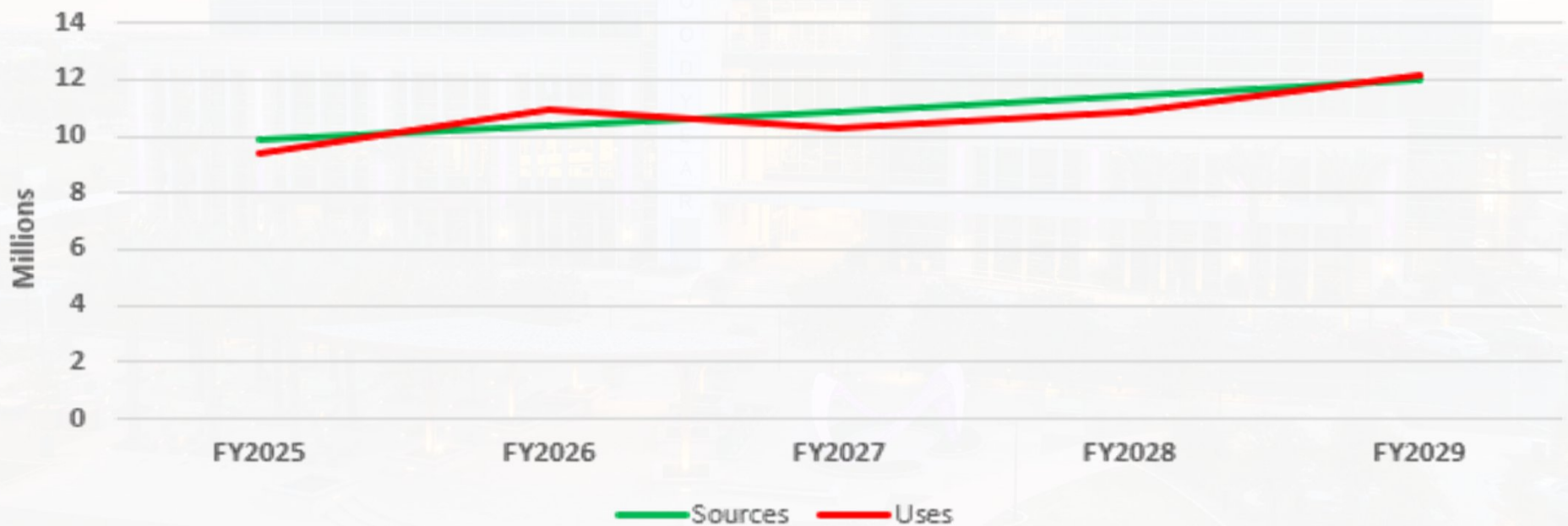
WASTEWATER 5-YEAR FORECAST





5-Year Forecasts & Funding Assumptions

SOLID WASTE 5-YEAR FORECAST





5-Year Forecasts & Funding Assumptions

GENERAL FUND AVAILABILITY

General Fund Ongoing

Revenue & Transfers In	191,291,100
Base Budget	154,260,900
Ongoing Supplementals	2,128,400
Transfers Out	34,651,800
Contingency	250,000

Remaining Balance -

General Fund One-Time

Beginning Balance	126,536,400
Revenue & Transfers In	18,342,300
Base Budget	1,860,000
Capital Projects	34,046,300
1-Time Supplementals	12,308,300
Transfers Out	12,434,300
Contingency	450,000
Policy Reserve	27,305,200

Remaining Balance 56,474,600

To CIP Reserve 56,474,600



5-Year Forecasts & Funding Assumptions

PERSONNEL – EMPLOYEE COMPENSATION

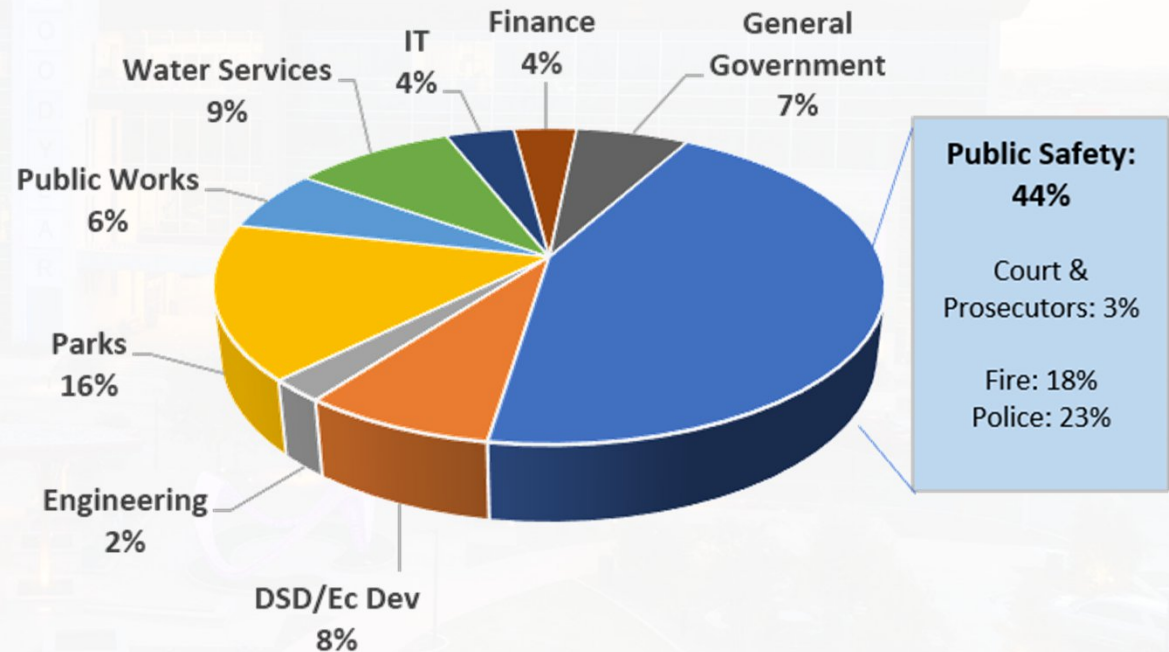
- Non-Represented Employees
 - 3.0% market adjustment
 - 4.5% merit increase
- Police Represented (per adopted MOU)
 - 3.0% market adjustment
 - 5.0% step increase
- Fire Represented (per adopted MOU)
 - 3.0% market adjustment
 - 5.0% step increase
- Retiree Healthcare
 - Funding of \$3.6M included in FY2025 Budget
 - 5yr forecast includes annual contributions of \$3.5M
- Other Benefits
 - 5% Health Insurance premium increase factored into the budget



5-Year Forecasts & Funding Assumptions

PERSONNEL – TOTAL AUTHORIZATION (996.61 FTE)

	<u>FY24</u>	<u>Change</u>	<u>FY25</u>
City Manager's Office	19	0.00	19
Legal Services	17	1	18
Municipal Court	17.3	1	18.3
City Clerk's Office	7	0	7
Finance	35	1	36
Human Resources	18.5	1	19.5
Information Technology	38	1	39
Digital Communications	9	0	9
Fire	167	16	182.96
Police	231.1	2	233.05
Development Services	64	2	66
Economic Development	12	0	12
Engineering	23	0	23
Parks and Recreation	155.4	2.43	157.8
Public Works	59	4	63
Water Services	89	4	93
TOTAL FTE's	961.2	35.43	996.61





5-Year Forecasts & Funding Assumptions

SUPPLEMENTAL ALLOCATION

Fund	Ongoing		1-Time		Positions^	Total
General	\$	2,128,400	\$	12,308,300	12.5	\$ 14,436,700
GF Subsidized	\$	2,091,700	\$	8,538,300	16.93	\$ 10,630,000
Enterprise	\$	1,791,900	\$	888,900	6.0	\$ 2,680,800
	\$	6,012,000	\$	21,735,500	35.43	\$ 27,747,500

^Full Time Equivalents

QUESTIONS?

FY2025 Supplemental Recommendations

Supplemental Recommendations



MAYOR & COUNCIL

GENERAL FUND BUDGET: \$0.5M

- Includes \$100K special projects budget

FY2025 SUPPLEMENTALS

- Council Discretionary Funds

* Denotes Strategic Plan Action Item

Supplemental Recommendations



CITY MANAGER'S OFFICE

GENERAL FUND BUDGET: \$4.4M

- \$398K CDBG
- FTEs
 - 19 positions

* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- Consultant Services



Legal Services



GENERAL FUND BUDGET: \$3.2M

- FTEs
 - 18 positions

FY2025 SUPPLEMENTALS

- 1 FTE
 - Legal Assistant
- Replace Document & Email Mgmt Software

* Denotes Strategic Plan Action Item

Municipal Court



GENERAL FUND BUDGET: \$2.7M

- FTEs
 - 18.3 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 1 FTE
 - Court Hearing Officer
- Continuation of One-Time COVID Response Funding
- One-Time funding for Court & Courtroom Specialists

City Clerk's Office



GENERAL FUND BUDGET: \$1.2M

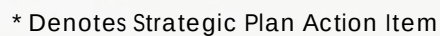
- FTEs
 - 7 positions

FY2025 SUPPLEMENTALS

- City Records Digitization (continuation)
- Electronic Records Mgmt System Replacement

* Denotes Strategic Plan Action Item

- FTEs
 - 36 positions



- 1 FTE
 - Billing Specialist
- *Internal Audit- Protiviti
- Sales Tax Auditing Services
- Application Usage Assessment
- Tyler Munis
- Customer Utilities Portal

Human Resources



GENERAL FUND BUDGET: \$4.2M

- \$3.8M Risk Reserve
- FTEs
 - 19.50 positions

FY25 SUPPLEMENTALS

- 1 FTE
 - Benefits Analyst
- *Gallup Training & Consulting Services
- *Quarterly Summit Speakers

* Denotes Strategic Plan Action Item

Information Technology



GENERAL FUND BUDGET: \$12.0M

- FTEs
 - 39 positions



FY25 SUPPLEMENTALS

- 1 FTE
 - PC Technician
- Vehicle to transport network hardware
- Professional Service Dollars

* Denotes Strategic Plan Action Item

Digital Communications



PAGE 293

GENERAL FUND BUDGET: \$1.9M

- FTEs
 - 9 positions

FY2025 SUPPLEMENTALS

- *Video Storage Solution

* Denotes Strategic Plan Action Item

Fire



GENERAL FUND BUDGET: \$34.2M

- \$6.2M Ambulance
- FTEs
 - 182.96 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 16 FTEs
 - *15 Firefighters & 1 Captain
- *New Ambulances (4)
- *Ambulance Drug Box Coolers & Auto Pulse Devices
- One-Time OT & Training
- Defibrillator
- Communication Calibration Device
- XplorIR Meters & Remote Methane Leak Detectors
- Gurney & Auto Pulse Cardiac Monitor

Police



GENERAL FUND BUDGET: \$48.3M

- FTEs
 - 233.05 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 2 FTEs
 - Lieutenant & Community Services Officer
- *Real Time Crime Center Software & Phase 1 Implementation
- *License Plate Reader Cameras
- Facility & Security Upgrades
- Municipal Security Contract Services
- Forensic Software
- Impound Lot Overflow Expansion
- Motorcycles (2)
- Telecom Software

Development Services



GENERAL FUND BUDGET: \$12.3M

- FTEs
 - 66 positions

* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 2 FTEs
 - Construction Inspector II
 - Code Compliance Officer
- *Contract Services



Economic Development



GENERAL FUND BUDGET: \$3.8M

- FTEs
 - 12 positions

FY2025 SUPPLEMENTALS

- None

* Denotes Strategic Plan Action Item

Engineering



OPERATING BUDGET: \$32.9M

- \$26.5M General Fund
- \$6.4M HURF
- FTEs
 - 23 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- *Microtransit Additional Funding
- *Project Mgmt Contract Services
- *City-wide Multi-Modal Safety Plan
- *Estrella Parkway Lane Alternatives Analysis
- *Enhanced Maintenance of Traffic Signals
- *Street Light Upgrade to LED (Ballpark Vicinity)
- *Traffic Camera Recording Equipment
- Bike Lane Intersection Improvement Pilot
- Enhanced Maintenance of Transportation Infrastructure
- Truck Route Signage- New State Law

Parks & Recreation



OPERATING BUDGET: \$45.7M

- \$25.5M General Fund
 - 76.5 full time positions
 - 32.37 part time/seasonal positions
- \$20.2M Ballpark
 - 29 full time
 - 19.93 part time/seasonal positions

* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 2.43 FTEs
 - Rec Center Security 1.5 FTEs
 - Ballpark Seasonal Support .93 FTE's
- *Traffic Control for Spring Training & Signature Events
- Landscape/ROW/Unimproved Property Maintenance & Equipment
- ROW/Special Events Vehicle
- Ice Ring, Holiday Lights, Pop-Ups in the Park, Mavericks Sponsorship
- Long-life Asset Replacements
- Light Pole Banner Contract Services & Public Art Tours

Public Works



OPERATING BUDGET: \$18.8M

- \$11.9M General Fund
- \$6.9M HURF
- FTEs
 - 48 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 2 FTEs
 - Admin Assistant
 - Fleet Mechanic III
- Fleet Capital Asset Mgmt Software
- Facilities Condition Assessment
- Facilities Supervisor Vehicle
- Unimproved Property Maintenance

Public Works – Solid Waste Fund



OPERATING BUDGET: \$10.9M

- FTEs
 - 15 positions

FY2025 SUPPLEMENTALS

- 2 FTEs
 - Equipment Operator (2)
- Rear Loader
- Grapple Tractor

* Denotes Strategic Plan Action Item

Water Services – Stormwater



GENERAL FUND BUDGET: \$2.5M

- FTEs
 - 3.1 positions

FY2025 SUPPLEMENTALS

- Stormwater, Channel, & Unimproved Property Maintenance

* Denotes Strategic Plan Action Item

Water Services – Water Fund



BUDGET: \$45.6M

- FTEs
 - 43.95 positions



* Denotes Strategic Plan Action Item

FY2025 SUPPLEMENTALS

- 2.5 FTEs
 - Utility Locator
 - Treatment Supervisor
 - Utility Maintenance Supervisor (.5)
- Brine Disposal CIP Operating Costs
- Well Impact Analysis for RID GSF Recovery

Water Services – Wastewater Fund



BUDGET: \$29.3M

- FTEs
 - 45.95 positions

FY2025 SUPPLEMENTALS

- 1.5 FTEs
 - Treatment Supervisor
 - Utility Maintenance Supervisor (.5)

* Denotes Strategic Plan Action Item



QUESTIONS?

CAPITAL IMPROVEMENT PROGRAM (CIP)

Capital Improvement Program



CURRENT YEAR CIP

- Change in Definition: >\$500k excluding vehicles and reimbursements
- Revised CIP budget: \$306.6M
- 4 projects make up over half of our current year CIP budget
 - *Camelback Road: \$48.9M
 - Brine Disposal: \$30.8M
 - *Rainbow Valley Water Reclamation Facility: \$54.5M
 - GO Bond Placeholder: \$40.0M

* Denotes Strategic Plan Action Item

Capital Improvement Program



CURRENT YEAR PROJECT HIGHLIGHTS & UPDATES

- **Fire Station 188**
 - Substantially complete
- ***Estrella Bridge**
 - Design budgeted in FY24. Projected Completion FY28
- **Estrella/Pebble Creek Parkway I-10 Interchange**
 - Design & land acquisition budgeted in FY24. Projected Completion FY26
- ***Goodyear Water Reclamation Facility Expansion**
 - Design budgeted in FY24 & construction in FY27. Projected Completion FY30
- **Goodyear Municipal Complex Tenant Improvements Buildings C&D**
 - Building D is substantially complete. Projected Completion FY25

* Denotes Strategic Plan Action Item

Capital Improvement Program



5-YEAR CIP FUNDING ASSUMPTIONS

- Fully Funded
- Maintain 5-10year forecasts for all Capital Funds (costs are in today's dollars)
- Unallocated FY2024 fund balances are needed to fund future years of the CIP and will be programmed as CIP reserves

Capital Improvement Program



5-YEAR CIP FUNDING ASSUMPTIONS

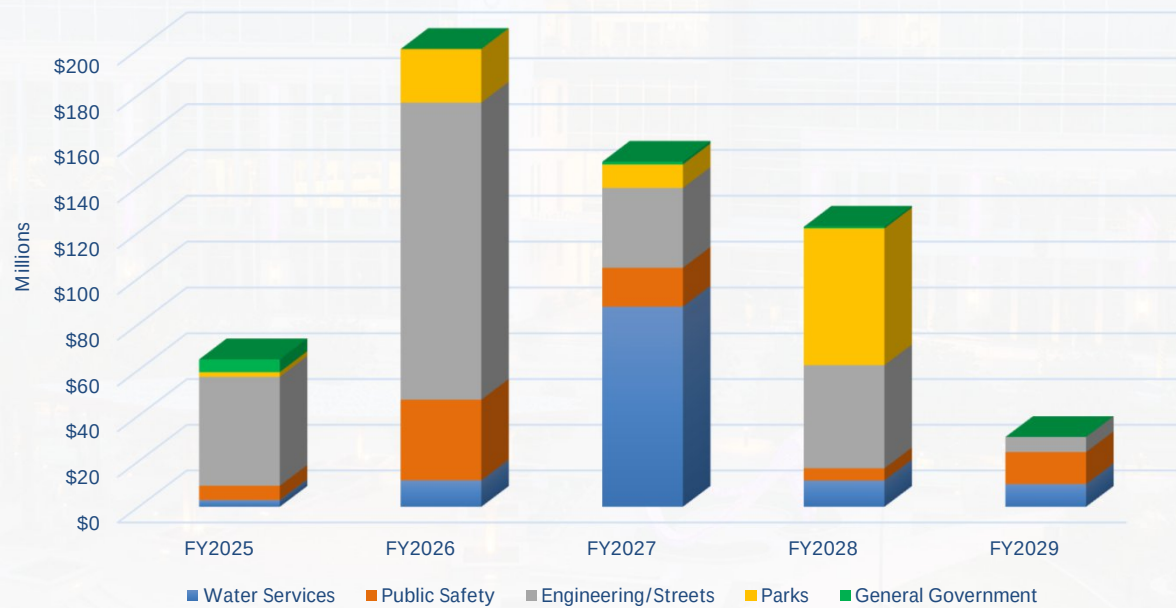
- Projected Debt Issuances
 - FY25
 - GO Bond
 - Water Bond (Brine Disposal)
 - Wastewater Bond (*Rainbow Valley Water Reclamation Facility)
 - Future Year Debt
 - GO Bond issuance FY27
 - Water & Wastewater Bonds
 - *Goodyear Water Reclamation Facility (utilizes impact fees & rates)
 - General Fund Debt- *Goodyear Recreation Campus Phase II

* Denotes Strategic Plan Action Item

Capital Improvement Program



5-YEAR CIP: \$577.3 MILLION



Capital Improvement Program



5-YEAR CIP: \$577.3 MILLION

	FY2025	FY2026	FY2027	FY2028	FY2029	5yr CIP Total
Asset Management	-	1,287,400	1,146,000	2,578,700	-	5,012,100
Water Replacement	-	-	2,553,000	3,000,000	-	5,553,000
Wastewater Replacement	2,962,000	-	-	1,300,000	720,000	4,982,000
Public Safety	6,270,900	35,390,900	16,961,000	5,329,000	14,036,000	77,987,800
Transportation	25,085,000	123,989,400	33,480,800	43,781,400	6,606,000	232,942,600
Traffic Signals	5,928,900	2,327,600	-	-	-	8,256,500
Intelligent Transportation System (ITS)	3,154,300	3,341,500	1,350,000	1,350,000	-	9,195,800
Parks	2,652,500	27,445,600	8,052,600	56,990,700	-	95,141,400
Ballpark	1,364,600	1,381,800	2,434,400	810,000	-	5,990,800
General Government	19,086,300	-	-	-	-	19,086,300
Water Operating	-	6,027,000	4,400,000	4,500,000	2,000,000	16,927,000
Wastewater Operating	-	5,551,000	80,625,000	2,770,000	7,240,000	96,186,000
Grand Total	66,504,500	206,742,200	151,002,800	122,409,800	30,602,000	577,261,300

Capital Improvement Program



1ST TIME FUNDED PROJECTS

- 18 Projects we're funding for the first time in FY2025
- \$150.8 Million of our 5-year CIP
 - \$34.5 Million in FY2025
 - \$116.3 Million of additional spend in our 5-year CIP

<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>
\$34.4 Million	\$72.8 Million	\$7.8 Million	\$35.7 Million	-

Capital Improvement Program



1ST TIME FUNDED PROJECT HIGHLIGHTS

<u>Project</u>	<u>Total Project Budget</u>	<u>Completion</u>
Indian School Road- Perryville to Citrus	\$43.7 Million	FY30
Bullard Wash Extension to Ballpark	\$23.7 Million	FY28
Fire Resource Management Facility	\$23.7 Million	FY27
Fire Station 184 Remodel	\$8.7 Million	FY27
*Dilemma Zone Advance Detection	\$6.0 Million	FY28
*Fire Station 187 Remodel	\$4.0 Million	FY26
*Calle de Pueblo Staff Relocation	\$2.5 Million	FY25

* Denotes Strategic Plan Action Item

Capital Improvement Program



LARGE PROJECTS

- 19 Projects with total budgets of \$6.0 Million or greater make up over 80% of the spend in our 5-year CIP

<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>
\$40.0 Million	\$185.4 Million	\$135.6 Million	\$99.4 Million	\$14.0 Million

Capital Improvement Program



LARGE PROJECT HIGHLIGHTS

<u>Project</u>	<u>Total Project Budget</u>	<u>Completion</u>
*Goodyear Recreation Campus Phase II	\$61.4 Million	FY31
Estrella Parkway – Yuma Road	\$ 24.2 Million	FY30
Sarival Ave (west half) Yuma to Elwood	\$19.5 Million	FY27
Fire Station 189	\$18.8 Million	FY28
*Cotton Lane- Estrella Pkwy to Cotton Lane Bridge	\$16.7 Million	FY27
FS188 Police Substation	\$15.3 Million	FY30
Yuma Road- Cotton Lane to Canyon Trails	\$13.0 Million	FY30

* Denotes Strategic Plan Action Item

QUESTIONS?