

A photograph of a garden scene. In the foreground, there are numerous small white daisies with yellow centers. Behind them, there are tall, thin blue flowers. In the background, a white wall is visible, and some green foliage and a large rock are also present.

# **FY19 Tentative Budget Adoption and Financial Policies**

# Agenda



- Revisions from Recommended City Manager Budget
  - Carryovers
  - Other
- Tentative Budget Overview
- CIP Overview
- Financial Policy Changes

# Carryovers and Other Revisions to City Manager 4/16/18 Recommended Budget

# Carryover Summary - \$91.3M



## BY TYPE

Description	Amount
Capital Projects	\$ 84.3M
One-time Operating (O&M)	7.0M
TOTAL	\$ 91.3M

# Operating Budget Carryovers - \$7M

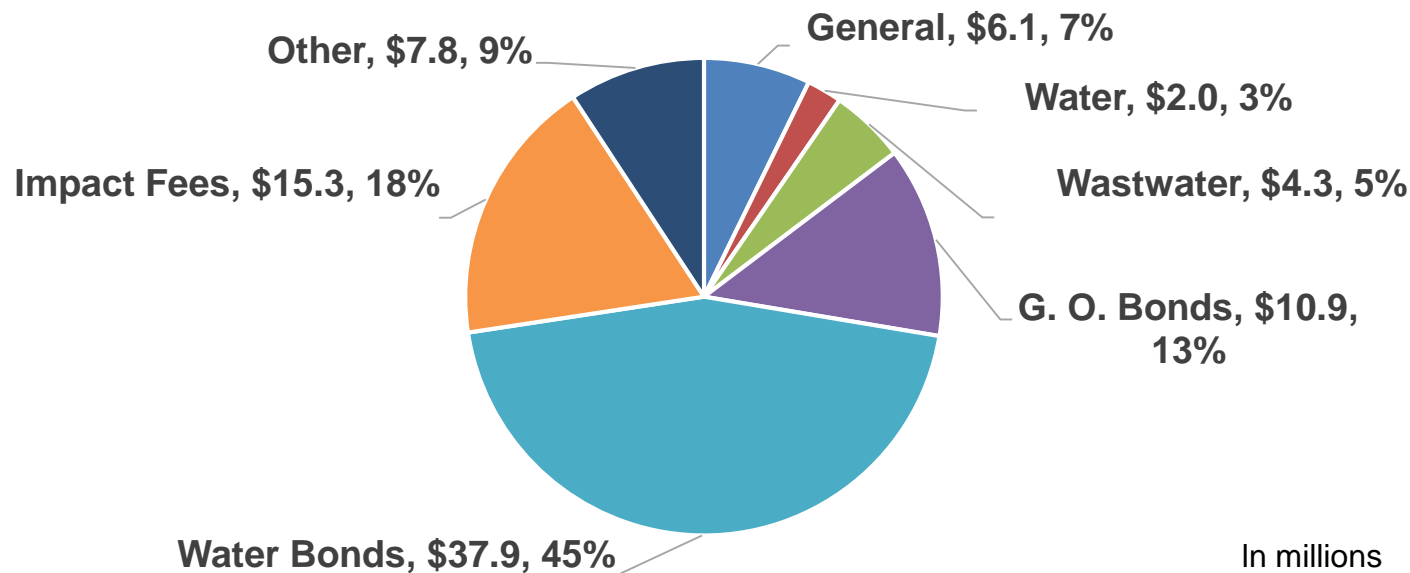
## NOTABLE ITEMS

- General Fund - \$4M
  - \$2.2M, Economic Development programs
  - \$1.0M, Ambulance program
  - \$0.1M, Council Special Projects funding
- Fleet Asset Management - \$1.4M, fire pumpers
- Parks Asset Management - \$0.3M, irrigation pumps and pond maintenance
- Water - \$0.3M, water drought contingency
- HURF - \$0.3M, pavement management

# Capital Project Carryovers - \$84.3M



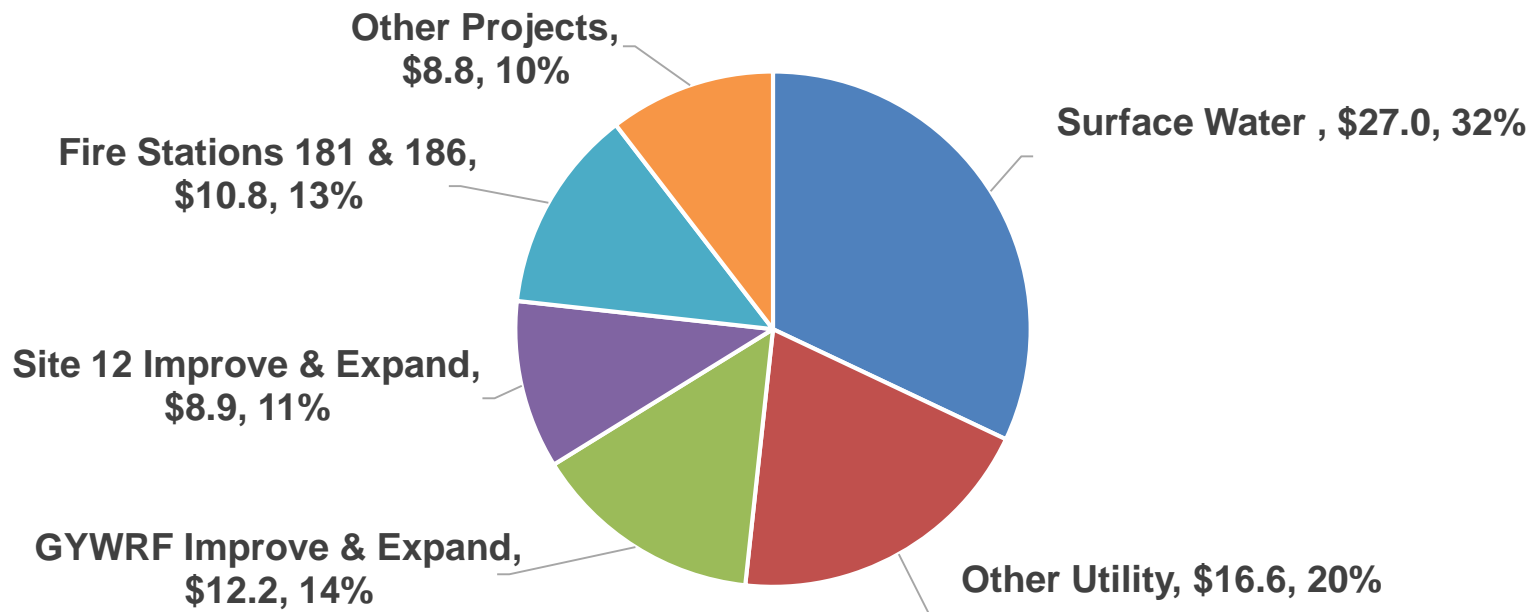
## BY FUND



# Capital Project Carryovers - \$84.3M



## BY PROJECT/PROJECT TYPE



In millions



# Change from City Manager Recommended Budget – \$121.1M



## \$447.4 MILLION TENTATIVE BUDGET

in millions

**\$ 326.3 City Manager Recommended Budget (4/16)**

91.3 Carryovers

Non-General funds from existing CIP projects were not

29.0 Capital Project Reserve in CM Budget

1.3 Increase Impact Fee reimbursements to revenue amount

Savings from a mechanical error in fire station staffing one-

0.0 time expenses to Capital Project Reserve (\$1.5M)

Early Fleet Asset Management carryover was in Manager's

(0.5) Budget

**\$ 447.4 Tentative Budget**

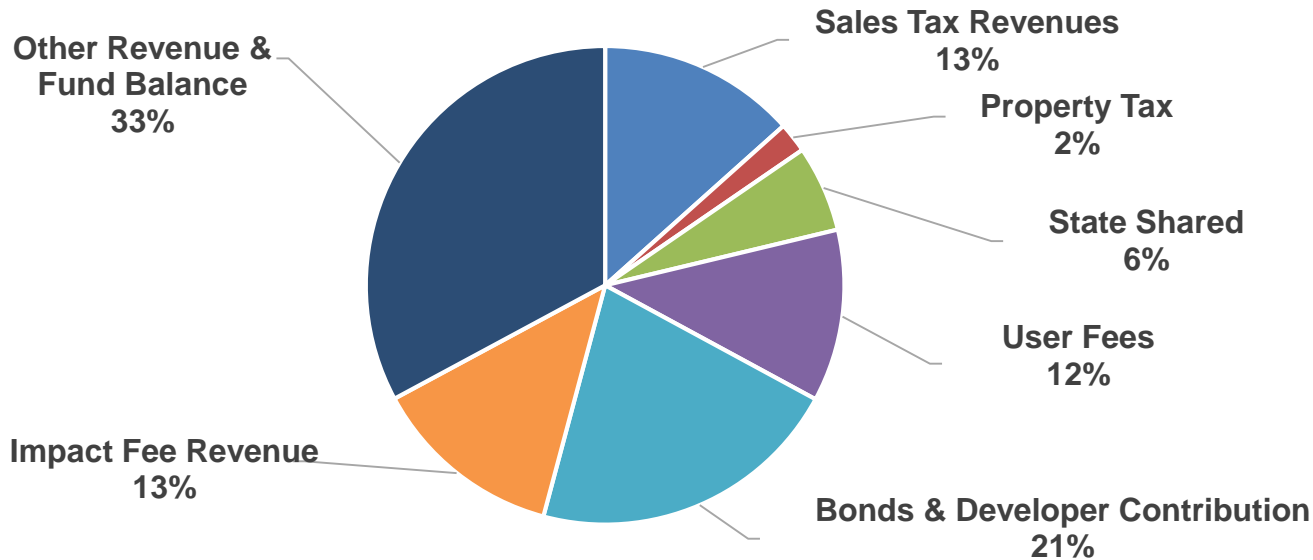


# Overview of Tentative FY19 Budget

# FY19 Citywide All Funds Budget - \$447.4M



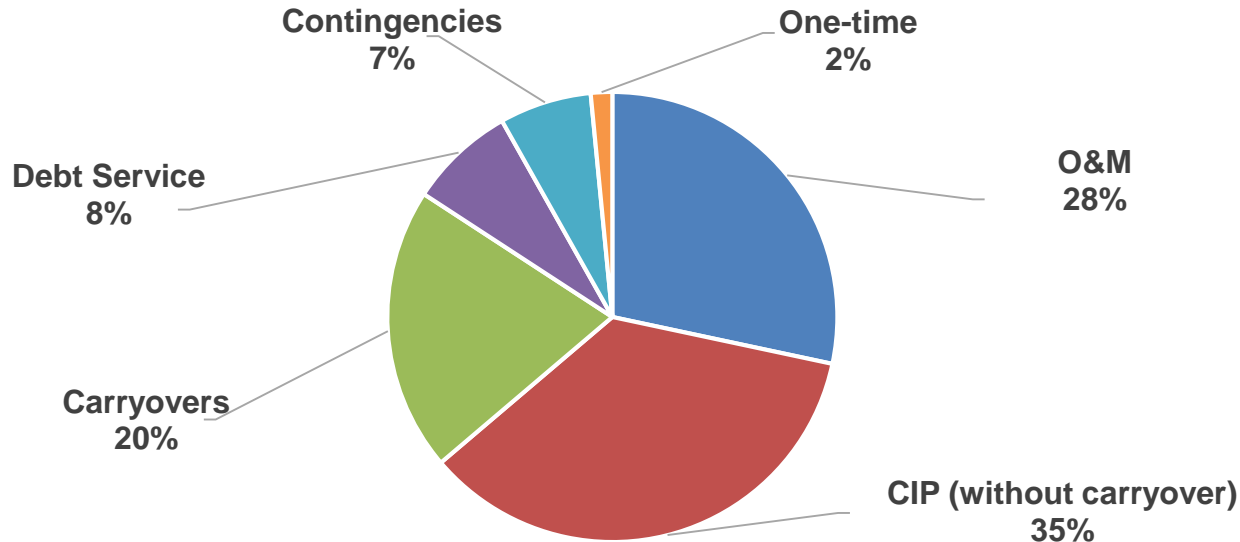
## BY TYPE OF RESOURCE



# FY19 Citywide All Funds Budget - \$447.4M



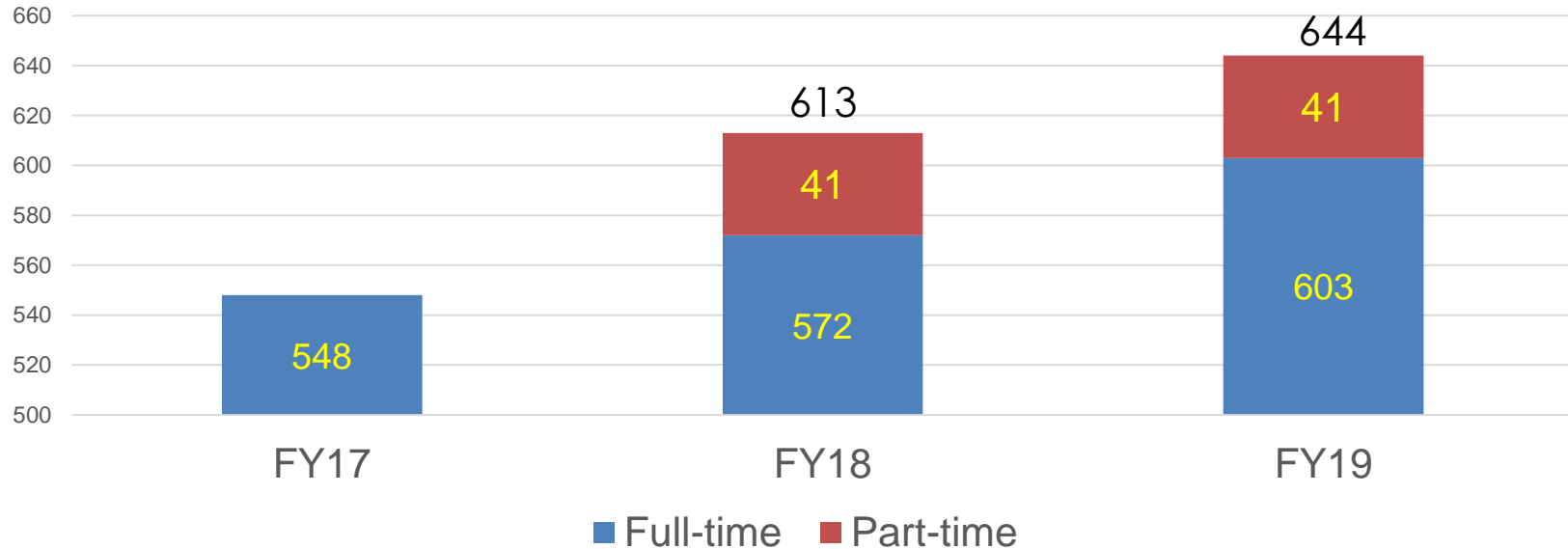
## BY TYPE OF EXPENDITURE



# Position Information



## INCLUDING PART-TIME AS FULL-TIME EQUIVALENTS



# Position Additions



	General	Other Funds	Total
Fire Station Staffing	14		14
Police – SRO Officer + 2 <i>Officers for Narcotics</i>	3		3
IT Tech (long-time one-time position)	1		1
Intelligent Transportation*	1		1
Municipal Court	1		1
Parks			
Recreation Supervisor (O&M Set-Aside)	1		1
Special Events (New strategic goal)	1		1
Public Works			
Facilities for Ballpark Maintenance	3		3
Storm Water Inspector	1		1
Sanitation, Bulk Crew		2	2
Water, O&M for Site 12		1	1
Water, Tech for program wide growth		1	1
Wastewater, Replace position used for pretreatment		1	1
	26	5	31

\*HURF, ultimately General Fund

# Capital Projects Overview

# FY19 CIP Projects Complete Date Targets



## SAMPLE OF REPORT

### CITY OF GOODYEAR CAPITAL IMPROVEMENT PLAN - FY2019-2023

#### FY19 CIP PROJECTS ONLY - TIMELINE

#### Timeline

#### Phases:

PRE-SCOPE, STUDY

LAND

PLANNING/DESIGN

CONSTRUCTION

FURNITURE, FIXTURES & EQUIPMENT; OTHER

ARTS & PARKS PROJECTS	Project Number	Project Name	Planned Completion	QUARTER															
				FY2018-19				FY2019-20				FY2020-21				FY2021-22			
				1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th
	AT1803	Public Art: Community Park	8/2018																
	PK1704	Newland Reimbursement EMR Park	Ongoing																
	PK1705	Recreation Campus - Central Goodyear 30-Acre Park	9/2019																
	PK1801	ZIZ Water Feature Renovation	9/2018																
	FD1801	Fire Station 186, EMR	12/2019																
	FD1802	Fire Station 181 Replacement	4/2020																
	FD102	Newland Reimbursement Fire Station	Ongoing																
	FD200	Fire Stations Carpet Removal	3/2019																
	FN1701	Impact Fee Audit	Bi-annual																
	FN1702	Impact Fee Study	4/2019																



# FY19 CIP Projects Complete Date Targets



## KEY PROJECTS COMPLETION

- Recreation Campus and Off Sites – Design Only, September 2019
  - RID portion, Complete project, December 2018
- Financial System Phase I – Complete initially planned phases, April 2019
- Fire Stations
  - 186 EMR, November 2019
  - 181 Replacement, February 2020
- Ballpark Safety Improvements
  - Known projects Completion, June 2019
  - Additional Assessment, December 2018

# FY19 CIP Projects Complete Date Targets



## KEY PROJECTS COMPLETION

- Streets
  - Van Buren: Estrella Parkway to Sarival, September 2019
  - Sarival: Jefferson to Yuma, March 2020
- Utilities
  - Surface Water Plant, December 2021
  - Water Site 12 Improvements and Capacity Increase, April 2019
  - Goodyear WRF Improvements and Expansion, June 2019

# Ongoing Review of CIP Projects



## GENERAL REVIEW PROCESS

- Project scope and descriptions, Owner Department
- Initial capital project and O&M costs and timeline estimates, Owner Department
- Costing reviews, Engineering and Budget
- Team reviews and staff resource evaluation
- Update
- Funding and financing options, Finance

# Ongoing Review of CIP Projects



## STATUS OF REVIEWS

- Complete in process review of projects in original FY18 CIP
  - ✓ Project scopes
  - ✓ Department initial cost estimates and timelines
  - Engineering cost reviews, In process
  - Team reviews and resource allocations
    - ✓ Police completed as pilot
  - *Address any projects needing to move forward in FY19 with Capital Project Reserve*
- New project requests and reviews, August 2018 – January 2019
- Funding and financing options, FY20 budget process

# Capital Reserve Project - \$38.2M



## BY FUND TYPE

Description	Amount
General Fund	\$ 9.1M
G. O. Bonds	16.6M
Parks Impact Fees	12.5M
TOTAL	\$ 38.2M

# Financial Policy Changes

# All Changes Are Associated with Construction Sales Tax



## REVISIONS AS PRESENTED ON APRIL 9

### Budget Policy 1 – Add D:

***\$4.5 million in Construction Sales tax shall be treated as ongoing revenue. This recognizes the fact that based on the structure of transaction privilege taxes in Arizona there will always be a base level of activity that will occur generating ongoing revenue for the city.***

### Debt Management Policy 8 – Revise H:

Bonds should not be financed by General Funds unless necessary. If General Funds finance bonds, the combined annual debt service shall not exceed ten percent (10%) of the current three years average operating revenues of the General Funds. ***City Construction Sales Tax revenues will not be included in computing the average. Construction Sales Tax revenues considered as ongoing revenue per policy 1(D) will be included in computing the applicable revenue beginning with FY19.***



# Next Steps



- May and June
  - Truth in Taxation press release and ads
  - Budget Publications
- June 11
  - Public Hearings on Truth In Taxation and Budget
  - Final Budget Adoption
- June 25
  - Property Tax Levy

Approve FY19 Tentative Budget  
Resolution 2018-1845  
and  
Revisions to Financial Policies