

▶ BUDGET IN BRIEF

ARTIST'S RENDITION OF THE CARE1ST AVONDALE RESOURCE CENTER



ARTIST'S RENDITION OF THE POLICE DEPARTMENT'S HEADQUARTERS EXPANSION

FISCAL YEAR

2020-2021

FY2021 BUDGET DOLLARS & SENSE

This document is meant to provide an overview of the city's Annual Budget and Financial Plan. It includes a snapshot of revenue, expenses, priorities, and other important and interesting information. The resources available and the priorities of the community define how the city operates, the services provided to residents and businesses, and the decisions made by City Council during the FY2021 budget adoption process.

As the budget was presented for adoption, the state of Arizona was beginning to feel the effects of stay-at-home orders and business closures in response to the COVID-19 pandemic. The response to slow the spread of COVID-19 and to save lives resulted in a change to the way the American public consumes goods and services: a shift toward retail purchases, restaurants shifting to home-delivery and curb-side pickup, and an increase in stockpiling of paper goods. Meanwhile, the federal government implemented numerous strategies to preserve and stabilize the economy during the COVID-19 pandemic. The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by President Trump on March 27th, 2020. The Act was designed to provide rapid and direct funding to preserve public health and to stabilize the economy during the response to the pandemic. The stimulus package made funding available to individuals and businesses as well as state and local governments.

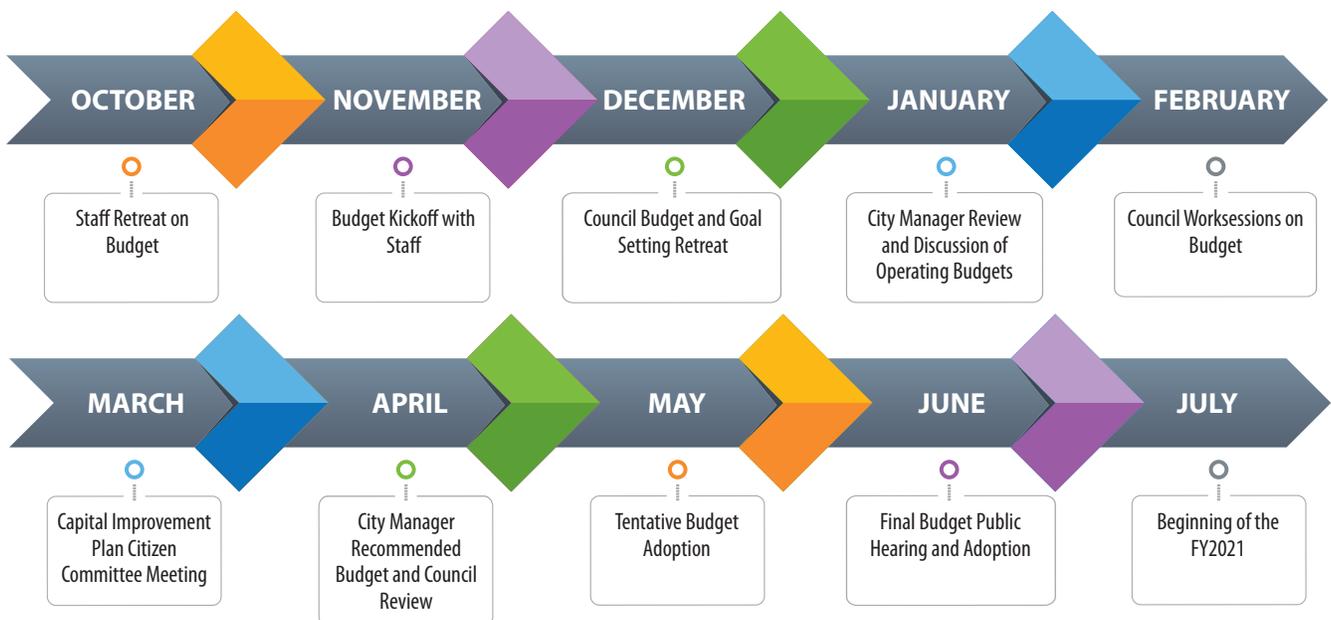
Throughout the development of the budget and up until the COVID-19 pandemic, the Avondale economy had been experiencing sustained growth, showing substantial recovery from the Great Recession. Unemployment rates had fallen, businesses were expanding, and numerous commercial projects were planned or were under construction. The city enjoyed steady growth in revenue for the first nine months of FY2020, and the trend was expected to continue for FY2021. City sales tax collections had increased in FY2020 and similar trends were seen with other General Fund revenue sources such as state-shared revenues.

While the pandemic introduced economic uncertainty for the growing local economy, there still was not enough information to guide revisions of the financial forecast before Council action. Fortunately, the city budget is dynamic and flexible because significant operating resources are dedicated to the construction of one-time capital projects. Additionally, the city conservatively maintains general fund savings above the 35% reserve requirement policy. There is also sufficient capacity for continued population and business growth within Avondale well into the future.

These conditions provide the means to move forward with a baseline budget including a few critical additions for the next fiscal year. As such, city leaders committed to plans for increasing funding to maintain and enhance current levels of service for residents and businesses. The balanced budget of \$280,109,400 was designed with flexible features during this climate of change and uncertainty, to secure the city's operations and construction projects. City leaders pledge to keep a watchful eye on revenue streams and to make financial decisions based on the current conditions in order to be responsible stewards of public funds. We are confident that in time Avondale will recover, as it has before, from this temporary setback.

For more details on the city's budget, please visit www.avondaleaz.gov/budget or contact the Finance and Budget Department at (623) 333-2000.

BUDGET DEVELOPMENT TIMELINE | FISCAL YEAR BEGINS JULY 1ST



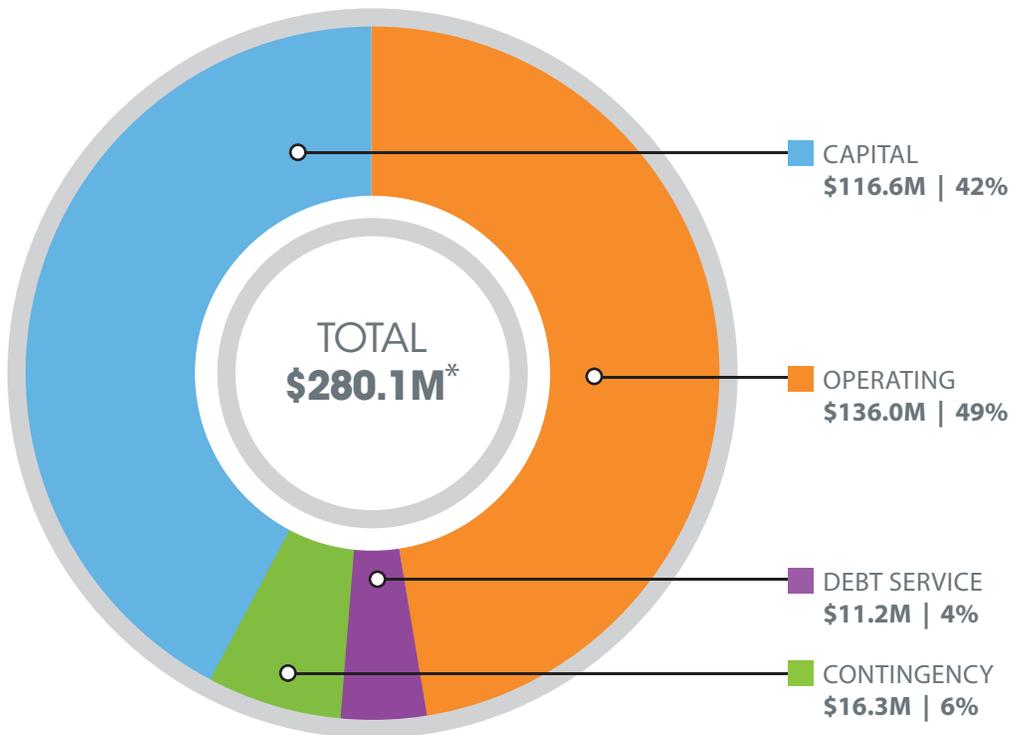
THE CITY BUDGET IS...

A process to allocate scarce resources to programs, services, and infrastructure.

The budget matches the financial, material, and human resources available with the requirements to complete the work plan set by the City Council.



FY2021 BUDGET BY EXPENDITURE TYPE



The City of Avondale's annual budget for fiscal year 2020-21 totals **\$280,109,400**.

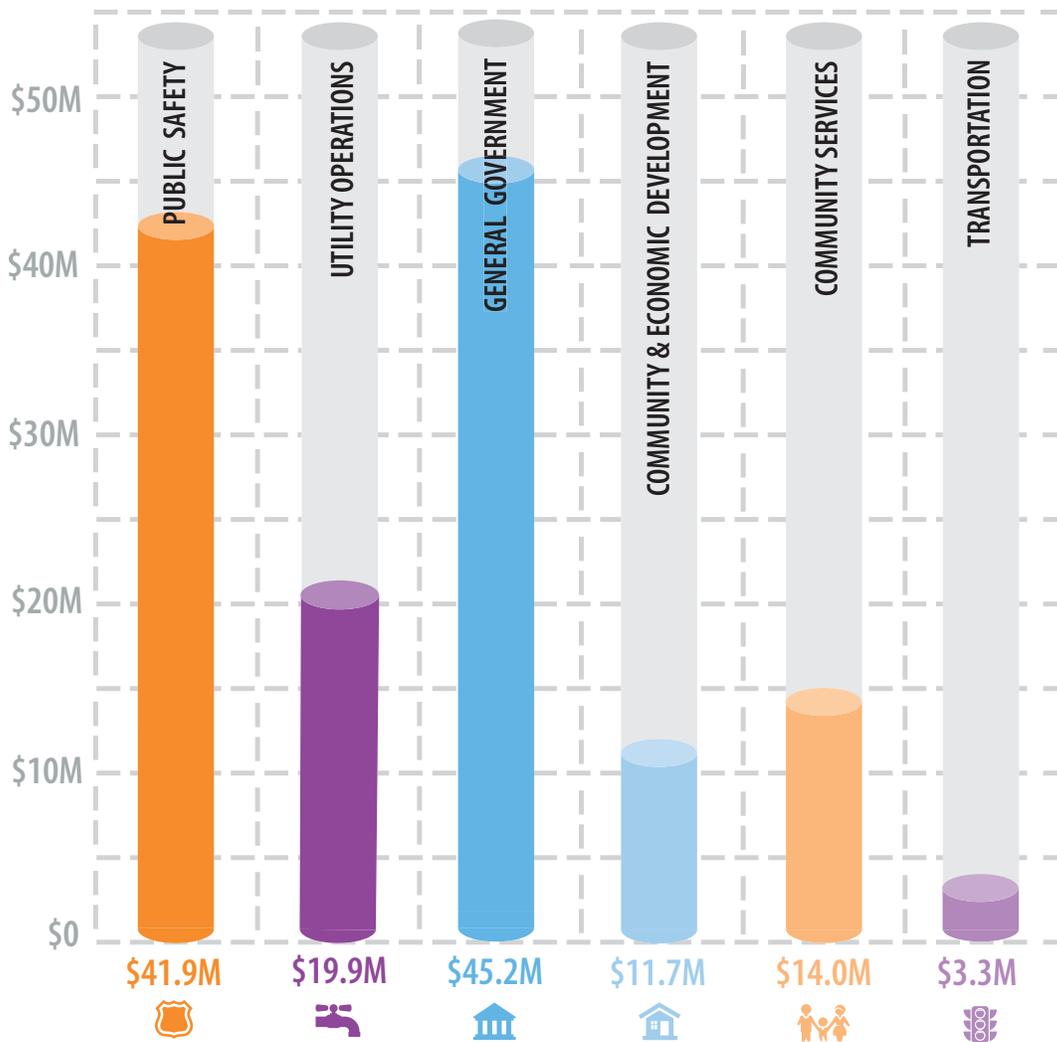
The budget continues to balance stable, recurring revenue sources with ongoing operations. Avondale has continued to remain conservative while still providing the residents and visitors the level of services they expect.

**Excludes indirect costs charges, transfers out and interfund loans*

What is the money being used for?

FY2021 OPERATING BUDGET BY FUNCTION

TOTAL \$136.0M



The Operating Budget includes the funding for the day-to-day costs of delivering city services. It makes up 49% of the total citywide budget. It is developed with individual departments reviewing their current base budgets and making supplemental requests for new funding to address Council goals, expenditure pressures, and customer growth.

FY2021

CAPITAL BUDGET BY FUNCTION

TOTAL \$116.6M

31% }  UTILITY OPERATIONS
\$36.7M

17% }  COMMUNITY SERVICES
\$19.7M

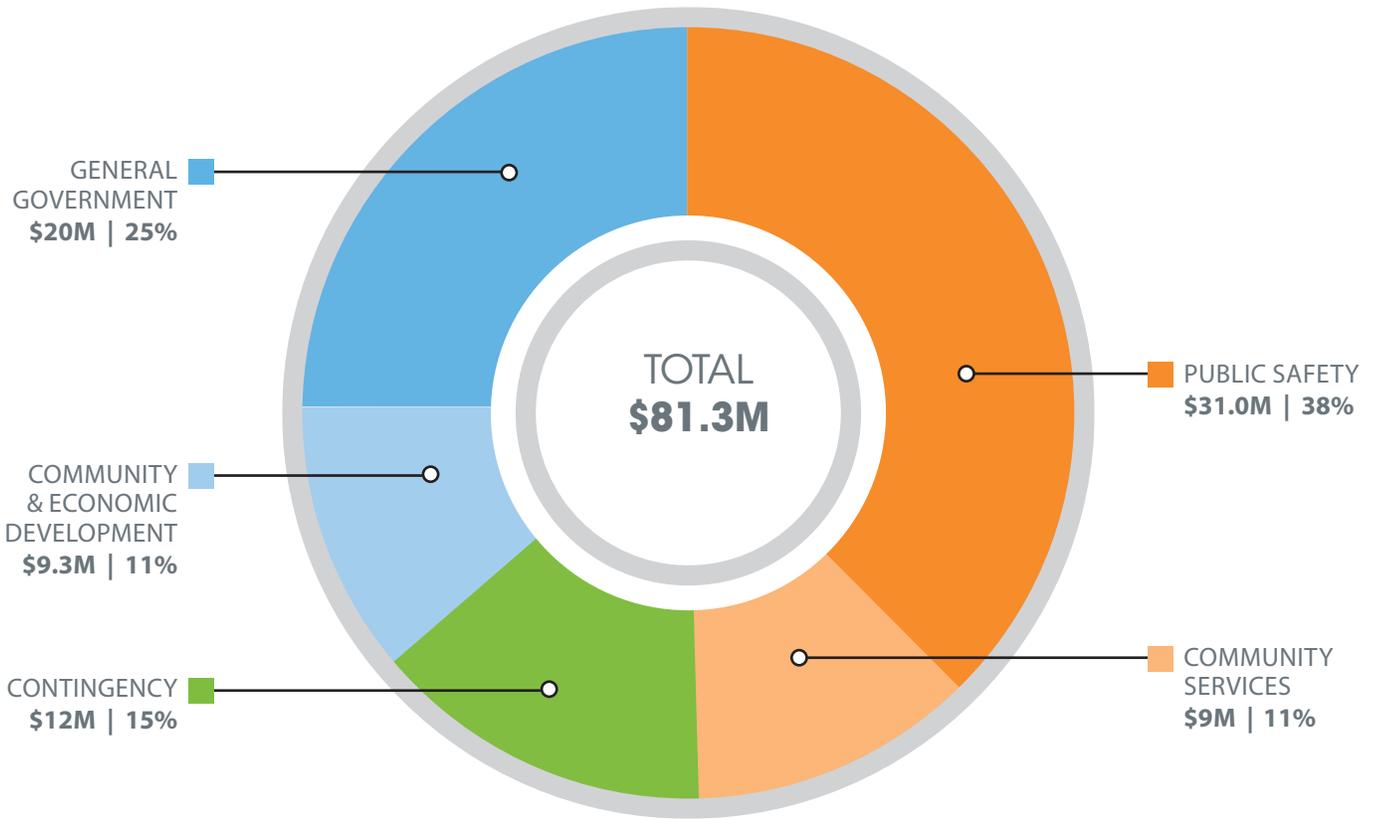
24% }  TRANSPORTATION
\$27.9M

9% }  PUBLIC SAFETY
\$10.5M

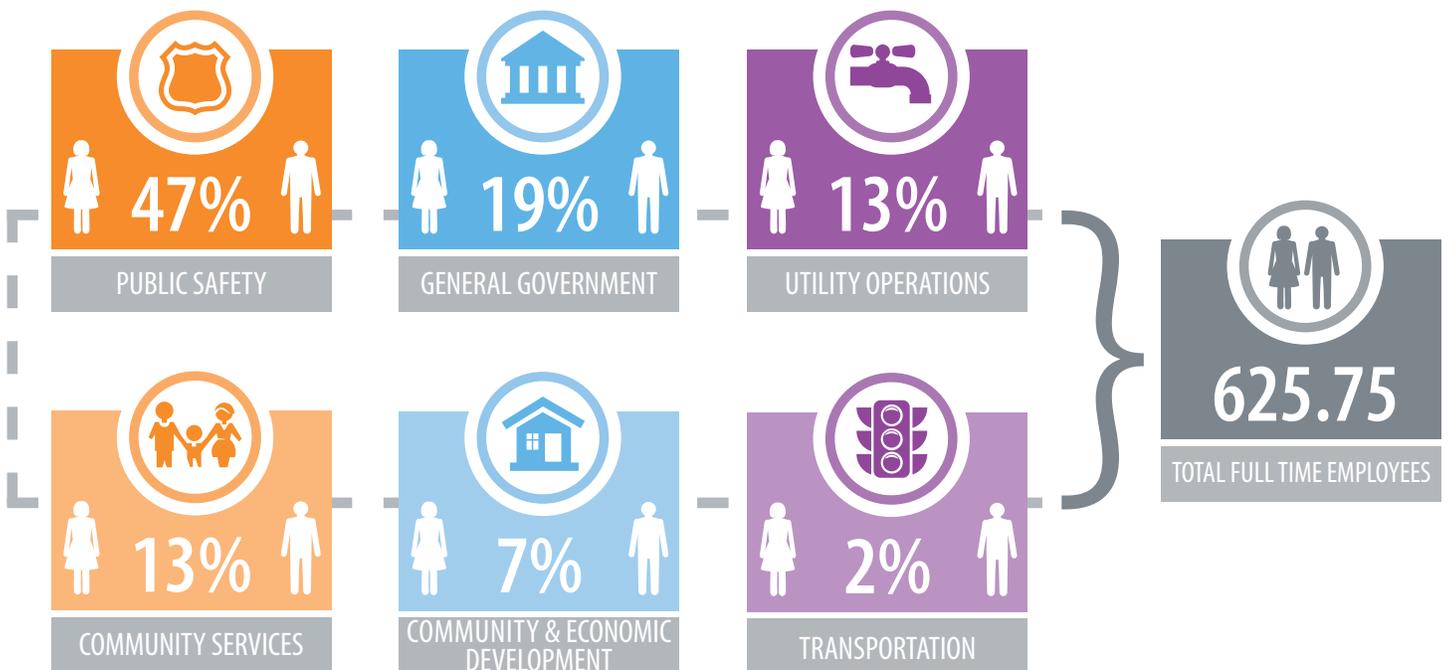
19% }  GENERAL GOVERNMENT
\$21.7M

Where does the money go?

FY2021 GENERAL FUND BUDGET BY FUNCTION

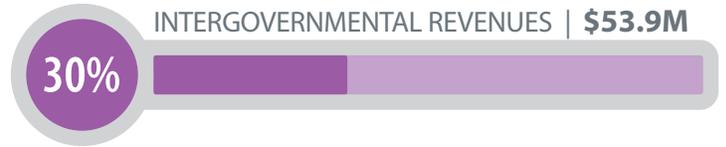


FY2021 STAFFING BY FUNCTION (FULL-TIME EQUIVALENT CITY EMPLOYEES)

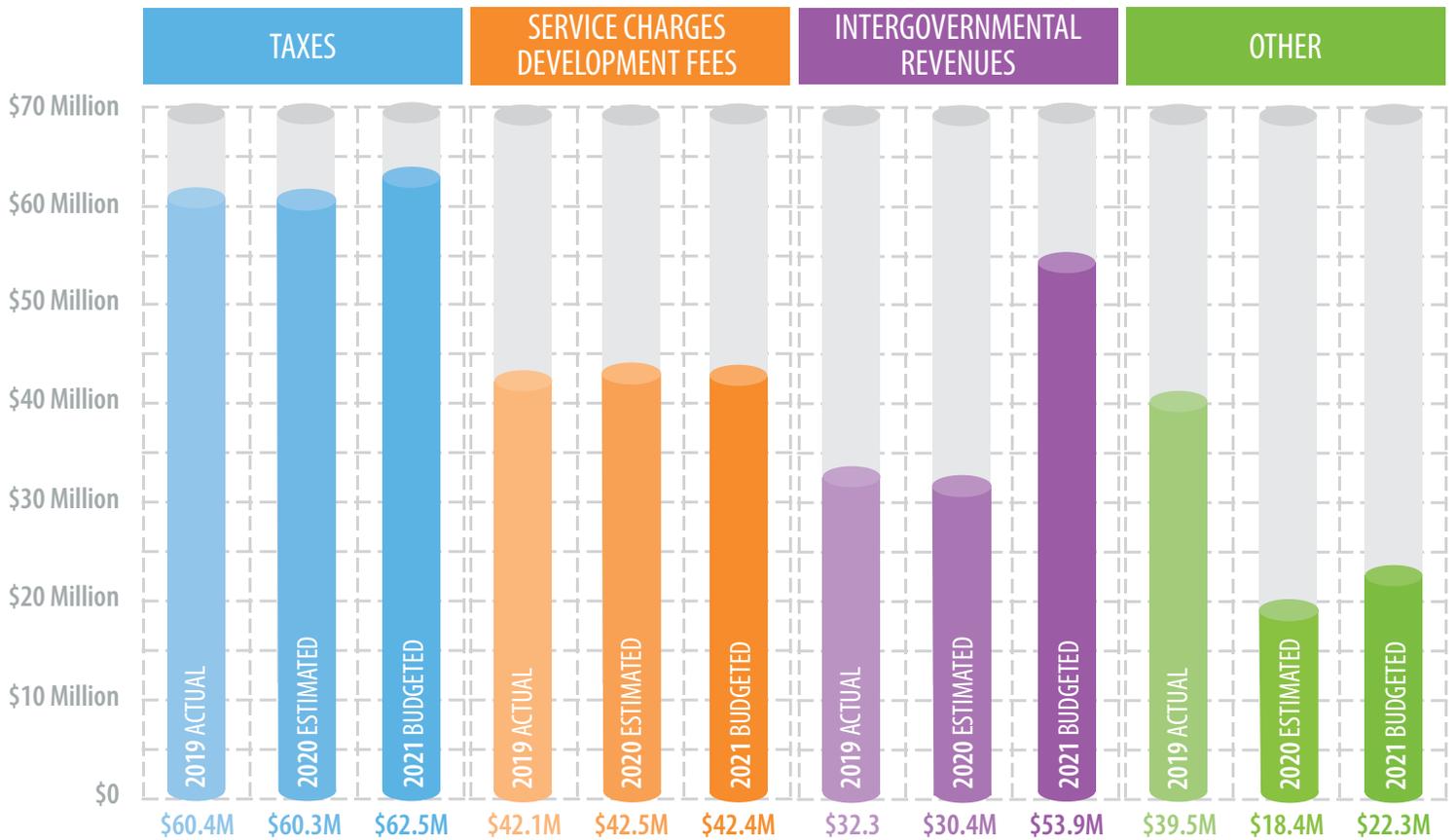


How do we pay for our services?

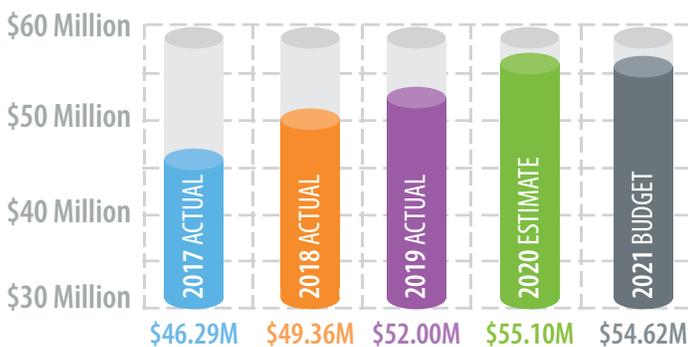
FY2021 **PROJECTED REVENUES** | TOTAL **\$181.1M**



REVENUES BY YEAR & CATEGORY



SALES TAX REVENUES



Where does your property tax go?

PROPERTY TAX DISBURSEMENT



Why does my \$10 purchase cost me \$10.88?

FY2021

GENERAL FUND SOURCES



CURRENT ECONOMIC CLIMATE



HOW WE ARE MAKING LIVES BETTER...



To meet the demands of our growing population and economy, City staffing levels **increased by 33 full-time equivalent positions**. There are now 625.75 employees to provide service to our citizens.



▶ **The Police Department** grew with the **addition of 16 full-time** equivalent positions to provide proactive patrol, school safety, and an additional community action team.

▶ Police and Fire Departments shared a **state-of-the-art mobile command vehicle** to respond to emergency or crisis events and provide on-scene management of incidents.

▶ **Police Property and Evidence Facility** - Construction of a building to meet current and future property and evidents storage needs.



▶ **New Resource Center** – construction of a new facility to combine the current resource and senior centers and expand program offerings

▶ **Economic Opportunities Fund** - to attract businesses and provide economic expansion and job growth in the City of Avondale

▶ **Tourism and Marketing Initiative** to become a Destination Marketing Office through the Arizona Office of Tourism

▶ **RAVE Review Magazine** - expand delivery

▶ **Civic Center Annex Building** - construction of a new building to house city staff and add community space to the Civic Center campus



Continue improvements of the water and sewer systems with repair and replacement of existing lines throughout the city



▶ **Historic Avondale** - streets and water and sewer infrastructure improvements

▶ **107th and McDowell Widening** – construction of road widening, dual left turn lanes, medians, and removal of an existing private well

▶ **Avondale Blvd widening** - McDowell to Encanto

▶ **Avondale Blvd Landscape and Median Improvements**

ARIZONA
Avondale

Aspiring. Achieving. Accelerating.

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