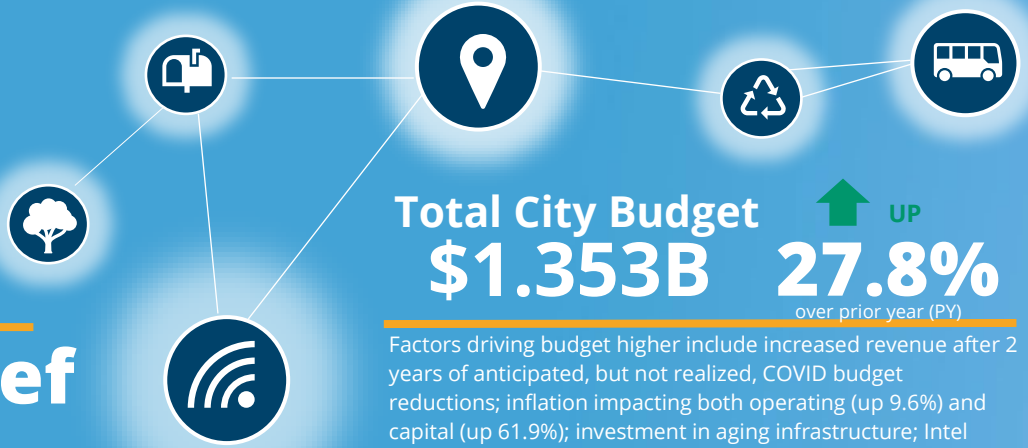


Fiscal Year (FY July 1- June 30)

2022-23

Budget Brief

Staying Connected



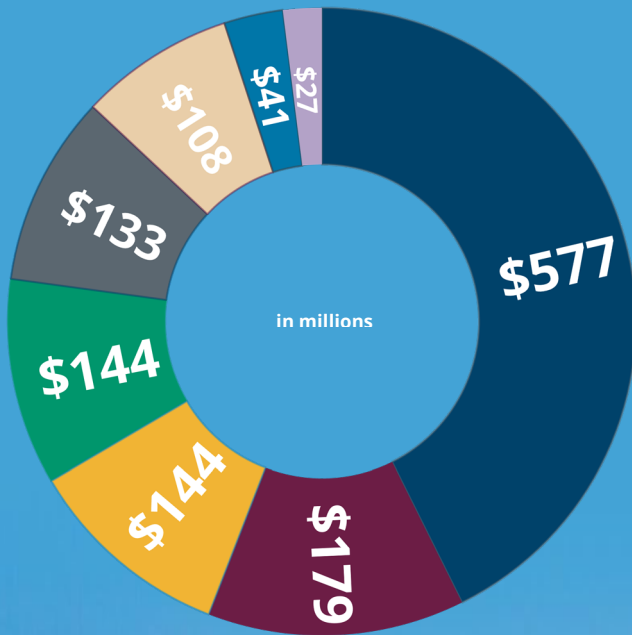
Total City Budget ↑ **UP 27.8%**
over prior year (PY)

Factors driving budget higher include increased revenue after 2 years of anticipated, but not realized, COVID budget reductions; inflation impacting both operating (up 9.6%) and capital (up 61.9%); investment in aging infrastructure; Intel Corporation expansion economic activity and related infrastructure; and personnel costs to invest in City workforce.

City Council Strategic Goals

- Attracting a Range of Private Sector Business
- Being a Leader in Trust and Transparency
- Being Safe and Beautiful
- Being the Most Connected City
- Fostering a Contemporary Culture that Embraces Unity
- Maintaining Fiscal Sustainability

Where the Money Comes From



- Fund Balances 42.7%
- Local Taxes & License Fees 13.2%
- Utility Charges 10.6%
- Grants 10.7%
- Other Services/Charges 9.8%
- State Shared Revenues 8.0%
- Property Taxes 3.0%
- System Development Fees 2.0%

Total FTE (Full Time Equivalent Employees)



1,727

Where the Money Goes

Department Operating
\$494M

Examples of New Additions:

- 24 new positions in key areas**
- Prosecution, facilities & park maintenance, Planning, Public Works & Information Technology (IT)
 - Police Behavioral Health Unit
 - Police civilian positions in technology communications, & investigations
 - Fire Prevention Specialists & Emergency Management Program Coordinator

- Increased Street Maintenance**
- IT Security Enhancements**
- Public Safety Pension Debt Pay Down (\$50M)**
- Quality Of Life Grant Funded Services**

Major Capital-Carryforward
\$310M

Remaining appropriation from capital projects in process at fiscal year-end that is carried forward or re-budgeted until the project is completed.

Major Capital-New Appropriations
\$287M

Appropriation to maintain existing infrastructure or add new projects based on finishing planned construction of streets, parks, fiber, and utility systems utilizing master plans to guide long-term capital investment; addresses aging infrastructure and public needs communicated through annual feedback.

Contingency & Reserves
\$185M

Contingencies are funds set aside for emergencies and unforeseen expenditures.

Reserves are funds set aside for specific purposes.

Debt Service
\$72M

Replacements \$5M



Capital Improvement Program (CIP)

The City's 10-year Capital Improvement Program (CIP) serves as a multi-year planning instrument identifying fiscal year needs and financing sources (i.e. bonds, impact fees, grants, operating funds) for public and aging infrastructure improvements, which totals to **\$1.7B**. City Council adopted the CIP on June 9, 2022. CIP details can be found at: www.chandleraz.gov/budget

FY 2022-2023 CIP Highlights | \$597M (New & Carryforward)

Utilities/ Water & Wastewater	Water Treatment Plant/Production Facility Imps. \$28.7M	Tumbleweed Regional Park Improvements \$25.4M	Community Services
	Main & Valve Replacements \$20M	Gazelle Meadows Park/Galveston Neighborhood Imps. \$4M	
	Collection System Facility Improvements \$38M	Existing Neighborhood, Community, Athletic Field, Park Improvements/Repairs \$14.2M	
	Water Reclamation Facility Improvements \$59.5M	Recreational Facility Improvements \$2.1M	
	Water Conveyance and Interconnect Facility \$66.6M	Homestead North Park \$3.7M	
General Govt.	Existing City Building Renovations/Repairs \$5.7M	Rehabilitate Runway Pavement 4R/22L \$2.8M	Airport
	Frye Road Protected Bike Lane \$6.6M	Lighting Improvements \$2.2M	
	Mobility and Technology Infrastructure \$6.4M	Wildlife Exclusion Perimeter Fence \$610K	
	Citywide Fiber Upgrades \$5.2M	Airport Operations Garage \$1M	
	Various IT System Enhancements \$7.7M		
Streets	Street Repaving Program \$21M	Forensic Services & Detention Facility Studies \$540K	Police
	LED Streetlight Conversion \$12.3M	Radio Communication Equipment \$2.4M	
	Lindsey Rd (Ocotillo Rd to Hunt Hwy.) \$30.3M	Body Camera Replacements \$728K	
	Chandler Heights Rd (McQueen Rd to Val Vista Dr) \$35.3M	Police Facility Renovations \$3.5M	
Fire	Rebuild Fire Station #282 \$11.3M	City Hall Parking Lot & Alleyway Improvements \$959K	Cultural Devl.
	Fire Emergency Equipment Replacements \$1.9M	Downtown Improvements/Maintenance \$1M	
		Center for the Arts Improvements \$700K	

Our Focus Areas

The City Council has outlined six focus areas to concentrate efforts, provide vision, and align financial resources.



Economic Vitality



Innovation and Technology



Quality of Life



Mobility



Neighborhoods



Good Governance

Operating Budget Highlights

- Sales tax rates unchanged - one of the lowest in Arizona
- City property tax rate reduced from \$1.1126 to \$1.1026 - 7th year of reduction
- Maintains and enhances existing level of service
- Adds funding for labor association commitments, general employee pay increases, and Classification and Compensation study estimated impacts
- Plans towards debt reduction: \$50M for pay-down of Public Safety Personnel Retirement System (PSPRS) unfunded liability
- Includes Water, Wastewater, and Solid Waste rate changes
- Maintains strong reserves

FY 2022-23

Total City Property Tax Rate: **\$1.1026**

Primary Tax Rate = **\$0.2326**
(Supports General Operations)

Secondary Tax Rate = **\$0.8700**
(Pays Bond Debt Service Only)

Per 100 dollars of assessed value



About 10¢ of every dollar comes to Chandler in FY 2021-22

General Obligation (GO) Bond Rating

AAA
Aaa

- Fitch
- Standard and Poor's
- Moody's

Highest rating level from all three major rating agencies

- One of only 3 cities in Arizona
- Higher ratings mean lower cost of borrowing, which lowers taxes and user fees