



CHANDLER
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Public Hearing

FY 2024-25 Proposed Budget

2025-2034 Capital Improvement Program (CIP)

2024-25 Property Tax Levy

Council Chambers | Thursday, June 13, 2024

FY 2024-25 Proposed Budget

“Making it Happen”

Total Budget \$1,629,072,684 | Total General Fund: \$577,776,840

Proposed Budget

- Adheres to financial policies and is structurally balanced
 - Ongoing for ongoing and one-time for one-time
- Uses Strategic Framework to guide decisions
- Provides for cost-effective, quality services
- Maintains long-term financial sustainability
- Resident engagement through input opportunities
 - Kickoff, Resident Budget Survey & Three Workshops
 - All-day Budget Briefing
 - Tentative and Final Adoption in May/June

1.6% decrease
overall all Funds

\$752.5M operating (-5.9%)

\$876.5M capital (+2.3%)

5.4% decrease in
General Fund

\$577.8M operating (-9.1%)

\$139M capital (+8.6%)

FY 2024-25 Proposed Budget Drivers (all funds)

Revenues

- Revenues reflect actual economic environment with additional analysis on sustainable level
- Increases coming from continued development & decrease from Residential Rental revenue
- State Shared revenues updated with latest projections using State and League forecasts

Expenditures

- Funding to convert one-time funded positions to ongoing, maintain service delivery after adjusting for inflation, and ensure enhancements are in strategic focus areas
- Personnel costs increasing to invest in city workforce and retain employees; market, merit, and healthcare. Reflects ongoing savings from PSPRS employer contribution
- Capital projects increased to address aging infrastructure, inflation and new infrastructure

Grants

- Continued focus on finding Grant opportunities and having “shovel ready” projects that may qualify

Debt & Actions Reducing Cost

- Maintain AAA bond rating to minimize cost of borrowing for capital projects
- Maintain funded status of Public Safety Personnel Retirement System (PSPRS) to ensure unfunded liability does not grow
- Solar energy investment for utility cost savings
- Turf to Xeriscape capital project for utility cost savings

Operating Budget Highlights

Reduces city primary property tax rate, no change to Transaction Privilege Tax (TPT) rates

No planned Water, Wastewater, or Solid Waste rate changes in the new Fiscal Year

Budget maintains existing service levels and enhances programs tied to Strategic Framework

Adds funding for new labor association commitments and general employee merit/market

Continues debt elimination: \$7M in one-time funding for pay-off maintenance of Public Safety Personnel Retirement System (PSPRS) liability

Maintains strong reserves including 15% General Fund contingency and \$10M budget stabilization reserve

2025-2034 CIP Highlights

- 2025-2034 CIP total is \$2,488,884,031 (\$525M more than the 2024-2033 CIP)
- Updated to reflect additional utility projects and project costs to current values
- Increased focus on aging infrastructure
- Voter Bond authorization to support capital plan is shortened by inflation



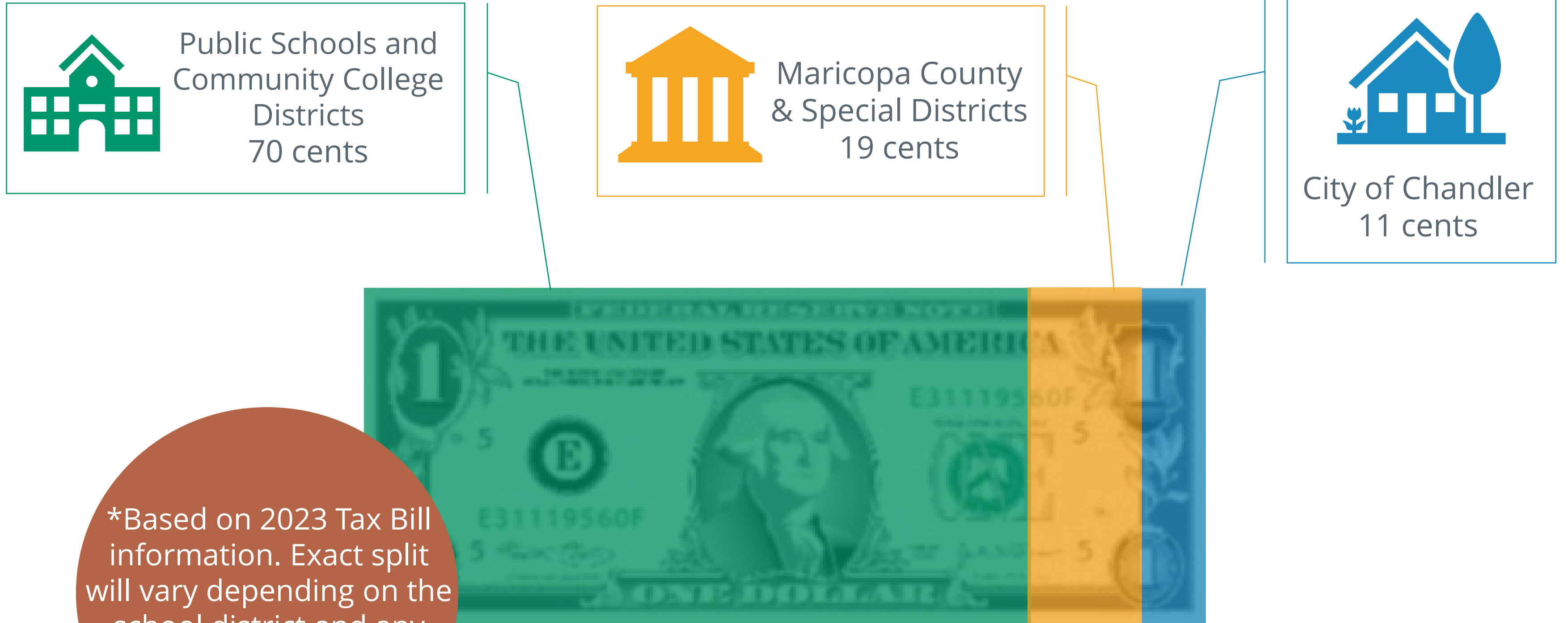
\$2.49B- Total 10-Year CIP
\$876.5M – Total FY 2024-25 CIP

Public Hearing

FY 2024-25 Property Tax Levy

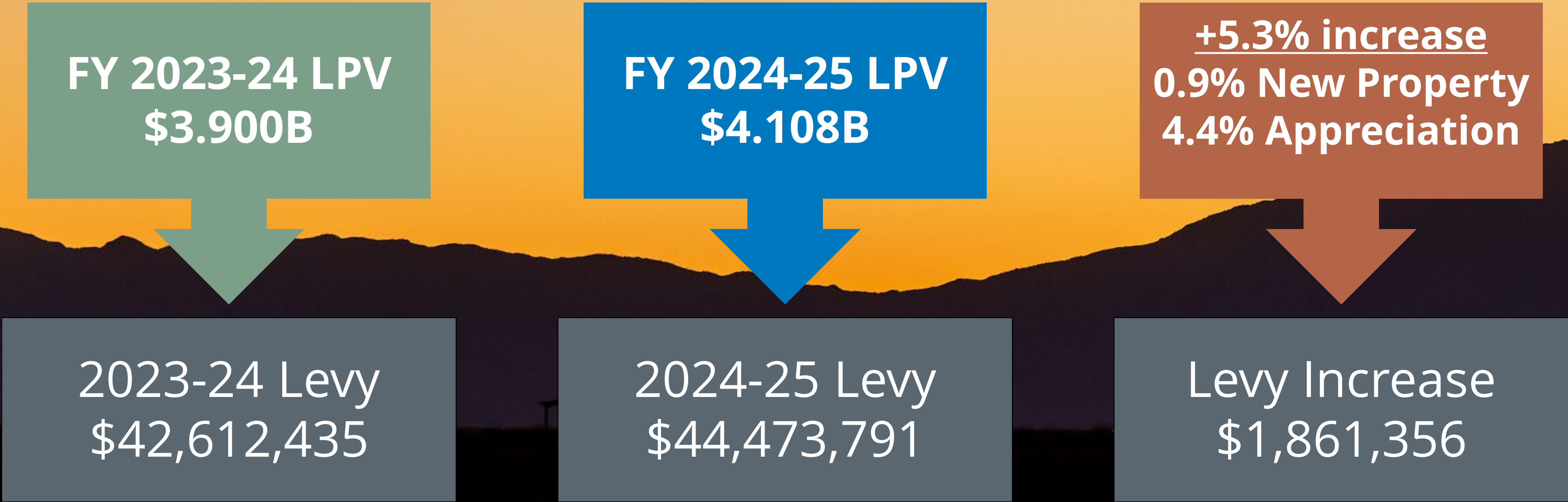


Breakdown of \$1 of Typical Chandler Property Tax Bill



*Based on 2023 Tax Bill information. Exact split will vary depending on the school district and any other special taxing districts on the bill.

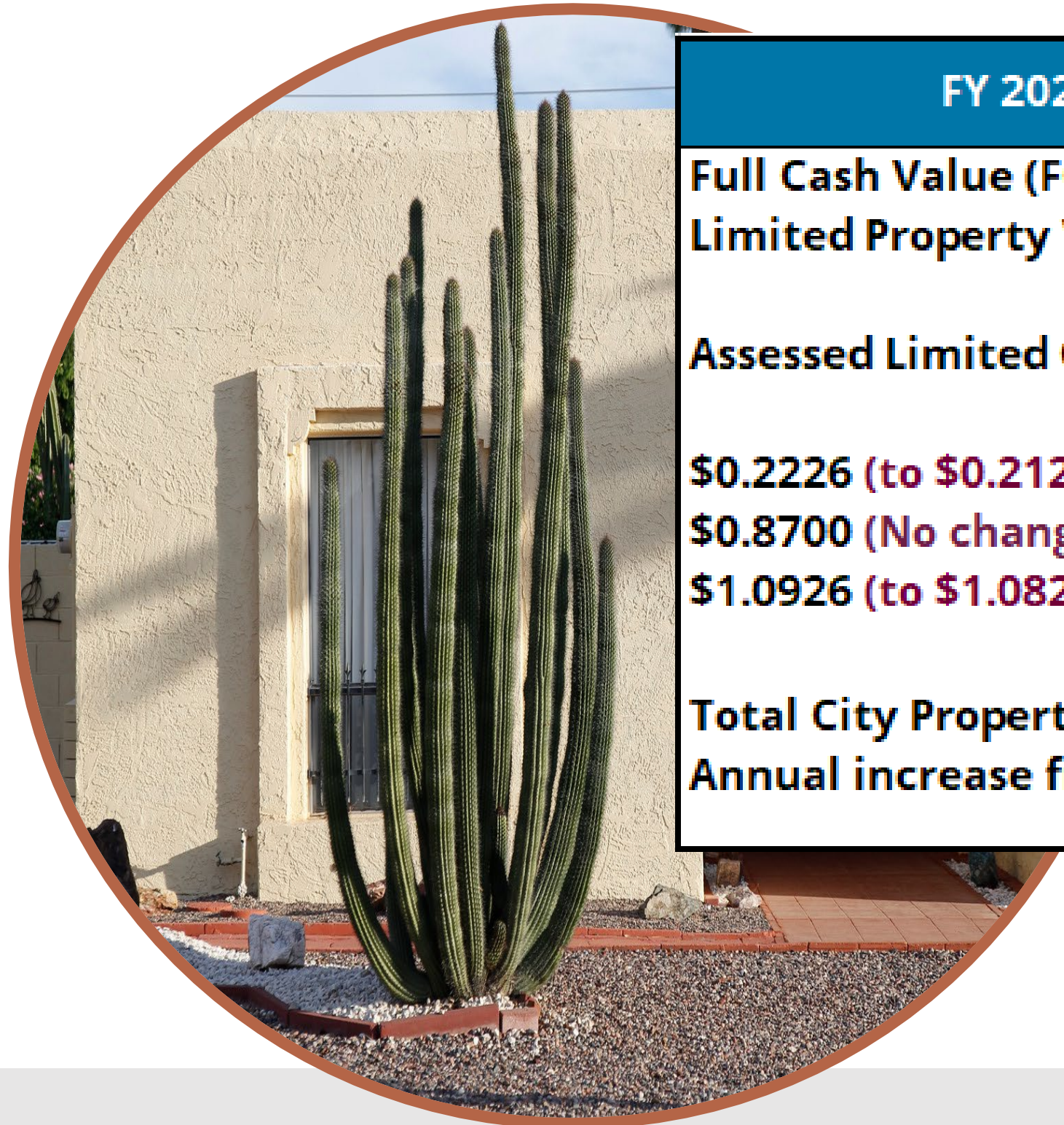
FY 2024-25 Property Tax Levy



Tax rate reduction from \$1.0926 to \$1.0826
reduces impact of Limited Property Value (LPV) increase

Reduces property tax rate for the 9th consecutive year

Impact of City Tax Rate Reduction on Median Value Homeowner



FY 2024-25 Property Tax Rates	2024	2025	% Increase
Full Cash Value (FCV)	\$447,600	\$414,800	-7.33%
Limited Property Value (LPV)	\$235,863	\$247,656	5.00%
Assessed Limited Cash Value (10%)	\$23,586	\$24,766	5.00%
\$0.2226 (to \$0.2126)/\$100 assessed value - Primary	\$52.50	\$52.65	0.28%
\$0.8700 (No change)/\$100 assessed value- Secondary	\$205.20	\$215.46	5.00%
\$1.0926 (to \$1.0826)/\$100 av - Total Property Tax Rate			
Total City Property Tax Bill	\$257.70	\$268.11	4.04%
Annual increase from current year		\$10.41 \$0.87/month	

Key Budget Dates

Budget Event		Date
Council Budget Kickoff		Completed Oct.
Citizen Budget Survey		Completed Nov. - Jan.
Council Workshop #1		Completed Feb.
Council Workshop #2		Completed early Mar.
Council Workshop #3		Completed late Mar.
All Day Budget Briefing		Completed Apr.
Council Meetings and Statutory Requirements	Tentative Budget/CIP Adoption	Completed May
	Budget Public Hearing and Final Adoption	Tonight
	Adoption of Tax Levies	06/27/2024



Questions?

For your consideration:

Res. #5801 Adopts the FY 2024-25 Annual Budget, sets the amounts proposed to be raised by direct property taxation, and adopts the 2025-2034 Capital Improvement Program (CIP)

Tentative and final adoption of the Ordinance No. 5095, setting Property Tax Levies will be June 24 and 27, 2024

For more information visit
chandleraz.gov/budget
or call the Budget Office at (480) 782-2254