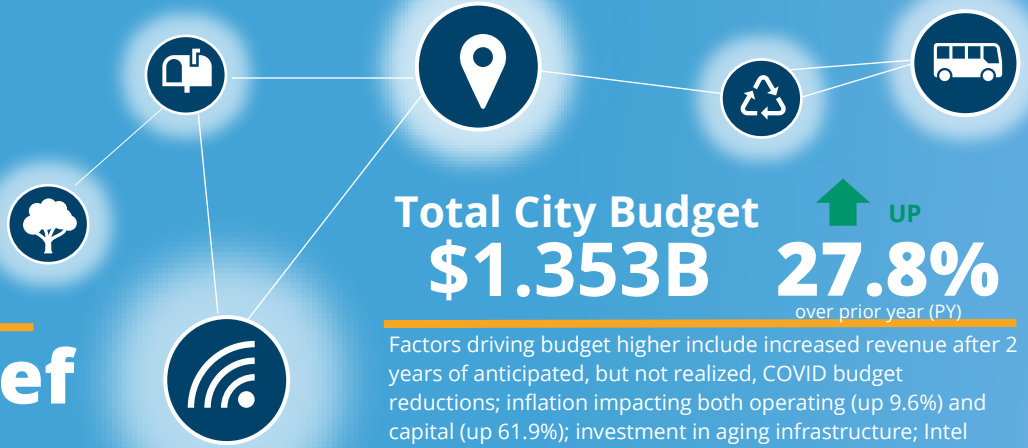


Fiscal Year (FY July 1- June 30)

**2022-23**

# Budget Brief

## Staying Connected



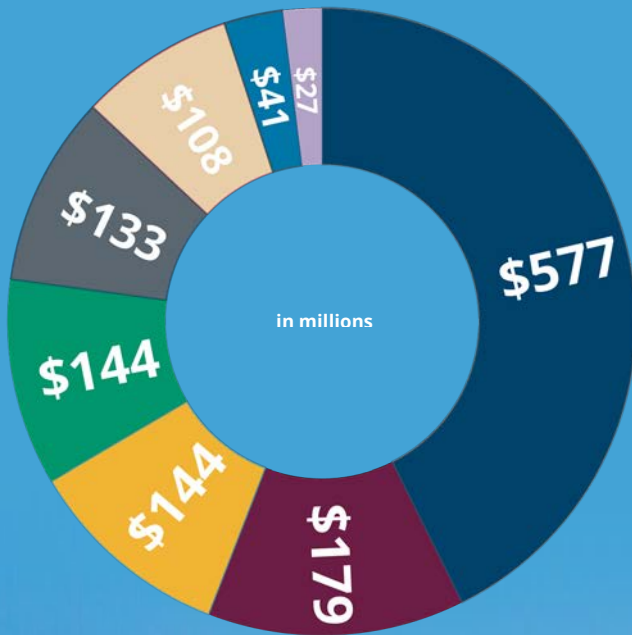
**Total City Budget** ↑ **UP 27.8%**  
over prior year (PY)

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](http://www.chandleraz.gov/budget)

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

Utilities/ Water & Wastewater	Water Treatment Plant/Production Facility Imps.   <b>\$28.7M</b> Main & Valve Replacements   <b>\$20M</b> Collection System Facility Improvements   <b>\$38M</b> Water Reclamation Facility Improvements   <b>\$59.5M</b> Water Conveyance and Interconnect Facility   <b>\$66.6M</b>	Community Services	Tumbleweed Regional Park Improvements   <b>\$25.4M</b> Gazelle Meadows Park/Galveston Neighborhood Imps.   <b>\$4M</b> Existing Neighborhood, Community, Athletic Field, Park Improvements/Repairs   <b>\$14.2M</b> Recreational Facility Improvements   <b>\$2.1M</b> Homestead North Park   <b>\$3.7M</b>
	General Govt.		Airport
Streets	Street Repaving Program   <b>\$21M</b> LED Streetlight Conversion   <b>\$12.3M</b> Lindsey Rd (Ocotillo Rd to Hunt Hwy.)   <b>\$30.3M</b> Chandler Heights Rd (McQueen Rd to Val Vista Dr)   <b>\$35.3M</b>	Police	Forensic Services & Detention Facility Studies   <b>\$540K</b> Radio Communication Equipment   <b>\$2.4M</b> Body Camera Replacements   <b>\$728K</b> Police Facility Renovations   <b>\$3.5M</b>
Fire	Rebuild Fire Station #282   <b>\$11.3M</b> Fire Emergency Equipment Replacements   <b>\$1.9M</b>	Cultural Devl.	City Hall Parking Lot & Alleyway Improvements   <b>\$959K</b> Downtown Improvements/Maintenance   <b>\$1M</b> Center for the Arts Improvements   <b>\$700K</b>

## 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 - 7<sup>th</sup> 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