



CHANDLER
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Bond Election Work Session

Chandler City Council July 16, 2020



Agenda

- Bond overview
- Current bond authorization
- Review of other funding sources
- Review of potential project impacts due to lack of bond authorization
- Citizen Bond Exploratory Committee structure
- Bond Committee process overview
- Direction from Mayor and Council
- Bond election calendar review
- Questions

Bond Overview

52%



Issuing Bonds provide funds for capital projects

- Funds land acquisitions, capital construction, equipment and other items with long lives
- Allows a community need to be constructed immediately, planning tax/rate impacts
- Typically financed over time (i.e. 7-20 years)
- Repaid with secondary taxes or other dedicated revenue stream (i.e. user fees, HURF)
- Higher bond rating; the lower the interest paid
- Typically tax exempt; requires extra reporting

Bond Overview - Voter Authorization



- Required to issue certain types of bonds
- Authorized with or without a tax increase
 - Balance debt based on maturities, payment schedules, and new issuances, or
 - Significant need may require tax increase
- Bond authorization doesn't expire
- Number of years of projected authorization needs can vary

General Voter Bond Authorization Remaining

Reflecting Nov. 2019 Issuance



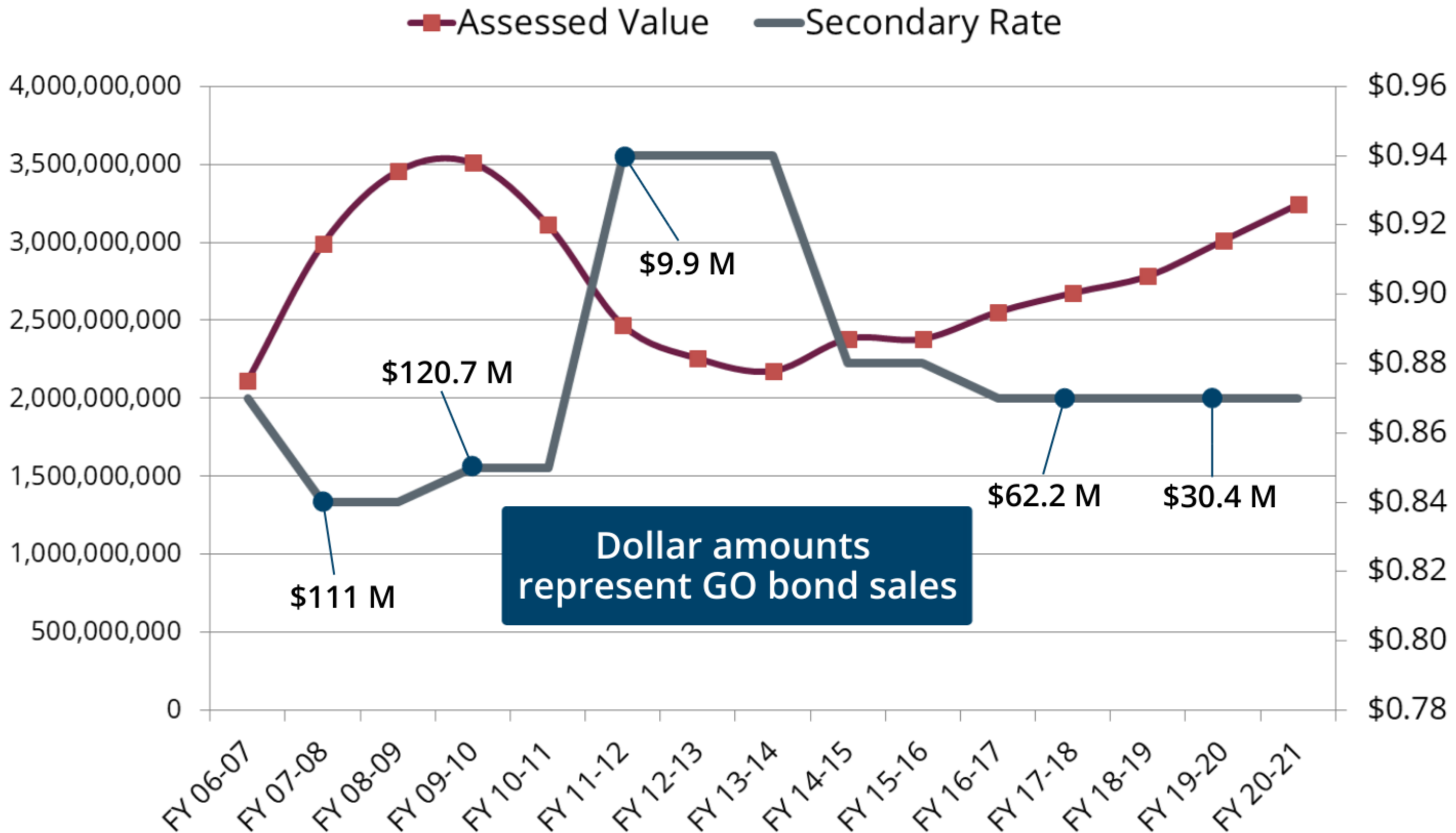
- Last Bond Election was 2007 (pre-recession) which projected no property tax increase for projects
- Minimal bond authorization remains for Public Safety and none for Water or Wastewater
- Bond Authorization generally cannot shift between categories
- Authorization is not new debt nor does it raise the tax rate, it simply authorizes the City to sell bonds for projects in those categories

Type of Voter Approved Debt	Remaining Authorization
Parks & Recreation*	\$42,295,000
Museum	\$6,230,000
Library	\$5,245,000
Public Buildings	\$9,960,000
Streets*	\$75,471,000
Stormwater	\$4,019,000
Public Safety - Fire	\$1,000
Public Safety - Police*	\$1,530,000
Airport	\$494,000
Landfill Recycling Solid Waste	\$4,935,000
Water*	\$0
Wastewater*	\$0

Total **\$150,180,000**

*Most pressing need for bond authorization (exhausted before completing current CIP)

Property Valuation and Tax Rate History



Funding Type as a Percentage of 10-Year CIP

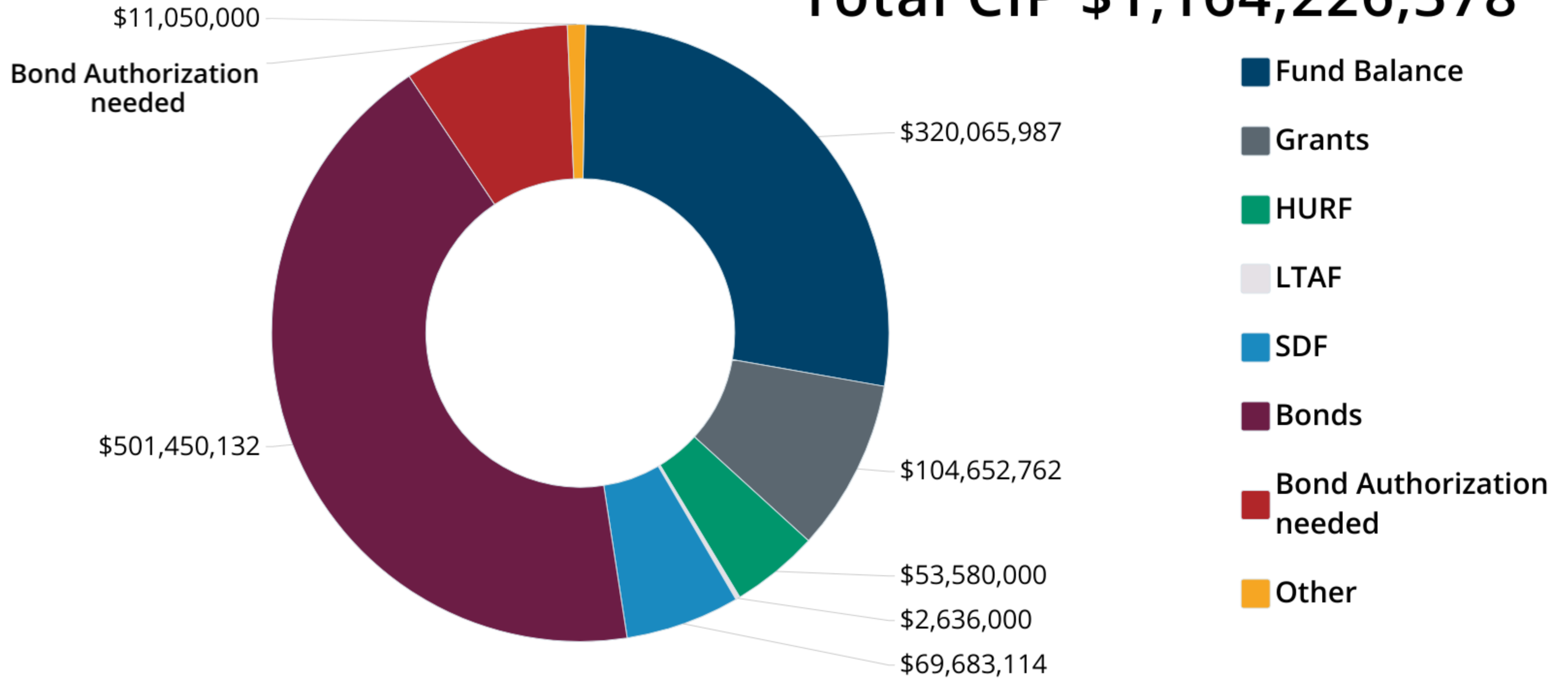


- Bonds
- Fund Balance (i.e. General/Enterprise Funds)
- Grants
- System Development Fee (SDF)/Impact Fees
- Highway User Revenue Fees (HURF)
- Local Transportation Assistance Fee (LTAF)



CIP Review - Total CIP Funding

Total CIP \$1,164,226,378



Review of Potential Project Impacts Due to Lack of Bond Authorization



Maintenance & Improvements of Streets



Regional Park Improvements



Multi-Gen & Aging Facility Needs



Technology Upgrades



Airport



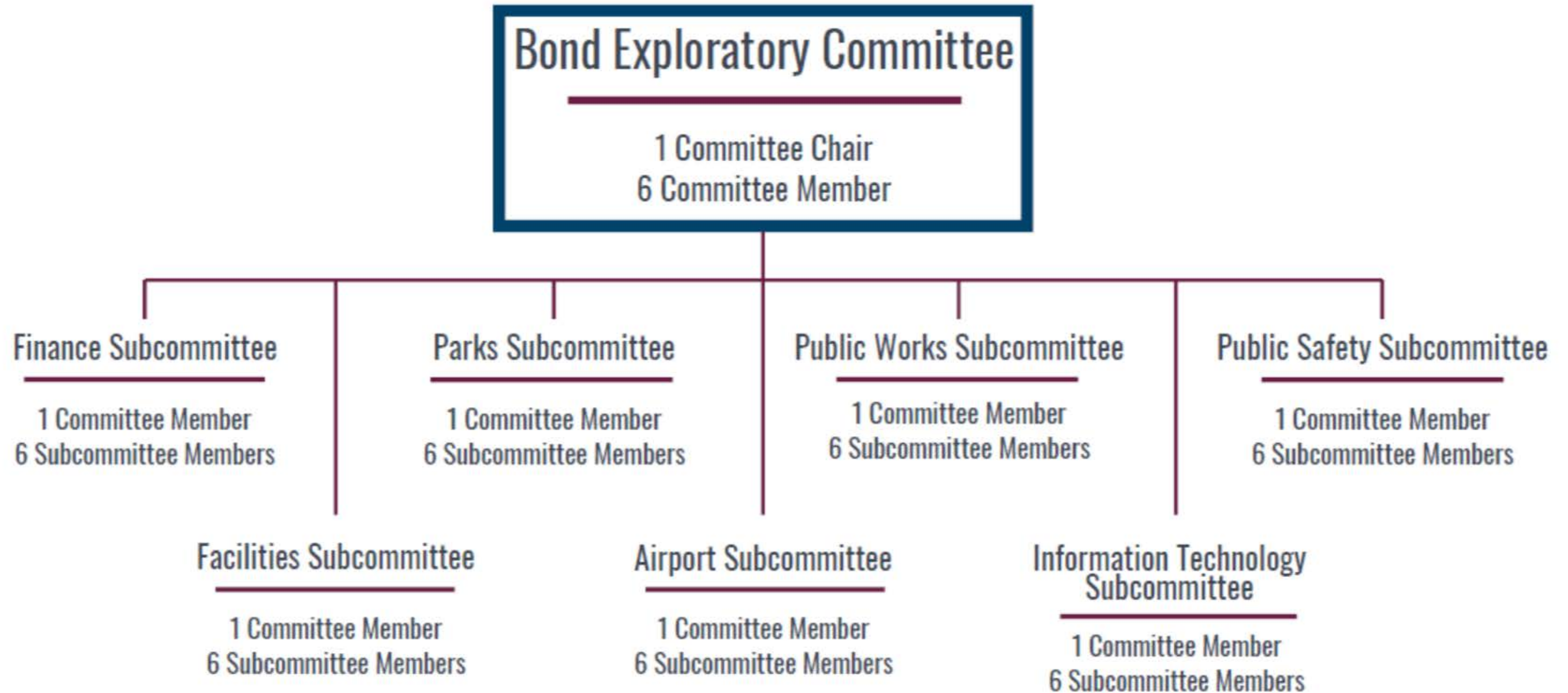
Water Wastewater Facility Improvements



Public Safety Projects & Facilities



Citizen Exploratory Committee Structure



Bond Election Process Overview



- Phase 1 - Committee education and expectation setting
- Phase 2 - Subcommittee meetings to discuss and cost project estimates, gauge public support for projects identified, and prioritize recommended projects
- Phase 3 - Subcommittee presents and discusses findings with committee
- Phase 4 - Committee reviews, discusses, and obtains financial analysis of recommended projects
- Phase 5 - Committee prepares final recommendations including any alternatives for Council consideration
- Phase 6 - Committee Chair presents final report and recommendations to Mayor and Council



Mayor and Council Direction

- Final direction of Bond Committee Structure
- Does Council want to give any specific direction to Bond Committee?
- Timeline for final report

Bond Election Estimated Calendar

Schedule Date	Description
July 16, 2020	Work Session with City Council to discuss 2021 Bond Election
August 13, 2020	Council appoints Bond Exploratory Committee (BEC) at City Council meeting
August 20, 2020	First BEC meeting
August 31, 2020 - November 20, 2020	Bond Subcommittee meetings
November 20, 2020	Subcommittee recommendations due to BEC
December 3, 2020	BEC meeting to form consensus on all subcommittee recommendations
December 10, 2020 or January 2021	BEC recommendations report finalized. Briefing to Council by BEC Chairman of committee's recommendations at Work Session

Bond Election Estimated Calendar (cont'd)

Schedule Date	Description
January 2021 - May 1, 2021	City Council discussion of recommendations and the call for election
May 13, 2021	Use City Council Meeting to announce Call for Election
June 5, 2021	At City Council Meeting, Council receives: Call of Election by resolution by City Council
June 18, 2021	Ballot language given to Maricopa County
August 4, 2021	Arguments Pro/Con filed with City Clerk
September 20, 2021	Sample Ballot/Informational Pamphlet mailed to voters before election
November 2, 2021	Election Day

Questions?

