

Adopted Budget Summaries  
 Department Budget Summaries  
 Fund Summaries  
 Personnel Summaries

# CHANDLER



## *A fiscally sound place*

Chandler emerged from the Great Recession on the foundation of effective fiscal management policies and prudent spending. Understanding how best to finance and schedule new projects has helped the City to again provide infrastructure and amenities in a timely yet prudent manner.



*Fire Station #1*





### Adopted Budget Summaries

The Chandler City Council adopted the Fiscal Year (FY) 2015-16 budget of \$910,614,017 on June 11, 2015. Chandler's budget is balanced with total resources equal to total expense appropriation within each fund, as well as in the aggregate. The following pages contain summary information including comparisons to previous fiscal years.

The adopted budget includes funding from several sources including current revenues of \$431,163,527 and the use of \$286,071,768 of fund balance from various funds. Spending appropriation includes \$696,489,208 for departmental operations, \$133,868,146 for contingencies and reserves, \$71,430,443 for debt service in various funds, and equipment, technology, and vehicle replacement purchases of \$8,826,220.

#### Resources

	2013-14 Actual Revenues	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Fund Balances	\$ -	\$ 273,253,255	\$ 286,071,768	4.7%
Sale of Bonds	114,029,954	-	165,035,000	N/A
Grants	17,013,373	31,785,923	28,343,722	(10.8%)
Revenues	450,059,011	478,435,469	431,163,527	(9.9%)
<b>Total Resources</b>	<b>\$ 581,102,338</b>	<b>\$ 783,474,647</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>
Encumbrance or Carryforward from Prior Years	-	(195,973,480)	(198,893,714)	
<b>Net Adjusted Budget</b>	<b>\$ 581,102,338</b>	<b>\$ 587,501,167</b>	<b>\$ 711,720,303</b>	<b>21.1%</b>

#### Appropriations

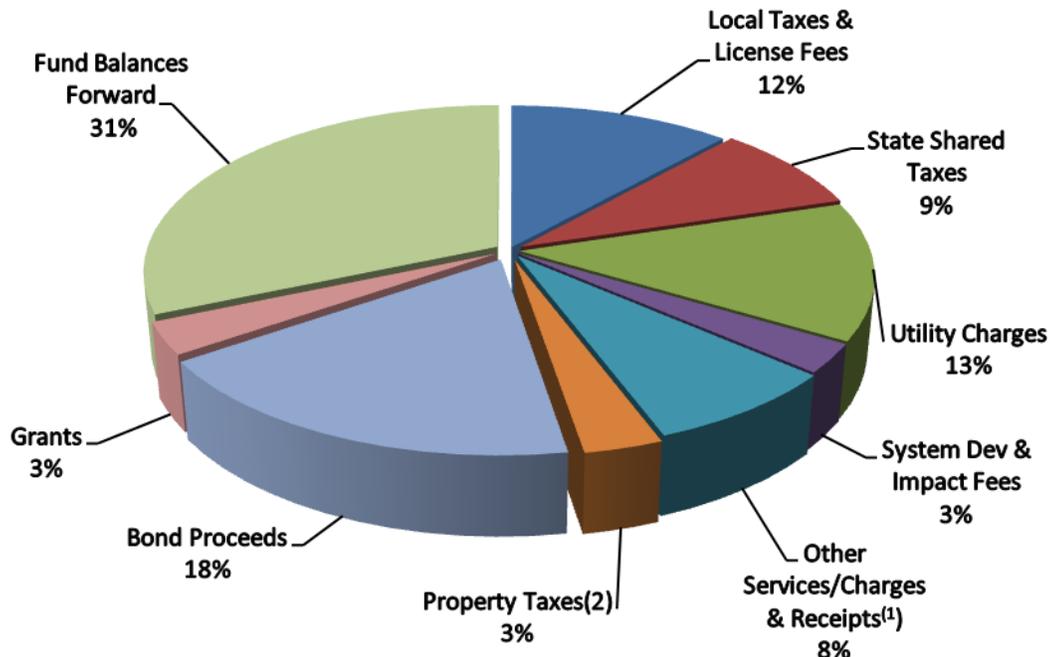
	2013-14 Actual Expenditures	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 119,719,891	\$ 168,551,539	\$ 163,653,692	(2.9%)
Public Safety	93,640,368	112,088,800	121,720,774	8.6%
Municipal Utilities <sup>(1)</sup>	142,760,563	232,879,164	330,567,326	41.9%
Transportation & Development	50,122,164	89,776,329	80,547,416	(10.3%)
Fund Contingencies & Reserves <sup>(2)</sup>	-	105,097,565	133,868,146	27.4%
Debt Service	61,272,324	64,891,189	71,430,443	10.1%
Capital/Tech/Vehicle Replacement	8,504,136	10,190,061	8,826,220	(13.4%)
<b>Total</b>	<b>\$ 476,019,447</b>	<b>\$ 783,474,647</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>
Encumbrance or Carryforward from Prior Years	-	(195,973,480)	(198,893,714)	
<b>Net Adjusted Budget</b>	<b>\$ 476,019,447</b>	<b>\$ 587,501,167</b>	<b>\$ 711,720,303</b>	<b>21.1%</b>

<sup>(1)</sup> Municipal Utilities Department includes funding for the utility expansions in which the City will pay for utility infrastructure costs and Intel will reimburse the City for these costs. Fiscal Year (FY) 2014-15 includes \$62,092,518 (Water Fund \$2,148,174 and Wastewater Fund \$59,944,344) and FY 2015-16 includes \$7,874,352 (Wastewater Fund).

<sup>(2)</sup> Contingency funds and reserves are one-time revenues comprised of various funds of which the majority is restricted in their use. These funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.

### Where the Money Comes From

Resources available for appropriation by the City Council are aggregated into the nine broad categories of Local Taxes & License Fees, State Shared Taxes, Utility Charges, System Development & Impact Fees, Other Services, Charges & Receipts, Property Taxes, Bond Proceeds, Grants, and Fund Balance. As required by Arizona State statute, the property tax levy at an estimated \$28,070,000 was adopted on June 25, 2015. The levy includes a Primary Tax Rate of \$0.2992 and a Secondary Tax Rate of \$0.8800, for a total tax rate of \$1.1792 per \$100 of assessed valuation.



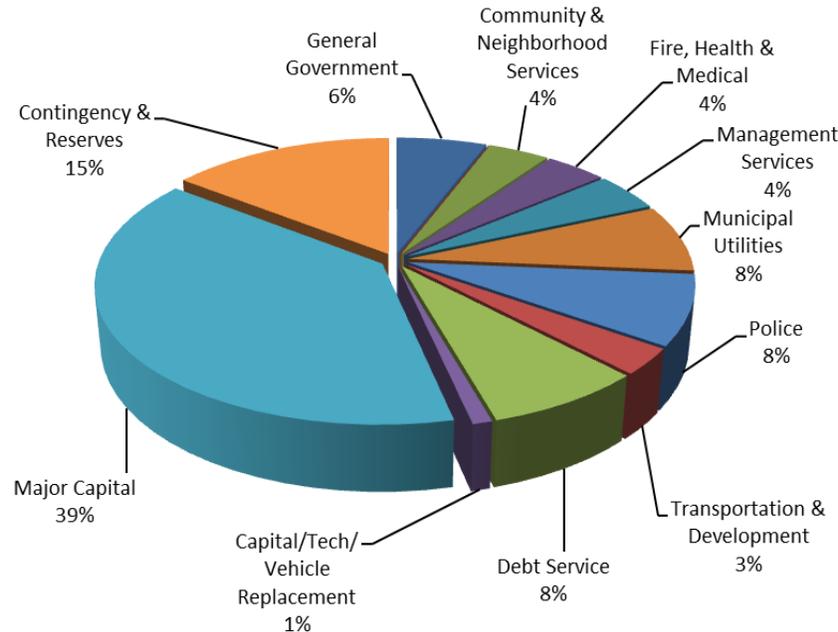
	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Local Taxes & License Fees	\$ 101,610,700	\$ 106,733,550	5.0%
State Shared Taxes	77,117,477	77,236,793	0.2%
Utility Charges	118,354,783	121,302,249	2.5%
System Dev & Impact Fees	17,001,170	25,638,500	50.8%
Other Services/Charges & Receipts <sup>(1)</sup>	136,129,439	71,832,435	(47.2%)
Property Taxes <sup>(2)</sup>	28,221,900	28,420,000	0.7%
Bond Proceeds	-	165,035,000	N/A
Grants	31,785,923	28,343,722	(10.8%)
Fund Balances Forward	273,253,255	286,071,768	4.7%
<b>Total</b>	<b>\$ 783,474,647</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>

<sup>(1)</sup> The Other Services/Charges & Receipts category includes reimbursement revenue for a utility plant expansion in which Intel Corporation will reimburse the City for a portion of these costs. Amounts reported include reimbursement of \$70,092,518 (Water Fund \$10,148,174 and Wastewater Fund \$59,944,344) in Fiscal Year (FY) 2014-15. In FY 2015-16 this same category includes \$9,071,921 (Wastewater Fund), including carryforward appropriation.

<sup>(2)</sup> FY 2014-15 Property Tax adopted amount of \$28,221,900 includes Prior Year Property Tax (Primary and Secondary) of \$450,000. FY 2015-16 Property Tax adopted amount of \$28,070,000 includes Prior Year Property Tax (Primary and Secondary) of \$350,000.

### Where the Money Goes

The chart below reflects the percentage of total expenditure appropriation of \$910,614,017 by department for Fiscal Year (FY) 2015-16. The table reflects the change in the adopted expenditure appropriation percentage from FY 2014-15 to FY 2015-16.



	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 69,605,623	\$ 53,976,561	(22.5%)
Community Services	25,309,590	-	(100.0%)
Community & Neighborhood Services	-	36,759,329	N/A
Fire, Health & Medical	33,592,971	36,753,139	9.4%
Management Services	43,235,422	41,131,677	(4.9%)
Municipal Utilities	68,191,906	71,458,996	4.8%
Police	66,493,203	74,608,847	12.2%
Transportation & Development	28,849,214	28,100,582	(2.6%)
Debt Service	64,891,189	71,430,443	10.1%
Capital/Tech/Vehicle Replacement	10,190,061	8,826,220	(13.4%)
Major Capital <sup>(1)</sup>	276,714,102	353,700,077	27.8%
Contingency & Reserves <sup>(2)</sup>	105,097,565	133,868,146	27.4%
<b>Total</b>	<b>\$ 792,170,846</b>	<b>\$ 910,614,017</b>	<b>15.0%</b>
<b>By Category</b>			
Personnel & Benefits	\$ 164,315,937	\$ 171,326,508	4.3%
Operating & Maintenance	246,043,242	251,719,286	2.3%
<b>Subtotal Operating</b>	<b>410,359,179</b>	<b>423,045,794</b>	<b>3.1%</b>
Major Capital	276,714,102	353,700,077	27.8%
Contingency & Reserves	105,097,565	133,868,146	27.4%
<b>Total</b>	<b>\$ 792,170,846</b>	<b>\$ 910,614,017</b>	<b>15.0%</b>

<sup>(1)</sup> In this presentation the Major Capital does not include \$8,733,847 of Reserves appropriated for cost center 1291, Non-departmental Capital, as it is included in the Contingency & Reserves category for FY 2014-15 and \$17,789,717 for FY 2015-16.

<sup>(2)</sup> Contingency & Reserve funds are one-time revenues comprised of various funds of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls and unforeseen or emergency expenditures. Use of these funds requires Council approval.

### Where the Money Goes – By Function

The adopted budget, divided between operating and capital, is shown below. Departmental operating budgets total \$343,362,881; debt service expense is \$71,430,443, and equipment, technology, and vehicle replacement purchases are \$8,826,220. Contingencies and reserves tied to operating costs are \$114,528,428 for an operating total of \$538,147,972.

Capital budgets include \$187,355,031 in new capital appropriation for department capital projects, \$183,561,014 in capital carryforward, and \$1,550,000 in capital contingencies and reserves for a total of \$372,466,045.

#### Operating Budget by Function (All Funds)

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 133,704,186	\$ 132,441,317	(0.9%)
Public Safety	100,086,174	111,361,986	11.3%
Municipal Utilities	68,191,906	71,458,996	4.8%
Transportation & Development	28,849,214	28,100,582	(2.6%)
Total Department Operating	\$ 330,831,480	\$ 343,362,881	3.8%
Capital/Tech/Vehicle Replacement	10,190,061	8,826,220	(13.4%)
Debt Service	64,891,189	71,430,443	10.1%
Contingency & Reserves	95,013,718	114,528,428	20.5%
<b>Total Operating</b>	<b>\$ 500,926,448</b>	<b>\$ 538,147,972</b>	<b>7.4%</b>

#### Capital Budget by Function (All Funds)

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 18,664,172	\$ 15,718,349	(15.8%)
Public Safety	1,190,090	5,580,090	368.9%
Municipal Utilities	52,379,040	138,392,000	164.2%
Transportation & Development	27,744,017	27,664,592	(0.3%)
Total Major Capital	\$ 99,977,319	\$ 187,355,031	87.4%
Capital Carryforward	181,220,880	183,561,014	1.3%
Contingency & Reserves	1,350,000	1,550,000	14.8%
<b>Total Capital</b>	<b>\$ 282,548,199</b>	<b>\$ 372,466,045</b>	<b>31.8%</b>
<b>Grand Total - Operating &amp; Capital</b>	<b>\$ 783,474,647</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>



Departmental Budget Comparison Summary

The following tables provide summary and detail information on the change between the adopted budgets for Fiscal Year (FY) 2014-15 and FY 2015-16. For operating cost centers, explanations of significant highlights for the FY 2015-16 budgets are provided in detail in individual departmental sections of this document. Major capital projects information is provided at the departmental level in the Capital Budget section and in the City's Capital Improvement Program document.

	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Change Adopted to Adopted
Mayor and Council	\$ 765,709	\$ 786,732	\$ 824,766	\$ 806,113	\$ 837,550	6.5%
Communications/Public Affairs	1,897,564	2,089,986	2,313,170	2,274,674	2,317,974	10.9%
City Clerk	534,565	788,201	836,270	812,500	617,010	(21.7%)
City Manager	1,138,541	1,168,571	1,190,475	1,184,683	1,214,156	3.9%
Organizational Support	49,564,636	67,299,872	70,823,237	51,493,310	53,618,304	(20.3%)
City Magistrate	3,776,678	4,183,379	4,242,231	3,910,572	4,306,286	2.9%
Law	5,470,586	9,218,855	9,361,827	6,035,099	9,141,224	(0.8%)
Community & Neighborhood Services	19,727,299	29,828,771	28,767,112	20,248,941	49,393,761	65.6%
Fire, Health & Medical	31,474,761	43,510,956	44,147,648	38,455,508	44,844,918	3.1%
Management Services	6,966,977	8,080,918	8,472,298	7,923,391	8,201,369	1.5%
Non-Departmental	29,877,337	45,106,254	53,689,170	26,097,240	34,006,058	(24.6%)
Municipal Utilities	142,760,563	232,879,164	227,207,757	91,652,278	330,567,326	41.9%
Police	62,165,608	68,577,844	71,315,631	66,643,637	76,875,856	12.1%
Transportation & Development	50,122,164	89,776,329	98,624,917	70,849,768	80,547,416	(10.3%)
<b>Subtotal</b>	<b>\$ 406,242,987</b>	<b>\$ 603,295,832</b>	<b>\$ 621,816,509</b>	<b>\$ 388,387,714</b>	<b>\$ 696,489,208</b>	<b>15.4%</b>
Fund Contingency - Operating*	\$ -	\$ 95,013,718	\$ 82,583,802	\$ -	\$ 114,528,428	20.5%
Fund Contingency - Capital*	-	10,083,847	3,631,298	-	19,339,718	91.8%
Debt Service	61,272,324	64,891,189	64,891,189	63,824,900	71,430,443	10.1%
Equipment Replacement	653,643	1,141,000	1,141,000	515,200	870,500	(23.7%)
Technology Replacement	3,935,956	4,183,770	4,507,267	4,376,924	3,293,561	(21.3%)
Vehicle Replacement	3,914,538	4,865,291	4,903,582	2,875,285	4,662,159	(4.2%)
<b>Grand Total</b>	<b>\$ 476,019,447</b>	<b>\$ 783,474,647</b>	<b>\$ 783,474,647</b>	<b>\$ 459,980,023</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>

\* Contingency funds and reserves are one-time revenues comprised of various funds of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.



Cost Center Budget Comparison

	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Change Adopted to Adopted
<b>General Government</b>						
<b>Mayor and Council</b>	\$ 765,709	\$ 786,732	\$ 824,766	\$ 806,113	\$ 837,550	6.5%
<b>Communications &amp; Public Affairs</b>						
Administration	\$ 771,134	\$ 880,796	\$ 914,474	\$ 878,110	\$ 949,847	7.8%
Video Production	363,725	394,551	552,899	553,660	521,146	32.1%
Print, Mail & Graphics	762,705	814,639	845,797	842,904	846,981	4.0%
<b>Total Communications/Public Affairs</b>	<b>\$ 1,897,564</b>	<b>\$ 2,089,986</b>	<b>\$ 2,313,170</b>	<b>\$ 2,274,674</b>	<b>\$ 2,317,974</b>	<b>10.9%</b>
<b>City Clerk</b>	<b>\$ 534,565</b>	<b>\$ 788,201</b>	<b>\$ 836,270</b>	<b>\$ 812,500</b>	<b>\$ 617,010</b>	<b>(21.7%)</b>
<b>City Manager Administration</b>	<b>\$ 1,138,541</b>	<b>\$ 1,168,571</b>	<b>\$ 1,190,475</b>	<b>\$ 1,184,683</b>	<b>\$ 1,214,156</b>	<b>3.9%</b>
<b>Organizational Support</b>						N/A
Innovations <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ -	\$ 1,456,930	N/A
Airport <sup>(2)</sup>	-	-	-	-	1,041,984	N/A
Airport Capital	-	-	-	-	7,544,042	N/A
Buildings and Facilities	6,568,438	6,693,424	7,039,938	7,011,512	6,883,914	2.8%
Buildings and Facilities Capital	1,650,655	2,902,680	3,152,031	2,183,375	3,455,256	19.0%
Cultural Affairs Administration <sup>(3)</sup>	-	-	-	-	499,813	N/A
Center for the Arts	1,428,913	1,402,254	1,462,067	1,467,680	1,486,742	6.0%
Library	6,325,189	6,759,164	6,899,170	6,590,372	6,593,516	(2.5%)
Cultural Affairs Capital	-	43,500	265,500	224,500	531,400	1121.6%
Museum	458,790	491,281	505,635	495,237	456,272	(7.1%)
Economic Development	2,016,672	2,160,915	2,208,314	2,161,086	877,934	(59.4%)
Downtown Redevelopment	360,412	389,652	447,819	442,310	400,966	2.9%
Economic Development Capital	-	2,787,230	2,787,230	220,022	2,567,208	(7.9%)
Tourism	449,432	585,228	623,409	493,151	634,762	8.5%
Airport <sup>(2)</sup>	1,076,554	1,036,838	1,078,626	947,214	-	(100.0%)
Airport Capital	868,722	6,906,083	6,940,963	776,892	-	(100.0%)
Human Resources	2,962,220	3,336,295	3,611,626	3,579,546	3,197,002	(4.2%)
Workers Compensation Liability	1,569,953	1,500,000	1,500,000	1,885,000	1,718,000	14.5%
IT Service Delivery Mgmt & Admin	1,860,496	1,900,679	2,007,227	1,815,795	1,831,329	(3.6%)
IT Applications & Support	3,083,210	3,348,457	3,482,921	3,488,010	3,876,246	15.8%
IT Infrastructure & Client Support	2,652,231	2,783,069	3,004,130	3,068,975	2,768,099	(0.5%)
ITOC Capital	1,132,429	1,989,860	2,177,612	423,032	2,735,629	37.5%
ITOC Operations	57,973	145,687	149,926	135,143	158,695	8.9%
IT Citywide Capital	470,084	1,344,120	1,375,318	412,360	1,242,408	(7.6%)
Planning <sup>(4)</sup>	-	-	-	-	1,660,157	N/A
Neighborhood Resources <sup>(5)</sup>	587,120	601,611	688,150	621,483	-	(100.0%)
Code Enforcement	1,033,954	1,148,066	1,405,173	1,106,792	-	(100.0%)
Housing and Redevelopment	8,349,639	13,160,160	13,294,986	8,952,411	-	(100.0%)
Community Development	4,601,548	3,883,619	4,715,466	2,991,412	-	(100.0%)
<b>Total Organizational Support</b>	<b>\$ 49,564,636</b>	<b>\$ 67,299,872</b>	<b>\$ 70,823,237</b>	<b>\$ 51,493,310</b>	<b>\$ 53,618,304</b>	<b>(20.3%)</b>
<b>City Magistrate</b>	<b>\$ 3,776,678</b>	<b>\$ 4,183,379</b>	<b>\$ 4,242,231</b>	<b>\$ 3,910,572</b>	<b>\$ 4,306,286</b>	<b>2.9%</b>
<b>Law</b>	<b>\$ 3,221,622</b>	<b>\$ 3,572,717</b>	<b>\$ 3,628,413</b>	<b>\$ 3,622,359</b>	<b>\$ 3,495,496</b>	<b>(2.2%)</b>
Liability Litigation	1,340,031	1,676,423	1,696,475	1,462,415	1,676,013	(0.0%)
Liability Litigation Claims	908,933	3,969,715	4,036,939	950,325	3,969,715	0.0%
<b>Total Law</b>	<b>\$ 5,470,586</b>	<b>\$ 9,218,855</b>	<b>\$ 9,361,827</b>	<b>\$ 6,035,099</b>	<b>\$ 9,141,224</b>	<b>(0.8%)</b>
<b>Total General Government</b>	<b>\$ 63,148,279</b>	<b>\$ 85,535,596</b>	<b>\$ 89,591,976</b>	<b>\$ 66,516,951</b>	<b>\$ 72,052,504</b>	<b>(15.8%)</b>

<sup>(1)</sup> Effective July 1, 2015, Innovations is established as a new cost center and is separated from the Economic Development cost center.

<sup>(2)</sup> Effective July 1, 2015, Airport transfers to City Manager from Economic Development.

<sup>(3)</sup> Effective July 1, 2015, the Cultural Affairs Division is established with the transfer of the Center for the Arts, Library, Cultural Affairs Capital (former Library Capital cost center), and Museum cost centers from the dismantled Community Services Department. For presentation purposes, the prior year history is reflected under Organizational Support in this summary.

<sup>(4)</sup> Effective July 1, 2015, the Planning Division transfers to City Manager from the Transportation & Development Department.

<sup>(5)</sup> Effective July 1, 2015, the Neighborhood Resources Division transfers to the newly created Community & Neighborhood Services Department.



Financial & Personnel Overview

Cost Center Budget Comparison (continued)

	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Change Adopted to Adopted
<b>Community &amp; Neighborhood Services<sup>(1)</sup></b>						
Neighborhood Resources	\$ -	\$ -	\$ -	\$ -	900,520	N/A
Code Enforcement	-	-	-	-	1,277,658	N/A
Community Services Administration	512,364	434,790	439,648	431,424	-	(100.0%)
Aquatics	3,203,461	3,470,615	3,666,235	3,669,518	3,775,887	8.8%
Parks Development and Operations	7,109,716	7,546,336	7,865,369	7,935,413	8,326,634	10.3%
Recreation	1,181,509	1,169,577	1,215,355	1,201,181	1,369,811	17.1%
Sports & Fitness Facilities	1,986,871	2,249,309	2,321,331	2,274,792	2,358,996	4.9%
Nature & Recreation Facilities	1,434,435	1,786,264	1,848,022	1,600,662	1,685,509	(5.6%)
Parks Capital	4,298,945	13,171,880	11,411,152	3,135,951	12,634,432	(4.1%)
Housing and Redevelopment	-	-	-	-	12,975,452	N/A
Community Development	-	-	-	-	4,088,862	N/A
<b>Total Community &amp; Neighborhood Svcs</b>	<b>\$ 19,727,299</b>	<b>\$ 29,828,771</b>	<b>\$ 28,767,112</b>	<b>\$ 20,248,941</b>	<b>\$ 49,393,761</b>	<b>65.6%</b>
<b>Fire, Health &amp; Medical</b>						
Administration	\$ 3,489,737	\$ 5,230,739	\$ 5,175,009	\$ 3,564,140	\$ 4,664,517	(10.8%)
Health & Medical Services <sup>(2)</sup>	1,564,674	1,428,702	1,541,921	1,506,751	1,661,882	16.3%
Operations	22,309,531	22,636,170	23,061,440	22,873,731	24,380,958	7.7%
Prevention and Preparedness	1,726,988	2,306,663	2,512,056	2,030,636	4,038,652	75.1%
Fire Capital	407,235	9,917,985	9,832,548	6,520,769	8,091,779	(18.4%)
Support Services	973,148	870,134	880,045	886,126	892,175	2.5%
Fleet Services	1,003,449	1,120,563	1,144,629	1,073,355	1,114,955	(0.5%)
<b>Total Fire, Health &amp; Medical</b>	<b>\$ 31,474,761</b>	<b>\$ 43,510,956</b>	<b>\$ 44,147,648</b>	<b>\$ 38,455,508</b>	<b>\$ 44,844,918</b>	<b>3.1%</b>
<b>Management Services</b>						
Administration	\$ 540,355	\$ 555,100	\$ 631,501	\$ 586,797	\$ 562,723	1.4%
Budget	666,841	653,283	673,221	674,641	675,381	3.4%
Purchasing	569,916	667,586	683,871	602,711	647,442	(3.0%)
Central Supply	329,994	364,286	371,982	371,592	364,940	0.2%
Accounting	1,470,080	1,501,880	1,589,729	1,567,872	1,643,064	9.4%
Tax and License	1,619,894	1,982,261	2,029,098	1,728,637	2,007,109	1.3%
Utility Services	1,267,581	1,386,698	1,433,207	1,644,655	1,371,398	(1.1%)
Environmental Management	394,603	496,624	523,992	474,486	456,112	(8.2%)
Environmental Management Liabilities	107,714	473,200	535,697	272,000	473,200	0.0%
Non-Departmental Operating	26,152,917	35,154,504	35,601,396	24,659,397	32,930,308	(6.3%)
Non-Departmental Capital	3,724,419	9,951,750	18,087,774	1,437,843	1,075,750	(89.2%)
<b>Total Management Services</b>	<b>\$ 36,844,313</b>	<b>\$ 53,187,172</b>	<b>\$ 62,161,468</b>	<b>\$ 34,020,631</b>	<b>\$ 42,207,427</b>	<b>(20.6%)</b>

<sup>(1)</sup> Effective July 1, 2015, the Community & Neighborhood Services Department is established with the transfer of the Community Services Administration, Aquatics, Parks Development & Operations, Recreation, Sports & Fitness Facilities, Nature & Recreation Facilities, and Parks Capital cost centers from the dismantled Community Services Department and the transfer of the Neighborhood Resources, Code Enforcement, Housing & Redevelopment, and Community Development cost centers from the former Neighborhood Resources Division. For presentation purposes, the prior year history for the former Community Services cost centers is reflected under Community & Neighborhood Services in this summary.

<sup>(2)</sup> Effective July 1, 2015, the Fire Support Services cost center is renamed Health & Medical Services.

Financial & Personnel Overview

Cost Center Budget Comparison (continued)

	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Change Adopted to Adopted
<b>Municipal Utilities<sup>(1)</sup></b>						
Municipal Utilities Administration	\$ 606,888	\$ 741,328	\$ 766,090	\$ 722,209	\$ 1,001,307	35.1%
Solid Waste Services	12,296,500	13,159,017	13,615,612	13,797,082	13,271,743	0.9%
Solid Waste Capital	-	250,000	378,115	192,010	936,105	274.4%
Water Distribution	4,822,811	4,834,225	4,973,593	4,911,350	4,919,468	1.8%
Water Capital	11,185,668	54,400,561	52,601,719	6,190,812	63,789,813	17.3%
Water Treatment Plant	8,167,186	5,665,209	6,722,358	6,124,886	5,703,579	0.7%
Environmental Resources	1,292,782	7,221,511	7,300,766	7,232,745	7,956,433	10.2%
Water Quality	1,452,042	1,642,135	1,688,000	1,505,132	1,657,140	0.9%
Water System Maintenance	5,246,590	6,467,803	6,538,558	6,209,149	6,341,759	(1.9%)
San Tan Vista Water Treatment Plant	1,082,552	1,293,500	1,318,814	1,100,000	1,282,519	(0.8%)
Meter Services	1,037,765	1,219,252	1,235,535	1,138,769	1,254,536	2.9%
Wastewater Collection	1,905,828	2,240,772	2,427,162	2,271,689	2,245,760	0.2%
Wastewater Capital	79,840,041	110,036,697	97,278,982	20,903,568	194,382,412	76.7%
Ocotillo Brine Reduction Facility	2,457,239	8,952,891	13,924,301	6,340,594	9,905,048	10.6%
Lone Butte Wastewater Treatment	1,168,372	1,403,592	1,437,417	1,049,592	1,406,584	0.2%
Wastewater Quality	393,630	597,217	605,853	401,691	610,412	2.2%
Airport Water Reclamation Facility	6,178,942	8,635,284	9,297,178	7,591,000	9,774,033	13.2%
Ocotillo Water Reclamation	3,625,727	4,118,170	5,097,704	3,970,000	4,128,675	0.3%
<b>Total Municipal Utilities</b>	<b>\$ 142,760,563</b>	<b>\$ 232,879,164</b>	<b>\$ 227,207,757</b>	<b>\$ 91,652,278</b>	<b>\$ 330,567,326</b>	<b>41.9%</b>
<b>Police</b>						
Administration	\$ 2,830,983	\$ 5,275,130	\$ 5,378,396	\$ 3,972,071	\$ 8,201,911	55.5%
Professional Standards	1,037,004	1,073,962	1,101,842	1,094,467	1,105,978	3.0%
Property and Evidence	410,374	430,981	438,292	435,313	420,455	(2.4%)
Forensic Services	1,997,038	2,344,291	2,413,892	2,220,118	2,647,980	13.0%
Field Operations	29,947,032	29,680,538	30,704,953	30,545,065	32,132,985	8.3%
Criminal Investigations	11,518,015	12,126,609	12,311,481	12,003,180	13,457,280	11.0%
Planning and Research	1,075,245	1,150,366	1,197,192	1,212,457	1,033,909	(10.1%)
Communications	5,743,895	6,183,135	5,342,479	5,314,798	4,978,473	(19.5%)
Police Technology <sup>(2)</sup>	-	-	1,358,216	1,362,073	1,950,475	N/A
Records	1,579,510	1,691,252	1,685,945	1,579,441	1,742,784	3.0%
Detention Services	1,915,487	2,593,113	3,034,747	2,163,591	2,589,785	(0.1%)
Community Resources & Training	3,589,153	3,943,826	4,236,057	4,096,973	4,346,832	10.2%
Police Capital	521,872	2,084,641	2,112,139	644,090	2,267,009	8.7%
<b>Total Police</b>	<b>\$ 62,165,608</b>	<b>\$ 68,577,844</b>	<b>\$ 71,315,631</b>	<b>\$ 66,643,637</b>	<b>\$ 76,875,856</b>	<b>12.1%</b>

<sup>(1)</sup> Municipal Utilities Department includes funding for the utility expansions in which the City will pay for utility infrastructure costs and Intel will reimburse the City for these costs. Fiscal Year (FY) 2014-15 includes \$62,092,518 (Water Fund \$2,148,174 and Wastewater Fund \$59,944,344) and FY 2015-16 includes \$7,874,352 (Wastewater Fund \$7,874,352).

<sup>(2)</sup> Police Technology cost center was established during FY 2014-15.



Financial & Personnel Overview

Cost Center Budget Comparison (continued)

	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Change Adopted to Adopted
<b>Transportation &amp; Development</b>						
Administration	\$ 1,348,168	\$ 1,522,083	\$ 1,691,745	\$ 1,495,958	\$ 1,230,418	(19.2%)
Planning <sup>(1)</sup>	1,519,425	1,672,862	1,773,465	1,716,855	-	(100.0%)
Development Services	3,812,129	3,467,378	3,546,303	3,487,187	3,545,493	2.3%
Engineering	799,535	1,702,307	1,735,502	1,579,479	2,027,518	19.1%
Capital Project Management	1,801,666	1,675,869	1,714,188	1,681,055	1,806,496	7.8%
Streets	7,353,521	9,252,708	11,890,095	11,422,883	9,803,672	6.0%
Streets Capital	25,741,362	60,927,115	66,000,921	40,153,947	52,446,834	(13.9%)
Traffic Engineering	5,965,644	6,556,106	6,603,600	6,428,463	6,666,960	1.7%
Transit Services	765,597	1,541,459	2,102,321	1,342,408	1,481,982	(3.9%)
Street Sweeping	1,015,117	1,458,442	1,566,777	1,541,533	1,538,043	5.5%
<b>Total Transportation &amp; Development</b>	<b>\$ 50,122,164</b>	<b>\$ 89,776,329</b>	<b>\$ 98,624,917</b>	<b>\$ 70,849,768</b>	<b>\$ 80,547,416</b>	<b>(10.3%)</b>
<b>Subtotal</b>	<b>\$ 406,242,987</b>	<b>\$ 603,295,832</b>	<b>\$ 621,816,509</b>	<b>\$ 388,387,714</b>	<b>\$ 696,489,208</b>	<b>15.4%</b>
<b>Fund Contingency - Operating</b>	\$ -	\$ 95,013,718	\$ 82,583,802	\$ -	\$ 114,528,428	20.5%
<b>Fund Contingency - Capital</b>	-	10,083,847	3,631,298	-	19,339,718	91.8%
<b>Debt Service</b>	61,272,324	64,891,189	64,891,189	63,824,900	71,430,443	10.1%
<b>Equipment Replacement</b>	653,643	1,141,000	1,141,000	515,200	870,500	(23.7%)
<b>Technology Replacement</b>	3,935,956	4,183,770	4,507,267	4,376,924	3,293,561	(21.3%)
<b>Vehicle Replacement</b>	3,914,538	4,865,291	4,903,582	2,875,285	4,662,159	(4.2%)
<b>Grand Total</b>	<b>\$ 476,019,447</b>	<b>\$ 783,474,647</b>	<b>\$ 783,474,647</b>	<b>\$ 459,980,023</b>	<b>\$ 910,614,017</b>	<b>16.2%</b>

<sup>(1)</sup> Effective July 1, 2015, the Planning cost center transfers from the Transportation & Development Department to City Manager.

## Fund Definitions and Structure

The City Council formally adopts an annual budget for the General, Special Revenue, Capital Projects, Enterprise, and Internal Service Funds. Debt Service payments are budgeted in General, Special Revenue, and Enterprise funds as appropriate.

The accounts for the City of Chandler are organized on the basis of funds or account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. In governmental accounting, fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance-related legal and contractual provisions. The revenue and expenditures within the fund can be monitored for the particular activity. Funds are classified as governmental, proprietary, or fiduciary; different fund types are also found within each classification as discussed below and on the following chart.

**Governmental Funds** – Governmental funds are used to account for the City's general governmental activities; these funds use the flow of current financial resources measurement and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, when they are measurable and available; and expenditures are recorded when the related fund liability is incurred.

**General Fund** – The General Fund is the primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund and are used to finance the services associated with local government. These revenues include taxes, licenses and permits, charges for services, interest earned on investments, fines, and miscellaneous revenue. Most City departments receive at least some support from the General Fund.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes. Funds in this category include Police Forfeiture, Regional Transportation Sales Tax, Highway User Revenue, Local Transportation Assistance, Operating Grants, Community Development Block Grant, Housing Grants, and Expendable Trust Funds.

**Police Forfeiture Fund** – Restricted for law enforcement purposes only, subject to laws, rules, regulations, and orders established at state and federal levels.

**Regional Transportation Sales Tax Fund** – Used for construction of new freeways, widening of existing freeways and highways, improvements to the arterial street system, regional bus service and other special transportation services, and high capacity transit services such as light rail, bus rapid transit, and express buses.

**Highway User Revenue Fund (HURF)** – Used to account for the receipt and expenditure of the City's allocation of state highway user taxes. State law restricts the use of these monies to maintenance, construction and reconstruction of streets, and repayment of transportation-related debt.

**Local Transportation Assistance Fund (LTAF)** – Used to account for the receipt and expenditure of the City's allocation of state lottery monies. State law restricts the use of these monies to street and highway projects in the public right-of-way and to mass transportation purposes.

**Operating Grants** – Used to account for the receipt and expenditure of miscellaneous federal and state grants awarded to the City for various specific purposes.

**Community Development Block Grant (CDBG)** – Used for all federal Community Development Block Grant revenue and related expenditures, such as housing rehabilitation and downtown renovation.

**Housing Grants** – Used to account for expenditures of the City's housing assistance programs, which consist of housing owned and operated by the City and rent subsidy payments to private sector owners of dwelling units. Financing for this fund is derived from tenants and the United States Department of Housing and Urban Development.

**Expendable Trust Funds** – These funds are accounted for and reported in the same manner as governmental funds for purposes designated by the donors or legal restrictions. Both the principal and earnings of these funds can be expended for the trusts' intended purposes.

**Capital Project Funds** – Capital project funds are designed to account for resources expended to acquire assets of a relatively permanent nature. These funds include bond proceeds, system development or impact fees, capital grants, general fund, and contributions for needed capital assets such as buildings, public works, and equipment (Special Revenue and Proprietary Funds are not included in this category).

**Proprietary Funds** – Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector.

**Enterprise Funds** – Enterprise funds are a governmental accounting fund in which the services provided are financed and operated similarly to those of a private business, where the costs of providing goods or services to the general public is financed through user fees. The City of Chandler has established enterprise funds for water service, wastewater service, solid waste service, and the operation of the airport because they are considered to be self-sufficient and are required to stand on their own.

**Water Funds** – Used to account for the provision of water services to the residents of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing, and collection. Revenues are generated through user fees.

**Wastewater Fund** – Used to account for the provision of wastewater services to the residents of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing, and related debt service, billing, and collection. The revenues to support these demands are generated through user fees.

**Solid Waste Funds** – Used to account for the provision of solid waste (refuse) services to the residents of the City. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing, and collection. User fees are assessed to generate revenues adequate to cover these costs.

**Airport Fund** – Used to account for the provision of airport services to the residents of the City and certain residents outside of City limits. All activities necessary to provide such service are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt service, billing and collection. Revenues are generated through airport leasing and fuel sales.

**Internal Service Funds** – These funds are used to account for the financing of goods or services to departments of the City, on a cost reimbursement basis or calculated rate.

**Self-Insurance Funds** – These funds are established to account for the cost of property and public liability claims, uninsured environmental issues, workers compensation, dental, medical, and short term disability used by the City under self-insurance programs.

**Fiduciary Funds** – These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Use of these funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other similar authority.

**Special Assessment Funds** – Charge made by a local government for the cost of an improvement or service. It is usually levied on those who will benefit from the service.

**Permanent Fund (Pension)** – This is a fund used to account for the accumulation of resources to be used for retirement annuity payments at the appropriate amounts and times in the future.

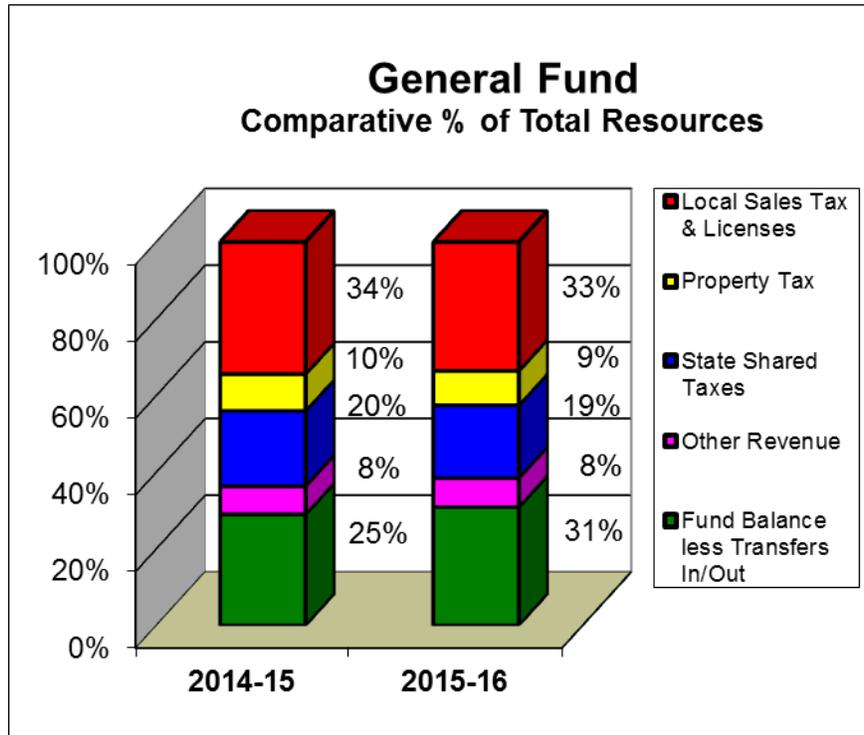
### Fund Structure Summary

FY 2015-16  
Total Budget  
\$910,614,017

Governmental Funds			Proprietary Funds		Fiduciary Funds
General Operating Funds	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Special Assessment Funds
<b>\$266,736,098</b>	<b>\$54,123,094</b>	<b>\$365,182,952</b>	<b>\$190,281,957</b>	<b>\$34,225,260</b>	<b>\$64,656</b>
General \$244,595,922	Police Forfeiture \$6,390,000	General Gov't Capital Projects \$50,576,526	Water Operations \$67,598,588	Workers Compensation Self Insurance Trust \$3,389,520	Special Assessments \$64,656
General Obligation Debt Service \$22,140,176	Highway User Revenue \$16,021,222	Capital Replacement \$13,416,883	Wastewater Operations \$104,450,765	Self-Insured Liability Self Insurance \$6,186,728	
	Local Transportation Assistance \$3,349,520	Capital Grants \$14,947,794	Solid Waste Operations \$16,344,423	Uninsured Liability Self Insurance \$1,504,312	
	Operating Grants \$7,483,942	Municipal Arts \$51,000	Airport Operations \$1,888,181	Short Term Disability Self Insurance \$510,000	
	Housing & Urban Development \$14,320,091	General Obligation Bonds \$20,033,050		Dental Self Insurance \$2,305,000	
	Community Development Block Grant \$2,458,481	Enterprise Bonds \$80,213,067		Medical Self Insurance Trust \$20,329,700	
	Highway User Debt Service \$3,745,650	General Gov't Impact Fees \$21,878,687			
	Expendable Trust Funds \$354,188	System Development Fees \$162,865,445			
		Airport Capital Loan \$1,193,500			
		In-House Capital \$7,000			

### General Fund Revenues

The General Fund Revenue categories are presented in the chart and table below. The chart provides information on each category as a percent of the total General Fund revenues for Fiscal Year (FY) 2014-15 and FY 2015-16. The table provides information on percentage increase or decrease from the prior adopted budget. The General Fund Revenue budget includes allocations in the General Fund, General Obligation Debt Service Fund, and the General Government Capital Projects Fund.



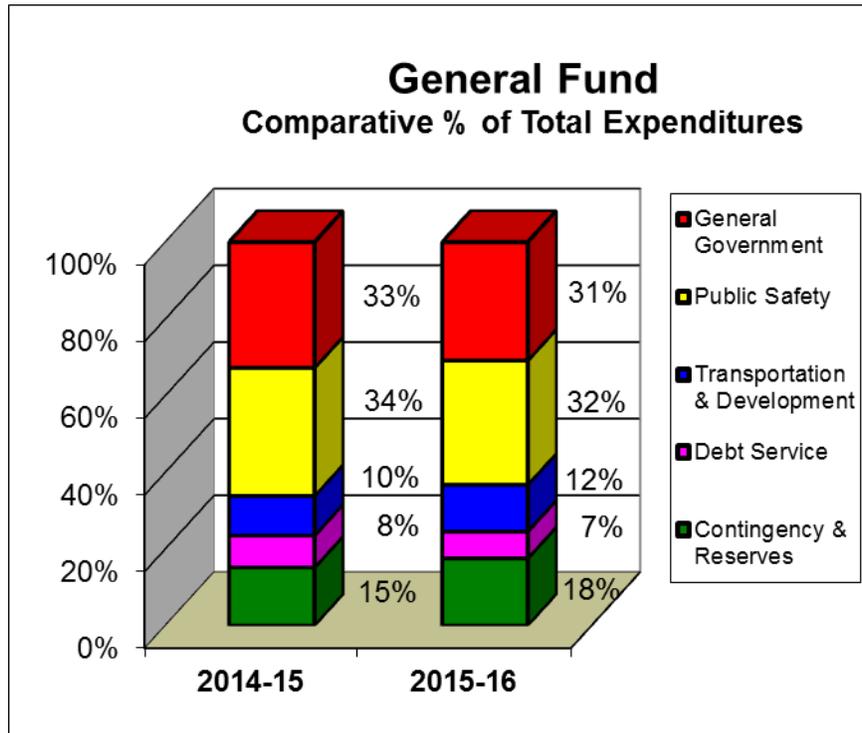
	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Local Sales Tax & Licenses	\$ 101,599,900	\$ 106,722,750	5.0%
Property Tax <sup>(1)</sup>	28,221,900	28,420,000	0.7%
State Shared Taxes	57,907,000	60,260,300	4.1%
Other Revenues	21,722,360	24,016,699	10.6%
Fund Balance less Transfer In/Out	85,387,471	97,892,875	14.6%
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 294,838,631</b>	<b>\$ 317,312,624</b>	<b>7.6%</b>

<sup>(1)</sup> FY 2014-15 Property Tax adopted amount of \$28,221,900 includes Prior Year Property Tax (Primary and Secondary) of \$450,000. FY 2015-16 Property Tax adopted amount of \$28,420,000 includes Prior Year Property Tax (Primary and Secondary) of \$350,000.

<sup>(2)</sup> FY 2014-15 includes General Funds of \$229,142,032, GO Debt Service Funds of \$24,514,169, and General Government Capital Project Funds of \$41,182,430; FY 2015-16 includes General Funds of \$244,886,329, GO Debt Service Funds of \$22,140,176, and General Government Capital Project Funds of \$50,286,119.

### General Fund Expenditures

The General Fund Expenditure categories are presented in the chart and table below. The chart provides information on each category as a percent of the total General Fund expenditures for Fiscal Year (FY) 2014-15 and FY 2015-16. The table provides information on percentage increase or decrease from the prior adopted budget. The General Fund Expenditure budget includes allocations in the General Fund, General Obligation Debt Service Fund, and the General Government Capital Projects Fund.



	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 96,648,835	\$ 98,118,215	1.5%
Public Safety	98,463,050	102,790,716	4.4%
Transportation & Development	30,572,071	38,916,806	27.3%
Debt Service	24,514,169	22,140,176	(9.7%)
Contingency & Reserves <sup>(1)</sup>	44,640,506	55,346,711	24.0%
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 294,838,631</b>	<b>\$ 317,312,624</b>	<b>7.6%</b>
Personnel & Benefits	\$ 145,615,077	\$ 155,756,596	7.0%
Operating & Maintenance	65,279,715	65,348,905	0.1%
Major Capital	39,303,333	40,860,412	4.0%
Contingency & Reserves <sup>(1)</sup>	44,640,506	55,346,711	24.0%
<b>Total General Fund<sup>(2)</sup></b>	<b>\$ 294,838,631</b>	<b>\$ 317,312,624</b>	<b>7.6%</b>

<sup>(1)</sup> Contingency funds and reserves are one-time revenues comprised of various funds, of which the majority is restricted in their use. Contingency funds can be used for unanticipated revenue shortfalls or unforeseen or emergency expenditures. Use of these funds requires Council approval.

<sup>(2)</sup> FY 2014-15 includes General Funds of \$228,887,032, GO Debt Service Funds of \$24,514,169, and General Government Capital Project Funds of \$41,437,430; FY 2015-16 includes General Funds of \$244,595,922, GO Debt Service Funds of \$22,140,176, and General Government Capital Project Funds of \$50,576,526.



### General Fund Expenditure by Function

The adopted General Fund budget, divided between operating and capital, is shown below. The Fiscal Year (FY) 2015-16 budget reflects a 4.8% increase in the General Fund Operating budget, primarily due to an increase in the General Government and Public Safety areas.

The FY 2015-16 General Fund Capital budget reflects a 21.9% increase, primarily due to a significant increase in building maintenance projects and a higher level of capital carryforward. The combined operating and capital General Fund change over the prior fiscal year is 7.6%.

#### Operating Budget by Function

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 74,386,636	\$ 80,915,531	8.8%
Public Safety	93,110,874	100,047,655	7.5%
Transportation & Development	18,883,113	18,002,139	(4.7%)
Total Department Operating	\$ 186,380,623	\$ 198,965,325	6.8%
Debt Service	24,514,169	22,140,176	(9.7%)
Contingency & Reserves	34,556,659	36,006,993	4.2%
<b>Total Operating</b>	<b>\$ 245,451,451</b>	<b>\$ 257,112,494</b>	<b>4.8%</b>

#### Capital Budget by Function

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
General Government	\$ 15,222,850	\$ 8,267,299	(45.7%)
Public Safety	690,090	800,090	15.9%
Transportation & Development	10,035,000	18,362,857	83.0%
Total Major Capital	\$ 25,947,940	\$ 27,430,246	5.7%
Capital Carryforward	22,089,240	31,219,884	41.3%
Contingency & Reserves	1,350,000	1,550,000	14.8%
<b>Total Major Capital Budget</b>	<b>\$ 49,387,180</b>	<b>\$ 60,200,130</b>	<b>21.9%</b>
<b>Grand Total<sup>(1)</sup></b>	<b>\$ 294,838,631</b>	<b>\$ 317,312,624</b>	<b>7.6%</b>

<sup>(1)</sup> FY 2014-15 includes General Funds of \$228,887,032, GO Debt Service Funds of \$24,514,169, and General Government Capital Project Funds of \$41,437,430; FY 2015-16 includes General Funds of \$244,595,922, GO Debt Service Funds of \$22,140,176, and General Government Capital Project Funds of \$50,576,526.



### Special Revenue Funds Revenues and Expenditures

Special Revenue Funds include Police Forfeiture Fund (Fund 202), Regional Transportation Sales Tax Fund (Fund 214), Highway User Revenue Fund (HURF) (Fund 215), Highway User Revenue Debt Service Fund (Fund 320), and Local Transportation Assistance Fund (LTAF) (Fund 216) revenues. These revenues can only be used for specific purposes as dictated by Arizona State Statute. The Special Revenue Fund revenue and expenditure categories are presented in the tables below. The tables provide information on the percentage of increase or decrease from the prior fiscal year adopted budget. Grants are also categorized as Special Revenue but are excluded from this comparison.

#### Revenues

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Police Forfeiture	\$ 3,000,000	\$ 6,000,000	100.0%
Regional Transportation Sales Tax	5,516,122	2,279,800	(58.7%)
Highway User Revenue	13,000,000	14,000,000	7.7%
Local Transportation Assistance	694,355	696,693	0.3%
Other Revenues	182,000	205,000	12.6%
Fund Balance less Transfer In/Out	5,199,324	6,324,899	21.6%
<b>Total Special Revenue Funds</b>	<b>\$ 27,591,801</b>	<b>\$ 29,506,392</b>	<b>6.9%</b>

#### Expenditures

	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Non-Departmental	\$ 157,900	\$ 152,000	(3.7%)
Public Safety	3,000,000	6,000,000	100.0%
Transportation & Development	13,435,276	13,244,642	(1.4%)
Contingency & Reserves	6,321,600	6,364,100	0.7%
Debt Service	4,677,025	3,745,650	(19.9%)
<b>Total Special Revenue Funds</b>	<b>\$ 27,591,801</b>	<b>\$ 29,506,392</b>	<b>6.9%</b>
Personnel & Benefits	\$ 4,207,461	\$ 4,349,323	3.4%
Operating & Maintenance	13,093,565	15,146,770	15.7%
Contingency & Reserves	6,321,600	6,364,100	0.7%
Capital - Major	3,969,175	3,646,199	(8.1%)
<b>Total Special Revenue Funds</b>	<b>\$ 27,591,801</b>	<b>\$ 29,506,392</b>	<b>6.9%</b>



### Enterprise Operational Funds Revenues and Expenses

Enterprise Operational Funds include Water Operating Fund (Fund 605), Wastewater Operating Fund (Fund 615), Wastewater Industrial Process Treatment (Fund 616), Solid Waste Operating Fund (Fund 625), and Airport Operating Fund (Fund 635). Enterprise funds are a type of governmental accounting fund in which the services provided are financed and operated similarly to a private business, where the costs of providing goods or services is financed through user fees and is self-sustaining. The Enterprise Operational Fund revenue and expense categories are presented in the table below. The table provides information on the percentage increase or decrease from the prior fiscal year adopted budget.

Revenues			
	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Water Services	\$ 50,000,000	\$ 50,250,000	0.5%
Wastewater Services	39,655,000	42,129,830	6.2%
WW Industrial Process Treatment	12,718,588	12,259,559	(3.6%)
Solid Waste Services	13,758,632	14,522,190	5.5%
Airport Services	1,018,120	1,063,023	4.4%
Other Revenues <sup>(1)</sup>	80,957,536	11,562,461	(85.7%)
Fund Balance less Transfers In/Out	2,436,908	58,259,894	2290.7%
<b>Total Enterprise Operational Funds</b>	<b>\$ 200,544,784</b>	<b>\$ 190,046,957</b>	<b>(5.2%)</b>

Expenses			
	2014-15 Adopted Budget	2015-16 Adopted Budget	% Change Adopted to Adopted
Water <sup>(1)</sup>	\$ 66,941,286	\$ 67,598,588	1.0%
Wastewater <sup>(1)</sup>	104,465,066	92,315,717	(11.6%)
WW Industrial Process Treatment	12,257,391	12,135,048	(1.0%)
Solid Waste	14,958,416	16,109,423	7.7%
Airport	1,922,625	1,888,181	(1.8%)
<b>Total Enterprise Operational Funds</b>	<b>\$ 200,544,784</b>	<b>\$ 190,046,957</b>	<b>(5.2%)</b>
Personnel & Benefits	\$ 16,611,583	\$ 18,509,819	11.4%
Operating & Maintenance	88,279,367	99,783,724	13.0%
Contingency & Reserves	30,072,109	28,308,800	(5.9%)
Capital - Major	65,581,725	43,444,614	(33.8%)
<b>Total Enterprise Operational Funds</b>	<b>\$ 200,544,784</b>	<b>\$ 190,046,957</b>	<b>(5.2%)</b>

<sup>(1)</sup> Municipal Utilities includes funding for the Intel Plant Expansion in which the City will pay for the utility infrastructure costs and Intel will reimburse the City for these costs. FY 2014-15 includes \$51,901,070 (Water Fund \$2,148,174 and Wastewater Fund \$49,752,896) and FY 2015-16 includes \$9,071,921 in the Wastewater Fund, the reimbursement is reflected within the Other Revenues category. Reimbursement for the Water Fund has been completed.



### Major Fund Summaries

The following tables provide summarized revenue and expenditure totals for the major funds. Funds shown here are primarily operating funds and this presentation excludes capital funds that are typically for a single department or project.

#### General Fund (101), General Fund Debt Service Fund (310), and Gen Gov't Capital Projects Fund (401)

Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Property Tax	\$ 28,420,000	City Clerk	\$ 617,010	
Franchise Fee	3,175,000	City Mgr & Organizational Support	31,542,698	
Transaction Privilege Tax	102,136,000	CAPA	2,317,974	
Other Licenses	1,411,750	Community & Neighborhood Services	20,522,667	
State Shared Revenues	60,260,300	Fire	33,446,070	
Charges for Services	15,655,130	Law	3,475,487	
Miscellaneous Receipts	4,961,869	Magistrate	4,306,286	
Court Fines	3,399,700	Mayor & Council	837,550	
Fund Balance	94,367,738	Management Services	7,124,855	
<b>Subtotal Resources \$</b>	<b>313,787,487</b>	Non-Departmental <sup>(2)</sup>	66,091,465	
Net Transfers In/Out <sup>(1)</sup>	3,525,137	Police	66,601,585	
		Transportation & Development	18,002,139	
		Major Capital	40,286,662	
		Debt Services	22,140,176	
<b>Total Resources \$</b>	<b>317,312,624</b>	<b>Total Expenditures \$</b>	<b>317,312,624</b>	

#### Police Forfeiture Fund (202)

Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Police Forfeiture Reimbursement	\$ 6,000,000	Police Administration	\$ 6,000,000	
Fund Balance	390,000	Non-Departmental <sup>(2)</sup>	390,000	
<b>Total Resources \$</b>	<b>6,390,000</b>	<b>Total Expenditures \$</b>	<b>6,390,000</b>	

#### Highway User Revenue Fund (HURF) (215) and HURF Debt Service Fund (320)

Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Highway User Tax	\$ 14,000,000	Streets	\$ 4,433,523	
Interest Income	79,000	Streets Capital	3,330,171	
Fund Balance	5,711,580	Traffic Engineering	4,265,728	
<b>Subtotal Resources \$</b>	<b>19,790,580</b>	Non-Departmental <sup>(2)</sup>	3,991,800	
Net Transfers In/Out <sup>(1)</sup>	(23,708)	Debt Services	3,745,650	
<b>Total Resources \$</b>	<b>19,766,872</b>	<b>Total Expenditures \$</b>	<b>19,766,872</b>	

#### Local Transportation Assistance Fund (LTAF) (216)

Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Lottery Entitlements	\$ 696,693	Streets Capital	\$ 316,028	
Bus Shelter/Service	90,000	Transit Services	899,192	
Interest Income	29,000	Non-Departmental <sup>(2)</sup>	2,134,300	
Fund Balance	2,535,352			
<b>Subtotal Resources \$</b>	<b>3,351,045</b>			
Net Transfers In/Out <sup>(1)</sup>	(1,525)			
<b>Total Resources \$</b>	<b>3,349,520</b>	<b>Total Expenditures \$</b>	<b>3,349,520</b>	

<sup>(1)</sup> Transfers in/out include Indirect Cost, potential loans, or loan paybacks; see Schedule D of the State Auditor General forms, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.



Major Fund Summaries (continued)

Grant Funds (217 thru 240)				
Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Operating Grants	\$ 5,154,611	City Mgr & Organizational Support	\$ 970,000	
Home Program	1,040,000	CAPA	-	
Community Dev Block Grant	1,900,000	Community & Neighborhood Services	16,046,474	
Public Housing Authority	2,764,553	Fire	3,307,069	
Housing Authority Section 8	5,650,000	Law	20,009	
Capital Fund Program	800,000	Municipal Utilities	100,000	
Proceeds Reinvestment Projects	102,000	Non-Departmental <sup>(2)</sup>	1,311,700	
Housing Authority Section 8	3,000,000	Police	2,007,262	
Interest	46,000	Transportation & Development	500,000	
Fund Balance	3,520,350			
<b>Subtotal Resources \$</b>	<b>23,977,514</b>			
Net Transfers In/Out <sup>(1)</sup>	285,000			
<b>Total Resources \$</b>	<b>24,262,514</b>		<b>Total Expenditures \$</b>	<b>24,262,514</b>

Capital Grant Fund (417)				
Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expenditure Budget	
Grants	\$ 7,932,558	City Mgr & Organizational Support	\$ 5,310,804	
Fund Balance	7,015,236	Community & Neighborhood Services	1,882,508	
		Transportation & Development	7,754,482	
<b>Total Resources \$</b>	<b>14,947,794</b>		<b>Total Expenditures \$</b>	<b>14,947,794</b>

Water Operating (605)				
Category	FY 2015-16		FY 2015-16	
	Revenue Budget	Dept/Cost Center	Expense Budget	
Water Sales	\$ 50,250,000	Administration	\$ 688,688	
Meter Installation Fees	283,000	Water Distribution	4,919,468	
Connect Fees	360,000	Water Capital	8,832,169	
Other Charges	400,000	Water Treatment Plant	5,703,579	
Miscellaneous Receipts	10,620	Environmental Resources	7,926,433	
Interest	260,000	Water Quality	1,657,140	
Fund Balance	19,453,317	Water Production Facility	6,341,759	
<b>Subtotal Resources \$</b>	<b>71,016,937</b>	San Tan Vista Water Facility	1,282,519	
		Meter Services	1,254,536	
Net Transfers In/Out <sup>(1)</sup>	(3,418,349)	ITOC Capital	22,437	
		Non-Departmental <sup>(2)</sup>	7,673,000	
		Debt Services	21,296,860	
<b>Total Resources \$</b>	<b>67,598,588</b>		<b>Total Expenses \$</b>	<b>67,598,588</b>

<sup>(1)</sup> Transfers in/out include Indirect Cost, potential loans, or loan paybacks; see Schedule D, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.



Major Fund Summaries (continued)

Wastewater Operating (615)

Category	FY 2015-16		Dept/Cost Center	FY 2015-16	
	Revenue Budget			Expense Budget	
Sewer Sales	\$	40,767,830	Administration	\$	312,619
Service Charges		1,488,920	Wastewater Collection		2,245,760
Other Charges		355,000	Wastewater Capital		32,389,752
Miscellaneous Receipts		9,079,501	Wastewater Treatment		1,406,584
Interest		257,000	Wastewater Quality		610,412
Fund Balance		42,834,457	Airport WW Reclamation Plant		9,774,033
<b>Subtotal Resources \$</b>		<b>94,782,708</b>	Ocotillo WW Reclamation Plant		4,128,675
			ITOC Capital		492
Net Transfers In/Out <sup>(1)</sup>		(2,466,991)	Non-Departmental <sup>(2)</sup>		17,849,000
			Debt Services		23,598,390
<b>Total Resources \$</b>		<b>92,315,717</b>	<b>Total Expenses \$</b>		<b>92,315,717</b>

Wastewater Industrial Process Treatment (616)

Category	FY 2015-16		Dept/Cost Center	FY 2015-16	
	Revenue Budget			Expense Budget	
Industrial Surcharge Fees	\$	12,259,559	Wastewater Capital	\$	500,000
Interest		25,000	Ocotillo Brine Reduction Facility		9,905,048
Fund Balance		302,646	Non-Departmental <sup>(2)</sup>		1,730,000
<b>Subtotal Resources \$</b>		<b>12,587,205</b>			
Net Transfers In/Out <sup>(1)</sup>		(452,157)			
<b>Total Resources \$</b>		<b>12,135,048</b>	<b>Total Expenses \$</b>		<b>12,135,048</b>

Solid Waste Operating (625)

Category	FY 2015-16		Dept/Cost Center	FY 2015-16	
	Revenue Budget			Expense Budget	
Refuse Charges	\$	13,679,950	Solid Waste Services	\$	13,201,743
Dumping Fees		132,240	Solid Waste Capital		936,105
Admin Charges		27,600	ITOC Capital		75
Other Revenues		967,020	Non-Departmental <sup>(2)</sup>		1,971,500
Interest		98,000			
Fund Balance		1,635,552			
<b>Subtotal Resources \$</b>		<b>16,540,362</b>			
Net Transfers In/Out <sup>(1)</sup>		(430,939)			
<b>Total Resources \$</b>		<b>16,109,423</b>	<b>Total Expenses \$</b>		<b>16,109,423</b>

Airport Operating (635)

Category	FY 2015-16		Dept/Cost Center	FY 2015-16	
	Revenue Budget			Expense Budget	
Tie Down Fees	\$	511,833	Airport Services	\$	1,041,984
Sale of Gas/Oil		303,080	Airport Capital		763,584
Airport Leases		254,560	Non-Departmental <sup>(2)</sup>		55,300
Other Revenues		16,350	Debt Services		27,313
<b>Subtotal Resources \$</b>		<b>1,085,823</b>			
Net Transfers In/Out <sup>(1)</sup>		802,358			
<b>Total Resources \$</b>		<b>1,888,181</b>	<b>Total Expenses \$</b>		<b>1,888,181</b>

<sup>(1)</sup> Transfers in/out include Indirect Cost, potential loans, or loan paybacks; see Schedule D, located in the Schedules & Terms section, for details.

<sup>(2)</sup> Includes Contingency & Reserves.

## Fund Balance Analysis

The City of Chandler budget includes both appropriated and unappropriated fund balance (designated reserves). The appropriated fund balance represents the net difference between current resources and total appropriated. In the budget process, unreserved fund balances represent the net financial resources that are expendable or available for appropriation. Fund balances are therefore used for one-time (non-operational) expenditures since they are non-recurring revenue or they are appropriated as “contingency.” Per City financial policy, contingency reserves should only be used for unanticipated events threatening the public health, safety, or welfare of its citizens or for one-time appropriations and only after all other budget sources have been examined for available funds. Fund balance protects fiscal health by assuring sufficient funds are available to meet financial challenges in the future. According to the City Charter and the Expenditure Limitation under the Home Rule Option, total expenditures cannot exceed the amount of the adopted budget. As such, any planned use of fund balance is appropriated through the budget process.

The following fund balance analysis is provided for the various categories of funds shown on pages 84 and 85, with additional explanation for categories anticipated to decrease by more than 10%.

**General Fund Balance** – For this presentation the General Government Capital Projects Fund is included with Capital Project Fund Balance, shown below. This leaves the General Fund category comprised of the General Fund and the General Obligation Debt Service Fund. Most of the City’s governmental activities are financed from the General Fund. Expenditures for public purposes may be made from cash held in the General Fund with freedom from the restrictions imposed on other funds. The Fiscal Year (FY) 2015-16 Budget anticipates the use of \$94 million of fund balance to supplement the revenue collection to fund the estimated expenditures, which results in a 57% decrease in fund balance. These funds are being applied toward one-time expenditures, including transfers to the General Government Capital Projects Fund and also incorporate a planned drawdown of the General Obligation Debt Service Fund as debt service costs will exceed secondary property tax revenues this year. This projection includes \$30.7 million for the 15% contingency reserve adopted by Council as an expenditure; however, this appropriation would only be spent in the most extreme circumstances. Assuming this contingency is not used, and all others General Fund appropriation is 100% spent, the ending fund balance will be approximately \$101.5 million, or a decrease of approximately 39%.

**Special Revenue Fund Balance** – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. This category includes Police Forfeiture Fund, Regional Transportation Sales Tax Fund, Highway User Revenue Fund (HURF), Local Transportation Assistance Fund (LTAF), Grants, including Community Development Block Grant (CDBG) and HUD, plus Trust Funds. This fund category reflects a \$12.2 million (57%) decrease in fund balance for FY 2015-16. About \$8.2 million of the drawdown is due to use of fund balance to support two state-shared revenues, HURF and LTAF. Income for these two funds can no longer support the budgeted requirements and the City has a plan to shift some expenses, over time, from these special revenue funds to the General Fund. Currently, fund balances are sufficient to support operations for two to three years based on historical spending levels, but balances will continue to draw down over the next several years.

**Internal Service Fund Balance** – These self-insurance funds are established to account for any activity that provides goods or services to other funds or to departments. In Chandler, this category includes Workers Compensation Trust Fund, Self-Insurance Fund, Uninsured Liability Fund, Dental Self-Insurance Fund, Medical Self-Insurance Trust Fund, and Short Term Disability Fund. Annual actuary analysis provides recommended fund balance levels based on claim activity. As shown on the following table, the Internal Service funds are expected to decrease by approximately \$8.5 million (22%) in FY 2015-16. These funds include appropriation for liabilities that reflect a “worst case” scenario and are typically not expended so the budgeted decrease in fund balance is not a major concern.

**Capital Project Fund Balance** – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Special Revenue Funds). The financial resources of capital project funds come from several different sources, including bond proceeds, impact fees, system development fees, grants, general fund, or contribution from operating funds. The Capital Project fund balance for FY 2015-16 shows that almost \$105.8 million is needed to supplement the revenue collected to fund one-time Capital Project expenditures for projects in process or new capital projects, resulting in a 59% decrease in Capital Project Fund Balance. The Capital Project fund balance includes a



combination of the sources listed above for projects carried forward from prior years. Much of this decrease in fund balance is due to the use of bond proceeds from prior year bond sales and system development/impact fees collected in prior years. Capital projects are typically not completed in one year, so there is usually a significant amount of appropriation that is reappropriated in the next budget year so the budgeted 59% decrease in fund balance is not a major concern.

**Enterprise Fund Balance** – Enterprise funds are established to account for the operations of enterprises which provide goods or services to the public and which are financed and operated in a manner similar to private business enterprises. Enterprise fund balance includes Water, Wastewater, Wastewater Industrial Treatment, Solid Waste, and Airport. The Enterprise Adopted Budget for FY 2015-16 shows that about \$65 million of the fund balance is needed to supplement the revenue collection to offset estimated expenses, including debt service and one-time capital. This results in a budgeted 64% decrease in fund balance over FY 2014-15. Utility rate increases and new user fees are planned for the upcoming year that will help reduce the draw on fund balance in the future. The \$65 million decrease in Enterprise fund balance is attributed to a decrease in the industrial customer payments for facility improvements to the wastewater system and budgets that include 100% spending and high contingency amounts. Historically, spending is much less than 100% and contingency amounts are minimally used. The true year-end reduction is projected to be (20%) to (25%).

**Permanent/Special Assessment Fund Balance** – These include special assessment levies placed against assessment districts for capital projects that benefit properties in those districts. These fund balances help support the administrative expenditures anticipated for FY 2015-16. Anticipated change in fund balance is less than 1%.



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### Summary of Revenues, Expenditures, and Changes in Fund Balance

The "Estimated Beginning Fund Balance" line for the category of funds listed below represents the residual funds brought forward from the previous year (ending balance). Estimated Beginning Fund Balance represents the net financial resources that are available for appropriation. This is split between the Budgeted Fund Balance and Designated Reserves to cover unanticipated fluctuations in revenue or expenses. Estimated Ending Fund Balances in the summary below are typically used as contingency the next year, which would remain unspent barring any emergencies. The following table shows a summary of revenues, expenditures, and estimated changes in fund balance for related fund types.

Summary (In Thousands)

	General Funds <sup>(1)</sup>			Special Revenue Funds			Internal Service Funds		
	2013-14 Actual	2014-15 Actual*	2015-16 Adopted	2013-14 Actual	2014-15 Actual*	2015-16 Adopted	2013-14 Actual	2014-15 Actual*	2015-16 Adopted
<b>Budgeted Fund Balance</b>			\$ 94,368			\$ 12,270			\$ 8,506
Designated Reserve			\$ 70,828			\$ 10,765			\$ 29,417
<b>Estimated Beginning Fund Balance</b>	<b>\$ 164,575</b>	<b>\$ 175,085</b>	<b>\$ 165,196</b>	<b>\$ 20,996</b>	<b>\$ 19,937</b>	<b>\$ 23,035</b>	<b>\$ 40,277</b>	<b>\$ 38,760</b>	<b>\$ 37,923</b>
<b>Revenues:</b>									
Property Taxes	28,731	28,115	28,420	-	-	-	-	-	-
Local Taxes/Licenses	106,053	107,623	106,723	-	-	-	-	-	-
State-Shared Taxes	55,424	58,772	60,260	14,049	14,697	14,697	-	-	-
Charges for Service	16,765	14,303	15,655	-	-	-	-	-	-
Enterprise Sales	-	-	-	-	-	-	-	-	-
System Development Fees	-	-	-	-	-	-	-	-	-
Bond Revenue	-	-	-	562	-	-	-	-	-
Miscellaneous	7,730	7,409	7,912	1,403	3,069	6,254	25,858	25,722	24,737
Intergovernmental	-	-	-	18,202	28,824	22,691	-	-	-
Expendable Trust Fund	-	-	-	140	174	239	-	-	-
Interfund Transfers In/Out	(10,195)	(13,693)	(46,601)	(4,818)	(11,504)	(2,027)	935	935	982
<b>Total Revenues</b>	<b>\$ 204,509</b>	<b>\$ 202,529</b>	<b>\$ 172,368</b>	<b>\$ 29,538</b>	<b>\$ 35,260</b>	<b>\$ 41,853</b>	<b>\$ 26,794</b>	<b>\$ 26,657</b>	<b>\$ 25,719</b>
<b>Total Available Resources</b>	<b>\$ 369,083</b>	<b>\$ 377,614</b>	<b>\$ 266,736</b>	<b>\$ 50,534</b>	<b>\$ 55,197</b>	<b>\$ 54,123</b>	<b>\$ 67,070</b>	<b>\$ 65,417</b>	<b>\$ 34,225</b>
<b>Expenditures:</b>									
Mayor & Council	766	806	838	-	-	-	-	-	-
City Manager	22,864	24,876	31,543	11,924	10,889	1,129	2,504	3,173	2,992
City Clerk	535	813	617	-	-	-	-	-	-
City Magistrate	3,777	3,911	4,306	-	-	-	-	-	-
Com. & Public Affairs	1,898	2,275	2,318	-	-	-	-	-	-
Com. & Neighborhood Services	-	-	20,523	-	-	16,237	-	-	-
Community Services	23,125	25,035	-	458	761	-	-	-	-
Fire	30,531	31,458	33,446	534	477	3,307	-	-	-
Law	3,204	3,604	3,475	18	18	20	2,249	2,413	5,646
Management Services	6,312	7,022	7,125	-	-	-	586	831	1,014
Municipal Utilities	-	-	-	-	-	100	-	-	-
Non-Departmental	3,279	3,196	55,802	-	-	7,832	22,971	21,079	24,573
Police	60,026	63,186	66,602	1,617	2,814	8,007	-	-	-
Transportation & Dev.	16,187	20,725	18,002	11,008	12,772	13,745	-	-	-
Debt Service	21,497	25,512	22,140	5,038	4,432	3,746	-	-	-
<b>Total Expenditures</b>	<b>\$ 193,999</b>	<b>\$ 212,418</b>	<b>\$ 266,736</b>	<b>\$ 30,598</b>	<b>\$ 32,162</b>	<b>\$ 54,123</b>	<b>\$ 28,310</b>	<b>\$ 27,495</b>	<b>\$ 34,225</b>
<b>Estimated Ending Fund Balance</b>	<b>\$ 175,085</b>	<b>\$ 165,196</b>	<b>\$ 70,828</b>	<b>\$ 19,937</b>	<b>\$ 23,035</b>	<b>\$ 10,765</b>	<b>\$ 38,760</b>	<b>\$ 37,923</b>	<b>\$ 29,417</b>
<b>% Change Actual to Estimated</b>			<b>-57%</b>			<b>-53%</b>			<b>-22%</b>

\*14-15 Actual reflects estimated year-end (unaudited).

<sup>(1)</sup> In this presentation the General Fund category includes General Fund 101 and General Obligation Debt Service Fund 310; General Government Capital Projects Fund 401 is included in the Capital Projects category.



Summary of Revenues, Expenditures, and Changes in Fund Balance (continued)

Summary (In Thousands)

Capital Project Funds			Enterprise Funds			Permanent/Special Funds			Grand Total		
2013-14 Actual	2014-15 Actual*	2015-16 Adopted	2013-14 Actual	2014-15 Actual*	2015-16 Adopted	2013-14 Actual	2014-15 Actual*	2015-16 Adopted	2013-14 Actual	2014-15 Actual*	2015-16 Adopted
		\$ 105,851			\$ 65,047			\$ 30			\$ 286,072
	\$ 74,094				\$ 37,227			\$ 4,501			\$ 226,831
<b>\$ 102,066</b>	<b>\$ 186,865</b>	<b>\$ 179,945</b>	<b>\$ 59,357</b>	<b>\$ 71,757</b>	<b>\$ 102,274</b>	<b>\$ 4,629</b>	<b>\$ 4,580</b>	<b>\$ 4,530</b>	<b>\$ 391,899</b>	<b>\$ 496,984</b>	<b>\$ 512,903</b>
-	-	-	-	-	-	-	-	-	28,731	28,115	28,420
-	-	-	70	11	11	-	-	-	106,123	107,634	106,734
-	-	-	-	-	-	-	-	-	69,473	73,468	74,957
-	-	-	1,803	9,359	1,732	-	-	-	18,568	23,662	17,387
-	-	-	103,266	110,421	120,284	-	-	-	103,266	110,421	120,284
24,131	26,570	25,639	-	-	-	-	-	-	24,131	26,570	25,639
110,030	-	165,035	3,437	11,468	-	-	-	-	114,030	11,468	165,035
5,725	13,163	14,459	57,698	16,135	9,761	24	21	35	98,439	65,520	63,158
-	-	-	-	-	-	-	-	-	18,202	28,824	22,691
-	-	-	-	-	-	-	-	-	140	174	239
21,903	31,831	54,199	(7,825)	(7,526)	(6,552)	-	-	-	1	43	(0)
<b>\$ 161,790</b>	<b>\$ 71,564</b>	<b>\$ 259,332</b>	<b>\$ 158,450</b>	<b>\$ 139,868</b>	<b>\$ 125,235</b>	<b>\$ 24</b>	<b>\$ 21</b>	<b>\$ 35</b>	<b>\$ 581,104</b>	<b>\$ 475,899</b>	<b>\$ 624,542</b>
<b>\$ 263,856</b>	<b>\$ 258,429</b>	<b>\$ 365,183</b>	<b>\$ 217,807</b>	<b>\$ 211,624</b>	<b>\$ 190,282</b>	<b>\$ 4,652</b>	<b>\$ 4,601</b>	<b>\$ 65</b>	<b>\$ 973,003</b>	<b>\$ 972,883</b>	<b>\$ 910,614</b>
-	-	-	-	-	-	-	-	-	766	806	838
3,691	3,717	17,545	1,657	1,270	1,829	-	-	-	42,639	43,924	55,038
-	-	-	-	-	-	-	-	-	535	813	617
-	-	-	-	-	-	-	-	-	3,777	3,911	4,306
19	-	27	-	-	-	-	-	-	1,917	2,275	2,345
-	-	13,510	-	-	-	-	-	-	-	-	50,269
4,385	3,526	-	-	-	-	-	-	-	27,967	29,322	-
407	6,586	8,405	-	-	-	2	-	-	31,475	38,521	45,158
-	-	-	-	-	-	-	-	-	5,471	6,035	9,141
-	-	-	-	-	-	70	71	63	6,967	7,923	8,201
33,623	17,822	217,867	109,404	74,416	114,017	-	-	-	143,026	92,238	331,984
6,510	5,509	53,445	1,052	690	29,514	-	-	2	33,813	30,474	171,168
4,351	2,772	3,743	-	-	-	-	-	-	65,995	68,771	78,351
23,204	37,646	50,020	-	-	-	-	-	-	50,400	71,142	81,767
800	907	622	33,938	32,974	44,923	-	-	-	61,272	63,825	71,430
<b>\$ 76,990</b>	<b>\$ 78,484</b>	<b>\$ 365,183</b>	<b>\$ 146,050</b>	<b>\$ 109,351</b>	<b>\$ 190,282</b>	<b>\$ 72</b>	<b>\$ 71</b>	<b>\$ 65</b>	<b>\$ 476,019</b>	<b>\$ 459,980</b>	<b>\$ 910,614</b>
<b>\$ 186,865</b>	<b>\$ 179,945</b>	<b>\$ 74,094</b>	<b>\$ 71,757</b>	<b>\$ 102,274</b>	<b>\$ 37,227</b>	<b>\$ 4,580</b>	<b>\$ 4,530</b>	<b>\$ 4,501</b>	<b>\$ 496,984</b>	<b>\$ 512,903</b>	<b>\$ 226,831</b>
		-59%			-64%			-1%			-56%

\*14-15 Actual reflects estimated year-end (unaudited).



### Personnel Summary by Department and Cost Center

This table provides information on the number of full time equivalent (FTE) staff over four budget periods and changes to the authorized number of positions by cost center for Fiscal Year (FY) 2015-16. The table captures all current year transfers, position additions and deletions, and positions added through the Decision Package process. Explanations of these changes are detailed at the cost center level in the Departmental Budgets section of this document.

#### Number of Personnel Full Time Equivalent

	2012-13 Revised	2013-14 Revised	2014-15 Adopted	2014-15 Revised	New Requests/ Reductions	Transfers as of 7/1/2015	2015-16 Adopted
<b>General Government</b>							
<b>Mayor and Council</b>	4.000	4.000	4.000	4.000	0.000	0.000	4.000
<b>Communications/Public Affairs</b>							
Communications/Public Affairs	6.000	6.000	6.000	6.000	1.000	0.000	7.000
Video Production	2.000	2.000	2.000	2.000	0.000	0.000	2.000
Print, Mail & Graphics	6.000	6.000	6.000	6.000	0.000	0.000	6.000
	<b>14.000</b>	<b>14.000</b>	<b>14.000</b>	<b>14.000</b>	<b>1.000</b>	<b>0.000</b>	<b>15.000</b>
<b>City Clerk</b>	6.000	6.000	6.000	6.000	0.000	0.000	6.000
<b>City Manager Administration</b>	6.000	6.000	6.000	6.000	0.000	0.000	6.000
<b>Organizational Development</b>							
Airport	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Buildings & Facilities	42.000	42.000	42.000	42.000	1.000	0.000	43.000
Cultural Affairs Administration <sup>(1)</sup>	0.000	0.000	0.000	0.000	0.000	4.000	4.000
Center for the Arts <sup>(1)</sup>	13.000	13.000	13.000	13.000	0.000	0.000	13.000
Library <sup>(1)</sup>	62.550	62.550	62.550	62.550	0.000	(2.000)	60.550
Museum <sup>(1)</sup>	4.750	4.750	4.750	4.750	0.000	(1.000)	3.750
Economic Development	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Downtown Redevelopment	2.000	2.000	2.000	2.000	0.000	0.000	2.000
Tourism	1.000	1.000	1.000	1.000	0.000	0.000	1.000
Human Resources	20.000	20.000	20.000	20.000	1.500	0.500	22.000
IT Service Delivery Mgmt & Admin.	15.000	14.000	14.000	14.000	0.000	(1.000)	13.000
IT Applications Support	20.000	18.000	18.000	18.000	0.500	1.500	20.000
IT Infrastructure & Client Support	16.000	20.000	20.000	20.000	0.000	0.000	20.000
Neighborhood Resources <sup>(2)</sup>	4.850	5.150	5.150	5.150	0.000	(5.150)	0.000
Code Enforcement <sup>(2)</sup>	10.500	10.500	11.500	11.500	0.000	(11.500)	0.000
Housing and Redevelopment <sup>(2)</sup>	21.800	21.750	21.750	22.750	0.000	(22.750)	0.000
Community Development <sup>(2)</sup>	6.350	6.100	6.100	6.100	0.000	(6.100)	0.000
Planning <sup>(3)</sup>	0.000	0.000	0.000	0.000	0.000	14.000	14.000
	<b>251.800</b>	<b>252.800</b>	<b>253.800</b>	<b>254.800</b>	<b>3.000</b>	<b>(29.500)</b>	<b>228.300</b>
<b>City Magistrate</b>	41.000	41.000	41.000	41.000	0.000	0.000	41.000
<b>Law</b>							
Law	28.000	28.000	28.000	28.000	0.000	(1.000)	27.000
Liability Litigation	4.000	4.000	4.000	4.000	0.000	0.000	4.000
	<b>32.000</b>	<b>32.000</b>	<b>32.000</b>	<b>32.000</b>	<b>0.000</b>	<b>(1.000)</b>	<b>31.000</b>
<b>Subtotal - General Government</b>	<b>354.800</b>	<b>355.800</b>	<b>356.800</b>	<b>357.800</b>	<b>4.000</b>	<b>(30.500)</b>	<b>331.300</b>

<sup>(1)</sup> Effective July 1, 2015, the Center for the Arts, Library, and Museum cost centers are moved from the former Community Services Department and combined with the newly established Cultural Affairs Administration cost center to create the Cultural Affairs Division. For presentation purposes, the prior year history is reflected in this table.

<sup>(2)</sup> Effective July 1, 2015, the Neighborhood Resources, Code Enforcement, Housing and Redevelopment, and Community Development cost centers are combined with multiple cost centers from Community Services to create the new Community & Neighborhood Services Department.

<sup>(3)</sup> Effective July 1, 2015, the Planning Division is transferred from the Transportation & Development Department to Organizational Development, under the City Manager.



Financial & Personnel Overview

Number of Personnel Full Time Equivalent (continued)

	2012-13 Revised	2013-14 Revised	2014-15 Adopted	2014-15 Revised	New Requests/ Reductions	Transfers as of 7/1/2015	2015-16 Adopted
<b>Community &amp; Neighborhood Svcs<sup>(1)</sup></b>							
Administration	4.000	3.000	3.000	3.000	0.000	(3.000)	<b>0.000</b>
Neighborhood Resources	0.000	0.000	0.000	0.000	0.000	6.800	<b>6.800</b>
Code Enforcement	0.000	0.000	0.000	0.000	0.000	12.500	<b>12.500</b>
Aquatics	16.000	15.750	15.750	15.750	0.000	0.000	<b>15.750</b>
Parks Operations	52.000	53.000	53.000	53.000	1.000	0.000	<b>54.000</b>
Recreation	7.125	8.250	8.250	8.375	0.000	0.000	<b>8.375</b>
Sports and Fitness Facilities	17.125	17.125	17.125	17.125	0.000	0.000	<b>17.125</b>
Nature and Recreation Facilities	14.625	13.875	13.875	13.875	0.000	0.000	<b>13.875</b>
Housing and Redevelopment	0.000	0.000	0.000	0.000	0.000	23.200	<b>23.200</b>
Community Development	0.000	0.000	0.000	0.000	0.000	6.000	<b>6.000</b>
	<b>110.875</b>	<b>111.000</b>	<b>111.000</b>	<b>111.125</b>	<b>1.000</b>	<b>45.500</b>	<b>157.625</b>
<b>Fire, Health &amp; Medical</b>							
Administration	6.000	6.000	6.000	6.000	0.000	0.000	<b>6.000</b>
Health and Medical Services	9.000	10.000	10.000	10.000	0.000	0.000	<b>10.000</b>
Operations	190.000	189.000	189.000	189.000	0.000	0.000	<b>189.000</b>
Prevention and Preparedness	13.000	13.000	13.000	13.000	0.000	0.000	<b>13.000</b>
Support Services	4.000	4.000	4.000	4.000	0.000	0.000	<b>4.000</b>
Fleet Services	11.000	11.000	12.000	12.000	0.000	0.000	<b>12.000</b>
	<b>233.000</b>	<b>233.000</b>	<b>234.000</b>	<b>234.000</b>	<b>0.000</b>	<b>0.000</b>	<b>234.000</b>
<b>Management Services</b>							
Administration	4.000	4.000	4.000	4.000	0.000	0.000	<b>4.000</b>
Budget	6.000	6.000	6.000	6.000	0.000	0.000	<b>6.000</b>
Purchasing	7.000	7.000	7.000	6.900	0.000	0.000	<b>6.900</b>
Central Supply	5.000	5.000	5.000	5.100	0.000	0.000	<b>5.100</b>
Accounting	16.000	16.000	16.000	17.000	0.000	0.000	<b>17.000</b>
Tax and License	21.000	21.000	21.000	21.000	0.000	(0.500)	<b>20.500</b>
Utility Services	11.000	11.000	11.000	11.000	0.000	(0.500)	<b>10.500</b>
Environmental Management	3.500	3.500	3.500	3.500	(0.500)	0.000	<b>3.000</b>
	<b>73.500</b>	<b>73.500</b>	<b>73.500</b>	<b>74.500</b>	<b>(0.500)</b>	<b>(1.000)</b>	<b>73.000</b>

<sup>(1)</sup> Beginning July 1, 2015, cost centers from the Neighborhood Resources Division are combined with multiple cost centers from Community Services to create the new Community & Neighborhood Services Department. The Community Services Administration cost center is disbanded as a part of the reorganization.



Financial & Personnel Overview

Number of Personnel Full Time Equivalent (continued)

in

	2012-13 Revised	2013-14 Revised	2014-15 Adopted	2014-15 Revised	New Requests/ Reductions	Transfers as of 7/1/2015	2015-16 Adopted
<b>Municipal Utilities</b>							
Administration	5.800	6.000	6.000	8.000	0.000	0.000	8.000
Solid Waste Services	22.000	22.000	22.000	22.000	0.000	0.000	22.000
Water Distribution	28.000	28.000	28.000	28.000	0.000	0.000	28.000
Water Treatment Plant	12.000	12.000	12.000	13.000	0.000	0.000	13.000
Environmental Resources	8.000	8.000	8.000	9.000	0.000	0.000	9.000
Water Quality	12.000	12.000	12.000	12.000	0.000	0.000	12.000
Water Systems Maintenance	22.000	22.000	22.000	20.000	0.000	0.000	20.000
Meter Services	11.000	11.000	11.000	11.000	0.000	0.000	11.000
Wastewater Collection	10.000	10.000	10.000	10.000	0.000	0.000	10.000
Ocotillo Brine Reduction Facility	10.000	15.000	15.000	15.000	2.000	0.000	17.000
Lone Butte Wastewater Treatment	1.000	1.000	1.000	1.000	0.000	0.000	1.000
Wastewater Quality	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Airport Water Reclamation Facility	22.000	24.000	27.000	26.000	0.000	0.000	26.000
Ocotillo Water Reclamation Facility <sup>(1)</sup>	0.000	0.000	0.000	12.000	0.000	0.000	12.000
	<b>167.800</b>	<b>175.000</b>	<b>178.000</b>	<b>191.000</b>	<b>2.000</b>	<b>0.000</b>	<b>193.000</b>
<b>Police</b>							
Administration	12.000	10.000	10.000	10.000	0.000	0.000	10.000
Professional Standards	8.000	8.000	8.000	8.000	0.000	0.000	8.000
Property and Evidence	5.000	5.000	5.000	5.000	0.000	0.000	5.000
Forensic Services	20.000	20.000	21.000	21.000	0.000	0.000	21.000
Field Operations	223.000	218.000	218.000	218.000	0.000	0.000	218.000
Criminal Investigations	88.000	90.000	90.000	92.000	2.000	0.000	94.000
Planning and Research	11.000	11.000	11.000	9.000	0.000	0.000	9.000
Communications	53.000	53.000	53.000	46.000	0.000	0.000	46.000
Technology	0.000	0.000	0.000	9.000	2.000	0.000	11.000
Records	24.000	24.000	24.000	23.000	1.000	0.000	24.000
Detention Services	10.000	10.000	11.000	11.000	0.000	0.000	11.000
Community Resources & Training	25.000	30.000	30.000	32.000	0.000	0.000	32.000
	<b>479.000</b>	<b>479.000</b>	<b>481.000</b>	<b>484.000</b>	<b>5.000</b>	<b>0.000</b>	<b>489.000</b>
<b>Transportation &amp; Development</b>							
Transportation & Dev. Administration	5.000	9.000	10.000	10.000	1.000	(2.000)	9.000
Planning <sup>(2)</sup>	14.000	14.000	15.000	15.000	0.000	(15.000)	0.000
Development Services	32.000	38.000	32.000	33.000	0.000	0.000	33.000
Engineering	22.000	9.000	15.000	15.000	0.000	3.000	18.000
Capital Projects Management	18.000	21.000	19.000	19.000	1.000	0.000	20.000
Streets	40.500	40.500	40.500	40.500	0.000	0.000	40.500
Traffic Engineering	25.000	25.000	25.000	25.000	0.000	0.000	25.000
Transit Services	3.000	3.000	3.000	2.000	0.000	0.000	2.000
Street Sweeping	9.000	9.000	9.000	9.000	0.000	0.000	9.000
	<b>168.500</b>	<b>168.500</b>	<b>168.500</b>	<b>168.500</b>	<b>2.000</b>	<b>(14.000)</b>	<b>156.500</b>
<b>CITY TOTAL</b>	<b>1587.475</b>	<b>1595.800</b>	<b>1602.800</b>	<b>1620.925</b>	<b>13.500</b>	<b>0.000</b>	<b>1634.425</b>
<b>Population *</b>	<b>239,538</b>	<b>242,215</b>	<b>244,500</b>	<b>244,439</b>			<b>247,500</b>
<b>Employees Per 1,000 Population</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>			<b>6.6</b>

<sup>(1)</sup> During Fiscal Year 2014-15, twelve new positions were created in the Ocotillo Water Reclamation Facility cost center in preparation for the City to take over operations of the facility from the contracted vendor.

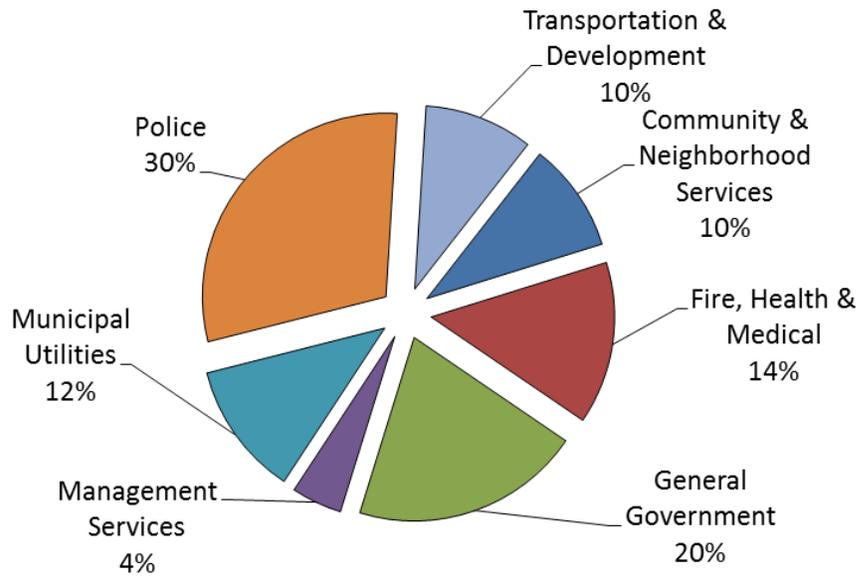
<sup>(2)</sup> Effective July 1, 2015, the Planning Division is transferred from the Transportation & Development Department to Organizational Development, under the City Manager.

\* Population figures are based on updated annual estimates from the Planning Division.

### Personnel Distribution by Department

The table and chart below reflect the percentage of personnel by department and the number of Full Time Equivalent (FTE) staff by department for Fiscal Year (FY) 2015-16.

<u>Department</u>	<u>2015-16 FTE</u>
Community & Neighborhood Services	157.625
Fire, Health & Medical	234.000
General Government	331.300
Management Services	73.000
Municipal Utilities	193.000
Police	489.000
Transportation & Development	156.500
<b>Total</b>	<b><u>1,634.425</u></b>





**New Positions for FY 2015-16 (All Funds)**

**Communications and Public Affairs Department**

Communications and Public Affairs (1070)	1.000	Security Officer
	<b>1.000</b>	<b>Total Communications and Public Affairs Department Positions</b>

**Community & Neighborhood Services Department**

Park Development and Operations (4530)	1.000	Park Spray Technician
	<b>1.000</b>	<b>Total Community and Neighborhood Services Department Positions</b>

**General Government**

Information Technology Applications Support (1200)	0.500	IT Principal Programmer/Analyst
Human Resources (1250)	1.000	Human Resources Specialist I
Human Resources (1250)	0.500	Safety Analyst
Buildings and Facilities (3200)	1.000	Custodian
	<b>3.000</b>	<b>Total Organizational Support Positions</b>

**Municipal Utilities Department**

Ocotillo Brine Reduction Facility (3930)	1.000	Senior Utilities Mechanic
Ocotillo Brine Reduction Facility (3930)	1.000	Wastewater Treatment Plant Operator II
	<b>2.000</b>	<b>Total Municipal Utilities Department Positions</b>

**Police Department**

Criminal Investigations (2040)	2.000	Police Officer
Police Technology (2065)	2.000	Business Systems Support Analyst
Records (2070)	1.000	Police Records Specialist
	<b>5.000</b>	<b>Total Police Department Positions</b>

**Transportation & Development Department**

Transportation & Development Administration (3010)	1.000	Public Works Inspector
Capital Projects (3025)	1.000	Public Works Inspector
	<b>2.000</b>	<b>Total Transportation and Development Department Positions</b>

**14.000**      **Grand Total - Additions**



**Personnel Costs by Fund<sup>(1)</sup>**

Personnel costs account for a significant portion of the total City operating budget. The table below breaks down the personnel costs by the various funding sources used to support City programs.

Fund Description	2013-14 Actual Expenditures	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimated Expenditures	2015-16 Adopted Budget	% Chg Adj to Adopted
<b>General Fund</b>	<b>\$ 136,854,081</b>	<b>\$ 145,615,077</b>	<b>\$ 145,647,489</b>	<b>\$ 142,240,656</b>	<b>\$ 155,756,596</b>	
Ongoing*	-	143,313,883	143,346,295	139,939,462	149,739,896	4.5%
One-time*	-	2,301,194	2,301,194	2,301,194	6,016,700	161.5%
<b>Special Revenue Funds</b>	<b>\$ 3,863,988</b>	<b>\$ 4,207,461</b>	<b>\$ 4,207,461</b>	<b>\$ 4,047,751</b>	<b>\$ 4,349,323</b>	
Ongoing*	-	4,207,461	4,207,461	4,047,751	4,349,323	3.4%
One-time*	-	-	-	-	-	N/A
<b>Grants Funds<sup>(2)</sup></b>	<b>\$ 2,620,527</b>	<b>\$ 2,667,886</b>	<b>\$ 3,297,564</b>	<b>\$ 2,631,363</b>	<b>\$ 2,738,402</b>	<b>-17.0%</b>
Ongoing*	-	2,667,886	3,297,564	2,631,363	2,738,402	-17.0%
One-time*	-	-	-	-	-	N/A
<b>Internal Service Funds</b>	<b>\$ 1,953,881</b>	<b>\$ 2,218,987</b>	<b>\$ 2,911,344</b>	<b>\$ 3,047,369</b>	<b>\$ 3,083,407</b>	
Ongoing*	-	2,218,987	2,911,344	3,047,369	3,083,407	5.9%
One-time*	-	-	-	-	-	N/A
<b>Enterprise Funds</b>	<b>\$ 14,788,771</b>	<b>\$ 16,611,583</b>	<b>\$ 17,025,737</b>	<b>\$ 15,990,182</b>	<b>\$ 18,509,819</b>	
Ongoing*	-	16,611,583	17,025,737	15,990,182	18,509,819	8.7%
One-time*	-	-	-	-	-	N/A
<b>Trust and Agency Funds</b>	<b>\$ 8,466</b>	<b>\$ 5,514</b>	<b>\$ 5,572</b>	<b>\$ 5,491</b>	<b>\$ 5,972</b>	<b>7.2%</b>
<b>Total Ongoing</b>	<b>\$ 160,089,714</b>	<b>\$ 169,025,314</b>	<b>\$ 170,793,973</b>	<b>\$ 165,661,618</b>	<b>\$ 178,426,819</b>	<b>4.5%</b>
<b>Total One-time</b>	<b>\$ -</b>	<b>\$ 2,301,194</b>	<b>\$ 2,301,194</b>	<b>\$ 2,301,194</b>	<b>\$ 6,016,700</b>	<b>161.5%</b>
<b>Grand Total</b>	<b>\$ 160,089,714</b>	<b>\$ 171,326,508</b>	<b>\$ 173,095,167</b>	<b>\$ 167,962,812</b>	<b>\$ 184,443,519</b>	<b>6.6%</b>

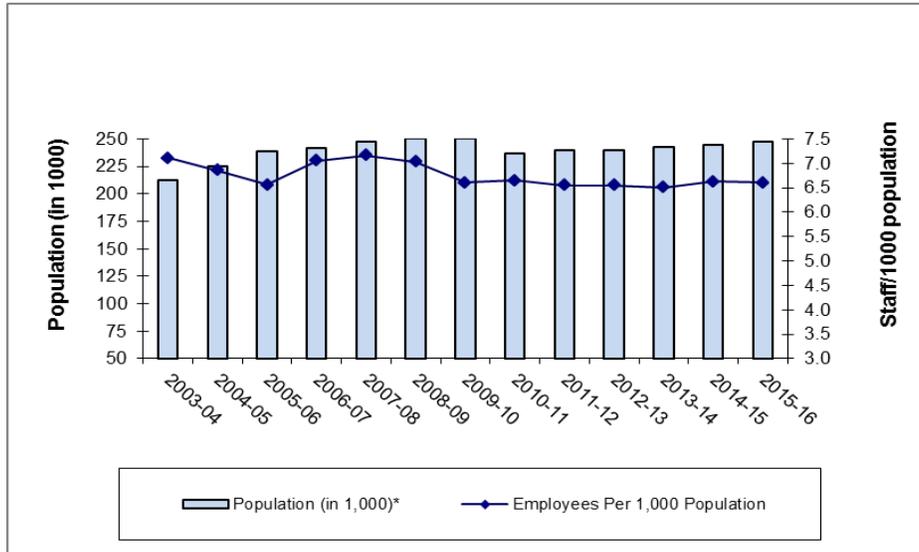
\* Ongoing and One-time detail not available for Fiscal Year (FY) 2013-14 Actual Expenditures.

<sup>(1)</sup> Personnel costs include wages, benefit costs and temporary employment costs.

<sup>(2)</sup> Grant personnel funds are not considered one-time for this presentation.

### Number of Employees per 1,000 of Chandler's Population

The chart below shows Chandler's population growth over the past decade and the number of employees per 1,000 of population. The workforce was reduced by 10% through the economic downturn. Chandler has maintained approximately 6.6 employees per 1,000 in population for the last six years.



Chandler maintains one of the lowest employee ratios compared to other Valley cities and towns as shown on the chart below.

