

CITY OF CHANDLER, ARIZONA

2016-17



Chandler • Arizona
Where Values Make The Difference

CITY COUNCIL

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MAYOR

JACK SELLERS
VICE MAYOR

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COUNCILMEMBER

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COUNCILMEMBER

RICK HEUMANN
COUNCILMEMBER

RENE LOPEZ
COUNCILMEMBER

TERRY ROE
COUNCILMEMBER

Marsha Reed, City Manager
Nachie Marquez, Assistant City Manager
Dawn Lang, Management Services Director

BUDGET STAFF

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**Highlights of the Fiscal Year (FY) 2016-17 Budget and
2017-2026 Capital Improvement Program (CIP) Calendar**

Citizen Budget Survey	November 16, 2015 – December 31, 2015
CIP Coordination Team Meetings	December 17, 2015 – January 21, 2016
Council Workshop #1 – Preliminary 5-Year General Fund Forecast and CIP	February 8, 2016
CIP Coordination Team Recommendations to City Manager	February 16, 2016
Community Budget Meeting – “Budget Connect” – Web Meeting	February 25, 2016
Council Workshop #2 – Updated 5-Year General Fund Forecast and CIP	March 14, 2016
Departments Submit Budgets	March 21, 2016
Distribute Proposed Budget and CIP Booklets to Council, City Manager’s Office and Departments	April 14, 2016
All Day Budget and CIP Briefing with Council	April 29, 2016
Council Amendments due to Budget Office	May 9, 2016
Budget Amendments Introduced at City Council (Special Meeting)	May 12, 2016
Tentative Budget Adoption	May 26, 2016
Public Hearings: 2016-17 Budget and Property Tax Levy; 2017-2026 CIP	June 9, 2016
Final Budget and CIP Adoption	June 9, 2016
Property Tax Levy Adoption (must be a period of at least 14 days between Final Adoption & Tax Levy Adoption)	June 23, 2016

Demographics*

Incorporated Area – Square Miles

2016	65.049	2008	64.370
2015	64.980	2007	64.200
2014	64.900	2006	63.460
2013	64.840	2005	63.313
2012	64.710	2004	63.186
2011	64.600	2003	61.420
2010	64.400	2002	60.916
2009 rev.	64.400	2001	60.775
2009	64.460	2000	58.600

Climate

Average minimum temperature	57.4°F
Average maximum temperature	86.3°F
Average annual temperature	71.9°F
Average annual precipitation (inches)	9.23

Gender (%)

Male	49.1	49.2
Female	50.9	50.8

Figures from ESRI Business Analyst, 2016

Population

2016 (Mid-Decade Census)	244,687
2015	247,500
2014	244,439
2013 (revised)	242,215
2012	239,538
2011	238,977
2010 (Official U.S. Census) rev.	236,326
2009 ⁽¹⁾	252,488
2008 ⁽¹⁾	250,759
2007 ⁽¹⁾	247,097
2006 ⁽¹⁾	241,910
2005 ⁽¹⁾	238,930
2005 (Interim U.S. Census)	230,845
2004 ⁽¹⁾	224,644
2003 ⁽¹⁾	211,984
2002 ⁽¹⁾	201,263
2001 ⁽¹⁾	189,498

⁽¹⁾ Estimates from 2001 to 2009 were found to be overstated but remain as the official estimates.

Age Composition (%)

0-14 years	21.9
15-24 years	13.5
25-64 years	55.1
65 years	9.6

Figures from ESRI Business Analyst, 2016

Racial Composition (%)

Two or more Races	4.2
One Race	95.8
White	70.8
Asian	9.4
Hawaiian & Pacific Islander	0.2
African American	5.2
Native American	1.6
Other	8.6
Hispanic/Latino Ethnicity (of any race) ⁽²⁾	22.7

⁽²⁾ People who identify their origin as Spanish, Hispanic, or Latino may be of any race. Thus, the percent Hispanic should not be added to percentages for racial categories.

Figures from ESRI Business Analyst, 2016

Highest Education Attainment (%)

Less than 9 th Grade	3.8
9 th -12 th Grade, No Diploma	4.1
High School Diploma	15.7
GED/Alternative Credential	2.5
Some College	23.7
Associates Degree	9.7
Bachelor Degree	24.9
Graduate Degree	15.6

Figures from ESRI Business Analyst, 2016

Household Income 2015 (%)

Less than \$15,000	5.5
\$15,000-\$34,999	10.2
\$35,000-\$49,999	10.0
\$50,000-\$74,999	17.9
\$75,000-\$99,999	17.3
\$100,000-\$149,999	20.7
\$150,000 plus	18.6
Average Household Income	\$90,820
Median Household Income	\$73,611
Average Household (persons)	3.2

Figures from ESRI Business Analyst, 2016

Special Election August 25, 2015

Registered Voters	131,874
Votes Cast	22,240
Percent Voting	17.62%

* Unless otherwise noted, figures presented are projected through June 30, 2016.



Economics*

Occupation Composition (%)

Management, Business and Financial	17.6
Professional	24.9
Sales	12.7
Administrative Support	14.4
Service	16.7
Farming, Forestry, and Fishing	0.1
Construction and Extraction	2.7
Installation, Maintenance and Repair	3.1
Production	3.7
Transportation and Material Moving	3.9

Figures from ESRI Business Analyst, 2016

Taxes

Local Retail Transaction Privilege (TPT) Sales Tax Rate	1.5%
Property Tax (2016-17 Proposed)	
Primary Tax Rate ⁽¹⁾	\$0.2900/\$100
Secondary Tax Rate ⁽¹⁾	\$0.8700/\$100
Combined	\$1.1600/\$100
Property Tax (2015-16) ⁽¹⁾	
Primary Tax Levy ⁽¹⁾	\$0.2992/\$100
Secondary Tax Levy ⁽¹⁾	\$0.8800/\$100
Combined	\$1.1792/\$100

⁽¹⁾ Property Tax calculated per \$100 of assessed valuation as determined by the Maricopa County Assessor.

Property Tax Assessed Valuation

	<u>2015</u>	<u>2016</u>
Primary	\$2,380,457,981	2,553,971,787
Secondary	\$2,380,457,981	2,553,971,787

Unemployment Rate (%)

2015-16	4.0
2014-15	4.2
2013-14	4.8
2012-13	5.6
2011-12	5.8
2010-11	7.1
2009-10	7.0
2008-09	5.2
2007-08	3.7
2006-07	2.5
2005-06	2.3
2004-05	3.2
2003-04	3.0
2002-03	3.9
2001-02	4.2
2000-01	2.8
1999-2000	2.0
1998-99	2.4
1997-98	2.2
1996-97	3.0
1995-96	2.6

Figures from Arizona Labor & Statistics

Building Permits – All Types

	<u>Issued</u>	<u>Value</u>
2015-16 ⁽²⁾	4,000	\$800,000,000
2014-15	6,200	\$675,000,000
2013-14	3,892	775,222,849
2012-13	3,750	875,000,000
2011-12	5,000	892,000,000
2010-11	4,294	658,977,221
2009-10 (revised)	3,809	375,169,625
2008-09 (revised)	2,090	376,745,879
2007-08 (revised)	5,792	669,812,746
2006-07	6,474	1,223,872,804
2005-06	7,909	1,049,885,000
2004-05	8,951	1,239,000,543
2003-04	11,688	1,109,945,889
2002-03	9,723	931,468,819
2001-02	8,737	875,418,784
2000-01	9,632	1,625,230,334
1999-00	8,639	1,154,799,942
1998-99	4,760	619,800,132
1997-98	4,879	742,097,374
1996-97	3,050	869,099,167

⁽²⁾ Several services that may have three permits have been combined and are provided with one permit; reducing total number of permits.

* Unless otherwise noted, figures presented are projected through June 30, 2016.

Service Statistics*

Police Protection

	<u>2014-15</u>	<u>2015-16</u>
Employees (full time)	483	489
Sworn	322	324
Civilian	161	165
Crime Index ⁽¹⁾	6,207	5,931
Crime Rate (per 1,000 population) ⁽¹⁾	25.2	23.8
Traffic Accidents ⁽¹⁾	4,228	4,516
Traffic Citations ⁽¹⁾	26,120	23,391
Total Calls for Police Service, est. ⁽¹⁾	141,274	140,590
Avg. Response Time- Priority 1 Calls (all) ⁽¹⁾	6:18	6:15

⁽¹⁾ Figures reported on a calendar year basis.

Fire Protection

	<u>2014-15</u>	<u>2015-16</u>
Stations	10	10
Employees (full-time)	234	234
Sworn	202	202
Civilian	32	32
Fire Call	360	430
Emergency Call	16,004	16,796
Other Call	5,500	5,984
Fire Inspections (various kinds)	3,842	4960
Fire Investigations	25	24

Streets & Traffic Engineering

	<u>2014-15</u>	<u>2015-16</u>
Street Lane Miles	2,033	2,054
Street Lights	27,700	27,800
Signalized Intersections	218	218

Aviation

	<u>2014-15</u>	<u>2015-16</u>
Based Aircraft	410	401
Air Traffic Operations	225,012	209,965

Residential Solid Waste

	<u>2014-15</u>	<u>2015-16</u>
Customers Served	71,860	72,749
Total Landfill Tonnage:	84,209	80,566
Residential	83,747	79,991
Commercial/City	462	575
Total Recycling Tonnage:	22,442	22,102
Residential Curbside/Neighborhood	18,510	18,346
Drop-off	800	975
Other Recycling	3,132	2,781

Wastewater

	<u>2014-15</u>	<u>2015-16</u>
Connections	76,492	78,144
Miles of Sanitary Sewers ⁽⁴⁾	911.10	908.35
Average Daily Treatment (MGD)	27.7	28.6
Treatment Capacity (MGD)	42	42

Water

	<u>2014-15</u>	<u>2015-16</u>
Potable Connections	80,401	83,089
Miles of Potable Water Lines ⁽²⁾	1,278	1189.89
Miles of Reclaimed Water Lines ⁽²⁾	132	97.01
Operating Wells	28	28
Daily Pumping Wells Capacity (MGD)	64.4	66.3
Production Treatment Capacity (MGD) ⁽³⁾	72	72

⁽²⁾ Beginning in FY 2015-16, City staff is updating the Geographic Information System through a review of over 700 As-builts that may reflect a revised figure. The revised figures consist of active and City owned utilities.

⁽³⁾ Chandler Surface Water Treatment Plant (WTP) & San Tan Vista WTP combined.

* Unless otherwise noted, figures presented are projected through June 30, 2016.

Service Statistics*

Library

	<u>2014-15</u>	<u>2015-16</u>
Library Material	506,099	402,000
Annual Circulation ⁽¹⁾	2,163,076	2,086,000
Library Visits	1,181,412	1,143,000
Registered Borrowers ⁽²⁾	333,559	250,000

⁽¹⁾ Circulation includes all materials either checked out or downloaded.

⁽²⁾ Numbers have been updated to remove inactive users

Vision Gallery

	<u>2014-15</u>	<u>2015-16</u>
Gallery Visits	11,800	9,000
# of KidzArt Workshops	54	54
Participation in KidzArt Workshops	2,100	2,100
# of Special Events and Exhibits	13	13

Municipal Parks

	<u>2014-15</u>	<u>2015-16</u>
Developed Parks	64	65
Developed Acres	1,232.17	1,242.19
Undeveloped Acres	309.22	301.70
Swimming Pools	6	6
Lighted Fields	41	41

Center for the Arts

	<u>2014-15</u>	<u>2015-16</u>
No. of Events and Exhibits	1,116	1,001
Attendance	320,292	350,350
Volunteer Hours	12,780	13,000
Theatres	3	3
Exhibition Areas	2	2

Public Education System

	<u>2014-15</u>	<u>2015-16</u>
Elementary	37	38
K-8 School	0	2
Junior High	10	8
High School ⁽³⁾	7	8
Community College	1	1

⁽³⁾ Casteel High was counted as a High School; however it is 7-12.

Recreation

	<u>2014-15</u>	<u>2015-16</u>
No. of Family Special Events	8	8
No. of Rec. Classes Offered	3,981	4,174
Volunteer Hours	43,658	44,500
Meals Served at Sr. Center	17,094	17,733

* Unless otherwise noted, figures presented are projected through June 30, 2016.



City of Chandler
Fiscal Year 2016-17 Total Proposed City Budget

Resources

	2014-15 Actual Revenues	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
Fund Balances	\$ -	\$ 286,071,768	\$ 483,501,895	69.0%
Sale of Bonds	4,393,546	165,035,000	-	(100.0%)
Grants	17,324,304	28,343,722	35,683,322	25.9%
Revenues	434,191,215	431,163,527	452,065,390	4.8%
Total Resources	\$ 455,909,065	\$ 910,614,017	\$ 971,250,607	6.7%
Encumbrance or Carryforward from Prior Years	-	(198,893,714)	(324,944,085)	
Net Adjusted Budget	\$ 455,909,065	\$ 711,720,303	\$ 646,306,522	(9.2%)

Appropriations

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 117,322,503	\$ 163,653,692	\$ 187,476,511	14.6%
Public Safety	103,149,866	121,720,774	134,398,299	10.4%
Municipal Utilities ⁽¹⁾	90,002,535	330,567,326	360,677,425	9.1%
Transportation & Development	57,657,792	80,547,416	111,836,515	38.8%
Fund Contingencies & Reserves ⁽²⁾	-	133,868,146	108,548,878	(18.9%)
Debt Service	63,824,892	71,430,443	59,454,061	(16.8%)
Capital/Tech/Vehicle Replacement	6,361,282	8,826,220	8,858,918	0.4%
Total	\$ 438,318,870	\$ 910,614,017	\$ 971,250,607	6.7%
Encumbrance or Carryforward from Prior Years	-	(198,893,714)	(324,944,085)	
Net Adjusted Budget	\$ 438,318,870	\$ 711,720,303	\$ 646,306,522	(9.2%)

⁽¹⁾ 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) 2015-16 includes \$7,874,352 (Wastewater Fund). and FY 2016-17 includes \$2,534,358 (Wastewater Fund).

⁽²⁾ 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.



Operating Budget by Function (All Funds)

	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 132,441,317	\$ 141,327,262	6.7%
Public Safety	111,361,986	107,552,412	(3.4%)
Municipal Utilities	71,458,996	71,833,055	0.5%
Transportation & Development	28,100,582	28,788,967	2.4%
Total Department Operating	\$ 343,362,881	\$ 349,501,696	1.8%
Capital/Tech/Vehicle Replacement	8,826,220	8,858,918	0.4%
Debt Service	71,430,443	59,454,061	(16.8%)
Contingency & Reserves	114,528,428	102,409,708	(10.6%)
Total Operating	\$ 538,147,972	\$ 520,224,383	(3.3%)

Capital Budget by Function (All Funds)

	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 15,718,349	\$ 25,346,621	61.3%
Public Safety	5,580,090	16,751,013	200.2%
Municipal Utilities	138,392,000	61,427,059	(55.6%)
Transportation & Development	27,664,592	35,480,846	28.3%
Total Major Capital	\$ 187,355,031	\$ 139,005,539	(25.8%)
Capital Carryforward	183,561,014	310,470,685	69.1%
Contingency & Reserves	1,550,000	1,550,000	0.0%
Total Capital	\$ 372,466,045	\$ 451,026,224	21.1%
Grand Total - Operating & Capital	\$ 910,614,017	\$ 971,250,607	6.7%



The following tables provide summary and detail information on the change between the adopted budgets for Fiscal Years (FY) 2015-16 and the proposed budget for FY 2016-17. For operating cost centers, explanations of significant highlights for the FY 2016-17 proposed 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.

Departmental Budget Comparison Summary

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Change Adopted to Proposed
Mayor and Council	788,522	837,550	\$ 851,855	\$ 855,318	878,151	4.8%
Communications/Public Affairs	2,067,618	2,317,974	2,516,836	2,570,311	2,515,492	8.5%
City Clerk	781,782	617,010	638,364	616,533	826,714	34.0%
City Manager	1,291,399	1,214,156	1,228,302	1,087,144	1,217,750	0.3%
Organizational Support	48,275,069	53,618,304	58,179,406	40,049,918	60,037,544	12.0%
City Magistrate	3,850,335	4,306,286	4,371,229	4,197,552	4,447,081	3.3%
Law	5,282,265	9,141,224	9,767,095	6,524,006	9,585,278	4.9%
Community & Neighborhood Services	21,369,295	49,393,761	50,292,546	38,526,456	48,298,998	(2.2%)
Fire	37,876,458	44,844,918	46,186,201	35,254,533	50,220,320	12.0%
Management Services	7,201,334	8,201,369	8,658,356	8,239,287	8,448,196	3.0%
Non-Departmental	26,414,884	34,006,058	51,777,602	28,517,595	51,221,307	50.6%
Municipal Utilities	90,002,535	330,567,326	329,764,613	95,166,056	360,677,425	9.1%
Police	65,273,408	76,875,856	78,391,194	72,614,214	84,177,979	9.5%
Transportation & Development	57,657,792	80,547,416	93,114,249	43,994,818	111,836,515	38.8%
Subtotal	368,132,696	696,489,208	\$ 735,737,848	\$ 378,213,741	794,388,750	14.1%
Fund Contingency - Operating*	-	114,528,428	90,751,204	-	102,409,708	(10.6%)
Fund Contingency - Capital*	-	19,339,718	2,483,606	-	6,139,170	(68.3%)
Debt Service	63,824,892	71,430,443	71,430,443	60,438,464	59,454,061	(16.8%)
Equipment Replacement	515,200	870,500	870,500	382,675	892,250	2.5%
Technology Replacement	3,392,260	3,293,561	3,876,975	3,876,975	2,492,043	(24.3%)
Vehicle Replacement	2,453,821	4,662,159	5,463,441	2,977,028	5,474,625	17.4%
Grand Total	438,318,870	910,614,017	\$ 910,614,017	\$ 445,888,883	971,250,607	6.7%

* 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

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government						
Mayor and Council	788,522	837,550	\$ 851,855	\$ 855,318	878,151	4.8%
Communications & Public Affairs						
Administration	817,974	949,847	968,466	940,459	1,150,244	21.1%
Video Production	418,793	521,146	677,581	763,740	475,866	(8.7%)
Print, Mail & Graphics	830,851	846,981	870,789	866,112	889,382	5.0%
Total Communications/Public Affairs	2,067,618	2,317,974	2,516,836	2,570,311	2,515,492	8.5%
City Clerk	781,782	617,010	638,364	616,533	826,714	34.0%
City Manager Administration	1,291,399	1,214,156	1,228,302	1,087,144	1,217,750	0.3%
Organizational Support						N/A
Innovations ⁽¹⁾	-	1,456,930	1,581,930	1,581,569	-	(100.0%)
Airport ⁽²⁾	-	1,041,984	1,071,908	1,072,476	1,058,218	1.6%
Airport Capital	-	7,544,042	9,406,025	848,083	8,848,127	17.3%
Buildings and Facilities	6,733,710	6,883,914	7,440,944	7,444,900	7,253,743	5.4%
Buildings and Facilities Capital	1,991,732	3,455,256	3,646,898	1,394,834	4,224,564	22.3%
Cultural Affairs Administration ⁽³⁾	-	499,813	511,158	491,564	524,789	5.0%
Center for the Arts	1,517,954	1,486,742	1,533,971	1,548,768	1,549,738	4.2%
Library	6,176,568	6,593,516	6,874,838	6,231,603	6,660,078	1.0%
Cultural Affairs Capital	204,949	531,400	551,951	64,427	1,445,139	171.9%
Museum	506,415	456,272	467,567	447,943	465,437	2.0%
Economic Development	2,140,277	877,934	922,896	920,299	907,480	3.4%
Downtown Redevelopment	402,108	400,966	434,093	432,981	414,765	3.4%
Economic Development Capital	37,780	2,567,208	2,749,450	182,242	2,567,208	0.0%
Tourism	460,802	634,762	670,643	491,031	655,512	3.3%
Innovations ⁽¹⁾	-	-	-	-	1,606,930	N/A
Airport ⁽²⁾	931,015	-	-	-	-	N/A
Airport Capital	1,023,452	-	-	-	-	N/A
Human Resources	3,204,542	3,197,002	3,569,046	3,195,864	3,409,489	6.6%
Workers Compensation Liability	2,267,111	1,718,000	1,718,000	2,300,000	2,479,500	44.3%
IT Service Delivery Mgmt & Admin	1,716,636	1,831,329	2,037,420	1,947,894	1,844,478	0.7%
IT Applications & Support	3,330,300	3,876,246	4,015,068	3,783,759	3,946,198	1.8%
IT Infrastructure & Client Support	2,682,743	2,768,099	3,043,684	3,111,587	3,193,145	15.4%
ITOC Capital	386,861	2,735,629	2,830,770	646,722	2,804,748	2.5%
ITOC Operations	53,398	158,695	171,477	135,930	152,681	(3.8%)
IT Citywide Capital	465,122	1,242,408	1,237,325	105,509	2,331,162	87.6%
Planning ⁽⁴⁾	-	1,660,157	1,692,344	1,669,933	1,694,415	2.1%
Neighborhood Resources ⁽⁵⁾	648,802	-	-	-	-	N/A
Code Enforcement	1,088,327	-	-	-	-	N/A
Housing and Redevelopment	7,739,998	-	-	-	-	N/A
Community Development	2,564,467	-	-	-	-	N/A
Total Organizational Support	48,275,069	53,618,304	58,179,406	40,049,918	60,037,544	12.0%
City Magistrate	3,850,335	4,306,286	4,371,229	4,197,552	4,447,081	3.3%
Law	3,359,164	3,495,496	3,577,506	3,537,357	3,634,983	4.0%
Liability Litigation	1,395,828	1,676,013	1,698,470	1,494,274	1,980,580	18.2%
Liability Litigation Claims	527,273	3,969,715	4,491,119	1,492,375	3,969,715	0.0%
Total Law	5,282,265	9,141,224	9,767,095	6,524,006	9,585,278	4.9%
Total General Government	62,336,990	72,052,504	77,553,087	55,900,782	79,508,010	10.3%

⁽¹⁾ Effective July 1, 2015, Innovations is established as a new cost center and is separated from the Economic Development cost center, effective July 1, 2016, Innovations transfers to Economic Development from City Manager.

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

⁽³⁾ 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.

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

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



Cost Center Budget Comparison (continued)

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Change Adopted to Proposed
Community & Neighborhood Services⁽¹⁾						
Neighborhood Resources	-	900,520	990,323	938,928	678,869	(24.6%)
Code Enforcement	-	1,277,658	1,513,698	1,328,095	1,219,237	(4.6%)
Community Services Administration	516,215	-	-	-	-	N/A
Aquatics	3,457,650	3,775,887	3,896,579	3,888,107	4,081,765	8.1%
Parks Development and Operations	7,740,775	8,326,634	8,664,048	8,660,679	8,314,033	(0.2%)
Recreation	1,133,539	1,369,811	1,434,583	1,393,217	1,362,770	(0.5%)
Sports & Fitness Facilities	2,078,012	2,358,996	2,475,105	2,372,100	2,533,440	7.4%
Nature & Recreation Facilities	1,460,444	1,685,509	1,762,069	1,720,985	1,740,835	3.3%
Parks Capital	4,982,659	12,634,432	11,582,474	3,652,187	10,851,301	(14.1%)
Housing and Redevelopment	-	12,975,452	13,332,286	10,268,552	12,941,727	(0.3%)
Community Development	-	4,088,862	4,641,381	4,303,606	4,575,021	11.9%
Total Community & Neighborhood Svcs	21,369,295	49,393,761	50,292,546	38,526,456	48,298,998	(2.2%)
Fire, Health & Medical						
Administration	3,584,302	4,664,517	4,654,223	3,793,368	4,014,125	(13.9%)
Health & Medical Services ⁽²⁾	1,405,433	1,661,882	1,728,150	1,710,441	1,737,979	4.6%
Operations	22,582,113	24,380,958	25,263,800	25,051,000	24,608,742	0.9%
Prevention and Preparedness	1,878,331	4,038,652	4,172,110	2,090,195	3,854,972	(4.5%)
Fire Capital	6,357,405	8,091,779	8,315,795	354,072	13,930,023	72.2%
Support Services	914,211	892,175	912,760	1,107,789	948,970	6.4%
Fleet Services	1,154,664	1,114,955	1,139,363	1,147,668	1,125,509	0.9%
Total Fire, Health & Medical	37,876,458	44,844,918	46,186,201	35,254,533	50,220,320	12.0%
Management Services						
Administration	604,743	562,723	638,016	637,344	580,696	3.2%
Budget	669,671	675,381	701,255	707,115	710,269	5.2%
Purchasing	581,708	647,442	661,512	658,191	686,912	6.1%
Central Supply	363,870	364,940	372,522	372,786	378,507	3.7%
Accounting	1,445,150	1,643,064	1,738,266	1,669,787	1,666,478	1.4%
Tax and License	1,702,752	2,007,109	2,063,476	1,894,990	2,124,883	5.9%
Utility Services	1,403,287	1,371,398	1,396,066	1,389,408	1,382,043	0.8%
Environmental Management	418,841	456,112	461,143	426,666	445,208	(2.4%)
Environmental Management Liabilities	11,312	473,200	626,100	483,000	473,200	0.0%
Non-Departmental Operating	24,738,391	32,930,308	33,405,187	27,297,599	37,117,807	12.7%
Non-Departmental Capital	1,676,494	1,075,750	18,372,415	1,219,996	14,103,500	1211.0%
Total Management Services	33,616,218	42,207,427	60,435,958	36,756,882	59,669,503	41.4%

⁽¹⁾ 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.

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



Budget Highlights

Cost Center Budget Comparison (continued)

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Change Adopted to Proposed
Municipal Utilities⁽¹⁾						
Municipal Utilities Administration	692,121	1,001,307	1,130,876	983,606	1,050,371	4.9%
Solid Waste Services	12,499,012	13,271,743	13,626,839	13,202,597	13,352,465	0.6%
Solid Waste Capital	188,839	936,105	939,278	52,892	886,386	(5.3%)
Water Distribution	4,547,333	4,919,468	5,187,013	5,122,011	5,147,013	4.6%
Water Capital	8,575,802	63,789,813	61,404,826	5,576,701	105,126,563	64.8%
Water Treatment Plant	4,296,201	5,703,579	6,147,623	5,695,143	5,696,677	(0.1%)
Environmental Resources	6,063,824	7,956,433	8,197,363	8,061,935	7,985,834	0.4%
Water Quality	1,526,129	1,657,140	1,693,446	1,546,554	1,694,932	2.3%
Water System Maintenance	5,215,477	6,341,759	6,682,857	6,368,866	6,347,912	0.1%
San Tan Vista Water Treatment Plant	1,133,393	1,282,519	1,288,450	1,250,000	1,282,519	0.0%
Meter Services	1,018,433	1,254,536	1,295,380	1,200,348	1,051,084	(16.2%)
Wastewater Collection	1,965,243	2,245,760	2,427,031	2,311,768	2,278,456	1.5%
Wastewater Capital	24,296,906	194,382,412	190,989,080	19,627,659	182,831,421	(5.9%)
Ocotillo Brine Reduction Facility	4,701,009	9,905,048	10,985,607	10,694,016	9,636,895	(2.7%)
Lone Butte Wastewater Treatment	845,146	1,406,584	1,454,100	985,652	1,408,793	0.2%
Wastewater Quality	414,808	610,412	766,874	632,165	622,723	2.0%
Airport Water Reclamation Facility	7,569,946	9,774,033	10,458,465	8,432,538	9,841,219	0.7%
Ocotillo Water Reclamation	4,452,916	4,128,675	5,089,505	3,421,605	4,436,162	7.4%
Total Municipal Utilities	90,002,535	330,567,326	329,764,613	95,166,056	360,677,425	9.1%
Police						
Administration	3,348,659	8,201,911	8,097,700	4,070,679	3,831,284	(53.3%)
Professional Standards	1,058,572	1,105,978	1,108,620	1,115,376	1,074,663	(2.8%)
Property and Evidence	415,860	420,455	421,760	406,927	424,884	1.1%
Forensic Services	2,262,144	2,647,980	2,729,658	2,244,983	2,816,308	6.4%
Field Operations	30,253,089	32,132,985	32,577,274	33,601,156	32,226,467	0.3%
Criminal Investigations	12,416,890	13,457,280	13,510,095	13,747,446	13,947,042	3.6%
Planning and Research	1,024,944	1,033,909	1,125,793	1,111,621	1,122,894	8.6%
Communications	5,059,024	4,978,473	5,081,372	5,079,617	5,134,131	3.1%
Police Technology	1,222,775	1,950,475	1,961,747	1,760,326	1,888,573	(3.2%)
Records	1,528,476	1,742,784	1,774,458	1,780,913	1,793,814	2.9%
Detention Services	2,110,384	2,589,785	2,413,533	2,228,827	2,607,567	0.7%
Community Resources & Training	4,046,928	4,346,832	4,539,688	4,551,399	4,394,488	1.1%
Police Capital	525,664	2,267,009	3,049,496	914,944	12,915,864	469.7%
Total Police	65,273,408	76,875,856	78,391,194	72,614,214	84,177,979	9.5%

⁽¹⁾ 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) 2015-16 includes \$7,874,352 (Wastewater Fund) and FY 2016-17 includes \$2,534,358 (Wastewater Fund).



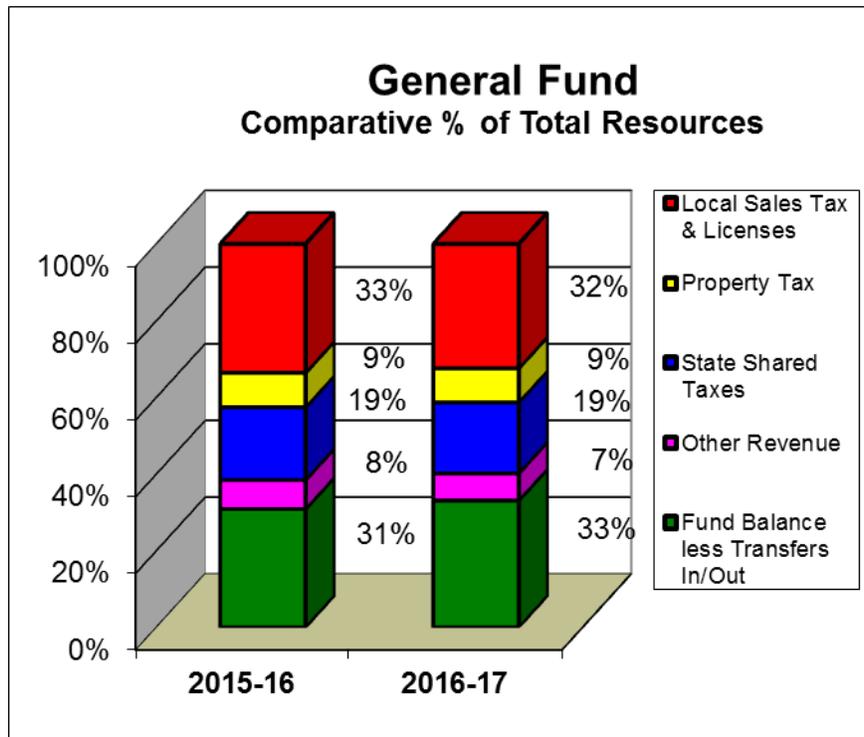
Cost Center Budget Comparison (continued)

	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Change Adopted to Proposed
Transportation & Development						
Administration	1,341,717	1,230,418	1,358,939	1,341,303	1,284,933	4.4%
Planning ⁽¹⁾	1,623,460	-	-	-	-	N/A
Development Services	3,357,457	3,545,493	3,638,357	3,617,076	3,527,855	(0.5%)
Engineering	1,581,750	2,027,518	2,067,055	2,045,625	2,190,895	8.1%
Capital Project Management	1,566,760	1,806,496	1,848,360	1,753,204	2,041,136	13.0%
Streets	7,806,200	9,803,672	13,262,410	12,958,410	10,089,009	2.9%
Streets Capital	31,923,131	52,446,834	61,127,765	12,635,732	83,047,548	58.3%
Traffic Engineering	6,273,970	6,666,960	6,741,936	6,675,506	6,696,969	0.5%
Transit Services	1,201,340	1,481,982	1,448,306	1,403,871	1,655,651	11.7%
Street Sweeping	982,007	1,538,043	1,621,121	1,564,091	1,302,519	(15.3%)
Total Transportation & Development	57,657,792	80,547,416	93,114,249	43,994,818	111,836,515	38.8%
Subtotal	368,132,696	696,489,208	735,737,848	378,213,741	794,388,750	14.1%
Fund Contingency - Operating	-	114,528,428	90,751,204	-	102,409,708	(10.6%)
Fund Contingency - Capital	-	19,339,718	2,483,606	-	6,139,170	(68.3%)
Debt Service	63,824,892	71,430,443	71,430,443	60,438,464	59,454,061	(16.8%)
Equipment Replacement	515,200	870,500	870,500	382,675	892,250	2.5%
Technology Replacement	3,392,260	3,293,561	3,876,975	3,876,975	2,492,043	(24.3%)
Vehicle Replacement	2,453,821	4,662,159	5,463,441	2,977,028	5,474,625	17.4%
Grand Total	438,318,870	910,614,017	\$ 910,614,017	\$ 445,888,883	971,250,607	6.7%

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

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) 2015-16 and FY 2016-17. 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.



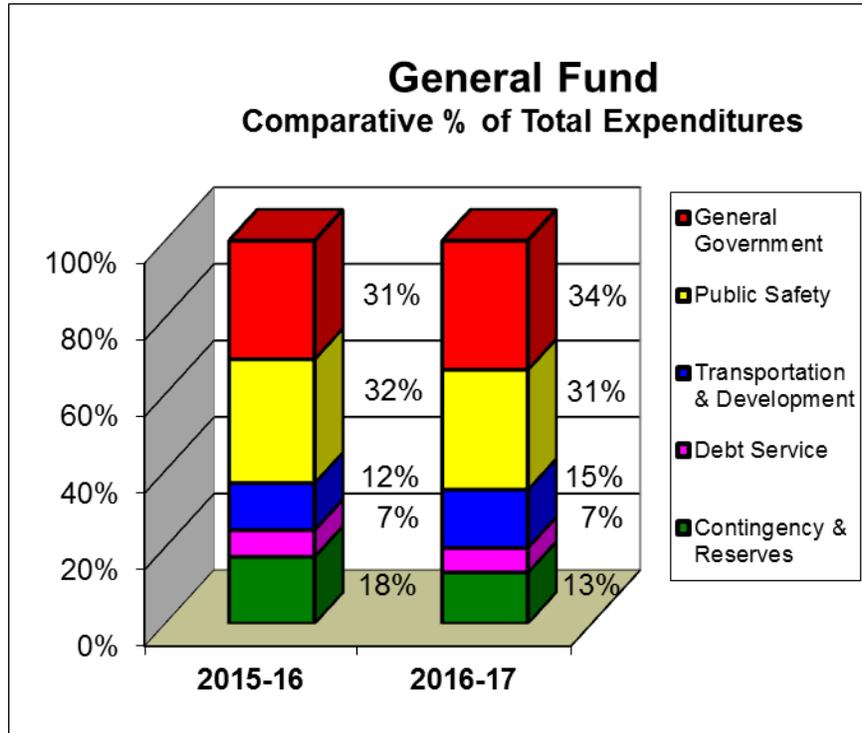
	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
Local Sales Tax & Licenses	\$ 106,722,750	\$ 110,015,000	3.1%
Property Tax ⁽¹⁾	28,420,000	29,976,020	5.5%
State Shared Taxes	60,260,300	62,907,000	4.4%
Other Revenues	24,016,699	23,940,157	(0.3%)
Fund Balance less Transfer In/Out	97,892,875	114,722,511	17.2%
Total General Fund⁽²⁾	\$ 317,312,624	\$ 341,560,688	7.6%

⁽¹⁾ FY 2015-16 Property Tax adopted amount of \$28,420,000 includes Prior Year Property Tax (Primary and Secondary) of \$350,000. FY 2016-17 Property Tax adopted amount of \$29,976,020 includes Prior Year Property Tax (Primary and Secondary) of \$350,000.

⁽²⁾ 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; FY 2016-17 includes General Funds of \$247,535,614, GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,389,574.

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) 2015-16 and FY 2016-17. 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.



	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 98,118,215	\$ 117,556,993	19.8%
Public Safety	102,790,716	105,899,163	3.0%
Transportation & Development	38,916,806	51,306,862	31.8%
Debt Service	22,140,176	21,740,608	(1.8%)
Contingency & Reserves ⁽¹⁾	55,346,711	45,057,062	(18.6%)
Total General Fund⁽²⁾	\$ 317,312,624	\$ 341,560,688	7.6%
Personnel & Benefits	\$ 155,756,596	\$ 160,746,972	3.2%
Operating & Maintenance	65,922,655	67,679,841	2.7%
Major Capital	40,286,662	68,076,813	69.0%
Contingency & Reserves ⁽¹⁾	55,346,711	45,057,062	(18.6%)
Total General Fund⁽²⁾	\$ 317,312,624	\$ 341,560,688	7.6%

⁽¹⁾ 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.

⁽²⁾ 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; FY 2016-17 includes General Funds of \$247,535,614, GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,389,574.



**General Fund
Operating Budget by Function**

	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 81,489,281	\$ 86,659,826	6.3%
Public Safety	100,047,655	101,238,001	1.2%
Transportation & Development	18,002,139	18,788,378	4.4%
Total Department Operating	\$ 199,539,075	\$ 206,686,205	3.6%
Debt Service	22,140,176	21,740,608	(1.8%)
Contingency & Reserves	36,006,993	38,917,892	8.1%
Total Operating	\$ 257,686,244	\$ 267,344,705	3.7%

**General Fund
Capital Budget by Function**

	2015-16 Adopted Budget	2016-17 Proposed Budget	% Change Adopted to Proposed
General Government	\$ 7,693,549	\$ 19,154,460	149.0%
Public Safety	800,090	2,497,012	212.1%
Transportation & Development	18,362,857	14,139,028	(23.0%)
Total Major Capital	\$ 26,856,496	\$ 35,790,500	33.3%
Capital Carryforward	31,219,884	36,875,483	18.1%
Contingency & Reserves	1,550,000	1,550,000	0.0%
Total Major Capital Budget	\$ 59,626,380	\$ 74,215,983	24.5%
Grand Total⁽¹⁾	\$ 317,312,624	\$ 341,560,688	7.6%

⁽¹⁾ 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; FY 2016-17 includes General Funds of \$247,535,614, GO Debt Service Funds of \$22,635,500, and General Government Capital Project Funds of \$71,389,574.



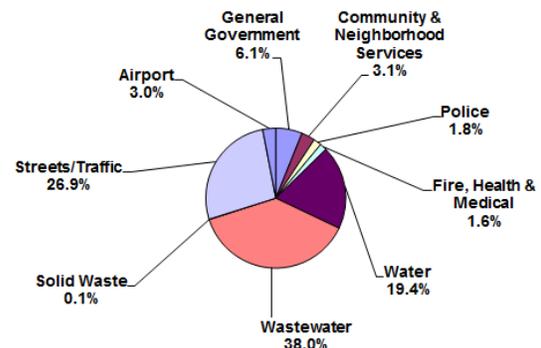
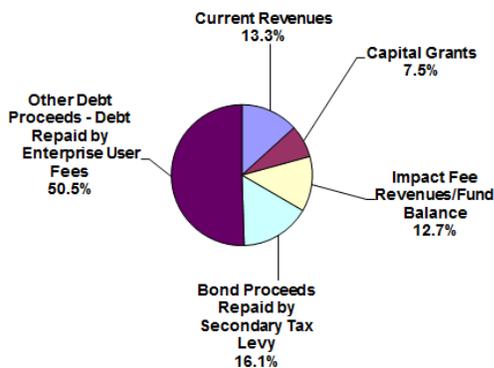
**2017-2026 Capital Improvement Program
Projected Expenditure and Resource Summary**
(Project Detail is Located in the Capital Improvement Program Book)

Expenditures	2016-17	5-Year Total	10-Year Total
General Government:			
Buildings and Facilities	\$ 2,295,000	\$ 6,155,000	\$ 10,655,000
Information Technology & ITOC	1,820,046	5,744,448	9,114,448
Economic Development	75,000	2,825,000	5,325,000
Downtown Redevelopment	13,002,000	19,510,000	24,520,000
Cultural Affairs	649,190	6,474,190	7,474,190
Airport	3,955,685	17,731,185	31,578,185
Vehicle Replacement Program (+\$100,000)	-	3,198,000	7,058,000
Total General Government	\$ 21,796,921	\$ 61,637,823	\$ 95,724,823
Community & Neighborhood Services:			
Parks & Recreation	\$ 3,549,700	\$ 17,411,100	\$ 33,092,900
Total Community & Neighborhood Services	\$ 3,549,700	\$ 17,411,100	\$ 33,092,900
Public Safety:			
Police	\$ 10,782,713	\$ 19,337,713	\$ 19,337,713
Fire	5,968,300	16,041,700	16,851,000
Total Public Safety	\$ 16,751,013	\$ 35,379,413	\$ 36,188,713
Municipal Utilities			
Water	\$ 49,307,059	\$ 138,114,059	\$ 203,634,059
Wastewater	11,980,000	174,682,000	399,307,000
Solid Waste	-	250,000	1,010,000
Total Municipal Utilities	\$ 61,287,059	\$ 313,046,059	\$ 603,951,059
Transportation & Development			
Streets/Traffic	\$ 35,620,847	\$ 164,288,132	\$ 282,392,432
Total Transportation & Development	\$ 35,620,847	\$ 164,288,132	\$ 282,392,432
Grand Total CIP	\$ 139,005,540	\$ 591,762,527	\$ 1,051,349,927

Resources	2016-17	5-Year Total	10-Year Total
Current Revenues	\$ 43,145,585	\$ 94,740,117	\$ 139,384,348
Capital Grants	12,057,596	50,592,789	78,693,578
Impact Fee Revenues/Fund Balance	46,071,144	102,098,274	132,997,239
Bond Proceeds Repaid by Secondary Tax Levy	16,794,881	91,785,693	169,283,078
Other Debt Proceeds - Debt Repaid by Enterprise User Fees	20,936,334	252,545,654	530,991,684
Total - All Resources	\$ 139,005,540	\$ 591,762,527	\$ 1,051,349,927

CIP RESOURCES

CIP EXPENDITURES





2017-2026 Capital Improvement Program Impact on Operating Funds

The City of Chandler prepares a Capital Improvement Program (CIP) Budget separately from the Operating Budget; however, the two are closely linked. As part of the CIP process, departments are asked to identify those capital projects that have an impact on the operating budget. As capital projects are completed, operation and maintenance of these facilities must be absorbed in the operating budget. The following table reflects the projected operating expenses, by CIP area, for the proposed CIP projects. Operations and maintenance cost increases shown below are not automatically added to the budget, but reviewed as to their impact on the ongoing forecast. Requests must be submitted by the appropriate department and increases are only incorporated with Council approval as part of the annual budget approval process. Additional details on operations requirements for specific projects are available in the Proposed CIP booklet.

	FTE's	2016-17	5 Year Total	10 Year Total
General Fund				
New Position (FTE) costs	13.00	\$ -	\$ 7,342,588	\$ 20,317,344
Ongoing costs	-	295,210	6,428,195	17,293,960
One-time costs	-	11,375	926,946	926,946
Total General Fund Increase	13.00	\$ 306,585	\$ 14,697,729	\$ 38,538,250
Enterprise Funds				
Water Operating Fund				
New Position (FTE) costs	0.00	\$ -	\$ -	\$ -
Ongoing costs	-	-	3,600,000	9,600,000
One-time costs	-	-	-	-
Total Water Fund Increase	0.00	\$ -	\$ 3,600,000	\$ 9,600,000
Wastewater Operating Fund				
New Position (FTE) costs	9.00	\$ 205,197	\$ 3,935,430	\$ 9,748,229
Ongoing costs	-	6,980	10,996,741	35,055,588
One-time costs	-	-	-	-
Total Wastewater Fund Increase	9.00	\$ 212,177	\$ 14,932,171	\$ 44,803,817
Airport Operating Fund				
New Position (FTE) costs	0.00	\$ -	\$ -	\$ -
Ongoing costs	-	-	16,678	87,005
One-time costs	-	-	-	-
Total Airport Fund Increase	0.00	\$ -	\$ 16,678	\$ 87,005
Total Enterprise Funds				
Grand Total New Position (FTE) costs	9.00	\$ 205,197	\$ 3,935,430	\$ 54,490,822
Grand Total Ongoing costs	-	6,980	14,613,419	-
Grand Total One-time costs	-	-	-	-
Total Enterprise Funds Increase	9.00	\$ 212,177	\$ 18,548,849	\$ 54,490,822
Grand Total - Operations/Maintenance				
Grand Total New Position (FTE) costs	22.00	\$ 205,197	\$ 11,278,018	\$ 74,808,166
Grand Total Ongoing costs	-	302,190	21,041,614	17,293,960
Grand Total One-time costs	-	11,375	926,946	926,946
Grand Total Increase - All Funds	22.00	\$ 518,762	\$ 33,246,578	\$ 93,029,072



Strategic Goals, Financial Policies, and Budget Recommendations

A. Strategic Goals and Organizational Priorities

The City of Chandler's continued goal is to provide the highest quality services to the community in the most cost-effective manner. The Council's strategy to achieve these results is through goals to continuously improve Chandler and to make fiscally responsible decisions that make the City of Chandler a regional leader with a strong plan for the future.

The process of developing Chandler's budget is designed to address the needs and desires of the community. The Mayor, Council, and staff obtain input from the community through surveys, commissions, neighborhood meetings, and contacts with individuals throughout the year. Based on this input, the Council holds planning sessions to discuss multiple service area efforts and to establish organizational guidelines.

In February 2015, the City Council conducted a Strategic Planning Retreat that established six new Strategic Policy Goals. The Executive Leadership Team then created recommended priorities to fulfill the goals identified by Council. Following are the updated goals and action plan items.

Chandler can be a great place to visit, work, play, and live by....

Being the Most Connected City

- Connect our community using enhanced communication technologies to share information by increasing electronic availability of City information.
- Continually strive to utilize new technology that enhances citizen engagement, technological capabilities, and efficiency.
- Connect our community by increasing connectivity through enhancing intermodal transportation.

Being a Leader in Transparency

- Provide timely and accurate data and reports to maintain accountability and provide support for effective decision making.
- Promote opportunities that encourage citizen engagement and input.

Maintaining Fiscal Sustainability

- Manage the City's diverse portfolio of revenue sources to maximize and expand them.
- Continue adherence to and improve upon fiscal policies.
- Maintain strong bond ratings with all three rating agencies for all types of debt.
- Manage expenditures growth through periodic review of programs and services.

Attracting a Range of Private Sector Businesses

- Position Chandler to be recognized by corporate real estate executives, site selectors, regional partners, and the development industry as a premiere location for new investment.
- Coordinate and facilitate the revitalization of the City core.

Possessing a Contemporary Culture to Capitalize on Cultural and Ethnic Diversity in the Community

- Promote Chandler as a contemporary and inclusive community that values its rich diversity, history, and culture.
- Continue to implement City employment practices that highlight and promote diversity.
- Invest in employees, support systems, and innovation strategies that ensure Chandler remains a leader in the delivery of high quality services.



Being Safe and Beautiful

- Implement a multifaceted approach to address the needs of aging neighborhoods from the physical, safety, and community perspectives.
- Construct and maintain public infrastructure in an aesthetically pleasing manner.
- Ensure Chandler remains a safe community by employing best practices.

....Chandler is a great place to visit, work, play and live!

B. Priority Based Budgeting Goals and Desired Results

In addition to the above-stated Council Strategic Goals, the City has also established Priority Based Budgeting Goals, also known as “Desired Results” which ties to the fiscal sustainability goal listed above. These goals expand on the Council Strategic Goals and encompass a broad range of Department programs and services to support the citizens of Chandler. These “results” help define the types of services the citizens expect the City to provide. The results have been established under the broad areas of:

- A Community with Leisure, Culture, and Education Opportunities
- A Safe Community
- A Community with Effective Transportation
- A Healthy and Attractive Community
- A Community with Sustainable Economic Health
- A Community with Good Governance

Each of these results is supported by a matrix of programs and services across multiple Departments and provides a tool for budget decision making.

These goals are integrated into the annual Citizen's Budget Survey to help evaluate how citizens weigh the relative importance of these goals and the supporting programs, services, and capital projects.

C. Financial Policies

The City of Chandler's financial policies have been developed to set standards for stewardship over financial resources and practices. The policies institutionalize strong financial management practices, clarify the strategic intent for financial management, define boundaries, manage risks to financial condition, support good bond ratings to minimize borrowing costs, and comply with established public management best practices. The policies provide a guide for sound fiscal planning, while maintaining fiscal integrity.

There are eight (8) financial policies: Operating Management, Capital Management, Reserves, Debt Management, Long-Range Financial Planning, Grant Management, Investment, and Accounting, Auditing, and Financial Reporting policies. The policies are reviewed annually and updates approved by City Council before the new budget year. Listed below are the updated financial policies implemented for the FY 2016-17 Proposed Budget, continuing to keep the City of Chandler fiscally strong.

1. Operating Management Policy

The purpose of the Operating Management Policy is to provide guidance and clarification on how the budget will be structured and developed, define the budget control system, how to amend the budget, and specific revenue and expenditure principles to ensure ongoing financial sustainability and operating practices.

Key Budget Features

Scope and Length of Budget Period: The budget shall be based on a fiscal year beginning July 1 through June 30, and revenue and expenditures for all funds shall be adopted annually (excluding funds maintained for financial reporting purposes only).

Level of Control: The budget process shall be decentralized, allowing all Departments to provide updated revenue and expenditure amounts entered directly into an online budget system. Budgetary control shall be at the Departmental level and managed separately between the Personnel budget (5100-series of accounts) and the Operating budget (5200-8900 series of accounts). A Department cannot spend more than the budget



appropriated; however, line item appropriations shall be established for each cost center (division) within each Department.

Balanced Budget Definition: According to the City Charter, the total of proposed expenditures shall not exceed the total of estimated income and fund balances available. Each fund in the budget must also be in balance; total anticipated revenues plus the necessary portion of fund balance (all resources) must equal total expenditure appropriations for the upcoming fiscal year. Appropriation shall be for a specific fund and balanced based on specific funding sources, therefore savings in one fund shall not be used to cover over-expenditure in another fund.

Basis of Budgeting: The City's accounting system is maintained on the same basis as the Adopted Budget. This enables Departmental budgets to be easily monitored via accounting system reports on a monthly basis. The City's financial records, as reported each year in the Comprehensive Annual Financial Report (CAFR), are maintained in accordance with Generally Accepted Accounting Principles (GAAP). For comparison purposes, the City's CAFR shows fund revenues and expenditures on both a budget basis and a GAAP basis in all funds for which budgets are adopted.

The budgets for general governmental fund types, (i.e., General Fund, Special Revenue, Capital Projects, and Expendable Trust) are prepared on a modified accrual basis, which is a mixture of the cash and accrual basis. This basis is consistent with GAAP except for the following:

- a. Compensated absences are recorded as expenditures when paid (cash basis) as opposed to a liability that is expected to be liquidated from available financial resources as earned and accrued by employees (GAAP basis).
- b. Sales tax and grant revenue are recorded on the basis of cash collected (cash basis) as opposed to the accrual basis (GAAP basis) whereby amounts are recorded to the period the revenue was earned.
- c. Capital outlays for Enterprise funds are recorded as expenses (cash basis) as opposed to fixed assets (GAAP basis).
- d. Principal payments on long-term debt are recorded as expenses (cash basis) as opposed to a reduction of a liability (GAAP basis).
- e. Proceeds from the sale of bonds and utility system development fee revenues are recognized as revenue when received (cash basis) as opposed to a reduction of a liability and an increase in contributed capital (GAAP basis).
- f. No depreciation is budgeted (on a cash basis for any fund) as opposed to depreciation expense recorded in financial statements (GAAP basis).

The budgets for Proprietary fund types such as the City's Enterprise (water, wastewater, reclaimed water, reverse osmosis, solid waste, and airport), Internal Service, Fiduciary, and Permanent Trust funds are budgeted and reported on a full accrual basis of accounting. Under the full accrual basis, expenses are recorded at the time liabilities are incurred, and revenues are recognized when they are obligated to the City (for example, water user fees are recognized as revenue when bills are produced, not when the cash is received). All operating and capital expenditures (except depreciation) are identified in the budgeting process because of the need for appropriation authority.

Cost Allocation: Costs incurred in the General Fund to support the operations of the Enterprise funds (water, wastewater, reclaimed water, reverse osmosis, solid waste and airport) will be recovered through an indirect cost allocation. The indirect cost allocation plan will be reviewed annually and costing adjustments made after approval of the City Manager or Designee.

Long-Term Financial Forecasts: Forecasts will be prepared annually covering a ten year period and considered during budget development.

Performance Measurement: Each Department will establish goals and objectives and create and track performance measurements to assure the goals and objectives are achieved in an efficient and effective manner. Performance measures may be eliminated if approved by the Department Director.



Budget Principles and Process

Budget Links to Strategic Financial Plans: The City's annual budget will be developed in accordance with the policies and priorities set forth in the Council Strategic Goals, the needs of the community, and local, federal and state laws.

Examination of Spending Patterns: The City will seek to maximize the value the public receives through its spending by critically examining existing spending patterns to make sure they continue to provide value, and if not, reallocate to services that do.

Prioritizing Services: The Priority Based Budgeting (PBB) results will be used annually to prioritize City services based on City Council's long-term desired results. Costs of City services will be updated every three years.

All competing Department needs (decision package requests), will be weighed taking into account PBB results and other information based on available City resources within projected fiscal constraints. All requests must be fully justified to show that they will maintain or enhance service delivery or support new programs.

Additions to Department budgets outside of the annual budget process are discouraged and only approved by the City Manager's office in unique circumstances or by Mayor and Council when required by City Code.

Funding Liabilities: The current portion of long-term liabilities (i.e., capital infrastructure, annual costs of maintaining and replacing capital assets, contributions to employee pensions), at a minimum, should be funded in the annual budget so as to maintain the trust of creditors and ensure a manageable payment plan.

Budget Process: The budget will be developed following a detailed calendar to ensure timely preparation and execution, provide opportunities for citizen participation at different points, follow State law and City Charter, and be summarized within a budget document to clearly communicate policy decisions.

Budget Control System

Modified Expenditure Control Budgeting (MECB): MECB will be utilized in order to encourage cost effectiveness while providing quality services to Chandler citizens. MECB assumes existing service levels will be maintained and new or enhanced programs require an ongoing source of funding before initiation. The use of MECB supports the following basic philosophies:

- a. Department management is expected to manage wisely and to look for effective and efficient ways to deliver quality services to our citizens while meeting the goals of Council; and
- b. Department management can find ways to do things more efficiently if given the freedom to innovate and control their own resources.

Base Budget Method: The base budget method will be utilized for ongoing Operations and Maintenance (O&M) appropriation. Departments shall be allocated the prior year's base budget to support all ongoing operations, but may request supplemental funding through a decision package. Requests approved in the Adopted Budget shall be incorporated into Department's base budgets. Departments develop their own expenditure line item budgets; however, exceptions exist for certain citywide expenditure line items and can only be spent for the specified purpose (department fleet, equipment and technology replacement transfers out, and fuel).

Under the MECB philosophy, Departments may request to carryforward savings achieved in their Base Budget operating accounts to the next year, with justification, through a request to the City Manager. Funds available for carryforward will exclude the above noted exceptions.

The City will use an Encumbrance Accounting System whereby budgeted funds are committed and no longer available for spending when a purchase order is approved in the financial system. Encumbered funds will be carried forward to the next budget year if not spent by year end.

Personnel Services Budgeting: All personnel costs are funded outside of the base budgets, and any personnel savings accumulated remain in their original fund. The Budget Division develops all personnel services budgets based on full funding of all approved positions. If revenues are available during the budget process, positions may be added to maintain or enhance service levels after City Manager review and City Council approval.



Additions outside of the budget process are discouraged and only approved by the City Manager's Office in unique circumstances. Overspending of overtime and temporary budgets must be funded from base budgets if not directly related to a vacancy.

Budget Resolution Transfer Authority: The Adopted Budget Resolution for each fiscal year gives authority to the City Manager or his/her designee regarding transfers to/from departments of non-departmental encumbrance, carryforward, lump sum agreements, fuel and utility reserves, non-departmental personnel, department operations and maintenance savings, and Information Technology telecommunications appropriation.

Budget Expenditure Limitation: State Expenditure Limitation options, the level at which expenditures cannot legally exceed the appropriated amount, will be reviewed and implemented as required by State statute to ensure the best approach for the City. The City of Chandler currently falls under the Home Rule Option: Under the Home Rule Option, the expenditure limitation is free from any ties to the State imposed expenditure limitation if the majority of the qualified electors vote in favor of this alternative. On August 26, 2014, the City of Chandler voters approved to continue under Home Rule for four years. Chandler adopts its expenditure limitation along with the annual budget. The maximum legal expenditure limit is the total of all departmental appropriations in the final budget adopted by the City Council. The City's next Home Rule election will be in 2018.

Budget Amendments

In accordance with the City's Alternative Expenditure Limitation, total expenditures may not exceed the final appropriation once the budget is adopted. The City can amend the total appropriation for an individual fund; however, if one fund's total appropriation is increased, another fund must be decreased by an equal amount.

Amendments moving budget appropriation between departments may be processed at any time during the fiscal year upon written request by the City Manager to the City Council (Section 5.08, City of Chandler Charter). Organizational changes resulting in appropriation shifts between departments should be timed for the start of a new budget year, whenever possible.

Revenue and Expenditure Principles

One-time expenses will be funded from one-time balances/revenues and ongoing expenses will be funded by ongoing revenues, except as is provided for by the budget stabilization reserve as described in the Reserve Policy.

Fund balances are non-recurring revenue, and will be appropriately used for one-time expenditures or budgeted as contingency fund appropriations.

Revenues: The City strives to ensure diversification and stabilization of its revenue base.

Revenue projections will be based on historical trends by developing base lines for ongoing types of revenues versus one-time.

Projections used to balance revenues to expenditures will be prepared for a five to ten-year period and updated annually to ensure financial sustainability. A revenue manual will be maintained to document important characteristics and historical background of each revenue source.

Conservative but realistic revenue projections will be prepared to assess the limits of budget appropriation using trend analysis and current data to minimize estimating too high, which could result in mid-fiscal year budget cuts.

User fees and charges will be periodically analyzed and updated to ensure that all direct and indirect costs are recovered for services benefiting individuals/groups (unless an economic disadvantage is caused) versus a larger public benefit.

Utility rate consultant studies will be performed at a minimum every four years, and internal rate analyses will be completed every year for Water, Wastewater, and Solid Waste funds based on ten-year projections. Reviews will ensure fees are adequate to fund operations, debt service, bond covenants, and reserves. Additionally, periodic reviews of the rate design and cost of service between customer classes will be completed.



The City will vigilantly pursue outstanding collections through revenue collectors, and periodic Transaction Privilege Tax audits will be performed on businesses to ensure compliance with City tax code. Education will always be a part of taxpayer interactions to protect this major revenue source.

Expenditures: The City will commit to a level of expenditures sufficient to ensure the ongoing health, safety, and welfare of citizens.

Departments are encouraged to periodically review operations for efficiencies and reallocate existing expenditure appropriation before requesting new funding.

Personnel expenditures, the largest operating cost, will be appropriated based on full funding of all approved positions, but a vacancy saving percentage will be determined based on past trends and will reduce the ongoing personnel services budget for forecasting purposes in the General Fund, shifting the amount to one-time funding. Vacant public safety sworn positions will be budgeted at bottom of range and other general positions will be budgeted at mid-range.

Employee benefits expenditures (i.e., pensions, health, worker's compensation) will be appropriated at levels to ensure adequate funding to remain current and maintain appropriate reserves if self-insured.

Compensation packages will be reviewed periodically to ensure they are sufficient to attract and retain quality employees.

2. Capital Management Policy

The purpose of the Capital Management Policy is to provide guidance on capital planning, budgeting, and management to ensure well maintained infrastructure, allowing Chandler to provide quality services, and maintain economic vitality and quality of life in a financial sustainability manner.

Timing and Scope: The City Charter requires a minimum of a five-year Capital Improvement Program (CIP) to be developed annually and submitted to Council on or before the fifteenth day of June (Section 5.07, City of Chandler Charter). The City develops a ten-year plan, exceeding the minimum requirements. The Council shall adopt the CIP on the same date as the final adoption of the Annual Budget. The first year of the adopted capital plan, along with any estimated prior year unspent CIP projects, will be the capital budget for that fiscal year.

CIP projects shall be over \$50,000 and include items with a useful life of 3 or more years. CIP projects may be for infrastructure, facilities, equipment, technology software/hardware, and studies to determine infrastructure needs.

Project Identification and Review: Proposed CIP projects will include a detailed project description, full cost estimates (i.e., design, construction, right-of-way, land, equipment, etc.), anticipated funding sources, recommended time schedules for each improvement, reference to planning document(s) that identify the need for the investment when applicable, and the estimated operating income or cost of maintaining the facilities to be constructed (i.e., personnel, operations and maintenance). Contributions to reserves for replacement of technology, equipment, and vehicles will be incorporated into the operating cost estimate.

The City's CIP Coordination Team will serve as a central forum for cross-departmental communication regarding capital planning, identifying opportunities for efficiencies, and making a CIP recommendation to the City Manager.

Project Selection: Long-term capital fund forecasts will be updated annually to assess financial feasibility of proposed CIP projects. Other considerations for project selection may be their impact on other projects, ability to fund preliminary design, maintaining existing infrastructure versus new construction, impact on operations, and alignment with planning documents (i.e., Council Goals, General Plan).

CIP project funding will be evaluated for pay-as-you-go versus financing, by considering various economic factors, asset useful life, bond authorization levels, and projects nature/ability to finance.

Balanced CIP: The CIP projected expenditures must equal capital resources using conservative, yet realistic revenue projections. Extensive review of the secondary property tax rate will be completed to determine bond capacity. Impacts to tax and utility rates should be clearly weighed and communicated.



Capital Asset Maintenance: Maintenance and replacement of existing infrastructure and capital assets will be prioritized to keep assets in good condition and well-maintained. Replacement funds will be maintained to plan for replacement of technology, equipment, and vehicles, allowing for the monitoring of inventory, standardization, right-sizing, and cost containment.

3. Reserve Policy

The purpose of the Reserve Policy is to ensure the City remains a financially stable organization by maintaining appropriate reserves. Adequate reserves position an organization to effectively plan for cash funded needs, as well as unplanned needs caused by significant economic downturns, manage the consequences of outside agency actions that may result in revenue reductions, and address unexpected emergencies, such as natural disasters, catastrophic events caused by human activity, or excessive liabilities or legal judgments against the organization. In concert with the City's other financial policies, the City's Reserve Policy serves as an important tool to guide the use of City resources in meeting the City's financial commitments and provides a framework for addressing unexpected future events in a fiscally prudent manner.

This policy documents the City's approach to establishing and maintaining adequate reserves (target levels) based on consideration of risks to operations, in the budgetary fund balance across a spectrum of City operations in various funds. The budgetary fund balance represents the one-time amount accumulated from prior years, which is different than the fund balance under Generally Accepted Accounting Principles (GAAP), but includes the same constraints on spending.

Governmental Accounting Standards Board (GASB) Statement No. 54 defines five reserve classifications of fund balance based on the level of restrictions placed on the specific purposes for which amounts can be spent: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The last three classifications are termed *Unrestricted Fund Balance* since the constraint on spending is imposed by the government itself, therefore subject to this reserve policy. Additionally, contingencies and reserves can be appropriated and unappropriated, depending if the City would like the reserve to be available for spending in the current budget year or not.

General Fund Reserve Policy

The General Fund is the main operating fund that pays for general services provided by the City, such as public safety, parks, and library services. The General Fund accounts for all general revenues of the City and for expenditures related to the rendering of the City's general services. The General Fund is considered to have a high level of risk to operations due to its dependence on revenue streams that are susceptible to economic downturns and revenue reduction impacts from outside agency actions. In addition, the General Fund is the main funding source when responding to unexpected events or emergencies.

Consideration of potential risk and other drivers influence the targeted minimum level of total Unrestricted Fund Balance that should be maintained. The Government Finance Officers Association (GFOA) recommends no less than two months of General Fund Unrestricted Budgetary Fund Balance.

The City desires to maintain a prudent level of reserves based on the revenue impacts described above and the City's desire to maintain strong bond ratings to minimize borrowing costs. This reserve policy sets the targeted minimum level at four months of budgeted General Fund operating revenues, excluding one-time transfers in to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Should the minimum reserve level fall below its target, a plan will be formulated to restore within a three year period. The Unrestricted Budgetary General Fund Balance can include the following contingency and reserve types.

General Fund Contingencies/Reserves (Type/ Appropriated or Not/ GASB 54 Classification)

General Fund Contingency / Appropriated / Unassigned: This Contingency will be maintained equal to 15% of General Fund operating revenues, excluding one-time transfers in. Acceptable contingency reserve uses are emergency situations, unexpected one-time opportunities, and appropriation transfers to allow spending in other funds. Use of this reserve requires Council approval unless delegated in the Budget Resolution. The 15% General Fund Contingency reserve must be replenished annually.



Council Contingency / Appropriated / Unassigned: This Contingency will be created annually for use by Mayor and Council during the Council budget amendment process or during the year for initiatives identified.

Budget Stabilization Reserve / Not Appropriated / Assigned: This reserve may be created to offset operating deficits that result from economic downturns and revenue reduction impacts from outside agency actions that can create adverse service impacts, allowing time to reduce spending and/or find other ongoing revenue opportunities. Council may add to the reserve from time to time but not draw from it for more than three consecutive fiscal years.

Capital and Economic Development Reserves / Appropriated and/or Not Appropriated / Assigned: These reserves may be created to fund economic development opportunities, planned new and redevelopment capital projects, and capital maintenance projects to sustain existing City infrastructure and minimize additional borrowing to help manage tax rate impacts.

Personnel and Operating Reserves / Appropriated and/or Not Appropriated / Assigned: These reserves may be created to fund specific operating expenditure areas that are susceptible to economic fluctuations and to fund personnel costs that can be reasonably estimated and are short-term in nature.

Other Fund Reserve Policies

Other funds have been identified as needing reserves due to one or more of the following reasons: self-supporting nature, the potential for unanticipated revenue or expense changes that can negatively affect operations, to help maintain a stable fee structure, or to cover the potential of unanticipated events threatening the public health, safety, or welfare. Reserves have been created in Enterprise Operating Funds (i.e., Water, Wastewater, Solid Waste, and Airport), Highway User Revenue Fund (HURF), Self-Insurance Funds and Replacement Funds (i.e., Vehicle and Technology).

Targeted reserves will be maintained as described below. A portion of the reserve will be appropriated annually for each applicable fund to provide for unanticipated revenue shortfalls and/or unexpected expense increases in the current year. Reserves should only be utilized after all other budget sources have been examined for available funds. Should the minimum target level for any of the funds identified fall below its target, a plan will be formulated to restore within the next year, but not to exceed a three year period.

Water Operating Enterprise Fund accounts for specific services funded directly by fees and charges to City Water customers. The fund is intended to be self-supporting and will maintain a minimum target reserve of 20% of operating revenues. Other Water reserves may be created when deemed appropriate (i.e., fuel, utilities, lump sum).

Wastewater Operating Enterprise Fund accounts for specific services funded directly by fees and charges to City Wastewater customers. The fund is intended to be self-supporting and will maintain a minimum target reserve of 15% of operating revenues. Other Wastewater reserves may be created when deemed appropriate (i.e., fuel, utilities, lump sum).

Solid Waste Operating Enterprise Fund accounts for specific services funded directly by fees and charges to City Solid Waste customers. The fund is intended to be self-supporting and will maintain a minimum target reserve of 10% of operating revenues. Other Solid Waste reserves may be created when deemed appropriate (i.e., fuel, utilities). A Landfill Post-Closure Compliance Reserve will also be maintained as required by State and Federal law.

Airport Operating Enterprise Fund accounts for specific services funded directly by fees and charges to City Airport customers. The fund is not currently intended to be self-supporting, and depends on General Fund to fund a portion of operating and capital costs; therefore a minimum target reserve is not a reasonable expectation until the Airport is determined as self-sustainable by Council.

Highway User Revenue Fund (HURF) accounts for Highway Users Tax received and spent on street and highway maintenance and construction projects. The fund will maintain a minimum target reserve of 15% of operating revenues. Other HURF reserves may be created when deemed appropriate (i.e., fuel, utilities).



Self-Insurance Risk Fund (Insured Liability) reserve will be maintained at a level, together with purchased umbrella insurance policies, that will adequately indemnify the City's property and liability risk.

Health and Workers Compensation Self-Insurance Funds reserves are maintained based on the Trust documents approved by Council. Qualified actuarial firms shall be retained on an annual basis in order to recommend appropriate funding levels for Risk, Health and Workers Compensation Self-Insurance Funds. A minimum reserve of 70% of outstanding claims will be maintained for each.

The General Fund contributions to Self-Insurance Funds (i.e., Insured and Uninsured Liability Funds, Workers Compensation Trust Fund, Health Benefits Trust Fund, Short-Term Disability Fund and Dental Fund) will be reassessed annually and incorporated into the budget process, in order to ensure that the targeted goal is met in a manner that is balanced with other budget priorities.

Vehicle Replacement Fund will maintain a minimum target reserve of 10% of the total City fleet replacement value. A fleet management vehicle replacement plan will be reviewed annually by the Fleet Advisory Committee to ensure systematic replacement of vehicles based on a combination of miles driven, repairs and maintenance schedules, and years of service.

Technology Replacement Fund will maintain a minimum target reserve of 10% of the total City technology asset replacement value.

4. Debt Management Policy

The purpose of the Debt Management Policy is to provide guidelines for the issuance of bonds and other forms of indebtedness to finance necessary land acquisitions, capital construction, equipment, and other items for the City, as well as guidelines for monitoring outstanding debt. This policy will assist the City in determining appropriate uses of debt financing, establish certain debt management goals, and assist the City in maintaining, and if possible, improving its current credit ratings, while assuming a prudent level of financial risk and preserving the City's flexibility to finance future capital programs and requirements.

Scope

This policy shall govern, except as otherwise covered by federal and state regulations, City Charter, and City Code, the issuance and management of all debt and lease financings funded in the capital markets. While adherence to this policy is desired, changes in the capital markets as well as unforeseen circumstances may from time to time produce situations that are not covered by the policy and may require modifications or exceptions to achieve City goals. The City's Debt Management Policy shall be reviewed annually.

Debt Issuance Process

Assessing Financing Needs for Capital Programs: The determination of how much indebtedness the City can afford begins by assessing the sufficiency of future revenues to fund the 10-year Capital Improvement Program (CIP). Factors such as debt service coverage requirements outlined in the bond indentures, the impact on businesses and citizens, tax rates, user fees, voter authorization, and any impact on the bond ratings will be carefully considered.

Approval of Issuance: The bond sale amount will be determined based on financial cash flow projections, will comply with federal, state, and local legal requirements, and will obtain issuance approval from City Council.

Method of Sale: Three methods of sale for issuing debt obligations will be considered; competitive sale, negotiated sale, and private placement. Each type of bond sale has the potential to provide the lowest cost given the right market conditions. The method of sale that is most advantageous to the City will be determined under consultation with the City's Financial Advisor.

Financial Service Providers: The City's Management Services Director shall be responsible for establishing a solicitation and selection process that complies with City Code requirements for securing professional services (i.e., bond counsel, financial advisor, arbitrage compliance specialist, underwriters) that are required to develop and implement the City's debt program.



Credit Ratings: Staff will assess the importance of credit ratings for each new debt. If credit ratings are to be obtained, the goal will be to maintain or improve ratings from all 3 rating agencies.

Limitations on City Indebtedness

Debt Coverage Goals: Utility rates will be set, as a minimum, to ensure the rates of revenue to debt service meet bond indenture requirements of 1.2 times coverage (ongoing system revenues will cover ongoing debt at 120%) to comply with existing Water/Wastewater Revenue Debt Covenants. The goal will be from 1.5 to 2 times coverage to allow for fluctuations in revenue collection and to achieve the highest credit rating when bonds are sold. Excise Tax revenue will be greater than 3 times (the goal will be over 5 times) the amount of debt service outstanding to meet Excise Tax Revenue Obligations debt coverage requirements.

Target Limitation on General Obligation (GO) Debt: State Statutes limit the amount of GO debt that a municipality can have outstanding. In general, the City's outstanding GO debt for the water, wastewater, parks, public safety, transportation, and street lighting programs is limited to 20% of the City's net assessed Limited Property Valuation (LPV) and for all other programs the amount of outstanding GO debt is limited to 6% of the City's LPV. Other factors, such as providing capacity for future programs will also be taken into consideration.

Target Limitations on the Issuance of Revenue/Excise Tax Secured Debt Obligations: The City shall seek to finance the capital needs of its revenue producing enterprise activities through the issuance of revenue secured or excise tax secured debt obligations. Prior to issuing revenue-secured debt obligations, financial plans will be updated and reviewed to determine required rates and charges needed to support the planned financing, and the impact on rate payers and other affected parties. The amount of revenue-secured debt obligations issued by the City will be limited by the feasibility of the overall financing. Revenue-secured debt levels shall be limited by coverage and parity covenants and potential credit rating impacts.

Target Limitation on Lease-Purchase Financing: The City may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment with estimated useful lives of less than seven years. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset. The Management Services Department shall be responsible for developing procedures for use by City departments interested in participating in the lease-purchase program, and for setting repayment terms and amortization schedules, in consultation with participating departments.

Improvement District Debt: The City may issue Improvement District debt only when there is a general City benefit. Improvement Districts are generally formed only by property owners in a designated area within the City in which they agree to be assessed for the repayment of the costs of constructing improvements that benefit the owner's property. Improvement District debt is secured by a lien on the property and improvements of all parcels within each district. Each Improvement District financing must be closely evaluated since it is also secured by the General fund and is viewed by the credit rating agencies as an indirect debt of the City.

Variable Rate Debt: The City shall not issue Variable Rate Debt.

Voter Authorized Debt

Voter authorized debt shall be used, but non-voter authorized debt (i.e., Municipal Property Corporation (MPC), Excise Tax Revenue Obligations (ETROs)) may be used when dedicated revenue sources (i.e., Water and Wastewater user fees) other than secondary property taxes can be identified to pay debt service expenses and the following conditions are considered:

- a. A project requires additional funds over and above what is available from other sources and meets the City's goals and objectives.
- b. Emergency situations, such as an unfunded mandate or circumstance affecting the public health and welfare.
- c. The project will generate a positive net revenue position (i.e., revenues will exceed the cost of financing).



Debt Management Process

Debt Service Structure: The Management Services Director will carefully consider the debt service structure for each bond issue. Factors such as the flow of revenues available for a particular credit, the need to fill in gaps created by refunding specific principal maturities or to structure savings from a refunding in a particular year will be considered. Accelerated repayment may be considered within the bonding capacity constraints to provide capacity for future capital programs. Bonds will be amortized over a period of time not to exceed the useful life of the assets being financed.

Maturity: The final maturity of a bond sale shall be equal to or less than the remaining useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average useful life of the assets being financed.

Investment of Bond Proceeds: The City shall comply with all applicable federal, state, and indenture restrictions, if any, regarding the use and investment of bond proceeds. This includes compliance with any restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds, as well as restrictions on the time period over which some bond proceeds may be invested. The Management Services Director, or his/her designee, will direct the investment of bond proceeds in accordance with the permitted investments for each particular bond issue. Investments such as guaranteed investment contracts may be considered when their use is in the best interest of the City and will be selected on a competitive basis.

Refunding Bonds: Refunding bonds are issued to retire all or a portion of an outstanding bond issue. Most typically this is done to refinance at a lower interest rate to reduce debt service. Alternatively, some refundings are executed for reasons other than to achieve cost savings, such as to restructure the repayment schedule of the debt, to change the type of debt instruments being used, or to retire an indenture in order to remove undesirable covenants. A present value analysis must be prepared that identifies the economic effects of any potential refunding. For refunding transactions solely undertaken to achieve cost savings, the target savings amount shall be measured using the present value savings as percentage of par method. The target present value savings from any particular refunding candidate shall generally be at least 3% of the refunded par amount net of all transaction expenses and in excess of \$1,000,000. The Management Services Director shall have discretion in making the final determination to include individual refunding candidates that are slightly below the target in order to optimize the City's financial objectives.

Arbitrage Rebate: The City shall comply with all arbitrage rebate requirements as established by the Internal Revenue Service (IRS) and establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking project expenditures financed with bond proceeds, tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax exempt status of the City's outstanding tax-exempt debt issues. Arbitrage service providers may be used to assist the City with complying with arbitrage regulations.

Issuance & Post-Issuance Compliance Procedures: Adopted procedures for tax-exempt bonds shall be followed. Staff will work closely with the City's Bond Counsel, Financial Advisor, and Arbitrage Compliance Specialist to ensure tax exempt bonds remain in compliance with federal tax requirements from the time they are issued until they are no longer outstanding.

Continuing Disclosure Undertaking (CDU): The City will comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (SEC), when applicable. The Management Services Director, or his/her designee, will be responsible for filing the annual requirements and any Material Event Notices with Electronic Municipal Market Access (EMMA) as required by each outstanding CDU Certification.

Declaration of Official Intent: In order to ensure debt can be issued to reimburse the City for project expenses prior to issuing debt, a Declaration of Official Intent (under Treasury Regulation Section 1.150-2) must be completed annually and filed with the City Clerk. The Declaration shall list all projects for the upcoming fiscal year. This will allow the City to reimburse certain capital expenses with the proceeds from tax-exempt reimbursement bonds, should such bonds be sold in the upcoming fiscal year.



5. Long-Range Financial Planning Policy

The purpose of the Long-Range Financial Planning Policy is to establish a consistent practice for financial planning that result in stable tax rates and services to the community over a multi-year period.

Timing and Scope: In preparation for both the Capital Improvement Program and the Annual Budget, long-term financial forecasting models will be updated to analyze the impact of budget decisions on the City's future financial condition.

The financial plans will forecast revenues, expenditures, debt, long-term liabilities, reserve levels when applicable, and financial position for ten years into the future for the General Fund, Enterprise Funds, Capital and Operating Funds.

Principles: The financial plans will start with a baseline assumption that current service levels will be maintained and include meaningful analysis of ongoing and one-time trends and conditions to allow consideration of long-term financial implications of current spending patterns.

If future issues are identified through long-term financial planning, possible solutions should be identified and discussed, with the ultimate goal of structurally balanced plans (ongoing revenues support ongoing expenditures) that supports fiscal sustainability for many years into the future.

6. Grant Management Policy

The purpose of the Grant Management Policy is to ensure grant oversight to support creativity and innovation in identifying and addressing existing and desired City program or partnership needs that cannot be resolved with existing resources, but may be suitable areas for seeking grant funds. The policy sets standards for the consistent acquisition and administration of grants and applies to all grants provided to or facilitated by City departments (federal, state, county, local, corporate, Indian community, and private foundation). Grant support is encouraged unless the prospective grant conflicts with the City's strategic goals, generates more cost than benefit, or restricts the mission of the City.

Grant Identification, Evaluation and Application

Once potential grants have been identified and prior to the submittal of a grant application to an agency or acceptance of funds from an organization, the Department should give consideration as to whether the grant is consistent with the City's Strategic and Department Goals, and a funding evaluation should be completed to determine the effect of the grant on the current and future City resources or operations. Factors to consider are:

- a. Available funding for required grant matches (i.e., the City's portion of project costs or in-kind costs)
- b. Current and future year(s) budget implications (i.e., added positions, equipment)
- c. Capacity and experience of the Department and staff to effectively administer and implement all aspects of the grant.

Grant Approval, Administration, and Operational Oversight

To ensure transparent management of grants, grants valued with City resource commitments that exceed \$30,000, or any amount if required by law or the grant agreement, require City Council approval prior to acceptance of funds or upon submittal if award signifies acceptance. Grants do not require City Council approval if governed by another authority (i.e., Public Housing Authority Commission). Transportation capital grants that require a rapid response to prevent forfeiting the grant may be approved by the City Manager or designee, prior to Council approval of capital project funded by said grant. The City Council item should include the grant's purpose, term and amount, as well as current and future year budget or operational implications, during and after the grant is completed. City Manager or designee are authorized to approve and execute documents related to grants with a gross value of \$30,000 or less, unless the grant agreement specifically requires City Council approval.

If an approved grant requires an ongoing General Fund commitment from the City, it will be incorporated into the forecast to ensure expenditures can be supported when the grant expires. If the position funding is only for the life of the grant, the expenditures shall be budgeted from one-time funding.



The City of Chandler's City Code and Administrative Regulations related to procurement shall be utilized for the purchase of materials, services, and construction with grant funds, in conjunction with any procurement requirements stipulated in the grant requirements.

The City's Grant Committee shall be made up of Department Grant Liaisons, and will provide grant management guidance and oversight to ensure adherence to the Grant Management Policy. The Committee will serve as a central source for cross-departmental communications regarding the pursuit of grants and effective application of administrative procedures.

Department Directors shall ensure compliance with all grant requirements through ongoing administrative and operational support (i.e., trained staff resources, financial and/or program reporting, subcontractor monitoring of activities and/or performance, pass-thru monitoring, audit compliance by grantor and/or by external auditors, record retention, and any additional requirements detailed in the Grant award documentation such as federal circulars related to federal grants).

7. Investment Policy

The purpose of the Investment Policy is to ensure investment of cash funds will be maintained in accordance with City Charter and State Statutes by defining the parameters within which public funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the City's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. The guidelines are intended to be broad enough to allow the Management Services Director to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

Scope

This investment policy applies to all monies invested by the City pursuant to Section 3-2 of the City Code, and applies to those investments authorized by the Code and Arizona Revised Statute 35-323. Bond proceeds are governed by specific indentures and are excluded from the scope of this Policy.

Objectives

The primary objectives, in order of priority, of the City's investment activities shall be:

- a. **Safety.** Safety of principal is the foremost objective of the investment programs. Investments shall be undertaken in a manner that seeks to ensure preservation of principal in the overall portfolio.
- b. **Liquidity.** The investments will remain sufficiently liquid to meet all operating requirements that might be reasonably anticipated.
- c. **Return on Investment.** The investment pools and funds shall be managed with the objective of attaining the maximum rate of return given the constraints of the aforementioned safety and liquidity objectives.

Standards of Care

Prudence: The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Management Services Director and designees acting in accordance with procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probably income to be derived."

Ethics and Conflicts of Interest: Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing



body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority and Responsibilities: Responsibility for the operation of the investment program is hereby delegated to the Management Services Director who shall act in accordance with established procedures and internal controls for the operation of the investment program consistent with this Investment Policy. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

The City may engage the services of an external investment manager to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

Permitted Investment Instruments

The City shall invest and reinvest City monies as provided in statute and City Code in any of the following items.

Obligations issued or guaranteed by the full faith and credit of the United States of America.

Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities.

Bonds or other evidences of indebtedness of this state or any of the counties or incorporated cities, towns or duly organized school districts which carry as a minimum AA rating or its equivalent by an nationally recognized statistical ratings organization (NRSRO).

Commercial paper of prime quality that is rated within the top two ratings by a NRSRO. All commercial paper must be issued by a corporation organized and doing business in the United States. The portfolio is limited to a maximum 30% allocation in the commercial paper sector.

Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district of any state that are payable from revenues, earnings or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five years of the date of the investment, or, if such obligations were issued less than five years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five years of the investment.

Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district of any state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:

- a. The face value of all such obligations, and similar obligations outstanding, exceeds fifty percent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.
- b. A default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if the obligations were issued less than five years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five years of the investment.



Negotiable or brokered certificates of deposit (CD) issued by a nationally or state chartered bank or savings and loan association. CD issuers must have a short-term rating of A1 or its equivalent by a NRSRO. The portfolio is limited to a maximum 30% allocation in the negotiable CD sector.

Certificates of deposit in eligible depositories.

Deposits in one or more federally insured banks or savings and loan associations placed in accordance with the procedures prescribed in section 35-323.01.

Interest bearing savings accounts in banks and savings and loan institutions doing business in this state whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.

Bonds, debentures, notes, or other evidences of indebtedness that are denominated in United States dollars and that carry at a minimum an "A" or better rating, at the time of purchase, from at least two nationally recognized rating agencies and may be issued by corporations that are organized and doing business in the United States. The portfolio is limited to a maximum 30% allocation in the medium-term corporate note sector.

Participation in the Local Government Investment Pool (LGIP) established pursuant to Section 35-326, Arizona Revised Statutes and operated by the State Treasurer whose portfolio is consistent with this policy.

Securities of or any other interests in any open-end or closed-end management type investment company or investment trust, including exchange traded funds whose underlying investments are invested in securities allowed by state law, registered under the Investment Company Act of 1940, as amended.

Investment Parameters

Diversification: It is the policy of the City to diversify the investment portfolio so as to protect City monies from material losses due to over-concentration of assets in a specific maturity, a specific issuer, a specific geographical distribution, or a specific class of securities. No more than five percent (5%) of market value of the portfolio shall be invested in securities issued by a single corporation and its subsidiaries/affiliates or municipality. Securities issued by the federal government or its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities are exempted from this provision. Portfolio percentage is calculated at the time of purchase.

Maximum Maturities: To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five (5) years from the date of purchase.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIP or money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Portfolio Management

Following the primary objective of preservation of capital, investments shall be managed to take advantage of market opportunities. In so doing, negotiable securities may be sold prior to their maturity to provide liquid funds as needed for cash flow purposes to enhance portfolio returns, or to restructure maturities to increase yield and/or decrease risk.

Purchases and Sales of Securities

All trades shall be executed with the objective of realizing the best bid or offer price available. It is the responsibility of the investment personnel and external investment advisors to know the "market price" or relative value of all securities before trades are executed. The method used by the investment personnel and investment advisors shall be the one that will obtain the best execution price or value given the objective of the transaction. A minimum of three (3) bids will be solicited for all transactions.

Authorized Financial Institutions

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence. This may include 'primary' dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All broker/dealers who desire to become qualified for investment transactions must supply the following (as appropriate):

- a. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- b. Proof of FINRA certification
- c. Proof of state registration
- d. Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- e. Certification of having read and understood and agreeing to comply with the City's Investment Policy.
- f. Evidence of adequate insurance coverage.

All financial institutions who desire to become depositories must supply the following (as appropriate):

- a. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- b. Proof of state registration
- c. Evidence of adequate insurance coverage

A periodic review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted.

If the City utilizes an external investment advisor, the advisor may be authorized to transact with its own Approved Broker/Dealer List on behalf of the City. In the event that the investment advisor utilizes its own Broker/Dealer List, the advisor will perform due diligence for the brokers/dealers on its Approved List. Upon request, the advisor will provide the City their Approved Broker/Dealer List.

Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery versus payment basis. Securities shall be held by the City or an independent third-party safekeeping institution designated by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall annually provide a copy of its most recent report on internal controls – Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16.

Performance Evaluation and Reporting

Investment performance shall be continually monitored and evaluated by the City's Management Services Director. Investment performance statistics and activity reports shall be generated by the Accounting Division and will provide summary reports on a monthly basis for the Management Services Director, and for the annual financial report.

Monthly Performance Analysis: On a monthly basis the following information, at a minimum, will be provided to the Management Services Director:

- a) The portfolio duration and portfolio yield to maturity at the end of the current period.
- b) The periodic realized return. Realized return is defined as the sum of the portfolio interest earnings plus amortization/accretion plus realized gains minus fees divided by the average portfolio value during the period.
- c) The periodic total return. Total return is defined as the sum of all investment income plus changes in the capital value of the portfolio.
- d) Year to date portfolio interest earnings plus amortization/accretion for the current year compared with the corresponding portion of the prior year, and cumulative unrealized gains on the portfolio.



Approval

Any deviation from the preceding policy shall require the prior specific written authority of the City Council. The Policy shall be reviewed on an annual basis.

Definitions

Agency – A debt security issued by a government-sponsored enterprise (GSE). While not explicitly guaranteed by the government, GSEs are generally traded with an “implied” guarantee. An example of a GSE is the Federal National Mortgage Association (FNMA).

Commercial Paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Credit Quality – The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer’s ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Ratings Scales – Credit quality comparison of short term and long term ratings are as follows:

Rating	Standard & Poor’s		Moody’s	Fitch	
Short Term	A-1+	A-1	P-1	F-1+	F-1
Long Term	AAA -A-	A+-A-	Aaa-A3	AAA-A-	A+-A-

Current Yield Current Return – A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) – A type of securities transaction in which the purchaser pays for the securities when they are delivered to the purchaser or the custodian.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security.

Fair Value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Government Securities – An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See “Treasury Bills, Notes, and Bonds.”

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

Par – Face value or principal value of a bond, typically \$1,000 per bond.

Premium – The amount by which the price paid for a security exceeds the security’s par value.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Total Return – The sum of the portfolio interest earnings plus amortization/accretion plus realized gains plus unrealized gains minus fees divided by the average portfolio value during the period.



Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000.

Treasury Notes – Intermediate U.S. government debt securities with maturities of one to ten years and issued in denominations ranging from \$1,000 to \$1 million or more.

Treasury Bonds – Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000.

Yield – The current rate of return on an investment security generally expressed as a percentage of the security's current price.

8. Accounting, Auditing, and Financial Reporting Policy

The purpose of this Accounting, Auditing, and Financial Reporting Policy is to set guidelines on how the City will account for its financial resources and be accountable for making financial information available to the public.

Accounting and Internal Control

The City's accounting and financial reporting systems will be maintained in conformance with Generally Accepted Accounting Principles (GAAP), standards of the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

Financial systems will be maintained to monitor operating and capital revenues, expenditures, and program performance on an ongoing basis.

The City will maintain a system of internal control to safeguard its assets against loss, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

Independent Audit

An annual audit (Section 5.10, City of Chandler Charter) of the City will be performed by an independent public accounting firm with an audit opinion to be included in the City's published Comprehensive Annual Financial Report (CAFR). An electronic copy of the CAFR will be posted online in compliance with State statutes. Annual audits will also be performed by an independent public accounting firm for the Health Care Benefits Self-Insurance Trust Fund (City Code, Section 2-15.1(d)) and the Workers Compensation and Employer Liability Self-Insurance Trust Fund (City Code, Section 2-16.1(d)).

Financial Reporting

External Financial Reporting: As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the GFOA Certification of Achievement for Excellence in Financial Reporting. The CAFR, in conformity with GAAP, will be presented in a way designed to effectively communicate with citizens about the financial affairs of the City.

As an additional independent confirmation of the quality of the City's budget document, the City will annually seek to obtain the GFOA Distinguished Budget Presentation Award. The budget will satisfy criteria as a financial and programmatic policy document, a comprehensive financial plan, an operations guide for all organizational units, and a communication device. The Adopted Budget and Auditor General Budget forms will be posted online in compliance with State statutes.

Internal Financial Reporting: Monthly (General fund) and Quarterly (major funds) budget to actual financial reports will be presented to the City Council throughout the Fiscal Year. Such reports will enable the City Council to be constantly informed of the financial status of the City. These reports will be available online for viewing by citizens as well.



Fiscal Year (FY) 2016-17 Budgetary Recommendations

The City of Chandler is committed to continually identify efficiencies in operations and service delivery. The reductions and adjustments over the past several years have helped shaped a budget that is lean, but structurally sound to support programs and services required by the citizens. While there are no major Department-level reductions and reallocations, the individual Departments are continually refining internal budgets to put financial resources in the most appropriate areas.

The Fiscal Year (FY) 2016-17 Proposed Budget includes requests for essential ongoing or one-time funding to either maintain service levels, cover costs for new programs, or add funding to operating budgets as a result of new capital infrastructure (completed or to be completed in FY 2016-17). The following pages contain the FY 2016-17 Summary of Recommended Additions for the General Fund and Other Funds, followed by a brief explanation of each (table starts on next page).

In order to provide Council with a overview of all the Decision Package requests, a summary is also provided that lists all requests by Department, and indicates whether the request has been recommended as submitted by the Director, was recommended at a different amount or otherwise changed from what the Director requested, or was not recommended for approval.

Following the information on Decision Packages are various Personnel summaries and tables, including: the Position Reclassification Summary for position changes in FY 2015-16, Personnel Additions, Personnel Costs by Fund, a chart reflecting the number of employees per 1,000 population, and the Number of Personnel Full Time Equivalent for FY 2016-17.

FY 2016-17 Summary of Ongoing Reallocations

Dept/ Division	General Fund Reallocations	Reallocation Amount
City Manager	Reduction in travel/lodging/meals budget	\$ 2,500
Cultural Affairs	Reduction in temporary budget	\$ 61,807
Management Services	Reduction in overtime budget	\$ 2,067
Total General Fund Reallocation		\$ 66,374



Fiscal Year (FY) 2016-17 Summary of Additions – General Fund

Dept/ Division	Addition	FTE	REQUESTED AMOUNTS				Total
			Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time	
Buildings and Facilities							
	Fire Station #1 Conversion*		\$ -	\$ 5,500	\$ -	\$ -	\$ 5,500
	Work Tablets for Facility Maintenance Staff		-	6,069	-	26,600	32,669
	Building Plumbing Preventive Maintenance Service		-	40,000	-	-	40,000
	Energy Management Programmer		-	-	-	85,000	85,000
	Electrician Helper - Temporary		-	-	-	60,000	60,000
	Articulating Lift		-	-	-	45,000	45,000
	Buildings and Facilities Total	0.00	\$ -	\$ 51,569	\$ -	\$ 216,600	\$ 268,169
CAPA							
	City Hall Security (Management Services partial offset)		\$ 3,001	\$ 3,000	\$ -	\$ -	\$ 6,001
	5th Floor Administrative Assistant		36,000	1,010	-	2,896	39,906
	Social Media Online Hub		-	-	-	15,000	15,000
	Cable Access Channel (100% revenue offset)		-	-	-	200,000	200,000
	Video Production and Photography Contract		-	-	-	50,000	50,000
	Web Site Design		-	-	-	150,000	150,000
	Print Finishing Equipment		-	-	-	29,000	29,000
	CAPA Total	0.00	\$ 39,001	\$ 4,010	\$ -	\$ 446,896	\$ 489,907
City Clerk							
	Recording Fee (\$1,500 revenue offset)		\$ -	\$ 2,500	\$ -	\$ 1,500	\$ 4,000
	Election 2016		-	-	-	200,000	200,000
	City Clerk Total	0.00	\$ -	\$ 2,500	\$ -	\$ 201,500	\$ 204,000
City Magistrate							
	Armored Car Services (Court Enhancement Fund) (100% revenue offset)		\$ -	\$ 4,200	\$ -	\$ -	\$ 4,200
	City Magistrate Total	0.00	\$ -	\$ 4,200	\$ -	\$ -	\$ 4,200
City Manager - Planning							
	On Call Temporary Services		\$ -	\$ -	\$ 77,001	\$ -	\$ 77,001
	City Manager Total	0.00	\$ -	\$ -	\$ 77,001	\$ -	\$ 77,001
Community & Neighborhood Services							
	Armored Courier Service for Environment Education Center, Community Center, Tumbleweed Recreation Center, and Snedigar Recreation Center		\$ -	\$ 12,745	\$ -	\$ -	\$ 12,745
	4th of July Celebration		-	15,000	-	-	15,000
	Paseo Vista Recreation Area Landscape Maintenance		-	50,000	-	-	50,000
	Aquatic Temporary Salary Supplement		10,001	-	-	-	10,001
	Increase Tennis Center Operational Hours (\$16,000 revenue offset)	0.25	16,515	5,500	-	-	22,015
	Recreation Coordinator I (Aquatics)	1.00	88,838	8,460	-	1,786	99,084
	Lap Swim Program - Desert Oasis Aquatic Center (\$3,382 revenue offset)		12,130	24,562	-	1,500	38,192
	American Red Cross Authorize Provider Fees (100% revenue offset)		-	10,525	-	-	10,525
	Tumbleweed Parade of Lights - Winner Prize Money (100% revenue offset)		-	1,250	-	-	1,250
	Special Event Vendors (\$3,800 revenue offset)		-	3,800	-	-	3,800
	Fire Station Landscape Maintenance		-	30,000	-	-	30,000
	Special Events - Trash Can Rentals (\$3,000 revenue offset)		-	3,000	-	-	3,000
	Community Center/Downtown Stage Event Parking Staff		-	-	4,501	-	4,501
	Wheelchair Accessible 14-Passenger Bus		-	-	-	68,000	68,000
	Aquatic Maintenance Technician		-	-	-	80,000	80,000

*CIP related



Fiscal Year (FY) 2016-17 Summary of Additions – General Fund (continued)

Dept/ Division	Addition	FTE	REQUESTED AMOUNTS				Total
			Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time	
Community & Neighborhood Services (continued)							
	Parks Maintenance Technician		-	-	-	79,080	79,080
	Tumbleweed Recreation Center Security Cameras		-	-	-	28,800	28,800
	Tumbleweed Recreation Center Tree House Playground		-	-	-	25,000	25,000
	Tumbleweed Recreation Center Playground Shade Structure		-	-	-	30,000	30,000
	Downtown Stage Additions		-	-	-	32,600	32,600
	Tumbleweed Recreation Center Audio/Video		-	-	-	52,000	52,000
	Senior Center Needs Assessment		-	-	-	50,000	50,000
	Chandler Jazz Festival		-	-	-	40,000	40,000
	Tennis Tournaments (100% revenue offset)		-	-	600	5,450	6,050
	Diversity Events		-	10,000	-	-	10,000
	Volunteer Recognition - For Our City		-	3,000	-	-	3,000
	Neighborhood Events - For Our City		-	8,000	-	-	8,000
	VITA - Volunteer Income Tax Assistance Program		-	-	-	6,000	6,000
	Housing & Neighborhood Wi-Fi		-	-	-	50,000	50,000
	For Our City - Op Back to School/FOC Breakfast (100% revenue offset)		-	-	-	50,000	50,000
	Celebration of Unity/MLK Events (100% revenue offset)		-	-	-	50,000	50,000
	Indian Art Market (100% revenue offset)		-	-	-	10,000	10,000
	Garibaldi Night (100% revenue offset)		-	-	-	10,000	10,000
	Neighborhood Programs Tool Trailer		-	-	-	18,950	18,950
	Community & Neighborhood Services Total	1.25	\$ 127,484	\$ 185,842	\$ 5,101	\$ 689,166	\$ 1,007,593
Cultural Affairs							
	Library - Security for Downtown & Sunset Locations		\$ -	\$ 59,500	\$ -	\$ -	\$ 59,500
	Chandler Museum Color Copier		-	430	-	6,340	6,770
	Library - Regular Part Time Library Assistants (\$61,807 budget reduction in O&M Temporary)	1.50	136,308	-	-	-	136,308
	Public Art Maintenance Fund		-	5,000	-	-	5,000
	Library - Van		-	2,962	-	25,555	28,517
	Temporary Services - Library		3,932	-	-	-	3,932
	Center for the Arts - Armored Car Service		-	4,159	-	-	4,159
	Library - Armored Car Service		-	11,110	-	-	11,110
	Relocating the Chandler Museum Collection		-	-	5,000	12,000	17,000
	School Field Trips and Programs at Chandler Museum		-	-	5,844	-	5,844
	Grand Piano Refurbishment (\$4,875 revenue offset)		-	-	-	9,750	9,750
	Rolling Unit Mobile Walls Replacement		-	-	-	10,000	10,000
	High Definition Cameras		-	-	-	7,500	7,500
	Exterior Color Wheel Replacement		-	-	-	18,000	18,000
	Chandler Historical Society Luncheon		-	-	-	4,500	4,500
	Chandler Symphony Orchestra		-	-	-	40,000	40,000
	Cultural Affairs Total	1.50	\$ 140,240	\$ 83,161	\$ 10,844	\$ 133,645	\$ 367,890
Economic Development							
	Economic Development Export Assistance Program		\$ -	\$ 8,600	\$ -	\$ 2,000	\$ 10,600
	Strategic Business Attraction Funding		-	10,000	-	-	10,000
	Economic Development Marketing Initiative		-	-	-	34,000	34,000
	Entrepreneurial & Small Business Development Svcs		-	-	-	250,000	250,000
	Tourism Funding		-	-	-	63,500	63,500
	Innovations Technology Incubator		-	-	-	25,000	25,000
	Science Saturday Event - Sponsorship (100% revenue offset)		-	-	-	5,000	5,000
	Economic Development Total	0.00	\$ -	\$ 18,600	\$ -	\$ 379,500	\$ 398,100

*CIP related



Fiscal Year (FY) 2016-17 Summary of Additions – General Fund (continued)

Dept/ Division	Addition	FTE	REQUESTED AMOUNTS				Total
			Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time	
Fire, Health & Medical Department							
	Training Center Expansion*		\$ -	\$ 11,173	\$ -	\$ -	\$ 11,173
	Electronic Patient Care Reporting		-	57,000	-	50,000	107,000
	Fire Vehicle Automotive Supplies		-	30,000	-	-	30,000
	Motor Pool Automotive Supplies		-	8,000	-	-	8,000
	Car Seat Program		-	-	20,000	-	20,000
	Medical Equipment Inventory Control System		-	-	-	184,000	184,000
	Back-up Cameras for Emergency Vehicles		-	-	-	10,000	10,000
	Transmission Cooler Presumptive Maintenance		-	-	-	25,000	25,000
	Grant Match Funds		-	-	-	120,000	120,000
	Fire, Health & Medical Department Total	0.00	\$ -	\$ 106,173	\$ 20,000	\$ 389,000	\$ 515,173
Human Resources							
	Employee Service Recongnition Program		\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
	NEOGOV (On-Boarding)		-	18,585	-	6,000	24,585
	Training Rooms: New & Replacemnt Equipment		-	500	-	5,300	5,800
	Social Media Recruitment		-	-	-	2,000	2,000
	Human Resources Total	0.00	\$ -	\$ 29,085	\$ -	\$ 13,300	\$ 42,385
Information Technology (IT)							
	Support and Maintenance		\$ -	\$ 51,900	\$ -	\$ -	\$ 51,900
	Primary Internet Connection		-	26,000	-	-	26,000
	Mobile Device Technician	1.00	93,201	2,155	-	2,111	97,467
	Web Developer	1.00	120,022	2,155	-	2,111	124,288
	Network Connectivity Security*		-	38,000	-	-	38,000
	IBM Domino Application Migration		-	-	-	150,000	150,000
	IT Help Desk Phone Support Position		-	-	49,275	-	49,275
	Cyber Security Malware Protection		-	-	-	40,000	40,000
	Information Technology Total	2.00	\$ 213,223	\$ 120,210	\$ 49,275	\$ 194,222	\$ 576,930
Information Technology Oversight Committee (ITOC)							
	Information Technology Oversight Committee Projects*		\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
	ITOC Total	0.00	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Law							
	Office Reconfigurations		\$ -	\$ -	\$ -	\$ 30,400	\$ 30,400
	Law Total	0.00	\$ -	\$ -	\$ -	\$ 30,400	\$ 30,400
Management Services							
	Annual City Audit Fees		\$ -	\$ 3,000	\$ -	\$ -	\$ 3,000
	Armored Car Services - Utilities and Accounting		-	6,000	-	-	6,000
	Software Licensing and Hardware		-	2,977	-	210	3,187
	Professional Development (City Manager offset)		-	2,500	-	-	2,500
	Tax Mantra Support and Maintenance		-	-	-	45,943	45,943
	Arbitrage Compliance Consulting Service		-	-	-	13,550	13,550
	Management Services Total	0.00	\$ -	\$ 14,477	\$ -	\$ 59,703	\$ 74,180
Non-Departmental							
	Consultant Services for Various Citywide Studies		\$ -	\$ 55,000	\$ -	\$ -	\$ 55,000
	Citywide Banking Fees		-	-	-	55,000	55,000
	East Valley Partnership Branding & Public Relations		-	-	-	7,500	7,500
	Non-Departmental Total	0.00	\$ -	\$ 55,000	\$ -	\$ 62,500	\$ 117,500

*CIP related



Fiscal Year (FY) 2016-17 Summary of Additions – General Fund (continued)

Dept/ Division	Addition	FTE	REQUESTED AMOUNTS				Total
			Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time	
Police Department							
	911 Center Console Workstations*		\$ -	\$ 2,560	\$ -	\$ -	\$ 2,560
	Civilian Rangemasters	2.00	179,272	4,700	-	-	183,972
	Police Investigative Specialist (Housing)	1.00	75,814	16,455	-	38,533	130,802
	Civilian Admin/Fleet Supervisor	1.00	99,411	1,700	-	-	101,111
	Arizona Humane Society Contract		-	35,000	-	-	35,000
	Security Camera System Replacement*		-	20,000	-	-	20,000
	Domestic Violence Prevention Funds (100% revenue offset)		-	15,000	-	-	15,000
	Bank Charges Related to Armored Car Services		-	4,158	-	-	4,158
	Crime Analyst Contract Extension		-	-	-	78,225	78,225
	Latent Print Case Management Software		-	-	-	115,000	115,000
	Weapon Mounted Lights and Holsters		-	-	-	95,000	95,000
	HB2455 Weapons Proceeds (100% revenue offset)		-	-	-	75,000	75,000
	Police Department Total	4.00	\$ 354,497	\$ 99,573	\$ -	\$ 401,758	\$ 855,828
Transportation & Development (T&D)							
	Transit Maintenance and Operations		\$ -	\$ 21,000	\$ -	\$ -	\$ 21,000
	Landscape Maintenance & Utilities		-	41,121	-	-	41,121
	Dial-A-Ride		-	100,000	-	-	100,000
	Street Maintenance Coordinator Position	1.00	93,241	9,033	-	34,811	137,085
	Two Asphalt Senior Streets Specialist Positions	2.00	165,094	11,680	-	11,000	187,774
	SharePoint Project Management Tool*		-	129,150	-	11,375	140,525
	Chief Building Inspector Vehicle		-	3,147	-	19,636	22,783
	Monitors & Software for T&D		-	3,360	-	23,180	26,540
	On-Call Temporary Services- Temp (5118)		-	-	65,200	-	65,200
	On-Call Temporary Services- Contract (5219)		-	-	-	100,600	100,600
	Street Maintenance Program		-	-	-	1,000,000	1,000,000
	Street Sweeper 5.7% Grant Match		-	-	-	14,250	14,250
	Transportation and Development Total	3.00	\$ 258,335	\$ 318,491	\$ 65,200	\$ 1,214,852	\$ 1,856,878
	GRAND TOTAL GENERAL FUNDS	11.75	\$ 1,132,780	\$ 1,192,891	\$ 227,421	\$ 4,433,042	\$ 6,986,134
	Budget Reductions		<i>(63,874)</i>	<i>(2,500)</i>	-	-	<i>(66,374)</i>
	Revenue Offsets		<i>(16,000)</i>	<i>(42,657)</i>	<i>(600)</i>	<i>(410,325)</i>	<i>(469,582)</i>
	TOTAL GENERAL FUND REFLECTING OFFSETS	11.75	\$ 1,052,906	\$ 1,147,734	\$ 226,821	\$ 4,022,717	\$ 6,450,178

*CIP related



Fiscal Year (FY) 2016-17 Summary of Additions – Other Funds

Dept/ Division	Addition	FTE	REQUESTED AMOUNTS				Total
			Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time	
Airport	Airport Security Gate Operators		\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
	Airport Operating Fund Total	0.00	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
Human Resources	Blue Cross Blue Shield Self-Funded Admin Expenses (100% revenue offset)		\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
	Medical Self Insurance Trust Fund Total	0.00	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
	Excess Stop/Loss Ins. & Premium Insurance		\$ -	\$ 72,835	\$ -	\$ -	\$ 72,835
	Worker's Comp Strategic Risk Plan		-	-	-	50,000	50,000
	Workers Comp Self Insurance Trust Fund Total	0.00	\$ -	\$ 72,835	\$ -	\$ 50,000	\$ 122,835
Law	Insurance Premiums Increases		\$ -	\$ 201,500	\$ -	\$ -	\$ 201,500
	Distributed Denial of Service Protection		-	60,000	-	-	60,000
	Office Reconfiguration		-	-	-	26,500	26,500
	Insured Liability Self Insurance Fund Total	0.00	\$ -	\$ 261,500	\$ -	\$ 26,500	\$ 288,000
Municipal Utilities	Ocotillo Water Reclamation Facility Expansion	4.00	\$ 196,395	\$ 2,320	\$ 196,396	\$ 4,660	\$ 399,771
	Wastewater Operating Fund Total	4.00	\$ 196,395	2320.00	\$ 196,396	\$ 4,660	\$ 399,771
	Paseo Vista Recreation Area Contract Maintenance		\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000
	Solid Waste Operating Fund Total	0.00	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000
Non-Departmental	Biennial Audit of Impact Fees		\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
	Vaious Impact Funds Total	0.00	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
Police Department	Planned Forfeiture Fund Projects		\$ -	\$ -	\$ -	\$ 1,315,000	\$ 1,315,000
	Police Forfeiture Fund Total	0.00	\$ -	\$ -	\$ -	\$ 1,315,000	\$ 1,315,000
Transportation & Development	Transit Maintenance and Operations		\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
	Local Transportation Assistance Fund Total	0.00	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
	GRAND TOTAL OTHER FUNDS	4.00	\$ 196,395	\$ 491,655	\$ 196,396	\$ 1,476,160	\$ 2,360,606
	Revenue Offsets			(25,000)	-	-	(25,000)
	TOTAL OTHER FUND REFLECTING OFFSETS	4.00	\$ 196,395	\$ 466,655	\$ 196,396	\$ 1,476,160	\$ 2,335,606
	GRAND TOTAL ALL FUNDS	15.75	\$ 1,329,175	\$ 1,684,546	\$ 423,817	\$ 5,909,202	\$ 9,346,740
	ALL Budget Reductions		(63,874)	(2,500)	-	-	(66,374)
	ALL Revenue Offsets		(16,000)	(67,657)	(600)	(410,325)	(494,582)
	TOTAL ALL FUNDS REFLECTING OFFSETS	15.75	\$ 1,249,301	\$ 1,614,389	\$ 423,217	\$ 5,498,877	\$ 8,785,784

* CIP related



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund

The Proposed Budget contains the following additions to the General Fund. The ongoing costs include any salaries, benefits, and costs such as expendable equipment and supplies associated with positions. Any one-time costs associated with position(s) are presented in the one-time cost column. Costs shown in this section do not reflect any offsets for increased revenue or base budget offsets; however the offsets are noted in the description. This section presents total budget appropriations added to Departments for FY 2016-17.

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Buildings and Facilities</u>		
Ongoing funding for janitorial supplies associated with custodial cleaning of the old Fire Station #1. The facility will now be used by the Police Department and will require janitorial supplies.	\$ 5,500	\$
One-time funding for the purchase of 7 tablets for the Buildings and Facilities maintenance staff. Ongoing funding for contributions to the Technology Replacement Fund and wireless costs. These tablets will allow staff quicker access to the Lucity work order system as well as the access control and energy control software creating greater efficiency.	6,069	26,600
Ongoing funding for semi-annual cleaning of the main plumbing pipes at all fire and police stations, main library, Senior Center, and Community Center. This plumbing preventative maintenance program would be performed as a contract service by a firm that specializes in high pressure cleaning for commercial and industrial facilities to remove all obstructions that can cause backups.	40,000	
One-time funding for a contractual position to manage the Energy Management System. This contract will provide the technical skills to control the air conditioning and lighting for 20 City buildings. A dedicated person will be able to analyze the various reports provided by the system and provide real-time response.		85,000
One-time funding for a contractual position to provide labor and equipment to assist with maintaining the Park Division electrical systems. Currently 1 employee is responsible for electrical support to 64 parks. Adding a contractual position will significantly improve support and enhance the preventative maintenance program.		60,000
One-time funding for the purchase of a used 45-foot articulating one-man lift to maintain light fixtures at various City buildings. The Tumbleweed Recreation Center, City Hall, various parks, and Chandler Park-And-Ride all have light fixtures that can only be reached with an articulating lift.		45,000
<u>CAPA</u>		
Ongoing funding for overtime and on-call contracted security. Overtime funding will be used to cover the Security Officers' presence when required outside of the regularly scheduled working hours. Contracted services will provide security coverage when the Security Officer is absent for professional training or on leave.	6,001	
Ongoing and one-time funding for a part-time temporary Administrative Assistant position for the 5 th floor lobby. This position will enhance the quality of service provided to customers at City Hall and support the City's economic development efforts.	37,010	2,896



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>CAPA (continued)</u>		
One-time funding for a subscription-based service to improve the City's ability to present information and interact through social media. These services provide tools that integrate with the City's website allowing for a one stop shop for communication from all City departments benefiting our ability to reach more people across all of our 100+ social media accounts.	\$	\$ 15,000
One-time funding to utilize contributions from CenturyLink and Cox Communications for governmental programming on Channel 11. Per the agreement terms these funds are used for the operation and programming of the public, education and government channels.		200,000
One-time funding to contract with companies who specialized in video production and photography to improve quality and inventory of video and multimedia content. Improving the quality of the City's inventory of video and multimedia content will further our ability to showcase Chandler and communicate with residents, businesses, and visitors.		50,000
One-time funding to design and build a new City website. This will address City Council and Department requests for a more robust web presence incorporating video, photography and multimedia into a mobile first design approach, given the growth of web visits from mobile devices and tablets.		150,000
One-time funding for the purchase print finishing equipment including maintenance and service. This equipment will improve internal capabilities to fulfill internal requests for business cards, postcards, and other print materials reducing the need to outsource some print jobs.		29,000
<u>City Clerk</u>		
Ongoing funding for document recording fees, partially offset by revenues received from developers to record land plats. The City Clerk's Office funds one account with the Maricopa County Recorder for document recording services, and needs additional funds to cover tax liens and releases generated by the Management Services Department, and land plats recorded by the Transportation & Development Department.	2,500	1,500
One-time funding for costs associated with 2016 City elections, including election delivery payments to Maricopa County Elections Department, publicity pamphlet printing costs, and translation costs.		200,000
<u>City Magistrate</u>		
Ongoing funding for armored car service. Costs will be 100% offset by revenues. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	4,200	
<u>City Manager – Planning</u>		
One-time funding for temporary plan reviews to accommodate demand peaks to maintain current service levels instead of adding staff.		77,001



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Community & Neighborhood Services</u>		
Ongoing funding for armored car service for Environment Education Center, Community Center, Tumbleweed Recreation Center, and Snedigar Recreation Center. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	\$ 12,745	\$
Ongoing funding for the 4th of July Celebration to supplement existing ongoing funding of \$35,000 in order to award a guaranteed amount of \$50,000 to the selected event producer.	15,000	
Ongoing funding for landscape maintenance at the Paseo Vista Recreation Area to maintain 34 acres including pruning of trees and shrubs, weed and trash control, playground surface maintenance, and raking decomposed granite areas.	50,000	
Ongoing funding for aquatics temporary salary supplement. The Aquatics Division has converted temporary funding over the past few years to accommodate other personnel needs, and requires additional funding to reinstate available funds.	10,001	
Ongoing funding, partially offset by revenues, to increase operational hours at the Tennis Center, including increased the Customer Service Representative position from 0.75 FTE to 1.0 FTE. Increasing operational hours will provide additional mid-day court time during the week and additional weekend court time, allowing for additional adult drop-in programs, Friday youth clinics, additional weekend leagues, and general drop-in play.	22,015	
Ongoing and one-time funding for a full-time Recreation Coordinator I and associated costs for the Aquatics Division to manage new program demands. This position will assist with the increased Aquatics workload, including running aquatics programs, providing community water safety outreach services, developing and providing aquatic training protocols, and keeping training standards and documentation current.	97,298	1,786
Ongoing and one-time funding, partially offset by revenues, to expand the year-round lap swim program at Desert Oasis Aquatic Center based on citizen requests. This new location will provide 153 days of service in addition to the existing 200 days offered at Mesquite Groves and Hamilton Aquatic Centers.	36,692	1,500
Ongoing funding, to cover fees charged by the American Red Cross for classes for staff pursuant to the Authorized Provider Agreement. Costs will be 100% offset by revenues received from the class participants.	10,525	
Ongoing funding for Tumbleweed Parade of Lights prize money for 9 winners in various parade categories. Costs will be 100% offset by revenues received from parade registration fees.	1,250	
Ongoing funding for costs associated with 5 City-produced special events, including printed layouts, open flame permits, and generators. Costs will be 100% offset by revenues received from vendor payments to secure a designated space at each special event.	3,800	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Community & Neighborhood Services (continued)</u>		
Ongoing funding for fire station landscape maintenance. This package is to reinstate services provided by contractors, such as weed control and trimming that had been performed by Fire, Health & Medical staff at each station.	\$ 30,000	\$
Ongoing funding for trash can rentals for special events due to increased numbers of trash cans requested. Costs will be 100% offset by revenues received from special event producers.	3,000	
One-time funding to provide adequate customer service and parking for Community Center rental patrons. The addition of the downtown stage has resulted in parking issues for paying rental clientele utilizing the Community Center.		4,501
One-time funding for a wheelchair accessible 14-passenger bus to replace a low mileage 15-passenger van. This vehicle will be used to transport participants of all ages to and from event sites and on excursions.		68,000
One-time funding to assist with annual service and maintenance of the aquatic centers, including daily chemical balancing, cleaning strainer baskets and skimmers, cleaning and maintaining the chlorinator, maintaining diving boards, plumbing services, and maintaining splash pads.		80,000
One-time funding for contract labor to provide maintenance and repairs for City parks, including maintenance and repair of playgrounds, irrigation systems, plumbing, park furniture, fencing, doors/gates, and graffiti removal.		79,080
One-time funding for the purchase and installation of security cameras at Tumbleweed Recreation Center (TRC). The existing security camera does not provide clear video, and requires continued maintenance to keep it in focus.		28,800
One-time funding to replace the large indoor play equipment at the TRC Tree House. The existing indoor play equipment has deteriorated from heavy use, and staff has expressed safety concerns since wood on the structure has started to chip. The new equipment is sculpted of soft foam and is highly durable.		25,000
One-time funding for the installation of a shade structure at TRC to allow outdoor play equipment to be used more days per year.		30,000
One-time funding for maintenance, supplies, and various equipment for the Downtown stage including additional safety lighting and year-round banners and stage curtains.		32,600
One-time funding to upgrade the audio/visual equipment in the Cotton Room, classrooms, and meeting rooms at TRC. The existing equipment is becoming obsolete. Staff desires to stay current with audio/visual technology in order to meet requirements of rental groups.		52,000



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Community & Neighborhood Services (continued)</u>		
One-time funding to contract a consulting company to perform a senior needs program and spatial analysis study. The study will examine the current services and resources available to elderly residents and make program recommendations to meet their needs, as well as evaluate the existing and future space needs to accommodate the programming.	\$	\$ 50,000
One-time funding for the CinePark and Jazz Festival. The funding will allow these events to continue to grow and enhance the City's signature events to align with City Council vision.		40,000
One-time funding to host a youth United States Tennis Association Level 6 Junior tournament. Costs will be 100% offset by revenues received from participant registration fees. This tournament will attract competitive junior players to the City since they will receive Southwest ranking points for competing.		6,050
Ongoing funding for various diversity related events to supplement existing ongoing funding of \$10,500. This funding would support diversity related events that are not reimbursed through scholarship funding.	10,000	
Ongoing funding for costs associated with the annual volunteer recognition breakfast such as food, volunteer awards, event program, and rentals.	3,000	
Ongoing funding to support the For Our City initiative related to neighborhood enhancement clean-up events. This funding will be used to purchase tools and supplies, and secure dumpsters and portable toilets.	8,000	
One-time funding for costs associated with the Volunteer Income Tax Assistance (VITA) program. This program utilizes volunteers to prepare income tax returns for elderly, disabled, and low to moderate income residents. This funding is needed to replace grant funding due to Valley of the Sun United Way ending their partnership with the Maricopa County VITA Network.		6,000
One-time funding for a WI-FI access point site survey for the Housing and Redevelopment and Neighborhood offices to determine how many access points are needed to provide public and private WI-FI use.		50,000
One-time funding to support For Our City initiatives related to Operation Back to School and quarterly breakfasts. Costs will be 100% offset by revenues received from program participants (typically faith groups, local businesses and the Chandler Non-Profit Coalition).		50,000
One-time funding for various Celebration of Unity Events, including the Chandler Multicultural Festival and Creative Expression Competition. Costs will be 100% offset by revenues received from event sponsors.		50,000



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Community & Neighborhood Services (continued)</u>		
One-time funding for the Indian Art Market event to celebrate the cultural traditions of the Native American community and enhance the Miss Indian Arizona Scholarship Program. Costs will be 100% offset by revenues received from event sponsors and vendor fees.	\$	\$ 10,000
One-time funding for Garibaldi Night to celebrate Hispanic Heritage Month. Costs will be 100% offset by revenues received from event sponsors and vendor fees.		10,000
One-time funding for the purchase of a tool trailer, cages to safeguard tools, and trailer wrap with City logos. The existing tool trailer is unsafe to use and beyond repair.		18,950
<u>Cultural Affairs</u>		
Ongoing funding for contract security personnel at the Downtown and Sunset Library. These locations have experienced an increase in thefts, fighting and other threatening behavior. Security presence will increase the Library's ability to provide an approachable and inviting environment.	59,500	
One-time funding to purchase a Ricoh color copiers, and ongoing funding for the annual service contract. This will replace the existing copier which has become obsolete. The currently copier requires monthly service calls and replacement parts are extremely difficult to locate.	430	6,340
Ongoing funding to convert 3 temporary part-time positions to 3 Regular Part-Time Library Assistants. With the improving job market it is difficult to retain qualified employees in the temporary positions as they work next to regular part-time personnel. The primary role of these positions is the provision of early literacy programming. There is an offset of \$61,807 from temporary funding.	136,308	
Ongoing funding for the conservation and repair of the City's Public Art Collection. The public art collection valued at over \$2.7 million includes sculptures, paintings, mixed media, and textiles. Funding will provide for various types of repairs due to vandalism and annual cleanings.	5,000	
One-time funding for the purchase of Dodge Grand Caravan SE and ongoing contributions to the Vehicle Replacement Fund. The existing van purchased with grant funding over 10-years ago no longer meets the library needs. The new van will be more versatile and allow staff to provide better support to all library locations.	2,962	25,555
Ongoing funding for additional hours for temporary staffing. The Library division is in need of additional hours for Pages and Techno Clerks. These funds are from savings achieved through the reclassification of positions within the Library Division.	3,932	
Ongoing funding for armored car service for the Center of the Arts. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	4,159	
Ongoing funding for armored car service for Basha, Downtown, Sunset, and Hamilton libraries. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	11,110	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Cultural Affairs (continued)</u>		
One-time funding to relocate Chandler Museum collection to a climate controlled storage facility until the new Museum is constructed. This will cover the cost of temporary staffing, packing materials, van, and storage facility rental.	\$	\$ 17,000
One-time funding for part-time temporary educators to meet the increased demand for school field trips, and to provide more programming and outreach events through the Museum division. The demand for field trips has increased by 30% over the past three years. The division goal is that all Chandler students experience the Museum through a field trip or program.		5,844
One-time funding to refurbish the Center for the Art's Steinway Model D Grand Piano. The work includes repairs to the piano finish, installation of a humidifier/dehumidifier underneath the piano, and replacement of the truck and bench. The piano is 26-years old and was last refurbished in 2001. Chandler Unified School District will reimburse 50%.		9,750
One-time funding for the purchase of new rolling unit mobile walls in the Gallery of the Arts Center. The existing unit purchased in 1991 is no longer viable for exhibition accessibility and poses a safety hazard. This replacement will assist in maintaining the quality of services provided.		10,000
One-time funding for the purchase of a new high definition or new technology camera that provides stage feed to the foyer monitor. The new camera would improve the image and quality of the feed.		7,500
One-time funding for the purchase of a new energy efficient exterior color wheel. The existing equipment, used to light the façade of the Center for the Arts, meets its life expectancy in 2016 and uses outdated technology. The replacement includes LED technology that will improve efficiency and provide utility savings.		18,000
One-time funding for the Celebrate Chandler luncheon event celebrating people and businesses that are the new pioneers of today and are making a difference in Chandler. This event is held in partnership with the Chandler Historical Society.		4,500
One-time funding for the Chandler Symphony Orchestra to partially fund its quality artistic services. The 80+ professionally musicians in the orchestra volunteer their time and this funding provides them with assistance covering operational expenses.		40,000
<u>Economic Development</u>		
One-time and ongoing funding to establish an export assistance program to support Chandler companies interested in exporting to global markets, providing them with increased access to export financing and strategy resources. This will enable the City to participate in the Export-Import Bank of the United States' City/State Partners Program, as well as host ExportTech workshops offered through the Arizona Commerce Authority.	8,600	2,000



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Economic Development (continued)</u>		
Ongoing funding for travel expenses related to strategic business attractions efforts. This will allow staff to proactively market Chandler by participating in seven sales mission and attendance and booth participation in a minimum of four conference/trade shows.	\$ 10,000	\$
One-time funding for a revitalization of the Economic Development marketing brand to include a dedicated website, promotional videos, and other digital and print materials. The purpose is to elevate the Chandler brand demonstrating that we are a forward thinking and cutting-edge community among site selectors, real estate brokers, business executives, and other targeted decision makers thus expanding economic development for Chandler.		34,000
One-time funding for entrepreneurial and small business development related services for the Innovation Incubator program. Innovation's goal is to build a citywide business incubation and entrepreneurial development program providing young companies with tools and resources to scale their companies, increasing jobs, wealth, and economic diversity while providing economic sustainability for the City.		250,000
One-time funding to maintain tourism grant qualification. One of the requirements of the Maricopa County Proposition 302 Grant facilitated by the Arizona Office of Tourism is a minimum marketing budget of \$123,000. This one-time funding, along with our ongoing funding, provides eligibility to receive grant funding up to \$400,000 to provide community marketing.		63,500
One-time funding for repairs and maintenance expenses at the Innovations Technology Incubator facility. Due to aging of the facility, interior painting, updating of technology, and replacement and/or repairs are needed for depreciating equipment.		25,000
One-time funding for the Science Saturday Event. This event, held in conjunction with statewide events planned through the Arizona SciTech Festival Organization, showcases several technology companies through interactive booths and activities. Costs are 100% reimbursable by donations.		5,000
<u>Fire, Health & Medical</u>		
Ongoing funding for final portion of utility and building and maintenance costs for the Training Center expansion.	11,173	
One-time funding for replacement of all patient care report tablets by the end of their warranty period. Ongoing funding for the use, storage, and maintenance of electronic patient care reports.	57,000	50,000
Ongoing funding for fire vehicle automotive maintenance supplies due to increased vendor costs. This request will address an existing shortage in funding.	30,000	
Ongoing funding for motor pool automotive maintenance supplies due to increased vendor costs.	8,000	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Fire, Health & Medical (continued)</u>		
One-time overtime funding to continue the car seat clinic program, although grants will continue to be pursued. This program will provide 28 clinics per year.	\$	\$ 20,000
One-time funding for a Medical Equipment Inventory Control System that will replace three different systems, improving medication security, supply tracking, and restock ordering.		184,000
One-time funding for the retrofitting of 20 fire emergency vehicles with back-up cameras. This purchase will improve safe driving and reduce risk to personnel and equipment.		10,000
One-time funding for replacement of the transmission coolers on 10 of 12 front line apparatus. The other two replacements were done after transmission cooler failures, prompting a best practice of replacement of transmission coolers on front line apparatus every 5 years.		25,000
One-time funding for the required 50% matching funds needed to apply for Assistance to Firefighter and Fire Prevention & Safety grants.		120,000
<u>Human Resources</u>		
Ongoing funding for the Employee Service Recognition Program to accommodate an increased number of service recognitions as well as increased cost of certificate frames.	10,000	
Ongoing funding for NEOGOV onboarding tool to streamline the administrative onboarding process for new employees who have come to expect the convenience of online processes. One-time funding is required for set-up, implementation, and training for the onboarding tool.	18,585	6,000
Ongoing funding for telephone service for new conference phones in City Hall training rooms. One-time funding for the purchase of a new podium, two new double-sided dry erase boards on wheels with hooks for flip charts, replacement of the coffee pot, two new tea kettles, and installation of conference room phones in both training rooms.	500	5,300
One-time funding for NEOGOV integration to allow job postings to appear on Facebook. Staff believes the City could benefit by having a Facebook presence in order to increase applicant pools.		2,000
<u>Information Technology (IT)</u>		
Ongoing funding for increased support/maintenance costs for multiple software applications including Accela, AdminStudio, Autodesk, Global Navigator, Infrastructure Design, KBACE KBX, LANDesk, Lotus, Lacity, Connections, Sametime, Oracle, Progress, SQL, Project Host, TOAD, PublicStuff.com, Selectron and Vertex. Costs are offset by reductions in software maintenance for CommVault, Intellitime, and Noetix.	51,900	
Ongoing funding for a primary internet connection to the City. In prior years, the City had internet access service provided in lieu of collecting cable television franchise fees. The internet provider is now also providing cable television services, and paying the related franchise fees, so they are no longer providing internet services at no cost.	26,000	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Information Technology (IT) (continued)</u>		
Ongoing and one-time funding for a full-time IT Service Desk Technician position and associated costs. This position is required to meet the service level requirements necessary to support the expanding number of City-owned mobile devices.	\$ 95,356	\$ 2,111
Ongoing and one-time funding for a full-time IT Programmer/Analyst position associated costs. This position is required to support existing web development services currently provided by one position with no backup.	122,177	2,111
Ongoing funding for the purchase and installation of a detection device and application that will monitor unauthorized network connectivity and keep our network secure. The useful life of this device is 5 years.	38,000	
One-time funding for a consultant to perform the IBM Domino Applications Migration by rewriting the required applications with City standard development tools.		150,000
One-time funding for a temporary position dedicated to IT Helpdesk phone support. This assistance has greatly improved service response times and increased customer service levels.		49,275
One-time funding to add a software subscription to the firewall to increase security against malware threats. This subscription will enhance security protection for 5 years by providing dynamic analysis of suspicious content, link detection in email to block access to malicious websites, and automatic creation and enforcement of malware protections.		40,000
<u>Information Technology Oversight Committee (ITOC)</u>		
Ongoing funding for support of prioritized projects by ITOC, consisting of a Learning Management System replacement.	100,000	
<u>Law</u>		
One-time funding for furniture and the reconfiguration of office space for the Law Office Supervisor. This position currently supervises twelve employees and is unable to conduct personnel matters, and secure and maintain confidential records in a cubicle environment.		30,400
<u>Management Services</u>		
Ongoing funding to cover the three-percent increase to the professional contract for audit of City's financial statements. The Accounting Division previously absorbed the annual increase during the prior two years of the contract but is unable to absorb the third year increase.	3,000	
Ongoing funding for armored car services for the Accounting and Utility Services Divisions. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	6,000	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Management Services (continued)</u>		
Ongoing funding for Adobe Acrobat Pro and Accurint for Government Software Licensing. One-time funding for the purchase of a second monitor for cashier station. Adobe Acrobat Pro is necessary for digital signature creation to process audit assessment submissions to the Arizona Department of Revenue and Accurint is used for auditing purposes.	\$ 2,977	\$ 210
Ongoing funding for professional development of Purchasing Division staff. The Procurement Officers and Manager hold professional certifications that require continuing education and training in order to retain these certifications. Professional development encourages workplace efficiencies, method sharing, and innovative ideas. This was funded through a reallocation of funds from the City Manager's Office.	2,500	
One-time funding to pay the increase for maintenance and license costs for Tax Mantra (tax software), until such time the City can phase out the software after the State begins administration of Transaction Privilege Sales Tax.		45,943
One-time funding for a consultant to complete the arbitrage evaluation of the City's 2003, 2006, and 2007 tax-exempt bonds. The Internal Revenue Service (IRS) requires rebate and yield restriction calculations on all tax-exempt bonds. The calculations ensure the City complies with all applicable IRS tax-exempt bond regulations.		13,550
<u>Non-Departmental</u>		
Ongoing funding for consultant services for various studies. Each year unanticipated issues or opportunities may come to light. This funding will allow the City the ability to further study if the opportunity is viable.	55,000	
One-time funding for citywide banking fees. The banking services agreement includes checking account maintenance, electronic payments and deposits, wire transfers, credit card payment processing, on-line back transactions, reporting, etc. Typically these fees are netted against interest earned on the operating account, however, due to low interest rates, current earnings are not sufficient to cover fees.		55,000
One-time funding for the East Valley Partnership Branding and Public Relations Campaign. This is the final installment of a three-year commitment to create a brand for East Valley community recognition and economic development.		7,500
<u>Police</u>		
Ongoing funding for the purchase and installation of a 911 Center console workstation and related operating costs. This console will allow for centralization of all ancillary responsibilities in Dispatch and allow for the absorption of future technology monitoring requirements.	2,560	



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Police (continued)</u>		
Ongoing funding for two full-time Civilian Rangemaster positions and associated costs. Police Officers need to practice and qualify on the required skills associated with both pistol and rifle operations under the supervision of a Rangemaster. Adding these two civilian positions will allow for the redeployment of two Police Officers to patrol to address staffing needs.	\$ 183,972	\$
Ongoing and one-time funding for a full-time Police Investigative Specialist position and associated costs, including a vehicle. This position supports the Chandler Housing Authority with matters related to tenants residing in public housing. Adding this civilian position will allow for the redeployment of a Police Officer to patrol to address staffing needs.	92,269	38,533
Ongoing funding for a full-time Police Operations Support Supervisor and associated costs. This position will provide consistency over the responsibility of overseeing the fleet of vehicles, rather than rotating various administrative Police Sergeants through the position. Adding this civilian position will allow a Police Sergeant to redeploy to address sworn staffing needs.	101,111	
Ongoing funding for a contract with the Arizona Humane Society to provide the following services: animal cruelty investigations; medical attention, housing, and transportation for seized animals; forensic services including necropsies; next of kin program; large seizures such as animal hoarding; response to animal abandonment cases; and expert testimony in animal cruelty cases.	35,000	
Ongoing funding for operations and maintenance related to the security cameras replacement project, including licensing, camera repair, and camera replacement.	20,000	
Ongoing funding for training, awareness, and victim support related to Domestic Violence Prevention. Costs will be 100% offset by revenues received from Domestic Violence Prevention fines collected by the City Court.	15,000	
Ongoing funding for armored car services for the Police Department. These services eliminate the City's exposure to risk in transporting funds between City facilities and the bank.	4,158	
One-time funding for the extension of the Crime Analyst contract. Continuation of the contract is critical for training of Automated Tactical Analysis of Crime products to ensure full utilization of the proactive and predictive crime analysis software.		78,225
One-time funding for Latent Print Case Management software. This software will be used in conjunction with current photography equipment to capture and store images. The software will also provide a means to enhance images while maintaining the original image.		115,000



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>Police (continued)</u>		
One-time funding for the purchase of weapon mounted lights and holsters for 325 sworn personnel, as well as 4 hours of mandatory training on the use of weapon mounted lights and 250 rounds of frangible ammunition to be used during the training. This tactical tool gives the ability to shoot with a two-handed grip which provides greater control and stability.	\$	\$ 95,000
One-time funding for community outreach programs, which is 100% offset by revenues received from the sale of unclaimed weapons in accordance with House Bill 2455.		75,000
<u>Transportation & Development</u>		
Ongoing funding of \$16,000 for landscaping costs for Chandler Park and Ride, Transit Plaza, and bus rapid transit stations. Ongoing funding of \$5,000 to cover increased contract costs of our fixed route bus service with Valley Metro RPTA.	21,000	
Ongoing funding for 4.3 new acres of responsibility for landscape maintenance and utilities (including increased utility costs), and replacement of deteriorating irrigation systems.	41,121	
Ongoing funding of \$25,000 for Dial a Ride services to provide travel without the requirement of transfers for ADA Certified Chandler residents who are seniors or disabled. Ongoing funding of \$75,000 for Non ADA Dial a Ride services to accommodate increased demand and offer same day on demand service for Chandler seniors and/or disabled residents.	100,000	
Ongoing and one-time funding for a full-time Street Maintenance Coordinator and associated costs (including a vehicle). This position will help an existing person in this position to direct, oversee, and coordinate street rehabilitation and maintenance projects, along with updating the City's street data inventory and improving long-term coordination challenges between other City programs and development projects.	102,274	34,811
Ongoing and one-time funding for two full-time Asphalt Senior Street Specialists and associated costs. These positions will restore the work group back to an operating framework with two independent crews, increase productivity, and decrease a growing backlog of aging work orders.	176,774	11,000
Ongoing and one-time funding for a SharePoint Project Management Tool, which will assist staff in more efficiently managing and reporting the acquisition, design, construction, and inspection status of capital improvement and development projects from initiation to close-out. The one-time funding is to provide post-implementation support.	129,150	11,375
One-time funding to purchase a vehicle for the Chief Building Inspector since the majority of this position's job duties are field-related. This vehicle had been eliminated during the economic downturn and a personal vehicle was used to perform work duties. Related ongoing funding is requested for fuel and contributions to the Vehicle Replacement Fund.	3,147	19,636



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to General Fund (continued)

	Ongoing <u>Cost</u>	One-time <u>Cost</u>
<u>Transportation & Development (continued)</u>		
Ongoing and one-time funding for 11 monitors for GIS/Data & Mapping Services and two Adobe professional software licenses. These monitors will equip staff with better viewing options for processing full size plan sheets. The software is needed to convert pdf files to tiff images for overlaying them with GIS layers.	\$ 3,360	\$ 23,180
One-time funding for a temporary Capital Projects Support Analyst to maintain the expected level of service in the Capital Projects Division.		65,200
One-time funding for temporary civil plan review services to accommodate demand peaks to maintain current service levels instead of adding staff, as well as to prepare for the electronic plan review project.		100,600
One-time funding to accelerate and complete street maintenance for local and arterial streets. This additional funding will provide 166,160 pounds of crack seal material, 1,640,000 linear feet of crack seal service, 64 lane miles of tire rubber modified surface seal (TRMSS), 14 lane miles of arterial slurry seal, and 8 lane miles of residential slurry seal.		1,000,000
One-time funding to provide the necessary City match of 5.7% for a Maricopa Association of Government's grant to purchase a street sweeper.		14,250



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to Other Funds

The Proposed Budget contains the following additions to Other Funds:

	<u>Ongoing Cost</u>	<u>One-time Cost</u>
<u>City Manager - Airport</u>		
<i>Airport Operating Fund</i>		
Ongoing funding for upgrades to the perimeter security access system. The current operating systems have been in place for 10 years and are in continual need of repair.	\$ 10,000	\$
<u>Human Resources</u>		
<i>Medical Self-Insurance Trust Fund</i>		
Ongoing funding to allow for the expenditure of funds being provided by Blue Cross Blue Shield of Arizona for self-funded administration expenses.	25,000	
<i>Workers Compensation Self-Insurance Trust Fund</i>		
Ongoing funding for an anticipated increase of \$47,000 in Excess (Stop/Loss) Insurance premiums. Our carrier is providing coverage at a lower cost than quoted by other providers, but staff anticipates a 20% premium increase. Ongoing funding of \$25,835 is needed to pay taxes to the Industrial Commission of Arizona based on the increased amount of the City's payroll.	72,835	
One-time funding for a consultant to perform an independent review of workers' compensation claims, the actuarial data, and an overall program assessment. Staff believes this review will provide a better understanding of long-term funding requirements and cost containment strategies, as well as identification of best practices.		50,000
<u>Law</u>		
<i>Insured Liability Self-Insurance Fund</i>		
Ongoing funding for insurance premium increases. Expecting increases ranging from 10% to 20% for fire, public entity liability, cyber security, and underground storage tank coverage. Additionally requesting to purchase environmental liability insurance to cover damages currently excluded from existing policies.	201,500	
Ongoing funding for the purchase of Distributed Denial of Service Protection against cyber-attacks.	60,000	
One-time funding for furniture and the reconfiguration of office space for the Risk Services Coordinator. A secure office space is needed due to the confidential nature of the job functions.		26,500



Fiscal Year (FY) 2016-17 Recommended Budgetary Additions to Other Funds (continued)

Municipal Utilities

Wastewater Operating Fund

Ongoing and one-time funding for a full-time Business Systems Support Analyst, Instrumentation Technician, Wastewater Treatment Plant Operator I, and Wastewater Treatment Plant Operator I and associated costs. These 4 additional staff are needed to ensure a seamless start up and operation of the new five million gallons per day (MGD) wastewater plant expansion. \$ 198,715 \$ 201,056

Solid Waste Operating Fund

Ongoing funding for contract maintenance of 30 acres along the perimeter of the Paseo Vista Recreation area. This area encompasses the side slopes as well as areas at which various landfill monitoring equipment are located. 120,000

Non-Departmental

One-time funding for Biennial Audit of Impact Fees. New Arizona state Statute requires cities to have an outside audit of the Impact Fee Program performed every two years. This funding is split equally at \$2,500 to the following funds: Arterial Street Impact, Public Building Impact, Park Northwest Impact, Park Northeast Impact, Park Southeast Impact, Library Impact, Police Impact, Fire Impact, Water System Development, Water Resource System Development, Water Reclaimed System Development, and Wastewater System Development Funds. 30,000

Police

Police Forfeiture Fund

One-time forfeiture funds will be utilized to supplement various department operational purchases, including, but not limited to, SWAT team equipment, confidential informant payments, body worn cameras, and Police Impound remodel. The 2017-2026 Capital Improvement Program includes \$1,000,000 in Police Forfeiture funding for construction of the Public Safety Training Center, which is not included in the operating budget total of \$1,315,000. 1,315,000

Transportation and Development

Local Transportation Assistance Fund

One-time funding for transit maintenance and operations, including bus shelter lighting repair as well as installing, relocating, and refurbishing bus shelters. 50,000



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – General Fund

The table below depicts the Decision Package requests submitted by all Departments for the General Fund, followed by Other Funds. In many cases the requests were modified during the review process, so what is shown here is the “final” request from the Department. The columns on the right indicate whether the request was recommended “As Submitted” from the Department (first column), recommended but for a “Revised” amount (middle column), or “Unfunded” this year (last column). The totals in the right column indicate the amounts recommended for funding in FY 2016-17.

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Buildings and Facilities									
Fire Station #1 Conversion*		\$ -	\$ 5,500	\$ -	\$ -	\$ 5,500	X		
Energy Management Programmer (\$35,000 budget reduction in O&M Other Professional)	1.00	99,711	3,180	-	3,530	106,421		X	
Work Tablets for Facility Maintenance Staff		-	12,138	-	53,200	65,338		X	
Building Plumbing Preventive Maintenance Service		-	40,000	-	-	40,000	X		
Electrician Helper - Temporary		19,000	2,410	-	-	21,410		X	
Articulating Lift		-	-	-	77,000	77,000		X	
Buildings and Facilities Total	1.00	\$ 118,711	\$ 63,228	\$ -	\$ 133,730	\$ 315,669	\$	268,169	
CAPA									
City Hall Security (Management Services partial offset)		\$ 5,000	\$ 3,000	\$ -	\$ -	\$ 8,000		X	
Social Media Archive		-	8,000	-	-	8,000			X
Social Media Online Hub		-	15,000	-	-	15,000		X	
5th Floor Administrative Assistant		36,000	1,010	-	2,896	39,906	X		
Cable Access Channel (100% revenue offset)		-	-	-	200,000	200,000	X		
Video Production and Photography Contract		-	-	-	60,000	60,000		X	
Web Site Design		-	-	-	150,000	150,000	X		
Print Finishing Equipment		-	-	-	29,000	29,000	X		
Customer Connection		-	-	-	10,000	10,000			X
CAPA Total	0.00	\$ 41,000	\$ 27,010	\$ -	\$ 451,896	\$ 519,906	\$	489,907	
City Clerk									
Recording Fee (\$1,500 revenue offset)		\$ -	\$ 2,500	\$ -	\$ 1,500	\$ 4,000	X		
Election 2016		-	-	-	200,000	200,000	X		
City Clerk Total	0.00	\$ -	\$ 2,500	\$ -	\$ 201,500	\$ 204,000	\$	204,000	
City Magistrate									
Armored Car Services (Court Enhancement Fund) (100% revenue offset)		\$ -	\$ 4,200	\$ -	\$ -	\$ 4,200	X		
City Magistrate Total	0.00	\$ -	\$ 4,200	\$ -	\$ -	\$ 4,200	\$	4,200	
City Manager - Planning									
On Call Temporary Services		\$ -	\$ -	\$ 77,000	\$ -	\$ 77,000	X		
City Manager Total	0.00	\$ -	\$ -	\$ 77,000	\$ -	\$ 77,000	\$	77,001	
Community & Neighborhood Services									
Wheelchair Accessible 14-Passenger Bus		\$ -	\$ 2,100	\$ -	\$ 68,000	\$ 70,100		X	
Armored Courier Service for Environment Education Center, Community Center, Tumbleweed Recreation Center, and Snedigar Recreation Center		-	12,745	-	-	12,745	X		
Aquatic Maintenance Technician	1.00	83,699	8,250	-	41,000	132,949		X	
ADA Coordinator	1.00	103,589	1,640	-	1,786	107,015			X
4th of July Celebration		-	15,000	-	-	15,000	X		
Paseo Vista Recreation Area Landscape Maintenance		-	51,624	-	-	51,624		X	
VITA - Volunteer Income Tax Assistance Program		-	6,000	-	-	6,000		X	
Diversity Events		-	10,000	-	-	10,000	X		

*CIP related



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – General Fund (continued)

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Community & Neighborhood Services (continued)									
Volunteer Recognition - For Our City		-	3,000	-	-	3,000	X		
Neighborhood Events - For Our City		-	8,000	-	-	8,000	X		
Aquatic Temporary Salary Supplement		15,000	-	-	-	15,000		X	
Increase Tennis Center Operational Hours (\$19,230 personnel cost adjusted for true net cost, \$16,000 revenue offset)	0.25	16,515	5,500	-	-	22,015	X		
Business System Support Specialist/Technology Coordinator	1.00	97,344	3,530	-	1,780	102,654			X
Recreation Coordinator I (Aquatics)	1.00	86,936	8,460	-	1,786	97,182	X		
Parks Maintenance Technician	1.00	83,699	7,811	-	45,000	136,510		X	
Lap Swim Program - Desert Oasis Aquatic Center (\$3,382 revenue offset)		12,129	24,562	-	1,500	38,191	X		
American Red Cross Authorize Provider Fees (100% revenue offset)		-	10,525	-	-	10,525	X		
Tumbleweed Parade of Lights - Winner Prize Money (100% revenue offset)		-	1,250	-	-	1,250	X		
Special Event Vendors (\$5,650 revenue offset)		-	3,000	-	-	3,000		X	
Com. Center/Downtown Stage Event Parking Staff		4,478	-	-	-	4,478		X	
Special Events - Trash Can Rentals (\$3,000 revenue offset)		-	3,000	-	-	3,000	X		
Fire Station Landscape Maintenance		-	30,000	-	-	30,000		X	
TRC Security Cameras		-	-	-	28,800	28,800	X		
TRC Tree House Playground		-	-	-	25,000	25,000	X		
TRC Playground Shade Structure		-	-	-	30,000	30,000	X		
Downtown Stage Additions		-	-	-	70,600	70,600		X	
TRC Audio/Video		-	-	-	52,000	52,000	X		
Senior Center Needs Assessment		-	-	-	70,000	70,000		X	
Human Services Needs Assessment		-	-	-	100,000	100,000			X
Chandler Jazz Festival		-	-	-	40,000	40,000	X		
Digital Signature Pads		-	-	-	8,365	8,365			X
Aquatic Centers Wi-Fi		-	-	-	50,000	50,000			X
Parks and Recreation Master Plan		-	-	-	150,000	150,000			X
Housing & Neighborhood Wi-Fi		-	-	-	75,000	75,000		X	
For Our City - Op Back to School/FOC Breakfast (100% revenue offset)		-	-	-	50,000	50,000	X		
Celebration of Unity/MLK Events (100% revenue offset)		-	-	-	50,000	50,000	X		
Indian Art Market (100% revenue offset)		-	-	-	10,000	10,000	X		
Garibaldi Night (100% revenue offset)		-	-	-	10,000	10,000	X		
Tennis Tournaments (100% revenue offset)		-	-	600	5,450	6,050	X		
Neighborhood Programs Tool Trailer		-	-	-	18,950	18,950	X		
Community & Neighborhood Services Total	5.25	\$ 503,389	\$ 215,997	\$ 600	\$ 1,005,017	\$ 1,725,003			\$ 1,007,593
Cultural Affairs									
Library - Security for Downtown & Sunset Locations		\$ -	\$ 57,050	\$ -	\$ -	\$ 57,050		X	
Chandler Museum Color Copier		-	430	-	6,340	6,770	X		
Library - Regular Part Time Library Assistants (\$61,807 budget reduction in O&M Temporary)	1.50	131,653	-	-	-	131,653		X	
Public Art Maintenance Fund		-	7,500	-	-	7,500		X	
School Field Trips and Programs at Chandler Museum		5,000	-	-	-	5,000		X	
Library - Van		-	2,962	-	25,555	28,517	X		
Temporary Services - Library		3,932	-	-	-	3,932		X	
Center for the Arts - Armored Car Service		-	4,159	-	-	4,159	X		
Library - Armored Car Service		-	11,110	-	-	11,110	X		
Relocating the Chandler Museum Collection		-	-	5,000	26,000	31,000		X	
Grand Piano Refurbishment (\$4,875 revenue offset)		-	-	-	9,750	9,750	X		
Smithsonian Traveling Exhibit at Chandler Museum		-	-	-	9,000	9,000			X
Rolling Unit Mobile Walls Replacement		-	-	-	10,000	10,000	X		
High Definition Cameras		-	-	-	7,500	7,500	X		

*CIP related



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – General Fund (continued)

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Cultural Affair (continued)									
Exterior Color Wheel Replacement		-	-	-	18,000	18,000	X		
Chandler Historical Society Luncheon		-	-	-	4,500	4,500	X		
Chandler Symphony Orchestra		-	-	-	40,000	40,000	X		
Cultural Affairs Total	1.50	\$ 140,585	\$ 83,211	\$ 5,000	\$ 156,645	\$ 385,441	\$ 367,890		
Economic Development									
Economic Development Marketing Initiative		\$ -	\$ 6,000	\$ -	\$ 94,000	\$ 100,000		X	
Economic Development Export Assistance Program		-	8,600	-	2,000	10,600	X		
Strategic Business Attraction Funding		-	10,000	-	-	10,000	X		
Economic Development Administrative Support	1.00	68,457	-	-	-	68,457			X
Entrepreneurial & Small Business Development Svcs		-	-	-	250,000	250,000	X		
Tourism Funding		-	-	-	63,500	63,500	X		
Innovations Technology Incubator		-	-	-	25,000	25,000	X		
Science Saturday Event - Sponsorship (100% revenue offset)		-	-	-	5,000	5,000	X		
Economic Development Total	1.00	\$ 68,457	\$ 24,600	\$ -	\$ 439,500	\$ 532,557	\$ 398,100		
Fire, Health & Medical Department									
Training Center Expansion Ongoing*		\$ -	\$ 11,173	\$ -	\$ -	\$ 11,173	X		
Electronic Patient Care Reporting		-	57,000	14,000	50,000	121,000		X	
Fire Vehicle Automotive Supplies Line Adjustment		-	42,000	-	-	42,000		X	
Motor Pool Automotive Supplies Line Adjustment		-	8,000	-	-	8,000	X		
Car Seat Program		20,000	-	-	-	20,000		X	
Facility Landscaping		-	41,000	-	-	41,000		X	
Volunteer Training Program		-	6,000	-	-	6,000			X
Thermal Imaging Camera Purchase		-	-	-	95,000	95,000			X
Medical Equipment Inventory Control System		-	-	-	184,000	184,000	X		
Back-up Cameras for Emergency Vehicles		-	-	-	10,000	10,000	X		
Bilevel Postitive Airway Pressure Replacement		-	-	2,000	298,000	300,000			X
Transmission Cooler Presumptive Maintenance		-	-	-	25,000	25,000	X		
Burn Tower Electrical Lighting Repair		-	-	-	10,000	10,000			X
Building Sustainability Study		-	-	-	52,000	52,000			X
Grant Matching Funds		-	-	-	120,000	120,000	X		
Fire, Health & Medical Department Total	0.00	\$ 20,000	\$ 165,173	\$ 16,000	\$ 844,000	\$ 1,045,173	\$ 515,173		
Human Resources									
Employee Service Recognition Program		\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000	X		
NEOGOV (OnBoarding)		-	18,585	-	6,000	24,585	X		
Training Rooms: New & Replacemnt Equipment		-	500	-	5,300	5,800	X		
Social Media Recruitment		-	-	-	2,000	2,000	X		
Human Resources Total	0.00	\$ -	\$ 29,085	\$ -	\$ 13,300	\$ 42,385	\$ 42,385		
Information Technology									
Support and Maintenance		\$ -	\$ 51,900	\$ -	\$ -	\$ 51,900	X		
Primary Internet Connection		-	26,000	-	-	26,000	X		
Mobile Device Technician	1.00	90,534	2,155	-	2,111	94,800	X		
Web Developer	1.00	117,652	2,155	-	2,111	121,918	X		
IBM Domino Application Migration		-	-	-	150,000	150,000	X		
Building Information Technology's Workforce	3.00	345,662	6,465	-	6,333	358,460			X
Network Connectivity Security*		-	38,000	-	-	38,000	X		
IT Help Desk Phone Support Position		-	-	49,275	-	49,275		X	
Cyber Security Malware Protection		-	-	-	40,000	40,000	X		
Information Technology Total	5.00	\$ 553,848	\$ 126,675	\$ 49,275	\$ 200,555	\$ 930,353	\$ 576,930		

*CIP related



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – General Fund (continued)

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Information Technology Oversight Committee (ITOC) Information Technology Oversight Committee Program*		\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	X		
ITOC Total	0.00	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	\$	100,000	
Law Office Reconfiguration		\$ -	\$ -	\$ -	\$ 30,400	\$ 30,400	X		
Law Total	0.00	\$ -	\$ -	\$ -	\$ 30,400	\$ 30,400	\$	30,400	
Management Services Audit Fees		\$ -	\$ 3,000	\$ -	\$ -	\$ 3,000	X		
Armored Car Services		-	3,000	-	-	3,000	X		
Armored Car Services		-	3,000	-	-	3,000	X		
Software Licensing and Hardware		-	2,977	-	210	3,187	X		
Professional Development (City Manager offset)		-	2,500	-	-	2,500	X		
Tax Mantra Support and Maintenance		-	-	-	45,943	45,943	X		
Arbitrage Compliance Consulting Service		-	-	-	13,550	13,550	X		
Management Services Total	0.00	\$ -	\$ 14,477	\$ -	\$ 59,703	\$ 74,180	\$	74,180	
Non-Departmental Citywide Banking Fees		\$ -	\$ -	\$ -	\$ 55,000	\$ 55,000	X		
Consultant Services for Various Studies		-	-	-	50,000	50,000		X	
East Valley Partnership Branding & Public Relations		-	-	-	7,500	7,500	X		
Non-Departmental Total	0.00	\$ -	\$ -	\$ -	\$ 112,500	\$ 112,500	\$	117,500	
Police Department 911 Center Console Workstations*		\$ -	\$ 2,560	\$ -	\$ -	\$ 2,560	X		
Police Officers for Desert Breeze & Chn Heights	12.00	1,151,894	238,230	-	540,246	1,930,370			X
Civilian Rangemasters	2.00	168,899	4,700	-	-	173,599	X		
Police Investigative Specialist (Housing)	1.00	75,010	16,455	-	38,533	129,998	X		
Civilian Admin/Fleet Supervisor	1.00	98,441	1,700	-	-	100,141	X		
Dispatcher Early Higher Positions	3.00	237,434	-	-	-	237,434			X
Vice/Human Trafficking Detective Staffing	2.00	191,982	48,424	-	86,628	327,034			X
Police Officer Cell Phone Implementation (\$6,720 budget reduction in O&M Telephone Service)		-	200,400	-	120,000	320,400			X
Detention Officer Staffing	1.00	75,010	5,303	-	10,413	90,726			X
Police Radio Communications Analyst (\$73,700 budget reduction in O&M Other Expenses)	1.00	103,589	6,345	-	12,966	122,900			X
Arizona Humane Society Contract		-	35,000	-	-	35,000	X		
Security Camera System Replacement*		-	20,000	-	-	20,000	X		
Domestic Violence Prevention Funds (100% revenue offset)		-	15,000	-	-	15,000	X		
Bank Charges Related to Armored Car Services		-	4,158	-	-	4,158	X		
Crime Analyst Contract Extension		-	-	-	78,225	78,225	X		
Latent Print Case Management Software		-	-	-	115,000	115,000	X		
Weapon Mounted Lights and Holsters		-	-	-	95,000	95,000	X		
HB2455 Weapons Proceeds (100% revenue offset)		-	-	-	75,000	75,000	X		
Police Department Total	23.00	\$ 2,102,259	\$ 598,275	\$ -	\$ 1,172,011	\$ 3,872,545	\$	855,828	

*CIP related



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – General Fund (continued)

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Transportation and Development									
Transit Maintenance and Operations		\$ -	\$ 21,000	\$ -	\$ -	\$ 21,000	X		
Landscape Maintenance & Utilities		-	41,121	-	-	41,121	X		
O&M for Completed City Projects*		-	2,201	-	-	2,201			X
Dial a Ride		-	100,000	-	-	100,000	X		
Street Maintenance Coordinator	1.00	90,572	9,033	-	34,811	134,416	X		
Two Asphalt Senior Streets Specialist	2.00	161,483	11,680	-	11,000	184,163	X		
Concrete Senior Streets Specialist	1.00	80,745	5,840	-	5,500	92,085			X
Concrete Senior Streets Specialist	1.00	80,745	5,840	-	5,500	92,085			X
SharePoint Project Management Tool*		-	129,150	-	11,375	140,525	X		
Transit Services Assistant	1.00	98,786	-	-	-	98,786			X
Capital Projects Support Specialists	1.00	79,145	-	-	-	79,145		X	
Chief Building Inspector Vehicle		-	3,147	-	19,636	22,783	X		
Monitors & Software for T&D		-	3,360	-	23,180	26,540	X		
On Call Temporary Services (5219)		-	-	209,500	-	209,500		X	
Street Maintenance Program		-	-	-	1,000,000	1,000,000	X		
Street Sweeper 5.7% Match		-	-	-	14,250	14,250	X		
Transportation and Development Total	7.00	\$ 591,476	\$ 332,372	\$ 209,500	\$ 1,125,252	\$ 2,258,600			\$ 1,856,878
GRAND TOTAL GENERAL FUNDS	43.75	\$4,139,725	\$1,786,803	\$ 357,375	\$ 5,946,009	\$ 12,229,912			\$ 6,986,134
Budget Reductions		<i>(61,807)</i>	<i>(131,420)</i>	-	-	<i>(193,227)</i>			<i>(66,374)</i>
Revenue Offsets		-	<i>(60,507)</i>	<i>(600)</i>	<i>(410,325)</i>	<i>(471,432)</i>			<i>(469,582)</i>
TOTAL GENERAL FUND REFLECTING OFFSETS	43.75	\$4,077,918	\$1,594,876	\$ 356,775	\$ 5,535,684	\$ 11,565,253			\$ 6,450,178

*CIP related



Fiscal Year (FY) 2016-17 Complete List of Decision Packages – Other Funds

Addition	FTE	REQUESTED AMOUNTS				Total	Recomm.		
		Personnel Ongoing	Other Ongoing	Personnel One-Time	Other One-Time		As Subm.	Revised	Unfunded
Airport									
Airport Security Gate Operators		\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000	X		
Airport Operating Fund Total	0.00	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000			\$ 10,000
Human Resources									
Blue Cross Blue Shield Self-Funded Admin Expenses (100% revenue offset)		\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000	X		
Medical Self-Insurance Trust Total	0.00	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000			\$ 25,000
Excess Stop/Loss Ins. & Premium Insurance		\$ -	\$ 72,835	\$ -	\$ -	\$ 72,835	X		
Worker's Comp Strategic Risk Plan		-	-	-	50,000	50,000	X		
Workers Compensation Self-Insurance Trust Total	0.00	\$ -	\$ 72,835	\$ -	\$ 50,000	\$ 122,835			\$ 122,835
Law									
Insurance Premiums Increase		\$ -	\$ 201,500	\$ -	\$ -	\$ 201,500	X		
Distributed Denial of Service Protection		-	60,000	-	-	60,000	X		
Office Reconfiguration		-	-	-	26,500	26,500	X		
Insured Liability Self-Insurance Fund Total	0.00	\$ -	\$ 261,500	\$ -	\$ 26,500	\$ 288,000			\$ 288,000
Municipal Utilities									
Ocotillo Water Reclamation Facility Expansion	4.00	\$ 205,197	\$ 2,320	\$ -	\$ 4,660	\$ 212,177			
Wastewater Operating Fund Total	4.00	\$ 205,197	\$ 2,320	\$ -	\$ 4,660	\$ 212,177			\$ 399,771
Paseo Vista Recreation Area Contract Maintenance		\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	X		
Solid Waste Operating Fund Total	0.00	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000			\$ 120,000
Non-Departmental									
Biennial Audit of Impact Fees		\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	X		
Various Impact Fee Funds Total	0.00	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000			\$ 30,000
Police Department									
Planned Forfeiture Fund Projects		\$ -	\$ -	\$ -	\$ 1,315,000	\$ 1,315,000	X		
Police Forfeiture Fund Total	0.00	\$ -	\$ -	\$ -	\$ 1,315,000	\$ 1,315,000			\$ 1,315,000
Transportation & Development									
Transit Maintenance and Operations		\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	X		
Local Transportation Assistance Fund Total	0.00	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000			\$ 50,000
GRAND TOTAL OTHER FUNDS	4.00	\$ 205,197	\$ 491,655	\$ -	\$ 1,476,160	\$ 2,173,012			\$ 2,360,606
Budget Reductions									
Revenue Offsets		-	(25,000)	-	-	(25,000)			(25,000)
TOTAL OTHER FUND REFLECTING OFFSETS	4.00	\$ 205,197	\$ 466,655	\$ -	\$ 1,476,160	\$ 2,148,012			\$ 2,335,606
GRAND TOTAL ALL FUNDS	47.75	\$ 4,344,922	\$ 2,278,458	\$ 357,375	\$ 7,422,169	\$ 14,402,924			\$ 9,346,740
ALL Budget Reductions			(61,807)	(131,420)	-	(193,227)			(66,374)
ALL Revenue Offsets			-	(85,507)	(600)	(410,325)			(496,432)
TOTAL ALL FUNDS REFLECTING OFFSETS	47.75	\$ 4,283,115	\$ 2,061,531	\$ 356,775	\$ 7,011,844	\$ 13,713,265			\$ 8,785,784

*CIP related



Personnel Summaries

Position Reclassification Summary for Fiscal Year (FY) 2015-16

(including reclassifications effective July 1, 2016)

<u>Dept.</u>	<u>Cost Center</u>	<u>Reclassified From</u>	<u>Reclassified To</u>
Community & Neighborhood Services			
	Neighborhood Resources (1060)	(1) Neighborhood Programs Coordinator	Neighborhood Programs Supervisor
	Park Development & Operations (4530)	(1) Senior Administrative Assistant	Administrative Assistant
	Park Development & Operations (4530)	(1) Recreation Coordinator II	* Parks Maintenance Supervisor
	Sports and Fitness Facilities (4551)	(1) Recreation Coordinator I	Recreation Coordinator II
Fire, Health & Medical			
	Prevention and Preparedness (2240)	(1) Senior Administrative Assistant	Senior Management Analyst
General Government			
	Buildings and Facilities (3200)	(1) Building Access & Administrative Coordinator	Business Systems Support Specialist
	City Magistrate (1050)	(1) Management Assistant	Senior Management Analyst
	Center for the Arts (1100)	(1) Customer Service Representative	Senior Administrative Assistant
	Downtown Redevelopment	(1) Senior Administrative Assistant	Management Assistant
	Economic Development (1520)	(1) Economic Development Program Manager	Economic Development Specialist
	IT Service Delivery Mgmt & Admin (1199)	(1) Administrative Assistant	Senior Administrative Assistant
	IT Applications Support (1200)	(1) IT Senior Service Delivery Analyst	* IT Senior Programmer/Analyst
	IT Applications Support (1200)	(1) IT Programmer	IT Programmer/Analyst
	Library (4310)	(1) Library Aide	Graphic Designer ⁽¹⁾
Management Services			
	Budget (1195)	(1) Financial Analyst	Senior Budget & Research Analyst
	Utility Services (1245)	(1) Lead Utility Billing Representative	Customer Service Supervisor
	Utility Services (1245)	(1) Customer Service Supervisor	Billing and Compliance Specialist
Municipal Utilities			
	Municipal Utilities Administration (3050)	(1) Utilities Safety/Security Coordinator	* Utility Program Coordinator
	Water Distribution (3800)	(2) Utilities Systems Technician I	Utilities Systems Technician II
	Ocotillo Brine Reduction Facility (3930)	(1) Wastewater Treatment Plant Operator II	* Reverse Osmosis Water Plant Operator II
	Ocotillo Brine Reduction Facility (3930)	(1) Reverse Osmosis Water Plant Operator III	Plant Operations Supervisor
	Airport Water Reclamation Facility (3960)	(1) Utilites Systems Maintenance Superintendent	* Wastewater Maintenance Superintendent
	Airport Water Reclamation Facility (3960)	(1) Wastewater Facilities Superintendent	Wastewater Facilities Manager
	Ocotillo Water Reclamation Facility (3970)	(1) Utilities Facility Superintendent	Wastewater Facilities Superintendent
Police			
	Forensic Services (2021)	(2) Forensic Scientist II	Forensic Scientist III
	Communications (2060)	(1) Dispatcher	Dispatch Supervisor
Transportation & Development			
	Capital Projects (3025)	(1) Project Support Assistant	Contract Compliance Specialist
	Capital Projects (3025)	(1) Public Works Inspector	Capital Projects Supervisor
	Capital Projects (3025)	(1) Real Estate Coordinator	Real Estate Manager
	Capital Projects (3025)	(1) Real Estate Coordinator	Real Estate Specialist
	Streets (3300)	(1) Landscape Compliance Coordinator	Landscape Maintenance & Design Coordinator
	Streets (3300)	(1) Senior Streets Maintenance Coordinator	Streets Project Manager
	Streets (3300)	(1) Street Maintenance Worker	Streets Specilast
	Traffic Engineering (3330)	(1) Transportation Studies Manager	Senior Engineer

* Title change only; grade and/or salary not impacted.

⁽¹⁾ This reclass also converted the position from 1.0 FTE to 0.5 FTE; see Personnel Changes on next page.



Personnel Changes during Fiscal Year (FY) 2015-16 - All Funds

FTE	Position Added/Deleted	Department	Cost Center
0.25	Library Assistant ⁽¹⁾ *	City Manager - Cultural Affairs	Library (4310)
(0.50)	Graphic Designer ⁽²⁾ *	City Manager - Cultural Affairs	Library (4310)
1.00	Wellness Coordinator *	City Manager	Human Resources (1250)
0.75	TOTAL		

* Ongoing funding was used to establish these new positions during FY 2015-16; as a result, there was no increase to funds.

⁽¹⁾ Increased position from 0.75 FTE to 1.0 FTE.

⁽²⁾ As noted on the prior page's Position Reclassification Summary, a 1.0 FTE Library Aide was reclassified to a 0.5 FTE Graphic Designer.



Fiscal Year (FY) 2016-17 Position Additions – All Funds

Community & Neighborhood Services Department

Aquatics (4520)	1.000	Recreation Coordinator I
Sport and Fitness Facilities (4551)	0.250	Customer Service Representative ⁽¹⁾
	1.250	Total Community & Neighborhood Services Department

General Government

IT Infrastructure & Client Support (1280)	1.000	IT Programmer/Analyst
IT Infrastructure & Client Support (1280)	1.000	IT Service Desk Technician
Library (4310)	1.500	Library Assistant ⁽²⁾
	3.500	Total Organizational Support

Municipal Utilities Department

Ocotillo Water Reclamation Facility (3970)	1.000	Business Systems Support Specialist
Ocotillo Water Reclamation Facility (3970)	1.000	Instrumentation Technician
Ocotillo Water Reclamation Facility (3970)	1.000	Wastewater Treatment Plant Operator I
Ocotillo Water Reclamation Facility (3970)	1.000	Wastewater Treatment Plant Operator II
	4.000	Total Municipal Utilities Department

Police Department

Field Operations (2030)	1.000	Police Operations Support Supervisor
Police Community Resources & Training (2080)	2.000	Rangemaster
Police Community Resources & Training (2080)	1.000	Police Investigative Specialists
	4.000	Total Police Department

Transportation & Development Department

Streets (3300)	1.000	Street Maintenance Coordinator
Streets (3300)	2.000	Senior Streets Specialist
	3.000	Total Transportation & Development Department

15.750 **Grand Total - Additions**

⁽¹⁾ Existing position increased from 0.75 FTE to 1.0 FTE.

⁽²⁾ Three 0.5 FTE positions added.



Budget Highlights

Personnel Ongoing and One-Time Costs and Budgets by Fund⁽¹⁾

Fund Description	2014-15 Actual Expenditures	2015-16 Adopted Budget	2015-16 Adjusted Budget	2015-16 Estimated Expenditures	2016-17 Proposed Budget	% Chg Adj to Proposed
General Fund	\$ 141,380,121	\$ 155,756,596	\$ 156,038,684	\$ 153,693,237	\$ 160,746,972	3.0%
Ongoing*	-	149,739,896	150,021,984	147,676,537	152,542,281	1.7%
One-time*	-	6,016,700	6,016,700	6,016,700	8,204,691	36.4%
Special Revenue Funds	\$ 3,983,837	\$ 4,349,323	\$ 4,356,180	\$ 4,296,762	\$ 4,446,110	2.1%
Ongoing*	-	4,349,323	4,356,180	4,296,762	4,446,110	2.1%
One-time*	-	-	-	-	-	N/A
Grants Funds⁽²⁾	\$ 2,493,123	\$ 2,738,402	\$ 3,406,131	\$ 3,015,225	\$ 4,096,909	20.3%
Ongoing*	-	2,738,402	3,406,131	3,015,225	4,096,909	20.3%
One-time*	-	-	-	-	-	N/A
Internal Service Funds	\$ 2,663,030	\$ 3,083,407	\$ 3,083,407	\$ 3,270,466	\$ 2,781,484	-9.8%
Ongoing*	-	2,358,407	2,358,407	2,545,466	2,479,609	5.1%
One-time*	-	725,000	725,000	725,000	301,875	N/A
Enterprise Funds	\$ 15,362,814	\$ 18,509,819	\$ 18,543,213	\$ 17,770,487	\$ 19,192,096	3.5%
Ongoing*	-	18,509,819	18,543,213	17,770,487	18,995,701	2.4%
One-time*	-	-	-	-	196,396	N/A
Trust and Agency Funds	\$ 1,283	\$ 5,972	\$ 5,972	\$ 4,972	\$ 6,062	1.5%
Total Ongoing	\$ 165,884,209	\$ 177,701,819	\$ 178,691,887	\$ 175,309,449	\$ 182,566,672	2.2%
Total One-time	\$ -	\$ 6,741,700	\$ 6,741,700	\$ 6,741,700	\$ 8,702,962	29.1%
Grand Total	\$ 165,884,209	\$ 184,443,519	\$ 185,433,587	\$ 182,051,149	\$ 191,269,633	3.1%

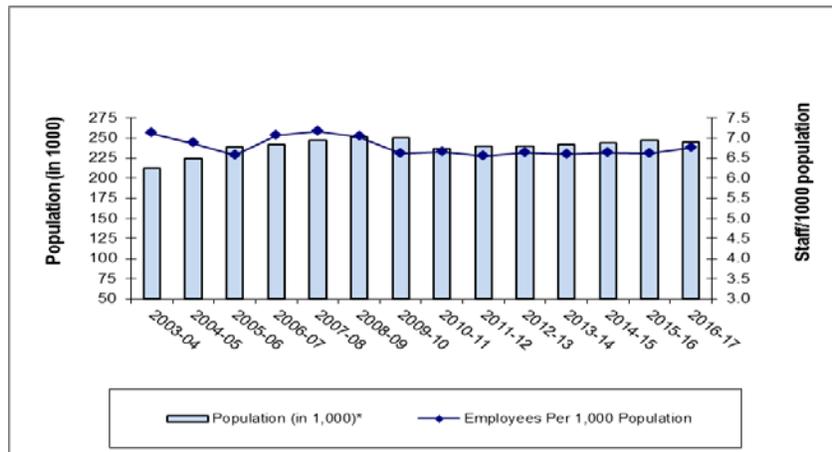
* Ongoing and One-time detail not available for Fiscal Year (FY) 2014-15 Actual Expenditures.

⁽¹⁾ Personnel costs include wages, benefit costs, and temporary employment costs.

⁽²⁾ 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.





Budget Highlights

Number of Personnel Full Time Equivalent
Fiscal Year (FY) 2016-17

	2013-14 Revised	2014-15 Revised	2015-16 Adopted	2015-16 Revised	New Requests/ Reductions	Transfers as of 7/1/2016	2016-17 Proposed
General Government							
Mayor and Council	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Communications/Public Affairs							
Communications/Public Affairs	6.000	6.000	7.000	7.000	0.000	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
	14.000	14.000	15.000	15.000	0.000	0.000	15.000
City Clerk	6.000	6.000	6.000	6.000	0.000	0.000	6.000
City Manager Administration	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Organizational Development							
Airport	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Buildings & Facilities	42.000	42.000	43.000	43.000	0.000	0.000	43.000
Cultural Affairs Administration ⁽¹⁾	0.000	0.000	4.000	4.000	0.000	0.000	4.000
Center for the Arts ⁽¹⁾	13.000	13.000	13.000	13.000	0.000	0.000	13.000
Library ⁽¹⁾	62.550	62.550	60.550	60.300	1.500	0.000	61.800
Museum ⁽¹⁾	4.750	4.750	3.750	3.750	0.000	0.000	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	22.000	23.000	0.000	0.000	23.000
IT Service Delivery Mgmt & Admin.	14.000	14.000	13.000	13.000	0.000	0.000	13.000
IT Applications Support	18.000	18.000	20.000	20.000	0.000	0.000	20.000
IT Infrastructure & Client Support	20.000	20.000	20.000	20.000	2.000	0.000	22.000
Neighborhood Resources ⁽²⁾	5.150	5.150	0.000	0.000	0.000	0.000	0.000
Code Enforcement ⁽²⁾	10.500	11.500	0.000	0.000	0.000	0.000	0.000
Housing and Redevelopment ⁽²⁾	21.750	22.750	0.000	0.000	0.000	0.000	0.000
Community Development ⁽²⁾	6.100	6.100	0.000	0.000	0.000	0.000	0.000
Planning ⁽³⁾	0.000	0.000	14.000	14.000	0.000	0.000	14.000
	252.800	254.800	228.300	229.050	3.500	0.000	232.550
City Magistrate	41.000	41.000	41.000	41.000	0.000	0.000	41.000
Law							
Law	28.000	28.000	27.000	27.000	0.000	0.000	27.000
Liability Litigation	4.000	4.000	4.000	4.000	0.000	0.000	4.000
	32.000	32.000	31.000	31.000	0.000	0.000	31.000
Subtotal - General Government	355.800	357.800	331.300	332.050	3.500	0.000	335.550

⁽¹⁾ 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.

⁽²⁾ 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.

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



Number of Personnel Full Time Equivalent (continued)

	2013-14 Revised	2014-15 Revised	2015-16 Adopted	2015-16 Revised	New Requests/ Reductions	Transfers as of 7/1/2016	2016-17 Proposed
Community & Neighborhood Svcs⁽¹⁾							
Administration	3.000	3.000	0.000	0.000	0.000	0.000	0.000
Neighborhood Resources	0.000	0.000	6.800	6.800	0.000	(1.800)	5.000
Code Enforcement	0.000	0.000	12.500	12.500	0.000	0.000	12.500
Aquatics	15.750	15.750	15.750	15.750	1.000	0.000	16.750
Parks Operations	53.000	53.000	54.000	54.000	0.000	0.000	54.000
Recreation	8.250	8.375	8.375	8.375	0.000	0.000	8.375
Sports and Fitness Facilities	17.125	17.125	17.125	17.125	0.250	0.000	17.375
Nature and Recreation Facilities	13.875	13.875	13.875	13.875	0.000	0.000	13.875
Housing and Redevelopment	0.000	0.000	23.200	23.500	0.000	0.000	23.500
Community Development	0.000	0.000	6.000	5.700	0.000	1.800	7.500
	111.000	111.125	157.625	157.625	1.250	0.000	158.875
Fire, Health & Medical							
Administration	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Health and Medical Services	10.000	10.000	10.000	10.000	0.000	0.000	10.000
Operations	189.000	189.000	189.000	189.000	0.000	0.000	189.000
Prevention and Preparedness	13.000	13.000	13.000	13.000	0.000	0.000	13.000
Support Services	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Fleet Services	11.000	12.000	12.000	12.000	0.000	0.000	12.000
	233.000	234.000	234.000	234.000	0.000	0.000	234.000
Management Services							
Administration	4.000	4.000	4.000	4.000	0.000	0.000	4.000
Budget	6.000	6.000	6.000	6.000	0.000	0.000	6.000
Purchasing	7.000	6.900	6.900	6.900	0.000	0.000	6.900
Central Supply	5.000	5.100	5.100	5.100	0.000	0.000	5.100
Accounting	16.000	17.000	17.000	17.000	0.000	0.000	17.000
Tax and License	21.000	21.000	20.500	20.500	0.000	0.000	20.500
Utility Services	11.000	11.000	10.500	10.500	0.000	0.000	10.500
Environmental Management	3.500	3.500	3.000	3.000	0.000	0.000	3.000
	73.500	74.500	73.000	73.000	0.000	0.000	73.000

⁽¹⁾ 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.



Budget Highlights

Number of Personnel Full Time Equivalent (continued)

	2013-14 Revised	2014-15 Revised	2015-16 Adopted	2015-16 Revised	New Requests/ Reductions	Transfers as of 7/1/2016	2016-17 Proposed
Municipal Utilities							
Administration	6.000	8.000	8.000	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	13.000	13.000	13.000	0.000	0.000	13.000
Environmental Resources	8.000	9.000	9.000	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	20.000	20.000	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	15.000	15.000	17.000	17.000	0.000	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	24.000	26.000	26.000	26.000	0.000	0.000	26.000
Ocotillo Water Reclamation Facility	0.000	12.000	12.000	12.000	4.000	0.000	16.000
	175.000	191.000	193.000	193.000	4.000	0.000	197.000
Police							
Administration	10.000	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	21.000	21.000	21.000	0.000	0.000	21.000
Field Operations	218.000	218.000	218.000	218.000	1.000	3.000	222.000
Criminal Investigations	90.000	92.000	94.000	94.000	0.000	0.000	94.000
Planning and Research	11.000	9.000	9.000	9.000	0.000	0.000	9.000
Communications	53.000	46.000	46.000	46.000	0.000	0.000	46.000
Technology	0.000	9.000	11.000	11.000	0.000	0.000	11.000
Records	24.000	23.000	24.000	24.000	0.000	0.000	24.000
Detention Services	10.000	11.000	11.000	11.000	0.000	0.000	11.000
Community Resources & Training	30.000	32.000	32.000	32.000	3.000	(3.000)	32.000
	479.000	484.000	489.000	489.000	4.000	0.000	493.000
Transportation & Development							
Transportation & Dev. Administration	9.000	10.000	9.000	9.000	0.000	0.000	9.000
Planning ⁽¹⁾	14.000	15.000	0.000	0.000	0.000	0.000	0.000
Development Services	38.000	33.000	33.000	32.000	0.000	0.000	32.000
Engineering	9.000	15.000	18.000	19.000	0.000	0.000	19.000
Capital Projects Management	21.000	19.000	20.000	20.000	0.000	0.000	20.000
Streets	40.500	40.500	40.500	40.500	3.000	0.000	43.500
Traffic Engineering	25.000	25.000	25.000	25.000	0.000	0.000	25.000
Transit Services	3.000	2.000	2.000	2.000	0.000	0.000	2.000
Street Sweeping	9.000	9.000	9.000	9.000	0.000	0.000	9.000
	168.500	168.500	156.500	156.500	3.000	0.000	159.500
CITY TOTAL	1,595.800	1,620.925	1,634.425	1,635.175	15.750	-	1,650.925
Population *	242,215	244,439	247,500	247,500			244,687
Employees Per 1,000 Population	6.6	6.6	6.6	6.6			6.7

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

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