



Citizen Bond Exploratory Committee:

Subcommittee Chairs Overview

Chandler City Hall
2nd Floor Training Room A
Tuesday, September 1, 2020
12:00 p.m.





Agenda

- Chandler's current Capital Improvement Program (CIP)
- Remaining bond authorization & property tax rate
- Statutory debt capacity & total outstanding debt

Chandler's Current CIP

Current 10-Year CIP Council Guidelines



CIP Developed by CIP Coordination Team

- Council CIP guidance
 - Minimize increase in property taxes
 - Maintain existing infrastructure
 - Finish planned construction of streets and parks
 - Limit new projects adding ongoing operations & maintenance
 - Address public needs

Continue Focus on Chandler's Aging Infrastructure



65 square miles



2,090 miles of streets



30,000 street lights



225 signalized intersections



1,228 miles of potable water lines



Maintaining high quality of life for our 265,200 residents



941 miles of sanitary sewer



31 operating wells



67 developed parks (1,281 acres)



44 lighted fields



51 municipal buildings

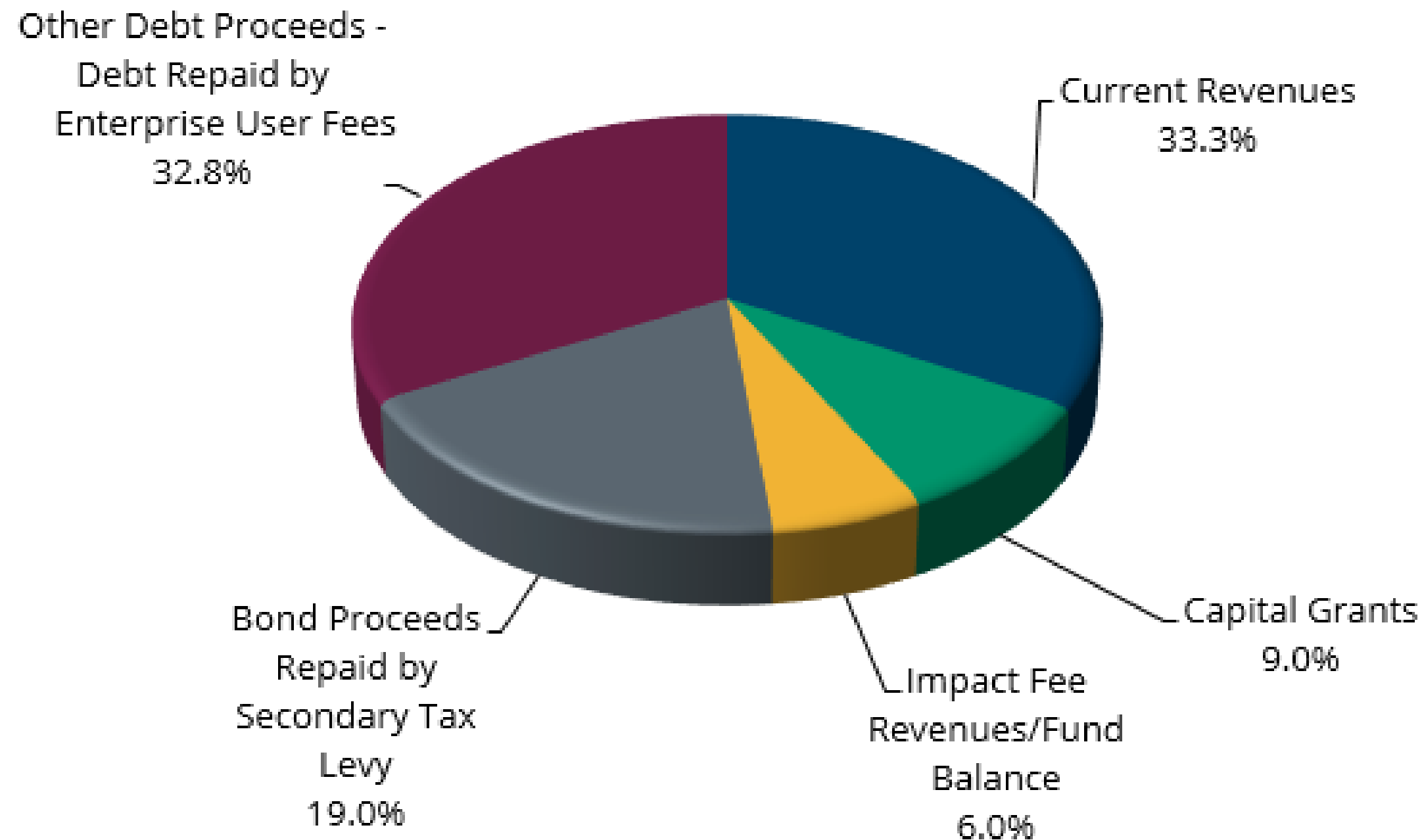


781 fleet vehicles/trucks

+Sustainable plans for fleet, equipment & technology

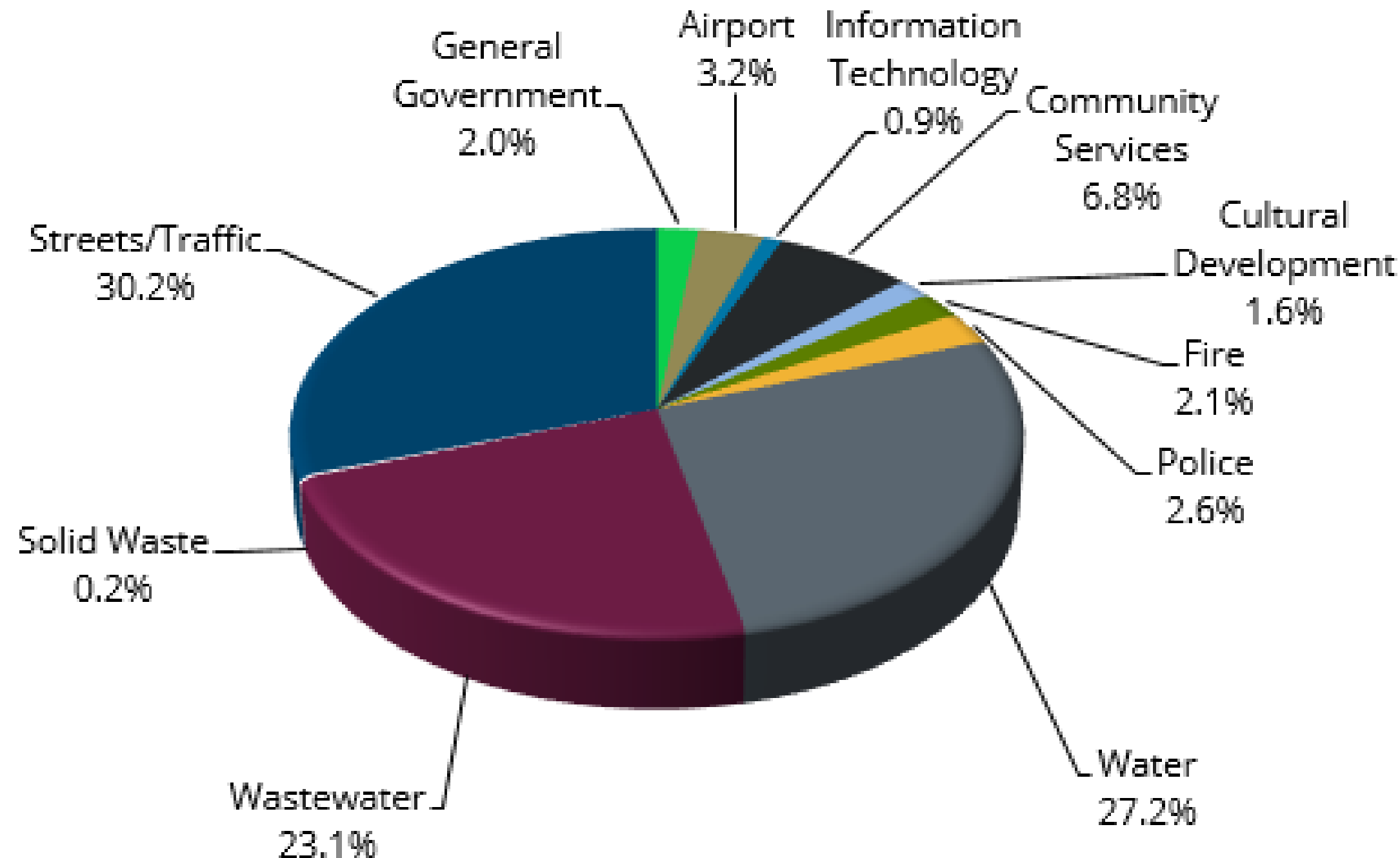
Current 10-Year CIP Funding

2021-2030 CIP Resources



Current 10-Year CIP Programs

2021-2030 CIP Expenditures



Current 10-Year CIP (in Binder)

FY 2021-30 Adopted Capital Improvement Program											
Project #	Fund	Project	Funding Type	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	1st 5 year Total	2nd 5 year Total	10 Year Total
6F1641	404	Fire									
6F1643	470	Vehicle Replacement		350,000	375,000	325,000	325,000	325,000	1,650,000	5,000,000	6,650,000
6F1644	401			350,000	375,000	325,000	325,000	325,000	1,650,000	5,000,000	6,650,000
6F1647	401			490,000	490,000	490,000	490,000	490,000	2,450,000	2,450,000	4,900,000
6F1649	401									950,000	950,000
6F1651	401										
6F1652	470										
6F1653	470										
6F1654	470										
6F1655	401										
6F1656	470										
6PD649	401										
6PD651	401										
6PD652	401										
6PD658	401										
6PD659	401										

FY 2021-30 Adopted Capital Improvement Program											
Project #	Fund	Project	Funding Type	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	1st 5 year Total	2nd 5 year Total	10 Year Total
Governmental Funds											
Buildings and Facilities											
401	Existing City Building Renovations/Repairs	General Fund	1,113,794	1,206,000	1,450,000	1,450,000	1,450,000	6,669,794	8,500,000	15,169,794	
430	Existing City Building Renovations/Repairs	Library Bonds	500	-	-	-	-	500	-	500	
435	Existing City Building Renovations/Repairs	Museum Bonds	4,706	-	-	-	-	4,706	-	4,706	
6BF628	Existing City Building Renovations/Repairs Total		1,119,000	1,206,000	1,450,000	1,450,000	1,450,000	8,669,000	8,500,000	15,169,000	
401	Fire Station Bay Doors	General Fund	-	245,000	-	-	-	245,000	-	245,000	
6BF653	Fire Station Bay Doors Total		-	245,000	-	-	-	245,000	-	245,000	
401	Facility & Parks Asphalt Maintenance	General Fund	-	245,000	-	-	-	245,000	-	245,000	
6BF658	Facility & Parks Asphalt Maintenance Total		-	245,000	-	-	-	245,000	-	245,000	
401	Building Security Cameras	General Fund	150,000	150,000	150,000	150,000	150,000	750,000	750,000	1,500,000	
6BF659	Building Security Cameras Total		150,000	150,000	150,000	150,000	150,000	750,000	750,000	1,500,000	
401	Community/Senior Center Building Renovations	General Fund	250,000	250,000	150,000	250,000	-	900,000	-	900,000	
6BF661	Community/Senior Center Building Renovations Total		250,000	250,000	150,000	250,000	-	900,000	-	900,000	
401	Building Assessment - Phase 2	General Fund	198,500	247,500	1,516,000	-	-	1,962,000	-	1,962,000	
6BF664	Building Assessment - Phase 2 Total		198,500	247,500	1,516,000	-	-	1,962,000	-	1,962,000	
401	Energy Management System Upgrades	General Fund	56,000	-	-	-	-	56,000	-	56,000	
6BF665	Energy Management System Upgrades Total		56,000	-	-	-	-	56,000	-	56,000	
401	Police/Courts Security Fencing Upgrades	General Fund	188,000	-	-	-	-	188,000	-	188,000	
6BF666	Police/Courts Security Fencing Upgrades - Court Enhancements	General Fund	82,000	-	-	-	-	82,000	-	82,000	
6BF666	Police/Courts Security Fencing Upgrades - Court Enhancements Total		82,000	-	-	-	-	82,000	-	82,000	
Building & Facilities Total				2,193,500	2,092,500	3,366,000	1,850,000	1,606,000	11,002,000	9,300,000	20,302,000

Information Technology											
401	Information Technology Oversight Committee Program	General Fund	500,000	500,000	500,000	500,000	500,000	2,500,000	2,500,000	5,000,000	
6GG617	Information Technology Oversight Committee Program Total		500,000	500,000	500,000	500,000	500,000	2,500,000	2,500,000	5,000,000	
401	Voice & Data Convergence	General Fund	60,000	-	-	-	-	60,000	-	60,000	
6IT082	Voice & Data Convergence Total		60,000	-	-	-	-	60,000	-	60,000	
401	Offsite Disaster Recovery Colocation Site	General Fund	-	130,000	20,000	250,000	400,000	800,000	200,000	1,000,000	
6IT090	Offsite Disaster Recovery Colocation Site Total		-	130,000	20,000	250,000	400,000	800,000	200,000	1,000,000	
401	User Productivity Improvements	General Fund	-	330,883	123,535	378,893	-	833,311	-	833,311	
6IT093	User Productivity Improvements Total		-	330,883	123,535	378,893	-	833,311	-	833,311	
401	Infrastructure Monitoring System	General Fund	58,000	-	-	-	-	58,000	-	58,000	
6IT095	Infrastructure Monitoring System Total		58,000	-	-	-	-	58,000	-	58,000	
401	Citywide Technology Infrastructure	General Fund	700,000	200,000	100,000	100,000	100,000	1,200,000	500,000	1,700,000	
6IT097	Citywide Technology Infrastructure - Court Enhancements	General Fund	77,000	-	-	-	-	77,000	-	77,000	
6IT097	Citywide Technology Infrastructure Total		777,000	200,000	100,000	100,000	100,000	1,277,000	500,000	1,777,000	
401	Police Virtual Private Network	General Fund	150,000	-	-	-	-	150,000	-	150,000	
6IT100	Police Virtual Private Network Total		150,000	-	-	-	-	150,000	-	150,000	
401	Wi-Fi Access Points	General Fund	-	482,000	-	-	-	482,000	-	482,000	
6IT101	Wi-Fi Access Points Total		-	482,000	-	-	-	482,000	-	482,000	
Information Technology Total				2,132,250	1,936,507	1,937,158	1,228,893	1,880,000	7,334,009	3,200,000	10,534,009

Remaining Bond Authorization and Property Tax Rate

General Voter Bond Authorization Remaining



- Community capital/infrastructure needs exceed remaining bond authorization
- Minimal bond authorization remains for Public Safety and Airport, and none for IT, B&F, Water or Wastewater
- Bond Authorization generally cannot shift between categories
- Authorization is not new debt nor does it raise the tax rate, it simply authorizes the City to sell bonds for projects in those categories

Type of Voter Approved Debt	Remaining Authorization	Date Auth. Exhausted
Parks & Recreation	\$ 42,295,000	2029
Museum	6,230,000	
Library	5,245,000	
Public Buildings	9,960,000	
Streets	75,471,000	2027
Stormwater	4,019,000	
Public Safety-Fire	231,000	2021
Public Safety-Police	1,300,000	2027
Airport	494,000	
Landfill Recycling Solid Waste	4,935,000	
Water	0	
Wastewater	0	
Total	\$150,180,000	

Property Tax Impact

- Additional bond authorization does not mean taxes will increase
- Bond authorization is like a credit limit to pull from when needed
- To achieve no tax increase, it requires a balance between

Assessed Value  Tax Rates

- This formula generates the revenue (tax levy) required to pay the debt service on the GO Bonds
- As debt is paid down, new debt can be added, leaving taxes neutral





Breakdown of \$1 of Typical Chandler Property Tax Bill

Typical Tax Bill Cents from Every Dollar Taxed

City of Chandler 9.8 cents

 Maricopa County & Special Districts
22.7 cents

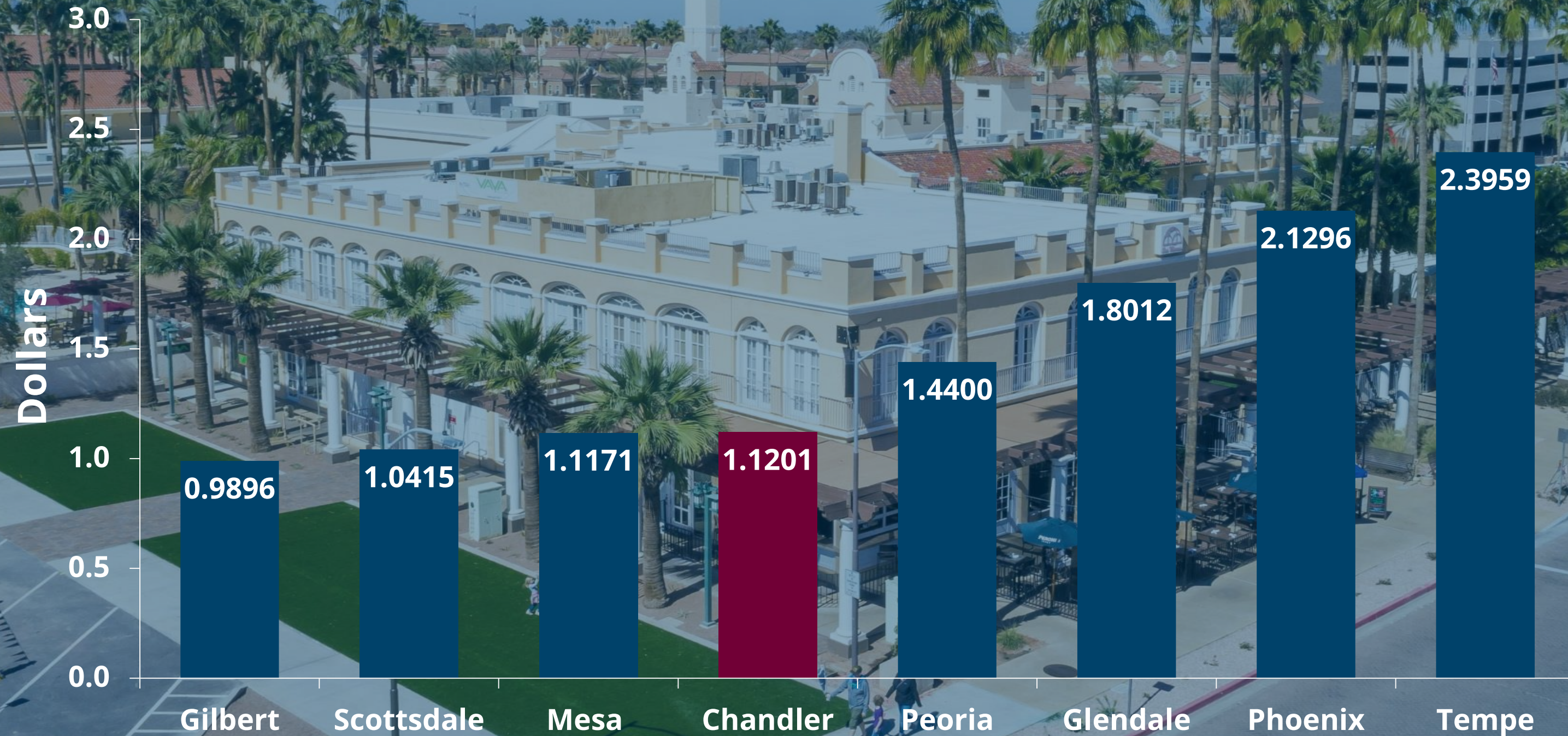
 Public Schools and
Community College Districts
67.5 cents

Based on 2019 Tax Bill information. Exact split will vary depending on the school district and any other special taxing districts on the bill.

Property Tax Rate Comparison

FY 2020-21

(per \$100 of Assessed Valuation)



Statutory Debt Capacity and Total Outstanding Debt

Statutory Debt Capacity and Total Outstanding Debt

General Obligation Bond Capacity Available

	20%	6%
2020 Net Assessed Full Cash Value	\$ 4,308,417,196	\$ 4,308,417,196
Legal Bond Limit	861,683,439	258,505,032
Outstanding Bonded Debt Previously Issued	(265,580,150)	(6,519,850)
Less: Excess Premium	(11,263,732)	(264,978)
Bonding Capacity Available	\$ 584,839,557	\$ 251,720,204
Percent of Capacity Available	68%	97%

The City manages Debt well,
significant unused capacity

Summary of Outstanding Bonds by Type

Type of Issue	Principal Bond Amount	% Total
General Obligation Bonds (Combined)		
6% Capacity	\$ 6,519,850	
20% Capacity	265,580,150	
Total General Obligation Bonds	\$ 272,100,000	55.11%
Excise Tax Revenue Obligations	219,780,000	44.52%
Improvement District Bonds	1,830,000	0.37%
Total	\$ 493,710,000	100.00%

73% of City's GO debt will
be paid off by 7/1/28 →



AAA Bond Ratings

- Maintains AAA Bond Ratings from Moodys, Fitch, and S&P rating agencies
- One of 40 communities across the nation as of 8/15/19 with AAA bond ratings from all 3 rating agencies
- Results in low-cost of borrowing, thereby able to complete large projects through borrowing
- Correlates to lower taxes and utility rates (revenue streams paying debt service)



Questions?