

Home Rule Option Public Hearing

2022 Proposed
Local Alternative
Expenditure Limitation

City Council Chambers
6:00 PM





Home Rule Origin

- ✓ State Law effective June 3, 1980
 - ✓ Limits municipal spending for Cities & Towns
- ✓ Maximum spending limit formula
 - ✓ Based on FY 1979-80 expenditures
 - ✓ Allows for annual population increase
 - ✓ Allows for GDP inflation increase
 - ✓ Allows for exclusions of some expenditures



Alternatives to Formula

1

One-Time
Override

2



**Local Alternative
Expenditure
Limitation
(Home Rule)**

3

Permanent
Adjustment
of Base Limit

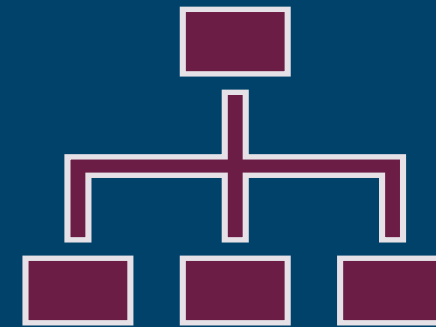
2022 Home Rule Option



**Allows City to override
State-imposed
Expenditure Limitation**



**Provides flexibility to
establish budget based
on anticipated
revenues, programs
and services**



**Authority re-established
every 4 years**
**Requires a majority vote
of the public at Primary
or General election**



**Requires 2 Public Hearings
prior to Council action**
**Special Meeting held
immediately following the
2nd Public Hearing**
Requires 2/3 majority



**Chandler Voters Have Approved the Home Rule Option 10
consecutive times since 1982- most recently in August 2018**

2022 Home Rule Option

Financial Implications (preliminary)

Spending of
interest income,
bond proceeds,
debt service
costs, grants,
etc.

State Computed	City FY2023-24 Anticipated Spend
Base Amount (spending limit)	
\$297,617,150	\$513,435,973
Plus, Allowable Exclusions	
\$240,958,786	\$240,958,786
Allowable Spend – Total – Anticipated Spend	
\$538,575,936	\$754,394,759
Amount Over State Limit	
\$215,818,823	

Budgeted
expenses that
would need to be
eliminated
without approval
of Home Rule

2022 Home Rule Option

Financial Implications

- ✓ Potential impacts if Home Rule fails
 - Reductions in street maintenance funding
 - Reductions in public safety funding
 - Deferral or cancellation of capital projects (arterial street improvements, construction of new parks, etc.)
 - Reductions to recreation, aquatics, and library programs

Approval of
Home Rule
does not
increase taxes

If Home Rule
fails- revenue
will continue to
be received but
it cannot be
spent

2022 Home Rule Election Schedule

Dates	Actions Following Public Hearings
March 24	Special Meeting: Council Action on Resolution to Place Home Rule on the August 2, 2022, Primary Election Ballot
March 25	Publish Record of Vote, Amount Over Limit & Purpose
April 1- EST	Finalize FY 2023-24 Home Rule Limit (based on FY2022-23 proposed budget)
April 4	Submit Financial Worksheets to Auditor General
April 4	Public Notice of Argument Filing Period
April 4 to May 4	Argument Filing Period
May 13	Public Voting Pamphlet Sent to Auditor General
June 28	Distribute Pamphlets to Public
August 2	ELECTION DAY: Public Vote at Primary Election
August 18	Canvass Election–City Clerk Submits Results to Auditor General

Questions?

