

Meeting Minutes

City Council Regular Meeting

March 21, 2022 | 6:00 p.m.
Chandler City Council Chambers
88 E. Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Mayor Kevin Hartke at 6:00 p.m.

Roll Call

Council Attendance

Mayor Kevin Hartke
Vice Mayor Terry Roe
Councilmember OD Harris
Councilmember Mark Stewart
*Councilmember René Lopez
Councilmember Christine Ellis
Councilmember Matt Orlando

Appointee Attendance

Tadd Wille, Assistant City Manager
Kelly Schwab, City Attorney
Dana DeLong, City Clerk

*Councilmember Lopez attended telephonically.

Invocation

The invocation was given by Pastor Sean Eddy, Chandler Bible Church.

Pledge of Allegiance

The Pledge of Allegiance was led by Vice Mayor Roe.

Public Hearing Item No. 1

1. Proposed Local Alternative Expenditure Limitation – Home Rule Option Election, First Public Hearing

Open Public Hearing

MAYOR HARTKE opened the public hearing.

Staff Presentation

DAWN LANG, Deputy City Manager / CFO, presented the following presentation.

- Home Rule Option Public Hearing 2022 Proposed Local Alternative Expenditure Limitation
- 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)
 - State Computed
 - Base Amount (spending limit): \$267,617,150
 - Plus, Allowable Exclusions: \$240,958,786
 - Spending of interest income, bond proceeds, debt service costs, grants, etc.
 - Allowable Spend – Total: \$538,575,936
 - City FY2023-24 Anticipated Spend
 - Base Amount (spending limit): \$513,435,973
 - Plus, Allowable Exclusions: \$240,958,786
 - Spending of interest income, bond proceeds, debt service costs, grants, etc.
 - Anticipated Spend – Total: \$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

Council Discussion

MAYOR HARTKE said making larger payments to PSPRS would not be exempt from this.

MS. LANG agreed.

MAYOR HARTKE said there has been several things Chandler has done as part of our financial policies, to try to pay down debt and use our one-time dollars on one-time projects. Sports fields and roads will be affected if the home rule option is not pursued. He assured voters that Chandler is a very well-run city and is protective of taxpayer dollars.

COUNCILMEMBER ORLANDO asked if the \$754,394,759 amount includes carryover dollars from the previous year.

MS. LANG answered that carryover dollars are included. Any operating or capital carry forwards of projects in process are re-budgeted for the next year.

COUNCILMEMBER ORLANDO asked if potential projects would be stopped without authorization to continue spending towards the project's completion.

MS. LANG answered that these projects would be stopped.

COUNCILMEMBER ORLANDO attested to Chandler's fiscal policy and said more data will be forthcoming. He compared the home rule option to a school override, as both give authorization to continue spending above legislated limits.

Discussion from the Audience

MAYOR HARTKE asked if there was any discussion from the audience. There was none.

Close Public Hearing

MAYOR HARTKE closed the public hearing.

Adjourn

The meeting was adjourned at 6:10 p.m.

ATTEST: _____
City Clerk

Mayor

Approval Date of Minutes: April 14, 2022

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the City Council of Chandler, Arizona, held on the 21st day of March 2022. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of April, 2022.

City Clerk