

FY 2025-26

Budget Highlights

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Total FY 2025-26 Budget

All Funds:

\$1.629B (-0.01%)

\$783.2M Operating (+4.1%)

\$845.7M Capital (-3.5%)

Total FY 2025-26 Budget

General Fund Only:

\$615.6M (+6.6%)

\$462.9M Operating (+5.5%)

\$152.7M Capital (+9.9%)

2026-35 10-Year Capital


Improvement Program

(CIP) Total: \$2.62B (+5%)

FY 2025-26 CIP:

\$845.7M (-3.5%)

Factors keeping the budget flat include decreased revenue considering current local economic activity like the Intel expansion ramping down and State mandated revenue reduction of Residential Rental TPT; reductions in public safety pension costs as PSPRS paydown effects are starting to reduce city costs including a higher PSPRS payment (\$7M to \$25M) to maintain paid-off status; PSPRS cost savings are minimizing operating and capital inflation impacts; personnel cost increases to invest in City workforce and investments in aging infrastructure continues.

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- **Reduces the property tax rate** (for the 10th consecutive year) to \$0.2118 (primary) and \$0.87 (secondary) per \$100 of assessed value for a total rate of \$1.0818
 - Budget is **structurally balanced** (ongoing revenues support ongoing expenses), with the **lowest general sales tax rate in Arizona** (1.5%)
 - Maintains status as **one of only three Arizona Cities with the highest possible bond rating** (AAA) from all three rating agencies for GO and ETRO bonds
 - Maintains **the lowest overall cost of government among large Valley cities** (per capita utility rates and taxes paid)
 - Adjusts operating budgets to account for continued inflation on

Personnel:

- Budgeted capacity for general employee merit and market adjustments (July 1)
- Fulfills MOU obligations to sworn personnel in all three labor associations
- Recommends 18 positions: 14 (78%) converted from one-time funded to permanently funded or offset by grants or other revenues; 7 (39%) are in public safety (Police, Fire, IT & Water Quality)

Public Safety:



- Adds a Business Systems Network Analyst (1), a Crime Prevention Specialist (1) and Civilian Background Investigators (2) for Police
- Adds a Community Risk Reduction Manager for Fire (1)
- Continues funding to allow for Police (25) and Fire (21) to double fill (overhire) positions to supplement staffing and start training replacements for upcoming retirements or enhanced services
- Plans a one-time payment of up to \$25M to Public Safety Personnel Retirement System (PSPRS) to maintain its funded status
- Provides for all Police background investigators to become permanent employees, streamlining the hiring process
- Other public safety investments include mental health and wellness, vehicles & equipment, and technology for the Real Time Operations Center
- Adds a Senior Water Quality Technician to Public Works & Utilities and a Programmer Senior Analyst for IT

City Council Strategic Focus Areas:



General Services:

- Permanently funds Community Navigators (2), previously funded through grants to continue Chandler's successful response to homelessness
- Adds funding for a Housing Assistance Senior Coordinator (1), Recreation Program Coordinator (1), Customer Service Representative (1), a Community Resources Senior Specialist (1), a Housing Stability Coordinator (1), and two (2) Housing Stability Senior Specialists all converted from one-time grant funding
- Adds a Transportation Engineer (1), offset by permit and fee revenues, to manage projects impacting street closures
- Allows for a new Assistant City Attorney Litigator (1) to keep more cases in house and reduce the cost of litigation
- Funds increases to utility costs and chemicals



Sustainability & Technology:

- Adds funding for the Enterprise Resource Planning (ERP) software replacement which will be a significant investment in ensuring the city's financial and human resource planning software continues to provide transparency and accuracy
- Includes funding for increased software and cloud-based subscription costs



Capital

- Addresses \$4.4M in facility repair needs & renovations, including HVAC systems, fire alarm & control, lighting upgrades, electrical and plumbing, and painting projects
- Continues funding for citywide fiber enhancements
- Continues major infrastructure investments at the Airport, including airfield lighting and pavement improvements and the second phase of hangar area pavement reconstruction
- Streets projects funding including Kyrene Road and reconstruction of the Ray/Dobson intersection
- Enhances funding for street repaving to improve overall street quality
- Funds the first phase of Mesquite Groves Park (design & construction) in southeast Chandler
- Continues funding for athletic field improvements and rehabilitation of aging parks
- Allows for the acquisition of public safety vehicles for Fire and Police
- Completes the design process for the new Police Forensic Facility/Crime Lab
- Funds Water and Wastewater facility improvements, automated meter reading and the Santan Freeway 66" sewer line rehabilitation