

FY 2024-25

Budget Highlights

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Total FY 2024-25 Budget

All Funds:

\$1.629B (-1.6%)

\$752.6M Operating (-5.9%)

\$876.5M Capital (+2.3%)

Total FY 2024-25 Budget

General Fund Only:

\$577.8M (-5.4%)

\$438.8M Operating (-9.1%)

\$139M Capital (+8.6%)

2025-34 10-Year Capital

Improvement Program

(CIP) Total: \$2.49B (+27%)

FY 2024-25 CIP:

\$876.5M (+2.3%)

Factors driving a lower budget 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 lower PSPRS payment (\$73M to \$7M) to maintain pay-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.



- Reduces the primary property tax rate from \$0.2226 to \$0.2136 and leaves the secondary property tax rate flat at \$0.87 per \$100 of assessed value - this is the 9th year of rate reduction
- Budget is structurally balanced (ongoing expenses match ongoing revenues), with the lowest general sales tax rate (1.5%) in Arizona
- Adjusts operating budgets to account for continued inflation, especially on labor and materials, utilities, water purchases and chemicals, insurance, and contracted services

Personnel:

- Budgeted capacity for general employee merit and market adjustments (July 1)
- Fulfills new MOU obligations to sworn personnel in all three labor associations
- Recommends 48 positions: 34 (70%) converted from one-time funded to permanently funded or offset by grants or other revenues; 28 (58%) are in public safety (police, fire & IT)

Public Safety:

- Shifts funding from grants or temporary to permanent for Police Officer positions (10), Crime & Intelligence Analyst (1), and Police Aides (5), then adds a new Digital Forensic Examiner (1) and Real-Time Crime center personnel (2)
- Shifts funding from temporary to permanent for Firefighters on Peak-Time Engine (4) and adds Fire Inspectors (2) and an Emergency Manager (1)
- Continues funding to allow for Police (18) and Fire (6) to double fill (overhire) positions to supplement staffing and start training replacements for upcoming retirements
- Plans a one-time payment of \$7M to Public Safety Personnel Retirement System (PSPRS) to maintain fully funded status
- Continues funding for additional Police background investigators and new hire incentives to expedite recruitment
- Other public safety investments include mental health and wellness, vehicles & equipment, mobile data computers, and technology for Real-time Crime Center



City Council Strategic Focus Areas:



General Services:

- Continues Tumbleweed Regional Park multigenerational center expansion and adds personnel (2) to support programming and facility O&M
- Continues funding for athletic field improvements and rehabilitation of aging parks
- Funds the arts and culture initiatives with a Performing Arts Manager (1), a Development and Communications Program Manager (1) (both offset by grant funding), and a permanent Downtown Operations & Special Event Coordinator (1)
- Expands funding for successful DEI instant language translation pilot and permanently funds a Management Assistant (1)
- Funds Community Navigators (2) who were previously funded through grants
- Funds utility chemicals and continued reinvestment in infrastructure, including a Utility Mechanic Senior (1), Principal Engineer (1), Water Resource Analyst (1), Construction Manager (1), Utility Systems Technician (1) and Facility Operator (1)
- Adds funding for good governance activities to permanently fund a Digital Media Producer (1), and adds a Business Compliance Specialist (1), Senior Analyst Budget & Research (1), and a Housing Quality Inspector (1)



- Addresses \$6.2M in facility repair needs and renovations, including HVAC systems, fire alarm and control, lighting upgrades and painting projects
- Continues a focus on cybersecurity and technology improvements, including an Information Security Analyst (1), continued funding for citywide fiber enhancements and a permanently funded Fiber System Sr. Analyst (1)
- Includes replacement of the Enterprise Resource Planning (ERP) system and other software replacements of \$8.8M, and adds an IT Senior Analyst (1)
- Continues major infrastructure investments at the Airport, including airfield lighting and pavement improvements and hangar area pavement reconstruction
- Streets projects funding including Lindsey Road, design for the Ray/Dobson and Arizona Ave./Warner intersections, and maintains increases to street repaving
- Funds full-time temporary positions for Passports (1) and Records Management (2)

Sustainability:



- Adds \$15M for solar capital investment that will generate \$1.4M in ongoing average savings (70% Water/Wastewater and 30% General Fund), \$2.8M for turf conversion to xeriscape and continued funding for water conservation measures

