

Meeting Minutes

City Council Special Meeting

February 5, 2026 | 4:00 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 4:01 p.m.

Roll Call

Council Attendance

Mayor Kevin Hartke
*Vice Mayor Angel Encinas
Councilmember Christine Ellis
Councilmember Jane Poston
Councilmember Matt Orlando
Councilmember Jennifer Hawkins

*Vice Mayor Encinas attended virtually

Absent

Councilmember OD Harris

Staff in Attendance

Tadd Wille, Assistant City Manager
Dawn Lang, Deputy City Manager/CFO
Leah Powell, Deputy City Manager
Ryan Peters, Deputy City Manager
John Sefton, Community Services Director
Matt Dunbar, Budget & Policy Director
Matt Burdick, Communications & Public Affairs Director
Marge Zylla, Strategic Initiatives Director
Alexis Apodoca, Mayor & Council Public Affairs Senior Manager

Appointee Attendance

John Pombier, Acting City Manager
Kelly Schwab, City Attorney
Jennifer Ekblad, City Clerk

Discussion

1. Budget Workshop #1, Fiscal Year 2026-27
 1. Opening Remarks
 2. Budget Survey Feedback
 3. Financial Considerations and Impacts
 4. Preliminary Budget/Forecast
 - a. General Fund Revenues and Expenditures
 - b. Spending Priorities
 - d. Capital Improvement Plan (CIP)
 - e. Property Tax
 4. Key Budget Dates
 5. Closing Remarks

MAYOR HARTKE called for a staff presentation.

JOHN POMBIER, City Manager, introduced the discussion item.

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

- FY 2026-27 Budget Workshop# 1
- Agenda
 - 1. Resident Budget Survey Feedback
 - FY 2026-27 Resident Budget Survey Foundations
 - 2. Financial Considerations and Impacts
 - 3. Preliminary Budget Forecast
 - General Fund Revenues and Expenditures Spending Priorities
 - Preliminary Capital Improvement Plan (CIP) Overview
 - Preliminary Property Tax Discussion
- Chandler Budget Process Timeline
 - This year's theme "Adding Sense to Dollars"
 - New Fiscal Year 2026-27 begins 7/1/2026

MATT DUNBAR, Budget & Policy Director, presented the following presentation.

- Resident Budget Survey Feedback
- FY 2026-27 Resident Budget Survey
 - Survey Participants 1,479 (1,343 prior yr)
 - Survey Comments 1,961 (2,474 prior yr)
 - The survey ran from November 24, 2025, through January 16, 2026
 - CAPA assisted with a video ad campaign to encourage participation
 - Continued expanded the outreach on social media
 - Additional facilities provided paper copies, signage and survey QR codes and postcards
 - Encouraged participation with Boards & Commissions, Recreation and Library users

- The survey consisted of 19 total questions and was offered in English, Spanish and Mandarin
- Funding Priority questions in the survey help understand Charter resident's top priorities for operating programs and capital projects
- Each focus area was allotted 1-2 questions on the full survey, each with a comment box for written responses

COUNCILMEMBER ORLANDO requested feedback regarding the survey comments, noting that total responses were approximately 500 fewer than last year, and inquired what this might indicate.

MR. DUNBAR said survey comment numbers were similar to last year and noted that last year included Facebook poll comments that were not done this year. Staff is considering using Facebook polls again.

MR. DUNBAR continued the presentation.

- Budget Survey Results
 - Quality of Life
 - Good Tax Dollar Return
 - Overall City Services
 - Provides residents a convenient way to share feedback regarding City services, amenities and infrastructure that are important to their quality of life in Chandler
 - I Feel Safe in Chandler
 - Neutral 12%
 - Strongly Agree 28%
 - Agree 56%
 - 96%
 - Chandler Fire Would Provide Quality Care
 - Neutral 9%
 - Strongly Agree 49%
 - Agree 41%
 - 99%
- Budget Survey Spending Priorities
 - Operating Programs and Services
 - Social safety net services funding (Housing, Behavior Health, Seniors, Employment, etc.)
 - Enhancements to Public Safety services or personnel
 - Additional streets and alley maintenance improvements
 - Programs to address homelessness

COUNCILMEMBER POSTON asked why programs to address homelessness are considered a social safety net service and whether there was any discussion around that classification.

MR. DUNBAR said the topics were asked separately to distinguish interest in providing programs to address homelessness from interest in other social safety net services, noting overlap in serving underserved populations.

MR. DUNBAR continued the presentation.

- Capital Projects
 - Ensure water and wastewater infrastructure is maintained
 - Quality public safety facilities and equipment for Police and Fire
 - Increase amenities and reimagine existing neighborhood and community parks
 - Enhanced street repaving program for safe communities
- Budget Survey Comment Themes (Top Three) Community Safety
 - Traffic Enforcement & Road Safety (220 responses)
 - Major Themes Include: Residents value Chandler’s roadway infrastructure and safety efforts but consistently request stronger and more visible enforcement to address speeding, red-light running, street racing, unsafe intersections, school pickup/drop-off hazards, and traffic noise.
 - Police Presence & Patrols (180 responses)
 - Major Themes Include: Residents appreciate seeing police patrols and feel reassured when officers are visible, while expressing a desire for more consistent neighborhood, park, and nighttime patrols as the city continues to grow.
 - Mental Health & Crisis Response (150 responses)
 - Major Themes Include: Residents recognize the importance of police involvement in crisis situations and strongly support expanding mental-health training, de-escalation techniques, crisis intervention teams, and partnerships with social services to improve outcomes.
- Budget Survey Comment Themes (Top Three) Connectivity
 - Street Maintenance & Infrastructure (170 responses)
 - Major Themes Include: Residents widely recognize that Chandler maintains roads better than many peer cities and appreciate ongoing resurfacing efforts, but express frustration with potholes, uneven pavement, prolonged construction timelines, poor project coordination, and streets deteriorating faster than repairs occur.
 - Chandler Flex Program (160 responses)
 - Major Themes Include: Chandler Flex is consistently praised as an innovative, convenient service especially for seniors, teens, and non-drivers while residents strongly request expanded service areas, longer hours, simpler app use, better customer support, and broader access citywide.
 - Public Transit & Bus Service (145 responses)
 - Major Themes Include: Residents appreciate having basic bus service and transit options, but report major gaps in frequency, route clarity, southern and southeast Chandler coverage, shade at shops, and travel times that make transit impractical for daily needs.

- Budget Survey Comment Themes (Top Three) Economic Vitality.
 - Overall Economic Health & Business Climate (140 responses)
 - Major Themes Include: Many residents feel Chandler is economically strong, well-run, and thriving with major employers and steady growth, while others note rising costs, vacant buildings, uneven revitalization, and concern that growth is not benefiting all residents equally.
 - Employment Opportunities & Job Quality (130 responses)
 - Major Themes Include: Residents appreciate the presence of tech, engineering and professional jobs, but report difficulty finding work within Chandler, limited mid-skill opportunities, prevalence of low-wage or service jobs, and challenges for young and experienced workers seeking local employment.
 - Housing Affordability & Workforce Retention (120 responses)
 - Major Themes Include: Chandler is seen as a desirable place to live, yet high housing costs and rents are pushing young families, college students, retirees, and small business owners out of the city, raising concerns about long-term workforce sustainability.
- Budget Survey Comment Themes (Top Three) Neighborhoods
 - Overall Neighborhood Quality & Pride (180 responses)
 - Major Themes Include: Many residents describe Chandler as a beautiful city with strong neighborhood pride and appreciate visible improvements over time, while others express concern that rapid growth, aging infrastructure, litter, and inconsistent upkeep are beginning to impact overall neighborhood appearance.
 - Code Enforcement Responsiveness & Consistency (210 responses)
 - Major Themes Include: Residents frequently praise Code Enforcement for quick responses when issues are reported, online reporting tools, and the Code Enforcement Academy, but express frustration with inconsistent enforcement across neighborhoods, over-reliance on complaints, perceived harassment for minor issues, and lack of action on repeat or serious violations.
 - Non-HOA Neighborhoods & Equity in Enforcement (160 responses)
 - Major Themes Include: Residents acknowledge that HOAs help maintain neighborhood standards, while emphasizing that non-HOA areas need stronger, more consistent enforcement to address weeds, abandoned vehicles, campers, trailers, sidewalk obstructions, and blight without creating the feeling that the City has become a de facto HOA.
- Budget Survey Comment Themes (Top Three) Quality of Life
 - Overall Park System & Quality of Life (260 responses)
 - Major Themes Include: Residents overwhelmingly value Chandler's parks, recreation centers, libraries, aquatic facilities, and events as key reasons they choose to live here, while emphasizing that continued investment, thoughtful planning, and consistent upkeep are essential to maintaining this high quality of life.
 - Community Events, Arts, & Cultural Programming (180 responses)

- Major Themes Include: Residents strongly appreciate free and low-cost events such as the Multicultural Festival, Balley Under the Stars, concerts, art socials, and family programming, but express concern about rising costs, parking fees, and affordability limiting inclusivity and access.
 - Park Maintenance, Cleanliness & Asset Management (310 responses)
 - Major Themes Include: Residents recognize the effort staff put into maintaining parks, but report widespread concern about aging infrastructure, uneven maintenance, restroom cleanliness, broken equipment, irrigation damage, worn athletic fields, and the need to prioritize maintaining existing parks before expanding new ones.
- Budget Survey Comment Themes (Top Three) Sustainability & Technology
 - Water Sustainability & Long Term Supply (150 responses)
 - Major Themes Include: Residents strongly value water as Chandler’s most critical resource and support conservation, aquifer recharge, and water-quality efforts, while expressing concern about drought conditions, infrastructure capacity, water testing transparency, and ensuring long-term availability without significant cost increases.
 - Responsible Growth & Development Balance (95 responses)
 - Major Themes Include: Residents appreciate Chandler’s economic growth and livability, but consistently express concern that high-density housing and rapid development may be outpacing infrastructure, increasing traffic, and placing additional strain on water and utility systems.
 - Resource-Intensive Development & Data Centers (100 responses)
 - Major Themes Include: Residents support prioritizing water and energy for community needs and largely oppose data centers and similar uses, citing concerns about excessive water and power consumption, limited community benefit, noise impacts, and increased utility costs for residents.
- Financial Considerations and Impacts
- Strategic Framework Guides Decision Making
 - Our Brand: A safe, diverse, equitable and inclusive community that connects people, chooses innovation and inspires excellence.
 - Focus Areas:
 - Community Safety
 - Connectivity
 - Economic Vitality
 - Neighborhoods
 - Quality of Life
 - Sustainability & Technology
- Chandler’s 9 Financial Policies Institutionalize Strong Financial Management Practices
 - Operating Management *
 - Capital Management (Jan. 2016)
 - Reserves (Apr. 2023)

- Debt Management *
- Long-Range Financial Planning (Jan. 2016)
- Grant Management *
- Investment *
- Accounting, Auditing, and Financial Reporting *
- Pension Funding * (annual update; February 2026 Council Meeting)
- FY 2026-27 Financial Considerations
 - Economy has seen inflation continue to be a concern, and Federal Reserve monetary policy is being closely watched
 - Grant funding changes by federal government continue to be in flux
 - Conformity at state level with One Big Beautiful Bill Act and newly incorporated San Tan Valley impact state shared income taxes (up to \$3.6M conformity and \$1.7M San Tan Valley ongoing reductions)
 - State Food Tax bill could change prior year agreement and create a loss of up to \$17M ongoing revenue (not much traction but watching)
 - Growth of sustainable (ongoing) revenue is expected to grow at a slower rate at the state level as well as locally
 - Development revenues lower on single family residential. Expect future development be more infill and redevelopment focused

MAYOR HARTKE commented that because the city has the lowest sales tax, any increase would raise costs.

MR. DUNBAR shared that building a warehouse on a county island would allow developers to avoid municipal taxes, since there is no municipal tax at the county level, raising significant concerns.

MAYOR HARTKE said that this change could prompt businesses to leave, potentially harming the city more than other cities, and would be complex to navigate.

MR. DUNBAR responded it could be confusing for residents and for large businesses with multiple locations, adding significant complexity to the discussion.

MR. DUNBAR continued the presentation.

- National Recession Gauge showing lower risk of recession
- Capital Plan Inflation Impacts (through Q3 of 2025)
 - Construction Price Index's new normal
 - Construction Costs continue to go up
- Local Growth is still projected
 - Personal Income is expected to grow at 6 to 6.2% over next fiscal year
- Sound Budgeting Practices Support Financially Sustainable Goals

- Chandler maintains AAA Bond Ratings from Moody's Fitch, and S&P rating agencies for GO Bonds and ETRO
 - Continued adherence to all fiscal policies & strong reserves
 - Re-affirmed ratings in December 2025
- Chandler tracks structural Balance
 - Ongoing revenues support ongoing expenditures
 - On-time revenues support one-time expenditures
- Chandler maintain strong reserves
 - 15% General Fund contingency reserve
 - Continue Budget Stabilization provision at \$10M
- Chandler manages expenditures to meet service demands
 - Maximize grant opportunities
 - Weigh positions vs. contracting
 - Continue Modified Zero-Based Budgeting to verify funding requirements to provide services
- Property Tax Options
 - Provide options to match expenditure needs or right size

MAYOR HARTKE asked how AAA bond ratings have changed at the state and regional levels among other cities that previously held them, whether those cities are experiencing challenges, and how their situations compare.

MR. DUNBAR said they don't know the exact status, though some neighboring municipalities have changed their financial structures. Chandler maintains AAA ratings from all three agencies, including the top ETRO rating.

MAYOR HARTKE said that ratings might not change unless a city issues bonds, so there's no reason to worry even if a city's financial structure has become somewhat riskier.

MR. DUNBAR mentioned an update on the ratings and a brief overview of the situation. The process is straightforward and doesn't require an in-depth review. It is easy to maintain the current rating status unless new bonds are being sold or a significant event occurs.

COUNCILMEMBER ORLANDO inquired about bond restructuring and high interest rates.

MR. DUNBAR stated that currently, there are no outstanding bonds that would result in net positive cash flow savings. Recently, one bond was discussed with financial advisors, but it was minimal and barely covered the costs of reissuing the debt. They review this periodically, with financial advisors sharing relevant information. Given very low interest rates, it has been difficult to identify opportunities to generate cost savings.

MR. DUNBAR continued the presentation.

- FY 2026-27 Preliminary Budget Forecast
- FY 2025-26 General Fund Operating Revenues and Expenditures
 - Annual Inflows
 - 86.5% Local taxes and licenses and State shared revenues
 - 11.1% Other Charges for services (i.e., parks, rec., building, planning, library)
 - 2.4% Primary Property taxes
 - Annual Outflows
 - 60.5% Ongoing Personnel (wages/Benefits)
 - 21.0% Ongoing Base Budget (i.e., Ops./maint., supplies, utilities)
 - 18.5% One-time & other needs (i.e., PSPRS, consultants, pilot programs)
 - If Revenues exceed Expenditures, General Fund Balance increases
 - FY 2025-26 Adopted Budget reflects 82.2% of revenues as ongoing with the rest supporting one-time needs

COUNCILMEMBER ORLANDO asked whether there is a standard ratio between local sales and other charges, and, if so, what it is.

MR. DUNBAR stated that there are no established best practices requiring one revenue source to be higher than another. He explained that a blend of revenue sources is preferable for stability, as it helps offset impacts when one source declines. While the 86.5% split among three streams is beneficial, he noted concern that two are heavily dependent on sales tax or TPT, which are affected by legislative changes beyond the city's control, such as the elimination of the residential rental tax.

COUNCILMEMBER ORLANDO requested a five-year trend analysis chart.

MR. DUNBAR stated that they will review the chart.

MR. DUNBAR continued the presentation.

- General Fund thru December True to Projection
 - Total GF Revenue 2.3% higher than historical budget (represents interest and permit revenue)
 - Expenditures
 - December 2025 to 2024 Comparison
 - FY 2025-26 thru Dec is \$4.1M over (+2.3%) / FY2024-25 thru Dec was \$17.3M over (+10.1%) / FY 2023-24 thru Dec was \$11.9M (+6.7%)

MAYOR HARTKE asked whether the change was due to large projects concluding and the loss of related tax revenue, or other factors.

MR. DUNBAR said estimating one-time expenses is challenging. Although the project has a known large dollar amount, its tax classification is uncertain.

COUNCILMEMBER ORLANDO asked how much revenue the flat tax would generate.

MS. LANG noted a 2.3% increase, driven primarily by interest income, which is a one-time revenue item from idle fund balances, and a large unanticipated permit fee. She explained that these factors account for the 4.1% increase while TPT and state shared revenues remain steady.

MR. DUNBAR continued the presentation.

- The Brightside
- Budgetary Impacts
- Personnel/Staffing
 - PSPRS unfunded liability continues its paid off status, anticipating additional ongoing savings
 - Making progress on reduced vacancies, especially in Police
- Local Economic Impacts
 - Local revenues in line with budget
 - New retail, entertainment concepts, and businesses continue to open
 - Long tradition of strong financial management
 - Current AAA rating on GO and ETRO Bonds confirmed in December for recent bond sales
- The Challenges
- Budgetary Impacts
- Economy & Inflation
 - Chemical, utilities and contract costs continue to escalate
 - Water purchase costs and Colorado River water cuts remain a concern
- Technology
 - Multi-year citywide Enterprise Resource Planning (ERP) Financial/Human Resource system replacement – big lift for staff
 - Cybersecurity posture needs continuous improvement
 - AI flexibility and planning is underway
- Personnel/Staffing/Benefits
 - Employee wage changes and increased healthcare cost estimates included in five-year forecast
 - The conversion of one-time funded fulltime temps to FTE
 - Many FTE requests for needed service delivery submitted
 - Ambulance staffing will be added in FY 2026-27
- Legislative Impacts
 - Legislative Impacts to local tax base and Model City Tax Code continue to be watched
 - Federal uncertainty for Neighborhood Resources programs
 - Income Tax conformity and incorporation of San Tan Valley reduces State shared revenues
- FY 2025-26 5-Year General Fund Ongoing Forecast Revenues vs Expenditures

- Total revenues change with the ebbs and flows of the economy impacting primarily one-time revenues. Ongoing revenue is increasing at a gradual pace. Modest wage changes are estimated for years 2-5 and ongoing revenues continue to be within current revenue assumptions for structural balance.
- Preliminary FY 2026-27 5-Year General Fund Ongoing Forecast Revenues vs Expenditures
 - Future ongoing revenue increases and/or expense reductions may be needed to sustain services
- Ongoing/One-time Local Sales Tax (TPT) Preliminary revenues
 - Local TPT is 52.5% of General Fund revenue
 - Sales tax revenues fluctuate due to economic volatility, including increases or decreases in development, inflation and consumer confidence
- Key Local Sales Tax Revenues by Category
 - Retail
 - Construction
 - Rental of Real Property
 - Restaurant
 - Hotel/Motel
 - Higher fluctuations (increased one-time) experienced during Intel expansion
- State Shared Revenues (in Millions) 31.6% of General Fund in Fy 2024-25

MS. LANG noted that tax conformity is not reflected in the urban revenue-sharing section.

MR. DUNBAR continued the presentation.

- Spending Priorities
- PSPRS Pension Update – Goal Accomplished
 - Based on current wages/counts, add'l reduction in FY 2026-27 is approx. \$1.3M
 - Tier 1 & 2 funded status increased to 98.8% combined:
 - 94.1% to 100.2% for Fire
 - 94.6% to 98.0% for Police
 - Tier 3 funded status still over 100%:
 - 109.6% to 110.4% for Fire
 - 110.1% to 11.5% for Police
 - Note: Current year \$15M payment not reflected

MAYOR HARTKE asked about standard fees if the full balance was paid in a typical year, noting possible interest rate changes.

MR. DUNBAR said the current rate is about 12%, with a 15% target. Rates were previously in the 40% range and are now closer to normal. He noted that the city is in a good position, but the net impact still needs to be assessed.

COUNCILMEMBER ORLANDO asked whether Tier Three overpayments result in a refund or credit.

MR. DUNBAR explained there is no refund; overpayments are reflected in future rate reductions.

MS. LANG added that Tier Three is overfunded, which will lower rates next year. The employer contribution rate dropped from the forties to about 15%. Last year's reduction was \$9.6 million, with an additional \$1.3 million this year to help offset slower revenue growth.

COUNCILMEMBER ORLANDO asked whether the goal is 100% funding at Tier Three's 110% level and what would happen to the remaining 10%.

MS. LANG said surplus funds are invested in and will help cover years with lower returns. Tier Three is overfunded, while Tiers One and Two are slightly underfunded, creating an annual balancing act.

COUNCILMEMBER ORLANDO asked if only a small amount is tied up in Tier Three.

MS. LANG confirmed it is modest, as Tier Three covers newer officers, with larger balances in Tiers One and Two.

MR. DUNBAR continued the presentation

- New Decision Package Requests Expenditures "Outflows"
 - Ongoing Requests Net of Offsets
 - General Fund \$20.7M
 - Total of All Funds \$26.9M
 - One-time Requests Net of Offsets
 - General Fund \$7.7M
 - Total of All Funds \$12.3M
 - Total Decision Package Requests Net of Offsets: \$39.2M
 - Prioritize Ongoing Demands (Maintain >Enhance>New)
 - \$25.9M
 - 13.3M
 - All Funds net of offsets
 - Mandatory changes (i.e., Utilities, contractual, chemical, and CIP related increases) \$6.1M (all funds) \$2.7M (GF)
 - Full-time temporary employees to be covered to FTE \$2.4M
 - In addition to conversions, 82.775 FTE requested for delivery of services
 - Some may convert from contractors, and 30 are related to Ambulance

COUNCILMEMBER ORLANDO noted that these are just requests at this stage.

MAYOR HARTKE noted that, aside from ambulance services, discretion over other contracts or additional services will be based on the priorities discussed previously.

COUNCILMEMBER ORLANDO asked whether the firefighters' fund, beyond ambulance services, will be an enterprise fund.

MS. LANG confirmed it will be an enterprise fund, initially funded by the general fund, with future revenues offsetting costs.

COUNCILMEMBER ORLANDO requested clarification on the ambulance fund's revenue streams and how the enterprise fund would operate.

MS. LANG explained that the fund would be monitored regularly and is designed to be self-supporting over time.

COUNCILMEMBER ORLANDO questioned how future expenditures and revenues would be managed within the fund.

MS. LANG explained that the paybacks would stay within the enterprise fund. If the fund accumulates more revenue, rates will decrease, and the analysis will be conducted annually.

MAYOR HARTKE asked about the timeline for the enterprise fund to repay the general fund.

MR. DUNBAR stated that the timeline is five years from the current fiscal year, with completion projected for fiscal year 2031.

MAYOR HARTKE asked whether the fund would be fully repaid.

MR. DUNBAR clarified that repayment would not happen in the first year but would be completed within the five-year timeframe.

COUNCILMEMBER ORLANDO asked whether the fund could eventually be dissolved or returned to the general fund if it proves self-supporting.

MS. LANG advised against converting the fund to the general fund, explaining that it is supported by rates. Moving it would make it difficult to determine appropriate rates and complicate the allocation of tax-supported expenditures.

MR. DUNBAR continued the presentation.

- Ongoing Funding Options
 - Maintain existing service levels within core programs and strategic focus areas including contract and other increases
 - Ensure sufficient ongoing funding for facilities, infrastructure, technology, and security
 - Convert successful social safety net programs to ongoing funding from grants
 - Build the strength of our workforce to meet evolving resident expectations

- New enhancements or additions, considering the option of one-time pilot programs first
- One-Time Dollar Funding Options
 - Maintain reserves sufficient to meet financial policies including PSPRS fully funded status
 - Reinvest in existing aging infrastructure, systems, including projects that generate ongoing savings
 - New initiatives and capital that generate sustainable ongoing financial savings
 - Focus operating and capital spending to move forward strategic focus area action items
- Preliminary Capital Improvement Plan (CIP)
- Fiscal Foundations “Adding Sense to Dollars”
- Current 10-Year CIP Council Guidelines
 - Maintain secondary property tax rate
 - Re-imagine resident amenities scheduled for replacement
 - Prioritize aging infrastructure and plan for redevelopment
 - Finish planned construction of streets, parks, fiber and utility systems
 - Prior to adding capital, ensure related ongoing O&M can be supported
 - Manage bond authorization to complete projects desired by residents
 - Balance timely completion and coordination of capital projects with impacts to neighborhoods and businesses
- Continued Focus on Chandler’s Aging Infrastructure
 - Maintaining high quality of life for our residents
- New Year CIP Considerations
 - Inflation is still present driving costs higher
 - Voter approved bond authorization will help us meet project needs for many years
 - Additional focus will be on how projects affect ability to maintain property tax rate and their impact on utility rates
- Preliminary Property Tax Discussion Assessed Values Not Yet Received
- Property Tax Rate Comparison
- Breakdown of \$1 of Typical Chandler Property Tax Bill
- Property Tax Assessed Value Comparison
- Due to assessed values small increase last year, truth in taxation rules may not apply/ We will know more once values are received
- Property Tax Policy Options and Considerations
- Evaluate Primary rate options
 - Leave rate flat, adding an anticipated \$349,407 to GF
 - Slight increase could fund additional needs
- Evaluate Secondary rate to deliver commitments made in bond election with no change to rate if possible
- Key Budget Dates
- Questions

Public Comment

BROOK BEALL, 85 W. Teakwood Pl, Chandler, AZ, 85248, spoke regarding law enforcement on SRP canals. He suggested installing CCTV cameras at locations such as Pinelake Park to monitor vehicles, help identify lawbreakers, and collect traffic data, requesting legal clarification from the City Attorney or City Manager. He emphasized the need for dedicated police resources along the canals, noting city investments in canal paths and stressing that the police should have adequate funding to enforce the law. Mr. Beal also raised concerns about police training, citing a juvenile who was advised by an officer to stay on the canal rather than streets or sidewalks. He noted that officers previously refused to issue tickets for canal violations, highlighting the need for accountability and training.

DUANE LIDMAN, Chandler, AZ, spoke about the development of Chandler’s park master plan. He explained that during public outreach, many residents noted that the Orangetree neighborhood lacked a park. Initially, the plan suggested exploring options with private developers since the city did not own the land. A homebuilder later worked with the city to redevelop church property, creating a 48-home PAD and improving the retention basin to include a small park, donated to the city at no cost. The master plan also identifies a need for 13 additional neighborhood park acres, and the Orangetree basin offers an opportunity to add more park space. Mr. Lidman noted strong community support: over 120 residents attended a council meeting in September 2024, with 39 comment cards and one email submitted, mostly supporting additional park improvements. He requested that the final redevelopment phase of Orangetree Park be added to the Capital Improvement Plan and suggested funding be included in the FY26–27 budget to begin outreach, planning, and design, aiming for completion by 2028 as recommended in the master plan.

Adjourn

The meeting was adjourned at 5:12 pm.

ATTEST: *Jennifer Ehlbaul*
City Clerk

Kevin Harthe
Mayor

Approval Date of Minutes: February 26, 2026

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the City Council of Chandler, Arizona, held on the 5th day of February 2026. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 27th day of February, 2026.

Jennifer Ethelred

City Clerk

