

Home Rule Option Public Hearing

2026 Proposed
Local Alternative
Expenditure Limitation

City Council Chambers

6:00 PM



Home Rule Origin

- ✓ State Law effective June 3, 1980
 - ✓ Sets maximum spending limits for Cities & Towns based on a formula
- ✓ Maximum spending limit formula
 - ✓ Based on FY 1979-80 expenditures
 - ✓ Allows for annual population increase
 - ✓ Allows for inflation increases
 - ✓ 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

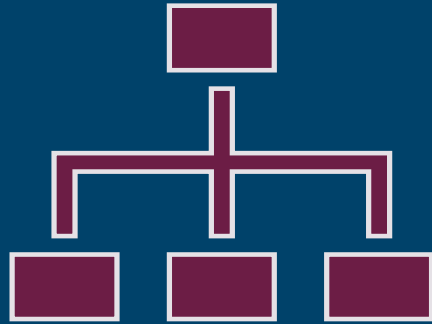
2026 Home Rule Option



Allows City to use adopted budget as the expenditure limit vs state formula set in 1980



Provides flexibility to establish budget based on anticipated revenues and set programs and service levels based on resident needs



**Spending limit is 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 11 consecutive times since 1982- most recently in August 2022

2026 Home Rule Option

Financial Implications (preliminary)

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

State Computed	City FY2027-28 Anticipated Spend
Base Amount (spending limit)	
\$350,177,698	\$582,364,867
Plus, Allowable Exclusions	
\$522,784,635	\$522,784,635
Allowable Spend – Total – Anticipated Spend	
\$872,962,333	\$1,105,149,502
Amount Over State Limit	
\$232,187,169	

Budgeted expenses that would need to be eliminated if Home Rule is not approved

2026 Home Rule Option

Financial Implications

- ✓ Potential impacts if Home Rule does not pass
 - Reductions in street maintenance funding
 - Reductions in public safety funding
 - Deferral or cancellation of capital projects
 - Reductions to recreation, aquatics, and library programs

Approval of Home Rule does not increase taxes

If Home Rule does not pass, revenue will continue to be received but not spent

2026 Home Rule Election Schedule

Dates	Actions Following Public Hearings
February 26	Special Meeting: Council Action on Resolution to Place Home Rule on the November 3, 2026, General Election Ballot
Week of March 2	Publish Record of Vote, Amount Over Limit & Purpose
May – EST	Finalize FY 2027-28 Home Rule Limit (based on FY2026-27 tentative adopted budget)
June 17 & 24	Public Notice of Argument Filing Period
July 21	Submit Financial Worksheets to Auditor General
July 21	Public Voting Pamphlet Sent to Auditor General
July – October	Public Outreach
July 6 - August 5	Argument Filing Period
September 22 - 29	Distribute Pamphlets to Public
November 3	ELECTION DAY: Public Vote at General Election
November 23	Deadline to Canvass Election–City Clerk Submits Results to Auditor General

Questions?

