



Annual Budget

July 1, 2026 - June 30, 2027



Mayor & City Council



Left to right: Councilmember Nichols, Councilmember Amberg, Councilmember Garlid, Mayor Woods, Vice Mayor Chin, Councilmember St. George, Councilmember Keating.

Members of the Tempe City Council serve four year terms. They are elected at large by the voters of Tempe.





Annual Budget
Fiscal Year 2026/27



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Understanding this document

Section 1: Budget Message

Delivers the City Manager's Budget Message and Overview

Section 2: Introduction

Provides an outline of the City of Tempe which includes institutional values, an organizational chart, and a community profile.

Section 3: Budget Process & Financial Policies

An overview of the City's budget process, budget calendar, fund descriptions, fund structure and the adopted financial policies. Details budgetary process and financial policies that provide a general framework of goals and objectives for the operating budget, debt management, financial reserves, financial reporting, and the capital budget.

Section 4: Budget Summary

Provides the three-year consolidated financial schedules (revenue and expenses), revenue and expenditure detail by fund and type, fund balance summaries, and a five-year perspective on the financial condition of the City's major appropriated funds which offers long-range context for the City Council to use in making budgetary decisions for the upcoming fiscal year.

Section 5: Revenue

Lists current revenue and historical revenue trends from significant revenue sources.

Section 6: Department Information

Delivers an overview of City's Strategic Priorities as well as performance measures. This section also includes Departmental Budget Summaries that describe a purpose, budget highlights, expenditures by type and authorized personnel.

Section 7: Capital Improvements Budget & Debt

The Capital Improvement Program is a five-year financial plan for the acquisition, construction, expansion, or rehabilitation of infrastructure and capital assets. Project listings and descriptions are included in this section.

Section 8: Schedules and Summaries

Includes financial schedules, personnel summaries, glossary of terms and acronyms

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Section 2: Introduction

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City of Tempe Fiscal Year 2026/27 Annual Budget

Budget Message

July 1, 2026

To the Honorable Mayor and City Council:

I am pleased to present the City of Tempe's Fiscal Year (FY) 2026/27 adopted annual operating and capital budget, along with the five-year Capital Improvement Program (CIP) for FY 2026/27 through FY 2030/31. The total FY 2026/27 budget is \$1.56 billion, representing an 8% decrease from the FY 2025/26 adopted budget. This budget reflects the city's strategic planning efforts, community input from residents and businesses, and the dedicated work of staff throughout the budget development and adoption process. The budget is more than a set of numbers, it is the document that aligns resources with the city's highest priorities and guides investments in the services and infrastructure that sustain Tempe's high quality of life for residents and the business community. The adopted operating and capital budgets together represent a balanced spending plan that maintains the city's commitment to long-term fiscal stability while ensuring we have the resources needed to deliver essential programs and services to our community. The city also produces an annual Budget in Brief document that presents an overview of the annual operating and capital budgets in an easy-to-understand format. This document is located on the city's website at tempe.gov/budget.

Economic Conditions and Budgetary Challenges

Staff presented long-range forecasts in November 2025 and February 2026 to City Council to provide a long-term perspective on the projected financial condition of the major operating funds and to provide a long-range context for the City Council to consider when making budgetary decisions for FY 2026/27. Understanding the long-range forecast is essential in making informed decisions and maintaining financial sustainability.

The city's budget is dependent on revenues and resources derived from a number of sources, many of which are influenced by the larger economy. Major General Fund revenue sources, such as sales tax, state-shared sales tax, income tax, and vehicle license tax, fluctuate with the health of the regional and national economy. State legislation also plays a key role in shaping revenue collections. To ensure a balanced budget, the Municipal Budget Office continuously monitors economic data and legislative developments at the local, state, and national levels.

Recent state-level changes have directly impacted the city's revenues. Starting January 1, 2025, per State Senate Bill 1131, the city could no longer charge sales tax on residential rental activities. For FY 2026/27, the City estimates a total revenue loss of approximately \$21.7 million across the city's General Fund, Transit Fund, and Arts and Culture Fund. The City's operating budget also reflects reductions in state-shared revenues resulting from San Tan Valley's incorporation, as well as adopted legislative changes that would align Arizona's tax code with federal tax law. In total, these changes reduce ongoing revenues across operating funds by a projected \$25.7 million.

To address these revenue reductions, the City implemented a series of budget-balancing measures designed to maintain financial stability, preserve essential services, and keep fund balances within established policy levels. These actions focus on reducing expenditures and limiting reliance on one-time fund balance drawdowns. Key measures include:

- Prioritizing existing programs and services while limiting supplemental funding.
- Focusing on completion of projects already included in the current 5-year Capital Improvement Plan (CIP) and limiting the use of cash funding for new capital projects.
- Utilizing Public Safety Personnel Retirement System (PSPRS) reserves to support pension contributions for public safety personnel.
- Utilizing Other Post-Employment Benefits (OPEB) reserves to fund retiree health benefits.
- Reducing General Fund transfers to the Transportation Fund.
- Suspending municipal arts transfers from the General Fund.
- Implementing mid-year budget reductions of 10% in the General, Transit, and Arts and Culture funds in March 2025, along with freezing select non-critical positions for the remainder of the fiscal year.

While the city has budgeted conservatively and maintains reserves to absorb the shortfall in FY 2026/27, maintaining long-term fiscal sustainability will require ongoing strategies, either increasing revenues or reducing expenses.

The Tempe and Phoenix metropolitan area economies continue to grow, although at a more moderate pace than in prior years. Between 2019 and 2023, the Phoenix metropolitan region experienced approximately 42% growth domestic product (GDP) growth, far outpacing the national economy, which grew roughly 2.9% during the 2019–2021 period, a reflection of the metro area's exceptionally strong performance relative to the United States overall. This rapid growth highlights the region's economic resilience, strong labor market, and continuing attractiveness to both employers and residents. While GDP data illustrates the region's long-term strength, local economic indicators point to a normalization of growth as inflation eases and hiring levels moderate. These trends will continue to shape the city's revenue outlook in the years ahead.

Performance-Led Budgeting and Community Input

The City Council adopted five strategic priorities that provide the framework to align performance measures that support the City Council's vision and achieve operational accountability. This means continually finding ways to transform our strategic priorities into strategies that guide the development of the budget, allocation of resources and citywide departmental performance measures to get the most important things accomplished. This is the foundation of the city's performance-led budgeting process.

The City Council priorities are:



1. Safe and Secure Communities

Ensuring a Safe and Secure Community through a Commitment to Public Safety and Justice.



2. Strong Community Connections

Developing and maintaining a strong community connection by emphasizing the importance of open government, customer service, and communication with community members.



3. Quality of Life

Enhancing the quality of life for all Tempe residents and workers through investment in neighborhoods, parks, the arts, human services, and city amenities, with an emphasis on equity and diversity.



4. Sustainable Growth and Development

Implementing sustainable growth and development strategies to improve Tempe's environment, quality of life, and economic outcomes. Tempe strives to make long-term generational investments in technology, infrastructure and public transit that create a safe, clean, equitable and healthy city.



5. Financial Stability and Vitality

Maintaining long-term financial stability and vitality by focusing on economic development, business retention, and generating employment to create a robust and diverse economic base.

Please visit performance.tempe.gov to access the Performance Measure dashboard that provides information on the city's progress towards achieving over 100 performance measures. Additional information about the city's Strategic Priorities and planning process can be found in Section 6, Department Information.

Prior to the start of the operating and capital budget process, feedback was sought from the City Council on those specific performance measures that should be prioritized for FY 2026/27. Utilizing an interactive tool called START (Strategic Tool for Aligning Resources for Tempe) that provides City Council with updated statuses on each adopted performance measure, as well as the results of resident and business surveys, the City Council identified five performance measures to accelerate during the FY 2026/27 budget process:

- Feeling of Safety in Parks (1.23)
- Feeling of Safety in Your Neighborhood (1.05)
- Ending Homelessness (3.28)
- Tree and Shade Canopy (4.11)
- Quality of Business Services (5.01)

This acceleration or “hyper” focus on the five identified performance measures provided Departments opportunities to collaborate, shift resources, and to request additional funding during the budget process to accelerate the achievement of the prioritized performance measures.

Tempe welcomes and solicits public input and feedback during the budget development process. Tempe residents and business owners have multiple opportunities to share feedback and provide input on the budget and their priorities for the upcoming fiscal year. Tempe hosted an online public forum during the month of February where residents could allocate a theoretical \$100 across the city's performance measures and provide direct feedback. Additionally, public forums and outreach, both in person and virtual were hosted by the city to solicit feedback. Public hearings are held with City Council where residents may provide direct comments to Council. All events and forums are promoted through the city's website and various media, including Tempe Today, press releases, social media, and direct postcard mailings.

Budget Highlights

Supplemental funding in the FY 2026/27 budget was limited due to reductions in revenues associated with the loss of the residential rental tax, state tax conformity changes, and the incorporation of San Tan Valley. Despite these constraints, the budget strategically invests in essential public safety services. Included in the adopted plan are 10 additional positions in the Fire Medical Rescue Department—six positions to support the future fire station at the NOVUS Innovation Campus and four positions dedicated to the city's ambulance service. The ambulance positions are offset by anticipated increases in ambulance-service revenues, helping to reduce overtime and ensure consistent staffing.

The city's five-year recommended Capital Improvement Program (CIP) for FY 2026/27 through FY 2030/31 totals \$1.8 billion. The first year of the CIP, totaling \$687.5 million, is incorporated into the FY 2026/27 annual budget and includes both new appropriations and reappropriated funding for projects that were delayed or remain in progress from FY 2025/26. Key CIP highlights for FY 2026/27 include \$72 million for street pavement quality improvements, \$26 million for a new Police Substation in North Tempe, \$17.4 million for affordable housing enhancement, and \$5.2 million for a non-congregate homeless shelter. These investments demonstrate the city's commitment to delivering on projects supported by voters in the November 2024 bond election and advancing the community's long-term infrastructure priorities.

Summary of Changes from Proposed Budget to Adopted Budget

The city's proposed FY 2026/27 operating and capital budgets were presented to City Council at a public Work Study Session meeting on April 23, 2026. Only a few technical changes were made from the proposed budgets to the adopted FY 2026/27 operating and capital budgets.

Conclusion

The FY 2026/27 budget reflects the city's continued commitment to providing a high quality of life for the community while maintaining long-term fiscal sustainability. Community input and alignment with the city's strategic priorities ensure that the city's limited resources are directed toward the highest community needs. Looking ahead, the city will continue to monitor its fiscal position closely, and long-term sustainability may require identifying additional revenue sources or adjusting expenditures to ensure ongoing balance and stability. We will continue to observe the economic situation to ensure that we maintain City Council's policies of preserving Tempe's quality of life and solid financial foundation.

With final budget adoption, I want to thank the Mayor and City Council, residents of Tempe, and city staff for their time and effort throughout this budget process.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Rosa Inchausti". The signature is fluid and cursive, with the first name "Rosa" being more prominent than the last name "Inchausti".

Rosa Inchausti
City Manager

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City of Tempe Values



City of Tempe Values

Tempe creates outstanding value for those we serve through shared vision, superior service and sustainable practices.



People

We appreciate the talents of each person and encourage responsible decision making at the most appropriate level. We recognize the importance of personal and professional development.



Quality

We provide superior services and are committed to continuous improvement. We are attentive to the changing needs of the people we serve.



Respect

We welcome individual and professional differences and treat everyone with dignity, courtesy and sensitivity.



Creativity

We encourage imaginative problem solving, innovation, resourcefulness and responsible risk taking.



Openness

We are accessible and work as a team by sharing information, ideas, resources and responsibility.



Integrity

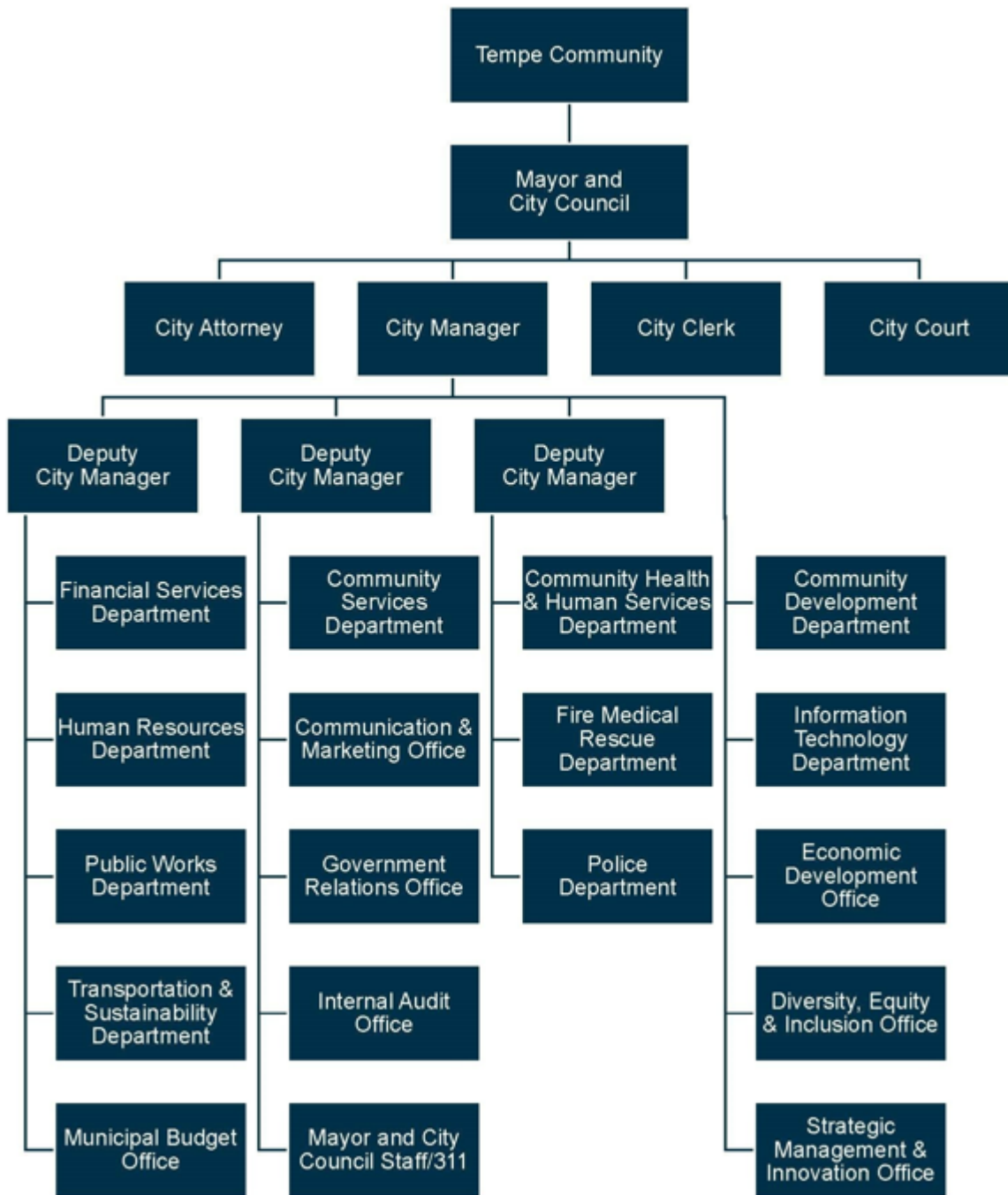
We are honest, accountable and trustworthy.



Diversity

We promote diversity in the workforce to meet the needs of a diverse community. We recognize that with diversity comes strength.

Organizational Chart



GFOA Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Tempe
Arizona**

For the Fiscal Year Beginning

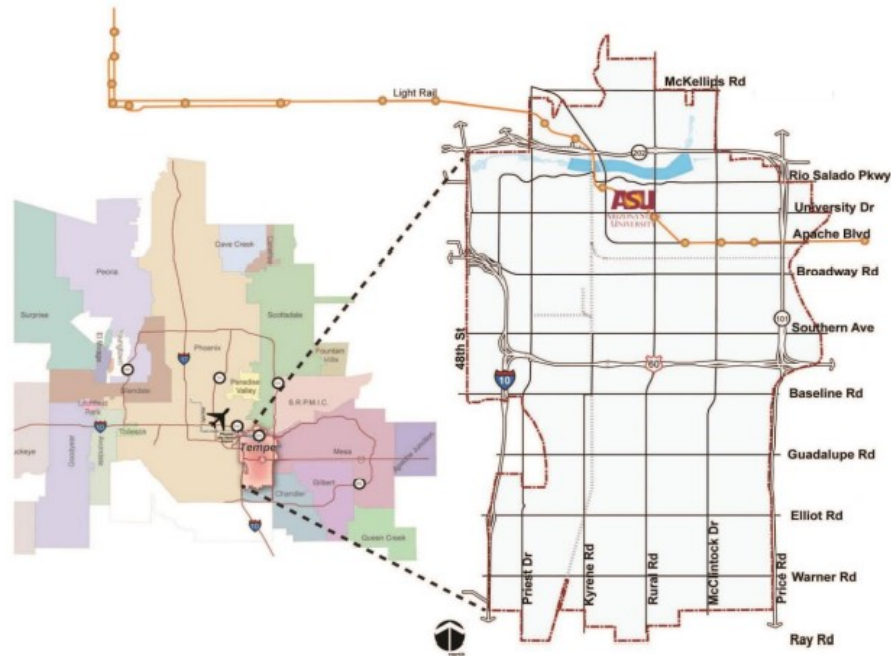
July 01, 2025

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Tempe for its fiscal year beginning July 1, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. The award is valid for a period of one year only.

Community Profile



Date of Incorporation - November 26, 1894

Date Charter Adopted - October 19, 1964

Form of Government - Council/Manager

A Brief History of Tempe

Following the establishment of Fort McDowell on the eastern edge of central Arizona's Salt River Valley in 1865, enterprising farmers moved into the area. They dug out the irrigation canals left by the prehistoric Hohokam people and built new ones to carry Salt River water to their fields. Valley farms soon supplied food to Arizona's military posts and mining towns.

The first settlers to move to the Tempe area, south of the Salt River and east of Phoenix, were Hispanic families from southern Arizona. They helped construct the first two irrigation canals, the Kirkland-McKinney Ditch and the San Francisco Canal, and started small farms to the east and west of a large butte (Tempe Butte). In 1872, some of these Mexican settlers founded a town called San Pablo east of Tempe Butte.

Another settlement, known as Hayden's Ferry, developed west of Tempe Butte. Charles Trumbull Hayden, owner of a mercantile and freighting business in Tucson, homesteaded this location in 1870. Within a few years, he had built a store and flour mill, warehouses and blacksmith shops, and a ferry. This community became the trade center for the south side of the Salt River Valley.

Both settlements grew quickly and soon formed one community. The town was named Tempe in 1879. "Lord" Darrell Duppa, an Englishman who helped establish Phoenix, is credited with suggesting the name. The sight of the butte and the wide river, and the nearby expanse of green fields, reminded him of the Vale of Tempe in ancient Greece.

As more farmers came to settle in the Valley and started raising alfalfa and grains for feeding livestock, the Tempe Irrigating Canal Company provided all necessary water. With a network of canals that extended several miles south of the river, irrigation water was carried to more than 20,000 acres of prime farmland. Crops of wheat, barley, and oats ensured a steady business for the Hayden Mill. The milled flour was hauled to forts and other settlements throughout the territory. By the 1890s, some farmers started growing new cash crops such as dates and citrus fruits.



In 1885, the Arizona legislature selected Tempe as the site for the Territorial Normal School, which trained teachers for Arizona's schools. Soon, other changes in Tempe promoted the development of the small farming community. The Maricopa and Phoenix Railroad, built in 1887, crossed the Salt River at Tempe, linking the town to the nation's growing transportation system. The Tempe Land and Improvement Company was formed to sell lots in the booming town. Tempe became one of the most important business and shipping centers for the surrounding agricultural area.

The completion of Roosevelt Dam in 1911 guaranteed enough water to meet the growing needs of Valley farmers. On his way to dedicate the dam, former President Theodore Roosevelt applauded the accomplishments of the people of central Arizona and predicted that their towns would grow to become prosperous cities. Less than a year later, Arizona became the 48th state, and the Salt River Valley was well on its way to becoming the new population center of the Southwest.

Tempe was a small agricultural community through most of its history. After World War II, Tempe began growing at a rapid rate as veterans and others moved to the city. The last of the local farms quickly disappeared. Through annexation, the city reached its current boundaries by 1974. Tempe had grown into a modern city. The town's small teachers' college had also grown, and in 1958, the institution became Arizona State University.

Tempe's commercial center along Mill Avenue declined during these years. Prompted by Tempe's centennial in 1971, Mill Avenue was revitalized into an entertainment and shopping district that attracts people from throughout the Valley. Currently, Tempe is the eighth largest city of the State, with a strong modern economy based on commerce, tourism, and electronics manufacturing.

A low cost of living, high quality of life and world-class recreation make Tempe a place where people can prosper financially, physically and culturally. Tempe's central location gets active people to great entertainment, sports and recreation areas throughout the region quickly.

Government and Organization

The City operates under a council-manager form of government. The Mayor is elected for four years and six council members are elected at large on a non-partisan ballot for staggered four-year terms. The City Council appoints the City Manager who has full responsibility for carrying out Council policies and administering City operations. The City Manager appoints City department heads as specified in the City's Charter.

Entertainment and Culture

- Tempe Center for the Arts - Concerts, plays, gallery shows and special events
- Edna Vihel Cultural Center Community - Art classes
- Marquee Theatre - Popular concerts and new music
- ASU Gammage - Broadway shows and famous speakers
- Museums and Galleries - Tempe History Museum, Arizona Historical Society Museum, Nelson Fine Arts Center, Ceramics Research Center, Mars Space Flight Facility and Center for Meteorite Studies which are among the 30 galleries and museums at ASU (Arizona Heritage Center temporarily closed May 2026–June 2027)
- More than 750 special events bring the community together to celebrate random acts of fun - Aloha Festival, Innings Festival, Fantasy of Lights Street Parade & Tree Lighting, Fantasy of Lights Boat Parade, Tempe Festival of the Arts (spring and fall), Park After Dark, and Halloween Stroll.

Pro and College Sports and Amateur Athletic Events

- Cactus League Spring Training Baseball at Diablo Stadium
- Arizona State Football and other Arizona State University sports
- Rock n Roll Half Marathon, regular rowing, sailing and outrigger regattas, dozens of runs and walks, including Pat Tillman Run.

Hike and Golf the Great Outdoors

- Hike Tempe Butte in the middle of downtown Tempe
- 50+ Tempe city parks, splash areas and athletic complexes
- Rowing, sailing, kayaking at Tempe Town Lake,
- 232 miles of bikeways
- Papago Park is one of the nation's largest natural parks
- Award winning 18-hole Municipal golf courses. Ken McDonald with over 63,000 rounds of play and Rolling Hills with over 48,000 rounds of play

Shopping

- Tempe Marketplace - 7.3 million square feet of retail space, featuring an interactive shopping, dining and entertainment experience in a vibrant, high-energy outdoor setting
- Mill Avenue District - Historic Mill Avenue offers authentic urban experiences with shops and restaurants
- Arizona Mills Mall - Indoor outlet mall with 785 stores and restaurants, including IMAX, Legoland Discovery Center Arizona and Sea Life Aquarium
- Emerald Center Shops and IKEA - Home furnishings-based retail corridor

Transportation Network

- Freeways - Five freeways connect Tempe including Loop 202, Loop 101, Interstate 10, SR-143, and US 60; More than 7.7 million cars use Tempe's freeways daily according to the Maricopa Association of Governments
- Valley Metro Rail - Tempe has border to border light rail, line starts in Phoenix, goes through Tempe and ends in Mesa, 9 light rail stations within Tempe, rail connects to regional bus service, neighborhood circulators or campus circulators, three park and ride lots, and one transportation center
- Streetcar - the 3.7-mile Tempe Streetcar serves one of the highest transit ridership centers in the region, connecting riders to neighborhoods, major business centers, Arizona State University and regional events and destinations. As the Valley's first modern streetcar line, it

adds to Tempe's comprehensive transit network with 14 stops, including two that connect with Valley Metro Rail.

- Bus - Tempe has bus service on most major streets with 13 bus routes, two express routes, one free Flash route, and six free Orbit neighborhood circulator routes.
- Bike/Walk - Most walkable city in Arizona, designated a Gold-level Bicycle Friendly City by the League of American Bicyclists, more than 70,000 miles of hiking trails in the region, 232 miles of bikeways connecting Tempe to surrounding communities.

Education

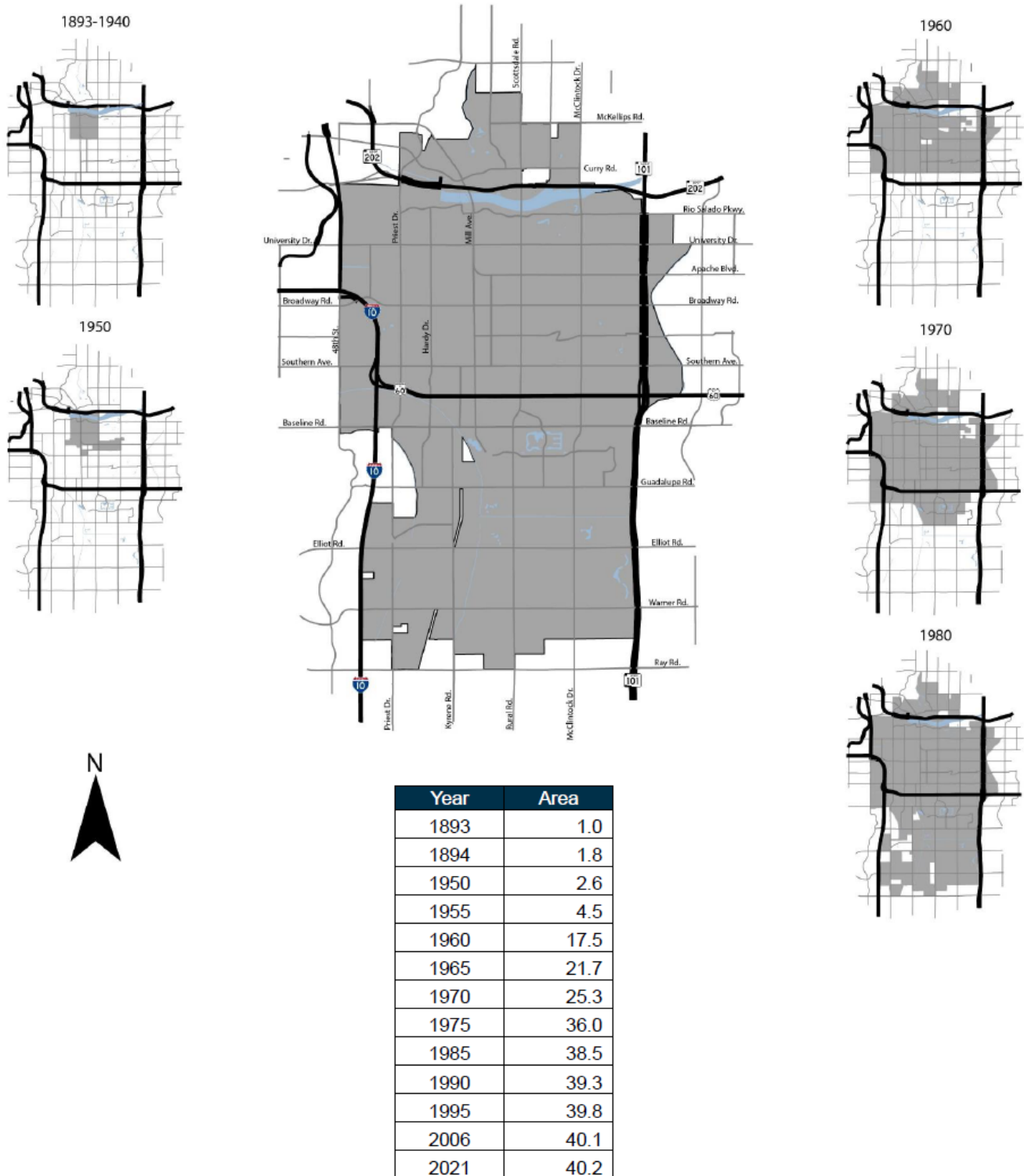
- Arizona State University - Tempe is home to the main campus of Arizona State University with 65,000 students and 8,300 employees. Bachelors, Masters and Ph.D. programs are available. Areas of specialty include: Barrett Honors College, College of Design, College of Education, Ira A. Fulton School of Engineering, College of Law, College of Liberal Arts and Sciences, College of Nursing, College of Public Programs, Division of Undergraduate Academic Services (DUAS), Herberger College of Fine Arts, and the W.P. Carey School of Business.
- Primary and Secondary Education - 5 public high schools (Tempe Union High School District); 78 public elementary and middle schools (Tempe Elementary School District and Kyrene School District). Tempe schools have among the state's best test scores
- Private and Charter School - opportunities exist within Tempe including a variety of parochial and charter schools

Tempe Town Lake

A top destination in Arizona, Tempe Town Lake is an engineering marvel that protects the region from flooding, provides recreation, creates jobs and stimulates investment in Tempe.

- More than 2.4 million people spend time at the lake every year
- The economic impact of Tempe Town Lake since its creation is more than \$2 billion
- More than 40 special events happen at Tempe Town Lake annually
- More than 40,000 people work in the many businesses surrounding Town Lake

City Limits



Demographics

Population (Census)

2020	U.S. Census	180,587
2015	Interim Census	175,826
2010	U.S. Census	161,719
2005	Interim Census	165,796
2000	U.S. Census	158,625
1995	Interim Census	153,821
1990	U.S. Census	142,165
1985	Interim Census	132,942
1980	U.S. Census	106,743
1970	U.S. Census	63,550
1960	U.S. Census	24,897
1950	U.S. Census	7,906

Population by Age (Census)

Under 18	27,532
18 & over	153,055

Population by Ethnicity (Census)

Hispanic or Latino	39,698
Non-Hispanic or Latino	140,889

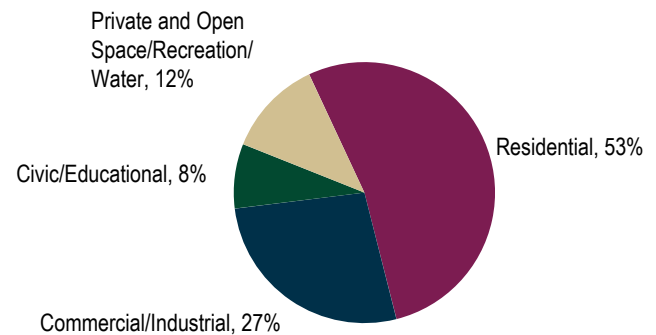
Population by Race (Census)

White	107,927
African American	12,132
American Indian and Alaska Native	5,555
Asian	17,473
Native Hawaiian and Pacific Islander	750
Other	14,415
Identified by two or more	22,335

Building Permits (Fiscal Year Data)

	Number	Value (\$000)
2026	2,346	1,376,646
2025	2,393	1,195,791
2024	1,813	788,080
2023	2,101	514,841
2022	2,340	639,235
2021	2,399	506,144
2020	2,180	791,822
2019	2,167	858,636
2018	2,000	815,553
2017	1,272	440,643
2016	1,250	607,804

Land Use



Primary Election (March 2026)

Registered Voters:	85,899
Ballots Cast:	24,275
Voter Turnout:	28.26 %

General Obligation Bond Ratings

Fitch	AAA
Standard and Poor's	AAA

Employment Trends (MAG and USBLS)

	Employment	Unemployment Rate
2025	204,220	3.2 %
2024	185,132	3.7 %
2023	183,200	3.7 %
2022	180,240	3.2 %
2021	172,240	4.4 %
2020	164,650	6.4 %
2019	165,300	3.8 %

Major Employers**Employees**

State Farm Insurance	8,707
Arizona State University	8,088
JPMorgan Chase Bank National Association	3,335
JPMorgan Chase Bank National Association	2,496
Amazon	2,009
Carvana	1,980
SRP	1,868
ABM Industries Inc	1,852
Doordash	1,846
Freedom Financial Network	1,740
American Airlines	1,438

City Sales Tax

General Fund	1.2 %
Transit Fund	0.5 %
Arts & Cultural Fund	0.1 %
Total	1.8 %

Property Tax Rate

Primary	0.8851
Secondary	1.6775
Total	\$2.5626

Largest Property Taxpayers

SALT RIVER PROJECT (T&D)
JPMORGAN CHASE BANK NA
ARIZONA MILLS MALL LLC
ARIZONA PUBLIC SERVICE
CAMDEN USA INC
FOUNTAINHEAD OFFICE OWNER LLC
RS PHOENIX PORTFOLIO LLC
KM SONOMA LLCMT SONOMA LLC
UNIVERSITY HOUSE TEMPE L L C
COUSINS FUND II PHOENIX IV LLC

Police

Sworn Personnel	355
Non-Sworn Personnel	167
Total	522

Fire Medical Rescue

Sworn Personnel	192
Non-Sworn Personnel	69
Total	261

Solid Waste

Residential Accounts Serviced	33,524
Commercial Accounts Serviced	2,049

Water/Wastewater

Customer Accounts	43,343
Water Gallons Treated (billion)	16
Sanitary Sewers (miles)	500

Community Comparisons

Tempe is part of the greater Phoenix metropolitan area, which is the economic, political, and population center of the state. Popularly referred to as the Valley of the Sun, this area includes several adjacent communities with distinct municipal jurisdictions. The following section provides a perspective on the relative populations of the largest cities in the Valley as well as key comparative cost of service data. This information was obtained from city Budget Offices, as well as printed and online budget documents.

Population (2020 Decennial Census)		Incorporated City Limits	Sq. Miles
Phoenix	1,608,139	Phoenix	519.3
Mesa	504,258	Scottsdale	184.5
Chandler	275,987	Peoria	180.5
Gilbert	267,918	Mesa	139.4
Glendale	248,325	Gilbert	72.6
Scottsdale	241,361	Chandler	65.6
Peoria	190,985	Glendale	65.1
Tempe	180,587	Tempe	40.2

Property Tax Rate (as of July 1, 2026)	(per \$100 assessed Value)	Sales (Transaction Privilege) Tax Rate - Retail (as of July 1, 2026)	
Tempe	\$2.5626	Glendale	2.90 %
Phoenix	\$2.0397	Phoenix	2.80 %
Peoria	\$1.4400	Gilbert	2.00 %
Glendale	\$1.3883	Mesa	2.00 %
Chandler	\$1.0759	Peoria	1.80 %
Gilbert	\$0.9800	Tempe	1.80 %
Scottsdale	\$0.9068	Scottsdale	1.70 %
Mesa	\$0.8500	Chandler	1.50 %

Average Residential Household Cost Comparison

Each year the Municipal Budget Office performs an analysis of the estimated annual amounts paid by the median residential Tempe household for direct services provided by the City of Tempe as well as the estimated total annual amount paid in City of Tempe property and transaction privilege (sales) taxes. These amounts are then compared to the estimated annual amounts paid by the same median residential household in seven comparison cities in the Phoenix metropolitan area. Click [here](#) for a link to the 2026 report.



Section 3: Budget Process and Financial Policies

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Budget Process

Overview

The City of Tempe has established an operating and 5-year capital budget adoption process that incorporates the State of Arizona statutory requirements as well as process that incorporates City Council priorities and maintains the City's solid financial position.

Preparations for the City's FY 2026/27 operating and capital budgets began in the Fall of 2025 and concluded with the adoption of the final budget and property tax levy. The City's fiscal year 2026/27 budget begins on July 1, 2026. The City's operating budget is an annual (one-year) budget, and the CIP is a 5-year plan with only the first year formally adopted as part of the budget process.

Budget Methodology

The City of Tempe has developed a performance-led budgeting process where the allocation of budget resources is tied to funding strategies that will lead to the achievement of performance measures. This data driven approach to budgeting leads to the funding of those programs and services that will help propel the city forward in achieving all its performance measures.

The Strategic Management and Innovation Office continues to work with city departments in identifying baselines, targets, and strategies to accomplish the over 100 organizational performance measures outlined under the City's five Strategic Priorities. As Departments identify their strategies, they perform a needs assessment to determine the amount of resources required to achieve their performance measures. Departments may request additional budget resources through a "supplemental" process for the operating budget and through submission of capital project requests in the capital budget.

In addition, prior to the start of the operating and capital budget process, feedback is sought from the City Council on those specific performance measures that should be prioritized during the budget process for the upcoming fiscal year. This is done by utilizing an interactive tool called START (Strategic Tool for Aligning Resources for Tempe) that provides City Council with updated status for over 100 performance measures as well as from the results of resident, employee, and business surveys. This feedback is utilized to develop acceleration models for a "hyper" focus on those prioritized performance measures to determine additional strategies and resources necessary to accelerate their achievement. Additional resources may then be allocated as part of the budget adoption process.

The adopted annual budget thus reflects the strategic priorities established by the City Council through the allocation of resources to help achieve the adopted performance measures that have operationalized the strategic priorities.

Public Involvement

The City of Tempe welcomes and values the input of community members as the City Council and city staff discuss and work through the process of developing the City's annual operating and 5-year capital (CIP) budget. Community members are encouraged to contribute their thoughts about how the city should be maintaining and investing in our community. Holding public meetings and providing community members the opportunity to provide input about services and programs for the upcoming budget aligns to City Council Strategic Priority - Strong Community Connections and performance measure 2.15 - Feeling invited to participate in city decisions.

Each year, the Municipal Budget Office has an open topic questionnaire on community priorities for the upcoming fiscal year, at tempe.gov/forum. This is an opportunity for residents to emphasize which city programs and services are most important to them. Residents are asked to pick which services they

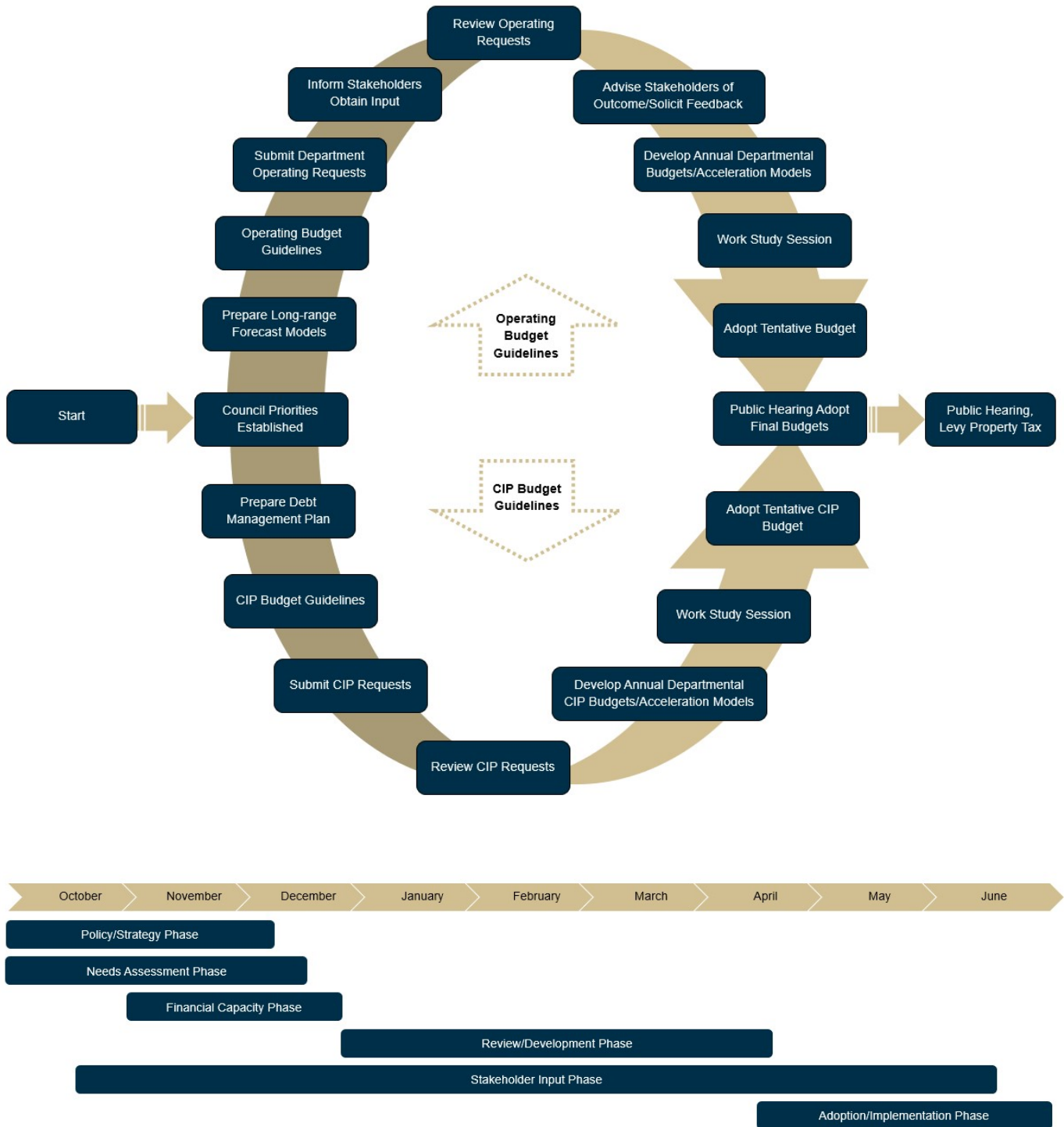
would prioritize by spending a "theoretical" \$100 among the services listed. Participants can distribute the funds evenly or spend all the "money" in one area. The results of the questionnaire are presented to City Council to assist them in gauging public interest and priorities.

In addition, virtual and in-person public budget forums are held to allow community members to ask questions and provide comments about budget priorities.

Finally, community members have the opportunity to attend the City Council Work Study Sessions and Special Meetings where the city's budget is discussed and adopted.

Budget Process Flowchart

The following flowchart depicts the City of Tempe's Annual Budget process and timeline.



Budget Calendar

The following calendar lists deadlines and events leading up to the adoption of the FY 2026/27 budget. [Blue text indicates CIP Budget related items](#); Black text indicates Operating Budget related items.

2025	
November 13	City Council – Work Study Session Present Long-Range Financial Forecast and Strategic Tool for Aligning Resources in Tempe (S.T.A.R.T.) Tool to City Council
November 19	Budget/Strategic Management/Departments CIP Kick-Off Meeting
November/December	Departments/Budget Departments work with Engineering, Procurement, Sustainability, and Information Technology to complete CIP project request forms. Budget determines available funding for CIP.
December 11	City Council - Work Study Session Present Results of Strategic Tool for Aligning Resources in Tempe (S.T.A.R.T.) Tool to City Council
December 11	Budget/Strategic Management/Departments - Operating Budget Kick-off Meeting - Discuss Strategic Performance-Led Budget and Budget Allocation Plan, review budget policies and calendar, Budget Builder refresh
December 19	Department CIP Project Request Forms due to Budget Office
2026	
January	City Manager's Office/Budget/Departments Meetings to review all CIP project submissions
January 7	Departments Tribal Gaming Grant Request Forms due to Budget Office
January 16	Departments Revenue and Exclusion Forms due to Budget Office
January 30	Departments - Operating budget worksheets and forms due to Budget Office Final CIP project revisions due to Budget Office
February 26	City Council – Work Study Session - Present Long-Range Financial Forecast to City Council Introduce all CIP requests to City Council
February/March	Budget/Departments - Complete operating budget; meet with Departments to review base budgets and other budget forms, as necessary City Manager's Office/Budget/Departments - Conduct meetings and develop recommendations; evaluate requests/proposals based on strategic priorities; finalize recommendations; begin preliminary work on City Manager's recommended budget Prioritize projects and develop recommended five-year CIP Public Outreach - Virtual and in-person Public Forums - Online survey - Neighborhood meetings

March 23	City Council – Work Study Session • <i>CIP Work Session: review recommended 5-year CIP Per City Charter (Tempe City Charter, Section 5.06, Capital Program), recommended 5-year CIP must be submitted to council not later than three (3) months prior to the close of the fiscal year.</i>
April 23	City Council – Work Study Session • Budget Review Session - Present City Manager's Recommended Budget to City Council
May 14	City Council (Special Meeting and Public Hearing) • Adopt Tentative Budget
June 4	City Council (Special Meeting and Public Hearing) • Adopt Final CIP • Truth in Taxation Hearing • Adopt Final Operating Budget • Property Tax Ordinance Introduced and First Hearing Held
June 25	City Council (Special Meeting and Public Hearing) • Adopt Final Property Tax Ordinance (Second and Final Hearing)
July 1	Start of FY 2026/27

Budget Process Summary

Budget preparation allows departments the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget is heard by the Mayor and Council in the spring and adopted by June 30, its preparation begins at least eight months prior with projections of city reserves, revenue, expenditure limit requirements, and financial capacity. It is with this "groundwork" that departmental expenditure requests are made and subsequently reviewed.

• Policy/Strategy Phase

The City Council's five strategic priorities (goals) and directives set the tone for the development of the budget. The five strategic priorities have been operationalized through the adoption of over 100 performance measures. Each performance measure has strategies that lay out the plan for achieving the performance measures. The five strategic priorities and adopted performance measures provide the framework for the development of the city's budget. Resources should be allocated toward the achievement of these performance measures. It is within this general framework that departmental supplemental operating budget funding requests for additional funding are formulated and additional funding for CIP projects are evaluated as part of the capital budget.

Also, prior to the start of the operating and capital budget process, feedback is sought from the City Council on those specific performance measures that should be prioritized during the budget process for the upcoming fiscal year. Utilizing an interactive tool called START (Strategic Tool for Aligning Resources for Tempe) that provides City Council with updated status for performance measures as well as the results from resident, employee, and business surveys. Once Council has determined the list of prioritized performance measures, acceleration models are developed for a "hyper" focus on the strategies to achieve these performance measures. Priority is given to the allocation of resources in the budget process towards the accelerated achievement of these performance measures.

• Needs Assessment Phase

Each year, as part of the annual budget process, departments have an opportunity to assess current conditions, programs, and needs based on progress made towards achieving their performance measures. Examination of current performance measure strategies for shifting of resources, collaboration with other departments or outside entities is strongly suggested. In addition, departments are encouraged to review programs and services that are not contributing towards the City Council strategic priorities or achievement of established performance measures for their possible reduction or elimination.

From this process, they prepare preliminary departmental budgets. Departments can move personnel and base budgets to meet their performance measure strategies.

Presentations by the Municipal Budget Office staff at "budget kickoff" meetings include a discussion of citywide goals and objectives, budgeting guidelines for the operating and capital budgets, timelines, an overview of fiscal constraints, and resources available for allocation. The Budget Manual distributed at these meetings is designed to assist the departments in preparing all budget requests and forms.

• Financial Capacity Phase

Forecasting is an integral part of our decision-making process. Both long-range and short-range projections are prepared. The city's Comprehensive Financial Plan is updated annually to assess our current financial condition and future financial capacity, given our long-range plans and objectives. A five-year financial forecast is prepared for each major fund, projecting both expenditures and revenue. As a part of this phase, alternative scenarios are examined for their fiscal impact on each fund.

Concurrent with the Comprehensive Financial Plan is the update of the Debt Management Plan, which provides a twenty-year view of the city's debt capacity. This planning process gauges the capacity to incur debt in the upcoming Capital Improvements Program given the city's financial policy guidelines.

- **Review/Development Phase**

- Operating Budget

- Within the framework of the city's financial capacity, Council and City Manager priorities and departmental needs assessments, budget requests are reviewed, and a preliminary citywide operating budget takes shape. The departments initially prepare and submit base budget worksheets reflecting allocation targets. The amount of the allocation is based on the department's prior year budget. Supplemental requests for additional funding may also be submitted and are evaluated and scored by how it meets the strategic priorities and prioritized performance measures and if there are contractual or other requirements that necessitate the additional funding. Based on financial capacity and City Council prioritized performance measures, supplementals recommended for funding are then incorporated into the City Manager's recommended budget.

- Capital Budget

- Within the framework of the city's financial capacity, remaining bond authorization, statutory debt limits and City Council and City Manager priorities and departmental needs assessments, CIP project requests are reviewed, and a preliminary citywide capital budget takes shape. CIP projects are evaluated based on adherence to the city's asset management plans, alignment with City Council strategic priorities and funding capacity of each respective funding source supporting the project.

- **Stakeholder Input Phase**

The city conducts an annual community (resident) survey and an employee and business survey every other year to assess community priorities prior to the start of the budget process. These surveys are typically conducted in the months of July and August. The results are provided to City Council in a Work Study Session in the Fall.

Each year, the Municipal Budget Office has an open topic questionnaire on Community Priorities for the upcoming fiscal year, at tempe.gov/forum. This is an opportunity for residents to emphasize which city programs and services are most important to them. Residents are asked to pick which services they would prioritize by spending a "theoretical" \$100 among the services listed. Participants can distribute the funds evenly or spend all the "money" in one area. The results of the questionnaire are presented to City Council to assist them in gauging public interest and priorities.

In addition, public budget forums are held at various locations in the city to allow community members to ask questions and provide comments about budget priorities. The questions and comments from the public budget forums are provided to City Council.

Finally, community members have the opportunity to attend the City Council Work Study Sessions and Special Meetings where the city's budget is discussed and adopted.

- **Adoption/Implementation Phase**

Prior to May 1, the City Manager submits to the Council a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. State statute requires that the Council first adopt a tentative budget in a public meeting. The tentative budget sets the maximum spending authority for the next fiscal year. After a period of at least 14 days, the final budget is adopted in a public meeting. The City Council can reduce the total expenditures from the amount approved at tentative adoption but may not increase the amount.

The property tax levy must be adopted by the third Monday in August and two weeks after the final adoption of the budget. State law requires cities and towns with property taxes to adopt their tax rates annually.

- **Budget Monitoring**

Management control of the budget is maintained by conducting quarterly budget performance reviews throughout the fiscal year. A Quarterly Financial Report is submitted to Mayor & Council to report on revenue and expenditure activity for each quarter compared to budget. This report is aimed at examining revenue and expenditure patterns and recommending corrective action to be taken during the year.

MBO and department staff also monitor their budget on an on-going basis through the city's financial reporting system.

- **Changes to the Adopted Budget**

Per State Statute, the city may not exceed the total expenditure appropriation authorized at final budget adoption. However, the budget may be changed during the fiscal year as long as City Charter and State statutes are followed.

Article V, Section 5.08 of the Tempe City Charter states, "At any time during the fiscal year the manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency. Upon written request by the manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another."

The City Manager delegated authority to the Deputy City Manager-CFO or Budget Director to review and approve requests to transfer part or all of any unencumbered appropriation balance 1) among programs within a department, office or agency within the same fund; 2) from non-departmental to operating departments; and 3) from grant, restricted revenue and donation contingency.

For appropriation or cash transfers from one fund, department, office or agency to another, the City Manager delegated authority to Department Directors to submit on their behalf a written request to the City Council, such that the City Council may by ordinance transfer part or all of any unencumbered appropriation balance from one fund, department, office or agency to another

The following is a summary of the city's budget transfer policy:

1. **Appropriation Transfers within Same Fund and Same Department:** These transfers may be approved by the Deputy City Manager-CFO or Budget Director.
2. **Cash and/or Appropriation Transfers between Funds:** These transfers may only be authorized by City Council via Ordinance. Adoption of an Ordinance requires two public hearings and becomes effective 30 days after adoption.
3. **Cash and/or Appropriation Transfers between Departments:** These transfers may only be authorized by City Council via Ordinance. Adoption of an Ordinance requires two public hearings and becomes effective 30 days after adoption.
4. **Contingency Appropriation, excluding Grants, Restricted Revenue and Donations:** These transfers may only be authorized by City Council via a Request for Council Action (RFCA) at a regular Council meeting. Contingency monies are to be used as a last resort to fund a shortfall. Alternative courses of action should be sought before contingency monies will be considered.

5. **Contingency Appropriation for Grants, Restricted Revenue, and Donations:**
These transfers may be approved by the Deputy City Manager-CFO or Budget Director.
 6. **Non-Departmental:** These transfers may be approved by the Deputy City Manager-CFO or Budget Director.
 7. **Ratification of Budget Transfers:** There may be situations where a budget transfer of funds is required before it is possible to obtain formal City Council approval. In these instances, the Deputy City Manager-CFO or Budget Director may approve the transfer of funds and seek City Council ratification at the next available City Council meeting.
 8. **Midyear Program or Personnel Adjustment Request:** Should the need arise for additional personnel or program enhancements during the fiscal year to meet some unforeseen need, a midyear program or personnel request is submitted to the Budget Office for a needs assessment and fiscal impact review. If, after evaluation, it is approved and involves either additional personnel or the abolition of a position(s), the request is forwarded to City Council with recommended action.
- **Permission to Exceed Budget**
In the event of an emergency, the City Council may seek permission from the State Board of Tax Appeals (previously State Tax Commission) to exceed the adopted budget (Section 5.09, City of Tempe Charter).

Budget Basis and Budget Units

Accounting/Budgetary Basis

The City of Tempe's operating budget is legally adopted by Council resolution each fiscal year on a modified accrual basis, which is consistent with Generally Accepted Accounting Principles (GAAP). With modified accrual basis, revenue is recognized when it becomes available and measurable and expenditures as they are made. By contrast, Government-wide financial statements in the Comprehensive Annual Financial Report must be recorded on a full accrual basis. This is where revenue is recognized as soon as it is earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. Fund Statements, in the Comprehensive Annual Financial Report, are modified accrual basis for the General Fund, Debt Service Fund, Special Revenue Funds, and Capital Project Funds and accrual basis for Proprietary Funds.

Generally the basis of budgeting and the basis of accounting in Tempe are the same. Differences with these basis are noted below:

- Claims incurred but not reported (IBNR) expense are recorded on an accounting basis but excluded on a budget basis.
- Capital outlays within the Enterprise Funds are recorded as assets on an accounting basis and expenses on a budget basis.
- Capital outlays within the Enterprise Funds are recorded as assets on an accounting basis and expenses on a budget basis.
- Principal payments on debt obligations of the Enterprise Funds are recorded as a reduction of liability on an accounting basis and expensed on a budget basis.
- Depreciation expense is recorded on a accounting basis only.
- Changes in the unrealized fair value of investments are treated as adjustments to revenue on a accounting basis only.
- Leases receivable is recorded on a accounting basis only.
- Cash from interfund loans are reported as fund balance for budgeting purposes but the associated asset and liability are not reported for budgeting purposes.

City of Tempe Budgetary Fund Structure

All the city's funds are appropriated as part of the annual operating and capital budget.

GOVERNMENTAL FUNDS		PROPRIETARY FUNDS		INTERNAL SERVICE FUNDS	FIDUCIARY FUNDS
Fund	Fund Type	Fund	Fund Type		
General Fund	General	Water and Wastewater	Enterprise	Risk Management Fund	Other Post-Employment Benefits Trust Fund
Transit Special Revenue	Special Revenue	Solid Waste	Enterprise	Worker's Compensation Fund	
General Obligation Debt Service	Debt Service	Emergency Medical Transportation	Enterprise	Health Fund	
Special Assessment Debt Service	Debt Service				
Transit Capital Projects Fund	Capital Projects				
Arts & Cultural Fund	Special Revenue				
Highway User Revenue Fund	Special Revenue				
Community Development (CDBG) Fund	Special Revenue				
Housing Assistance (Section 8) Fund	Special Revenue				
Housing Affordability Fund	Special Revenue				
Restricted Revenue and Donations Fund	Special Revenue				
Grants Fund	Special Revenue				
Court Enhancement Fund	Special Revenue				
Community Facilities District Fund	Special Revenue				
Streets Fund	Capital Projects				
Police Protection Fund	Capital Projects				
Fire Protection Fund	Capital Projects				
Storm Sewers Fund	Capital Projects				
Parks Fund	Capital Projects				
Rio Salado Fund	Capital Projects				
Community Development Fund	Capital Projects				
Signals Fund	Capital Projects				
Community Facilities District Fund	Capital Projects				

Major Fund

Fund Descriptions and Fund Structure

The funds of the city can be divided into the following categories:

- **Governmental Funds:**

General Fund: The General Fund is the general operating fund of the city and is the fund that revenues that are not legally restricted are accounted for. The General Fund is considered a major fund of the city.

Special Revenue Funds: Special Revenue Funds are established to account for legally restricted funding. Our Special Revenue Funds include: Arts & Culture, Highway User Revenue, Transit, Community Development, Housing Assistance, Housing Affordability Fund, Community Facilities District, Donations and Court Awards, and Grants Fund. The Transit Fund is considered a major fund of the city.

Capital Projects Funds: Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds). Our Capital Projects Funds include Transit, Streets, Police Protection, Fire Protection, Storm Sewers, Parks, Rio Salado, Community Development and Traffic Signals.

Debt Service Funds: Debt Service Funds are set up to receive dedicated revenue used to make principal and interest payments on city debt. They are used to account for the accumulation of resources and the payment of general obligation and special assessment debt principal, interest, and related costs, except the debt service accounted for in the Special Revenue Funds and Enterprise Funds. Our Debt Service Funds include General Obligation Debt Service and Special Assessment Debt Service. The General Obligation Debt Service Fund is considered a major fund of the city.

- **Proprietary Funds**

Enterprise Funds: Enterprise Funds are used to account for operations including debt service that are:(a) financed and operated in a manner similar to private businesses, where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. The city's Enterprise Funds include: Water and Wastewater, Solid Waste, and Emergency Medical Transportation. The Water and Wastewater and Solid Waste Funds are considered major funds of the city.

Internal Service Funds: Internal Service Funds are used to report activities that provide supplies and services for certain city programs and activities on a cost reimbursement basis. The city's Internal Service Funds include: Risk Management Fund, Workers' Compensation Fund, and the Health Fund.

Departments by Funding Source

Department	General	Water/ Wastewater	Solid Waste	Emergency Medical Transport	Arts & Cultural	HURF	Transit	Internal Service Funds	Restricted Revenue/ Donations & Court Enhancement	Governmental Grants	Police RICO and Grants	CDBG/ Section 8	Capital Project Funds
Mayor and Council	✓												
City Manager	✓						✓		✓	✓			
City Attorney	✓								✓	✓			
City Clerk	✓												
City Court	✓								✓				
Communications & Marketing Office	✓								✓				✓
Community Development	✓								✓	✓			✓
Community Health & Human Services	✓								✓	✓		✓	✓
Community Services	✓				✓				✓	✓			✓
Diversity, Equity & Inclusion	✓								✓	✓			
Economic Development	✓								✓	✓			✓
Financial Services	✓							✓					✓
Fire	✓			✓					✓	✓			✓
Government Relations Office	✓												
Human Resources	✓							✓					
Information Technology	✓												✓
Internal Audit Office	✓												
Municipal Budget Office	✓												
Police	✓										✓		✓
Public Works	✓	✓	✓						✓				✓
Strategic Management and Innovation Office	✓									✓			✓
Transportation & Sustainability	✓					✓	✓		✓	✓			✓

Financial Policies

The city has formally adopted comprehensive financial policies that provide a general framework of goals and objectives for the operating budget, debt management, financial reserves, financial reporting, and the capital budget. Strong policies provide a standard against which current budgetary performance can be measured and proposals for future programs evaluated. These policies serve as a framework for sound financial planning and decision making. The current version of the adopted comprehensive financial policies were adopted on June 25, 2026.

These policies were developed in order to: 1) institutionalize good financial management practices, 2) maintain adequate financial controls, 3) define how the city will manage its resources to provide valued programs and services to the community, 4) maintain the city's excellent bond rating, 5) manage risk, and 6) provide a long-term perspective for financial and budgetary decisions.

The city is in compliance with all adopted financial policies unless noted below with "Exception" and an explanation.

Operating Budget Policies

- Current revenue will be sufficient to support current operating expenditures. In the event that recurring expenditures exceed recurring revenues, non-recurring drawdowns of unassigned General Fund balance is permitted to the extent that they are done in compliance with reserve policy.
- Each enterprise operation of the city will maintain revenues, excluding development fees, sufficient to support the annual recurring costs of the enterprise operation and any reserve requirements.
- The city shall conduct an annual rate review of its enterprise fund operations as part of its annual budget process.
- Charges for services and other revenues will be reviewed on scheduled bases and adjusted as deemed necessary to respond to cost increases or any other changing circumstances, all subject to the approval of the City Council.
- A five-year long-range financial forecast incorporating both revenues and expenditures of all city funds will be updated annually and presented to the City Council prior to the start of the city budget process. Each year of the forecast will be balanced as necessary to maintain the specified financial reserve levels.

Budget Transfers

- The City Manager or designee may authorize budget transfers between programs within a department, office, or agency within the same fund.
- Transfers between departments and funds must be approved by City Council via Ordinance.
- Transfers from non-department and contingency appropriations for grants, restricted revenues, and donations may be approved by the Deputy City Manager-Chief Financial Officer or the Municipal Budget Director.
- Transfers from contingency, excluding grants, restricted revenues, and donations must be approved by City Council.

Financial Reporting Policies

- Accounting systems will comply with the standards issued by the Government Accounting Standards Board and the Government Finance Officers Association.

- An annual audit will be conducted on the city's Annual Comprehensive Financial Report by an independent certified public accounting firm.
- Full disclosure of all financial activities and related matters will be provided in the annual financial statements and bond presentations.
- Financial systems will be maintained to monitor expenditures, revenue, and program performance on an ongoing basis.
- The city shall comply with all state and federal regulations concerning financial management and reporting.

Debt Management Policies

- Debt will be used to finance long-term capital improvements and not used to finance recurring operating expenses.
- Debt may take the form of:
 - a) General obligation debt, supported by secondary property tax revenues
 - b) Revenue bond debt, supported exclusively by the revenue from a particular city enterprise (water, sewer)
 - c) Excise tax bonds, supported by general city revenue
 - d) Special Assessment Improvements District debt, paid by property owners within the District, and backed by the value of the land and its improvements
 - e) Short-term borrowing or lease/purchase contracts, supported by operating revenues
- In accordance with state law, the total value of General Obligation bonds issued for the purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds, and recreational facilities cannot exceed 20% of assessed valuation. The total value of General Obligation bonds issued for all other purposes other than those listed above cannot exceed 6% of assessed valuation.
- Borrowing for other capital projects may be pursued only when the project being financed is of a long-term nature and special circumstances are present to justify its utilization.
- The term of any debt issued should not exceed the useful life of the asset.
- Debt repayment schedules shall generally be based upon level annual principal and interest payments.
- The city will monitor overlapping debt issued by including overlapping jurisdictions debt burden into the city's financial reports.
- Authorized debt shall be limited as follows unless authorization is obtained from the City Council to exceed these limits:
 - a) General obligation bonds shall follow the guidelines established in the Debt Management Plan;
 - b) Excise tax bonds shall maintain revenue coverage limits of at least 4 times debt service;
 - c) Improvement District bonds shall not exceed 5% of the city's secondary assessed valuation;
 - d) Short-term borrowing or lease purchase contracts must be budgeted for within the annual city budget.
- The city will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract, or other documents to avoid arbitrage. The city will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements of the Federal Internal Revenue Service Regulation 1.148-11.
- The city shall adhere to a Debt Management Program. This program will size the City's General Governmental tax-supported debt based upon benchmarked criteria in order that the city not take

on debt that would adversely affect its budget. The debt ratios will be updated at regular intervals and incorporated into the City's Debt Management Plan. These criteria include:

- a) Outstanding General Governmental tax-supported debt per capita
- b) Ratio of General tax-supported debt to the fair market value of Tempe property.
- c) Ratio of General tax-supported debt per capita as a percent of per capita personal income.
- d) Ratio of General Governmental tax-supported debt service to general governmental expenditures.

Reserve Policies

- The city shall maintain an unassigned fund balance in the General Fund between 20% and 30% of current-year operating revenues. And, if the fund balance is projected to be outside of policy ranges during the 5-year term of the Long-Range Financial Forecast, the City Manager shall recommend, to the City Council, a plan to maintain the fund balance within the established policy parameters.
- The city shall maintain a total fund balance in the Transit Special Revenue Fund of at least 25% of current-year operating revenues.
- The city shall maintain a total fund balance in the Transportation Special Revenue Fund (also known as the Highway User Revenue Fund - HURF) of at least 10% of current-year operating revenues.
- The city shall maintain a total fund balance in the General Obligation Debt Service Fund of between 4% and 8% of outstanding debt that is supported by secondary property taxes.
- The city shall maintain an unrestricted retained earnings reserve in the Water/Wastewater Enterprise Fund of no less than 90 days of current-year operating expenses. The city will establish a rate stabilization fund to manage revenue volatility.
- The city shall maintain an unrestricted retained earnings reserve in the Solid Waste Enterprise Fund of no less than 15% of current-year operating revenues.
- The city shall maintain an unrestricted retained earnings reserve in the Emergency Medical Transport Fund of no less than 25% of current-year operating revenues.
- If the fund balance or retained earnings reserve of any of the funds specified above is reduced below the established minimum standard, the City Manager shall incorporate a plan to restore the fund balance to policy levels in the next scheduled presentation, to the City Council, of the 5-year Long-range Financial Forecast.
- The city shall maintain a total fund balance in the Health Fund between 10% and 25% of the current year budgeted amount for medical claims, including prescription drugs, and dental claims.

Note: For the enterprise funds, the unrestricted fund balance represents working capital available to fund the operations. For the special revenue funds, the total fund balance represents the portion of the total fund balance that is in spendable form.

- Each annual operating budget will include a contingency appropriation for temporary funding of unforeseen needs of an emergency nature for that year. The desired level of contingency appropriation each year shall be based on the average of the three prior-years' experience levels.
- Insurance reserves shall be maintained at a level which, together with any purchased insurance, will adequately indemnify the city's capital assets and its officers and directors against loss. Reserves for self-insurance shall be based on actuarial studies.
- Fund balances above established reserve requirements may be used for one-time expenditures such as capital equipment or increased pay-as-you-go financing for the capital improvements program.

Cash Management Policies

- The investment of city funds shall be structured to ensure the highest levels of security while achieving the maximum return possible as provided for in Section 2-180 of the Tempe City Code.
- The city will maintain a strong system of written internal controls designed to protect the investment of public funds.

Capital Budget Policies

- Estimated costs, potential revenue and funding sources shall be identified prior to any project being submitted for Council approval. A department which anticipates a capital project exceeding its adopted budget shall submit a plan to Council addressing the issues for its prior approval.
- A five-year capital improvements program, as required by City Charter, will be developed, and updated annually including anticipated funding sources. In addition, a prior year capital project status report shall be presented to Council for information purposes when the capital improvement budget is considered.
- The annual operating budget will provide for the adequate maintenance and the orderly replacement of the capital plan and equipment from current revenue where possible.
- Capital improvement operating budget impacts will be coordinated with the development of the operating budget. Future operating, maintenance and replacement costs will be forecast as part of the city's annual long range financial capacity study.
- The city may provide for internal, pay-as-you-go financing for its capital improvements program. Funding may come from fund balance reserves or any other acceptable means of funding. The city will coordinate development of the capital improvements budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.

Property Tax Policy

- Annual property tax levy increase for existing property shall not exceed 5.0% of the total city property tax levy in the prior year. Newly taxed properties will be added to the tax levy at the same primary and secondary tax rates established for existing properties.

Pension Funding Policy

- Arizona Revised Statute requires each employer/member of the Public Safety Personnel Retirement System (PSPRS) to formally adopt a pension funding policy annually. The annual policy must address: 1) how to maintain stability of the city's contribution to PSPRS, 2) how and when the city's funding requirements of PSPRS will be met, and; 3) defining the city's funding ratio target and timeline for reaching the targeted funding ratio.



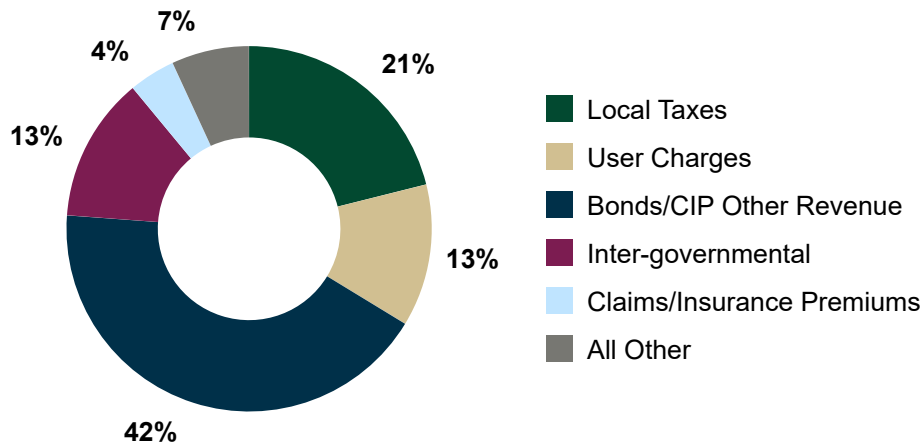
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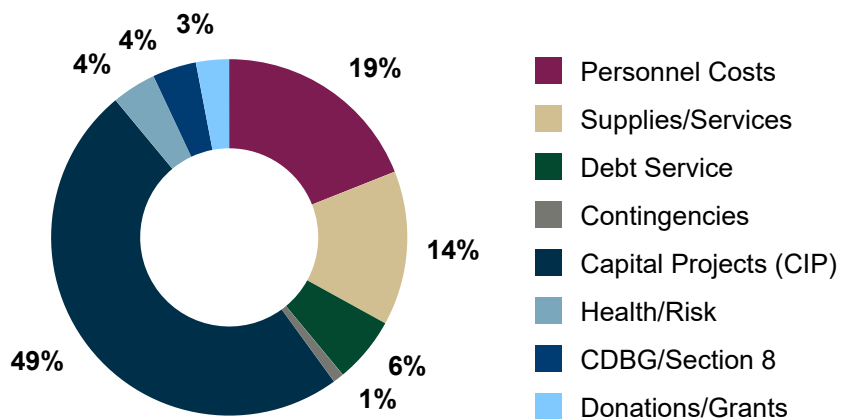
Budget Summary

Total Revenue and Expenses

Total budgeted revenue in the FY 2026/27 Financial Program is approximately \$1.41 billion. Overall revenue collections are anticipated to decrease by (2.3)% in FY 2026/27 in comparison to the FY 2025/26 budget. The decrease in revenue from last fiscal year is reflective of the city's decreased spending on the capital improvements program. The total revenues do not include \$142.5 million in planned draw downs of fund balance and transfers between funds.



The budgeted expenditures for FY 2026/27 total \$1.56 billion. The budgeted expenditures are (8.0)% less in comparison to the FY 2025/26 budget. This decrease in expenditures represents decreased capital improvement program spending.



Summary of Revenues/Resources and Expenditures/Uses by Fund

The following tables provide a three-year summary of the city's revenues and expenditures for each of the city's major funds. In addition, the percent change from period to period is listed.

Revenues/ Resources	FY 2024/25 Actual	FY 2025/26 Budget	% Change	FY 2025/26 Revised	% Change	FY 2026/27 Budget	% Change
General Fund	\$313,307,187	\$314,090,071	0.2%	\$314,090,071	—%	\$315,814,831	0.5%
Special Revenue Funds	151,042,437	232,877,224	54.2%	232,877,224	—%	226,643,476	(2.7%)
Enterprise Funds	165,731,432	155,173,414	(6.4%)	155,173,414	—%	165,096,153	6.4%
Internal Service Fund	52,548,262	53,789,386	2.4%	53,789,386	—%	58,070,225	8.0%
Debt Service Fund	42,982,622	44,109,379	2.6%	44,109,379	—%	47,117,894	6.8%
Capital Projects Fund	120,820,612	645,894,679	434.6%	258,955,011	(59.9%)	600,255,480	131.8%
Total	\$846,432,552	\$1,445,934,153	70.8%	\$1,058,994,485	44.7%	\$1,412,998,059	33.4%

Expenditures/ Uses	FY 2024/25 Actual	FY 2025/26 Budget	% Change	FY 2025/26 Revised	% Change	FY 2026/27 Budget	% Change
General Fund	\$311,349,566	\$341,526,280	9.7%	\$341,526,280	—%	\$341,505,376	—%
Special Revenue Funds	\$150,605,178	\$249,462,332	65.6%	\$249,462,332	—%	\$251,116,805	0.7%
Enterprise Funds	127,646,410	160,034,511	25.4%	160,034,511	—%	164,043,453	2.5%
Internal Service Fund	52,331,357	57,180,401	9.3%	57,180,401	—%	62,246,079	8.9%
Debt Service Fund	48,634,570	44,645,114	(8.2%)	44,645,114	—%	49,051,840	9.9%
Capital Projects Fund	209,596,453	837,175,035	299.4%	780,282,568	(6.8%)	687,540,763	(11.9%)
Total	\$900,163,534	\$1,690,023,673	87.7%	\$1,633,131,201	(3.4)%	\$1,555,504,316	(4.8)%

Components of Total Revenue

FY 2026/27 Adopted Budget Total Revenue \$1,412,998,059						
Operating Budget \$812,742,579					Capital Budget \$600,255,480	
General Governmental \$315,814,831	Special Revenue \$226,643,476	Enterprise \$165,096,153	Internal Service \$58,070,225	Debt Service \$47,117,894	Bond Proceeds \$487,423,72	Outside Revenue \$112,831,758
Local Taxes \$184,242,710	Transit \$73,454,015	Water/ Wastewater \$131,758,525	Tempe Health \$49,133,934	General Obligation \$45,097,644	General Obligation Bonds \$487,423,72	Federal Grants \$49,602,803
Inter- governmental \$80,254,347	CDBG/Section 8 Housing \$85,228,508	Solid Waste \$25,514,022	Risk Management \$5,169,909	Special Assessment \$2,020,250	Excise Bonds \$—	Pay-As-You- Go & Outside Revenue \$63,228,955
User Charges \$23,073,852	Governmental Grants \$13,879,580	Emergency Medical Transport \$7,823,606	Worker's Compensation \$3,766,382		Revenue Bonds \$—	
All Other \$28,243,922	Transportation /HURF \$15,117,971					
	Arts & Culture \$13,148,097					
	Police RICO/ Grants \$14,742,881					
	Donations & Restricted Revenue \$9,896,766					
	Court Enhancement \$1,175,658					

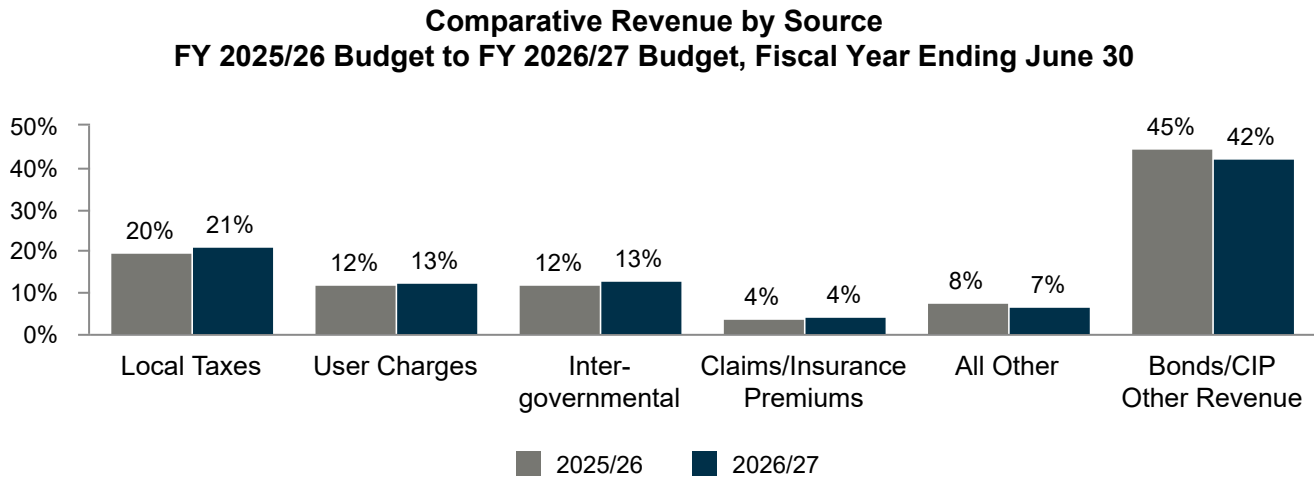
General Governmental is the largest operating revenue category. It supports basic functions of the City, which include Police, Fire Medical Rescue, Community Services, and Community Development.

Note: The amounts noted above reflect budgeted funds that the city receives as income. Interfund transfers are not classified as revenue for this presentation.

Components of Total Expenditures

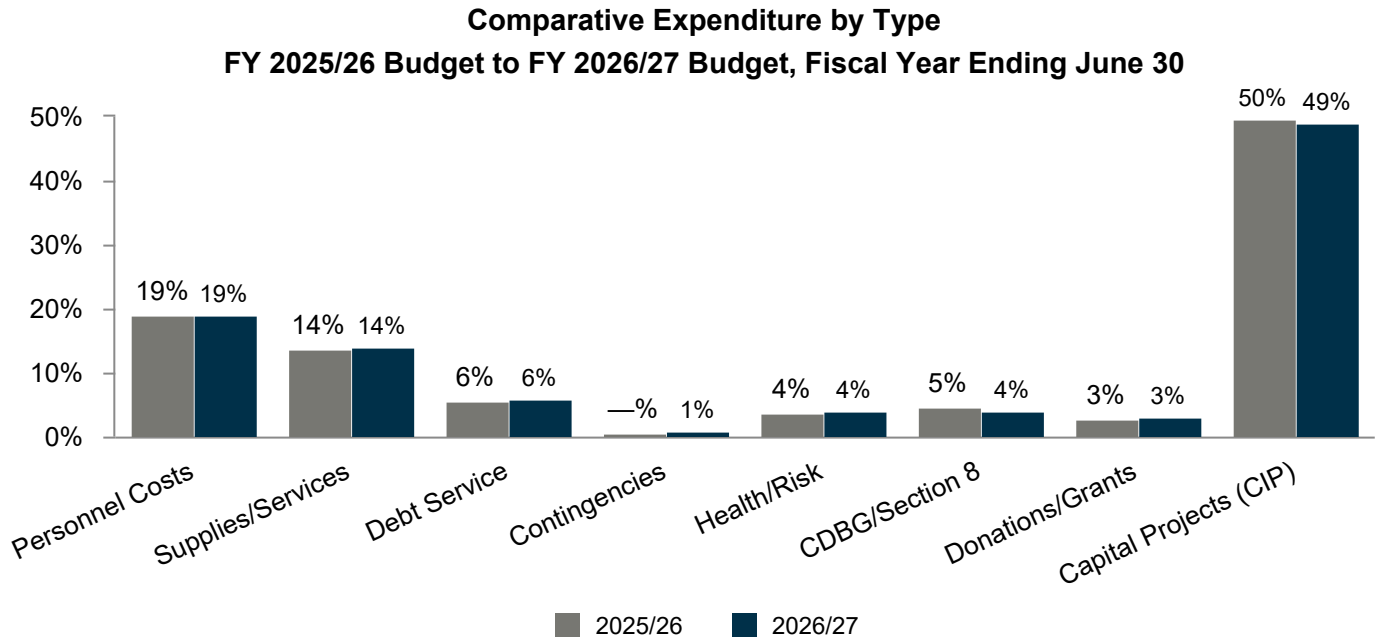
FY 2026/27 Adopted Budget Total Expenditure \$1,555,504,316					
Operating Budget \$867,963,553					Capital Budget \$687,540,763
General Governmental \$341,505,376	Special Revenue \$251,116,805	Enterprise \$164,043,453	Internal Service \$62,246,079	Debt Service \$49,051,840	Capital Budget \$687,540,763
Police & Fire Services \$192,100,768	Transit \$92,906,681	Water/Wastewater \$126,361,461	Tempe Health \$51,566,984	General Obligation \$47,031,590	General Purpose \$257,567,999
Community & Health Services \$70,926,795	CDBG/Section 8 Housing \$85,356,508	Solid Waste \$29,402,582	Risk Management \$7,169,909	Special Assessment \$2,020,250	Enterprise \$274,156,587
Administration & Support Services \$50,998,079	Governmental Grants \$13,879,580	Emergency Medical Transport \$8,279,410	Worker's Compensation \$3,509,186		Transportation \$92,940,639
Development & Infrastructure \$25,381,734	Transportation/HURF \$18,563,185				Special Purpose \$62,875,538
Miscellaneous -\$902,000	Arts & Culture \$14,491,080				
Contingency \$3,000,000	Police RICO/Grants \$14,742,881				
	Restricted Revenue & Donations \$10,001,232				
	Court Enhancement \$1,175,658				

Note: The amounts noted above reflect budgeted expenditure amounts. Interfund transfers are excluded for this presentation

Total Revenue by Source**Where the Money Comes From**

Revenue Source	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Local Taxes				
Local Sales Taxes	\$145,876,879	\$148,319,313	\$148,319,313	\$153,154,529
Other Local Taxes	69,573,329	71,278,057	71,278,057	76,185,825
Transit Tax	55,759,709	55,756,193	55,756,193	57,294,494
Arts & Culture Tax	11,151,942	11,151,614	11,151,614	11,495,969
User Charges				
Water/Wastewater	107,669,953	120,615,980	120,615,980	128,890,670
Solid Waste	22,487,015	23,470,471	23,470,471	24,948,021
Cultural/Recreational	7,394,115	6,432,990	6,432,990	7,031,877
Building/Trades & Planning/Zoning	22,421,068	22,941,798	22,941,798	17,192,390
Intergovernmental				
State Shared Revenue	81,201,895	78,943,554	78,943,554	80,254,347
CDBG/Section 8 Housing	26,738,787	80,543,034	80,543,034	85,228,508
HURF/LTAF	14,317,111	15,200,763	15,200,763	14,883,171
Transit State & Federal	908,022	956,986	956,986	891,041
All Other				
Claim & Insurance Premiums	52,548,262	53,789,386	53,789,386	58,070,225
Donations/Restricted Revenue/Grants	24,516,645	49,177,958	49,177,958	39,694,885
Transit Fares and Facilities	9,020,645	11,348,886	11,348,886	10,152,310
Fees, Fines, and Forfeitures	10,862,053	11,778,288	11,778,288	14,811,098
Licenses & Permits	1,880,416	2,462,000	2,462,000	2,420,900
Interest Revenue	19,250,352	21,432,753	21,432,753	16,057,327
Miscellaneous Revenue	42,033,853	14,439,450	14,439,450	14,084,992
Capital Projects				
Bond/Note Proceeds	111,400,000	517,671,765	239,422,866	487,423,722
CIP Other Revenue	9,420,612	128,222,914	19,532,145	112,831,758
Total Revenue	\$846,432,663	\$1,445,934,153	\$1,058,994,485	\$1,412,998,059

Total Expenditure by Type



Where the Money Goes

Expenditure Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Personnel Costs				
Salary/Wages & Special Pays	\$186,570,951	\$205,708,722	\$203,620,665	\$208,149,157
Fringe Benefits	106,146,315	114,568,296	116,615,126	121,978,323
Materials & Supplies	25,324,803	29,108,989	29,773,181	29,758,667
Fees & Services	141,377,634	165,079,770	167,232,404	172,986,104
Travel & Miscellaneous	11,878,830	16,213,182	14,466,392	13,859,007
Capital Outlays	14,364,601	22,733,383	18,979,045	14,413,047
Debt Service	95,417,415	97,673,822	97,673,822	104,625,565
Internal Service Charges	7,969,023	6,661,081	6,661,081	6,348,068
Contingencies	—	8,200,000	10,925,529	8,443,677
Health/Risk/Internal Service Charges	52,331,357	57,180,401	57,180,401	62,246,079
CDBG/Section 8 Housing	26,929,277	80,543,034	80,543,034	85,356,508
Donations/Restricted Revenue/Grants	22,256,875	49,177,958	49,177,958	39,799,351
Capital Projects (CIP)	209,596,453	837,175,035	780,282,568	687,540,763
Total Expenditures	\$900,163,534	\$1,690,023,673	\$1,633,131,206	\$1,555,504,316

Revenue by Major Source and Fund

Revenue Source	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
General Fund				
Local Taxes				
City Sales Tax	\$132,554,871	\$133,924,337	\$133,924,337	\$137,441,177
Transient Lodging Tax	13,322,008	14,394,976	14,394,976	15,713,352
Total Local Taxes	\$145,876,879	\$148,319,313	\$148,319,313	\$153,154,529
State Shared Revenue				
State Income Tax	\$40,382,995	\$37,773,351	\$37,773,351	\$39,677,512
State Sales Tax	29,121,493	29,261,940	29,261,940	28,853,388
Vehicle License Tax	9,854,241	10,273,839	10,273,839	10,224,571
Other Intergovernmental	1,843,166	1,634,424	1,634,424	1,498,876
Total State Shared Revenue	\$81,201,895	\$78,943,554	\$78,943,554	\$80,254,347
Other Local Taxes				
Primary Property Tax	\$22,531,735	\$23,219,063	\$23,219,063	\$23,794,713
SRP Payment in Lieu of Taxes	3,413,898	3,516,315	3,516,315	3,656,968
Franchise Fees	3,559,571	2,456,800	2,456,800	3,636,500
Total Other Local Taxes	\$29,505,204	\$29,192,178	\$29,192,178	\$31,088,181
Building & Trades/Planning & Zoning	\$22,421,068	\$22,941,798	\$22,941,798	\$17,192,390
Cultural and Recreational				
Registration & Admission Charges	\$4,074,505	\$3,612,689	\$3,612,689	\$3,633,525
Other Cultural and Recreation Fees	2,248,488	1,852,193	1,852,193	2,247,937
Total Cultural and Recreational	\$6,322,993	\$5,464,882	\$5,464,882	\$5,881,462
Fines, Fees and Forfeitures				
Traffic & Parking Fines	\$746,241	\$1,678,665	\$1,678,665	\$1,302,217
Criminal Fines	401,935	425,433	425,433	380,570
Other Fines, Fees and Forfeitures	3,368,756	2,674,190	2,674,190	5,328,311
Total Fines, Fees and Forfeitures	\$4,516,932	\$4,778,288	\$4,778,288	\$7,011,098
Licenses & Permits	\$1,880,416	\$2,462,000	\$2,462,000	\$2,420,900
Interest Income	\$9,549,361	\$11,687,993	\$11,687,993	\$8,648,011
Miscellaneous Revenue	\$12,032,439	\$10,300,065	\$10,300,065	\$10,163,913
Total General Fund	\$313,307,187	\$314,090,071	\$314,090,071	\$315,814,831
Transit Fund				
Transit Tax	\$55,759,709	\$55,756,193	\$55,756,193	\$57,294,494
Fares and Facility Revenue	9,020,645	11,348,886	11,348,886	10,152,310
Federal and State Funding	908,022	956,986	956,986	891,041
Interest Income	5,171,529	5,823,797	5,823,797	4,112,770
Miscellaneous Revenue	1,334,754	1,006,657	1,006,657	1,003,400
Total Transit Fund	\$72,194,659	\$74,892,519	\$74,892,519	\$73,454,015

Revenue Source	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Total CDBG/Section 8 Housing Funds	\$26,738,787	\$80,543,034	\$80,543,034	\$85,228,508
Governmental Grants Fund	\$13,288,043	\$21,154,616	\$21,154,616	\$13,879,580
Transportation Fund				
Highway User Revenue Tax	\$14,317,111	\$15,200,763	\$15,200,763	\$14,883,171
Other Transportation Fees	244,319	232,800	232,800	231,800
Miscellaneous Revenue	156,970	219,799	219,799	3,000
Total Transportation Fund	\$14,718,400	\$15,653,362	\$15,653,362	\$15,117,971
Arts and Culture Fund				
Arts and Culture Tax	\$11,151,942	\$11,151,614	\$11,151,614	\$11,495,969
Facility Revenue	1,071,122	968,108	968,108	1,150,415
Interest Income	643,931	489,629	489,629	494,713
Miscellaneous Revenue	6,951	1,000	1,000	7,000
Total Arts and Culture Fund	\$12,873,946	\$12,610,351	\$12,610,351	\$13,148,097
Police-RICO/Grants Fund	\$8,533,269	\$13,173,885	\$13,173,885	\$14,742,881
Governmental Donations & Restricted Revenue Fund	\$2,348,221	\$12,708,289	\$12,708,289	\$9,896,766
Court Enhancement Fund	\$347,112	\$2,141,168	\$2,141,168	\$1,175,658
Water/Wastewater Fund				
Water/Wastewater Service				
Water Consumption	\$57,334,814	\$64,000,000	\$64,000,000	\$67,500,000
Water Service	11,112,996	12,500,000	12,500,000	13,000,000
Sewer Usage	27,311,876	30,500,000	30,500,000	34,500,000
Sewer Service	9,018,081	10,700,000	10,700,000	11,000,000
Other Water Charges	2,892,186	2,915,980	2,915,980	2,890,670
Total Water/Wastewater Service	\$107,669,953	\$120,615,980	\$120,615,980	\$128,890,670
Interest Income	2,926,001	2,740,000	2,740,000	2,300,043
Miscellaneous Revenue	25,556,882	567,812	567,812	567,812
Total Water/Wastewater Fund	\$136,152,836	\$123,923,792	\$123,923,792	\$131,758,525
Solid Waste Fund				
Solid Waste Service				
Residential Service	\$14,712,196	\$15,445,000	\$15,445,000	\$16,130,000
Commercial Service	5,062,778	4,935,000	4,935,000	5,365,550
Recycling	1,169,755	1,084,000	1,084,000	1,146,000
Other Solid Waste Charges	1,542,286	2,006,471	2,006,471	2,306,471
Total Solid Waste Service	\$22,487,015	\$23,470,471	\$23,470,471	\$24,948,021
Interest Revenue	628,374	625,735	625,735	478,184
Miscellaneous Revenue	85,396	87,817	87,817	87,817
Total Solid Waste Fund	\$23,200,785	\$24,184,023	\$24,184,023	\$25,514,022

Revenue Source	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Emergency Medical Transport Fund				
Ambulance Fees	\$6,345,121	\$7,000,000	\$7,000,000	\$7,800,000
Interest Revenue	32,801	65,599	65,599	23,606
Miscellaneous Revenue	-111	—	—	—
Total Emergency Medical Transport Fund	\$6,377,811	\$7,065,599	\$7,065,599	\$7,823,606
Tempe Health Fund	\$42,005,189	\$45,136,343	\$45,136,343	\$49,133,934
Risk Management Fund	\$5,875,811	\$4,973,857	\$4,973,857	\$5,169,909
Worker's Compensation Fund	\$4,667,262	\$3,679,186	\$3,679,186	\$3,766,382
General Obligation Debt Service Fund				
Secondary Property Tax	\$40,068,125	\$42,085,879	\$42,085,879	\$45,097,644
Interest Revenue	298,355	—	—	—
Miscellaneous Revenue	633,017	—	—	—
Total General Obligation Debt Service Fund	\$40,999,497	\$42,085,879	\$42,085,879	\$45,097,644
Special Assessment Debt Service Fund	\$1,983,125	\$2,023,500	\$2,023,500	\$2,020,250
Capital Project Funds				
Bond Proceeds	\$111,400,000	\$517,671,765	\$239,422,866	\$487,423,722
Grants	1,910,252	89,950,240	4,351,757	49,602,803
Miscellaneous Revenue	7,510,360	38,272,674	15,180,388	63,228,955
Total Capital Project Funds	\$120,820,612	\$645,894,679	\$258,955,011	\$600,255,480
Total Revenue All Funds	\$846,432,552	\$1,445,934,153	\$1,058,994,485	\$1,412,998,059

Note: Interfund transfers are not classified as revenue for this presentation.

Expenditure Type and Fund

Expenditure Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
General Fund				
Personnel Costs				
Salary and Wages	\$155,809,801	\$169,320,075	\$167,610,897	\$168,972,540
Fringe Benefits	93,498,318	100,010,817	101,678,768	105,689,826
Total Personnel Costs	\$249,308,119	\$269,330,892	\$269,289,665	\$274,662,366
Materials and Supplies	11,956,612	12,874,861	13,435,453	13,439,757
Fees & Services	50,364,321	58,244,174	60,928,048	57,110,044
Travel & Miscellaneous	11,240,158	15,692,932	13,946,142	13,338,697
Capital Outlays	8,174,163	7,158,512	6,075,183	5,561,013
Internal Service Charges	-19,693,807	-24,775,091	-24,775,091	-25,606,501
Contingencies	—	3,000,000	2,626,880	3,000,000
Total General Fund	\$311,349,566	\$341,526,280	\$341,526,280	\$341,505,376
Transit Fund				
Personnel Costs				
Salary and Wages	\$2,528,764	\$2,240,460	\$2,144,335	\$2,965,247
Fringe Benefits	946,062	912,605	1,008,730	1,277,952
Total Personnel Costs	\$3,474,826	\$3,153,065	\$3,153,065	\$4,243,199
Materials and Supplies	4,179,819	6,169,664	6,169,664	6,169,664
Fees & Services	60,352,724	68,375,161	68,302,479	72,146,975
Travel & Miscellaneous	25,420	62,675	62,675	62,675
Capital Outlays	33,995	150,000	150,000	
Debt Service	4,694,734	4,660,778	4,660,778	4,661,610
Internal Service Charges	3,294,532	3,765,775	3,765,775	4,049,876
Contingencies	—	1,500,000	1,572,682	1,572,682
Total Transit Fund	\$76,056,050	\$87,837,118	\$87,837,118	\$92,906,681
Total CDBG/Section 8 Housing Funds	\$26,929,277	\$80,543,034	\$80,543,034	\$85,356,508
Governmental Grants Fund	\$13,166,508	\$21,154,616	\$21,154,616	\$13,879,580
Transportation Fund				
Personnel Costs				
Salary and Wages	\$3,676,355	\$4,955,701	\$4,979,404	\$5,081,472
Fringe Benefits	1,949,123	2,161,565	2,137,862	2,238,563
Total Personnel Costs	\$5,625,478	\$7,117,266	\$7,117,266	\$7,320,035
Materials and Supplies	576,914	814,641	814,641	790,758
Fees & Services	3,601,175	3,803,913	3,803,913	3,984,131
Travel & Miscellaneous	36,658	21,570	21,570	21,130
Capital Outlays	1,283,087	2,733,710	2,562,715	1,799,764
Internal Service Charges	3,374,612	3,008,738	3,008,738	3,476,372
Contingencies	—	1,000,000	1,170,995	1,170,995
Total Transportation Fund	\$14,497,924	\$18,499,838	\$18,499,838	\$18,563,185

Expenditure Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Arts and Culture Fund				
Personnel Costs				
Salary and Wages	\$3,841,309	\$4,921,817	\$4,843,984	\$5,360,854
Fringe Benefits	1,345,459	1,621,537	1,699,370	1,895,640
Total Personnel Costs	\$5,186,768	\$6,543,354	\$6,543,354	\$7,256,494
Materials and Supplies	633,979	575,544	679,144	679,102
Fees & Services	2,449,000	2,605,307	2,501,707	2,539,449
Travel & Miscellaneous	91,145	145,581	145,581	146,081
Capital Outlays	177,474	25,000	25,000	115,000
Debt Service	583,500	582,675	582,675	579,025
Internal Service Charges	1,743,186	1,926,923	1,926,923	2,175,929
Contingencies	—	1,000,000	1,000,000	1,000,000
Total Arts and Culture Fund	\$10,865,052	\$13,404,384	\$13,404,384	\$14,491,080
Police-RICO/Grants Fund	\$7,021,810	\$13,173,885	\$13,173,885	\$14,742,881
Governmental Donations & Restricted Revenue Fund	\$1,737,312	\$12,708,289	\$12,708,289	\$10,001,232
Court Enhancement Fund	\$331,245	\$2,141,168	\$2,141,168	\$1,175,658
Water/Wastewater Fund				
Personnel Costs				
Salary and Wages	\$12,898,880	\$15,537,835	\$15,454,900	\$16,827,090
Fringe Benefits	5,445,457	6,472,039	6,554,974	7,224,264
Total Personnel Costs	\$18,344,337	\$22,009,874	\$22,009,874	\$24,051,354
Materials and Supplies	6,737,791	7,344,904	7,344,904	7,445,896
Fees & Services	20,107,104	26,907,064	26,842,488	31,878,611
Travel & Miscellaneous	466,158	270,683	270,683	270,683
Capital Outlays	1,441,594	2,096,439	1,645,000	1,083,500
Debt Service	41,504,611	47,785,255	45,826,438	48,797,090
Internal Service Charges	11,622,606	13,595,715	13,595,715	11,834,327
Contingencies	—	1,000,000	1,516,015	1,000,000
Total Water/Wastewater Fund	\$100,224,201	\$121,009,934	\$119,051,117	\$126,361,461
Solid Waste Fund				
Personnel Costs				
Salary and Wages	\$4,569,618	\$5,264,390	\$5,209,773	\$4,974,280
Fringe Benefits	1,976,502	2,224,989	2,279,606	2,287,595
Total Personnel Costs	\$6,546,120	\$7,489,379	\$7,489,379	\$7,261,875
Materials and Supplies	735,942	788,675	788,675	771,518
Fees & Services	4,287,716	4,565,237	4,565,237	4,622,394
Travel & Miscellaneous	13,629	14,741	14,741	14,741
Capital Outlays	2,821,610	9,999,722	7,951,147	4,833,770
Internal Service Charges	7,155,887	8,623,191	8,623,191	9,862,284
Contingencies	—	500,000	2,548,575	500,000
Total Solid Waste Fund	\$21,560,904	\$31,980,945	\$33,939,762	\$29,402,582

Expenditure Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Revised	FY 2026/27 Budget
Emergency Medical Transport Fund				
Personnel Costs				
Salary and Wages	\$3,246,224	\$3,468,444	\$3,377,372	\$3,967,674
Fringe Benefits	985,394	1,164,744	1,255,816	1,364,483
Total Personnel Costs	\$4,231,618	\$4,633,188	\$4,633,188	\$5,332,157
Materials and Supplies	503,746	540,700	540,700	461,972
Fees & Services	215,594	578,914	288,532	704,500
Travel & Miscellaneous	5,662	5,000	5,000	5,000
Capital Outlays	432,678	570,000	570,000	1,020,000
Internal Service Charges	472,007	515,830	515,830	555,781
Contingencies	—	200,000	490,382	200,000
Total Emergency Medical Transport Fund	\$5,861,305	\$7,043,632	\$7,043,632	\$8,279,410
Tempe Health Fund	\$41,692,466	\$46,747,358	\$46,747,358	\$51,566,984
Risk Management Fund	\$5,875,811	\$6,973,857	\$6,973,857	\$7,169,909
Worker's Compensation Fund	\$4,763,080	\$3,459,186	\$3,459,186	\$3,509,186
General Obligation Debt Service Fund	\$46,650,595	\$42,621,614	\$42,621,614	\$47,031,590
Special Assessment Debt Service Fund	\$1,983,975	\$2,023,500	\$2,023,500	\$2,020,250
Capital Project Funds				
General Purpose	\$96,905,288	\$348,075,604	\$318,835,905	\$257,567,999
Enterprise	80,184,639	295,506,747	287,906,631	274,156,587
Transportation	20,867,227	119,050,982	103,765,380	92,940,639
Special Purpose	11,639,299	74,541,702	69,774,652	62,875,538
Total Capital Project Funds	\$209,596,453	\$837,175,035	\$780,282,568	\$687,540,763
Total Expenditures All Funds	\$900,163,534	\$1,690,023,673	\$1,633,131,206	\$1,555,504,316

Note: The amounts noted above do not include interfund transfers.

Fund Summary

The table below provides the fund balance summary for each of the city's major and non-major governmental funds for fiscal year 2026/27 based on the adopted budget. Note this is not necessarily reflective of the city's forecast, as it assumes 100% utilization of contingency appropriation. Changes in beginning and ending fund balance greater than 10% are summarized below the table.

Fund	Estimated Fund Balance 06/30/2026	Revenue	Total Financial Resources	Expenditures	Interfund Transfer		Estimated Fund Balance 06/30/2026	% Change in Fund Balance
					In	(Out)		
General (Unassigned)	\$103,943,000	\$315,814,831	\$419,757,831	\$341,505,376	\$94,750	(\$10,903,062)	\$67,444,143	(35.1%)
Special Revenue								
Highway User Revenue	5,354,000	15,117,971	20,471,971	18,563,185			1,908,786	(64.3%)
CDBG/Section 8	180,078	85,228,508	85,408,586	85,356,508			52,078	(71.1%)
Arts & Culture	12,360,000	13,148,097	25,508,097	14,491,080		(1,852,000)	9,165,017	(25.8%)
Transit	86,420,000	73,454,015	159,874,015	92,906,681		(10,139,940)	56,827,394	(34.2%)
Restricted Revenue/ Grants/Donation	6,243,241	39,694,885	45,938,126	39,799,351			6,138,775	(1.7%)
Debt Service	1,640,982	47,117,894	48,758,876	49,051,840	469,000	(469,000)	(292,964)	(117.9%)
Enterprise								
Solid Waste	7,550,000	25,514,022	33,064,022	29,402,582	1,375,464	(3,581,434)	1,455,470	(80.7%)
Water/Wastewater	89,304,000	131,758,525	221,062,525	126,361,461	469,000	(10,624,325)	84,545,739	(5.3%)
Emergency Medical Transport	3,865,000	7,823,606	11,688,606	8,279,410		(60,000)	3,349,196	(13.3%)
Internal Service								
Health	14,653,436	49,133,934	63,787,370	51,566,984			12,220,386	(16.6%)
Risk	4,032,139	5,169,909	9,202,048	7,169,909			2,032,139	(49.6%)
Worker's Compensation	(13,092,663)	3,766,382	(9,326,281)	3,509,186			(12,835,467)	(2.0%)
TOTAL OPERATING	\$322,453,213	\$812,742,579	\$1,135,195,792	\$867,963,553	\$2,408,214	(\$37,629,761)	\$277,298,907	(14.0%)
Capital Improvements	61,720,000	600,255,480	661,975,480	687,540,763	35,221,547		35,813,374	(42.0%)
GRAND TOTAL	\$384,173,213	\$1,412,998,059	\$1,797,171,272	\$1,555,504,316	\$37,629,761	(\$37,629,761)	\$360,446,452	(6.2%)

Variance Explanations:

The city strives to maintain fund balances within the defined ranges per the city's adopted fund balance policy. The decreases in fund balances reflect planned draw downs to address projected budget shortfalls between revenues and expenditures and cash funding of CIP projects.

General: The 35.1% decrease represents a planned draw-down of fund balance. On the November 2026 ballot, voters may approve an additional sales tax. If the voters do not approve the proposed sales tax, additional budget balancing measures may be required. Ending fund balance at June 30, 2027 will remain within fund balance policy.

Transportation: The 64.3% decrease represents the full utilization of the contingency appropriation in the fund in FY 2026/27. Ending fund balance at June 30, 2027 will remain within fund balance policy.

Arts & Culture: The 25.8% decrease represents a planned draw-down of fund balance to fund CIP "pay-go" projects and the full utilization of the contingency appropriation in the fund. Ending fund balance at June 30, 2027 will remain within fund balance policy.

Transit: The 34.2% decrease represents a planned draw-down of fund balance to fund CIP "pay-go" projects of \$10.1 million. Ending fund balance at June 30, 2027 will remain within fund balance policy.

Debt Service: The 117.9% decrease represents a planned draw-down of fund balance through increased FY 2026/27 debt service payments. Future debt service payments will be scheduled so that the fund balance does not exceed more than 10% of the current fiscal year's principal and interest payments, per State statutory requirements.

Solid Waste: The 86.8% decrease represents a planned draw-down of fund balance to fund FY 2026/27 CIP "pay-go" projects. Ending fund balance at June 30, 2027 will remain within fund balance policy.

Water/Wastewater: The 11.7% decrease represents a planned draw-down of fund balance to fund FY 2025/26 CIP "pay-go" projects. Ending fund balance at June 30, 2026 will remain within fund balance policy.

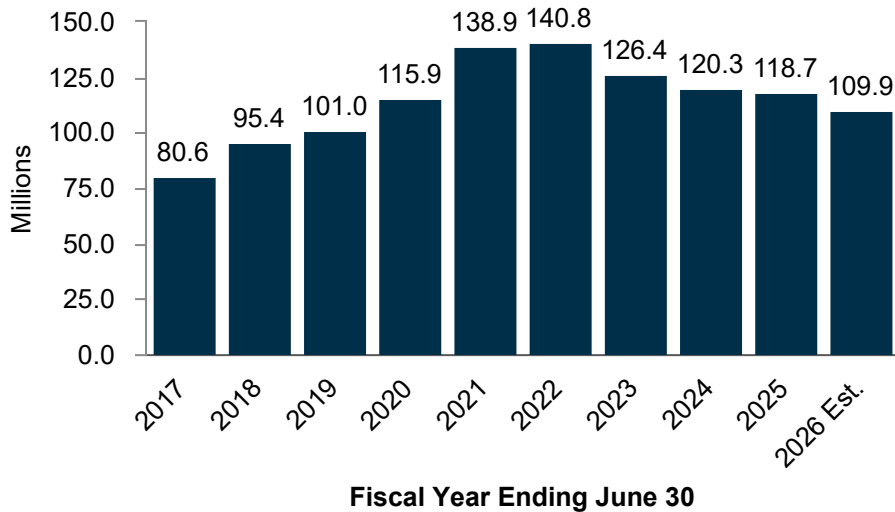
Health: The 16.6% decrease in fund balance reflects a planned draw down of fund balance.

Risk: The negative fund balance in the Risk fund is due to incurred but not reported (IBNR) claims. The fund maintains a positive cash balance.

Capital Improvements: The 42.0% decrease in fund balance reflects the utilization of cash or pay-as-you go funds for several of the capital programs.

Governmental Funds: Ten-Year Fund Balance Trends

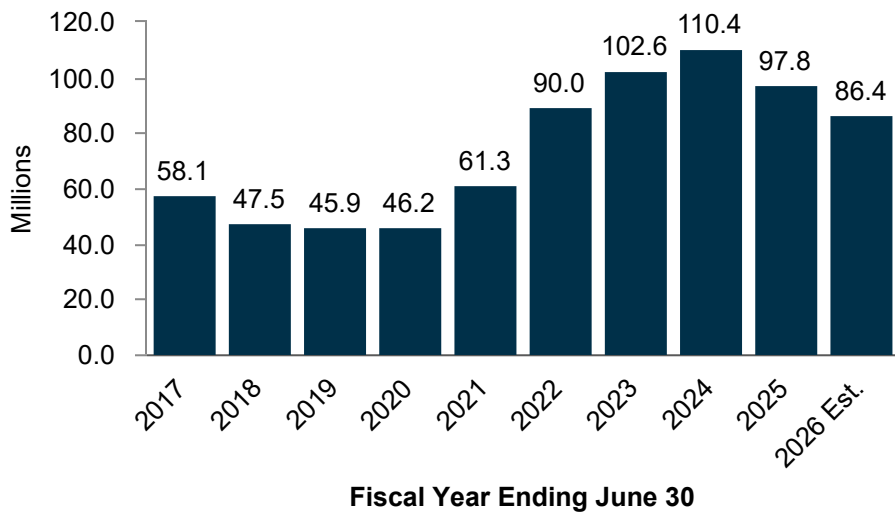
General Fund Unassigned Fund Balance



Over the ten-year period, unassigned fund balances in the General Fund have been maintained within or have exceeded the policy guideline of 20-30% of revenue. At FYE 2026, the estimated General Fund unassigned fund balance of \$109.9 million was above the 20-30% policy threshold.

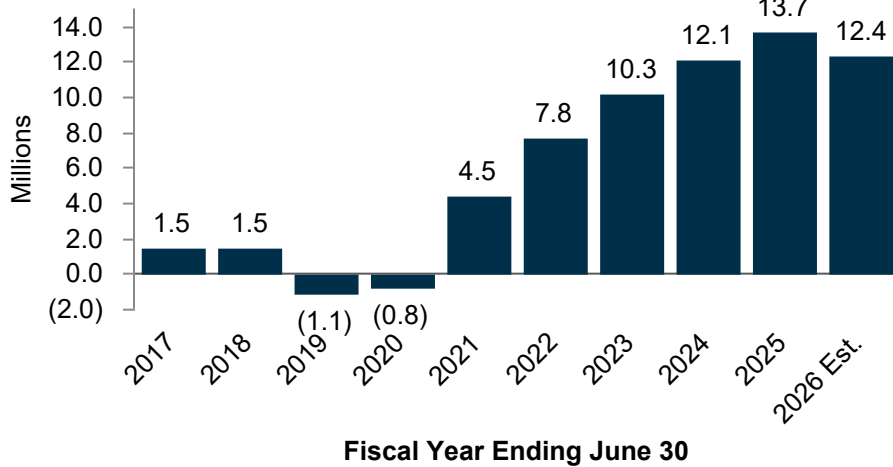
Special Revenue Funds: Ten-Year Fund Balance Trends

Transit Fund Restricted Fund Balance



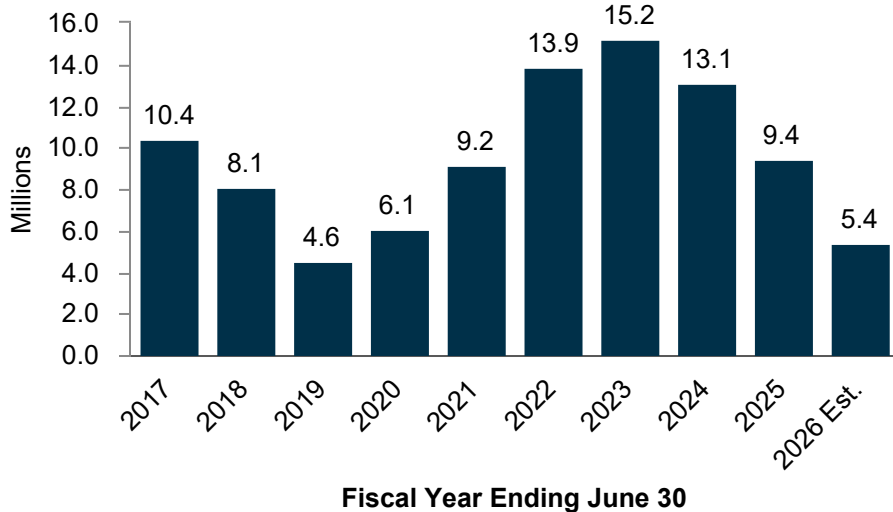
The Transit Fund balance was built up in preparation for the construction and operation of the light rail transit system. Fund balance in recent years is within or exceeds fund balance policy of 25% of current year revenues.

Arts & Culture/Performing Arts Fund Committed Fund Balance



With the final payment of the fund's debt obligation for the original construction of the Tempe Center for the Arts in FYE 2020, the fund is projected to maintain an annual surplus that will sustain operations.

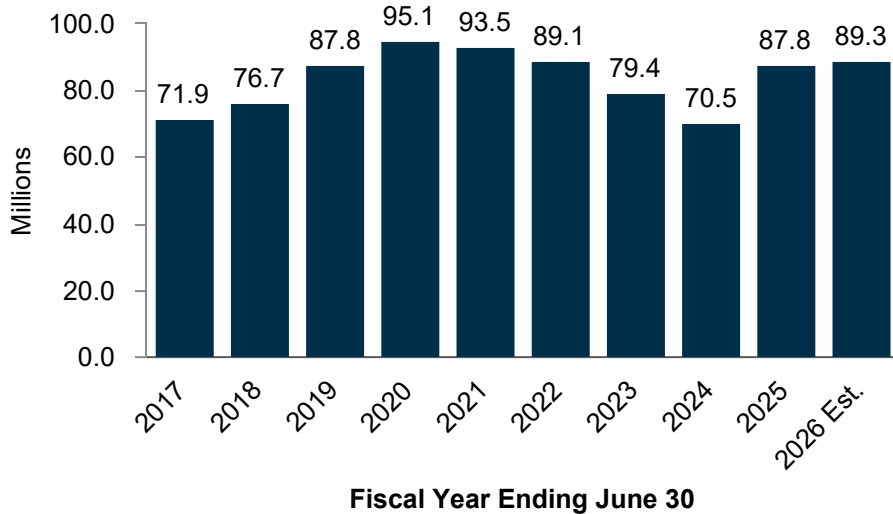
Highway User Revenue Restricted Fund Balance



Planned draw downs used to fund street infrastructure projects have contributed to the inconsistent trend in fund balances. The primary revenue source for this fund is the state shared highway user revenue fund. Expenditures in this fund are for both operating and pay-as-you-go or cash funded CIP projects. Fund balance is projected to stay within policy of 10% of revenue for future years.

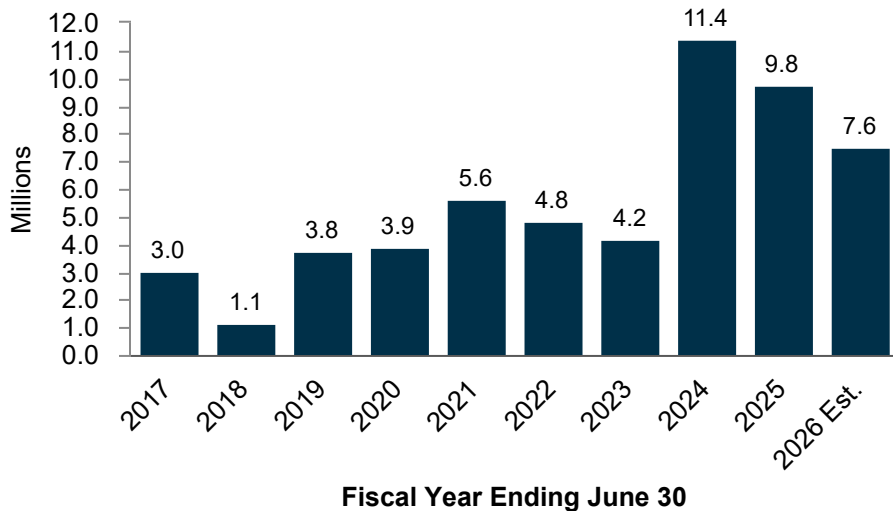
Enterprise Funds: Ten-Year Fund Balance Trends

Water/Wastewater Fund Unreserved Fund Balance



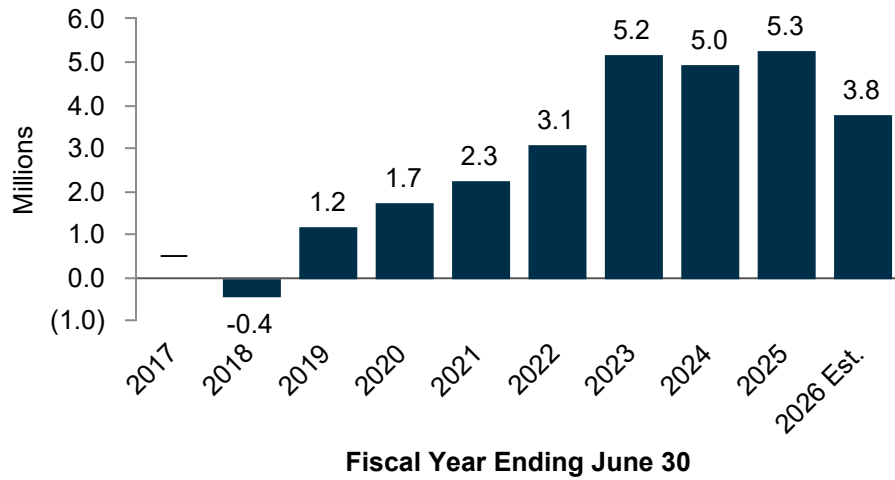
Planned rate increases approved as part of a long-term strategy keep this fund within fund balance for future years. Planned drawdowns of fund balance to fund capital projects gradually bring down the fund balance within policy levels. The targeted balance is an unrestricted fund balance reserve of no less than 90 days of current year expenses.

Solid Waste Fund Unreserved Fund Balance



Annual rate increases along with operational efficiencies have stabilized the fund with the fund balance projected to remain within or near policy for future years. The fund conducts periodic comprehensive rate studies to ensure the stability of the fund.

Emergency Medical Transport Fund Unreserved Fund Balance



Operations began in FY 2018/19 and the fund has been able to generate a significant fund balance. Fund balance is projected to stay within policy of 25% of revenue for future years.

Comprehensive Financial Plan Overview

Introduction

The Comprehensive Financial Plan, first published in March 1991, is a vital component of Tempe's financial management strategy. Its purpose is to provide a five-year perspective on the financial condition of the city's major funds. It provides a long-range context for the City Council to use in making budgetary decisions for the upcoming fiscal year.

Financial forecast models are utilized to examine the city's appropriated operating funds and their underlying revenue and expenditure structures. These forecast models are presented along with trends, forecasts, and fund balances for each of the funds.

It should be noted that the forecast models shown here were presented to the City Council in February 2026 and provided five-year perspectives that were representative of the city's projected financial position at that time, based on policies in place at that time. The FY 2026/27 adopted operating budget was formulated using this forecast as a starting point.

The Comprehensive Financial Plan covers all major operating funds, including:

Governmental Funds

- General Fund
- Transit Fund
- Transportation Fund
- Arts & Cultural Fund (formerly Performing Arts Fund)

Enterprise Funds

- Water/Wastewater Fund
- Solid Waste Fund
- Emergency Medical Transportation

An overview and highlights of the February 2026 forecast for each of the major operating funds are provided beginning on page [4-28](#).

Forecast Methodology

Forecasting in this report refers to estimating future values of revenue and expenditure. It provides an estimate of how much revenue will be available, and the resources required to sustain current service levels and programs over the forecast period, along with an understanding of how the overall financial program will be affected by the demographic and economic factors driving these forecasts. Forecasting assesses whether, under assumed local financial policies and economic conditions, the city will have sufficient resources to meet the requirements of ongoing, planned, and mandated programs. Forecast models serve as a planning tool for capital projects and help determine whether bonded indebtedness may be required for capital funding. In short, forecasting provides an estimate of the City's financial flexibility and informs the tax, revenue, and service options the Council must address.

Our forecasting methodology combines internal analysis with locally generated consensus forecasts related to population growth, retail sales, inflation, and other economic indicators. Revenue forecasts begin with prior-year actual collections and projections for the remainder of the current fiscal year based on historical trends. Forecasts for future years are then informed by external economic projections, including the Forecasting Project developed by the University of Arizona Eller College of Management's Economic and Business Research Center.

Another key external resource is the State Finance Advisory Committee (FAC), which provides quarterly forecasts for major state revenue sources. These forecasts generally reflect statewide or Phoenix metropolitan trends, requiring adjustments as needed to account for conditions unique to Tempe.

Revenue sources are aligned with the economic and demographic variables that most directly influence year-to-year changes in those revenues.

For example, City Sales Tax revenues reflect consensus forecasts related to disposable income growth and retail sales, while recreation service revenues are tied more closely to Tempe's anticipated population growth. By identifying and incorporating a broad range of revenue-related variables into the forecast, we seek to reduce the risk of overestimating or underestimating revenues that can result from relying on a limited set of factors across all revenue sources.

An additional approach has been incorporated into the forecasting models to improve the accuracy of revenue projections. The use of regression analysis has been enhanced to identify historical revenue trends and develop patterns predictive of future revenue. This process now includes evaluating bias in the underlying economic data by comparing prior forecasts to actual results and adjusting estimates based on acceptable levels of forecast deviation risk. The result is a more risk-aware, bias-adjusted forecast that better reflects future revenues.

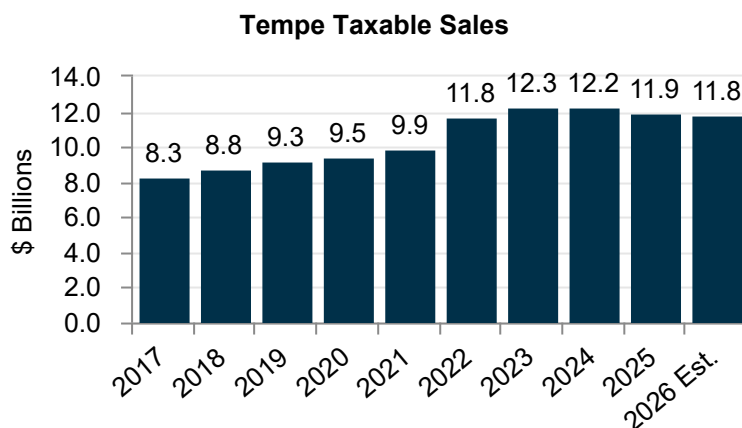
On the expenditure side of the forecast, growth is primarily driven by three major factors: 1) inflation, including general inflation, fuel and utility costs, salary market adjustments, and changes in benefit costs; 2) salary growth rates; and 3) employee pension contribution rates and health insurance premiums. As with revenue forecasts, consensus inflation trends are considered. For expenditure categories such as fuel and utilities, inflation factors reflect historical price changes relative to overall inflation. The resources required for new and/or expanded programs are assumed to be constant over the forecast period, with the same amount included each year in the forecast.

Major Revenue Assumptions

Our general approach to forecasting is to apply a conservative philosophy that does not overstate revenue nor understate expenditures. We recognize that economic forecasting is not an exact science and at times relies upon professional judgment to optimize the accuracy of revenues or expenditures. We attempt to identify as many factors as possible that may contribute to changes in revenue and expenditures. The city's revenues are affected by many unique elements that respond to a variety of external factors such as population growth, development, inflation, and interest rates. The following provides our assumptions relating to major revenues and expenditures.

Tempe Taxable Sales

Taxable sales in Tempe are estimated to be \$11.80 billion in FY 2025/26, lower than the \$11.93 billion collected in FY 2024/25. On August 1, 2023, Senate Bill 1131 was signed into law. Effective January 1, 2025, Arizona cities and towns are prohibited from taxing residential rental activities. Estimates indicate recurring sales tax revenue reductions of approximately 9% in the City's General Fund, Transit Fund, and Arts and Culture Fund, or approximately \$21 million across all funds. The weakening of sales tax revenues has caused by the discontinuation of residential rental sales tax, which started January 2025 and FY 2025/26 was the first full fiscal year of the revenue loss.



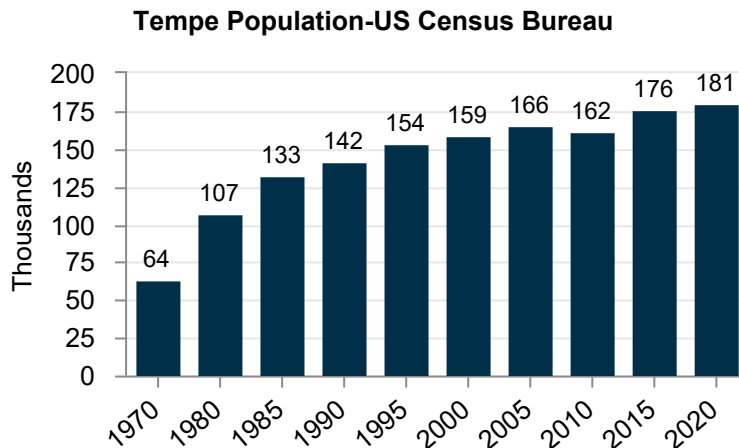
Taxable sales growth has an impact on many funds, as the General Fund, Transit Fund, and Arts & Culture Fund, each receive their primary revenue from this source. The primary categories of taxable sales (based on FY 2025/26 estimates) are retail (56.5%), real and personal rentals (13.3%), restaurants (8.9%), transient (6.7%), and contracting (6.2%).

In the February 2026 forecast, overall taxable sales were expected to increase slightly in FY 2026/27 and FY 2027/28.

Population

Following the strong population growth period of the late 1970s (5.3%) and the 1980s (2.8%), Tempe has experienced mostly steady but slower growth. Since the city is landlocked with other municipal jurisdictions on all four borders, population in Tempe is assumed to increase by 1.3% per year over the forecast period.

Population is important in the forecasting models for two main reasons. First, it is used to determine growth in revenues from recreation, social services, and criminal justice programs. Second, and of perhaps even greater importance, is the role that population plays in state shared revenue calculations. Statewide population growth is assumed to average 1.3% per year over the next five years. The disparity between growth in local and state populations is significant since several major revenue categories are dependent upon Tempe's population as a percentage of the state. For example, if the populations of other municipalities in the state and/or county continue to grow at a faster rate than Tempe's population, Tempe's relative share of state shared revenue decreases.



State Revenues

As the base for state shared revenues, state income and sales taxes are also important to city revenues. The forecast is for continued state sales tax revenue growth consistent with projections from the State of Arizona Finance Advisory Committee (FAC).

State revenue sharing laws are important, including future rate cuts and changes to the revenue sharing formula. Recent changes to the State's income tax rate will reduce overall income tax revenues and would have reduced the amount the city received from the shared pool of income tax distributed to incorporated cities and towns in the state. However, a change in the percent of shared income tax revenue from 15% to 18% is anticipated to offset the decrease in income tax revenues.

More recently, the incorporation of a new city, San Tan Valley, and conformity to federal tax law will decrease the amount of state shared revenues Tempe receives. It is impossible to predict the actions of future Legislatures, and therefore the forecast assumes status quo regarding future state shared revenue formulae.

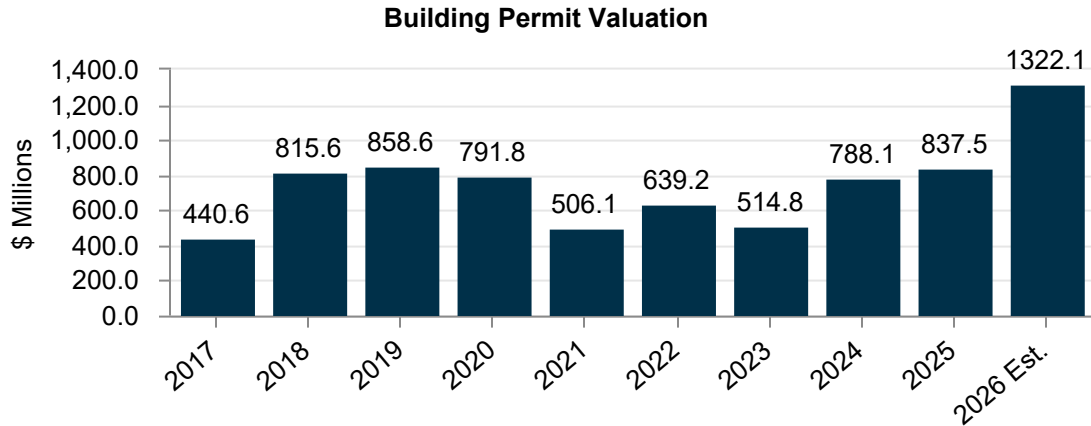
Development/Redevelopment

Despite being a landlocked city, Tempe continues to experience strong development activity, with new residential and commercial projects serving as significant drivers of revenue in the Building and Trades category. While the regional single-family housing market remains strong, construction activity within Tempe has been concentrated in multi-family residential, commercial, and hospitality developments.

Construction activity completed its recovery from recession-era lows in FY 2016/17, and experienced another surge through FY 2019/20, due to the Marina Heights development. The forecast assumes moderate construction activity, though overall development activity is expected to remain steady. Ongoing projects within the ASU Novus Innovation Corridor and Research Park will continue to generate one-time building permit and plan review fee revenues. Furthermore, several redevelopment projects converting older office properties into modern industrial facilities have contributed in strengthening and diversifying Tempe's long-term growth.

Assessed Valuation

Arizona public finance statutes provide for two different property tax bases, distinguished by both their allowable use as well as the extent to which they can grow in successive years. The first is the primary, which is the base used for financing current government operating expenditures in the General Fund. This portion of the property tax is limited in the extent to which the levy can grow each year to a level of 2.0% plus new construction.



The other property tax base is the secondary, which is used to generate revenue to pay annual debt service for the city's general obligation debt. The maximum fund balance in this fund cannot exceed 10% of the annual payments of principal and interest in the current fiscal year.

Interest Rates/Cash Balances

Interest revenue is expected to be robust in most funds, the result of invested fund balances and comparatively high short-term interest rates.

Economic Outlook

Following the mild recession in 2001 to 2002, both the local and state economies enjoyed a prolonged robust period. The Phoenix metropolitan area was a national leader in population and job growth, factors that undoubtedly benefited Tempe. That trend reversed sharply in FY 2008/09 as the economic recession gripped the state and local economies. Adverse impacts on revenues were substantial. However, the years after the Great Recession have been the longest expansionary period on record. Although the state and local economy experienced nearly flat revenue growth in the FY 2022/23 due to the economic impacts of the COVID-19 pandemic, the city experienced rebound growth of 11.1% in FY 2023/24 fueled by pent up demand and inflation. Since then, the city has experienced modest growth in taxable sales and overall revenues. There were declines in revenue in FY 2025/26 and FY 2026/27 due to the repeal of residential rental sales tax effective January 1, 2025, but the forecast calls for resumed steady growth moving forward.

Forecast Growth Rates - Revenues: February 26, 2026

Revenues	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Taxable Sales Growth	(0.2)%	3.9 %	3.7 %	3.8 %	3.9 %
General Fund Sales Tax Revenue	(0.2)%	3.9 %	3.7 %	3.8 %	3.9 %
Total Sales Tax Rate	1.8 %	1.8 %	1.8 %	1.8 %	1.8 %
General Fund Sales Tax Rate	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %
Transit Fund Sales Tax Rate	0.5 %	0.5 %	0.5 %	0.5 %	0.5 %
Arts & Culture Fund Sales Tax Rate	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Primary Property Tax Levy Growth	3.1 %	1.2 %	4.0 %	4.0 %	4.0 %
Bed Tax Revenue Growth	12.4 %	4.9 %	3.9 %	4.9 %	6.4 %
Bed Tax Rate	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
City Population Growth	1.3 %	1.3 %	1.3 %	1.2 %	1.2 %
State Population Growth	1.3 %	1.3 %	1.3 %	1.3 %	1.2 %
State Shared Income Tax Growth	(8.2)%	7.1 %	4.5 %	4.3 %	4.8 %
State Shared Sales Tax Growth	(1.2)%	0.3 %	3.5 %	3.6 %	3.7 %
State Vehicle License Tax Growth	2.4 %	1.4 %	2.7 %	3.0 %	2.9 %
Building and Trades Growth	0.5 %	(8.8)%	2.2 %	2.2 %	2.3 %
Cultural and Recreational Growth	(0.3)%	1.6 %	2.8 %	2.7 %	2.8 %
Fees, Fines, Forfeitures Growth	19.3 %	20.6 %	3.5 %	3.5 %	3.6 %
Licenses Growth	1.7 %	34.5 %	2.2 %	2.2 %	2.3 %

Major Expenditure Assumptions

The following major expenditure assumptions drive the expenditure forecasts for all major operating funds. Other fund specific assumptions are detailed within the individual fund discussions.

Personnel Costs

Current, long-term memoranda of understanding with our four employee groups have stabilized forecasted personnel cost increases, with fair and steady salary increases projected over the forecast period. For the rest of the forecast period, annual increases for personnel costs are assumed to stay between 2.0% and 7.0%. In addition, the Police and Fire sworn employees are provided increases in their pay step plans.

Fringe Benefits

Health insurance costs are forecasted to increase for the next five years. Growth of approximately 8.8% per year is assumed for active employees throughout the forecast. Retiree health care costs are assumed to increase throughout the forecast period due to increased health care plan premiums and more retirees added to the retiree health care plans.

Other Post-employment Benefits (OPEB)

A recent decision by the Governmental Accounting Standards Board (GASB) requires government employers to disclose the cost of OPEB over the active life of the benefiting employees (GASB Statement No. 45). The City of Tempe's liability arises from retiree healthcare subsidies. The forecast assumes full funding of the OPEB actuarially required contributions.

Retirement Contributions

City of Tempe employees are covered by one of four public retirement systems, depending on job type. The annual employer's portion of the contribution rates differ by retirement system. The four retirement systems and their anticipated rates are as follows:

	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Arizona State Retirement System (ASRS)	11.87%	11.82%	11.69%	11.70%
Public Safety Retirement - Fire	33.91%	35.61%	37.39%	39.26%
Public Safety Retirement - Police	29.77%	31.26%	32.82%	34.46%
Elected Officials Retirement (EORP)	59.79%	59.79%	59.79%	59.79%

After the February 2021 forecast, Tempe decided to pay off their unfunded liabilities for both their Police and Fire public safety retirement systems using \$343.0 million in bond proceeds. Due to the low interest rate environment at that time, Tempe expected to save tens of millions by paying borrowing costs, as opposed to trying to keep up with the retirement systems' investment gains on the unfunded liability. Employer contribution rates for ASRS and EORP are the same contribution rates as published by the retirement systems. Due to the dual nature of the retirement costs for Police and Fire, the rates above reflect the debt service payments on the bonds, combined with the published public safety retirement system contribution rates, and then expressed as a percentage of payroll.

Usually, rates are grown during the forecast period based on information provided from the respective retirement system governing board, as each rate is dependent on the investment decisions of the relevant retirement system as well as the compensation and retirement policies for the system members. The respective systems only publish a formal rate for one year in advance; therefore, these projections represent merely the best guess based on available information.

Inflation

General inflation is expected to remain around 2.4% over the five years of the forecast. Electricity inflation is expected to increase by approximately 7.0% annually through the forecast period, and motor fuel inflation is expected to grow at an average of 5.5% during the later years of the forecast.

Limits on Discretionary Budget Increases

Increases in discretionary spending are accomplished via an operating budget supplemental process. For this budget forecast, assumptions about recurring and non-recurring supplementals are included in the General Fund forecast model to facilitate discussion with City Council. The actual amount of approved supplementals is determined during the formal budget adoption process.

Capital Improvements Program Operating Budget Impacts

An important aspect of the city's Capital Improvements Program is the identification of operating budget impacts associated with capital projects. Since long-range planning takes place prior to the adoption of the Capital Budget, future impacts of new programs are not included. However, operating impacts for projects approved in prior years' Capital Budgets are included in the out-years of the forecast.

Forecast Growth Rates - Expenditures: February 26, 2026

Expenditures	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Personnel Costs Growth ⁽¹⁾	6.0 %	2.3 %	2.5 %	2.4 %	2.4 %
FICA (% of payroll)	7.70 %	7.70 %	7.70 %	7.70 %	7.70 %
State Retirement (% of payroll)	12.00 %	11.90 %	11.80 %	11.70 %	11.70 %
Police Retirement (PSPRS Tiers 1 & 2)	30.10 %	29.80 %	31.30 %	32.80 %	34.50 %
Police Retirement (% of payroll)	68.90 %	68.60 %	68.00 %	67.10 %	67.50 %
Fire Retirement (PSPRS Tiers 1 & 2)	32.90 %	33.90 %	35.60 %	37.40 %	39.30 %
Fire Retirement (% of payroll) ⁽²⁾	72.80 %	71.10 %	68.80 %	67.20 %	67.00 %
Health, Dental, Life Actives	8.4 %	8.4 %	8.4 %	8.4 %	10.0 %
Health, Dental, Life Retirees	1.2 %	4.0 %	(0.3)%	4.1 %	— %
Mediflex Growth	8.4 %	8.4 %	8.4 %	8.4 %	10.0 %
Other Fringe Benefits Growth	8.3 %	1.9 %	2.9 %	2.5 %	2.5 %
General Inflation	2.7 %	2.4 %	2.2 %	2.2 %	2.3 %
Electricity Inflation	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %
Water Inflation	11.0 %	9.5 %	7.0 %	3.0 %	3.0 %
Sewer Inflation	9.5 %	9.5 %	9.5 %	9.5 %	9.5 %
Gasoline Inflation	(6.6)%	9.0 %	4.9 %	3.1 %	5.0 %

Notes:

⁽¹⁾ Excluding OPEB Trust Fund Advance/Withdrawal

⁽²⁾ Net of Fire Insurance Premium Tax credit

General Fund Forecast Discussion

Local taxes, including city sales taxes, bed taxes, and property taxes are the primary revenue source for the General Fund, constituting 55.4% of FY 2026/27 revenue in the February forecast. We anticipate a slight increase in city sales tax in FY 2026/27 due to the elimination of the residential rental sales tax, effective January 1, 2025. We expect moderate growth in taxable sales and other revenue sources.

The next largest source of General Fund revenue is intergovernmental, which is comprised of state sales, income, and vehicle license taxes. The February forecast called for this category to contribute 24.7% of FY 2026/27 revenue.

From an expenditure perspective, employee compensation and benefit costs have traditionally been the largest component of expenditures, representing 82.5% of the projected total in FY 2026/27. Health care costs for employees are anticipated to increase by 8.4% in FY 2026/27 and grow by the same amount each year until FY2029/30 to which the anticipated rate be 10.0%. Retiree health care costs are expected to increase every year of the forecast, for an average increase of 2.0% for each year from FY 2026/27 to FY 2029/2030.

To maintain a stable budget in the future, regardless of economic conditions, personnel costs will continue to be closely analyzed as salaries and benefits are the greatest expense in any service-oriented organization. Unless carefully managed, these costs could easily outpace revenue growth in the future.

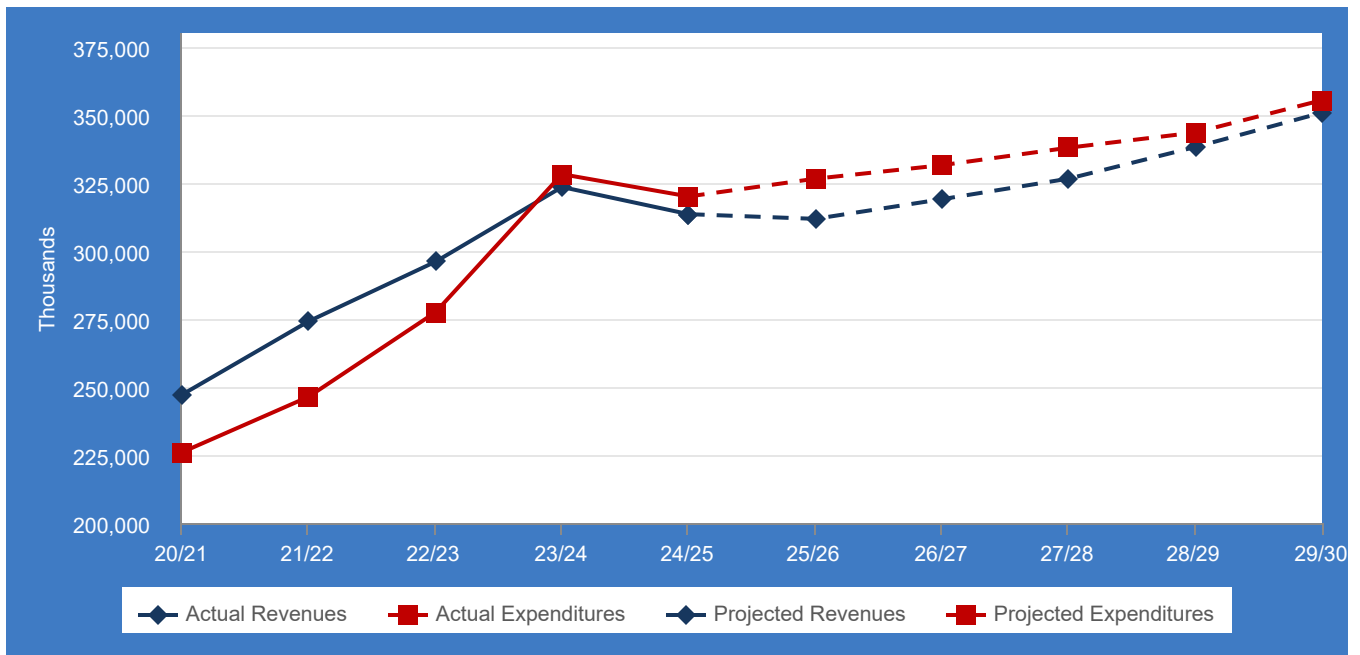
To mitigate the loss of residential rental revenue, recurring and non-recurring supplemental budget increases have been reduced significantly in each year of the General Fund. For FY 2026/27 General Fund supplemental budget requests recommended for approval total \$1.3 million. The supplemental increases include 6 additional permanent full-time positions in the Fire Medical Rescue Department. This is the third year of the four-year phase-in approach to meet the city's contractual obligation to build a fire station and provide the necessary staff at NOVUS Innovation Center Campus by 2031.

Pay-as-you go (cash) funding for capital improvement program (CIP) has been suspended from the General Fund during the forecast period due to the loss of residential rental revenue.

Unassigned Fund Balance

A planned spend down of the Unassigned Fund Balance is forecasted in order to mitigate the impact of sales tax revenue loss as described previously. FY 2027/28 assumes the resumption of operating budget supplementals to a certain level. If required, supplemental funding can be reduced or eliminated if conditions make this necessary. Additionally, a drawdown of PSPRS and OPEB reserves has been utilized beginning in FY 2026/27.

The General Fund's unassigned fund balance is projected to be 22.0% of revenues at the end of FY 2029/30. The February forecast assumes a measured draw down of fund balance to be within policy level at the end of the forecast period. The fiscal policy for the General Fund is to maintain a minimum of 20.0% of revenues in the final year of the outlook. However, when the unassigned fund balance is over 30.0% a drawdown is recommended.

General Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	247,137	274,096	295,953	323,414	313,451	311,725	318,952	326,499	338,115	350,738
Expenditures (\$000)	225,984	246,391	277,378	328,135	319,955	326,474	331,446	337,872	343,443	355,332
Net Operating Surplus/(Deficit)	21,153	27,705	18,576	(4,721)	(6,504)	(14,749)	(12,494)	(11,373)	(5,328)	(4,594)
Change to Assigned Funds	1,776	(25,768)	(32,975)	(1,375)	4,898	6,000	—	—	—	—
Unassigned Fund Balance	138,855	140,793	126,394	120,298	118,692	109,943	97,449	86,076	80,748	76,155
Unassigned Fund Balance as a % of Revenue	56%	51%	43%	37%	38%	35%	31%	26%	24%	22%

Special Revenue Funds:

Transit Fund Forecast Discussion

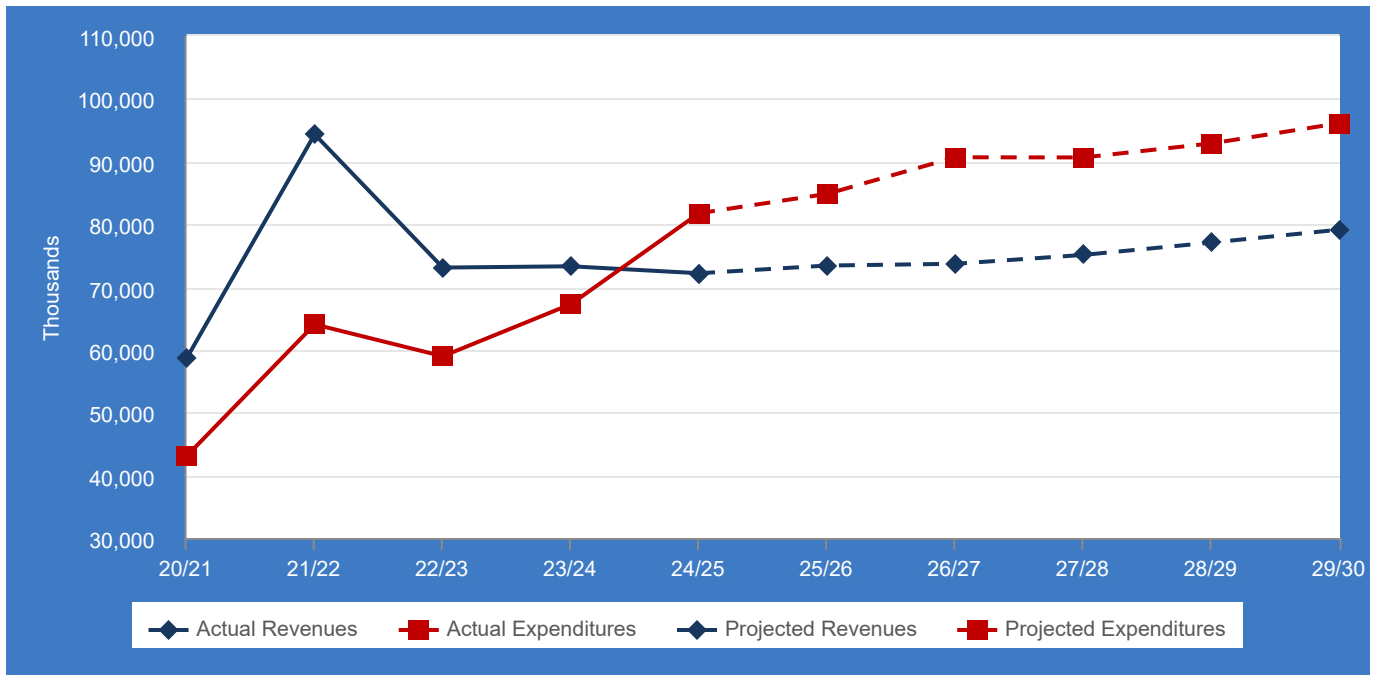
Although the unassigned fund balance remains above policy throughout the forecast period, significant annual losses, beginning in FY 2025/26, indicates a structural deficit due primarily to: a) the elimination of residential rental sales tax and b) increasing transit operational costs. This structural deficit will require Transit Fund long-term budget balancing measures.

In the November 2024 General Election, Maricopa County voters approved the extension of a half-cent sales tax for transportation. This was on the ballot as Proposition 479. The passage of Proposition 479 is expected to increase regional funding in the Transit Fund. Despite this increase in transit funding, additional long-term budget balancing strategies are required to ensure the fund remains stable. Currently, there are no additional planned changes in transit services.

The expenditure amounts in the forecast include operating expenses for the streetcar operations that started in May 2022. The largest operating expenses for the Transit program are the bus, rail and streetcar operations that are provided through contracts with Valley Metro. The forecasted expenditures assume controlled growth in these contract amounts.

Fund Balance

In the February forecast, the Transit Fund forecast included a measured spend-down of fund balance. With fund balance above current policy level, this will allow sufficient time to develop a multi-year process to address the long-term structural health of the Transit Fund. The unassigned fund balance is projected to remain in policy (25% of current-year operating revenues) through-out the forecast period.

Transit Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	58,621	94,331	73,097	73,302	72,192	73,420	73,700	75,114	77,084	79,138
Expenditures (\$000)	43,049	64,044	58,963	67,266	81,761	84,836	90,675	90,646	92,885	96,104
Net Operating Surplus/(Deficit)	15,572	30,287	14,135	6,037	(9,568)	(11,416)	(16,975)	(15,531)	(15,802)	(16,965)
Change to Assigned Funds	(484)	(1,575)	(1,559)	1,846	(3,041)	—	—	—	—	—
Unassigned Fund Balance	61,276	89,988	102,563	110,446	97,837	86,420	69,446	53,914	38,113	21,147
Unassigned Fund Balance as a % of Revenue	105%	95%	140%	151%	136%	118%	94%	72%	49%	27%

Arts and Culture (formerly Performing Arts) Fund Forecast Discussion

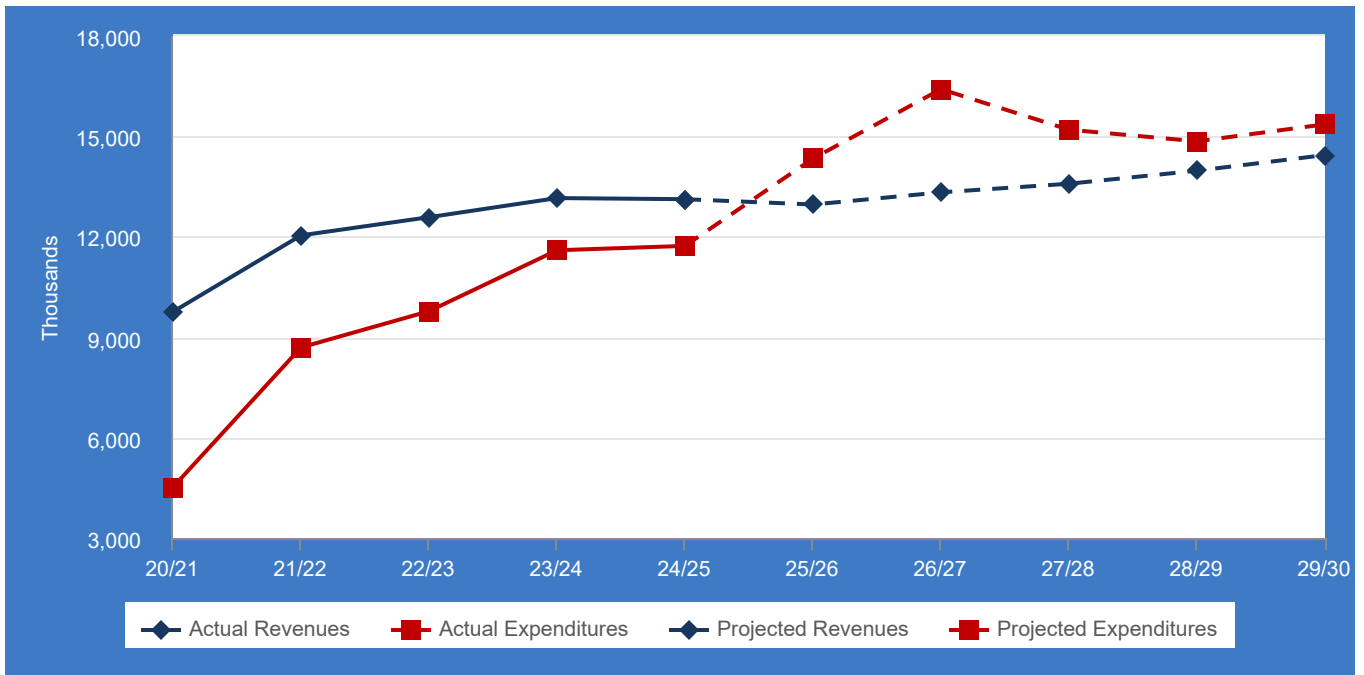
Despite the loss of residential rental sales tax revenues beginning in January 2025, the Arts and Culture Special Revenue Fund (formerly Performing Arts Fund) remains stable with revenue projections consistent with the February 2025 forecast, and unassigned fund balance remains above policy throughout the forecast period. Total Facility and programming revenue is expected to remain strong with the Tempe Center for the Arts being the home for the Arizona Theater Company.

The forecast includes the annual debt service payment on revenue obligation bonds that were issued in August 2021 to fund the repairs needed on the Tempe Center for the Arts roof. FY 2025/26 expenditures include cash transfer to the CIP of \$1.4 million, and an additional \$8.5 million of CIP cash transfers are assumed over the ensuing four years. Any planned expanded programs and services, as outlined in the Tempe Arts and Culture Plan, are not included in the forecast. Expanded programs and services will be requested via the annual budget development process and, if approved, will be reflected in future forecasts.

Fund Balance

Based on projected modest increases in the Arts and Culture tax revenue, fund balance is projected to be 94% of revenues by the end of FY 2026/27, significantly higher than the 10% fund balance policy. The Tempe Arts and Culture Plan will look into expanded programs and services to be requested via the annual budget development process to address the excess fund balance.

Performing Arts/Arts & Culture Fund: Projected Revenues and Expenditures: February 26, 2026



	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	9,761	12,043	12,586	13,157	13,124	12,965	13,328	13,586	13,976	14,442
Expenditures (\$000)	4,521	8,694	9,777	11,597	11,729	14,339	16,411	15,200	14,853	15,361
Net Operating Surplus/(Deficit)	5,240	3,349	2,809	1,560	1,395	(1,374)	(3,083)	(1,614)	(877)	(919)
Change to Assigned Funds	13	(56)	(327)	299	209	—	—	—	—	—
Ending Fund Balance	4,495	7,788	10,270	12,129	13,734	12,360	9,277	7,663	6,786	5,867
Fund Balance as a % of Revenue	46%	65%	82%	92%	105%	95%	70%	56%	49%	41%

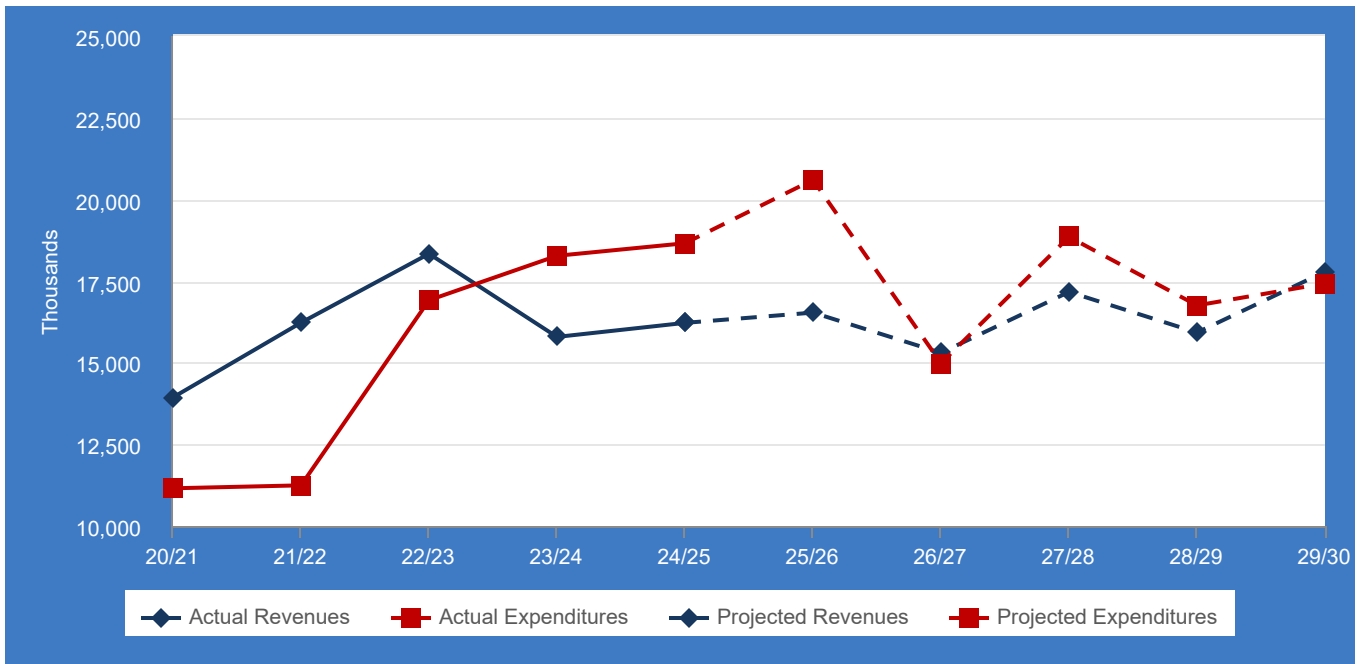
Transportation (HURF) Fund Forecast Discussion

The Transportation Fund receives the majority of its funding from the distribution of state-shared Highway User Revenue Funds (HURF). Revenue projections over the forecast period are based on the forecast projections from the Arizona Department of Transportation (ADOT) and projections from year-to-date activity. The forecast assumes a reduction in cash funded CIP projects and is consistent with the initial FY 2026/27 CIP submission. These adjustments keep the fund stable with unassigned fund balances projected to remain within fund balance policy (10% of revenues) through-out the forecast period. Staff will continue to monitor economic trends to ensure the fund balances remain within policy.

Future HURF monies are subject to pending legislation that may increase or decrease the amount of HURF funds the City receives. The forecast does assume a reduction of the annual transfer from the General Fund for street repair and maintenance projects. The actual amount of the transfer each year will be based on the General Fund's financial capacity and Council direction.

Fund Balance

The forecasted increase in revenue results in a stable fund with unassigned fund balance is projected to remain above the fund balance policy (10% of revenues) through-out the forecast period. This fund balance will help to offset any reductions in the state-shared HURF revenues and fund additional CIP projects.

Highway User Revenue Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	13,938	16,224	18,334	15,788	16,218	16,533	15,301	17,165	15,922	17,785
Expenditures (\$000)	11,154	11,245	16,912	18,272	18,656	20,596	14,984	18,850	16,754	17,426
Net Operating Surplus/(Deficit)	2,783	4,979	1,422	(2,484)	(2,437)	(4,064)	316	(1,685)	(832)	358
Change to Assigned Funds	299	(289)	(37)	329	(1,235)	—	—	—	—	—
Ending Fund Balance	9,170	13,860	15,245	13,090	9,418	5,354	5,670	3,986	3,154	3,513
Fund Balance as a % of Revenue	66%	85%	83%	83%	58%	32%	37%	23%	20%	20%

Enterprise Funds:

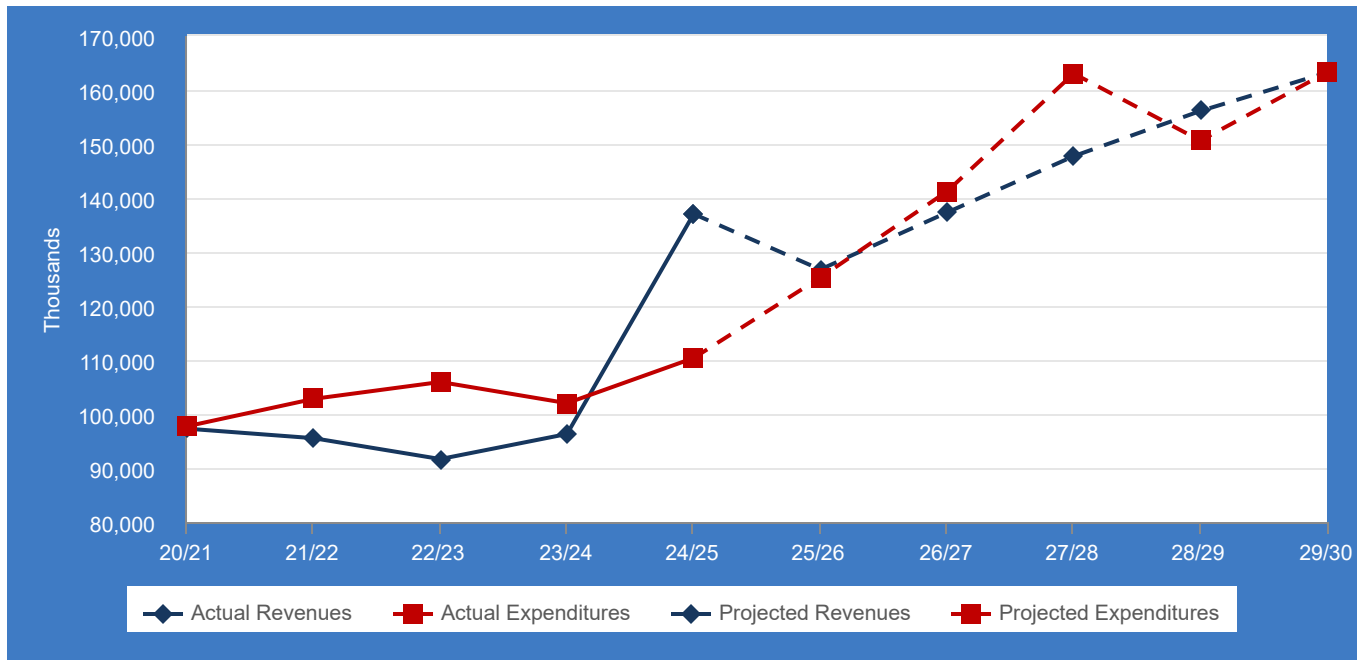
Water/Wastewater Fund Forecast Discussion

Nearly all revenue to the Water/Wastewater Fund is from User Charges for water and sewer services, which are estimated to account for over 95.9% of the fund revenue in FY 2026/27. Since the number of customer accounts grows at a very slow pace due to a stable population, the primary mechanism to enhance revenue for the enterprise fund is rate increases. Revenue amounts reflect the recommended water, wastewater, and flood irrigation rate adjustments that became effective in January 2026 as well as anticipated future rate adjustments.

The largest expense of the fund is Debt Service, representing 37.0% of expenses in FY 2026/27 in the February forecast, as bonds are issued to cover expenses related to improvements to the aging water and wastewater infrastructure.

Unrestricted Fund Balance

In the February Forecast, the Water and Wastewater Fund remains stable, with the unassigned fund balance to remain within policy throughout the forecast period. Pay-as-you go (cash) funding of CIP projects from FY 2025/26 through FY 2029/30 is estimated at \$65.9 million. The fund balance is forecasted to reach 46.0% of revenue in FY 2029/30.

Water / Wastewater Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	97,287	95,520	91,656	96,297	137,041	126,760	137,317	147,743	156,114	163,225
Expenditures (\$000)	97,720	102,804	105,929	102,003	110,370	125,269	141,222	163,050	150,626	163,275
Net Operating Surplus/(Deficit)	(432)	(7,284)	(14,274)	(5,706)	26,670	1,490	(3,905)	(15,307)	5,488	(50)
Change to Assigned Funds	(1,182)	2,839	4,610	(3,185)	(9,359)	—	—	—	—	—
Unassigned Fund Balance	93,503	89,058	79,394	70,503	87,814	89,304	85,399	70,092	75,579	75,530
Unassigned Fund Balance as a % of Revenue	96%	93%	87%	73%	64%	70%	62%	47%	48%	46%

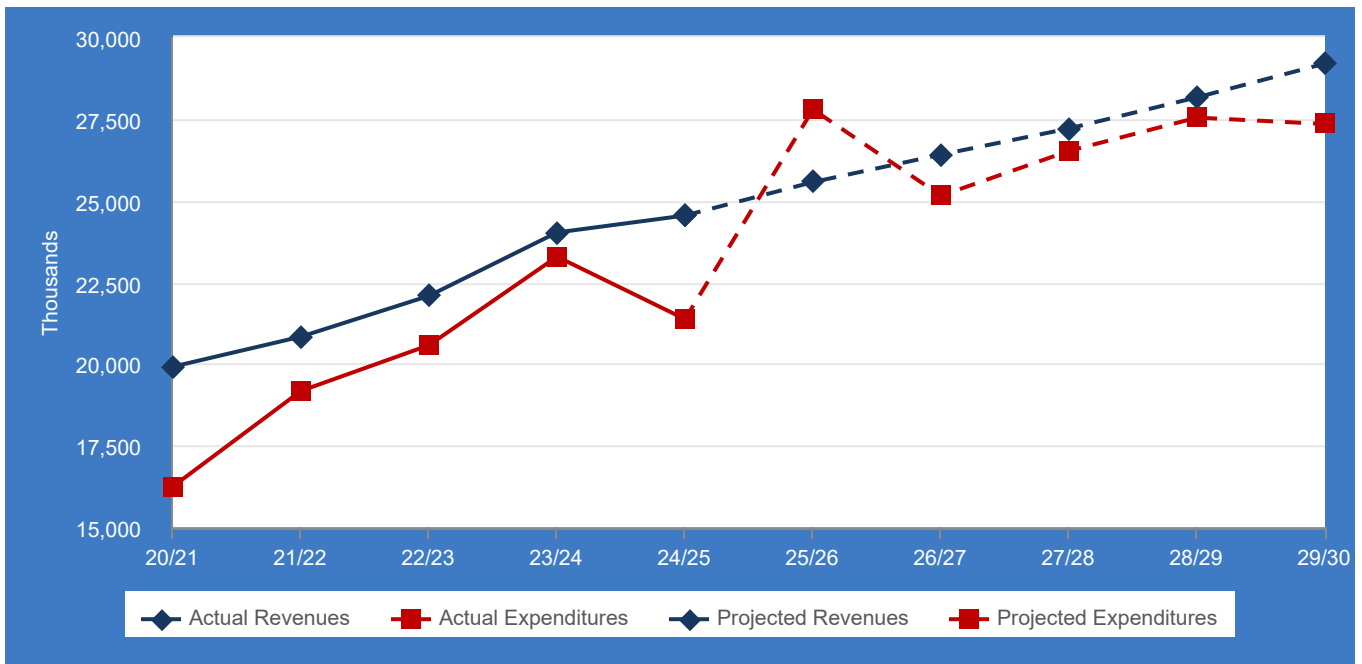
Solid Waste Fund Forecast Discussion

Nearly all revenue to the Solid Waste Fund is from User Charges for solid waste services, which account for over 92.6% of projected fund revenue in FY 2026/27. Since the number of customer accounts grows at a very slow pace due to a stable population, the primary mechanism to enhance revenue for the enterprise fund is rate increases. The Public Works Department Solid Waste Section closely monitors its commercial operations and will continue efforts to retain current customers and attract new customers, while improving customer service and operational efficiency. The forecast includes an annual transfer from the General Fund to offset costs of the alley maintenance program in the amount of \$1.3 million annually.

The primary drivers of fund expenses are Personnel Costs and fees and services. Tempe does not own its landfill, the primary component of fees and services, and landfill tipping charges are expected to grow over the next four years. Total cash funded capital outlay is projected at \$10.1 million from FY 2026/27 through FY 2029/30.

Unrestricted Fund Balance

In the February forecast, the fund balance as a percentage of current year revenue was projected to be 41.0% at the end of the forecast period (FY 2029/30). The unassigned fund balance is projected to remain within or exceed policy (15.0% of revenues) throughout the forecast period.

Solid Waste Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	19,915	20,833	22,083	24,022	24,541	25,565	26,406	27,206	28,159	29,194
Expenditures (\$000)	16,250	19,172	20,572	23,282	21,370	27,788	25,149	26,518	27,538	27,343
Net Operating Surplus/(Deficit)	3,665	1,661	1,511	741	3,171	(2,223)	1,257	688	620	1,851
Change to Assigned Funds	(1,935)	(2,428)	(2,145)	6,453	(4,795)	—	—	—	—	—
Ending Fund Balance	5,603	4,837	4,203	11,396	9,772	7,550	8,807	9,494	10,115	11,965
Fund Balance as a % of Revenue	28%	23%	19%	47%	40%	30%	33%	35%	36%	41%

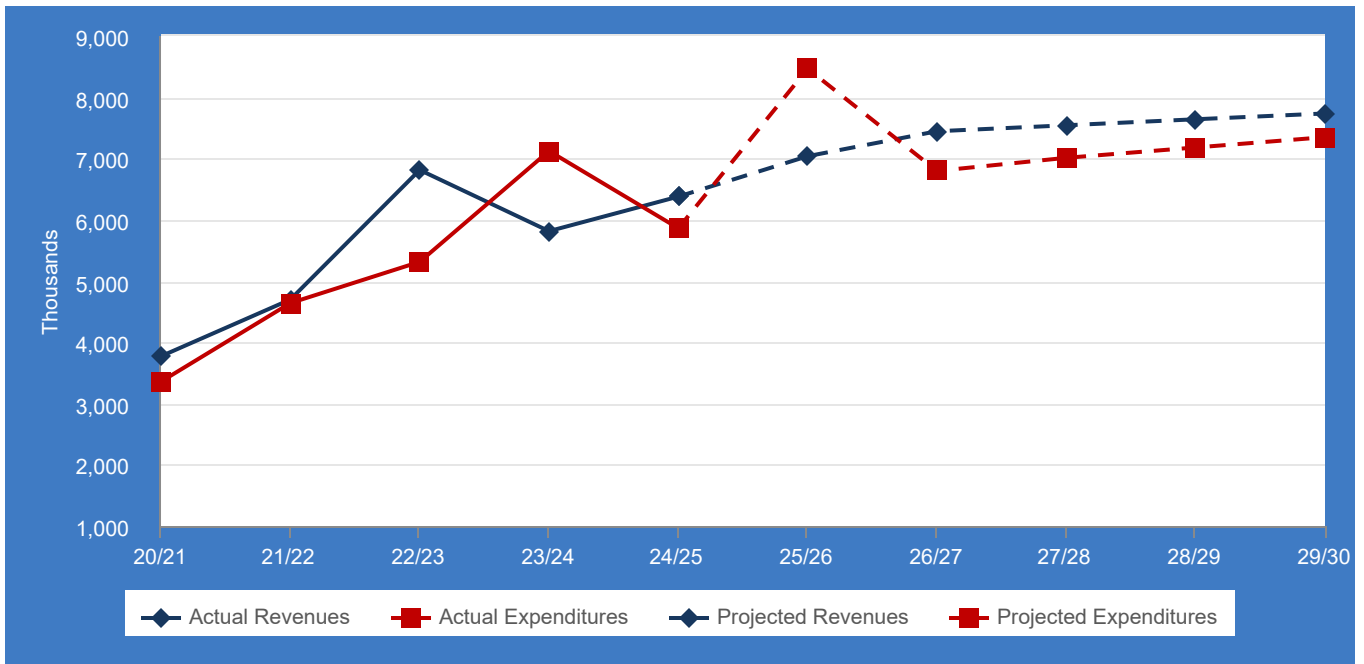
Emergency Medical Transportation Fund Forecast Discussion

The Emergency Medical Transportation Fund captures all the revenue and expenditures for the Emergency Medical Transportation program which was started in October 2017 and is operating at full capacity with six (6) ambulance companies in service.

The largest component of Emergency Medical Transportation Fund revenue is Ambulance Services, which contribute 99.7% of the revenue in the February 2026 forecast. Expenses are mainly due to personnel costs, which were 71.5% of total expenditures in FY 2026/27 in the February forecast.

Unrestricted Fund Balance

The fund experienced a slight operating deficit in FY 2023/24 and is projected to have a slight deficit in FY 2024/25. Revenues and expenditures have been adjusted since the November 2023 forecast based on actual cash flow in the fund, and there continues to be a stable outlook for the fund. Staff from the Fire Medical Rescue Department have worked with the Municipal Budget Office and forecasted the need for additional recurring capital appropriation to replace and refurbish existing ambulances. These needs have been projected and are subject to Council approval of ongoing budget requests. The fund balance is expected to be at 76.0% of current year revenues, or \$5.8 million, in FY 2029/30.

Emergency Medical Transport Fund: Projected Revenues and Expenditures: February 26, 2026

	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Actual	25/26 Projected	26/27 Projected	27/28 Projected	28/29 Projected	29/30 Projected
Revenues (\$000)	3,772	4,697	6,813	5,814	6,378	7,038	7,445	7,542	7,641	7,735
Expenditures (\$000)	3,358	4,639	5,313	7,122	5,861	8,466	6,797	7,011	7,180	7,349
Net Operating Surplus/(Deficit)	414	58	1,500	(1,308)	517	(1,428)	648	531	460	387
Change to Assigned Funds	123	787	595	1,061	(194)	—	—	—	—	—
Ending Fund Balance	2,278	3,123	5,219	4,971	5,293	3,865	4,513	5,044	5,504	5,891
Fund Balance as a % of Revenue	60%	66%	77%	85%	83%	55%	61%	67%	72%	76%



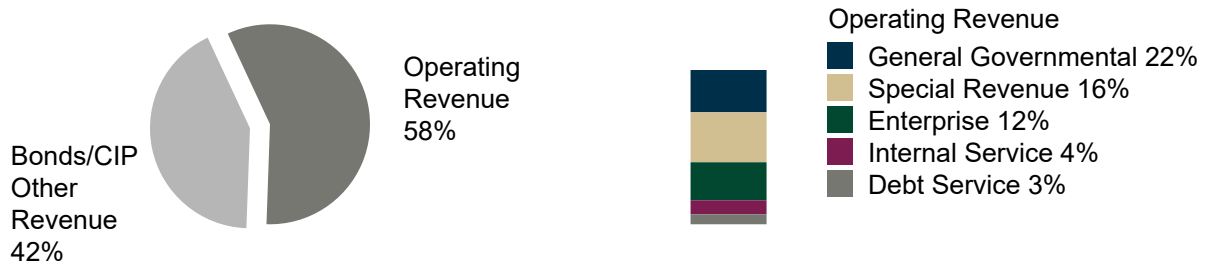
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Total Revenue

Total revenue for the FY 2026/27 adopted budget is \$1.41 billion reflecting \$812.7 million in operating revenue and \$600.3 million from bond proceeds and other revenue sources in the capital budget. The FY 2026/27 operating revenue total represented an 1.6% increase from FY 2025/2026. The increase in operating revenue sources is primarily in the Local Taxes and Enterprise Revenue areas.

FY 2026/27 Adopted Budget



TOTAL REVENUE

	FY 2025/26 Budget	FY 2026/27 Budget
Operating Revenue		
General Governmental		
Local Taxes	\$177,511,491	\$184,242,710
Intergovernmental	78,943,554	80,254,347
User Charges	28,406,680	23,073,852
All Other	29,228,346	28,243,922
Special Revenue		
Local Taxes	66,907,807	68,790,463
Intergovernmental	96,700,783	101,002,720
User Charges	968,108	1,150,415
All Other	68,300,526	55,699,878
Enterprise		
User Charges	144,086,451	153,838,691
All Other	11,086,963	11,257,462
Internal Service		
All Other	53,789,386	58,070,225
Debt Service		
Local Taxes	42,085,879	45,097,644
All Other	2,023,500	2,020,250
Total Operating Revenue	\$800,039,474	\$812,742,579
Operating Revenue Per Capita	\$4,214	\$4,275
CIP Revenue		
Bond Proceeds	\$517,671,765	\$487,423,722
CIP Other Revenue	128,222,914	112,831,758
Total CIP Revenue	\$645,894,679	\$600,255,480
TOTAL REVENUE	\$1,445,934,153	\$1,412,998,059
Total Revenue Per Capita	\$7,617	\$7,432

Note: The amounts noted above reflect budgeted funds that the city receives as income. Interfund transfers and utilization of fund balances, while a component of the total financial program, are not classified as revenue for this presentation.

General Governmental Revenue: Ten-Year Historical Trends

City Sales & Transient Lodging Tax

Fiscal Year	City Sales Tax	Transient Lodging Tax	Total Amount	Percent Change
2016/17	\$93,939,127	\$7,094,057	\$101,033,184	5.3%
2017/18	98,926,556	8,038,734	106,965,290	5.9%
2018/19	103,850,093	8,836,505	112,686,598	5.3%
2019/20	107,046,820	7,345,457	114,392,277	1.5%
2020/21	114,162,705	5,419,981	119,582,686	4.5%
2021/22	131,485,732	10,774,631	142,260,363	19.0%
2022/23	139,221,287	13,201,888	152,423,175	7.1%
2023/24	142,295,025	13,707,389	156,002,414	2.3%
2024/25	142,067,169	14,566,344	156,633,513	0.4%
2025/26 est.	133,924,337	14,394,976	148,319,313	(5.3)%
2026/27 est.	137,441,177	15,713,352	153,154,529	3.3%

Restrictions

City Sales Tax: Current General Fund rate of 1.2% can only be increased by vote of electorate.

Certain proceeds are pledged as security for bond payments due under various bond security agreements. Revenue from a voter-approved 0.5% portion is dedicated to transit purposes and 0.1% is dedicated to funding for Arts & Culture.

Transient Lodging Tax: The current rate of 5.0% can be increased only by the electorate. Of the total amount collected, a portion is pledged to the Tempe Convention and Visitors Bureau (TCVB). Excess unrestricted proceeds are deposited into the General Fund.

The tax originated in June of 1988 at 2.0% with half (or 1.0%) dedicated to TCVB. In FY 2000/01, voters approved an additional 1.0% for the TCVB, increasing the tax from 2.0% to 3.0%. In May 2010, voters approved an increase in the tax rate from 3.0% to 5.0%. In FY 2023/24, the amount dedicated to the TCVB was \$3.0 million with annual inflationary adjustments thereafter.

Assumptions

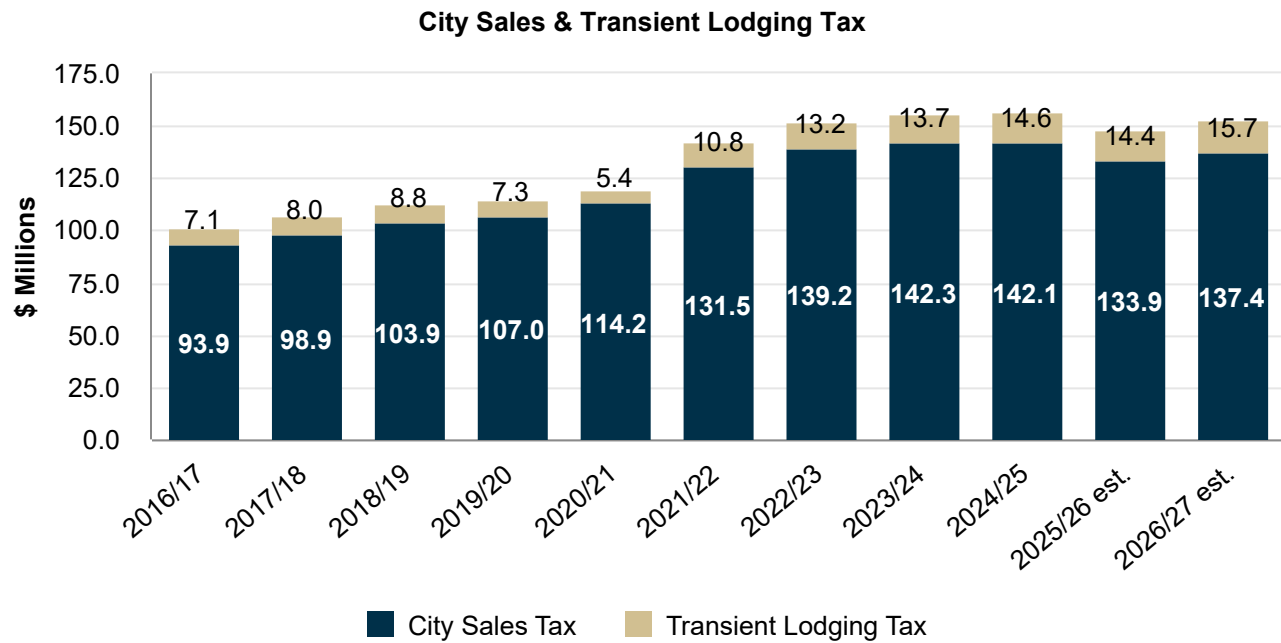
City Sales Tax: The city sales tax, known formally as the transaction privilege tax, is derived from a 1.8% tax on a variety of financial transactions, including retail sales, rental payments, contracting sales, utility, telecommunications payments, and hotel/restaurant sales. In FY 1993/94, voters approved a 0.2% increase from 1.0% to 1.2%. In May of 2010, voters approved a temporary 0.2% increase in the sales tax. Sales of food for home consumption and contracting sales were exempted from the increase. The 0.2% temporary tax expired June 30, 2014.

Starting in January 2025, the city no longer could charge sales tax on residential rentals, which resulted in a projected impact of \$21.7 million, with a General Fund impact of \$14.4 million. In FY2025/26, staff projects a decrease of 5.3%. The city projects an increase of 3.3% in FY 2026/27.

Major Influences: Taxable Sales, Population, and Consumer Price Index

Transient Lodging Tax: The tax is imposed on businesses who charge for lodging for any period of not more than 30 consecutive days. The FY 2019/20 and FY 2020/21 collections show the impact of the COVID-19 pandemic with FY 2021/22 through FY 2026/27 reflecting the recovery in this tax after the COVID-19 pandemic.

Major Influences: Economy, Competition from Hotels Located in Neighboring Cities, and Consumer Price Index



Intergovernmental: State Shared Revenues

Fiscal Year	State Shared Income Tax	State Shared Sales Tax	State Shared Vehicle License Tax	Total Amount	Percent Change
2016/17	\$21,511,044	\$16,145,681	\$7,015,040	\$44,671,765	7.7%
2017/18	22,604,114	18,266,956	7,532,801	48,403,871	8.4%
2018/19	22,408,078	17,958,644	7,657,621	48,024,343	(0.8)%
2019/20	24,875,451	19,899,062	8,165,499	52,940,012	10.2%
2020/21	27,983,270	23,228,957	9,291,268	60,503,495	14.3%
2021/22	24,105,004	25,683,520	9,166,233	58,954,757	(2.6)%
2022/23	34,927,472	27,216,492	9,132,854	71,276,818	20.9%
2023/24	49,275,176	27,361,207	9,339,611	85,975,994	20.6%
2024/25	39,934,808	28,371,337	9,505,957	77,812,102	(9.5)%
2025/26 est.	37,773,351	29,261,940	10,273,839	77,309,130	(0.6)%
2026/27 est.	39,677,512	28,853,388	10,224,571	78,755,471	1.9%

Restrictions

No restrictions on usage for any of these three state shared revenues other than they must be expended for a public purpose.

Assumptions

Starting in 2016/17, the population figures used for the distribution of state shared revenues to all incorporated cities and towns in the state are the official U.S. Census Bureau population estimate for each city and town as of July 1 of the prior year, except in the year following a decennial census. Prior to 2016/17, population figures were based on the prior Decennial Census unless a city or town paid for a costly mid-decade census. The FY 2021/22 shared revenue allocations were based on the 2020 Decennial Census with the FY 2026/27 shared revenue allocations based on the Census Bureau's population estimates as of July 1, 2025. For FY 2026/27, Tempe's relative share of the state's total population is approximately 3.1%.

Income Tax: The right to levy income taxes in Arizona is reserved for the state in statute. Cities and towns receive 18.0% of the total state income tax collected during the fiscal year. This revenue is distributed based on each city or town's population in relation to the total population of all incorporated cities and towns in the state. Amounts distributed are based on actual income tax collections from two fiscal years prior to the fiscal year in which the city receives the funds.

Cities and towns are receiving an increased 18.0% (up from 15.0%) of the total state income tax collected. This new sharing rate is the result of negotiations intended to minimize the negative impact on cities and towns due to an income tax collection reduction.

Major Influences: Taxable Sales, Population (relative to state) and State Law

Sales Tax: The state assesses a 5.6% sales tax, of which 0.6% is designated for educational purposes. Of the remaining 5.0%, each state sales tax classification has a designated sharing percentage that goes into the distribution base and cities and towns share 25.0% of that base. Cities and towns share in the base for distribution based on their population in relation to total state population.

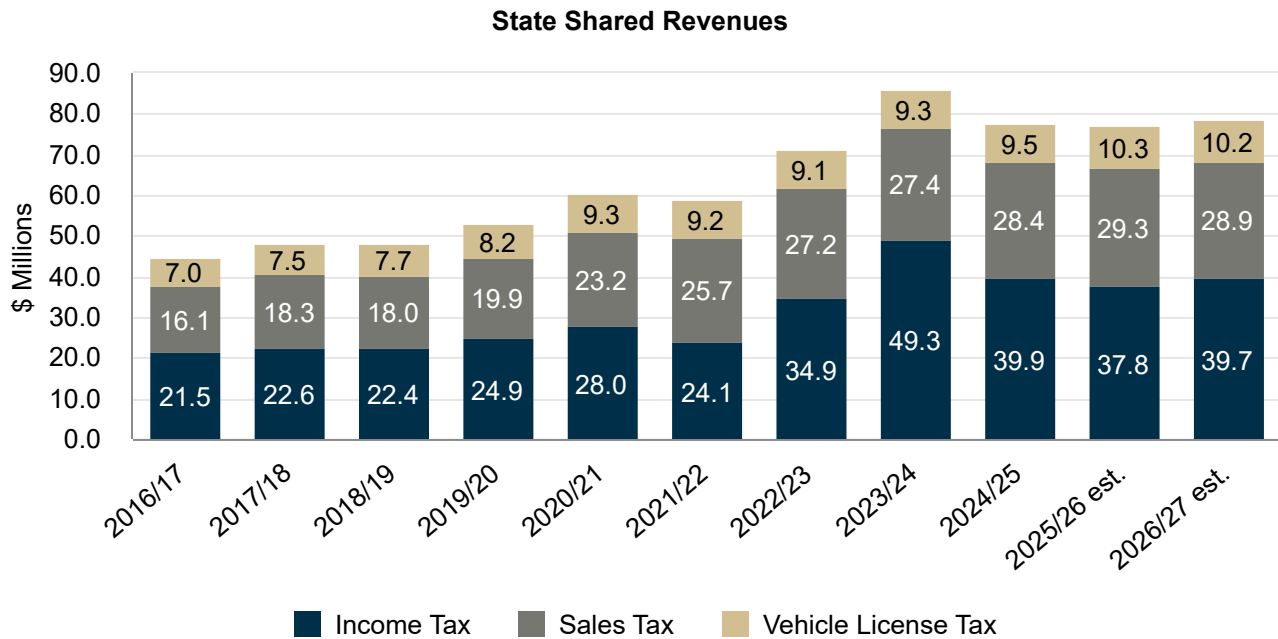
Although the 2020 census reduced Tempe's proportional share of the total State population, FY 2024/2025, FY2025/2026, and FY 2026/27 show an increase due to projected increases in taxable sales, including growth in online retail sales.

Major Influences: Taxable Sales, Population (relative to state) and State Law

Vehicle License Tax: Approximately 20.0% of the revenues collected by the Arizona Department of Revenue for vehicle licensing are distributed to cities and towns. The city receives its share of the vehicle license tax collections based on vehicles registered in Maricopa County and the city's population in related to the total incorporated population of Maricopa County.

FY 2021/22 and FY 2022/23 had slight declines based on the city's proportional share of the Maricopa County population and an overall decrease in State vehicle license taxes. There were moderate increases in the vehicle license tax in FY2023/2024, FY 2024/25, and FY 2025/26. The FY2026/27 projection forecasts a slight decrease of 0.5%.

Major Influences: State Revenue, Population (relative to State), State Policy and Auto Sales



City Property Tax

Fiscal Year	Tax Rate/\$100 Assessed Value	Primary Collections	Secondary Collections	Total Amount	Percent Change
2016/17	\$2.53	\$15,560,520	\$26,381,781	\$41,942,301	4.7%
2017/18	2.49	16,306,319	27,700,581	44,006,900	4.9%
2018/19	2.42	17,194,507	28,173,553	45,368,060	3.1%
2019/20	2.40	17,891,759	29,911,357	47,803,116	5.4%
2020/21	2.40	18,785,768	31,710,945	50,496,713	5.6%
2021/22	2.37	20,184,834	33,796,504	53,981,338	6.9%
2022/23	2.38	20,960,295	35,829,213	56,789,508	5.2%
2023/24	2.41	21,802,825	37,983,522	59,786,347	5.3%
2024/25	2.43	22,543,575	40,061,431	62,605,006	4.7%
2025/26 est.	2.46	23,219,063	42,085,879	65,304,942	4.3%
2026/27 est.	2.56	23,794,713	45,097,644	68,892,357	5.5%

Restrictions

Primary Levy: Limited to annual increase of 2.0% plus amount generated by new construction. No restriction on usage.

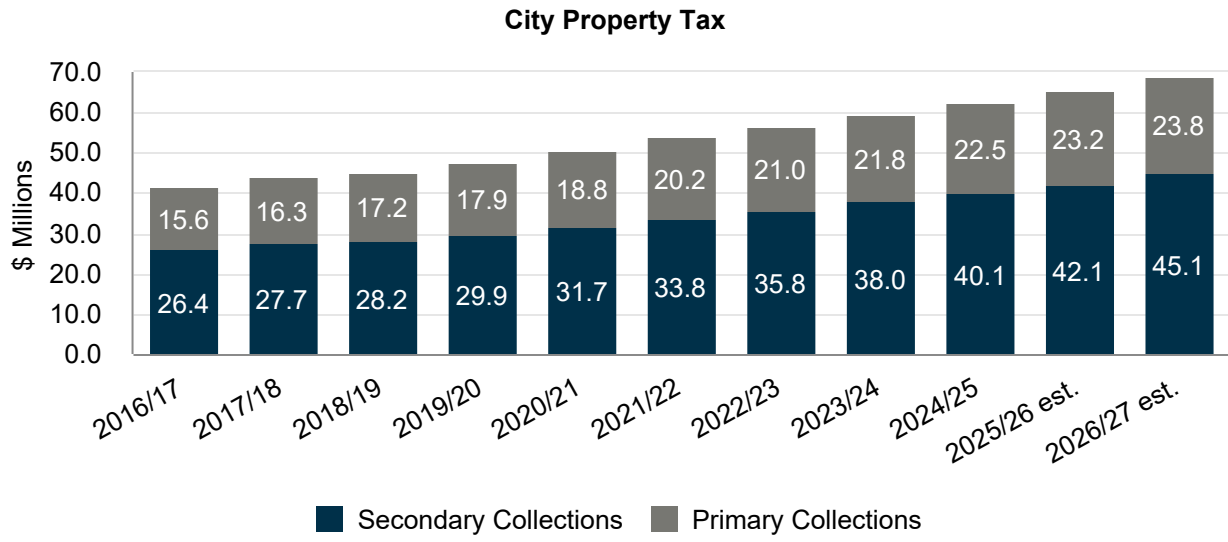
Secondary Levy: Restricted for debt service purposes only. No state statutory limit on rate. The city's adopted financial policy limits the combined primary and secondary levy growth on existing properties to 5% or less over the prior year levy.

Assumptions

The city's property tax is based on the assessed value of the property as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Historical changes in total revenue collected have been the result of state policy affecting assessed valuations and growth, new development, and appreciation of existing property.

The combined primary and secondary property tax rate for FY 2026/27 will total \$2.5626 per \$100 assessed valuation, consisting of \$0.8851 per \$100 of the primary assessed valuation for operating and maintenance costs and \$1.6775 per \$100 of secondary assessed valuation to fund principal and interest payments on bonded indebtedness. The primary levy goes to the General Fund for city operations and the secondary levy goes to the Debt Service Fund for repayment of General Obligation bonds.

Major Influences: Development, Assessor Appraisal Methodology, State Policy, Population Growth, and City Policy Regarding Property Tax Rates



Charges for Services Revenue

Fiscal Year	Development Related Charges for Services	Cultural/Recreational Charges for Services	Total Amount	Percent Change
2016/17	\$9,079,293	\$7,349,596	\$16,428,889	(2.9)%
2017/18	12,631,790	7,170,387	19,802,177	20.5%
2018/19	11,580,979	6,409,498	17,990,477	(9.1)%
2019/20	14,047,783	4,944,188	18,991,971	5.6%
2020/21	10,098,052	3,140,689	13,238,741	(30.3)%
2021/22	12,796,126	4,579,156	17,375,282	31.2%
2022/23	15,345,994	6,507,055	21,853,049	25.8%
2023/24	17,187,368	5,160,700	22,348,068	2.3%
2024/25	18,524,617	5,841,882	24,366,499	9.0%
2025/26 est.	22,941,798	5,464,882	28,406,680	16.6%
2026/27 est.	17,192,390	5,881,462	23,073,852	(18.8)%

Restrictions

Development Related: Intended to offset costs related to permitting and planning for residential and commercial development in the city, though there are no restrictions on usage.

Cultural/Recreational: No restrictions on usage but is intended to defray costs of recreation and social service programs.

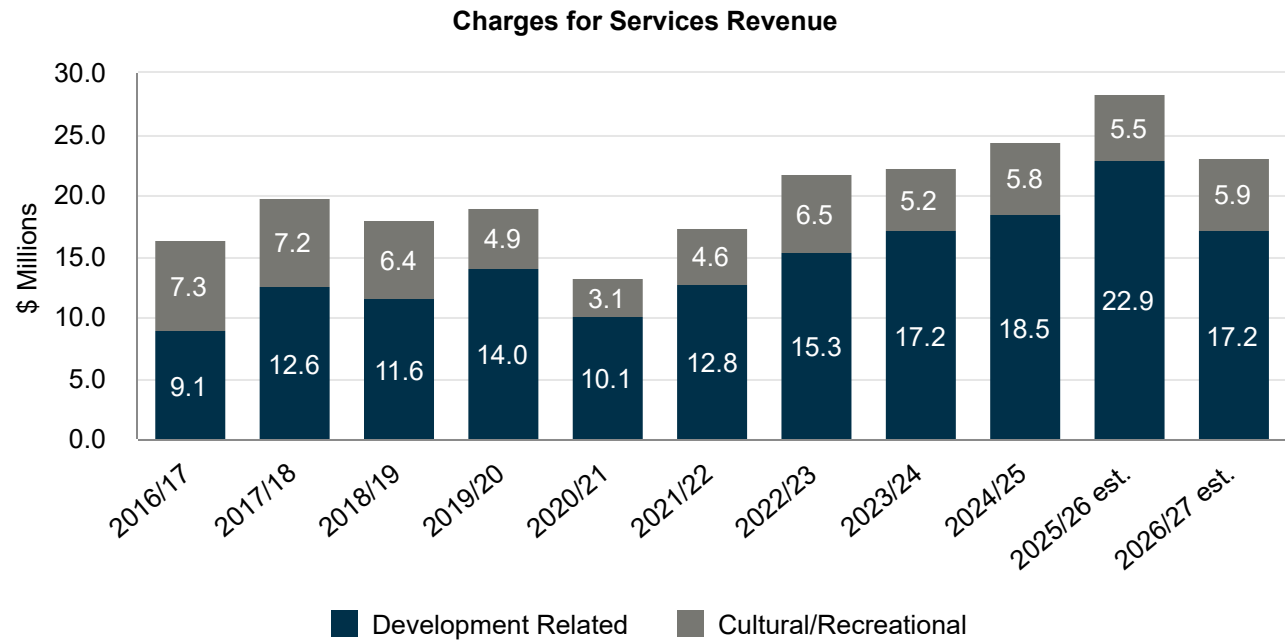
Assumptions

Development Related: The annual growth rates shown above reflect the extremely cyclical nature of development over the ten-year period. The recovery of the economy can be seen in the growth that begins in FY 2017/18. As the COVID-19 impacts worked their way through the development queue, revenues declined sharply in FY 2020/21. The FY 2026/27 adopted budget amount is projected to be lower than FY2025/26 due to an anticipated decrease in projects in the development pipeline.

Major Influences: Population, Tax Laws, Economy and Development

Cultural/Recreational: Revenue in this category is derived from a wide array of recreational activities (such as softball, swimming, and tennis) and social services programs (such as counseling services and after-school programs). By Council policy, many of these activities and services are partially or fully funded through user charges. Fees are based on a targeted percentage for cost recovery of direct program operating costs, including wages and supply costs but exclude facility costs, administration, and capital outlay. The percentage of recovery of direct program costs is classified by user groups as follows: adult programs, 100% cost recovery; youth programs, 100% cost recovery; senior programs, 50% cost recovery; and all Kiwanis Recreation Center classes/programs, 100% cost recovery. The drop in FY 2019/20 and FY 2020/21 revenue was due to a near complete shutdown of recreational activities during the last quarter of FY 2019/20, and intermittent/restricted availability during FY 2020/21. The FY 2026/27 adopted budget amount is projected to be slightly lower from FY2025/26 due to a projected reduction in development activity.

Major Influences: Population, Cost Recovery Policy and New Program Development



Fines and Forfeitures

Fiscal Year	Amount	Percent Change
2016/17	\$8,094,582	(5.7)%
2017/18	6,837,347	(15.5)%
2018/19	6,434,190	(5.9)%
2019/20	5,612,672	(12.8)%
2020/21	4,417,817	(21.3)%
2021/22	4,942,603	11.9%
2022/23	4,146,580	(16.1)%
2023/24	3,690,037	(11.0)%
2024/25	5,962,069	61.6%
2025/26 est.	4,778,288	(19.9)%
2026/27 est.	7,011,098	46.7%

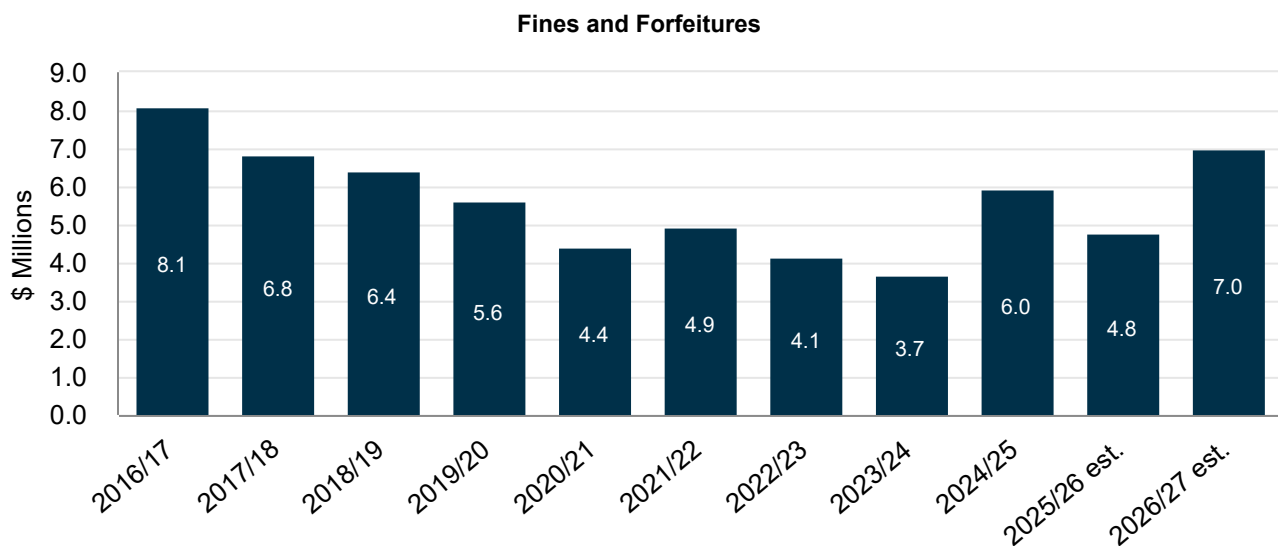
Restrictions

There are no restrictions on usage.

Assumptions

The fines and forfeitures revenue to the city derive from fines related to parking, traffic, criminal, animal control, defensive driving school, adult diversion, domestic violence, and false alarms, plus revenue from public defender reimbursements, forfeitures, and boot fees. During the initial months of the COVID-19 shutdown in the 4th quarter of FY 2019/20, parking fees were waived entirely, and most other fine and forfeiture activity was down, resulting in a 12.8% decline. As COVID-19 continued over the majority of FY 2020/21, revenues declined another 21.3%. The FY 2026/27 adopted budget estimates a 46.7% increase in fines and forfeitures, due to increased revenue collections due to the city's photo speed enforcement.

Major Influences: Population, Crime Rate and Internal Policy (Enforcement, Number of Police Officers)



Special Revenue: Ten-Year Historical Trends

Transit Tax

Fiscal Year	Amount	Percent Change
2016/17	\$39,512,636	6.0%
2017/18	41,074,434	4.0%
2018/19	43,063,185	4.8%
2019/20	44,373,904	3.0%
2020/21	47,534,174	7.1%
2021/22	54,736,977	15.2%
2022/23	57,815,447	5.6%
2023/24	59,055,133	2.1%
2024/25	58,960,302	(0.2)%
2025/26 est.	55,756,193	(5.4)%
2026/27 est.	57,294,494	2.8%

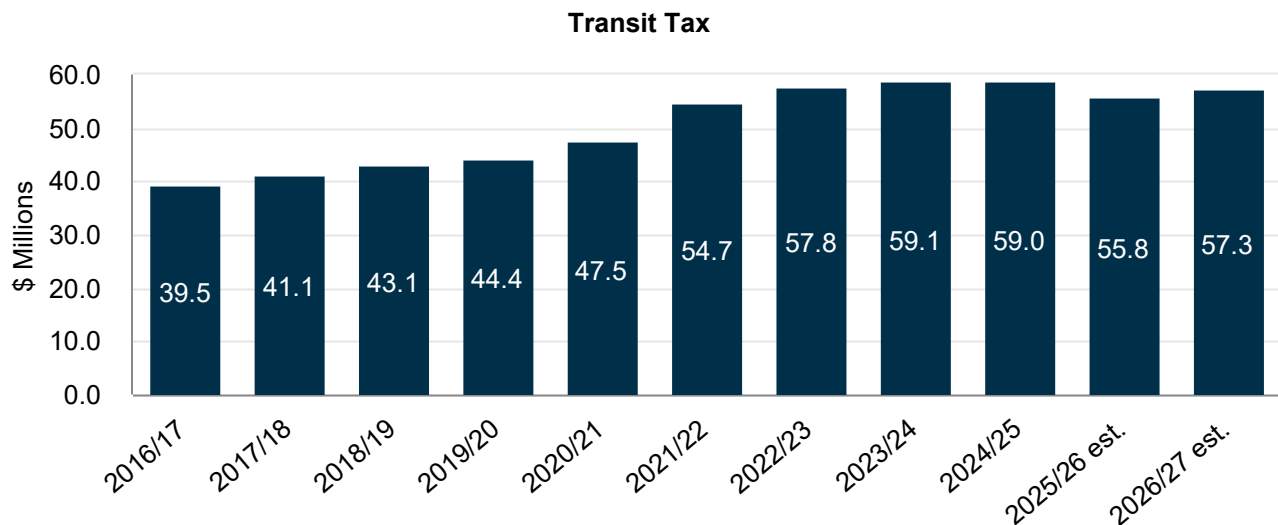
Restrictions

Represents a portion of the City Sales Tax dedicated by public vote to transit-related purposes, such as bus acquisition and maintenance, connecting bus routes to neighboring cities, bus stop construction, transit planning, multi-use paths and light rail construction.

Assumptions

The Transit Tax represents 0.5% of the 1.8% City Sales Tax. The tax for transit was approved by Tempe voters in September 1996 and became effective January 1, 1997. Starting in January 2025, the city no longer could charge sales tax on residential rentals, which resulted in a projected impact of \$21.7 million, with a Transit Fund impact of \$6.0 million. The FY 2026/27 budget estimate is based on projections that include the loss of the residential rental tax revenue.

Major Influences: Taxable Sales, Population and Consumer Price Index



Performing Arts/Arts & Culture Tax

Fiscal Year	Amount	Percent Change
2016/17	\$8,084,891	5.6%
2017/18	8,436,503	4.3%
2018/19	8,823,434	4.6%
2019/20	9,131,870	3.5%
2020/21	9,760,912	6.9%
2021/22	11,209,835	14.8%
2022/23	11,647,867	3.9%
2023/24	12,088,710	3.8%
2024/25	12,069,298	(0.2)%
2025/26 est.	11,151,614	(7.6)%
2026/27 est.	11,495,969	3.1%

Restrictions

Represents a portion of the City Sales Tax dedicated by public vote for operating expenses and debt service associated with the original construction of the Tempe Center for the Arts (TCA), which ended on December 31, 2020.

Since January 1, 2021, that same portion of the City Sales Tax dedicated by a separate public vote is being used for both the TCA and other arts and cultural activities throughout the city. This tax does not have an end date. The name of the tax was changed from the Performing Arts tax to the Arts & Culture tax.

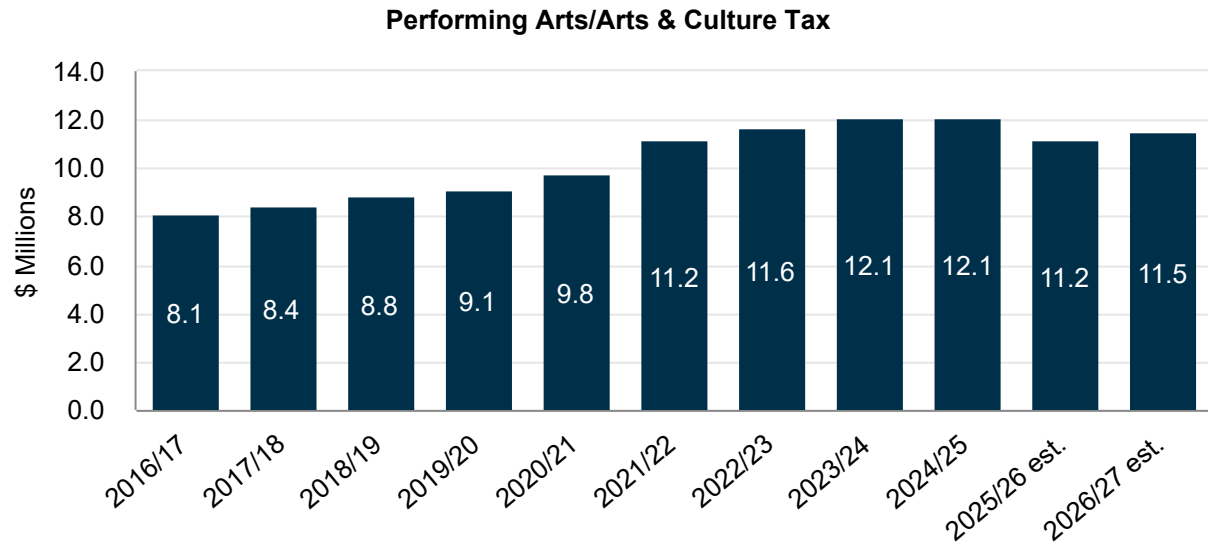
The majority of the facilities, programs and activities funded by these two taxes overlap, so they are presented as a single revenue stream.

Assumptions

The Performing Arts/Arts & Culture Tax represents 0.1% of the 1.8% City Sales Tax dedicated to arts and cultural programs throughout the city and the Tempe Center for the Arts facility. This tax was approved in May 2000 and became effective January 2001. Authorization for this tax expired in December 2020. In November of 2018, voters approved a new 0.1% of the 1.8% City Sales Tax to become effective as of January 1, 2021. The new tax expanded the use of the revenue to include arts and cultural activities throughout the city.

Starting in January 2025, the city no longer could charge sales tax on residential rentals, which resulted in a projected impact of \$21.7 million, with a Arts and Culture Fund impact of \$1.3 million. The FY 2026/27 budget estimate is based on projections that include the loss of the residential rental tax revenue.

Major Influences: Taxable Sales, Population, and Consumer Price Index



Highway User Tax

Fiscal Year	Amount	Percent Change
2016/17	\$11,336,801	8.4%
2017/18	11,887,793	4.9%
2018/19	12,658,768	6.5%
2019/20	12,568,037	(0.7)%
2020/21	13,937,545	10.9%
2021/22	14,406,073	3.4%
2022/23	13,717,215	(4.8)%
2023/24	13,852,639	1.0%
2024/25	14,252,741	2.9%
2025/26 est.	15,200,763	6.7%
2026/27 est.	14,883,171	(2.1)%

Restrictions

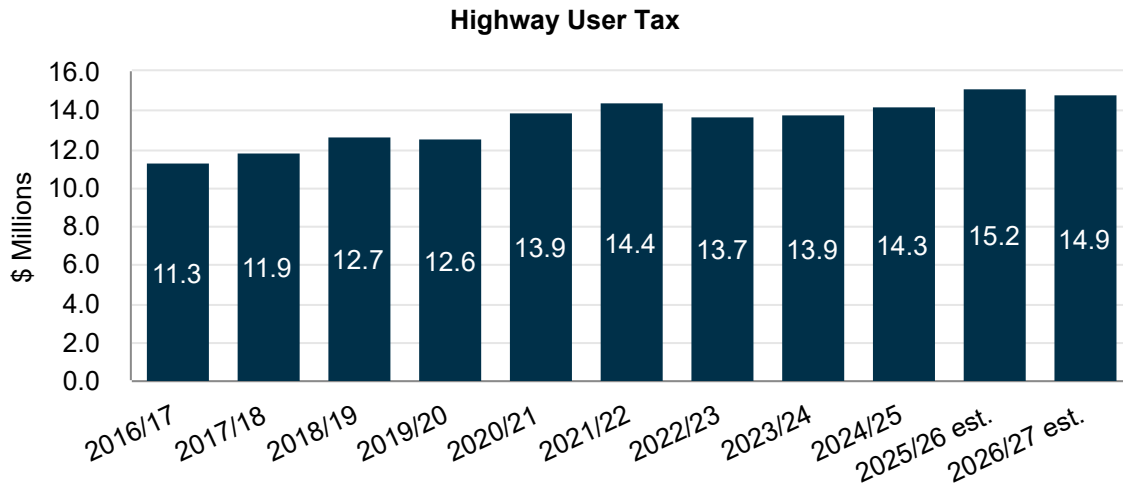
Proceeds can be used only for street and highway purposes including right-of-way acquisition, construction, reconstruction, maintenance, and payment of debt service on highway and street bonds.

Assumptions

Highway User Revenue Fund (HURF) revenue is comprised primarily of a share of the state-imposed tax on fuel (18 cents per gallon), but also includes a portion of vehicle license taxes and other motor carrier permits and fees. HURF revenues are a major source of funding to the state for highway construction, highway maintenance and improvements, and other highway related expenditures. More than half of the revenue is used for these state purposes.

Of the remaining HURF revenue, 27.5% is distributed to cities and towns. Half of this pool amount is distributed based on each city's or town's percentage share of the statewide total population of all incorporated cities and towns. The remaining one-half is divided into county pools based on each county's share of statewide fuel sales. Within each county, cities and towns receive an allocation based on their percentage share of total incorporated population in the county. The FY 2019/20 decrease reflects a 2.8% drop in gallons of fuel sold in Maricopa County. The FY 2022/23 decrease reflects a drop in Tempe's share of Maricopa County's population. The FY 2026/27 budget projects a decrease of 2.1% in highway user tax.

Major Influences: Population, State Statute, Economy and Gasoline Sales



Community Development Block Grant/Section 8 Housing Grant

Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
2016/17	\$3,175,376	19.0%	\$8,776,051	(16.7)%
2017/18	3,291,807	3.7%	9,878,872	12.6%
2018/19	4,933,023	49.9%	10,079,780	2.0%
2019/20	2,350,002	(52.4)%	11,003,698	9.2%
2020/21	5,126,663	118.2%	9,901,543	(10.0)%
2021/22	3,575,474	(30.3)%	11,132,160	12.4%
2022/23	4,195,372	17.3%	13,644,603	22.6%
2023/24	9,133,192	117.7%	19,463,486	42.6%
2024/25	3,804,981	(58.3)%	22,757,822	16.9%
2025/26 est.	43,797,578	1051.1%	36,495,456	60.4%
2026/27 est.	46,842,385	7.0%	38,136,123	4.5%

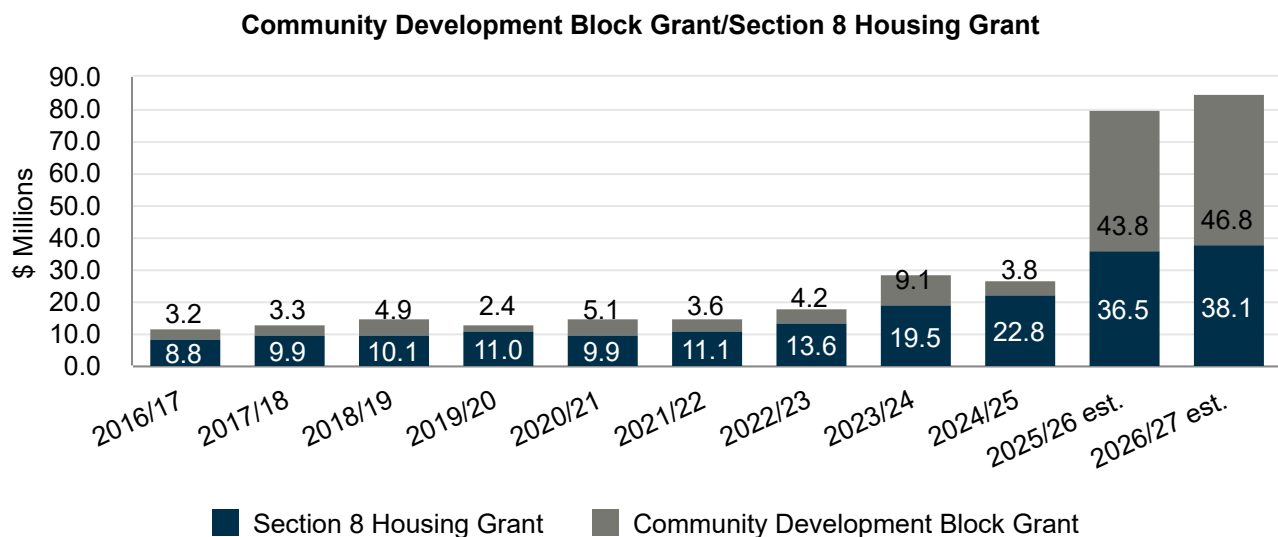
Restrictions

Community Development Block Grant (CDBG) funds are awarded by the federal government and may be used only for the rehabilitation of owner-occupied housing and the removal of "slum and blight". Section 8 Housing Grants, also federal funds, may be used only for rent and utility subsidies for low income residents.

Assumptions

Funding levels in both programs are based on a federal formula which reflects local factors such as the percentage of people living in poverty, unemployment, population, age of existing housing, and the need for housing. The increases in FY2025/26, and FY 2026/27 budget include a large contingency budget to provide the necessary appropriation if additional federal funds are received by the city.

Major Influences: Federal Policy, Poverty Levels and Population



Enterprise Revenue: Ten Year Historical Trends

Water/Wastewater User Fees

Fiscal Year	Amount	Percent Change
2016/17	\$84,152,090	6.3%
2017/18	85,834,674	2.0%
2018/19	83,717,370	(2.5)%
2019/20	83,739,560	—%
2020/21	93,872,989	12.1%
2021/22	93,458,043	(0.4)%
2022/23	87,452,056	(6.4)%
2023/24	100,177,409	14.6%
2024/25	109,849,068	9.7%
2025/26 est.	123,923,792	12.8%
2026/27 est.	131,758,525	6.3%

Restrictions

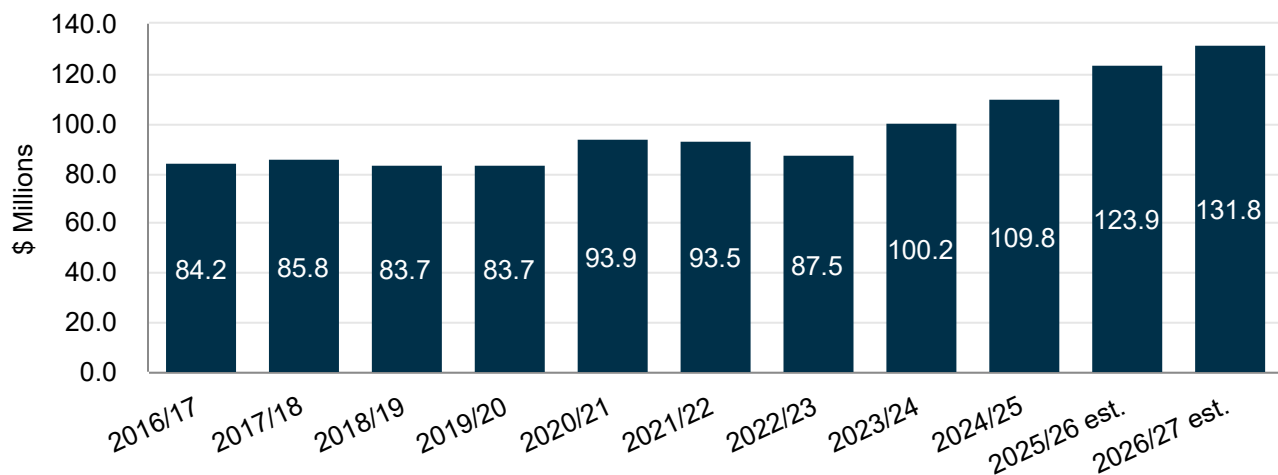
Fees may only be used to support the Water/Wastewater enterprise.

Assumptions

Water/Wastewater revenue is derived from fees and service charges assessed to residential and commercial customers of the city's water and wastewater systems. Revenue also includes charges to the city's residential irrigation customers. Over the past few years, water rates have been adjusted to address increased costs resulting from inflation, debt service on capital projects, and environmental regulation compliance. Rate increases occurred in January 2026 and contribute to the increase in the budget for FY 2026/27.

Major Influences: Population, Rate Policy, Water Consumption Patterns and Weather

Water/Wastewater User Fees



Solid Waste Fees

Fiscal Year	Amount	Percent Change
2016/17	\$16,371,942	3.9%
2017/18	16,736,176	2.2%
2018/19	17,357,470	3.7%
2019/20	18,394,312	6.0%
2020/21	19,909,675	8.2%
2021/22	20,833,300	4.6%
2022/23	21,143,447	1.5%
2023/24	21,770,133	3.0%
2024/25	23,149,023	6.3%
2025/26 est.	24,184,023	4.5%
2026/27 est.	25,514,022	5.5%

Restrictions

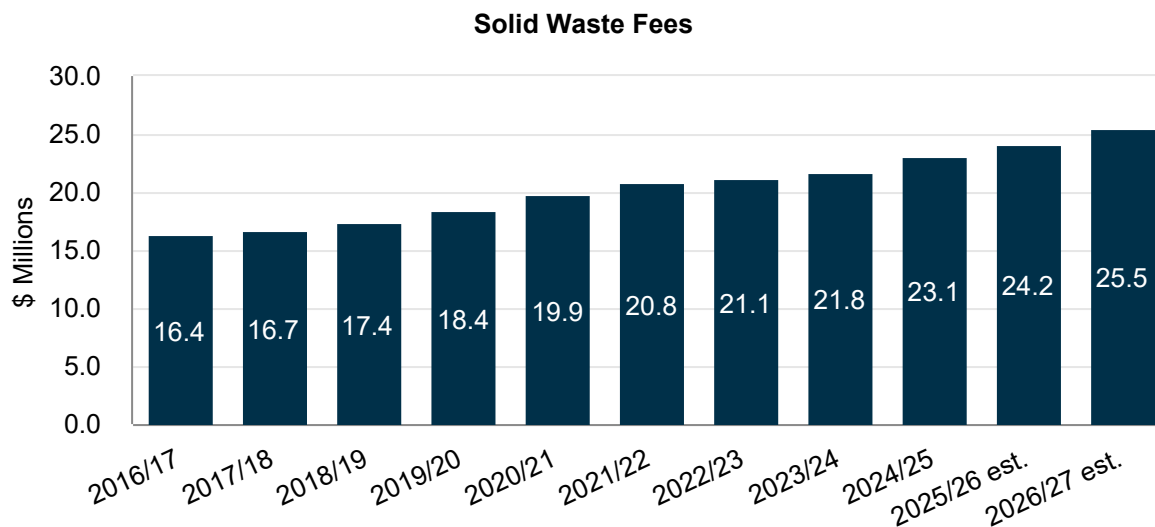
Fees may only be used to support the Solid Waste enterprise.

Assumptions

The collection and disposal of solid waste constitutes the city's second largest enterprise operation. Revenue derives from user fees for residential, commercial, roll-off, and uncontained solid waste service. More recently, the Solid Waste Fund has undergone a thorough review of its operations, and as a result, efficiencies were gained. A rate modification plan was implemented, and solid waste rates have been increased. A new adjusted rate structure (SMART - Save Money and Recycle Tempe) offers an opt-in residential schedule of rates that vary by resident who voluntarily elect a smaller trash container.

Periodic rate studies are conducted to ensure that rates are sufficient to cover the operating and capital costs of the solid waste operations.

Major Influences: Population, Rate Policy, and Commercial Market/Competition



Emergency Medical Transport Fees

Fiscal Year	Amount	Percent Change
2016/17	\$—	—%
2017/18	1,808,000	100.0%
2018/19	3,736,787	106.7%
2019/20	4,510,078	20.7%
2020/21	4,302,498	(4.6)%
2021/22	6,137,345	42.6%
2022/23	6,813,056	11.0%
2023/24	6,975,000	2.4%
2024/25	7,593,280	8.9%
2025/26 est.	7,065,599	(6.9)%
2026/27 est.	7,823,606	10.7%

Restrictions

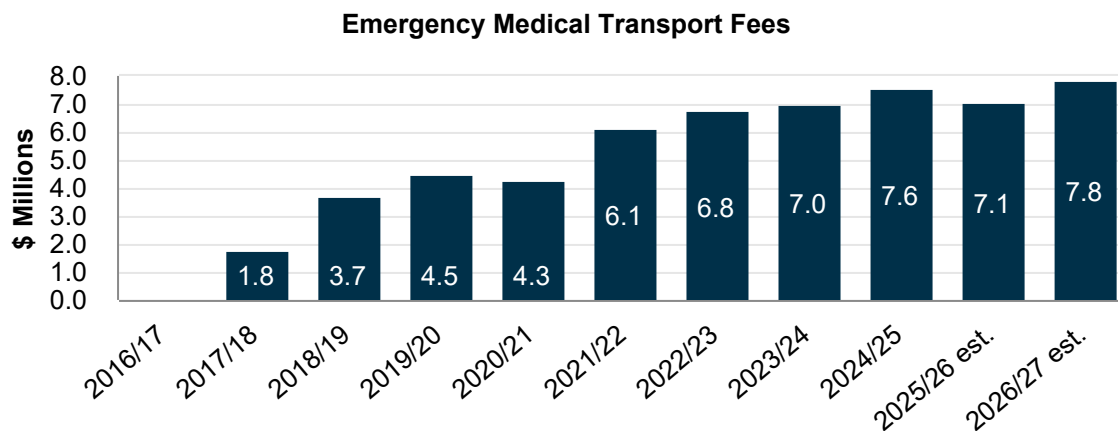
Used to defray costs of providing emergency medical transport service.

Assumptions

Fees collected from the operation of an emergency medical transport service is the city's newly established enterprise operation. Revenue derives from user fees for ambulance services. Previously, Tempe has contracted with private sector ambulance services for six ambulances. Mergers, acquisitions and bankruptcies within the private sector have created uncertainty in Tempe's continued ability to contract for high quality, stable ambulance services.

Typically, 80% of emergency calls for assistance are medical in nature, half of which result in ambulance transport of a patient to a hospital. The plan for the new emergency transportation service was to add additional Tempe ambulances each fiscal year over several years until Tempe had six full ambulance companies of their own by FY 2022/23. The long-term objective for the ambulance service is to be fiscally self-sustaining, which it has achieved in the current long-range forecast.

Major Influences: Population, Rate Policy, and Commercial Market/Competition



Note: The amounts noted above exclude accruals for accounts receivable.

CIP Revenue: Ten-Year Historical Trends**Bond Proceeds**

Fiscal Year	General Obligation Bond Proceeds	Excise Bond Proceeds	Revenue Bond Proceeds	Total Amount	Percent Change
2016/17	\$37,100,000	\$34,095,000	\$—	\$71,195,000	(51.4)%
2017/18	54,880,000	—	—	54,880,000	(22.9)%
2018/19	61,405,000	9,110,000	—	70,515,000	28.5%
2019/20	24,000,000	13,160,000	38,000,000	75,160,000	6.6%
2020/21	28,800,000	—	—	28,800,000	(61.7)%
2021/22	96,500,000	—	—	96,500,000	235.1%
2022/23	69,500,000	—	—	69,500,000	(28.0)%
2023/24	111,400,000	—	—	111,400,000	60.3%
2024/25	132,802,000	—	—	132,802,000	19.2%
2025/26	235,000,000	—	—	235,000,000	77.0%
2026/27 est.	241,084,106		246,339,616	487,423,722	107.4%

Restrictions

General Obligation Bonds: Bond proceeds from General Obligation Bonds can only be utilized for the purposes authorized by the residents in the city's bond elections (street and transportation improvements, including storm drains, acquisition of public safety equipment and improvements, park and community service improvements, and municipal infrastructure). The Capital projects must be appropriated as part of the city's Capital budget. Also, outstanding bonds cannot exceed the debt limits specified in the Arizona Revised Statutes.

Excise Bonds: Bond proceeds from Excise Bonds can only be utilized to fund the construction and acquisition of Capital projects as specified in the bond issuance Official Statements. The Capital projects must be appropriated as part of the city's Capital budget.

Revenue Bonds: Bond proceeds from Revenue Bonds can only be utilized to fund the construction and acquisition of Capital projects as specified in the bond issuance Official Statements. The Capital projects must be appropriated as part of the city's Capital budget.

Assumptions

General Obligation Bonds: General Obligation Bonds are the main funding source for the city's streets, public safety, parks, and municipal infrastructure capital projects approved as part of the city's Capital program. The issuance of bonds provides a reliable funding source for Capital projects that can be repaid over a typical 20-year period. State statute restricts the city's secondary property tax levy to the repayment of General Obligation Bonds, thus providing a funding source for their repayment. Bonds are issued based on the guidelines established in the city's Debt Management Plan.

Major Influences: Bond interest rates, property tax assessed valuations.

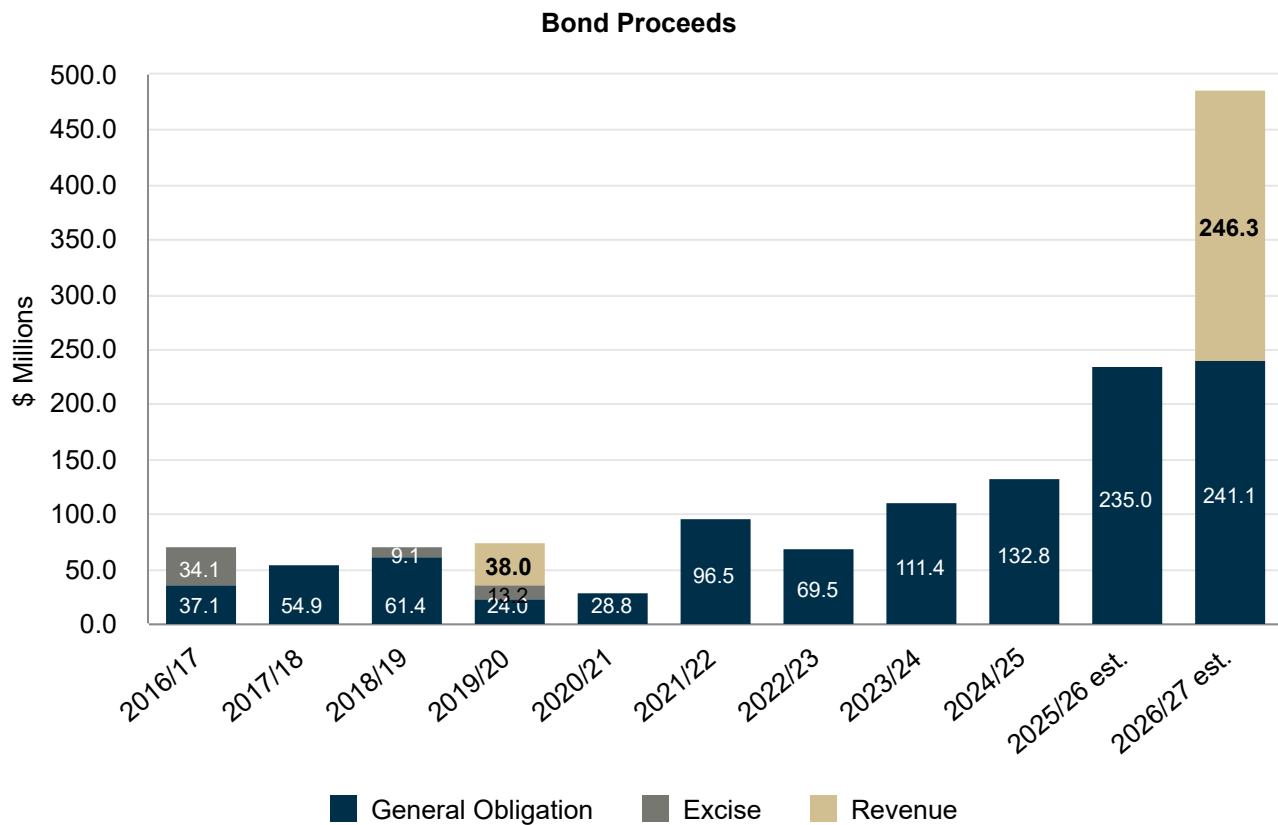
Excise Bonds: Excise Bonds do not require voter authorization and serve as a funding source for specific projects approved as part of the city's capital program that require a funding source other than General Obligation or Revenue Bonds. The source of repayment is dedicated revenue. The interest

rates are typically a little higher than General Obligation bonds but allow for repayment terms up to 20 years. The City's financial policy requires a revenue coverage limit of at least 4 times debt service.

Major Influences: Bond interest rates, sufficient revenue to meet revenue coverage requirements.

Revenue Bonds: Revenue Bonds do not require voter authorization and serve as a funding source for the City's Water & Wastewater enterprise operations. The Water & Wastewater operations must show sufficient revenue to meet the required revenue coverage requirements stipulated as part of their issuance. The city performs annual rate studies to ensure that there is sufficient user fee revenue to meet operational costs and debt service requirements.

Major Influences: Bond interest rates, sufficient revenue to meet revenue coverage requirements.





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City Council Strategic Priorities and Performance Measures

The City Council identified five strategic priorities after holding public meetings to co-create the vision for Tempe's future. These priorities help guide how the City plans the budget, allocates resources, and measures performance ensuring the most important goals are achieved.



1. Safe and Secure Communities

Ensuring a safe and secure community through a commitment to public safety and justice.



2. Strong Community Connections

Developing and maintaining a strong community connection by emphasizing the importance of open government, customer service and communication with community members.



3. Quality of Life

Enhancing the quality of life for all Tempe residents and workers through investment in neighborhoods, parks, the arts, human services, and city amenities, with an emphasis on equity and diversity.



4. Sustainable Growth and Development

Implementing sustainable growth and development strategies to improve Tempe's environment, quality of life and economic outcomes. Tempe strives to make long-term generational investments in technology, infrastructure and public transit that create a safe, clean, equitable and healthy city.



5. Financial Stability and Vitality

Maintaining long-term financial stability and vitality by focusing on economic development, business retention and generating employment to create a robust and diverse economic base.

The City Council's priorities help shape and achieve the community's vision using a organizational performance management framework. The Strategic Management and Innovation Office (SMIO) leads this work by partnering with departments to create or identify strategies, build action plans, and identify baselines and targets for more than 100 performance measures tied to the five strategic priorities. The city maintains an [open data](#) and [performance measure portal](#) for increased transparency of the city's operations. Tempe is committed to continually improving how it serves residents, businesses and visitors.

Strategic Priorities and Performance Led Budgeting

The City of Tempe uses a performance-led budgeting process. This means the City identifies priority performance measures before developing the budget. This helps to facilitate budget decisions based on strategies that help the City achieve performance goals. This data-driven approach ensures funding goes to programs and services that support the City's progress.

As part of this process, and in preparation for the annual budget cycle, the City Council identifies key performance measures to focus on. Using the S.T.A.R.T. Tool (Strategy Tool for Aligning Resources for Tempe), Council members distribute a theoretical \$100 across these measures. While this doesn't allocate funds, it helps communicate Council's priorities early in the budget process. The tool includes data from community, business, and employee surveys, highlighting areas rated as important but with lower satisfaction. This is combined with performance targets and current progress.

Performance Measures by Lead Department

Each performance measure identifies an owner who leads implementation and collaboration with strategy partners such as inter-departmental team members, academia, non-profits, industry, and other government agencies. When teams work together toward shared goals, they can align resources, share knowledge, and build on each other's strengths. This unified approach leads to more effective solutions, better use of public resources, and greater impact for the community. By breaking down silos and working together, the City can drive lasting change that no single department could achieve alone.

City Attorney		
1.28 Timely Case Management – Misdemeanors	5.08 Civil Division Annual Survey	
City Clerk		
2.26 Public Records Requests		
City Court		
1.16 Municipal Court Compliance	2.08 Treatment Court Satisfaction	
City Manager		
2.02 Customer Service Satisfaction	2.15 Participating in City Decisions	2.17 311 Email Response Time
2.03 311 First-Call Resolution Rate	2.16 311 Caller Wait Time	3.36 Quality of City Services
Communication & Marketing Office		
2.04 City Website Satisfaction	2.21 Satisfaction of Information Availability	
Community Development Department		
1.15 Insurance Services Organization Rating	3.01 Property Code Enforcement	4.20 Community Development Process Satisfaction
1.33 Alley Quality Index		
Community Health & Human Services Department		
1.18 Kid Zone Participation	3.05 Subsidized Housing	3.28 Ending Homelessness
1.19 Housing Quality Standards	3.06 Quality Pre-K Designation	3.30 Age-friendly Community

1.21 Youth Drug Use and Misuse	3.07 3 rd Grade Reading Level Proficiency	3.31 Poverty Rate
1.29 Breaking Cycle of Violence	3.08 High School Graduation Rate	3.34 Community Health and Wellbeing
1.31 Ending Opioid Overdoses	3.09 Post-Secondary Achievement Rate	3.21 Veteran-supportive Community
1.34 Crisis Engagement	3.10 Human Services Grants	5.18 Household Economic Stability
1.35 Student Support Satisfaction	3.20 Dementia-friendly Community Designation	2.07 Counseling Service Client Improvements
1.17 Community Supervision Success Rate		
Community Services Department		
1.23 Feeling of Safety in Parks	3.19 Value of Special Events	4.21 Park Eco-System Health
3.16 Community Services Facilities and Open Spaces	3.33 Culture of Literacy	4.11 Tree and Shade Canopy
3.17 Community Services Programs		
Diversity, Equity, and Inclusion Office		
3.12 Municipal Equality Index	3.14 ADA Transition Plan	3.25 Equal Pay Ratio
3.13 Disability Social Inclusion		
Economic Development Office		
5.01 Quality of Business Services	5.03 Capital Investment Created	5.02 New Jobs Created
Financial Services Department		
1.11 Feeling of Safety in City Facilities	4.14 Facilities Condition Index	5.06 Competitively Generated Contracts
2.11 Financial Reporting Award	5.04 General Obligation Bond Rating	5.15 Diversity Supplier Program
2.12 Procurement Award	5.05 Unassigned Fund Balance	5.17 Cost of Risk
Fire Medical Rescue Department		
1.01 ALS Response Time	1.04 Fire Services Satisfaction	1.14 High Risk Fire Inspections
1.02 Cardiac Arrest Survival Rate		
Human Resources		
2.13 Employee Engagement	2.20 Employee Diversity	5.07 Employee Turnover
Information Technology Department		
2.05 Online Services Satisfaction Rate	5.12 Cybersecurity	
Internal Audit Office		
5.14 Audit Completion Rate		
Municipal Budget Office		
2.10 Budget Presentation Award	5.10 Revenue Forecast Variance	

Police Department		
1.05 Feeling of Safety in your Neighborhood	1.09 Victim of Crime	1.25 Police Body Cameras
1.06 Crime Reporting	1.10 Worry About Being a Victim	2.06 Police Trust Score
1.07 Police Services Satisfaction	1.12 Offense Clearance Rate	
Public Works		
1.13 Safe Drinking Water	4.03 Water Conservation	4.22 Water Efficiency
1.22 Pavement Quality Index	4.04 Solid Waste Landfill Diversion	5.09 CIP On-time Completion
1.27 City Infrastructure and Assets	4.16 Groundwater Supply	
Strategic Management & Innovation Office		
3.35 Data-driven Governance		
Transportation & Sustainability Department		
1.08 High Severity Traffic Crashes	3.27 Traffic Delay Reduction	4.23 Urban Cooling
3.22 Graffiti Removal	3.29 Transit System Satisfaction	3.26 20 Minute City
3.23 Right of Way Landscape Maintenance	4.18 Community Carbon Neutrality	4.19 Municipal Carbon Neutrality

Performance Measures Acceleration Models

As previously mentioned, the City Council identifies key performance measures to focus on by using the S.T.A.R.T. Tool (Strategy Tool for Aligning Resources for Tempe). For FY 2026/27 City Council identified the following measures to be accelerated:

- 1.05 Feeling of Safety in Your Neighborhood
- 1.23 Feeling of Safety in Parks
- 3.28 Ending Homelessness
- 4.11 Tree and Shade Canopy
- 5.01 Quality of Business Services

Accelerated measures will join Tempe Accelerates Performance (TAP) where they will receive tailored support to achieving their performance measures. TAP Teams participate in bi-weekly inter-departmental huddles, track progress using a detailed action planning tool, and provide quarterly updates to City Leadership with an annual report out to City Council.

The following tables describe the status of each of the five prioritized performance measures for FY 2026/27, the strategies for achieving the performance measures by the target date and additional funding, if any, appropriated as part of the FY 2026/27 adopted budget:

1.05 Feeling of Safety in your Neighborhood

Crime and fear of crime have a corrosive effect on individuals and communities. It is important to continue to measure how citizens feel about their safety to ensure the police department is achieving its primary purpose of working with community members to deliver effective strategies to reduce crime and the fear of crime in Tempe.

1.05 Feeling of Safety in your Neighborhood	
Achieve ratings of "Completely Safe" or "Mostly Safe" for "feeling of safety in your neighborhood" that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.	
Baseline	63%
Target	67%
Current Status	65%
Acceleration Strategies	1. By June 30, 2027, implement a coordinated, multi-department public safety communications strategy that enhances transparency, strengthens meaningful community engagement, and supports measurable improvements in residents' perception of neighborhood safety by expanding the city's public safety messaging and outreach to achieve at least 285,000 social media impressions. 2. By June 30, 2027, increase and sustain the percentage of fully operational, City-owned cameras monitored by the Real time Operations Center (RTOC) to at least 90% citywide, with priority given to cameras located within Vision Zero corridors and other high-risk traffic safety areas.. 3. By June 30, 2027, increase participation in the Connect Tempe Camera Registration/Sharing Program by 10% through outreach to community members to voluntarily register privately owned cameras, not monitored by the City, allowing owners to share video footage with the Tempe Police Department upon request during investigations.. 4. By June 30, 2027, City departments will strengthen neighborhood engagement and community partnerships by collaboratively participating in at least 150 community meetings and neighborhood events.. 5. By June 30, 2027, City departments will enhance neighborhood safety and walkability by improving street lighting and repairing infrastructure in areas identified for crime suppression operations and repairing or replacing 600 existing lights throughout the City of Tempe. 6. By June 30, 2027, the City will strengthen public safety through five coordinated, data-informed crime suppression operations that increase police presence in areas experiencing higher levels of crime and community complaints, combining focused enforcement, proactive crime prevention education, and collaboration with City departments to address nuisance conditions, improve case outcomes, and implement solutions that reduce crime and improve neighborhood safety..
CIP Budget Funding FY 2026/27 – FY 2030/31	\$54.0 million.

1.23 Feeling of Safety in Parks

The City of Tempe finds it important to ensure that community members and visitors feel safe when in Tempe, including parks. This is one of the primary functions of the Police and Community Services departments. The Police Department does this through responding to calls for police service, addressing crime in the city, and working with the community to prevent crime. The Community Services Department focuses on maintaining and improving park infrastructure, in order to facilitate activating parks. The City of Tempe collects data from an annual Community Survey and studies crime trends monthly to improve and maintain the feeling and reality of safety in the City and City parks.

1.23 Feeling of Safety in Parks	
Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in Parks" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.	
Baseline	Neighborhood Parks Day: 74.7% / Night: 43.4% ; City Parks Day: 81% / Night 51.9% ; Desert Parks Day: 69.4% / Night 36%
Target	86%
Current Status	Neighborhood Parks Day: 76.4% / Night: 48.4% ; City Parks Day: 70.8% / Night 50.1% ; Desert Parks Day: 72.1% / Night 47.3%
Acceleration Strategies	1. Increase the number of mobile safety cameras in City parks from six to twelve by 2030 and implement a data-informed rotation strategy in coordination with the Police Department. 2. Increase grant funding allocated to homelessness prevention programs from \$50,000 to \$250,000 by December 31, 2030, in collaboration with community partners and service providers to help address homelessness impacts in parks and other public spaces. 3. Conduct five community focus groups by zip code by 2028 to gather feedback on park safety, maintenance, and amenity needs. Use the results to guide park activation efforts and partnerships with community organizations and City departments to plan events and programs that increase positive park use by 2030. 4. Generate at least 20,000 impressions related to park safety initiatives and park rule awareness by June 30, 2027 through public education, outreach and communication campaigns.. 5. Enhance park safety and usability by conducting lighting audits at all parks twice per year beginning June 30, 2027 and implementing improvements to lighting, landscaping visibility, and timely maintenance of park infrastructure..
CIP Budget Funding FY 2026/27 – FY 2030/31	\$3.1 million.

3.28 Ending Homelessness

The Human Services Department is committed to achieve and sustain Functional Zero, a well-coordinated and efficient community system that assures homelessness a rare, brief, and one-time experience in our community. That means: 1. Homelessness does not happen often; 2. People who become homeless are connected to shelter and housing as soon as possible; 3. People who are housed do not return to homelessness. This group works intensively with other municipalities, organizations, Maricopa County and community partners to leverage regional and local resources to end and prevent homelessness. Additionally, numerous areas of the city including the City Attorney's Office, Tempe Fire Medical Rescue (TMFR), Human Services, Municipal Court, Tempe Police Department (TPD), and Public Works all directly allocate resources to matters of homelessness. Beyond city partners there are over 60 other community stakeholders that are working to prevent and end homelessness. These numbers illustrate and indicate a complete picture of our communities' response to homelessness.

3.28 Ending Homelessness	
Achieve an end to homelessness in Tempe as measured by Tempe's annual count.	
Baseline	1,117 <i>Number of unduplicated Tempe homeless individuals and families served through navigation and case management services system.</i>
Target	0
Current Status	854
Acceleration Strategies	1. By May 1, 2027, develop a heat relief strategy for the 2027 heat relief season. 2. By June 30, 2027, develop and implement a training and education plan to improve coordination and awareness of City homelessness response resources. 3. By June 30, 2027, establish a baseline measure for to track warm handoffs from outreach engagements to housing resolutions and connections to medical/behavioral health providers. 4. By June 30, 2027, partner with higher-ed institutions to explore available data sources, tools, internal resources, and community partnerships that may help inform homelessness prevention efforts.
CIP Budget Funding FY 2026/27 – FY 2030/31	\$41.5 million

4.11 Tree and Shade Canopy

Sustainable growth for the City of Tempe is influenced by many factors, including the development and maintenance of our tree canopy. An adequate canopy provides shade, cooling, reduces water evaporation and is an indication of a healthy and well-maintained environment. As a result, this performance measure reduces the environmental impact of inadequate vegetation and promotes the sustainable growth and development of our City.

4.11 Tree and Shade Canopy	
Achieve a citywide (City and private property) 18% tree and shade canopy.	
Baseline	13%
Target	18% by CY 2040
Current Status	15%
Acceleration Strategies	1. Complete Urban Forestry Master Plan update. 2. Tempe's Transportation and Planning teams will confer with the Urban Forestry team 100% of the time when designing new or updated bus shelters to ensure the capture of engineered shade expansion and that appropriate vegetation, and green spaces as valuable assets and manages them as essential city infrastructure. 3. Create a working group of department representatives to develop guidance that recognizes trees, vegetation, and green spaces as valuable assets and manages them as essential city infrastructure. 4. Review and enhance at least four (4) codes, standards, or policies (such as design standards, landscape development codes, parking lot landscape standards, root-zone requirements, tree protection standards, tree banking, green stormwater infrastructure, etc.) to increase tree and shrub opportunities. 5. Reach 500 people through educational programs for commercial, HOA and NA's, multi- and single-family residential and city personnel.
CIP Budget Funding FY 2026/27 – FY 2030/31	\$9.3 million

5.01 Quality of Business Services

Supporting business growth and success is a priority for the city. Tempe is committed to customer friendly, timely services and a world class experience for all businesses.

5.01 Quality of Business Services	
Achieve ratings of "Very Satisfied" or "Satisfied" with the "overall level and quality of business services provided by the City of Tempe" greater than or equal to the top 10% of the national benchmark cities as measured by the Business Survey.	
Baseline	80%
Target	73%
Current Status	64%
Acceleration Strategies	1. Conduct 150 touchpoints with businesses per year includes BRE visit, phone calls with businesses, etc.) by June 30, 2027. 2. Conduct road shows/ Lunch & Learns/ visits with 6 departments that economic development impacts to raise awareness and identify at least one opportunity to collaborate by June 30, 2027. 3. Finalize business education resources from various partners and internal city departments on the newly launched website and promote through the water bill, newsletter, etc. by January 1, 2027 4. Develop a 5-year action plan for Economic Development by June 30, 2027. 5. Utilize Community Development divisions to generate 500 new joint connections with Economic Development to build business Services awareness by June 30, 2027.
CIP Budget Funding FY 2026/27 – FY 2030/31	\$0.2 million.

What Works Cities Certification

What Works Cities awarded the City of Tempe its highest level of certification, platinum certification, for 2023 for its use of data to inform policy decisions, allocate funding, improve services, evaluate program effectiveness and engage residents. Tempe was named one of the top five cities in the world for its use of data to guide decisions.

What Works Cities certification is the national standard of excellence in data-driven city governance. The organization evaluates how well cities are managed by measuring the extent to which city leaders incorporate data and evidence in their decision-making.

Globally only 109 cities have any level of certification. Only 4 cities nationally achieved the platinum certification for 2023. Cities are benchmarked against a national standard. Cities that achieve 85% or more of the Certification criteria are recognized at the platinum level.

What Works Cities Certification assesses cities based on their data-driven decision-making practices, such as whether they are using data to set goals and track progress, allocate funding, evaluate the effectiveness of programs, and achieve desired outcomes from contracts with outside vendors. The program also measures whether cities are publicly and transparently communicating about their use of data and evidence.

The city committed to using data to improve quality of life and to ensure residents get the most for their tax dollars. Today, residents can see Tempe's progress and how it benefits them from measures such as fire response time, pavement quality index, walkability, and our shade canopy.



Tempe's commitment to transparency and the use of data can easily be seen on its data dashboards. How the city scores on more than 100 performance measures may be viewed at tempe.gov/StrategicManagement. These measures are grouped into five categories based on five Tempe City Council Priorities: safe and secure communities, strong community connections, quality of life, sustainable growth and development, and financial stability and vitality.

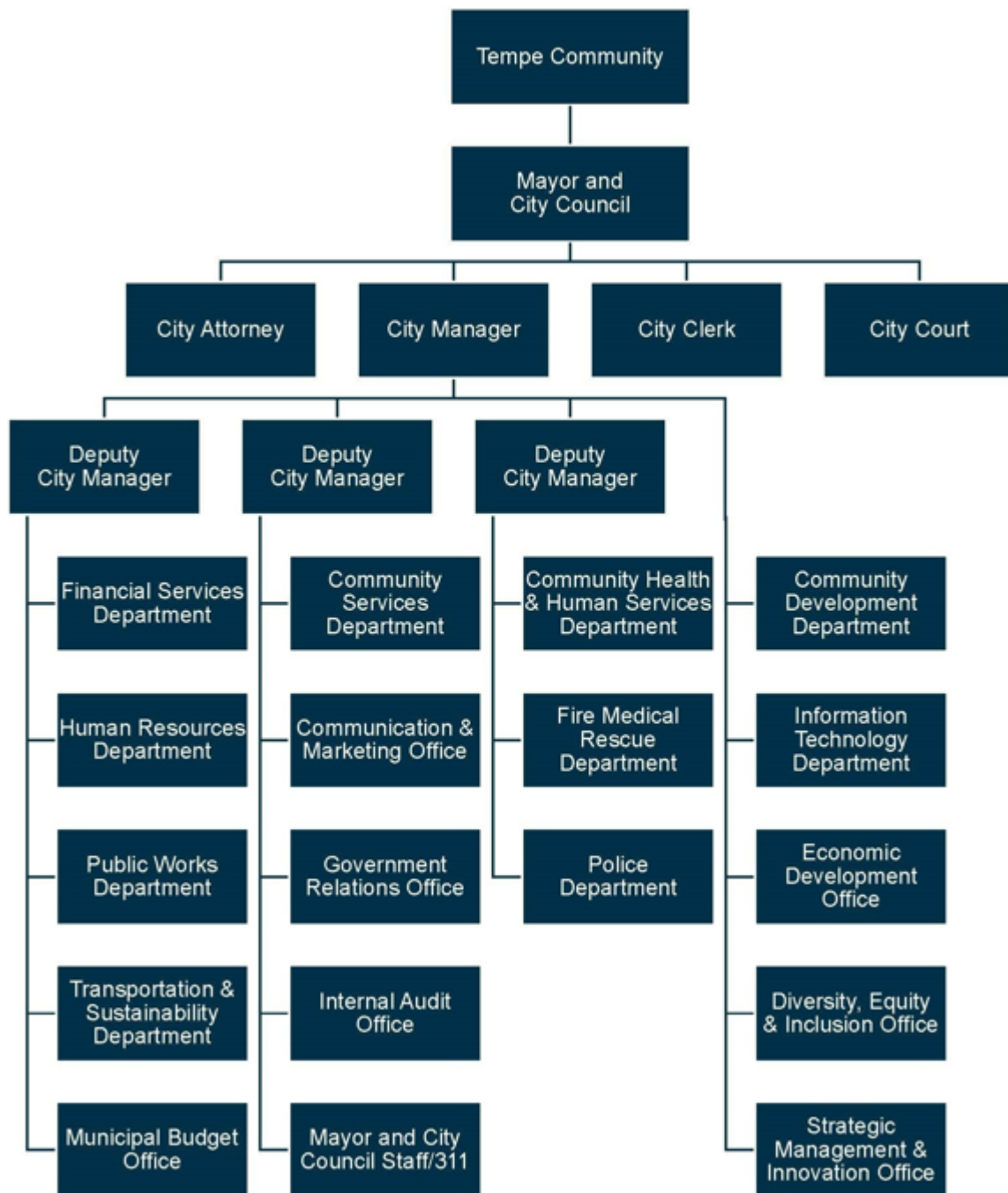
More than 300 cities in North, Central and South America have completed a What Works Cities Assessment to have their data practices benchmarked against the Certification Standard and to

understand how to improve. The assessment is the first step to receiving exclusive support from What Works Cities to continue building a more effective local government.

What Work Cities, launched by Bloomberg Philanthropies in April 2015, is a national initiative that helps cities use data and evidence more effectively to tackle their most pressing challenges and improve residents' lives. It is one of the largest-ever philanthropic efforts to enhance cities' use of data and evidence. Through the initiative's expert partners, cities around the country are receiving technical assistance, guidance, and resources to succeed in making more informed decisions, tackling local challenges, and delivering more effective services and programs for their residents. Cities in the What Works Cities network also gain access to a collaborative network of peers in cities across the country.

For more information, visit whatworkscities.org.

City Organizational Chart



Mayor and Council

Purpose:

To represent residents of the City of Tempe, formulate legislation, and establish city policy.

Description:

The Mayor and six City Council members are the elected representatives of the residents of Tempe. They are charged with the formulation of public policy to meet community needs. The City Council is responsible for appointing the City Clerk, City Court Presiding Judge, City Manager and City Attorney, as well as Board and Commission members.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	675,569	726,085	699,210
Material & Supplies	4,430	1,150	5,000
Fees & Services	10,885	9,481	12,191
Travel & Miscellaneous	89,443	99,300	92,740
Capital Outlays	455	—	—
Internal Service Charges	(39,245)	(54,670)	79,644
Expenditure Total	741,537	781,346	888,785
Per Capita	3.99	4.12	4.68

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Mayor and City Council	7			7			7		
Total	7			7			7		

City Attorney

Purpose:

To promote justice and advance the interests of Tempe.

Description:

The City Attorney, appointed by the Mayor and City Council under the City Charter, is the chief legal advisor and attorney for the city, representing the Council, the City Manager, and all city departments, offices, and agencies. The Tempe City Attorney's Office represents the city in legal proceedings. Activities of the City Attorney's Office include presentation and defense of the city's legal interests and rights, and the prosecution of misdemeanor crime and City Code violations. The City Attorney also attends City Council meetings and serves as legal counsel during such meetings. Representation includes: (1) legal review and support of legislative and administrative processes (ordinances, opinions, litigation, contracts, legal research, liens); (2) presenting and defending the city's legal interests and rights before all courts and administrative tribunals; and (3) prosecuting complaints (misdemeanor traffic and criminal, in municipal and superior courts).

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	4,647,525	4,816,651	5,312,542
Material & Supplies	72,695	50,600	51,350
Fees & Services	120,470	178,865	148,932
Travel & Miscellaneous	5,484	12,600	12,350
Capital Outlays	345		—
Donations / Restricted Revenue / Grants	19,898	30,729	69,805
Internal Services Charges	(553,007)	(536,977)	(608,301)
Expenditure Total	4,313,410	4,552,468	4,986,678
Per Capita	23.20	23.98	26.23

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
City Attorney	31	0.00	0.07	31	0.00	0.07	31	0.00	0.07
Total	31	0.00	0.07	31	0.00	0.07	31	0.00	0.07

City Clerk

Purpose:

The Tempe City Clerk's Office promotes public trust in local government by providing objective, accurate and responsive administration of official City records, City Council proceedings, elections, and the board/commission and lobbyist registration programs.

Description:

The City Clerk's Office maintains the official records of the City government, overseeing the preservation and accessibility of public records, providing notice of all City Council proceedings, and recording actions taken by the City Council, conducting fair and open municipal elections, and administering the City's Boards and Commissions and Lobbyist Registration programs. The City Clerk also serves as the filing officer for the city.

FY 2026/27 Budget Highlights:

- Decrease in elections exclusion budget in the amount of \$445,000

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	897,588	909,237	944,868
Material & Supplies	20,324	43,433	43,433
Fees & Services	201,637	963,050	483,050
Travel & Miscellaneous	9,043	6,500	6,500
Capital Outlays	61		
Internal Service Charges	79,904	96,582	93,882
Expenditure Total	1,208,557	2,018,802	1,571,733
Per Capita	6.50	10.63	8.27

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
City Clerk	6			6			6		
Total	6			6			6		

City Court

Purpose:

Tempe Municipal Court is committed to providing the community with an independent judiciary that serves the public by the fair and impartial administration of justice resulting in the enhancement of public trust and confidence in the court system.

Description:

The City Court is a limited jurisdiction court that deals with civil and criminal traffic violations, criminal misdemeanor, code enforcement and zoning violations as well as Protective Orders. The City Court is dedicated to aligning our daily tasks to support the purposes of the court while enhancing work conditions to create and maintain an environment that demonstrates courtesy, dignity and respect for our employees and the community we serve. We accomplish this by communicating with internal and external partners to ensure accountability for our actions and transparency in our operations.

FY 2026/27 Budget Highlights:

- No Changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	4,286,202	4,744,573	5,330,366
Material & Supplies	40,270	46,050	46,050
Fees & Services	836,346	856,454	829,568
Travel & Miscellaneous	10,058	12,000	12,000
Internal Service Charges	406,998	657,485	698,721
Donations / Restricted Revenue / Grants	331,245	1,951,168	950,359
Expenditure Total	5,911,119	8,267,730	7,867,064
Per Capita	31.79	43.55	41.38

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
City Court	41		5.06	41		5.06	41		5.06
Total	41		5.06	41		5.06	41		5.06

City Manager

Purpose:

The City Manager's Office provides the overarching organizational support necessary to implement Council- approved programs and policies. As stewards of the public trust, we manage the day-to-day operations of the city to ensure fiscal responsibility, create a dynamic leadership-focused organization, and proactively serve the needs of our residents, community stakeholders and region.

Description:

The City Manager's Office works with the city's governing body, the community, and city staff, to professionally implement all City Council policy decisions and efficiently direct the city's operations and activities in accordance with Tempe's mission and values and sound management principles. These efforts will create an organizational culture that results in the delivery of excellent municipal services to the residents of Tempe.

The Mayor and Council Staff/311 staff facilitates communication with the public, city staff, council committees and the Mayor and Council.

FY 2026/27 Budget Highlights:

- Internal Service Charges increased due to Neighborhood Services added as an allocation

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	3,999,048	4,534,810	4,767,062
Materials & Supplies	20,918	19,181	21,881
Fees & Services	558,054	1,045,512	1,104,529
Travel & Miscellaneous	124,024	111,575	107,358
Internal Service Charges	(948,063)	(876,122)	(1,860,164)
Capital Outlay	689		
Donations / Restricted Revenue / Grants	1,139,476	5,653,700	5,654,168
Expenditure Total	4,894,146	10,488,656	9,794,834
Per Capita	26.32	55.25	51.52

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Administration	9			9			9		
Animal Welfare				0			0		
Veteran's Support Services				0			0		
Neighborhood Programs	4			4			4		
Mayor/Council Staff	8			8			8		
Customer Relations Center/311	7			7			7		
Total	28			28			28		

Communication & Marketing Office

Purpose:

The Communication and Marketing Office communicates about city programs and services, issues that affect community members, and the city's overall performance. The specialized staff members provide professional public relations, media relations, advertising, and marketing services. They work in partnership with Downtown Tempe Authority, Tempe Chamber of Commerce, Tempe Tourism Office, Tempe's universities, schools and other organizations to ensure that our community is fully informed.

Description:

The Communication and Marketing Office handles all forms of public information – digital and traditional – to inform and motivate the community about city programs, services, events, issues and facilities, and to advance Tempe's brand locally, regionally and nationally.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,471,149	1,668,993	1,841,446
Material & Supplies	37,066	31,202	31,202
Fees & Services	195,118	211,716	211,716
Travel & Miscellaneous	12,924	36,500	36,500
Internal Service Charges	(1,066)	(29,898)	9,050
Donations/Restricted Revenue/Grants	—	1,631	1,631
Expenditure Total	1,715,191	1,920,144	2,131,545
Per Capita	9.22	10.11	11.21

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Communications / Marketing Office	12		1.89	12		1.89	12		1.89
Total	12		1.89	12		1.89	12		1.89

Community Development Department

Purpose:

To serve the community and businesses by planning the long-range future of Tempe through land use for transportation corridors, business districts and residential areas by administering permits and oversight of current construction and maintenance of private properties.

Description:

The Community Development Department serves the Tempe community by providing building safety inspections, permitting, property addressing, planning, code compliance, and managing land use. Bringing together unique skill sets, the department focuses on sustainable development, preservation of life safety, private property maintenance, urban open space planning, historic preservation, and job attraction.

FY 2026/27 Budget Highlights:

- \$250,000 for property abatements and to help enforcement and compliance with City Codes, offset with revenues.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	8,683,294	10,592,955	11,277,986
Materials & Supplies	(29,131)	152,800	151,300
Fees & Services	5,567,249	6,346,335	6,618,633
Travel & Miscellaneous	149,039	240,800	233,800
Capital Outlays	44,858	—	—
Internal Services Charges	1,167,566	1,250,118	1,453,976
Donations/ Restricted Revenue / Grants	90,830	182,999	—
Expenditure Total	15,673,705	18,766,007	19,735,695
Per Capita	84.29	98.85	103.81

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
CD Administration	6,526,133	6,902,857	7,574,617
Development Services / Building Safety	4,667,910	6,124,750	6,148,054
Planning	4,479,662	5,738,400	6,013,024
Expenditure Total	15,673,705	18,766,007	19,735,695
Per Capita	84.29	98.85	103.81

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
CD Administration	5.00			4.00			4.00		
Development Services / Building Safety	36.00		5.16	36.00		5.16	36.00		5.16
Planning	34.00		12.04	36.00		11.54	36.00		11.54
Total	75		17.20	76		16.70	76		16.70

Administration, Code Compliance

The Administration Division manages all divisions within the department, including Tempe Town Lake administration and oversight of the Community Facilities District. Code Compliance applies and enforces a variety of residential and commercial municipal codes and ordinances which were created to promote the health, safety, and welfare of our citizens.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	854,544	836,373	897,558
Material & Supplies	201	103,000	104,000
Fees & Services	5,132,861	5,678,186	6,101,028
Travel & Miscellaneous	113,298	109,000	102,000
Capital Outlays	28,762		
Internal Services Charges	305,637	(6,701)	370,031
Donations / Restricted Revenue / Grants	90,830	182,999	—
Expenditure Total	6,526,133	6,902,857	7,574,617
Per Capita	35.10	36.36	39.84

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
CD Administration	5			4			4		
Total	5			4			4		

Building Safety

The Building Safety Division works to ensure the safety of Tempe's commercial and residential buildings through plan review and inspection services. They promote sustainable building practices and energy conservation techniques. The division ensures the long-term usefulness and safety of all existing and new buildings, thereby maintaining the value of Tempe's built environment.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	4,002,778	5,014,178	5,217,608
Material & Supplies	15,478	30,000	30,000
Fees & Services	214,999	494,700	381,450
Travel & Miscellaneous	26,245	115,500	115,500
Capital Outlays	13,007	—	—
Internal Services Charges	395,403	470,372	403,496
Expenditure Total	4,667,910	6,124,750	6,148,054
Per Capita	25.10	32.26	32.34

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Development Services / Building Safety	36		5.16	36		5.16	36		5.16
Total	36		5.16	36		5.16	36		5.16

Planning

The Planning Division administers the development entitlement process, change or adoption of codes, ordinances, and neighborhood plans. Planning facilitates the rules and regulations applicable to new development, redevelopment, construction, and property conservation; and provides administrative support for boards and commissions including the Development Review Commission, Board of Adjustment and Joint Review Committee

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	3,825,972	4,742,404	5,162,820
Material & Supplies	(44,810)	19,800	17,300
Fees & Services	219,389	173,449	136,155
Travel & Miscellaneous	9,496	16,300	16,300
Capital Outlays	3,089		
Internal Services Charges	466,526	786,447	680,449
Expenditure Total	4,479,662	5,738,400	6,013,024
Per Capita	24.09	30.23	31.63

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Planning	34		12.04	36		11.54	36		11.54
Total	34		12.04	36		11.54	36		11.54

Community Health & Human Services

Purpose:

To provide an integrated system of trauma sensitive services that addresses needs across the lifespan and promotes the overall wellbeing of the community.

Description:

The City of Tempe Community Health and Human Services Department offers a wide range of inclusive programs and services to assist individuals and families with improving their quality of life. Our full continuum of trauma sensitive services addresses needs across the lifespan through seven distinct areas of service: Administration; Animal Welfare; Community Partnerships & Resources; Housing Services; Social Services; Wellbeing and Empowerment Services; and Veteran Services. To achieve this, the Department leverages diverse partnerships and significant federal, state, local, tribal, private philanthropic, and faith-based funding streams.

Community Health and Human Services was realized in Fiscal Year 2023/24 as a result of a city reorganization and need to form a comprehensive department focusing specifically on a growing area of community need, and to better leverage services provided by the city.

FY 2026/27 Budget Highlights:

- Reallocated base budget from Kid Zone Classrooms to hire (5.83 FTE) of additional wage employees to help handle increase workload demands and align program expenditures under a unified management and program structure.
- Increase base operating budget to support Tempe Community Council and Community Partnerships. Additional costs will be offset by the removal of (2 FTE) positions.
- Conversion of 1 part time position to a full time position (.25 FTE)

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	13,815,111	18,298,629	21,212,769
Material & Supplies	500,080	480,878	459,415
Fees & Services	4,676,231	9,579,452	8,861,343
Travel & Miscellaneous	5,093,049	5,798,870	3,220,920
Capital Outlays	1,068,605	615,300	615,300
Internal Service Charges	2,232,286	3,240,544	3,649,613
CDBG/Section 8 Housing	23,360,244	38,813,008	38,713,008
Donations / Restricted Revenue / Grants	11,356,673	8,244,851	7,254,332
Expenditure Total	62,102,279	85,071,532	83,986,700
Per Capita	333.97	448.14	441.77

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
CHHS Administration	16,726,227	14,589,523	11,231,070
Social Services	4,196,809	5,827,288	6,162,160
Community Partnerships	2,014,584	2,144,705	2,277,093
Housing	28,784,145	50,266,987	52,628,197
Preschool Resources	2,771,164	3,050,533	2,291,466
Wellbeing & Empowerment	7,609,350	9,192,496	9,396,714
Expenditure Total	62,102,279	85,071,532	83,986,700
Per Capita	333.97	448.14	441.77

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
CHH Administration	14	0.00	0.85	14	0.00	0.85	14	0.00	0.85
Social Services	34	0.00	8.52	34	0.00	9.75	34	0.00	9.75
Housing	27	0.50	8.89	27	0.50	8.89	27	0.50	8.89
Community Partnerships	6	0.00	0.00	6	0.00	0.00	4	0.00	0.00
Preschool Resources	2	0.00	3.00	2	0.00	3.00	2	0.00	3.00
Wellbeing & Empowerment	40	0.50	60.70	40	0.50	60.70	40	0.50	60.70
Total	123	1	81.96	123	1.00	83.19	121	1.00	83.19

Administration

Administration provides the overall leadership, direction, and management of the department. Included in the expenditures by type are the various grants and donations that are received each fiscal year.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	888,461	945,168	1,064,739
Material & Supplies	23,552	11,492	13,350
Fees & Services	87,643	76,876	105,720
Travel & Miscellaneous	3,896,146	4,585,500	2,003,000
Capital Outlays	24,631		—
Internal Service Charges	449,121	725,636	789,929
Donations / Restricted Revenue / Grants	11,356,673	8,244,851	7,254,332
Expenditure Total	16,726,227	14,589,523	11,231,070
Per Capita	89.95	76.85	59.08

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
CHH Administration	14		0.85	14		0.85	14		0.85
Total	14		0.85	14		0.85	14		0.85

Animal Welfare

Established in 2022, Animal Welfare is committed to improving the quality of life for animals, pet owners, and all city residents, and provides information on a variety of animal welfare topics. Its main program, Community Cat Management, connects residents with resources to effectively manage the city's feral cat colonies in order to decrease population growth and minimize negative impacts on Tempe neighborhoods. The program teaches and encourages best practices for colony management including an active trap-neuter-return (TNR) strategy. Funding is available for assisting residents with TNR surgery costs and cat traps are available for short-term loan as needed.

Preschool & Kid Zone

The Kid Zone Enrichment Program provides children a safe, enriching place to be during out-of-school time. Kid Zone operates before- and after-school programs at eighteen Tempe Schools. Programs are offered to grades K-5 at twelve schools, K-8 at Ward Traditional, grades 6-8 at four schools, and preschool programming at two schools. The Kid Zone Enrichment Program was reorganized under Human Services starting FY 2019/20. The Kid Zone Enrichment Program is a dynamic community response to changing lifestyles and needs of families in Tempe and offers year-round opportunities to the community through before- and after-school programming, as well as break and summer camp programs. In partnership with Tempe Elementary School District, the program provides a safe, enriching environment for children to attend during non-school hours.

Expenditures by Type	2024/25	2025/26	2026/27
Personnel Costs	516,004	427,371	649,416
Material & Supplies	51,447	55,500	55,500
Fees & Services	2,123,520	2,552,326	1,569,300
Travel & Miscellaneous	1,292	—	—
Capital Outlays	60,652	—	—
Internal Service Charges	18,249	15,336	17,250
Expenditure Total	2,771,164	3,050,533	2,291,466
Per Capita	14.90	16.07	12.05

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Preschool Resource Expansion	2		3	2		3	2		3
Total	2		3	2		3	2		3

Community Partnerships & Resources

The Community Partnerships & Resources Division engages the community to assess needs, promote collaboration with public and private entities, seek innovative solutions and maximize resources. The Division works with local community-based nonprofit agencies to deliver human/social services to Tempe through the Agency Review funding process. The Division also seeks grant opportunities and administers grant funds to meet the needs of the community.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	800,282	823,465	720,911
Material & Supplies	13,537	13,022	9,150
Fees & Services	9,646	21,633	253,055
Travel & Miscellaneous	1,100,509	1,100,000	1,100,000
Capital Outlays	2,042		
Internal Service Charges	88,568	186,585	193,977
Expenditure Total	2,014,584	2,144,705	2,277,093
Per Capita	10.83	11.30	11.98

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Community Partnerships	6			6			4		
Total	6			6			4		

Social Services

The Social Services Division includes four workgroups that provide direct services and programming to the community: CARE 7, Community Supervision and Counseling Services, Homeless Solutions, and Tempe Works.

The **CARE 7** program consists of workgroups that provide a continuum of care for community members experiencing difficult situations, especially those struggling with the effects of trauma. Additionally, grant funded case management services are provided to clients who could benefit from a higher level of continuous assistance navigating complex systems like the Veterans Administration.

Community Supervision administers the city's diversion, probation, and home detention programs. Eligible individuals are referred by the Tempe Municipal Court or Prosecutor's Office after arrests for misdemeanor charges. Counselors conduct comprehensive risk-need assessments, provide referrals to clinically appropriate treatment in the community, and monitor compliance for participants throughout the duration of their program. In addition, **Resource Navigators** help Tempe residents by providing them with resources at no cost. Individuals may receive assistance online and over the phone and will have direct contact with the resource navigators.

Tempe Counseling Services is a state-licensed outpatient counseling facility located on the second floor of Tempe Public Library that treats individuals, couples, children, adolescents, and families in the community. Services are confidential, offered in English and in Spanish, and provided at a low cost, sliding scale fee. Interpreter services are also available.

Homeless Solutions is committed to assisting individuals and families who are unsheltered or are at risk of being unsheltered by connecting them to housing and social services. The city has invested heavily to serve those in need and is committed to making homelessness a rare, brief, and one-time experience in the community. Homeless Solutions works intensively with other municipalities, organizations, Maricopa County, community partners, and other city departments to leverage regional and local resources to end homelessness.

The Homeless Outreach Program Effort (HOPE) is a central component, providing coordinated and persistent outreach, in-reach, and engagement that brings services immediately and directly to people experiencing homelessness. The HOPE system of support offers comprehensive street outreach, case management, connection to social services, crisis response, mental health resources, emergency and transitional shelter, and housing.

Tempe Works, an innovative jobs program, was approved by the Tempe City Council in 2017 to help unsheltered individuals improve self-sufficiency and achieve an end to their homelessness. The first-of-its kind program provides support to individuals experiencing homelessness in Tempe through stable employment and housing. The program unites several partners, including city staff, Tempe Community Action Agency, Corporate Job Bank, Masis Staffing Solutions, and other nonprofit and community partners.

Expenditures by Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2026/27 Budget
Personnel Costs	3,353,697	4,618,862	4,875,337
Material & Supplies	17,298	49,364	46,615
Fees & Services	337,366	505,573	489,707
Travel & Miscellaneous	18,466	35,070	40,070
Capital Outlays	4,301		
Internal Service Charges	465,681	618,419	710,431
Expenditure Total	4,196,809	5,827,288	6,162,160
Per Capita	22.57	30.70	32.41

Authorized Personnel	FY 2024/25 Actual			FY 2025/26 Budget			FY 2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Social Services	34		8.52	34		9.75	34		9.75
Total	34		8.52	34		9.75	34		9.75

Housing Services

Housing Services administers a variety of housing programs including rental assistance, affordable housing, down payment assistance, emergency home repair, and other programs to promote self-sufficiency. Programs are generally designed for low to moderate income households, individuals who are homeless and/or are considered seriously mentally ill. The Grants, Donations and/or Restricted Purpose expenditures represent expenditures under the CDBG and Section 8 Federal programs.

Homeless Solutions is committed to making homelessness a rare, brief, and one-time experience in our community. The group works intensively with other municipalities, organizations, Maricopa County, community partners and other City of Tempe departments to leverage regional and local resources to end homelessness.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	2,476,397	4,912,754	6,935,800
Material & Supplies	32,739	72,630	72,630
Fees & Services	1,702,168	5,218,436	5,430,170
CDBG/Section 8 Housing Expense	23,360,244	38,813,008	38,713,008
Travel & Miscellaneous	43,229	62,600	60,400
Capital Outlays	876,423	615,300	615,300
Internal Service Charges	292,945	572,259	800,889
Expenditure Total	28,784,145	50,266,987	52,628,197
Per Capita	154.80	264.79	276.82

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Housing	27	0.50	8.89	27	0.50	8.89	27	0.50	8.89
Total	27	0.50	8.89	27	0.50	8.89	27	0.50	8.89

Wellbeing and Empowerment

Tempe's Wellbeing and Empowerment Division facilitates the success of all Tempe children, youth, families, and adults through direct service provision, programs, education, and community partnerships. In addition, Wellbeing and Empowerment will introduce **Community Health** personnel and programming to Tempe in Fiscal Year 2024/25 to execute the City of Tempe's community health programs and campaigns, providing direct client services in alignment with opioid settlement fund requirements such as service connection and navigation, and participation in regional collaborations to address the health and wellbeing of Tempe residents.

Wellbeing and Empowerment facilitates research, establishes programs, and advances pilot projects to support Mayoral and Council Initiatives such as Tempe PRE, Kid Zone Enrichment Program, College Connect Tempe, Career Ready Tempe, Read On Tempe, My Brother's Keeper Tempe, Achieve 65 Tempe, Age Friendly Tempe, and the Tempe Education Roadmap. The Division also oversees boards and commissions as assigned by the City Council including the Mayor's Youth Advisory Commission.

Expenditures by Type	FY 2024/25	FY 2025/26	FY 2026/27
	Actual	Budget	Budget
Personnel Costs	5,780,270	6,571,009	6,966,566
Material & Supplies	361,507	278,870	262,170
Fees & Services	415,888	1,204,608	1,013,391
Travel & Miscellaneous	33,407	15,700	17,450
Capital Outlays	100,556	—	—
Internal Service Charges	917,722	1,122,309	1,137,137
Expenditure Total	7,609,350	9,192,496	9,396,714
Per Capita	40.92	48.42	49.43

Authorized Personnel	FY 2024/25 Actual			FY 2025/26 Budget			FY 2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Wellbeing & Empowerment	40	0.50	60.70	40	0.50	60.70	40	0.50	60.70
Total	40	0.50	60.70	40	0.50	60.70	40	0.50	60.70

Community Services Department

Purpose:

The Community Services Department enhances quality of life by providing opportunities to grow, stay active, connected, and engaged through a diverse offering of resources, programs, facilities, parks, and events.

Description:

The Department provides a full range of accessible and affordable arts and culture offerings, library services and resources, recreational classes and programs, and parks and open spaces to individuals and groups who live, work, and visit Tempe.

FY 2026/27 Budget Highlights:

- Increase in funding of \$140,000 to help meet contractual obligations with Angels Baseball LLP and upkeep of Tempe Diablo Stadium, funding increase will be offset by additional Diablo Billboard revenue stream.
- Increase a Digital Engagement Specialist from .75 FTE to 1 FTE , due to increase workload demands.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	25,588,290	29,805,747	32,738,307
Materials & Supplies	3,186,752	2,678,658	2,837,222
Fees & Services	11,129,043	11,590,054	11,898,671
Transfers	310,908	250,000	
Travel & Miscellaneous	836,148	1,007,747	917,860
Capital Outlays	487,365	25,000	115,000
Internal Service Charges	6,755,723	8,149,864	7,717,311
Donations/Restricted Revenue/Grants	449,355	1,268,879	1,214,150
Expenditure Total	48,743,584	54,775,949	57,438,521
Per Capita	262.13	288.55	302.13

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
CS Administration	2,600,385	3,606,835	3,392,157
Library Services	3,986,806	4,394,490	4,867,650
Parks & Recreation	31,874,841	34,952,915	36,426,380
Arts & Cultural Services	10,281,552	11,821,709	12,752,334
Expenditure Total	48,743,584	54,775,949	57,438,521
Per Capita	262.13	288.55	302.13

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Administration	4		0.79	4		0.79	4		0.79
Arts & Cultural Services	48		26.71	48		26.71	48		26.71
Parks & Recreation	133	1.50	138.63	135	1.50	138.18	136	1.75	138.18
Library Services	25	1.00	10.74	25	1.00	10.74	25	1.00	10.74
Total	210	2.50	176.87	212	2.50	176.42	213	2.75	176.42

Administration

Community Services Administration provides support and alignment for the department's divisions and oversees department-wide community engagement initiatives through the Play Mobile, volunteers, and community events.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,268,005	1,272,005	1,429,122
Material & Supplies	14,188	17,900	17,900
Fees & Services	259,049	341,532	340,332
Transfers	250,000	250,000	—
Travel & Miscellaneous	4,908	11,000	12,200
Capital Outlays	1,627	—	—
Internal Services Charges	353,253	445,519	378,453
Donations / Restricted Revenue / Grants	449,355	1,268,879	1,214,150
Expenditure Total	2,600,385	3,606,835	3,392,157
Per Capita	13.98	19.00	17.84

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
CS Administration	4		0.79	4		0.79	4		0.79
Total	4		0.79	4		0.79	4		0.79

Arts and Cultural Services

The City of Tempe has prioritized strong community connections and quality of life, and is dedicated to providing accessible cultural, social, and educational experiences. The Arts & Culture Division serves as stewards of art & cultural education and engagement across Tempe through diverse programs, interactive experiences, and connective opportunities that enrich the lives of all residents and visitors. As such, the Division develops and manages the city's performing and visual arts, history, public art, and community arts programs and services; it also provides operations and maintenance of related city facilities and historic houses, including the Tempe Historical Museum, Tempe Center for the Arts, Petersen House Museum, Elias-Rodriguez House, Eisendrath House, and the Edna Vihel Arts Center.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	5,186,768	6,543,354	7,256,494
Material & Supplies	633,979	575,544	679,102
Fees & Services	2,449,000	2,605,307	2,539,449
Travel & Miscellaneous	91,145	145,581	146,081
Capital Outlays	177,474	25,000	115,000
Internal Services Charges	1,743,186	1,926,923	2,016,208
Expenditure Total	10,281,552	11,821,709	12,752,334
Per Capita	55.29	62.27	67.08

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Arts & Cultural Services	48		26.71	48		26.71	48		26.71
Total	48		26.71	48		26.71	48		26.71

Library Services

The Library Division provides materials, programs, spaces, and services that serve the various needs of the Tempe community. Tempe Public Library creates a culture of literacy and engagement through programs like story times, book clubs, informational programs of all types, and large community-wide events, a diverse and responsive collection of circulating materials, and community gathering spaces.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	2,772,281	3,256,680	3,707,893
Material & Supplies	564,449	475,603	423,603
Fees & Services	106,565	85,300	137,300
Travel & Miscellaneous	5,023	6,200	6,200
Capital Outlays	2,257	—	—
Internal Services Charges	536,231	570,707	592,654
Expenditure Total	3,986,806	4,394,490	4,867,650
Per Capita	21.44	23.15	25.60

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Library Services	25	1.00	10.74	25	1.00	10.74	25	1.00	10.74
Total	25	1.00	10.74	25	1.00	10.74	25	1.00	10.74

Parks & Recreation

The Parks and Recreation Division is essential to our community's health and wellness, social unity, environment, economic prosperity, safety, and emergency resilience. Staff and partners are guided by four principles (Inclusion, Resilience, Strategic, and Sustainability) in an equity based approach for the care and support of existing and future infrastructure and services, which includes managing rich and diverse parks and recreation sites totaling over 1,500 acres. Thousands of community members and visitors take part in the division's activities, events, and programs annually. Whether attending a festival along our award-winning waterfront, working up a sweat in one of our exercise classes, making new friends at a social activity, planting a tree in a park, taking your dog for a walk, connecting with a park ranger, or celebrating a birthday in one of our ramadas, the Parks and Recreation Division welcomes community members and visitors of all ages and abilities to enhance their quality of life.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	16,361,236	18,733,708	20,344,798
Material & Supplies	1,974,136	1,609,611	1,716,617
Fees & Services	8,314,429	8,557,915	8,881,590
Transfers	60,908	—	—
Travel & Miscellaneous	735,072	844,966	753,379
Capital Outlays	306,007	—	—
Internal Services Charges	4,123,053	5,206,715	4,729,996
Expenditure Total	31,874,841	34,952,915	36,426,380
Per Capita	171.42	184.12	191.60

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Parks & Recreation	133	1.5	138.63	135	1.5	138.18	136	1.75	138.18
Total	133	1.5	138.63	135	1.5	138.18	136	1.75	138.18

Diversity, Equity & Inclusion Office

Purpose:

To intentionally advance an inclusive and equitable organization where diversity is valued to create a world class city for our employees, community, and our region.

Description:

The Diversity Management team facilitates a fair and equitable work environment for city employees, functions as an ombudsman for city employees, creates accessibility through ADA initiatives in the workplace and community, provides administrative support to the human relations commission and the commission on disability concerns, conducts investigations of compliance with applicable administrative guidelines, and aids in the resolution of harassment and discrimination complaints.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	420,958	466,638	513,805
Materials & Supplies	23,206	23,500	20,500
Fees & Services	152,817	130,669	133,669
Travel & Miscellaneous	9,937	23,750	23,750
Capital Outlays	73	—	—
Internal Service Charges	14,939	24,317	25,286
Donations / Restricted Revenue / Grants	43,100	66,628	6,000
Expenditure Total	665,030	735,502	723,010
Per Capita	3.58	3.87	3.80

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Diversity, Equity & Inclusion	3			3			3		
Total	3			3			3		

Economic Development Office

Purpose:

To serve the community by maintaining a thriving economic environment that attracts and retains businesses with a focus on sustainability, quality of life, open data, performance metrics, and inclusivity.

Description:

Economic Development works with prospective and existing businesses, coordinates regional and local entities in attracting quality companies, broadens the Tempe tax base, promotes equitable programs and initiatives for diverse and robust small businesses and encourages educational, cultural, and recreational opportunities that make for a well-balanced city and contribute to the quality of life.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,000,920	1,190,789	1,235,909
Material & Supplies	3,323	4,265	4,265
Fees & Services	1,423,374	1,391,819	1,326,819
Travel & Miscellaneous	126,101	166,590	182,472
Internal Service Charges	29,091	108,504	112,129
Donations / Restricted Revenue / Grants	—	90,000	—
Expenditure Total	2,582,809	2,951,967	2,861,594
Per Capita	13.89	15.55	15.05

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Economic Development	7			7			7		
Total	7			7			7		

Financial Services Department

Purpose:

The City of Tempe Financial Services Department provides sound financial management, efficient and effective facilities management, and superior customer service to support the city's mission and goals. We are committed to transparency and accountability, and we protect the city's assets and resources.

Description:

The Financial Services Department provides financial management, facility management and operational support to the Mayor and City Council, the City Manager, and city departments. Financial Services is comprised of Accounting, Risk Management, Procurement, Tax and License, Customer Services and Facilities Management. Operational functions include accounting, long-range financial planning, cash management and investments, facilities management and custodial services, payroll, citywide purchasing, risk management, sales tax auditing, analysis and reporting, specialty licensing, utility billing and collection, water meter management, and advanced metering infrastructure monitoring and maintenance.

FY 2026/27 Budget Highlights:

- \$41,100 to implement comprehensive public health and safety initiatives aligned with the proposed Drink Spiking Prevention Ordinance.
- \$350,000 for Municipal Facilities Warehouse lease.
- Reclassed an existing position to a Deputy Finance Director.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	10,058,569	11,032,408	12,023,100
Material & Supplies	764,410	474,364	787,605
Fees & Services	9,618,488	11,783,976	12,468,393
Transfers	679,590	—	—
Travel & Miscellaneous	65,613	48,895	73,627
Capital Outlays	83,100	—	20,825
Internal Service Charges	(2,130,039)	(135,576)	(2,898,840)
Health/Risk/Worker's Compensation	10,638,891	8,433,043	8,679,095
Expenditure Total	29,778,622	31,637,110	31,153,805
Per Capita	160.14	166.66	163.87

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
FS Administration	898,767	1,113,841	1,178,209
Financial Services	8,137,218	10,267,005	9,526,802
Facilities Management & Custodial Services	10,103,746	11,823,221	11,769,699
Risk Management	10,638,891	8,433,043	8,679,095
Expenditure Total	29,778,622	31,637,110	31,153,805
Per Capita	160.14	166.66	163.87

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
FS Administration	2			2			2		
Financial Services	50			51			51		
Risk Management	6			6			6		
Facilities Mgmt & Custodial Svcs	51		0.50	48		0.50	48		0.50
Total	109		0.50	107		0.50	107		0.50

Financial Services Administration

Financial Services Administration comprises the Financial Services Director and Administrative staff to provide leadership, comprehensive administrative support, and coordination across all divisions within the Financial Services Divisions: Accounting, Customer Services, Facilities Management, Procurement, Risk Management, and Tax & License. The administration ensures efficient operations and streamlined collaboration by managing administrative tasks, coordinating resources, and facilitating communication among the divisions.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	645,716	695,069	972,508
Material & Supplies	4,895	2,050	6,716
Fees & Services	42,600	36,684	36,684
Travel & Miscellaneous	12,523	4,734	30,516
Capital Outlays	17,661		
Internal Service Charges	175,372	375,304	131,785
Expenditure Total	898,767	1,113,841	1,178,209
Per Capita	4.83	5.87	6.20

Financial Services

Financial Services contains several divisions including Accounting, Procurement, Tax & License and Customer Services. Accounting is responsible for accounts payable, accounts receivable, payroll, special assessments, cash management, account reconciliation and financial reporting, including the preparation of the Annual Comprehensive Financial Report. Procurement responsibilities include procurement and contracting of all materials, supplies and services for City departments with the sole exception of architecture, engineering and construction. Procurement is also responsible for the administration and compliance auditing of all terms for blanket contracts that have been established through competitive bidding. Tax & License is the office responsible for the administration and enforcement of the City of Tempe Code requirements related to the licensing of applicable business for privilege and use tax and transient lodging tax. In addition, the office is responsible for the issuance of several types of specialty business licenses related to liquor sales, amusements, massage, soliciting, etc. Customer Services is primarily responsible for billing and collecting charges for water, sewer, refuse and irrigation services. In addition, they provide cashing, customer inquiry and meter reading.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	5,648,332	5,865,849	6,466,527
Material & Supplies	30,841	28,700	35,775
Fees & Services	3,124,818	4,145,449	4,540,572
Travel & Miscellaneous	50,735	42,111	42,111
Capital Outlays	11,247	—	
Internal Service Charges	(728,755)	184,896	(1,558,183)
Expenditure Total	8,137,218	10,267,005	9,526,802
Per Capita	43.76	54.08	50.11

Risk Management

Risk Management is responsible for the processing of property/liability claims against the City as well as worker's compensation claims. Risk Management is also responsible for employee safety and industrial hygiene.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	969,325	1,042,366	1,148,803
Material & Supplies	32,339	19,500	19,500
Fees & Services	9,583,016	7,357,386	7,495,986
Travel & Miscellaneous	4,338	13,791	13,791
Internal Service Charges	830		1,015
Capital Outlays	49,043		
Expenditure Total	10,638,891	8,433,043	8,679,095
Per Capita	57.21	44.42	45.65

Facilities Management & Custodial Services

Facilities Management provides custodial and maintenance services that keep city facilities clean, safe and well-maintained. Some of the services provided include plumbing, electrical, mechanical systems, preventive maintenance and cleaning.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	3,764,521	4,471,490	4,584,065
Material & Supplies	728,674	443,614	745,114
Transfers	679,590		
Fees & Services	6,451,070	7,601,843	7,891,137
Travel & Miscellaneous	2,355	2,050	1,000
Capital Outlays	54,192		20,825
Internal Service Charges	(1,576,656)	(695,776)	(1,472,442)
Expenditure Total	10,103,746	11,823,221	11,769,699
Per Capita	54.34	62.28	61.91

Fire Medical Rescue Department

Purpose:

To provide for the safety and welfare of the public through preservation of life, property, and the environment.

Description:

The Fire Medical Rescue Department consists of the Administrative Services, Emergency Services, and Community Risk Reduction divisions.

FY 2026/27 Budget Highlights:

- Authorized the creation of new Firefighter Medic positions (6 FTE)
- Authorized the creation of new Emergency Paramedic positions (4 FTE), costs to be offset by increased revenue generation and reduces overtime dependences.
- Increase in funding request of \$200,000 in funding to renovate current office spaces and provide additional training, improve staff productivity and meet compliance standards.
- Increase in funding request of \$450,000 to purchase an additional ambulance to replace aging units and maintain fleet reliability.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	52,570,842	52,908,534	56,498,714
Material & Supplies	1,582,267	1,474,107	1,377,494
Fees & Services	2,146,356	2,634,023	2,433,731
Travel & Miscellaneous	463,378	539,900	502,900
Capital Outlays	597,484	775,000	1,265,000
Internal Service Charges	4,715,545	4,476,408	4,770,655
Donations/Restricted Revenue/Grants	988,340	1,554,461	719,809
Expenditure Total	63,064,212	64,362,433	67,568,303
Per Capita	339.15	339.05	355.41

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
FMR Administration	29,305,441	31,030,293	32,223,015
Emergency Services	31,144,724	30,781,192	32,623,059
Training, Preparedness, & Wellness	1,499,547	1,291,342	1,393,480
Community Risk Reduction	1,114,500	1,259,606	1,328,749
Expenditure Total	63,064,212	64,362,433	67,568,303
Per Capita	339.15	339.05	355.41

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Administrative Services	68		1.89	68		1.89	72		1.89
Emergency Services	165			168			174		
Community Risk Reduction	10			10			10		
Training , Preparedness, & Wellness	5			5			5		
Total	248		1.89	251		1.89	261		1.89

Administrative Services

Administrative Services provides management and leadership for the Department's Medical Services, Support Services and Emergency Medical Transportation operational areas through general policy and direction of the department as outlined in the Five-Year Strategic Plan and Operational Guide. These subdivisions provide the Department's emergency medical training and certification for personnel, community health coordination, fleet and facilities maintenance, and the emergency ambulance transportation service.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	20,656,275	21,459,968	22,862,403
Material & Supplies	706,974	849,470	770,842
Fees & Services	2,042,567	2,296,672	2,287,960
Travel & Miscellaneous	299,372	418,900	420,900
Capital Outlays	565,878	720,000	1,170,000
Internal Service Charges	4,046,035	3,730,822	3,991,101
Donations / Restricted Revenue / Grants	988,340	1,554,461	719,809
Expenditure Total	29,305,441	31,030,293	32,223,015
Per Capita	157.60	163.46	169.49

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
FMR Administration	68		1.89	68		1.89	72		1.89
Total	68		1.89	68		1.89	72		1.89

Emergency Services

Emergency Services delivers rapid effective service when fire, medical and other hazardous emergencies occur. These services are provided using eight engine companies, two ladder trucks, a Low Acuity unit and a Battalion Command vehicle located at seven fire stations throughout the city. Services provided by this division are as follows: (1) respond to and extinguish fires; (2) deliver effective medical and rescue services for injuries, illnesses, and accidents; (3) respond to and control hazardous materials emergencies; (4) conduct company fire prevention inspections; (5) provide technical rescue services; and (6) emergency medical transportation service that provides rapid response and patient transportation to the most appropriate hospitals.

The Emergency Services division also provides the Department's personnel and professional development programs including recruitment, departmental skills training, recruit training, officer development, driver training, and minimum company standards. This section also incorporates incident analysis to improve the quality of services by reviewing emergency incidents and applying lessons learned.

The Emergency Services division oversees the Department's special events deployments and emergency management programs. Coordination of the Department's special teams programs involve training and certification for emergency procedures including hazardous materials, technical rescue (high angle, confined space, swift water, etc.) and the Department's dive team.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	29,587,569	29,199,495	31,224,844
Material & Supplies	857,323	599,337	581,352
Fees & Services	56,625	292,080	98,500
Travel & Miscellaneous	105,242	63,500	24,500
Capital Outlays	31,606	55,000	95,000
Internal Service Charges	506,359	571,780	598,863
Expenditure Total	31,144,724	30,781,192	32,623,059
Per Capita	167.49	162.15	171.60

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Emergency Services	165			168			174		
Total	165			168			174		

Community Risk Reduction

Community Risk Reduction prevents loss of life, injury, and loss of property due to fire through the creation, implementation, and management of comprehensive and effective building and fire codes, education programs and fire inspections. Services include: (1) inspection of commercial and industrial properties; (2) response to resident and commercial fires; (3) approval of plans for and inspections of new construction; (4) determination of cause and origin of fires; (5) public information office; (6) public safety education programs; and (7) response to fire hazard complaints in commercial and multifamily residential occupancies.

The Emergency Management section coordinates the citywide emergency preparedness plans for disasters. This includes: (1) development and maintenance of the City's emergency operations plan; (2) conducting disaster drills; (3) coordination of disaster preparedness with the state and county; and (4) homeland security response to chemical, biological, radiological, nuclear, and explosive incidents.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,023,730	1,168,856	1,234,961
Material & Supplies	7,614	7,800	7,800
Fees & Services	3,890	6,271	6,271
Travel & Miscellaneous	21		
Internal Service Charges	79,245	76,679	79,717
Expenditure Total	1,114,500	1,259,606	1,328,749
Per Capita	5.99	6.64	6.99

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Community Risk Reduction	10			10			10		
Total	10			10			10		

Training, Preparedness, & Wellness

This division provides the Department's personnel and professional development programs including recruitment, departmental skills training, recruit training, officer development, driver training, workplace safety, and minimum company standards. This section also incorporates incident analysis to improve the quality of services by reviewing emergency incidents and applying lessons learned.

This division also oversees the Department's Emergency Management program which coordinates the citywide emergency preparedness plans for disasters. This includes: (1) development and maintenance of the City's emergency operations plan; (2) conducting disaster drills; (3) coordination of disaster preparedness with the state and county; and (4) homeland security response to chemical, biological, radiological, nuclear, and explosive incidents.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,303,268	1,080,215	1,176,506
Material & Supplies	10,356	17,500	17,500
Fees & Services	43,274	39,000	41,000
Travel & Miscellaneous	58,743	57,500	57,500
Internal Service Charges	83,906	97,127	100,974
Expenditure Total	1,499,547	1,291,342	1,393,480
Per Capita	8.06	6.80	7.33

Authorized Personnel	FY 2024/25 Actual			FY 2025/26 Budget			FY 2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Training, Preparedness & Wellness	5			5			5		
Total	5			5			5		

Government Relations Office

Purpose:

The Government Relations Office represents Tempe's interests at the federal, state and regional levels of government and with utility, industry and educational partners. This representation is done with Tempe City Council direction and in collaboration with all city departments.

Description:

The Government Relations Office drafts and presents the legislative agendas for City Council direction in public meetings and conveys pertinent legislative updates to Council, city departments, and the public. The Office works in concert with all Tempe departments when potential legislative, administrative or regional policy proposals could influence local decision-making or resources throughout the city.

The Government Relations Office is a conduit for information and policies regarding Tempe's elected official, management and staff level representation on regional bodies, including the Maricopa Association of Governments (MAG), Valley Metro and the Arizona Municipal Water Users Association (AMWUA). The Office also coordinates with applicable departments to assist with resident and business concerns, particularly when the topic stems from or could result in a legislative or rule-making change. The Tribal Communities' gaming grant processes and contracts with external lobbying firms and policy consultants are fielded by the Government Relations Office.

The Government Relations Divisions supports all Council Priorities and performance measures that are connected to or reliant upon policies and resources impacted by other levels of government and partner entities.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	209,216	213,782	220,360
Materials & Supplies	1,945	1,000	1,000
Fees & Services	101,456	126,202	126,702
Travel & Miscellaneous	182,808	231,380	238,316
Internal Service Charges	4,914	5,676	5,907
Expenditure Total	500,339	578,040	592,285
Per Capita	2.69	3.04	3.12

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Government Relations Office	1			1			1		
Total	1			1			1		

Human Resources Department

Purpose:

To serve both employees and city departments in the areas of employment services, benefits, and employee development.

Description:

The Human Resources Department administers Classification/Compensation, Recruitment, Employee Benefits, and Employee Development. The department serves all city departments and employees by attracting and retaining a qualified and diverse work force; providing training and professional development; performance management; administering employment laws; wages and salaries; employee and retiree healthcare benefits; and the deferred compensation program. To improve organizational productivity and effectiveness, the department communicates to employees their rights, responsibilities, benefits, and training opportunities; investigates complaints and grievances; assists with employee relations issues; and provides mediation services.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	6,458,228	6,169,377	6,879,836
Material & Supplies	104,041	99,300	99,300
Fees & Services	663,125	551,022	423,022
Travel & Miscellaneous	22,102	35,000	35,000
Capital Outlays	—	—	—
Internal Service Charges	(1,711,464)	(1,819,736)	(1,671,798)
Health Plan Charges	41,778,697	47,186,511	51,538,113
Donations/Restricted Revenue/Grants	—	—	—
Expenditure Total	47,314,729	52,221,474	57,303,473
Per Capita	254.45	275.09	301.42

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
HR Administration	46,651,685	51,526,604	56,551,947
Employee Development	663,044	694,870	751,526
Expenditure Total	47,314,729	52,221,474	57,303,473
Per Capita	254.45	275.09	301.42

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
HR Administration	19		0.75	19		0.75	19		0.75
Employee Development	3		0.50	3		0.50	3		0.50
Total	22		1.25	22		1.25	22		1.25

Human Resources Administration

HR Administration includes Employee Benefits and Employment Services. Employee Benefits strives to provide quality benefits services to help employees and retirees achieve a meaningful, healthy home and work life. Employment Services is responsible for creating and implementing fair, consistent and inclusive processes for hiring, promotions, compensation, creating and revising job classifications, employment services related trainings, and employee relations.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	6,006,743	5,695,092	6,351,831
Material & Supplies	63,701	74,550	74,550
Fees & Services	569,629	456,310	328,310
Travel & Miscellaneous	11,970	8,000	8,000
Capital Outlays	—	—	—
Internal Service Charges	(1,779,055)	(1,893,859)	(1,748,857)
Health Plan Charges	41,778,697	47,186,511	51,538,113
Donations/Restricted Revenue/Grants	—	—	—
Expenditure Total	46,651,685	51,526,604	56,551,947
Per Capita	250.88	271.43	297.46

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
HR Administration	19			19		0.75	19		0.75
Total	18			19		0.75	19		0.75

Employee Development

Employee Development is responsible for coordinating the City of Tempe's organizational and professional development through three core functions: Performance Processes, Professional Development, and Career Development.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	451,485	474,285	528,005
Material & Supplies	40,340	24,750	24,750
Fees & Services	93,496	94,712	94,712
Travel & Miscellaneous	10,132	27,000	27,000
Capital Outlay	—	—	—
Internal Service Charges	67,591	74,123	77,059
Expenditure Total	663,044	694,870	751,526
Per Capita	3.57	3.66	3.95

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Employee Development	3		0.50	3		0.50	3		0.50
Total	3		1.50	3		0.50	3		0.50

Information Technology Department

Purpose:

To improve our Tempe community through thoughtful implementation of innovative and sustainable technologies that align to the City Council's strategic priorities...

Description:

Tempe's Information Technology Department is responsible for developing city wide strategies that align City Council strategic priorities with appropriate technology to reduce the cost of government, enhance services to our community, and make government services more accessible in today's connected world. This is done by ensuring our investment in technology and resources is collaborative, reflects a common vision of exemplary customer experience, and is operationally sustainable today and into the future.

FY 2026/27 Budget Highlights:

- No Changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	12,916,319	13,955,569	14,903,935
Material & Supplies	509,568	385,500	385,500
Fees & Services	9,659,843	12,462,987	12,514,365
Travel & Miscellaneous	42,601	59,100	59,100
Capital Outlays	62,820	—	—
Internal Service Charges	(22,014,606)	(26,863,156)	(27,862,900)
Expenditure Total	1,176,545	—	—
Per Capita	6.33	—	—

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Information Technology	89			89			89		
Total	89			89			89		

Internal Audit Office

Purpose:

To enhance and protect organizational value by providing high-quality, objective, risk-based audit, and consulting services to assist the city in achieving strategic priorities, goals, and objectives.

Description:

The Internal Audit Office enhances the quality of city government by providing independent, timely and relevant information concerning the city's programs, activities, and functions. This is accomplished by responding to requests to conduct objective evaluations of departments, divisions, and systems or units, and through a risk assessment process to identify high-liability areas. Internal Audit's work is vital in maintaining the general public's trust and confidence that city resources are used effectively and efficiently.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	652,447	642,650	682,947
Material & Supplies	307	1,500	1,500
Fees & Services	105,495	142,960	200,996
Travel & Miscellaneous	1,336		
Internal Service Charges	33,836	39,962	41,551
Expenditure Total	793,421	827,072	926,994
Per Capita	4.27	4.36	4.88

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Internal Audit	3	0.50		3	0.50		3	0.50	
Total	3	0.50		3	0.50		3	0.50	

Municipal Budget Office

Purpose:

To efficiently and effectively plan and allocate the city's resources.

Description:

The Municipal Budget Office coordinates the development of the operating and capital improvement program (CIP) budgets. Responsibilities include: preparation and presentation of the annual budget, comprehensive financial planning for all major funds, forecasting, CIP debt management planning, budget monitoring, public outreach plans, coordinating of the performance led budget process with the Strategic Management and Diversity Office, and special financial studies.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	672,855	753,062	789,352
Material & Supplies	466	500	500
Fees & Services	11,621	13,770	12,470
Travel & Miscellaneous	3,704	3,480	3,480
Capital Outlays	261	—	—
Internal Service Charges	(238,179)	(341,369)	(313,898)
Expenditure Total	450,728	429,443	491,904
Per Capita	2.42	2.26	2.59

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Municipal Budget Office	5			5			5		
Total	5			5			5		

Police Department

Purpose:

To partner with the residents of Tempe to improve the quality of life in our city by identifying and resolving public safety concerns and fostering trust.

Description:

The Police Department consists of the following divisions: Office of the Chief, Investigations, Field Operations, and Support Services. The department's responsibilities include effective and efficient police protection through investigations of criminal offenses, enforcement of state laws and city ordinances, response to resident requests for services, and maintenance of support services.

The Office of the Chief provides the administration and general supervision of all police operations, including the coordination of all investigations and procedures. Services provided include: (1) provide leadership, management, and administration for the Police Department; and (2) continually build partnerships with the residents and the business community.

The Investigations division is comprised of Criminal Investigations and Police Analytics. Services provided include: (1) investigate and clear Part I and Part II crimes against persons and property, as tracked by the Federal Bureau of Investigation nationwide; (2) mount investigative operations to fight narcotics trafficking, human trafficking, and target violent and career criminals; (3) develop selective enforcement programs against special or increasing crime problems; (4) serve as the central tactical crime analysis and intelligence entity within the department; (5) provide real-time virtual witness accounts from live video feeds and collaborate with surrounding real-time crime centers for multi-jurisdictional cases; and (6) oversee planning, implementation, and management of police technology.

The Field Operations division is comprised of North Patrol, South Patrol, and Metro Patrol. Services provided include: (1) respond to requests for service; (2) perform preliminary investigative work at crime scenes; (3) work with the community to address public safety concerns; (4) conduct vehicle patrol to provide visibility, deterrence, and timely response in neighborhoods; (5) provide crime prevention and community education programs to the public; (6) investigate and report incidents of crime; (7) provide police resources for special or unscheduled events that require additional staffing; (8) investigate and clear Part I and Part II crimes against persons and property; and (9) provide specialty services to enhance community safety including Bike Team and Mounted Unit.

The Support Services division is comprised of Communications, Administration, and Personnel Services. Support Services provides comprehensive support to the entire Department through the following: (1) answer all incoming calls and provide 24-hour dispatch service; (2) provide radio communications between the police station and all patrol field units; (3) provide full-service police records management services; (4) provide planning and research information and implementation; (5) provide opportunities for the mental and physical well-being for employees; (6) administer departmental operating and capital improvement budgets and grant management; (7) provide oversight of the property and evidence facility; (8) recruit, test, and hire sworn police officers and civilian personnel; (9) provide in-service training programs; (10) investigate internal complaints and serve as liaison with the Tempe Citizens' Panel for review of police Complaints and Use of Force; (11) provide jail and booking service, and transport all prisoners to the City Court; and (12) update and implement organizational policy and procedure.

FY 2026/27 Budget Highlights:

- No changes

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	101,127,911	102,922,160	109,700,726
Material & Supplies	1,624,638	1,501,004	1,742,246
Fees & Services	6,102,763	6,670,391	6,637,706
Travel & Miscellaneous	641,547	591,968	591,968
Capital Outlays	550,292	81,625	—
Internal Service Charges	16,103,010	16,136,003	14,659,038
Donations / Restricted Revenue / Grants	7,021,810	10,173,885	8,332,881
Expenditure Total	133,171,971	138,077,036	141,664,565
Per Capita	716.17	727.36	745.16

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
Office of the Chief	39,179,245	41,056,490	46,548,401
Investigations	24,150,215	24,091,969	22,885,471
Support Services	18,043,873	18,550,894	18,742,507
Field Operations Division	51,798,638	54,377,683	53,488,186
Expenditure Total	133,171,971	138,077,036	141,664,565
Per Capita	716.17	727.36	745.16

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Office of the Chief	20			25			25		
Investigations	103		1.26	89		1.26	90		1.26
Support Services	126	2.00	2.70	122	2.00	2.70	122	1.50	2.70
Field Operations	273		3.29	286		3.29	287		3.29
Total	522	2.00	7.25	522	2.00	7.25	524	1.50	7.25

Office of the Chief

The Police Chief provides the administration and general supervision of all police operations, including the coordination of all investigations and procedures. Services provided are as follows: (1) provide leadership, management, and administration for the Police Department; and (2) continually builds partnerships with the residents and the business community.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	26,638,349	25,382,492	32,599,008
Material & Supplies	103,380	82,300	278,780
Fees & Services	2,337,634	2,420,900	2,460,015
Travel & Miscellaneous	61,961	46,693	46,830
Capital Outlays	4,906		
Internal Service Charges	3,011,205	2,950,220	2,830,887
Donations / Restricted Revenue / Grants	7,021,810	10,173,885	8,332,881
Expenditure Total	39,179,245	41,056,490	46,548,401
Per Capita	210.70	216.28	244.84

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Office of the Chief	20			25			25		
Total	20			25			25		

Investigations

The Investigations division is comprised of Criminal Investigations and Police Analytics. Services provided include: (1) investigate and clear Part I and Part II crimes against persons and property, as tracked by the Federal Bureau of Investigation nationwide; (2) mount investigative operations to fight narcotics trafficking, human trafficking, and target violent and career criminals; (3) develop selective enforcement programs against special or increasing crime problems; (4) serve as the central tactical crime analysis and intelligence entity within the department; (5) provide real-time virtual witness accounts from live video feeds and collaborate with surrounding real-time crime centers for multi-jurisdictional cases; and (6) oversee planning, implementation, and management of police technology.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	17,365,705	17,818,914	16,701,154
Material & Supplies	366,755	309,252	400,541
Fees & Services	2,535,352	2,422,613	2,444,864
Travel & Miscellaneous	116,408	105,506	90,118
Capital Outlays	444,455		—
Internal Service Charges	3,321,540	3,435,684	3,248,794
Expenditure Total	24,150,215	24,091,969	22,885,471
Per Capita	129.87	126.91	120.38

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Investigations	103		1.26	89		1.26	90		1.26
Total	103		1.26	89		1.26	90		1.26

Field Operations

The Field Operations division is comprised of North Patrol, South Patrol, and Metro Patrol. Services provided include: (1) respond to requests for service; (2) perform preliminary investigative work at crime scenes; (3) work with the community to address public safety concerns; (4) conduct vehicle patrol to provide visibility, deterrence, and timely response in neighborhoods; (5) provide crime prevention and community education programs to the public; (6) investigate and report incidents of crime; (7) provide police resources for special or unscheduled events that require additional staffing; (8) investigate and clear Part I and Part II crimes against persons and property; and (9) provide specialty services to enhance community safety including Bike Team and Mounted Unit.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	42,202,591	44,719,290	44,865,049
Material & Supplies	423,715	412,996	369,969
Fees & Services	436,756	1,123,436	1,040,882
Travel & Miscellaneous	107,789	78,835	94,086
Capital Outlays	80,742	81,625	—
Internal Service Charges	8,547,045	7,961,501	7,118,200
Expenditure Total	51,798,638	54,377,683	53,488,186
Per Capita	278.56	286.45	281.35

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Field Operations	273		3.29	286		3.29	287		3.29
Total	273		3.29	286		3.29	287		3.29

Support Services

The Support Services division is comprised of Communications, Administration, and Personnel Services. Support Services provides comprehensive support to the entire Department through the following: (1) answer all incoming calls and provide 24-hour dispatch service; (2) provide radio communications between the police station and all patrol field units; (3) provide full-service police records management services; (4) provide planning and research information and implementation; (5) provide opportunities for the mental and physical well-being for employees; (6) administer departmental operating and capital improvement budgets and grant management; (7) provide oversight of the property and evidence facility; (8) recruit, test, and hire sworn police officers and civilian personnel; (9) provide in-service training programs; (10) investigate internal complaints and serve as liaison with the Tempe Citizens' Panel for review of police Complaints and Use of Force; (11) provide jail and booking service, and transport all prisoners to the City Court; and (12) update and implement organizational policy and procedure.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	14,921,266	15,001,464	15,535,515
Material & Supplies	730,788	696,456	692,956
Fees & Services	793,021	703,442	691,945
Travel & Miscellaneous	355,389	360,934	360,934
Capital Outlays	20,189		
Internal Service Charges	1,223,220	1,788,598	1,461,157
Expenditure Total	18,043,873	18,550,894	18,742,507
Per Capita	97.04	97.72	98.59

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Support Services	126	2.00	2.70	122	2.00	2.70	122	1.50	2.70
Total	126	2.00	2.70	122	2.00	2.70	122	1.50	2.70

Public Works Department

Purpose:

The Public Works Department provides reliable, affordable, and sustainable essential services to the community.

Description:

The Public Works Department employs more than 300 employees who provide high quality service by ensuring safe drinking water, efficient removal of wastewater, stormwater and refuse, and the use of renewable resources for a healthy, productive, safe and sustainable community. Public Works is responsible for the procurement and oversight of design and construction contracts for city infrastructure and oversees the maintenance and repair of the city's fleet of vehicles and equipment. Organizationally, Public Works is managed through a centralized administration office and is comprised of three operational divisions: Field Operations, Water and Engineering.

FY 2026/27 Budget Highlights:

- CIP Project request of \$4,180,000 for Water Treatment Plant Asset Maintenance and Upgrades
- CIP Project request of \$150,000 for Wells - Asset Maintenance and new Production

Expenditures by Type	FY 2024/25 Actual	FY 2025/26 Budget	FY 2026/27 Budget
Personnel Costs	32,516,069	39,631,528	41,377,869
Material & Supplies	11,775,916	14,350,209	14,088,729
Fees & Services	23,701,619	29,373,809	34,165,885
Transfers	234,895	94,750	94,750
Travel & Miscellaneous	670,393	331,085	325,085
Capital Outlays	10,970,073	18,968,048	11,212,458
Internal Service Charges	(2,360,679)	(3,785,480)	1,649,425
Donations/Restricted Revenue/Grants	631,160	338,841	326,091
Expenditure Total	78,139,446	99,302,790	103,240,292
Per Capita	420.22	523.10	543.04

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
PW Administration	805,542	659,238	703,885
Engineering	(139,882)	542,348	2,784,445
Field Operations	22,275,154	31,693,787	28,130,749
Water Utilities	55,198,632	66,407,417	71,621,213
Expenditure Total	78,139,446	99,302,790	103,240,292
Per Capita	420.22	523.10	543.04

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Public Works Administration	19		0.00	19		0.00	16		0.00
Field Operations	103		0.50	103		0.50	100		0.50
Water Utilities	154		1.47	155		1.47	164		1.47
Engineering	38		0.50	38		0.50	35		0.50
Total	314		2.47	315		2.47	315		2.47

Public Works Administration

Public Works Administration provides administrative and business support to the Department and is responsible for overall management of operations, maintenance and capital improvements for the solid waste, water and wastewater utilities as well as planning and management of the city's Capital Improvement Program and Fleet Services function.

Water, wastewater, and solid waste services are funded through self-supporting, business-like enterprise funds. All costs associated with delivering these services are met through direct customer fees. Administration holds the fiduciary responsibility for the management and long-term financial viability and stability of the utility enterprise funds. Customer rates are established utilizing a biennial rate study to assess the full array of costs for delivering services as well as the revenue required to address inflationary and other short-term budgetary factors, provide resources for infrastructure maintenance and replacement, and align costs with the values and priorities of the City Council and Community.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,717,030	2,433,761	2,168,011
Material & Supplies	3,766	13,800	11,300
Fees & Services	15,952	20,646	8,529
Travel & Miscellaneous	13,241	9,500	3,500
Capital Outlays	260	—	—
Internal Service Charges	(1,575,867)	(2,157,310)	(1,813,546)
Donations / Restricted Revenue / Grants	631,160	338,841	326,091
Expenditure Total	805,542	659,238	703,885
Per Capita	4.33	3.47	3.70

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Public Works Administration	19			19			16		
Total	19			19			16		

Field Operations

The Field Operations Division provides essential service delivery in the areas of residential garbage collection and transportation for recycling, reuse or proper disposal, uncontained garbage and green organics collection and disposal, a full range of garbage and recycling collection services for businesses, contractors and multifamily residential developments, alley maintenance including abatement and rehabilitation, and fleet services, including providing and maintaining safe, reliable vehicles and equipment for the city, researching and implementing sustainable fleet management practices and managing the city's network of refueling sites.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	9,742,827	11,450,224	11,644,079
Material & Supplies	5,027,100	6,998,656	6,638,684
Fees & Services	5,430,600	5,399,287	5,560,724
Transfers	7,615		
Travel & Miscellaneous	193,181	56,241	56,241
Capital Outlays	9,455,138	16,871,609	10,128,958
Internal Service Charges	(7,581,307)	(9,082,230)	(5,897,937)
Expenditure Total	22,275,154	31,693,787	28,130,749
Per Capita	119.79	166.96	147.97

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Field Operations	103		0.50	103		0.50	100		0.50
Total	103		0.50	103		0.50	100		0.50

Water

The Water Division produces and distributes potable water, collects and transports wastewater and stormwater, performs urban flood irrigation services for Salt River Project customers in Tempe, performs regulatory environmental sampling, analysis and reporting while managing several hundred of the city's compliance programs, manages Tempe's water resources portfolio, manages capital improvements related to the city's water and wastewater infrastructure, operates and maintains Tempe Town Lake and executes the city's water conservation and efficiency program. The Water Division manages environmental, health and safety programs, properly handles and disposes of hazardous waste and operates the Household Products Collection Center.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	16,701,111	20,363,024	22,312,912
Material & Supplies	6,721,125	7,322,904	7,423,896
Fees & Services	18,097,390	23,666,588	28,294,316
Transfers	227,280	94,750	94,750
Travel & Miscellaneous	447,660	248,716	248,716
Capital Outlays	1,440,246	2,096,439	1,083,500
Internal Service Charges	11,563,820	12,614,996	12,163,123
Expenditure Total	55,198,632	66,407,417	71,621,213
Per Capita	296.85	349.82	376.73

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Water Utilities	154		1.47	155		1.47	164		1.47
Total	154		1.47	155		1.47	164		1.47

Engineering

The Engineering Division delivers quality municipal infrastructure through comprehensive planning and management of the capital improvement program and protects infrastructure and property rights by managing the public rights-of-way. The Engineering Division is responsible for the design and construction of the Capital Improvement Program (CIP), CIP contract management, dry utility plan review and inspection, floodplain management, land survey, right-of-way management and encroachments, GIS analysis and bridge maintenance.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	4,355,101	5,384,519	5,252,867
Material & Supplies	23,925	14,849	14,849
Fees & Services	157,677	287,288	302,316
Travel & Miscellaneous	16,311	16,628	16,628
Capital Outlays	74,429	—	
Internal Service Charges	(4,767,325)	(5,160,936)	(2,802,215)
Expenditure Total	(139,882)	542,348	2,784,445
Per Capita	(0.75)	2.86	14.65

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Engineering	38		0.50	38		0.50	35		0.50
Total						0.50	35		0.50

Strategic Management and Innovation Office

Purpose:

To advance an inclusive, innovative, transparent, data-driven organization that creates a high performing world class city for our community and serves as a national model for local government.

Description:

The Strategic Management and Innovation Office (SMIO) leverages the power of innovation and strategic management to bring about better outcomes for the Tempe community and region. The office's role is to help city leaders, staff and partners assess challenges, generate impactful strategies, develop strategic partnerships, and deliver measurable results. Staff serve as in-house consulting and facilitators and work with city departments and diverse community, business, academic and industry members to research, design, and establish solutions and strategies that make progress towards Tempe City Council's strategic priorities and position Tempe as a national model for a modern city. Serving as facilitators, project managers, data analysts, researchers, and designers, SMIO delivers programs and services to build organizational capacity for incremental innovations, strategic outcomes and data-informed governance.

FY 2026/27 Budget Highlights:

- Added indirect charge allocation for SMIO.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	704,550	1,186,313	1,258,857
Material & Supplies	189,695	124,800	462,070
Fees & Services	426,132	468,399	202,328
Travel & Miscellaneous	8,518	34,750	38,551
Capital Outlays	1,233	—	—
Internal Service Charges	33,423	182,969	(237,210)
Donations / Restricted Revenue / Grants	14,781	1,708,622	15,625
Expenditure Total	1,378,332	3,705,853	1,740,221
Per Capita	7.41	19.52	9.15

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Strategic Management	7			8			8		
Total	7			8			8		

Transportation & Sustainability Department

Purpose:

The Transportation and Sustainability Department provides a balanced transportation system that is environmentally sustainable, accessible, preserves neighborhoods, promotes transit-oriented development, and involves citizens in the process. The department is committed to growing a sustainable city alongside community stakeholders to be resilient for our future by taking action to reduce emissions and cultivate resilience by focusing on the guiding principles of fiscal responsibility, enterprise, equity, engagement, and effectiveness.

Description:

The Department provides high quality transportation services and works to promote sustainability throughout the community. The Transportation and Sustainability Department consists of two main divisions: the Transportation Division and the Sustainability Division.

FY 2026/27 Budget Highlights:

- Increase in contractual costs related to the operation of Light Rail, Streetcar, and bus service.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	10,550,451	11,767,963	13,197,718
Material & Supplies	4,873,584	7,168,488	7,144,605
Fees & Services	64,624,640	72,386,319	76,290,987
Transfers	7,615		
Travel & Miscellaneous	79,056	108,170	107,730
Capital Outlays	1,318,115	2,883,710	1,799,764
Internal Service Charges	6,273,617	6,557,430	7,348,858
Donations / Restricted Revenue / Grants	170,207	661,564	—
Expenditure Total	87,897,285	101,533,644	105,889,662
Per Capita	472.69	534.85	556.98

Expenditures by Division	2024/25 Actual	2025/26 Budget	2026/27 Budget
Transportation	14,505,539	17,499,838	17,392,190
Sustainability	1,256,371	1,513,757	1,572,310
TS Admin	1,070,475	1,562,998	817,544
Transit	71,064,900	80,957,051	86,107,618
Expenditure Total	87,897,285	101,533,644	105,889,662
Per Capita	472.69	534.85	556.98

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Transportation	57		1	56		1	56		1
Sustainability & Resilience	7			8			8		
TS Admin	6		0.49	6		0.49	6		0.49
Transit	22		1	22		1	22		1
Total	92		2.49	92		2.49	92		2.49

Transportation & Sustainability Administration

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	421,034	349,387	383,298
Material & Supplies	50,035	49,683	49,683
Fees & Services	700,592	588,124	588,124
Travel & Miscellaneous	804	12,150	12,150
Capital Outlays	—	—	—
Internal Service Charges	(272,197)	(97,910)	(215,711)
Donations/Restricted Revenue/Grants	170,207	661,564	—
Expenditure Total	1,070,475	1,562,998	817,544
Per Capita	5.76	8.23	4.30

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
T&S Admin	6		0.49	6		0.49	6		0.49
Total	6		0.49	6		0.49	6		0.49

Transportation

The Transportation Division is responsible for the installation and maintenance of street signage, pavement markings, traffic signals, and streetlights; permitting of barricades in the city right-of-way; graffiti abatement; installation and maintenance of 7.5 million square feet of right-of-way landscaping; design and review of traffic control and plans; street and sidewalk maintenance; bus, Orbit, and light rail service; and the design and maintenance of 217 miles of bikeways. The division also administers the adopt-a-path, adopt-a-street, youth transit pass, block party, and residential permit parking programs.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	5,625,478	7,117,266	7,320,035
Material & Supplies	576,914	814,641	790,758
Fees & Services	3,601,175	3,803,913	3,984,131
Transfers	7,615		
Travel & Miscellaneous	36,658	21,570	21,130
Capital Outlays	1,283,087	2,733,710	1,799,764
Internal Service Charges	3,374,612	3,008,738	3,476,372
Expenditure Total	14,505,539	17,499,838	17,392,190
Per Capita	78.01	92.18	91.48

Authorized Personnel	FY 2024/25 Actual			FY 2025/26 Budget			FY 2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Transportation	57		1	56		1	56		1
Total	57		1	56		1	56		1

Sustainability & Resilience

The Sustainability & Resilience Division coordinates, maintains, and advances sustainability efforts across all city departments and divisions. The division plays a critical role in supporting sustainable capacity building, community engagement, idea generation, data collection, employee training, pilot project implementation, and infrastructure development.

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	1,029,113	1,148,245	1,251,186
Material & Supplies	66,835	136,000	136,000
Fees & Services	193,661	268,121	220,757
Travel & Miscellaneous	16,174	12,450	12,450
Capital Outlays	1,033	—	—
Internal Service Charges	(50,445)	(51,059)	(48,083)
Expenditure Total	1,256,371	1,513,757	1,572,310
Per Capita	6.76	7.97	8.27

Authorized Personnel	2024/25 Actual			2025/26 Budget			2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Sustainability Office	7			8			8		
Total	7			8			8		

Transit

Expenditures by Type	2024/25 Actual	2025/26 Budget	2026/27 Budget
Personnel Costs	3,474,826	3,153,065	4,243,199
Material & Supplies	4,179,800	6,168,164	6,168,164
Fees & Services	60,129,212	67,726,161	71,497,975
Travel & Miscellaneous	25,420	62,000	62,000
Capital Outlays	33,995	150,000	—
Internal Service Charges	3,221,647	3,697,661	4,136,280
Expenditure Total	71,064,900	80,957,051	86,107,618
Per Capita	382.17	426.46	452.93

Authorized Personnel	FY 2024/25 Actual			FY 2025/26 Budget			FY 2026/27 Budget		
	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE	Full Time	PT FTE	Temp FTE
Transit	22		1	22		1	22		1
Total	22		1	22		1	22		1



Section 7: Capital Improvements Program & Debt

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Capital Improvements Program Overview

Pursuant to the Tempe City Charter, city staff prepares and submits a Capital Improvements Program (CIP) annually to the Council. The CIP is a five-year financial plan for the acquisition, construction, expansion, or rehabilitation of infrastructure and capital assets. Capital projects typically have one or more of the following characteristics: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) creation or revitalization of a fixed asset with a minimum useful life of five years; (3) systematic asset acquisition over an extended period of time; and (4) scheduled replacement or maintenance of specific elements of physical assets. The following are some examples of items that are included within the definition of capital expenditures:

- Construction of new facilities
- Remodeling, and expansion of existing facilities
- Purchase, improvement, or development of land
- Operating equipment and machinery
- Planning and engineering costs related to specific capital improvements
- Emergency vehicles
- Information Technology infrastructure

Although capital projects are scheduled throughout the five-year plan, only those projects during the first year of the plan are adopted as part of the city's annual budget. The first year of the CIP constitutes the capital budget. The remaining years within the CIP serve as a guide for future planning and are subject to annual review and modification in subsequent years. The capital budget consists of the following program areas: Enterprise, Special Purpose, General Purpose, and Transportation projects. The Fiscal Year 2026/27 CIP was adopted by Tempe City Council on June 4, 2026 with Resolution No. R2026.54.

FY 2026/27 CIP Process

The FY 2026/27 CIP planning process was launched in fall 2025 with city department heads, capital project managers, and Municipal Budget Office (MBO) meeting to review planning process, the capital budget calendar and estimated availability of funds. MBO staff provided guidance regarding the information CIP project managers should provide to justify requests for FY 2026/27 project funding.

After all project submissions were received, a series of follow-up meetings were held with departments to discuss changes to previously approved projects, review alignment with citywide strategic priorities and to review new project requests. MBO staff estimated the city's capacity for additional General Obligation (G.O.) debt to fund capital projects over the upcoming five-year period of the CIP and to identify other potential project funding sources, such as cash, restricted revenues, and grants.

Project submissions include information on strategic alignment with the city's strategic priorities and performance measures and alignment with existing master plan documents. Projects in the CIP are primarily focused on preservation of city assets and infrastructure, addressing public health and safety concerns, and accelerating specific performance measures prioritized by the City Council

During City Council Work Study Sessions held between February and April 2026, staff provided information on all capital projects originally submitted by departments, as well as staff's recommended projects sized funding capacity. Also, during these sessions, staff discussed the financial and legal funding variables used to determine the total projected funding capacity of the next five-year CIP (discussed further below under Capital Program Financing).

Capital Budget Strategic Priorities

City Council strategic priorities listed below provide the framework that guide the development of the capital budget and operational strategies for FY 2026/27.



Safe & Secure
Communities



Strong Community
Connections



Quality of Life



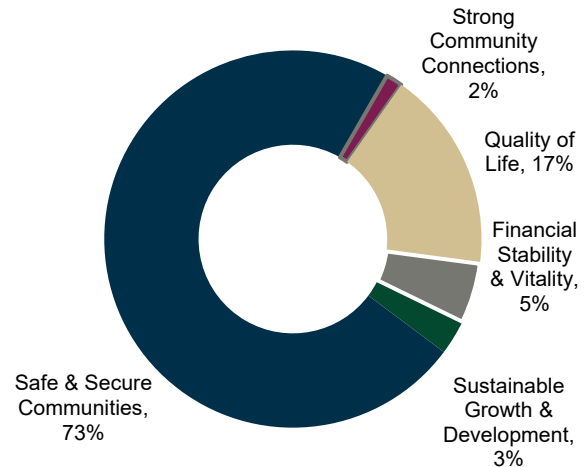
Sustainable
Growth &
Development



Financial Stability
& Vitality

The chart displays how the CIP expenditures included in the adopted FY 2026/27 budget are aligned with the City Council's strategic priorities.

Majority of projects within the 2026/27 police, fire, arts and culture, parks, transit, and transportation (streets) program directly support the city's commitment to a safe and secure community through capital spending on public safety and infrastructure projects. These projects are approximately \$502.6 million, or 73% of the capital budget. Approximately \$119.3 million, or 17%, of the capital budget, enhances the quality of life in Tempe through investments in neighborhoods, parks, the arts, human services, and city amenities.



The city's priority to implement sustainable growth and development strategies is evident by approximately 3%, or \$20.6 million, of the 2026/27 capital budget that is dedicated to projects that address this priority. These projects implement sustainable growth and development strategies to meet future needs through innovative technologies and projects that create a more sustainable community. The remaining 7%, or \$45 million, of the 2026/27 capital budget enhances strong community connections and financial stability and vitality in Tempe through investments in technology, customer service enhancements and projects that address long-term financial stability.

City Council Strategic Priorities and Capital Budget Development

The city's strategic planning process results in resources allocated based on measurable performance measures aligned to the City Council's Strategic Priorities. In December 2025, input was elicited from the City Council on those performance measures that should be accelerated during FY 2026/27. This input enables the City Manager to prioritize additional funding or to shift funding to accelerate the target date for meeting the prioritized performance measures. This includes performance measures that are directly linked to the capital budget program.

**Fiscal Years 2026/27 through 2030/31
Capital Improvements Program Summary**

Program	Re-Appropriation	New Appropriation	2026-27 Total Appropriation	2027-28	2028-29	2029-2030	2030-2031	Total 5-Year Program
Enterprise Program								
Solid Waste	-	3,250,000	3,250,000	-	-	-	-	3,250,000
Wastewater	67,045,156	49,734,472	116,779,628	62,182,830	50,995,980	49,789,220	46,989,220	326,736,878
Water	120,301,662	33,825,297	154,126,959	90,183,000	97,000,000	106,270,000	73,620,000	521,199,959
Total Enterprise	187,346,818	86,809,769	274,156,587	152,365,830	147,995,980	156,059,220	120,609,220	851,186,837
Special Purpose Program								
Arts & Culture	2,783,541	3,710,000	6,493,541	2,130,000	1,305,000	1,390,000	955,000	12,273,541
Municipal Arts	2,489,404	1,000,000	3,489,404	1,600,000	1,600,000	1,600,000	1,600,000	9,889,404
Transit	43,777,333	9,115,260	52,892,593	8,625,260	44,398,960	4,215,260	9,081,189	119,213,262
Total Special Purpose	49,050,278	13,825,260	62,875,538	12,355,260	47,303,960	7,205,260	11,636,189	141,376,207
General Purpose Program								
Fire Protection	9,944,454	8,100,000	18,044,454	35,616,061	14,804,000	6,100,000	13,454,000	88,018,515
General Governmental	83,616,594	42,511,806	126,128,400	50,740,083	45,421,057	28,536,124	39,113,094	289,938,758
Park Improvements	47,663,630	17,410,000	65,073,630	11,556,000	11,193,000	12,562,000	10,602,000	110,986,630
Police Protection	19,681,555	14,856,350	34,537,905	14,468,101	10,304,043	10,196,552	12,587,434	82,094,035
Storm Drains	13,783,610	-	13,783,610	1,530,000	2,856,000	330,000	580,000	19,079,610
Total General Purpose	174,689,843	82,878,156	257,567,999	113,910,245	84,578,100	57,724,676	76,336,528	590,117,548
Transportation								
Traffic Signals/Street Lighting	1,846,884	2,373,691	4,220,575	3,485,328	2,110,054	3,365,446	1,540,973	14,722,376
Transportation and R.O.W.	44,131,545	44,588,519	88,720,064	58,315,766	48,112,457	20,577,228	35,055,000	250,780,515
Total Transportation	45,978,429	46,962,210	92,940,639	61,801,094	50,222,511	23,942,674	36,595,973	265,502,891
TOTAL PROGRAM	457,065,368	230,475,395	687,540,763	340,432,429	330,100,551	244,931,830	245,177,910	1,848,183,483

Fiscal Years 2026/27 through 2030/31
Capital Improvements Program Source of Funds Summary

Program	Re Appropriation	New Appropriations	2026 27 Total Appropriation	2027 28	2028 29	2029 2030	2030 31	Total 5 Year Program
Enterprise Supported								
Capital Projects Fund Balance - Water/Wastewater	10,464,733		10,464,733					10,464,733
Federal Grants	6,299,752		6,299,752					6,299,752
Solid Waste Fund		3,250,000	3,250,000					3,250,000
Water / Wastewater Bonds	170,582,333	75,757,283	246,339,616	142,515,830	139,145,980	46,834,220	110,009,220	784,844,866
Water / Wastewater Fund		7,802,486	7,802,486	9,850,000	8,850,000	9,225,000	10,600,000	46,327,486
Total Enterprise Supported	187,346,818	86,809,769	274,156,587	152,365,830	147,995,980	156,059,220	120,609,220	851,186,837
Special Purpose								
Arts & Cultural Fund		1,710,000	1,710,000	2,130,000	1,305,000	1,390,000	955,000	7,490,000
Capital Projects Fund Balance - Arts & Culture	2,783,541	2,000,000	4,783,541					4,783,541
Capital Projects Fund Balance - Transit	9,015,811		9,015,811					9,015,811
Developer Assistance/Contribution					3,000,000			3,000,000
Development Impact Fees	35,754	65,260	101,014	65,260	65,260	65,260	65,260	362,054
Federal Grants	34,475,768		34,475,768	3,800,000	16,280,000			54,555,768
Municipal Arts Fund	2,489,404	1,000,000	3,489,404	1,600,000	1,600,000	1,600,000	1,600,000	9,889,404
Proposition 400E	250,000		250,000					250,000
TBD				200,000	18,283,700			18,483,700
Transit Tax		9,050,000	9,050,000	4,560,000	4,270,000	4,150,000	9,015,929	31,045,929
Water / Wastewater Fund					2,500,000			2,500,000
Total Special Purpose	49,050,278	13,825,260	62,875,538	12,355,260	47,303,960	7,205,260	11,636,189	141,376,207
General Purpose								
American Rescue Plan Act	75,000		75,000					75,000
Arts & Cultural Fund	55,000	87,000	142,000	35,000	59,000			236,000
Asset Forfeiture Proceeds		123,092	123,092					123,092
Capital Projects Fund Balance	25,091,428	1,079,297	26,170,725		10,654,000			36,824,725
City of Scottsdale	2,411,500		2,411,500					2,411,500
City Trust Account	658,078		658,078					658,078
Developer Assistance/Contribution		10,000,000	10,000,000					10,000,000
Development Impact Fees	2,689,555	1,200,000	3,889,555	12,822,420	700,000	700,000		18,111,975
Diablo Stadium Revenue		47,500	47,500	47,500	47,500	47,500	47,500	237,500
Emergency Medical Transportation Fund	23,000	37,000	60,000	15,000	25,000			100,000
Federal Grants	1,700,000		1,700,000					1,700,000
Flood Control District - Maricopa County	8,957,000		8,957,000					8,957,000
General Fund Cash Reserve	246,019	870,598	1,116,617	1,630,489	200,000	200,000	200,000	3,347,106
General Obligation Bonds	99,937,010	59,038,892	158,975,902	93,627,666	66,289,402	50,620,861	70,776,193	440,290,024
Grants/Other		4,000,000	4,000,000					4,000,000
Other - Contingency	31,500,000	5,000,000	36,500,000	5,000,000	5,000,000	5,000,000	5,000,000	56,500,000
Solid Waste Fund	103,000	228,434	331,434	214,336	720,823	242,105	248,032	1,756,730
Transit Tax	510,600	484,000	994,600	193,000	329,000	282,500		1,799,100
Water / Wastewater Fund	732,653	682,343	1,414,996	324,834	553,375	631,710	64,803	2,989,718
Total General Purpose	174,689,843	82,878,156	257,567,999	113,910,245	84,578,100	57,724,676	76,336,528	590,117,548
Transportation								
ADOT				792,135	614,581	1,856,973		3,263,689
ASU Participation				202,000	2,918,500		8,222,000	11,342,500
Capital Project Fund Balance	1,969,075	4,738,691	6,707,766	2,862,973	132,500	100,000	100,000	9,903,239
Development Impact Fees	547,758	145,682	693,440	88,697	128,712	128,713	171,172	1,210,734
Federal Funding		378,946	378,946					378,946
Federal Grants	1,502,912	549,371	2,052,283	3,233,440	6,787,421	2,936,377	9,689,574	24,699,095
Grants/Other		1,000,000	1,000,000					1,000,000
General Obligation Bonds	41,958,684	40,149,520	82,108,204	54,036,349	39,055,297	18,367,611	17,827,727	211,395,188
Highway User Revenue Fund				585,500	585,500	553,000	585,500	2,309,500
Total Transportation	45,978,429	46,962,210	92,940,639	61,801,094	50,222,511	23,942,674	36,595,973	265,502,891
TOTAL PROGRAM	457,065,368	230,475,395	687,540,763	340,432,429	330,100,551	244,931,830	245,177,910	1,848,183,483

CIP Impact on the Operating Budget

Although the City of Tempe prepares the capital budget separate from the operating budget, the two budgets are linked. These links include ongoing operating, maintenance and repair costs associated with new or renovated facilities and infrastructure. Certain CIP projects also necessitate the addition of new personnel required to staff or maintain new buildings or outdoor recreational areas. On the other hand, CIP projects may produce new revenue streams in the form of fees paid for the use of new or expanded facilities or they may produce operational savings from technology enhancements that produce fuel savings or by automating manual processes thus requiring less employee resources.

The new FY 2026/27 operating costs shown below are incorporated in the city's adopted operating budget. In addition to current year operating budget impacts, future operating costs associated with current and planned projects are identified in the capital budget process to aid in long-range planning. Since the City Council only formally adopts operating and capital budgets on an annual basis, the 'out-year' impacts represent a forecast based on the current scope of the project and inflation assumptions. As such, they will be subject to revision in future years. The table below shows the estimated new recurring operating budget impacts associated with projects included in the adopted five-year CIP.

Capital Projects by Fund	Cost Category	Recurring or One-time	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
General Fund							
Municipal Facilities Warehouse	Supplies, Services, Travel	Recurring	375,000	385,000	525,000	540,000	590,000
General Fund Total			375,000	385,000	525,000	540,000	590,000
Water/Wastewater Fund							
Water Treatment Plant Asset Maintenance & Upgrades	Personnel	Recurring		111,245	112,029	112,958	113,935
Water Treatment Plant Asset Maintenance & Upgrades	Supplies, Services, Travel	Recurring	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
Water Treatment Plant Asset Maintenance & Upgrades	Supplies, Services, Travel	One-Time	3,150,000				
Wells - Asset Maintenance & New Production	Personnel	Recurring		232,188	233,745	235,605	237,557
Wells - Asset Maintenance & New Production	Supplies, Services, Travel	Recurring	150,000	250,000	375,000	375,000	375,000
Wells - Asset Maintenance & New Production	Capital Outlay	One-Time		165,000			
Wells - Asset Maintenance & New Production	Capital Outlay	Recurring		8,200	8,200	8,200	8,200
Water/Wastewater Fund Total			4,330,000	1,796,633	1,758,974	1,761,763	1,764,692
Total			\$4,705,000	\$2,181,633	\$2,283,974	\$2,301,763	\$2,354,692

Capital Improvements Program Financing

As shown in the chart, Tempe's FY 2026/27 capital program is funded through a combination of bonds and other sources, including pay-as-you-go financing, outside revenues, grants, and capital project fund balances.

For FY 2026/27, the city has \$241.1 million of projects budgeted to use general obligation (GO) bond. Through the remainder of the five-year Capital Improvements Program, the city has \$410.6 million of GO bond funded projects. Debt service on these bonds will be repaid by revenues from the city's secondary property taxes.

The city also plans to issue approximately \$246.3 million of new enterprise-related bonds in FY 2026/27 to finance the project costs in this program. User fee revenue will support the debt service costs on the enterprise bonds and excise taxes will support the debt service costs on the excise tax bonds.

FY 2026/27 capital budget funding sources other than bonds totals \$200.1 million. Pay-as-you-go funding is concentrated in the Enterprise, Special Purpose, General Purpose, and Transportation programs in the form of \$1.7 million in Arts and Culture funds, \$9.2 million in Water/Wastewater funds, \$3.5 million in Municipal Arts funds, \$10 million in Transit Tax funds, \$0 in Highway User Revenue Fund (HURF) funds, \$3.6 million in Solid Waste Funds and \$1.1 million from the General Fund. Outside revenue funding consists of \$50 million in grant funding and \$58.1 million in miscellaneous revenue. Development impact fees total \$4.7 million. The budgeted use of \$57.3 million capital project fund balances to finance projects represents the use of prior year cash balances and City operating fund contributions assigned to projects which were approved in prior years and re-appropriated for completion in FY 2026/27.

The FY 2026/27 capital budget funding sources for each project are described in further detail in the FY 2026/27 through 2030/31 Capital Improvements Program Project Listing and Descriptions section.

DEBT MANAGEMENT PLAN

In addition to the management of existing debt and associated reserves, the city also forecasts future debt within a framework of policy priorities and financial capacity. Current and anticipated capital improvement objectives, available operating revenue, tax base fluctuations, and reserve levels are all evaluated on an ongoing basis to estimate the extent to which the City may issue additional tax supported debt.

This active debt management ensures the city can assess long-term implications for its debt portfolio to make proactive decisions about how much new debt capacity is available today. Additionally, in support of the city's property tax stabilization policy, debt management economic models will continue to be updated annually and employed to monitor how fluctuations in annual secondary property tax levy amounts will necessitate the use of the city's debt service reserve and financing methods other than bonds in future years.

Debt management is also a key financial practice contributing to the maintenance of the city's high bond ratings. For General Obligation Bonds, the city is rated AAA by Fitch and AAA by Standard & Poor's. These high ratings translate directly into lower interest rates on the city's debt.

FY 2026/27 Source of Funds		
Funding Source	\$ Millions	% of Total
General Obligation Bonds	241.1	35%
Water / Wastewater Bonds	246.3	36%
Outside Revenue	108.1	16%
Capital Project Fund Balances	57.3	8%
Development Impact Fees	4.7	1%
Pay-as-you-go	30.0	4%
Total	687.5	100%

Long-Term Debt and Bond Authorization Summary

Remaining General Obligation Bond Authorizations July 1, 2026

	Original Authorization	Prior Issues	FY26 Issues	Remaining Authorization
2020 Voter Authorization				
Water / Wastewater	134,000,000	48,926,989	77,000,000	8,073,011
Streets / Transportation / Storm Drains	74,000,000	44,931,401	29,068,599	
Public Safety - Police / Fire	34,000,000	34,000,000		
Community Services / Park Improvements	45,000,000	40,532,696	4,467,304	
Municipal Infrastructure Preservation	62,000,000	62,000,000		
Subtotal	349,000,000	230,391,086	110,535,903	8,073,011
2024 Voter Authorization				
Public Safety - Roadway Improvements	301,000,000	4,997,636	52,231,401	243,770,963
Quality of Life in Tempe Neighborhoods	248,500,000	28,153,594	65,632,696	154,713,710
Affordable Housing	32,000,000		6,600,000	25,400,000
Subtotal	581,500,000	33,151,230	124,464,097	423,884,673
TOTAL	\$930,500,000	\$263,542,316	\$235,000,000	\$431,957,684

Outstanding Long-Term Debt Summary as of July 1, 2026

	2023	2024	2025	2026
General Obligation Bonds				
Water / Wastewater	183,085,392	203,735,000	234,115,000	284,775,000
Public Safety	51,320,000	60,290,000	70,590,000	75,200,000
Community Services	0	14,372,105	12,719,684	33,949,473
Park Improvements	75,850,000	59,362,895	61,670,316	55,905,527
Library / Museum	3,260,000	2,755,000	2,250,000	1,735,000
Streets / Transportation / Storm Drains	60,195,000	63,745,000	80,760,000	136,030,000
Municipal Infrastructure Preservation	52,965,000	64,255,000	95,380,000	136,735,000
Total G.O. Debt Outstanding	426,675,392	468,515,000	557,485,000	724,330,000
Excise Tax Bonds				
Water / Wastewater	42,528,000	37,557,000	33,140,000	28,520,000
General Governmental	13,452,000	11,378,000	20,540,000	1,275,000
Arts & Culture	5,565,000	5,220,000	4,855,000	4,490,000
Transit	53,070,000	49,530,000	45,940,000	42,285,000
Rio Salado				18,360,000
Solid Waste				
Cemetery Enterprise	330,000			
Total Excise Tax Debt Outstanding	114,945,000	103,685,000	104,475,000	94,930,000
Water Revenue Bonds	66,895,000	64,120,000	61,245,000	42,285,000
Special Assessment Bonds ⁽¹⁾	10,265,000	8,755,000	7,170,000	5,505,000
Section 108 Guaranteed Loan ⁽²⁾	1,076,000	549,000		
Total Outstanding Long-Term Debt	\$619,856,392	\$645,624,000	\$730,375,000	\$867,050,000

- (1) As trustee for improvement districts within the City, the City is responsible for collection of assessments levied against the owners of property within the improvement districts and for disbursement of these amounts for retirement of the respective bonds issued to finance the improvements. Improvement bonds are collateralized by properties within the districts. In the event of default by the property owner, the City is contingently liable on special assessment bonds to the extent proceeds from assessments are insufficient to retire outstanding bonds.
- (2) In July 2004, the City entered into a Section 108 guaranteed loan agreement with the U.S. Department of Housing and Urban Development (HUD) for funding of \$7,000,000 for on-site environmental remediation of the University/Hayden Butte Redevelopment Area 5 (Rio Salado Marketplace Redevelopment). The City has pledged its Community Development Block Grants as security for HUD's guaranteed loan. The City was awarded a \$1,000,000 HUD Brownfield Economic Development Initiative grant to be used to pay interest on the HUD Section 108 loan until such time the development generates sufficient tax revenue to cover the debt service of the development.

Legal Bonded Debt Limits

Under Article 9, Section 8 of the Arizona State Constitution, cities may issue property tax secured debt (general obligation bonds) for purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds and recreational facilities, public safety, law enforcement, fire and emergency services facilities and streets and transportation facilities up to an amount not exceeding 20% of limited assessed property value within the city.

Cities may also issue general obligation bonds for any purpose up to an amount not exceeding 6% of the limited assessed value. All bonds issued pursuant to Article 9, Section 8 are subject to authorization by a majority vote at a city bond election.

Legislation passed in May 2016 by the Arizona State Legislature, effective August 2016, which clarifies that the valuation for the calculation of the debt limits is the full cash (secondary) property value rather than the limited property value. As the secondary property value is higher than the limited property value, this change will further increase the city's positive debt to value ratio.

FY 2026/27 General Obligation Bonded Debt Limits July 1, 2026

FY 2026/27	20%	6%
Constitutional Limitation (1)	940,605,868	282,181,760
GO Bonds Outstanding (2)	592,225,000	177,820,000
Debt Margin Available	348,380,868	104,361,760

- (1) The constitutional bond limitations are based on the City's total 2026 Net Assessed Full Cash Value of \$4,703,029,341
- (2) The outstanding amount includes \$69,599,004 of bond premiums generated in the sale of bonds for 20% and 6% purposes.

The city adopted a property tax stabilization policy in FY 2010/11 which established parameters for the amount of property taxes which may be collected each year. The policy allows the city to collect a predictable amount of property tax while property values fluctuate, by essentially allowing the property tax rate to "float". This policy has provided the city a reliable and stable funding source for capital planning.

In the November 2024 bond election, Tempe residents approved \$581.5 million in General Obligation bonds for public safety and roadway improvements, quality of life enhancements and affordable housing. Included in the authorization was \$134.6 million to accelerate the improvement of streets, bringing pavement quality to a rating of excellent in four years, and \$32 million to increase the availability of affordable housing. These accelerated programs are above historical funding capacity under the City's 2011 adopted property tax stabilization policy. To ensure sufficient property tax levy is collected to fund the voter-authorized programs, the property tax stabilization policy was revised and approved by Council in April 2025 to establish a maximum total property tax levy not to exceed a 5% increase in any year.

Debt to Maturity Schedule

The following is a listing, by fund, of principal and interest payments for all outstanding debt, as of July 1, 2026 by fund.

Program	Principal	Interest	Total
Debt Service Fund			
FY27	26,350,267	20,653,016	47,003,283
FY28	26,313,455	19,282,837	45,596,293
FY29	26,296,237	18,169,540	44,465,777
FY30	23,430,319	17,044,076	40,474,395
FY31	23,299,401	16,016,010	39,315,411
FY32	24,376,523	14,945,789	39,322,312
FY33	24,025,613	13,822,187	37,847,800
FY34	21,418,920	12,701,595	34,120,516
FY35	20,843,843	11,695,612	32,539,455
FY36	21,842,026	10,700,640	32,542,666
FY37	21,948,030	9,674,449	31,622,478
FY38	22,982,073	8,635,997	31,618,070
FY39	24,085,677	7,547,388	31,633,065
FY40	23,220,580	6,376,465	29,597,045
FY41	22,845,045	5,273,186	28,118,230
FY42	22,254,069	4,185,131	26,439,200
FY43	20,885,913	3,156,009	24,041,922
FY44	18,550,578	2,170,025	20,720,603
FY45	15,263,063	1,267,222	16,530,284
FY46	10,598,368	529,918	11,128,286
Arts and Culture			
FY27	370,000	209,700	579,700
FY28	375,000	206,000	581,000
FY29	395,000	187,250	582,250
FY30	410,000	167,500	577,500
FY31	435,000	147,000	582,000
FY32	455,000	125,250	580,250
FY33	475,000	102,500	577,500
FY34	500,000	78,750	578,750
FY35	525,000	53,750	578,750
FY36	550,000	27,500	577,500
Transit Fund			
FY27	3,720,000	970,698	4,690,698
FY28	3,795,000	898,842	4,693,842
FY29	3,865,000	821,310	4,686,310
FY30	3,960,000	739,737	4,699,737
FY31	4,040,000	653,299	4,693,299
FY32	4,130,000	562,892	4,692,892
FY33	4,225,000	467,175	4,692,175
FY34	4,330,000	365,933	4,695,933
FY35	4,435,000	260,126	4,695,126
FY36	1,870,000	149,412	2,019,412
FY37	1,465,000	103,538	1,568,538
FY38	795,000	66,150	861,150
FY39	815,000	44,685	859,685
FY40	840,000	22,680	862,680
Water / Wastewater Fund			
FY27	23,685,572	17,197,298	40,882,871
FY28	26,227,139	16,069,163	42,296,302
FY29	23,529,545	14,973,599	38,503,144
FY30	21,164,680	13,979,519	35,144,200

FY31	20,835,598	13,050,992	33,886,591
FY32	19,403,476	12,092,282	31,495,759
FY33	20,159,386	11,205,381	31,364,768
FY34	19,286,079	10,244,647	29,530,726
FY35	20,196,156	9,328,870	29,525,027
FY36	21,152,973	8,368,882	29,521,856
FY37	22,141,970	7,378,996	29,520,966
FY38	21,597,926	6,350,253	27,948,180
FY39	20,784,323	5,351,021	26,135,344
FY40	19,829,419	4,367,030	24,196,449
FY41	18,239,955	3,474,167	21,714,122
FY42	16,230,931	2,631,731	18,862,663
FY43	12,684,086	1,911,428	14,595,515
FY44	12,399,422	1,325,174	13,724,596
FY45	9,191,937	723,403	9,915,340
FY46	5,656,632	282,831	5,939,463
Solid Waste Fund			
FY27	600,000	918,000	1,518,000
FY28	630,000	888,000	1,518,000
FY29	665,000	856,500	1,521,500
FY30	695,000	823,250	1,518,250
FY31	730,000	788,500	1,518,500
FY32	765,000	752,000	1,517,000
FY33	805,000	713,000	1,518,750
FY34	845,000	673,500	1,518,500
FY35	890,000	631,250	1,521,250
FY36	935,000	586,750	1,521,750
FY37	980,000	540,000	1,520,000
FY38	1,030,000	491,000	1,521,000
FY39	1,080,000	439,500	1,519,500
FY40	1,135,000	385,500	1,520,500
FY41	1,190,000	328,750	1,518,750
FY42	1,250,000	268,250	1,519,250
FY43	1,310,000	206,750	1,516,750
FY44	1,380,000	141,250	1,521,250
FY45	1,445,000	72,250	1,517,250
Special Assessments Fund			
FY27	1,745,000	231,625	1,976,625
FY28	1,835,000	142,125	1,977,125
FY29	1,925,000	48,125	1,973,125
Total	\$885,867,216	\$382,513,067	\$1,268,380,284



Fiscal Years 2026/27 through 2030/31 Capital Improvements Program

Project Listings and Descriptions



Enterprise Program

The Enterprise component of the Capital Improvements Program consists of the Water, Wastewater, and Solid Waste programs. Combined, they constitute \$274.2 million (39.9%) of the \$687.5 million Capital Improvements Program for FY 2026/27.

The city's Capital Budget for the Water and Wastewater programs is driven primarily by planned infrastructure maintenance and replacement projects that support the city's long-term water and wastewater distribution, collection, and treatment capabilities. The primary funding source for these projects in FY 2026/27 is water and wastewater general obligation bonds. These bonds are repaid by user charges for service delivery in both programs.

The Solid Waste program contains one project for a new compressed natural gas station.



Solid Waste Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Solid Waste Compress Natural Gas Stations	3411869	Solid Waste Fund	-	3,250,000	3,250,000	-	-	-	-	3,250,000
Solid Waste Program Total			-	3,250,000	3,250,000	-	-	-	-	

Capital Improvements Program

Solid Waste Compress Natural Gas Stations

2070 W Rio Salado Pkwy, Tempe, AZ 85281

This project funds the construction and installation of 42 slow fill compressed natural gas stations for solid waste equipment and collection vehicles. There are many benefits to the use of compressed natural gas (CNG). CNG engines are quieter and cleaner-burning. The City saves on price-stable natural gas fuel. CNG is typically half the price per gallon of diesel fuel. Installing slow fill stations will eliminate labor costs associated with fueling and allow for fuller tanks, which provide more miles on the road between fuel-ups. The dispensers will be located at the Tempe Municipal Operations Center.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.19 - MUNICIPAL CARBON NEUTRALITY - Achieve the City Council goal of carbon neutrality in municipal operations with a strategy of 100% renewable energy by 2035.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	3411869	7/1/2024			8/1/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$3,250,000	\$0	\$0	\$0	\$0	\$3,250,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Solid Waste Fund	\$3,250,000	\$0	\$0	\$0	\$0	\$3,250,000	
Total	\$3,250,000	\$0	\$0	\$0	\$0	\$3,250,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$0	\$0	

Wastewater Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
SROG - SAI, SRO, and 91st Ave WWTP	3222099	Water / Wastewater Bonds	-	18,484,472	18,484,472	26,757,830	28,870,980	35,014,220	35,014,220	144,141,722
Wastewater Collection System Upgrades and Improvements	3221099	Water / Wastewater Bonds	12,283,137	5,800,000	18,083,137	10,975,000	9,975,000	10,975,000	8,275,000	58,283,137
		Water / Wastewater Fund	-	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
		Project Total	12,283,137	6,100,000	18,383,137	11,275,000	10,275,000	11,275,000	8,575,000	59,783,137
Wastewater Conveyance System - Mechanical Stations Upgrades & Improvements	3223099	Water / Wastewater Bonds	5,471,338	3,650,000	9,121,338	1,850,000	1,350,000	1,300,000	1,300,000	14,921,338
Water Reclamation Facilities Upgrades and Improvements	3224099	Water / Wastewater Bonds	42,990,929	21,500,000	64,490,929	22,300,000	10,500,000	2,200,000	2,100,000	101,590,929
		Federal Grants	6,299,752	-	6,299,752	-	-	-	-	6,299,752
		Project Total	49,290,681	21,500,000	70,790,681	22,300,000	10,500,000	2,200,000	2,100,000	107,890,681
Wastewater Program Total			67,045,156	49,734,472	116,779,628	62,182,830	50,995,980	49,789,220	46,989,220	326,736,878

Capital Improvements Program

SROG - SAI, SRO & 91st Ave WWTP

Citywide

This program represents Tempe's investment in the Sub-Regional Operating Group (SROG) wastewater management infrastructure. Tempe currently generates approximately 19 million gallons per day of wastewater, which is conveyed via the Southern Avenue Interceptor (SAI) and Salt River Outfall (SRO) to the 91st Avenue Wastewater Treatment Plant (WWTP). These facilities are jointly owned by the Cities of Tempe, Phoenix, Mesa, Scottsdale and Glendale and are maintained and operated by the City of Phoenix. Tempe's share of SROG capital improvement project activities during this Capital Improvement Program (CIP) planning period will include rehabilitation of treatment plant process piping, biological treatment and solids handling facilities. Wastewater interceptor capacity improvements are also included in this CIP.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3222099	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$18,484,472	\$26,757,830	\$28,870,980	\$35,014,220	\$35,014,220	\$144,141,722	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$18,484,472	\$26,757,830	\$28,870,980	\$35,014,220	\$35,014,220	\$144,141,722	
Total	\$18,484,472	\$26,757,830	\$28,870,980	\$35,014,220	\$35,014,220	\$144,141,722	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Wastewater Collection System Upgrades and Improvements

Citywide

This program provides a recurring funding source for wastewater collection system condition assessment and infrastructure rehabilitation or replacement that has reached the end of its useful life. Public Works' long-term wastewater collection system asset management program is intended to ensure reliable operation of City facilities, which includes approximately 500 miles of gravity sewer pipeline and over 10,000 manholes. Current program goals target the closed-circuit television (CCTV) inspection and assessment of 60 miles of pipeline and 1,000 manholes per year. Segments of the wastewater collection system determined to be at risk of failure within the next five to ten years are scheduled for rehabilitation within the current 5-year Capital Improvements Program. Projects are prioritized through risk assessment, which considers both structural condition (likelihood of failure) and pipeline criticality (consequences of failure).



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3221099	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$18,383,137	\$11,275,000	\$10,275,000	\$11,275,000	\$8,575,000	\$59,783,137	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$18,083,137	\$10,975,000	\$9,975,000	\$10,975,000	\$8,275,000	\$58,283,137	
Water / Wastewater Fund	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000	
Total	\$18,383,137	\$11,275,000	\$10,275,000	\$11,275,000	\$8,575,000	\$59,783,137	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Wastewater Conveyance System - Mechanical Stations Upgrades and Improvements

Citywide

This program provides a recurring funding source for mechanical wastewater collection and conveyance systems infrastructure condition assessment and rehabilitation, or replacement when it has reached the end of its useful life. Public Works' long-term asset management program is intended to ensure reliable operation of City facilities, including its wastewater collection and conveyance mechanical systems, which includes four sewage pumping stations, six flow diversion structures, two odor control biofilters and 11 permanent flow metering stations. Failure of wastewater collection and conveyance system mechanical stations could result in incorrect metering for service billing, odors and other nuisance conditions, sewer backups or overflows. This Capital Improvement Program planning period includes the rehabilitation and upgrades to odor control assets and diversion structures and upgrades to existing metering stations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3223099	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$9,121,338	\$1,850,000	\$1,350,000	\$1,300,000	\$1,300,000	\$14,921,338	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$9,121,338	\$1,850,000	\$1,350,000	\$1,300,000	\$1,300,000	\$14,921,338	
Total	\$9,121,338	\$1,850,000	\$1,350,000	\$1,300,000	\$1,300,000	\$14,921,338	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Water Reclamation Facilities Upgrades and Improvements

Citywide

This program provides a funding source for the reactivation of the City's local water reclamation facility, improvements to the reclaimed water infrastructure and groundwater recharge facilities. Currently, all the City's wastewater is conveyed to the Sub-Regional Operating Group's 91st Avenue Wastewater Treatment Plant. Approximately 70 percent of Tempe's annual wastewater flow, and approximately 90 percent in the summertime, is committed for reuse at the Palo Verde Nuclear Generating Station, by the Buckeye Irrigation District and at the Tres Rios Constructed Wetlands. Reactivation of the Kyrene Water Reclamation Facility (KWRF) will enable the City to collect, treat and utilize the balance of its reclaimed water potential locally. The recharge wells will be used to recharge available, treated excess surface water or reclaimed water from KWRF. This project is anticipated to receive some Federal funding for the project that will be reimbursed through the Army Corps of Engineers.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3224099	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$70,790,681	\$22,300,000	\$10,500,000	\$2,200,000	\$2,100,000	\$107,890,681	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$64,490,929	\$22,300,000	\$10,500,000	\$2,200,000	\$2,100,000	\$101,590,929	
Federal Grants	\$6,299,752	\$0	\$0	\$0	\$0	\$6,299,752	
Total	\$70,790,681	\$22,300,000	\$10,500,000	\$2,200,000	\$2,100,000	\$107,890,681	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$4,854,410	\$4,751,949	\$4,764,036	\$4,776,728	\$19,147,124	

Water Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are <u>underlined</u>				New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations			2027-28	2028-29	2029-30	2030-31	
Advanced Metering Infrastructure (AMI) System Replacement	N/A	Water / Wastewater Fund	-	-	-	300,000	1,500,000	1,500,000	1,500,000	4,800,000
Bartlett Dam	N/A	Water / Wastewater Bonds	-	-	-	-	-	25,900,000	25,900,000	51,800,000
Flood Irrigation Infrastructure Asset Maintenance	3207099	Water / Wastewater Bonds	499,552	1,841,100	2,340,652	2,240,000	1,350,000	1,200,000	1,200,000	8,330,652
Meter Replacement Program	3209319	Water / Wastewater Fund	-	200,000	200,000	300,000	300,000	1,500,000	2,000,000	4,300,000
SCADA and Security Improvements	3204099	Water / Wastewater Bonds	1,219,877	1,820,000	3,039,877	2,493,000	1,080,000	775,000	1,400,000	8,787,877
		Water / Wastewater Fund	-	1,250,000	1,250,000	600,000	550,000	575,000	500,000	3,475,000
		Capital Projects Fund Balance - Water/Wastewater	950,000	-	950,000	-	-	-	-	950,000
		Project Total	2,169,877	3,070,000	5,239,877	3,093,000	1,630,000	1,350,000	1,900,000	13,212,877
Utility Billing System Replacement	3209025A	Water / Wastewater Fund	-	750,000	750,000	-	-	-	-	750,000
		Capital Projects Fund Balance - Water/Wastewater	1,149,060	-	1,149,060	-	-	-	-	1,149,060
		Project Total	1,149,060	750,000	1,899,060	-	-	-	-	1,899,060
Water System Pumping Stations, Reservoirs & Tanks	3203099	Water / Wastewater Bonds	5,217,566	1,825,000	7,042,566	1,000,000	2,820,000	670,000	2,220,000	13,752,566
		Water / Wastewater Fund	-	150,000	150,000	2,500,000	1,000,000	150,000	100,000	3,900,000
		Capital Projects Fund Balance - Water/Wastewater	500,000	-	500,000	-	-	-	-	500,000
		Project Total	5,717,566	1,975,000	7,692,566	3,500,000	3,820,000	820,000	2,320,000	18,152,566
Water Transmission & Distribution System	3202099	Water / Wastewater Bonds	18,223,832	8,570,000	26,793,832	14,300,000	14,400,000	16,800,000	16,100,000	88,393,832
		Water / Wastewater Fund	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
		Project Total	18,223,832	11,570,000	29,793,832	17,300,000	17,400,000	19,800,000	19,100,000	103,393,832
Water Treatment Plant Asset Maintenance & Upgrades	3208099	Water / Wastewater Bonds	57,994,718	7,850,000	65,844,718	45,400,000	45,500,000	34,000,000	9,800,000	200,544,718
Water Utility Buildings Asset Management	3206099	Water / Wastewater Fund	-	1,652,486	1,652,486	2,350,000	1,700,000	1,700,000	2,700,000	10,102,486
		Capital Projects Fund Balance - Water/Wastewater	7,365,673	-	7,365,673	-	-	-	-	7,365,673
		Project Total	7,365,673	1,652,486	9,018,159	2,350,000	1,700,000	1,700,000	2,700,000	17,468,159
Wells - Asset Maintenance & New Production	3205099	Water / Wastewater Bonds	26,681,384	4,416,711	31,098,095	15,200,000	23,300,000	18,000,000	6,700,000	94,298,095
		Water / Wastewater Fund	-	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
		Capital Projects Fund Balance - Water/Wastewater	500,000	-	500,000	-	-	-	-	500,000
		Project Total	27,181,384	4,916,711	32,098,095	15,700,000	23,800,000	18,500,000	7,200,000	97,298,095
Water Program Total			120,301,662	33,825,297	154,126,959	90,183,000	97,000,000	106,270,000	73,620,000	521,199,959

Capital Improvements Program

Advanced Metering Infrastructure (AMI) System Replacement

Various

The purpose of this project is to provide a funding source for replacement of the City's Advanced Metering Infrastructure (AMI), automated water meter reading system. The Customer Service Division of Internal Services converted the City's system of collecting water meter readings to AMI, beginning in 2016. Full implementation was completed in 2019. AMI provides an enhanced service to utility customers through greater meter reading accuracy, overall customer service and potential leak detection on customer accounts.

Integration of AMI with WaterSmart allows customers to self-monitor their water usage and charges, providing an additional customer service tool. AMI supports the City's Cost of Service rate structure by accurately analyzing water usage in each customer classification, thereby allowing for the development of a proportional and data driven water rate structure. The life expectancy of AMI technology components is approximately 12-15 years.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.02 - CUSTOMER SERVICE SATISFACTION - Achieve satisfaction ratings of "Very Satisfied" or "Satisfied" with the "Quality of Customer Service" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

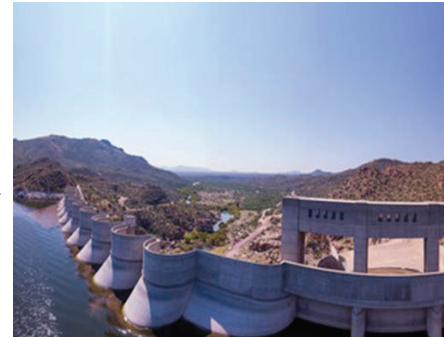
Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	NA	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$300,000	\$1,500,000	\$1,500,000	\$1,500,000	\$4,800,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Fund	\$0	\$300,000	\$1,500,000	\$1,500,000	\$1,500,000	\$4,800,000	
Total	\$0	\$300,000	\$1,500,000	\$1,500,000	\$1,500,000	\$4,800,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Water Resources - Bartlett Dam

Bartlett Dam

The purpose of this project is to raise the height of Bartlett Dam to restore the full storage capacity of the reservoir, while also creating a new source of surface water supply known as New Verde Space (NVS) water. The reservoir is part of the Salt River Project (SRP) system, which is a primary surface water source for Tempe. Raising the height of Bartlett will restore storage lost to the accumulation of sediment. Creating NVS will allow the storage of additional floodwaters from heavy storm events, thereby providing a new renewable water source for the region. Tempe is one of 20 cost-share partners with SRP and other parties to gain federal approval to modify Bartlett Dam. Allocation of NVS waters is a multi-year process that requires coordination with the Bureau of Reclamation. Creating additional water supplies is one of many strategies outlined in Tempe's Water Resources Master Plan.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.13 - SAFE DRINKING WATER - Achieve or exceed Safe Drinking Water Act standards for water quality.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	NA	OnGoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$25,900,000	\$25,900,000	\$51,800,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$0	\$0	\$0	\$25,900,000	\$25,900,000	\$51,800,000	
Total	\$0	\$0	\$0	\$25,900,000	\$25,900,000	\$51,800,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Flood Irrigation Infrastructure Asset Maintenance

Citywide

The Flood Irrigation System Asset Maintenance Program has provided a recurring funding source for the repair and replacement of system pipelines and delivery structures that have reached the end of their useful life. This program has been part of the Public Works' long-term asset management efforts to ensure reliable operations of approximately 23 miles of irrigation pipelines that serve 17 City parks and approximately 850 residential customers. This program focuses on condition assessment, maintenance and repair of those pipelines which provide flood irrigation water to City parks. Pipelines that supply water to City parks are identified, inspected, assessed, and prioritized for rehabilitation, as necessary. Where necessary, this project will construct standpipes or pressure manholes to facilitate maintenance and inspection access to all pipelines supplying City parks.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

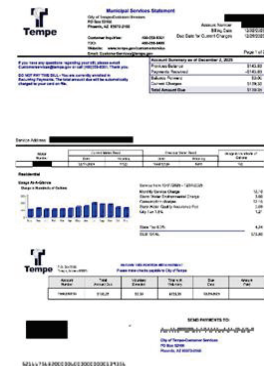
Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3207099	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,340,652	\$2,240,000	\$1,350,000	\$1,200,000	\$1,200,000	\$8,330,652	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Bonds	\$2,340,652	\$2,240,000	\$1,350,000	\$1,200,000	\$1,200,000	\$8,330,652	
Total	\$2,340,652	\$2,240,000	\$1,350,000	\$1,200,000	\$1,200,000	\$8,330,652	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Meter Replacement Program

Citywide

This program provides a recurring funding source for the purchase of new and replacement revenue generating water meters, advanced meter infrastructure (AMI) endpoints and equipment, and meter boxes that have been in service past their useful life. Industry studies confirm that water meters of all sizes decrease in read accuracy over time, particularly at low volume flows. By improving meter read accuracy, this program will help decrease inaccurately accounted for water, ensure accurate billing and increase water enterprise fund revenue. The water industry recommends regular testing of water meters and, based on test results, cost-benefit analyses and manufacturer warranty periods, replacement of meters approximately every 12-15 years. The City currently maintains approximately 43,000 water meters.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	3209319	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$200,000	\$300,000	\$300,000	\$1,500,000	\$2,000,000	\$4,300,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Water / Wastewater Fund	\$200,000	\$300,000	\$300,000	\$1,500,000	\$2,000,000	\$4,300,000	
Total	\$200,000	\$300,000	\$300,000	\$1,500,000	\$2,000,000	\$4,300,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

SCADA, Electrical, and Security Improvements

Citywide

This project provides a funding source for improvements and upgrades to the Supervisory Control and Data Acquisition (SCADA) System, electrical, and security systems for all operational areas of the Water Utilities Division. Improvements and upgrades include those recommended in both the SCADA Master Plan and the EPA-mandated Risk and Resilience Assessment and Emergency Response Plan. This project includes the following major areas of work: update and standardization of computer hardware, software, and automation at all treatment plants and field sites (groundwater wells, wastewater lift stations, elevated storage reservoirs, booster stations, and water and wastewater metering stations), treatment plant, field site communication upgrades, upgrade and replacement of security infrastructure, and electrical systems evaluation and improvements, including Arc Flash updates to meet National Fire Protection Association (NFPA) safety standards.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	3204099	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$5,239,877	\$3,093,000	\$1,630,000	\$1,350,000	\$1,900,000	\$13,212,877
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Bonds	\$3,039,877	\$2,493,000	\$1,080,000	\$775,000	\$1,400,000	\$8,787,877
Water / Wastewater Fund	\$1,250,000	\$600,000	\$550,000	\$575,000	\$500,000	\$3,475,000
Capital Projects Fund Balance - Water/Wastewater	\$950,000	\$0	\$0	\$0	\$0	\$950,000
Total	\$5,239,877	\$3,093,000	\$1,630,000	\$1,350,000	\$1,900,000	\$13,212,877
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Utility Billing System Replacement

Various

The purpose of this project is to provide a funding source for the replacement of the City's Utility Billing System, Customer Care and Billing (CC&B), with Customer to Meter (C2M, Cloud product). The current billing system is Oracle-based and has served the City well over the years. As the City continues moving toward Cloud-based services, C2M will provide this functionality with improved interfaces, additional functionality and improved customer satisfaction.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.02 - CUSTOMER SERVICE SATISFACTION - Achieve satisfaction ratings of "Very Satisfied" or "Satisfied" with the "Quality of Customer Service" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Asset Preservation	3209025A	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,899,060	\$0	\$0	\$0	\$0	\$1,899,060
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Fund	\$750,000	\$0	\$0	\$0	\$0	\$750,000
Capital Projects Fund Balance - Water/Wastewater	\$1,149,060	\$0	\$0	\$0	\$0	\$1,149,060
Total	\$1,899,060	\$0	\$0	\$0	\$0	\$1,899,060
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Water System Pumping Stations, Reservoirs & Tanks

Citywide

The purpose of this project is to rehabilitate or replace aging water system infrastructure that includes elevated water storage tanks, booster pump stations and interconnects with other Cities throughout the water distribution system. Scheduled projects include: annual asset maintenance at booster pump stations, reconstruction of the Phoenix Interconnect Booster Station, construction of a new Chandler Interconnect Booster Station, Hayden Butte Reservoir access road reconstruction, and water storage reservoir asset maintenance.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	3203099	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$7,692,566	\$3,500,000	\$3,820,000	\$820,000	\$2,320,000	\$18,152,566
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Bonds	\$7,042,566	\$1,000,000	\$2,820,000	\$670,000	\$2,220,000	\$13,752,566
Water / Wastewater Fund	\$150,000	\$2,500,000	\$1,000,000	\$150,000	\$100,000	\$3,900,000
Capital Projects Fund Balance - Water/Wastewater	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Total	\$7,692,566	\$3,500,000	\$3,820,000	\$820,000	\$2,320,000	\$18,152,566
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Water Transmission and Distribution System

Citywide

The purpose of this program is to rehabilitate or replace aging water system infrastructure including waterlines, valves and fire hydrants, perform assessments, and unscheduled repair or replacement work (\$2M). Each year of the Capital Improvement Program (CIP) planning period includes funding for waterline replacement projects, based on waterline break history, pipe age and material of construction. Waterline replacement and long-term asset management projects are coordinated with the City's pavement management program, Information Technology Department, and Intelligent Transportation Systems to maximize the use of CIP dollars and minimize the impact to residents. Valve and fire hydrant replacements are coordinated with valve and fire hydrant asset maintenance programs. Tempe's water transmission and distribution system consists of over 860 miles of waterline, which range in size from four to sixty-six inches in diameter, with over 26,000 valves and nearly 9,000 fire hydrants.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	3202099	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$29,793,832	\$17,300,000	\$17,400,000	\$19,800,000	\$19,100,000	\$103,393,832
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Bonds	\$26,793,832	\$14,300,000	\$14,400,000	\$16,800,000	\$16,100,000	\$88,393,832
Water / Wastewater Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$15,000,000
0	\$0	\$0	\$0	\$0	\$0	\$0
Other (Please Type Funding)	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$29,793,832	\$17,300,000	\$17,400,000	\$19,800,000	\$19,100,000	\$103,393,832
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Water Treatment Plant Asset Maintenance and Upgrades

Citywide

This program provides a recurring funding source for rehabilitation, replacement, and upgrades to water treatment plant processes as they are identified to ensure operational reliability. Funding for improvements identified during the Water Treatment Plant Assessment included the replacement of equipment at the end of its useful life, rehabilitation of aging systems to ensure efficient and reliable operations, and upgrades to existing systems as needed, to meet federal and state water quality requirements. This program includes funding for the addition of Granular Activated Carbon (GAC) treatment systems at both water treatment plants. GAC treatment is required to both meet federal water quality requirements for disinfection by-products and emerging contaminants and to reduce operational use of groundwater for water quality purposes, thereby reserving groundwater for future potential drought conditions that may reduce supplies of surface water.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	3208099		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$65,844,718	\$45,400,000	\$45,500,000	\$34,000,000	\$9,800,000	\$200,544,718
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Bonds	\$65,844,718	\$45,400,000	\$45,500,000	\$34,000,000	\$9,800,000	\$200,544,718
Total	\$65,844,718	\$45,400,000	\$45,500,000	\$34,000,000	\$9,800,000	\$200,544,718
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Personnel Services	\$0	\$111,245	\$112,029	\$112,958	\$113,935	\$450,166
Supplies and Services	\$4,180,000	\$1,030,000	\$1,030,000	\$1,030,000	\$1,030,000	\$8,300,000
Total	\$4,180,000	\$1,141,245	\$1,142,029	\$1,142,958	\$1,143,935	\$8,750,166

Capital Improvements Program

Water Utility Buildings Asset Management

Citywide

This program will fund major building repairs and replacement of building assets at all Water Utility Facilities. In coordination with Facilities Maintenance, this program has been developed as an ongoing replacement strategy for floors, roofing, HVAC, sprinkler systems, elevators, etc., to ensure reliable operations. In addition to the above asset maintenance work associated with this program, funding includes a remodel of the Environmental Services Building and the Administration Building at the South Tempe Water Treatment Plant, as well as the Household Products Collection Center.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

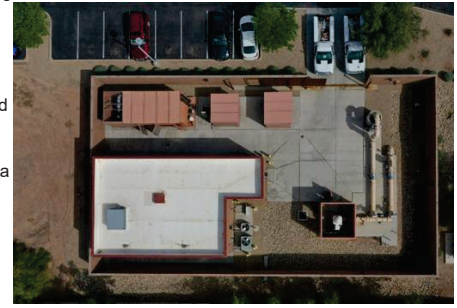
Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	3206099		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$9,018,159	\$2,350,000	\$1,700,000	\$1,700,000	\$2,700,000	\$17,468,159
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Fund	\$1,652,486	\$2,350,000	\$1,700,000	\$1,700,000	\$2,700,000	\$10,102,486
Capital Projects Fund Balance - Water/Wastewater	\$7,365,673	\$0	\$0	\$0	\$0	\$7,365,673
Total	\$9,018,159	\$2,350,000	\$1,700,000	\$1,700,000	\$2,700,000	\$17,468,159
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Wells - Asset Maintenance and New Production

Citywide

The purpose of this program is to add new groundwater production and recovery well capacity to Tempe's water system for back-up water production, supplemental drought supply, water quality blending and emergency preparedness. This program will provide funding for the drilling and equipping of new production wells with wellhead treatment, replacement and rehabilitation of existing wells, and annual asset maintenance. Tempe's water system is best served with a greater level of potable water redundancy between surface water treatment plants and groundwater wells. Increasing groundwater and recovery well production capacity provides a higher level of operational redundancy with back-up water supply during droughts, emergencies, or poor surface water conditions. The goal is to increase groundwater production capacity over time to meet future average daily water demand of the service area based on General Plan development densities.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.16 - GROUNDWATER SUPPLY - Achieve groundwater production capacity to meet the projected average for future daily demand.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	3205099	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$32,098,095	\$15,700,000	\$23,800,000	\$18,500,000	\$7,200,000	\$97,298,095
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Water / Wastewater Bonds	\$31,098,095	\$15,200,000	\$23,300,000	\$18,000,000	\$6,700,000	\$94,298,095
Water / Wastewater Fund	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Capital Projects Fund Balance - Water/Wastewater	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Total	\$32,098,095	\$15,700,000	\$23,800,000	\$18,500,000	\$7,200,000	\$97,298,095
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Personnel Services	\$0	\$232,188	\$233,745	\$235,605	\$237,557	\$939,095
Supplies and Services	\$150,000	\$250,000	\$375,000	\$375,000	\$375,000	\$1,525,000
Capital Outlay	\$0	\$173,200	\$8,200	\$8,200	\$8,200	\$197,800
Total	\$150,000	\$655,388	\$616,945	\$618,805	\$620,757	\$2,661,895

Special Purpose Program

The Special Purpose component of the Capital Improvements Program consists of the Arts & Culture, Municipal Arts, and Transit programs. Combined, they constitute \$62.9 million (9.1%) of the \$687.5 million Capital Improvements Program for FY 2026/27.

The Special Purpose component of the Capital Improvements Program accounts for all projects included under a program area with a legally dedicated funding source. Arts & Culture and Municipal Arts Program, funded by a one-tenth of one percent city sales tax, and the Transit Program, funded by one-half cent city sales tax (the Transit Tax), are the city's special revenue program areas with capital projects in FY 2026/27.

The Arts & Culture and Municipal Arts Program entails unique features and programs that enrich the community in addition to an asset management plan of the Tempe Center for the Arts and other arts and culture facilities.

Transit projects are focused on major multi use path projects and transit capital asset maintenance and repair.



Arts and Culture Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Arts and Culture Asset Restoration	5710229	Arts and Culture Fund	-	1,710,000	1,710,000	2,130,000	1,305,000	1,390,000	955,000	7,490,000
		Capital Projects Fund Balance - Arts & Culture	2,783,541	-	2,783,541	-	-	-	-	2,783,541
		Total	2,783,541	1,710,000	4,493,541	2,130,000	1,305,000	1,390,000	955,000	10,273,541
Arts and Culture Contingency	9957	Capital Projects Fund Balance - Arts & Culture	-	2,000,000	2,000,000	-	-	-	-	2,000,000
Arts and Culture Program Total			2,783,541	3,710,000	6,493,541	2,130,000	1,305,000	1,390,000	955,000	12,273,541

Capital Improvements Program

Arts & Culture Asset Restoration

Citywide

This project funds the repair and replacement of major equipment, infrastructure, and subsystems in the Tempe Center for the Arts, History Museum, Edna Vihel Arts Center and several historic properties on a life cycle basis. Projects include TCA theatrical audio system end-of-life replacement (FY27), Tempe History Museum gallery update (FY28-30), TCA lighting infrastructure (FY27-28), TCA theatrical acoustic shell repair/replacement (FY29), and ongoing small projects.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	5710229		ongoing		ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$4,493,541	\$2,130,000	\$1,305,000	\$1,390,000	\$955,000	\$10,273,541
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Arts & Culture Fund	\$1,710,000	\$2,130,000	\$1,305,000	\$1,390,000	\$955,000	\$7,490,000
Capital Projects Fund Balance - Arts & Culture	\$2,783,541	\$0	\$0	\$0	\$0	\$2,783,541
Total	\$4,493,541	\$2,130,000	\$1,305,000	\$1,390,000	\$955,000	\$10,273,541
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Arts & Culture Contingency

Citywide

Continuing the practice we established in FY24, we are requesting a contingency fund to provide spending authority to address unanticipated capital expenses across the Arts & Culture division.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	9957		ongoing		ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Projects Fund Balance - Arts & Culture	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
Total	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Municipal Arts Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Municipal Arts Program	6699799	Municipal Arts Fund	2,489,404	1,000,000	3,489,404	1,600,000	1,600,000	1,600,000	1,600,000	9,889,404
<u>Municipal Arts Program</u>			<u>2,489,404</u>	<u>1,000,000</u>	<u>3,489,404</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>9,889,404</u>

Capital Improvements Program

Municipal Arts Fund

Citywide

Tempe creates an enduring legacy by funding public art and art in all its forms through the Municipal Arts fund. The variety of art forms and installations provide a unique sense of place. The Municipal Arts Fund provides for commissions and acquisitions of temporary and permanent works of public art, arts experiences, and opportunities for artists to take part in projects that provide a living wage. Among the projects that receive funding through this fund are temporary public art; new permanent, capital public art projects; public art maintenance; professional development for artists; arts programs and projects to enhance visibility of the art and to share resources with other commissioning agencies; art exhibitions in community gallery spaces; and the administrative services necessary to implement this work.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.17 - COMMUNITY SERVICES PROGRAMS - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Community Services programs" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6699799		ongoing		ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,489,404	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$9,889,404
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Municipal Arts Fund	\$3,489,404	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$9,889,404
Total	\$3,489,404	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$9,889,404
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Transit Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
8th Street Multi-Use Path (Creamery Branch Rail Path)	6007139	Federal Grants	3,639,833		3,639,833	-	-	-	-	3,639,833
Bus Pullout Project	6008519	Transit Tax	-	-	-	50,000	50,000	50,000	50,000	200,000
		Development Impact Fees	-	65,260	65,260	65,260	65,260	65,260	65,260	326,300
		Capital Projects Fund Balance	182,797	-	182,797	-	-	-	-	182,797
		Project Total	182,797	65,260	248,057	115,260	115,260	115,260	115,260	709,097
Bus Stop Capital Maintenance/Improvements	6005239	Transit Tax	-	1,500,000	1,500,000	1,810,000	1,750,000	1,500,000	1,500,000	8,060,000
		Capital Projects Fund Balance	1,633,632	-	1,633,632	-	-	-	-	1,633,632
		Project Total	1,633,632	1,500,000	3,133,632	1,810,000	1,750,000	1,500,000	1,500,000	9,693,632
Country Club Way Bike and Pedestrian Improvements Project	6008969	Capital Projects Fund Balance	463,012	-	463,012	-	-	-	-	463,012
		Transit Tax	-	100,000	100,000	-	-	-	-	100,000
		Project Total	463,012	100,000	563,012	-	-	-	-	563,012
Country Club Way - US60 to Broadway	N/A	Transit Tax	-	-	-	-	670,000	-	4,465,929	5,135,929
EVBOM - Facility Asset Maintenance (East Valley Bus Ops/Maint Facility)	6006089	Transit Tax	-	1,000,000	1,000,000	1,000,000	1,000,000	500,000	1,000,000	4,500,000
		Capital Projects Fund Balance	770,396	-	770,396	-	-	-	-	770,396
		Project Total	770,396	1,000,000	1,770,396	1,000,000	1,000,000	500,000	1,000,000	5,270,396
Federal Grants & Project Contingency	9860	Federal Grants	2,000,000	-	2,000,000	-	-	-	-	2,000,000
		Capital Projects Fund Balance	150,000	-	150,000	-	-	-	-	150,000
		Project Total	2,150,000	-	2,150,000	-	-	-	-	2,150,000
Grand Canal Multi-Use Path Connection & Extension Project	6008979	Transit Tax	-	200,000	200,000	-	-	-	-	200,000
		Capital Projects Fund Balance	1,081,034	-	1,081,034	-	-	-	-	1,081,034
		Federal Grants	4,857,081	-	4,857,081	-	-	-	-	4,857,081
		Project Total	5,938,115	200,000	6,138,115	-	-	-	-	6,138,115
Knox & Kyrene Traffic Signal	6011481	Transit Tax	-	150,000	150,000	-	-	-	-	150,000
		Capital Projects Fund Balance	100,000	-	100,000	-	-	-	-	100,000
		Federal Grants	1,014,895	-	1,014,895	-	-	-	-	1,014,895
		Project Total	1,114,895	150,000	1,264,895	-	-	-	-	1,264,895
Kyrene Road/Roosevelt Road/Farmer Avenue Bicycle and Pedestrian Improvement Project (formerly North South Rail Spur MUP)	6007089	Capital Projects Fund Balance	782,427	-	782,427	-	-	-	-	782,427
		Federal Grants	11,343,346	-	11,343,346	-	-	-	-	11,343,346
		Development Impact Fees	35,754	-	35,754	-	-	-	-	35,754
		Project Total	12,161,527	-	12,161,527	-	-	-	-	12,161,527
Light Rail Capital Maintenance - State of Good Repair	6010019	Transit Tax	-	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
		Capital Projects Fund Balance	56,891	-	56,891	-	-	-	-	56,891
		Project Total	56,891	300,000	356,891	300,000	300,000	300,000	300,000	1,556,891

**Transit Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

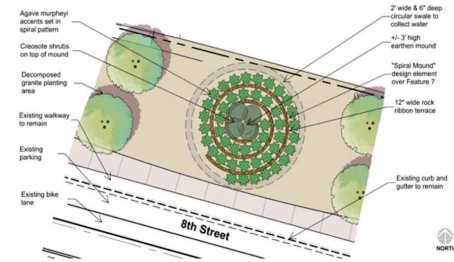
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
<u>Light Rail Transit Grade Separation University Dr at Rural Rd</u>	NEW	TBD	-	-	-	200,000	-	-	-	200,000
Pathway Capital Maintenance	6005249	Transit Tax	-	1,400,000	1,400,000	900,000	-	1,300,000	1,200,000	4,800,000
		Capital Projects Fund Balance	295,354	-	295,354	-	-	-	-	295,354
		Federal Grants	4,920,000	-	4,920,000	-	-	-	-	4,920,000
		Project Total	5,215,354	1,400,000	6,615,354	900,000	-	1,300,000	1,200,000	10,015,354
Proposition 479 Projects	6010759	Transit Tax	-	500,000	500,000	-	-	-	-	500,000
		Prop 400E	250,000	-	250,000	-	-	-	-	250,000
		Project Total	250,000	500,000	750,000	-	-	-	-	750,000
Rio Salado North Bank Multi Use Path	6008579	Capital Projects Fund Balance	32,544	-	32,544	-	-	-	-	32,544
		Federal Grants	800,000	-	800,000	3,800,000	-	-	-	4,600,000
		Project Total	832,544	-	832,544	3,800,000	-	-	-	4,632,544
Rio Salado Upstream Pedestrian Bridge	6011191	Transit Tax	-	3,200,000	3,200,000	-	-	-	-	3,200,000
		Federal Grants	-	-	-	-	16,280,000	-	-	16,280,000
		Capital Projects Fund Balance	450,000	-	450,000	-	-	-	-	450,000
		Water / Wastewater Fund	-	-	-	-	2,500,000	-	-	2,500,000
		TBD	-	-	-	-	17,000,000	-	-	17,000,000
		Developer Assistance/Contribution	-	-	-	-	3,000,000	-	-	3,000,000
		Project Total	450,000	3,200,000	3,650,000	-	38,780,000	-	-	42,430,000
Scottsdale Rd Bicycle & Pedestrian Improvement Project	6009749	Transit Tax	-	200,000	200,000	-	-	-	-	200,000
		Capital Projects Fund Balance	102,464	-	102,464	-	-	-	-	102,464
		Federal Grants	5,900,613	-	5,900,613	-	-	-	-	5,900,613
		Project Total	6,003,077	200,000	6,203,077	-	-	-	-	6,203,077
Tempe Mesa Streetcar Extension	6011059	Capital Projects Fund Balance	440,115	-	440,115	-	-	-	-	440,115
<u>Transit Real Estate Disposition Proceeds</u>	NEW	TBD	-	-	-	-	1,283,700	-	-	1,283,700
Transit Tax Funded Projects										
Archaeological Fund	6009759	Transit Tax	-	-	-	100,000	100,000	100,000	100,000	400,000
Transportation Master Plan 2050	6010769	Capital Projects Fund Balance	369,360	-	369,360	-	-	-	-	369,360
		Transit Tax	-	100,000	100,000	-	-	-	-	100,000
		Project Total	369,360	100,000	469,360	-	-	-	-	469,360
TTC - Facility Asset Maintenance (Transportation Center)	6006099	Transit Tax	-	400,000	400,000	400,000	400,000	400,000	400,000	2,000,000
		Capital Projects Fund Balance	2,105,785	-	2,105,785	-	-	-	-	2,105,785
		Project Total	2,105,785	400,000	2,505,785	400,000	400,000	400,000	400,000	4,105,785
Transit Program Total			43,777,333	9,115,260	52,892,593	8,625,260	44,398,960	4,215,260	9,081,189	119,213,262

Capital Improvements Program

8th Street Multi-Use Path (Creamery Branch Rail Path)

8th St - Rural Rd to McClintock Dr

This project will design and construct streetscape improvements along 8th Street from Rural Road to McClintock Drive. The 8th Street improvements will propose increased shade, pedestrian lighting, traffic calming, off-street multi-use path, new crosswalks, ADA directional ramps, and improved bike lanes. The project will better integrate with historic structures while encouraging appropriate redevelopment on vacant lots or deteriorating structures. Eighth Street spans a significant prehistoric archaeological site. In addition, the Borden Creamery Complex (Four Peaks), the Elias-Rodriguez House, Marlatt's Garage, and the Kirkland-McKinney Ditch are all located along 8th Street. The archeological consultant working on the project has completed required archaeological review and identified mitigation measures approved by SRPMIC, The Four Southern Tribes, ADOT, and SHPO. The project is currently under construction.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6007139	7/1/2015		12/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,639,833	\$0	\$0	\$0	\$0	\$3,639,833
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Federal Grants	\$3,639,833	\$0	\$0	\$0	\$0	\$3,639,833
Total	\$3,639,833	\$0	\$0	\$0	\$0	\$3,639,833
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Bus Pullout Project

Citywide

This project is to fund the design and construction of bus pullouts citywide. Bus pullouts are installed to provide more comfortable boarding and lighting for transit users, as well as to provide an area for buses to pull out of traffic and allow freer flow of traffic movement, thereby improving intersection delays city wide. A 2016 Council adopted program of pullouts identified up to 129 locations citywide, with roughly 40 high priority locations. The high priority locations are identified at high traffic and traffic congested intersections that also have high ridership and / or safety issues related to the intersection. This program is anticipated to decrease the financial needs in later years as the priority locations are completed. Partnerships with new private development in the city will be a primary method for funding future pullouts.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6008519	Ongoing		Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$248,057	\$115,260	\$115,260	\$115,260	\$115,260	\$709,097
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Transit Tax	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
Development Impact Fees	\$65,260	\$65,260	\$65,260	\$65,260	\$65,260	\$326,300
Capital Project Fund Balance	\$182,797	\$0	\$0	\$0	\$0	\$182,797
Total	\$248,057	\$115,260	\$115,260	\$115,260	\$115,260	\$709,097
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Bus Stop Capital Maintenance & Improvements

Citywide

This project provides funding for ongoing replacement of retired or damaged bus shelters, installation of new shelters and all other bus stop amenities city wide. The city has 800+ bus stops with 350+- shelters. Other bus stop amenities include seating, trash receptacles, bike racks, solar lighting, schedule holders, signs, and concrete pads. The new shelter designs have been completed and installation began in FY24. All installs or upgrades include ADA compliance. The purpose of this project is to maintain existing bus stop conditions in good working order and condition and to expand the overall inventory of shelters to be at all bus stops in the future. The project intends to continue expanding the shade, seating and overall comfort of the public transportation system in order to assist in ridership retention and growth.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6005239	ongoing			ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$3,133,632	\$1,810,000	\$1,750,000	\$1,500,000	\$1,500,000	\$9,693,632	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$1,500,000	\$1,810,000	\$1,750,000	\$1,500,000	\$1,500,000	\$8,060,000	
Capital Project Fund Balance	\$1,633,632	\$0	\$0	\$0	\$0	\$1,633,632	
Total	\$3,133,632	\$1,810,000	\$1,750,000	\$1,500,000	\$1,500,000	\$9,693,632	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Country Club Way Bike and Pedestrian Improvements Project

Country Club Way - Warner Rd to US60

The project included the design and construction of the first 3.5 miles of a seven-mile on/off-street bike boulevard from ASU Research Park/Warner Road to the US-60 bike/ped bridge, generally along Country Club Way. The first 3.5 miles included public art, enhanced sidewalks, a shared use path, bike lanes, signalized street intersections, mid-block crossings, raised medians, improved shading, and landscaping. The new facility reduces vehicle and bicyclist/pedestrian conflicts, introduces bike lanes and a multi-use path. All facility improvements included with the project are ADA/MUTCD/AASHTO compliant. This project is listed in the Transportation Master Plan and Tempe General Plan 2040 and works toward the general plan goal of achieving the 20-Minute City. The project construction is nearing completion.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6008969	7/2/2020			12/31/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$563,012	\$0	\$0	\$0	\$0	\$563,012	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$463,012	\$0	\$0	\$0	\$0	\$463,012	
Transit Tax	\$100,000	\$0	\$0	\$0	\$0	\$100,000	
Total	\$563,012	\$0	\$0	\$0	\$0	\$563,012	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Country Club Way - US60 to Broadway

Country Club Way between US60 and the Broadway

In 2017, the city received a design assistance grant for the initial assessment of Country Club Way from Warner Rd to the Tempe Town Lake. The initial analysis was completed and since that time, individual segments of the corridor have advanced. This project would be for the design and construction of the next phase of the corridor from the US60 to Broadway Rd. Separate from the design assistance grant, Country Club Way from Cairo Drive to Meadow Drive, was identified in a 2021 Maryanne Corder Neighborhood Grant Application to fill a need for landscape/environment/traffic calming implementations and improvements. The selected concept advanced to 15% design plans and cost estimate. This project would take the design concept produced by the grant project along with the initial concepts developed in 2017 and bring the project to 100% design and construction.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	N/A	7/1/2026				6/30/2028	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$670,000	\$0	\$4,465,929	\$5,135,929	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$0	\$0	\$670,000	\$0	\$4,465,929	\$5,135,929	
Total	\$0	\$0	\$670,000	\$0	\$4,465,929	\$5,135,929	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

EVBOB - Facility Asset Maintenance (East Valley Bus Operations and Maintenance facility)

2050 E Rio Salado Pkwy

This project involves the ongoing repair and replacement needs for the EVBOB facility in accordance with the Transit Asset Management plan as required by the Federal Transit Administration. The facility is the bus operations center for Tempe and most of the East Valley bus service. Tempe contracts with Valley Metro for bus service who hires a vendor; both VM and the vendor (Keolis) are tenants of the building. Approximately 500 bus operators and 250 buses operate out of the facility. Bus fleet repairs, washing, fueling, and all administrative staff utilize the facility. Additionally, the facility provides fueling services for other city department fleets. The facility operates 24/7/365. Built in 2007 the facility is now entering the asset management phase of its life cycle.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	6006089	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,770,396	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$5,270,396	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$1,000,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$4,500,000	
Capital Project Fund Balance	\$770,396	\$0	\$0	\$0	\$0	\$770,396	
Total	\$1,770,396	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$5,270,396	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Federal Grants & Project Contingency

Citywide

This project creates spending authority for grants or other funding that may become available during the fiscal year. It also provides contingent budget appropriation for mid-year project increases.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6009860	7/1/2021		6/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$2,150,000	\$0	\$0	\$0	\$0	\$2,150,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Federal Grants	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
Capital Project Fund Balance	\$150,000	\$0	\$0	\$0	\$0	\$150,000
Total	\$2,150,000	\$0	\$0	\$0	\$0	\$2,150,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Grand Canal Connection Project

Grand Canal MUP Connection and Extension

The Grand Canal Connection Project will design and construct a link of the Rio Salado North bank MUP, Crosscut Canal MUP, Washington St, and Grand Canal MUP. The project will provide safe, off-street connections to these three regional bikeways that continue to the cities of Phoenix, Mesa, and Scottsdale. The proposed project will also provide a signalized pedestrian crossing at Mill Avenue north of Washington Street connecting Crosscut Canal to the Town Lake and the Grand Canal. Additional improvements include 10' wide concrete shared-use paths, striped bike facilities on Lake View Drive and 56th St, and sidewalk improvements along Mill Ave and Priest Drive. The project will also include lighting, landscaping, and rest node. All improvements will be designed and constructed in compliance with ADA/MUTCD/AASHTO guidelines.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

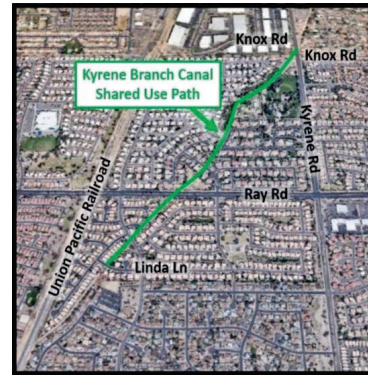
Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6008979	1/1/2018		6/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$6,138,115	\$0	\$0	\$0	\$0	\$6,138,115
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Transit Tax	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Federal Grants	\$4,857,081	\$0	\$0	\$0	\$0	\$4,857,081
Capital Project Fund Balance	\$1,081,034	\$0	\$0	\$0	\$0	\$1,081,034
Total	\$6,138,115	\$0	\$0	\$0	\$0	\$6,138,115
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Knox & Kyrene Traffic Signal

Knox Rd and Kyrene Rd

The City of Chandler is proposing to extend the Kyrene Canal Path, south from Tempe's shared border at Knox Road to Orchid Lane. As part of that project, Chandler is proposing to design and construct improvements within the City of Tempe through an Intergovernmental Agreement which will include new sidewalk, bus shelter, and traffic signal near Kyrene Road and Knox Road. The project is primarily funded through federal grants and local City of Chandler funding. This programmed funding will be used as Tempe's contribution to the required local match of 5.7% of the grant and contingency funding.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number		Estimated Start		Estimated Completion		
Systems Expansions	6011481		7/1/2025		12/31/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,264,895	\$0	\$0	\$0	\$0	\$1,264,895	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$150,000	\$0	\$0	\$0	\$0	\$150,000	
Federal Grants	\$1,014,895	\$0	\$0	\$0	\$0	\$1,014,895	
Capital Project Fund Balance	\$100,000	\$0	\$0	\$0	\$0	\$100,000	
Total	\$1,264,895	\$0	\$0	\$0	\$0	\$1,264,895	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Kyrene Road/Roosevelt Road/Farmer Avenue Bicycle and Pedestrian Improvement Project

Kyrene Rd - Roosevelt St - Farmer Ave

This project will design and construct three miles of bicycle and pedestrian improvements along Kyrene / Roosevelt/ Farmer from University Drive to Baseline Road. The project involves constructing lighting and landscaping along the alignment, street crossing treatments, sidewalk improvements, landscaping, dedicated bicycle facilities, and other amenities. The project will include repairs identified in the ADA Transition Plan and will construct and complete missing sidewalks along Roosevelt Drive. The project has been requested by several businesses and neighborhoods and has already had some portions built through agreements with private business. The project is being constructed with a combination of federal funds and transit tax.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number		Estimated Start			Estimated Completion	
Systems Expansions	6007089		7/1/2020			12/31/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$12,161,527	\$0	\$0	\$0	\$0	\$12,161,527	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$782,427	\$0	\$0	\$0	\$0	\$782,427	
Federal Grants	\$11,343,346	\$0	\$0	\$0	\$0	\$11,343,346	
Development Impact Fees	\$35,754	\$0	\$0	\$0	\$0	\$35,754	
Total	\$12,161,527	\$0	\$0	\$0	\$0	\$12,161,527	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Light Rail Capital Maintenance - State of Good Repair

Light Rail Alignment

The purpose of this project is to allocate funding to the light rail system and ancillary support systems like the Tempe Park and Ride lots along the light rail line. As the regional rail system has matured it is vital to maintain it in good working order. This project is in compliment to the operations costs for the regional rail system but is separated out to quantify the capital maintenance costs. The rail cities of Mesa, Tempe and Phoenix will share these costs based upon the share of miles in each city. Additionally, this project is to serve as the asset maintenance costs related to Tempe's Park and Rides (Dorsey, McClintock and Price) for the rail system. Upcoming expenditures for Park and Rides include significant asset maintenance of the parking structure at McClintock, which will be cost-shared with the multi-family development on site.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6010019	7/1/2020			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$356,891	\$300,000	\$300,000	\$300,000	\$300,000	\$1,556,891	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000	
Capital Project Fund Balance	\$56,891	\$0	\$0	\$0	\$0	\$56,891	
Total	\$356,891	\$300,000	\$300,000	\$300,000	\$300,000	\$1,556,891	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Light Rail Transit Grade Separation University Drive at Rural Road

University Drive / Rural Road

This project is a placeholder for the local match for the grade separation of the light rail guideway in the area of University Drive and Rural Road as approved by voters under Proposition 479 and included in the Regional Strategic Transportation Infrastructure Investment Plan (RSTIIP). The project will elevate a segment of light rail to grade-separate light rail service from vehicular, pedestrian and bicycle traffic to reduce delays. The project has been allocated \$70,816,155 of regional funding (2020 dollars) which will fund 70% of the project; the remaining 30% to be funded by the City of Tempe. Tempe's share is expected to be \$30,349,781 (2020 dollars). The project is currently programmed for construction to begin in Phase 1 of the RSTIIP (FY26 – FY30) and MAG is funding a preliminary study beginning this fiscal year. Ongoing conversations are occurring with the Maricopa Association of Governments (MAG) regarding timing of Prop 479 projects and local funding commitments.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Customer Enhancements	new	7/1/2026			6/30/2031		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
TBD	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Total	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Pathway Capital Maintenance

Citywide

This project provides ongoing funding for repair, replacement and installation of concrete, lighting, safety features (e.g. netting), seating, signage, landscaping and irrigation, bridges, signals and any other needed element for the 40+ miles of pathway along canals, railroads/utility corridors, rivers and other locations. Pathways exist along the El Paso gas line, Rio Salado, Indian Bend Wash, Railroad, some street alignments (e.g. Knox Road) and the Grand, Crosscut, Highline, and Tempe canals. Multiple bicycle/pedestrian bridges, including over area freeways, are included in this project. Upcoming significant path improvements are programmed for the 1.25-mile Indian Bend Wash Path and the 1/2-mile Grove Parkway. All pathway repair and improvements include ADA compliance, conversion to LED lighting, arid land landscaping, and support for the city's efforts to provide comfortable and convenient use non-motorized transport.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6005249	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$6,615,354	\$900,000	\$0	\$1,300,000	\$1,200,000	\$10,015,354	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$1,400,000	\$900,000	\$0	\$1,300,000	\$1,200,000	\$4,800,000	
Capital Project Fund Balance	\$295,354	\$0	\$0	\$0	\$0	\$295,354	
Federal Grants	\$4,920,000	\$0	\$0	\$0	\$0	\$4,920,000	
Total	\$6,615,354	\$900,000	\$0	\$1,300,000	\$1,200,000	\$10,015,354	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Proposition 479 Projects

Various

This project serves as a placeholder for the future local funding of Prop 479 projects as approved by voters and included in the Regional Strategic Transportation Infrastructure Investment Plan (RSTIIP). Prop 479 will dedicate regional funding towards several projects including: Rio East Dobson Streetcar extension (separate CIP), a bus rapid transit (BRT) project along Scottsdale and Rural roads in conjunction with the cities of Scottsdale and Chandler, grade separation of light rail at Rural and University (separate CIP) as well as light rail efficiency improvements and light rail overlay service. The Maricopa Association of Governments (MAG) has identified estimates for the local funding commitment of these projects based on the RSTIIP policy limits which limit the regional funding contribution to not more than 70 percent of the projects capital costs. Ongoing conversations are occurring with MAG regarding timing of Prop 479 projects and local funding commitments.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6010759	7/1/2025			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$750,000	\$0	\$0	\$0	\$0	\$750,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Proposition 400E	\$250,000	\$0	\$0	\$0	\$0	\$250,000	
Total	\$750,000	\$0	\$0	\$0	\$0	\$750,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Rio Salado North Bank Multi-use Path (Indian Bend Wash-McClintock Dr)

Rio Salado North Bank Multi-Use Path

This project is over a half mile extension of the Rio Salado Path system to link existing paths along the north bank of the Rio Salado (east of Rural Road) from the Indian Bend Wash east to McClintock Drive. The project will complete the Rio Salado Path system and will provide another critical link for non-motorized travel along Rio Salado to Downtown Tempe, north Tempe neighborhoods, Tempe Marketplace, City of Scottsdale, City of Mesa, SRPMIC, and planned future developments along the Rio Salado area. This project will include a paved path, landscaping and lighting. The project had historically been in partnership with and managed by the United States Army Corps of Engineers (USACE), but Tempe will be assuming project management and, in turn, Army Corps and will be working to have any remaining funds returned.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

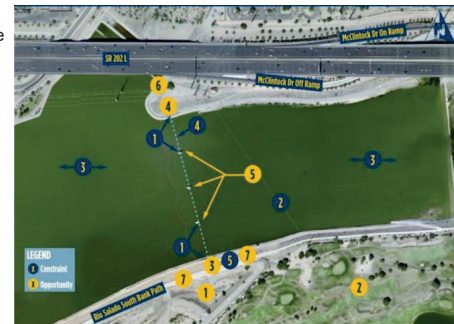
Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6008579	7/1/2020		12/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$832,544	\$3,800,000	\$0	\$0	\$0	\$4,632,544
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Federal Grants	\$800,000	\$3,800,000	\$0	\$0	\$0	\$4,600,000
Capital Project Fund Balance	\$32,544	\$0	\$0	\$0	\$0	\$32,544
Total	\$832,544	\$3,800,000	\$0	\$0	\$0	\$4,632,544
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Supplies and Services	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
Total	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500

Capital Improvements Program

Rio Salado Upstream Pedestrian Bridge

Tempe Town Lake East End by McClintock

The Tempe Town Lake Upstream Dam Bridge project will span the north and south bank of the upstream portion of Tempe Town Lake, at roughly Dorsey Lane. The project will directly link from the South Pier development (on the south side of Town Lake along Rio Salado Parkway) to the north side of the lake and the Rio Salado North bank path (future). The proposed project will utilize the existing upstream dam pier caps to provide the substructure for a low-stress, off-street pedestrian and bicycle bridge that will connect the north and south banks of Rio Salado Multi-use Paths. The project will include rest nodes with shade, public art, architectural lighting, and landscaping. Staff is requesting transit funding to provide for the required local match/contingency funding.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

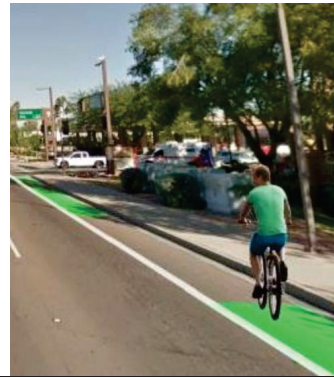
Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6011191	7/1/2025		6/30/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,650,000	\$0	\$38,780,000	\$0	\$0	\$42,430,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Transit Tax	\$3,200,000	\$0	\$0	\$0	\$0	\$3,200,000
Federal Grants	\$0	\$0	\$16,280,000	\$0	\$0	\$16,280,000
Capital Project Fund Balance	\$450,000	\$0	\$0	\$0	\$0	\$450,000
Water / Wastewater Fund	\$0	\$0	\$2,500,000	\$0	\$0	\$2,500,000
TBD	\$0	\$0	\$17,000,000	\$0	\$0	\$17,000,000
Developer's Assistance/Contribution	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
Total	\$3,650,000	\$0	\$38,780,000	\$0	\$0	\$42,430,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	7-460	\$0	\$0	\$0	\$0

Capital Improvements Program

Scottsdale Road Bicycle and Pedestrian Improvement Project

Scottsdale Rd, Curry Rd to Scottsdale city border

The proposed project will provide continuous bike lanes for 1.25-mile segment of Scottsdale Road between Curry Road and Continental Drive connecting existing bike lanes in the City of Scottsdale with the existing bike lanes at Curry Road. The project will also include improved signage, pedestrian lighting, fencing along the median to discourage unsafe crossing, ADA sidewalk (including repairs identified in the Transition Plan) and crossing improvements. The reconfiguration of the roadway will add dedicated bike lanes for cyclists in both directions and will add visibility and awareness for all users of the road. The 1.25-mile segment of arterial roadway will maintain the existing configuration of six traffic lanes, retain the existing dedicated left-turn pocket at intersection approaches, and the landscaped medians. Staff secured additional federal funds to construct the project and the project is currently under construction.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6009749	7/1/2019		12/31/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$6,203,077	\$0	\$0	\$0	\$0	\$6,203,077
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Transit Tax	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Federal Grants	\$5,900,613	\$0	\$0	\$0	\$0	\$5,900,613
Capital Project Fund Balance	\$102,464	\$0	\$0	\$0	\$0	\$102,464
Total	\$6,203,077	\$0	\$0	\$0	\$0	\$6,203,077
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Tempe Mesa Streetcar Extension

Rio Salado Pkwy - Rural Rd to Mesa City Boundary

This project includes the local match for the Rio East Dobson Extension (REDE) project which extends Streetcar east from the current terminus at Marina Heights to the Tempe/Mesa border, where the project continues into Mesa. The project has been identified through various plans and studies including MAG's Regional Transportation Plan and the Regional Transit Framework Study. The project has been allocated \$120,888,000 of regional funding (2020 dollars); the remaining funding is expected to be federal grants and local contributions. Tempe's share is expected to be \$141,000,000, which accounts for 60% of the project miles plus additional enhancements to improve special events operations in Downtown Tempe. The project is currently programmed for construction to begin in Phase 2 of the Regional Strategic Transportation Infrastructure Investment Plan (RSTIIP), during FY31 – FY35.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6011059	7/1/2025		6/30/2032		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$440,115	\$0	\$0	\$0	\$0	\$440,115
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$440,115	\$0	\$0	\$0	\$0	\$440,115
Total	\$440,115	\$0	\$0	\$0	\$0	\$440,115
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Transit Real Estate Disposition Proceeds

Citywide

This project documents the proceeds from the disposition of Federal Transit Administration (FTA) - funded real property. Upon FTA approval, proceeds from the disposition of FTA property are reinvested in other Transit capital projects, including upgrade or replacement of the transit fleet. FTA funded real property includes excess or remnant parcels along the light rail alignment that were purchased for light rail construction, or the redevelopment of transit surface parking lots or other properties.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.29 - TRANSIT SYSTEM SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Overall Satisfaction with Transit System in Tempe" greater than or equal to 75% for both riders and non-riders as measured by the City of Tempe Transportation Survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Customer Enhancements	NEW	7/1/2026				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$1,283,700	\$0	\$0	\$1,283,700	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Other (Please Type Funding)	\$0	\$0	\$1,283,700	\$0	\$0	\$1,283,700	
Total	\$0	\$0	\$1,283,700	\$0	\$0	\$1,283,700	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Transit Tax Funded Projects Archaeological Fund

Citywide

The Transportation Division currently has several projects underway and planned that have been identified as needing possible archeological mitigation. Given the unknowns related to the archeological process and difficulties in calculating costs, this project provides funding for unforeseen expenses related to historical and archaeological studies and potential remediation for all Transit Tax funded capital improvement projects. Staff is requesting the same amount to replenish the reduction in the contingency account.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start				Estimated Completion	
Systems Expansions	6009759	7/1/2021				6/30/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Transit Tax	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	
Total	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Tempe Transportation Plan 2050

City of Tempe

The project will prepare the Circulation Element of General Plan 2050, the Tempe Transportation Plan 2050, support the transportation actions in Tempe's Climate Action Plan, Tempe's multi-modal transportation projects and program list to be included with regional funding initiatives. The project has hired a consultant team that will assist in the preparation of all the plans identified above as well as develop metrics to measure the effectiveness of the projects, programs, and strategies identified in the plans. This comprehensive long-range transportation planning document will identify and schedule transportation projects and programs that will support Tempe's future circulation needs to 2050. The metrics will assist the city in identifying and prioritizing Tempe transportation projects for all the modes and temporal phases consistent with the requirement of regional funding initiatives and the Tempe Transportation Plan 2050 and proposed developments.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

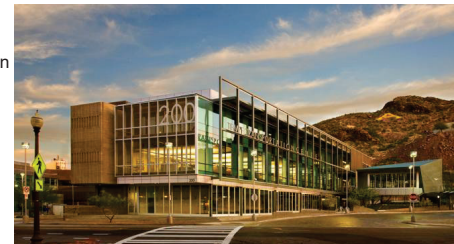
Priority Type	Project Number	Estimated Start		Estimated Completion		
Customer Enhancements	6010769	7/1/2022		12/31/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$469,360	\$0	\$0	\$0	\$0	\$469,360
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$369,360	\$0	\$0	\$0	\$0	\$369,360
Transit Tax	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Total	\$469,360	\$0	\$0	\$0	\$0	\$469,360
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

TTC - Facility Asset Maintenance (Transportation Center)

200 E 5th St

This project involves the ongoing repair and replacement needs for the Tempe Transportation Center in accordance with the Transit Asset Management plan as required by the Federal Transit Administration. The facility is the downtown Tempe bus and rail center with 11 bus and Orbit routes and a light rail station converge for rider convenience. Bus shelters, landscaping, seating and other amenities are included in the public amenities. The TTC additionally houses Transportation Division staff, other city personnel, multiple leasing partners, a green roof, a Transit Store for public information and ticket sales and public restrooms. The TTC operates as nearly a 24-hour facility, every day of the year as a public facility with high volumes of users and activity. Built in 2008 as a green building, the facility is now entering the asset management phase of its life cycle. Upcoming years of maintenance and asset preservation are to keep the entire facility in good working order.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6006099	ongoing		ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$2,505,785	\$400,000	\$400,000	\$400,000	\$400,000	\$4,105,785
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Transit Tax	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Capital Project Fund Balance	\$2,105,785	\$0	\$0	\$0	\$0	\$2,105,785
Total	\$2,505,785	\$400,000	\$400,000	\$400,000	\$400,000	\$4,105,785
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

General Purpose Program

The General Purpose component of the Capital Improvements Program includes Police Protection, Fire Protection, Storm Drains, Park Improvements, and General Governmental programs. Combined, they constitute \$257.6 million (37.5%) of the \$687.5 million Capital Improvements Budget for FY 2026/27.

The majority of the funding for the five program areas above is to be provided by the planned issuance of general obligation bonds. The balance is funded from pay as you go contributions from various city operating funds, existing project fund balances, and other outside revenue.

Major areas of emphasis in FY 2026/27 include repair and replacement projects for parks infrastructure, continued improvements to the city's regional radio system, numerous capital asset repair and replacement projects for municipal buildings, and affordable housing.



**Fire Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
<u>Community Risk Reduction Fire Investigation Vehicle</u>	NEW	General Obligation Bonds	-	-	-	-	-	-	100,000	100,000
Emergency Medical Transportation Station Renovations	5609639	Capital Projects Fund Balance	1,121,220	-	1,121,220	-	-	-	-	1,121,220
Emergency Preparedness Rescue Equipment	5611729	General Obligation Bonds	-	-	-	100,000	50,000	50,000	150,000	350,000
Fire Medical Rescue Apparatus Replacement	5603619	General Obligation Bonds	782,180	5,100,000	5,882,180	4,200,000	3,000,000	3,500,000	4,600,000	21,182,180
Fire Medical Rescue Apparatus Bay Door Replacement	5611159	General Obligation Bonds	8,634	-	8,634	-	-	-	-	8,634
Fire Medical Rescue Ballistic Protective Equipment	N/A	General Obligation Bonds	-	-	-	100,000	100,000	50,000	-	250,000
<u>Fire Medical Rescue Logistical Support Equipment</u>	NEW	General Obligation Bonds	-	-	-	-	-	-	475,000	475,000
<u>Fire Medical Rescue Special Events Capital Equipment</u>	NEW	General Obligation Bonds	-	-	-	-	-	-	635,000	635,000
Fire Medical Rescue Station 2	5610069	General Obligation Bonds	3,378,482	-	3,378,482	-	-	-	-	3,378,482
Fire Medical Rescue Station 3	5610739	Capital Projects Fund Balance	-	-	-	-	10,654,000	-	-	10,654,000
		General Obligation Bonds	1,557,000	-	1,557,000	-	-	-	-	1,557,000
		Project Total	1,557,000	-	1,557,000	-	10,654,000	-	-	12,211,000
Fire Medical Rescue Station 8	5611469	General Obligation Bonds	3,013,904	-	3,013,904	19,093,641	-	-	-	22,107,545
		Development Impact Fees	-	-	-	12,122,420	-	-	-	12,122,420
		Project Total	3,013,904	-	3,013,904	31,216,061	-	-	-	34,229,965
Fire Medical Rescue Station 9 (previously Fire Medical Rescue Station Design)	N/A	General Obligation Bonds	-	-	-	-	-	-	7,494,000	7,494,000
Fire Medical Rescue Training Center Security Additions	N/A	General Obligation Bonds	-	-	-	-	1,000,000	-	-	1,000,000
Fire Program Contingency	9856	Grants/Other Funding	-	3,000,000	3,000,000	-	-	-	-	3,000,000
Firefighter Respiratory Protection Equipment	5611739	General Obligation Bonds	23,034	-	23,034	-	-	2,500,000	-	2,523,034
Medication Security Compliance	5611749	General Obligation Bonds	60,000	-	60,000	-	-	-	-	60,000
Fire Protection Program Total			9,944,454	8,100,000	18,044,454	35,616,061	14,804,000	6,100,000	13,454,000	88,018,515

Capital Improvements Program

Community Risk Reduction Fire Investigation Vehicle

1400 E Apache Blvd.

Community Risk Reduction is requesting funding for the purchase of a new staff vehicle that will also serve as a secondary/backup fire investigation unit. This unit will support daily administrative operations, emergency response functions, and fire investigation activities. The vehicle will be equipped with necessary equipment, and storage for fire investigation tools and protective gear.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.14 - HIGH RISK FIRE INSPECTIONS - Perform fire inspections of all High-Risk Occupancy facilities annually based on adopted national standards.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	New	7/1/2030				6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$100,000	\$100,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$0	\$100,000	\$100,000	
Total	\$0	\$0	\$0	\$0	\$100,000	\$100,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$0	\$0	\$0	\$3,500	\$3,500	
Total	\$0	\$0	\$0	\$0	\$3,500	\$3,500	

Capital Improvements Program

Emergency Medical Transportation Station Renovations

Fire Stations 4, 5 and 6

This project was originally funded to renovate several fire stations to accommodate the additional ambulance crew members and their response apparatus. Initially, to better accommodate personnel at Fire Station 5, this included one additional dormitory buildout. Continuing into FY26, additional accommodations will be made to restrooms and living arrangements in Fire Station 6 and Fire Station 4, where ambulances are also assigned. This will include adding additional restroom capacity and expanded living accommodations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.03 - PATIENT TRANSFER OF CARE - Achieve average times from Tempe Fire Medical Rescue contact with patient to transfer of care to the hospital for stroke incidents of less than 15 minutes and recognition of S-T Elevation Myocardial Infarction heart attack incidents of less than or equal to 5 minutes.

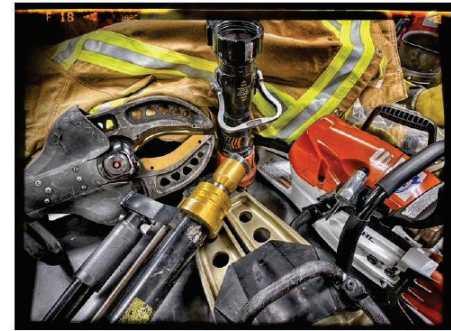
Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5609639	7/1/2024				12/31/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,121,220	\$0	\$0	\$0	\$0	\$1,121,220	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$1,121,220	\$0	\$0	\$0	\$0	\$1,121,220	
Total	\$1,121,220	\$0	\$0	\$0	\$0	\$1,121,220	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Emergency Preparedness Rescue Equipment

Special Teams Apparatus

The objective of this project is to purchase equipment critical for the safety and effectiveness of fire department personnel during collapse, lithium battery fires, vehicle extrication, and other rescue situations. TFMR's current rescue equipment assets have been assessed, and it has been determined that they are at the end of their useful life. This project will also convert current gas-powered equipment to modern, more durable battery-powered systems. There is a necessity and urgency for both the purchase of equipment and maintenance plans for three ladder trucks, several engine companies, a reserve ladder truck, and a heavy rescue vehicle. Funds from this project will directly impact operational efficiency.



The following categories of items are necessary to improve service delivery to the citizens of Tempe:

- Collapse rescue equipment
- Forcible entry equipment
- Air bags lifting equipment
- Confined Space Rescue
- Extrication equipment
- Thermal imaging rescue equipment
- Ventilation equipment

Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.02 - CARDIAC ARREST SURVIVAL RATE - Achieve cardiac arrest survival rates greater than the national average as benchmarked by the American Heart Association.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5611729	7/1/2025			6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$100,000	\$50,000	\$50,000	\$150,000	\$350,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$100,000	\$50,000	\$50,000	\$150,000	\$350,000	
Total	\$0	\$100,000	\$50,000	\$50,000	\$150,000	\$350,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Fire Medical Rescue Apparatus Replacement

All fire stations

The purpose of this project is to equip TFMR with the safest and most reliable emergency response vehicles. Funding in this five-year plan is for both the replacement of emergency response apparatuses that have been identified for replacement based on the department's end-of-service life criteria and for additional vehicles necessary to meet service demand growth. TFMR uses the following criteria to evaluate when an apparatus is due for replacement: Age of the vehicle, Apparatus Utilization – miles and hours, Frontline vs. reserve status, Reliability and operational readiness, Major repairs, Technological and safety advancements, Lead time for replacement and inflation, Risk and consequence of apparatus failure, Fleet standardization

Project funding provides for the scheduled replacement of the following vehicles:

- FY 26-27: (3) Pumpers, (1) Aerial
FY 27-28: (1) Hazardous Materials Unit, (1) Aerial
FY 28-29: (2) Pumpers
FY 29-30: (1) Pumper, (1) Support Unit
FY 30-31: (1) Pumper, (1) Aerial, (1) Utility Truck



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5603619	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$5,882,180	\$4,200,000	\$3,000,000	\$3,500,000	\$4,600,000	\$21,182,180	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$5,882,180	\$4,200,000	\$3,000,000	\$3,500,000	\$4,600,000	\$21,182,180	
Total	\$5,882,180	\$4,200,000	\$3,000,000	\$3,500,000	\$4,600,000	\$21,182,180	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Fire Medical Rescue Apparatus Bay Door Replacement

Fire Stations 1 and 6

This project will provide funding for the replacement of the apparatus bay doors at fire stations 1 and 6. Fire Medical Rescue and Facilities have been working together to improve the condition, reliability and safety of the bay doors at all fire stations in the city. Facilities contracted a consultant to evaluate each fire station and support services facility against a uniform set of standards, lay out general City-wide guidelines for fire station door installations and maintenance, and provide specific recommendations for improvements at each individual facility. Although it is never possible to eliminate the potential for breakdowns or need for periodic maintenance, the negative impacts of these events can be significantly reduced by installing new bay doors, establishing standardized door specifications, adhering to basic scheduled maintenance recommendations, and maintaining a limited backstock of standard repair and replacement parts.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5611159		7/1/2024		6/30/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$8,634	\$0	\$0	\$0	\$0	\$8,634
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$8,634	\$0	\$0	\$0	\$0	\$8,634
Total	\$8,634	\$0	\$0	\$0	\$0	\$8,634
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Medical Rescue Ballistic Protective Equipment

All fire stations

This project entails the purchase of ballistic protective equipment for all personnel. The ballistic equipment includes items like carriers, panels, and helmets. Per the manufacturer and the National Institute of Justice recommendations, ballistic equipment have a warranty of five years. After five years, the warranty and the liability of the ballistic vest/panels transfer to the organization that issues the vest, not the manufacturer. TFMR is seeking the replacement of vests that will expire in 2027 and the replacement of additional vests in subsequent fiscal years. Issuance of the carriers and panels to all our line personnel protects our members, the public, and other city employees.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.11 - FEELING OF SAFETY IN CITY FACILITIES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in City Facilities" greater than or equal to 90% as measured by the Community and the Employee Surveys.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	NA		7/1/2027		6/30/1930	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$100,000	\$100,000	\$50,000	\$0	\$250,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$100,000	\$100,000	\$50,000	\$0	\$250,000
Total	\$0	\$100,000	\$100,000	\$50,000	\$0	\$250,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Medical Rescue Logistical Support Equipment

Fire Support Services, Traing Center and Stations

This project focuses on replacing and acquiring essential logistics equipment and vehicles that support modern fire department operations, firefighter health and safety, and training readiness. TFMRD has made significant strides in evolving its operations, though some of the supporting infrastructure for the membership has not kept pace.

This funding will provide for two aging forklifts at the fire training center and support services, a medium-duty truck for logistical transport, and a passenger van for member transport to training, recruitment, large-scale events, and honor guard events. Replacement of the forklifts will reduce maintenance costs and improve operational safety. The medium-duty truck will support large equipment transport, contaminated equipment, and medical supply restock. By modernizing our logistics infrastructure, this project ensures that members will be best supported in their efforts to serve.

Project funding provides for the scheduled replacement of the following:

(2) Forklifts

Project funding provides for the addition of the following:

(1) Medium-duty supply truck

(1) Multi-passenger van



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	New	7/1/2030				6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$475,000	\$475,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$0	\$475,000	\$475,000	
Total	\$0	\$0	\$0	\$0	\$475,000	\$475,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Personnel Services	\$0	\$0	\$0	\$0	\$39,008	\$39,008	
Supplies and Services	\$0	\$0	\$0	\$0	\$9,400	\$9,400	
Total	\$0	\$0	\$0	\$0	\$48,408	\$48,408	

Capital Improvements Program

Fire Medical Rescue Special Events Capital Equipment

Fire Training Center

The TFMRD Special Events Public Safety Response Project will enhance Tempe Fire Medical Rescue's ability to support, respond to, and manage large-scale events throughout the city. The Tempe General Plan 2050, Transportation Plan 2050, and Special Events Handbook emphasize safe, vibrant, and well-managed public spaces that host major gatherings. As Tempe grows around Town Lake, Mill Avenue, and ASU, events drawing tens of thousands of attendees require coordinated fire, EMS, and command resources. This CIP aligns with city goals for public safety, mobility, and response efficiency, ensuring adequate staffing, equipment, and incident management without compromising citywide coverage.

Proposed Equipment:

- UTV Mini Ambulance (1) – \$110,000
- UTVs (4) – \$140,000
- Command/Event Trailer (1) – \$135,000
- 15-Passenger Van (1) – \$75,000
- Stake Bed Truck (1) – \$120,000
- Stand-Up Forklift (1) – \$55,000



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	New	7/1/2030				6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$635,000	\$635,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$0	\$635,000	\$635,000	
Total	\$0	\$0	\$0	\$0	\$635,000	\$635,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$0	\$0	\$0	\$13,200	\$13,200	
Total	\$0	\$0	\$0	\$0	\$13,200	\$13,200	

Capital Improvements Program

Fire Medical Rescue Station 2

3025 S. Hardy Drive

This project builds a new fire station on the property of the existing Fire Station 2. The new facility will allow for better response from existing resources due to better functional configuration and will enable the department to adequately accommodate and provide ambulance services from the station in a manner that is not optimal now due to a lack of current space. The project schedule is complicated due to the need to phase the construction of the new facility to keep the current fire station in operation. The project is currently in the construction phase and is nearing the completion of phase 1 which provides the entire the living space for the crews.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5610069		7/1/2020		9/30/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,378,482	\$0	\$0	\$0	\$0	\$3,378,482
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$3,378,482	\$0	\$0	\$0	\$0	\$3,378,482
Total	\$3,378,482	\$0	\$0	\$0	\$0	\$3,378,482
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Medical Rescue Station 3

940 West Baseline Rd.

This project entails reconstruction of the existing Fire Station 3. Due to the age and design of the 1974 structure there are many structural, functional, and health issues with the station. Additionally, as the department's apparatus deployment has changed over time to meet a more expanded role, the operational requirements of the station have outgrown the facility. The 2019 Facilities Master Plan characterized the site as limiting expansion potential and that the "constrained site may not be able to accommodate this need."

Reconstructing the station in a new location will allow for improved response times. The updated 2021 ORH Station Location Study identified Station 3 as needing to be relocated. The additional space at the new station will enable TFMR to accommodate an ambulance and battalion command units which will greatly improve emergency service delivery in southern Tempe that are currently unavailable due to a lack of space.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5610739		7/1/2026		6/30/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,557,000	\$0	\$10,654,000	\$0	\$0	\$12,211,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$1,557,000	\$0	\$0	\$0	\$0	\$1,557,000
Capital Project Fund Balance	\$0	\$0	\$10,654,000	\$0	\$0	\$10,654,000
Total	\$1,557,000	\$0	\$10,654,000	\$0	\$0	\$12,211,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Medical Rescue Station 8

Novus Corridor / ASU Property

This project entails the construction of a combined public safety facility and Fire Medical Rescue Station in North Tempe. The city entered into an agreement with ASU under which the University has provided approximately 1.5 acres of land for the site. The fire station location study completed in 2021 indicated an additional fire station in this area would be required to maintain current service level standards. This project will also provide funding for a modern Emergency Operations Center (EOC). The current EOC facility at Fire Administration is far too small with minimal security, not enough parking, and technological limitations. The new facility will be a secure facility with modern technology, meeting space, and offices for emergency management personnel. Recent events such as the Union Pacific train derailment, COVID-19 response, and special events command needs have illustrated the necessity of a modern EOC with space and technology that can support these types of operations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5611469		7/1/2025		12/31/2028	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,013,904	\$31,216,061	\$0	\$0	\$0	\$34,229,965
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$3,013,904	\$19,093,641	\$0	\$0	\$0	\$22,107,545
Development Impact Fees	\$0	\$12,122,420	\$0	\$0	\$0	\$12,122,420
Total	\$3,013,904	\$31,216,061	\$0	\$0	\$0	\$34,229,965
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Personnel Services	\$0	\$71,949	\$0	\$0	\$0	\$71,949
Supplies and Services	\$0	\$94,346	\$0	\$0	\$0	\$94,346
Capital Outlay	\$0	\$7,000	\$0	\$0	\$0	\$7,000
Total	\$0	\$173,295	\$0	\$0	\$0	\$173,295

Capital Improvements Program

Fire Medical Rescue Station 9

Northeast Tempe

This project entails designing and submitting designs for a planned fire station at an undetermined location in the Northwest Tempe corridor or the middle east location near the 101. Based on the updated 2021 ORH station Location Study this station would be essential to maintain service levels and response times within the city by 2030-2035. Due to the length of time it takes for design, planning, and permitting the design portion should take place in FY 29-30 to ensure TFMRD will be on track to complete a station design in a timely manner as the population continues to steadily increase. FY29-30 includes funds for a land purchase. FY30-31 funds are to begin construction on this project, and a subsequent year will be utilized to fund the remainder of the build.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	NA		7/1/2029		12/31/2032	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$0	\$0	\$7,494,000	\$7,494,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$0	\$0	\$7,494,000	\$7,494,000
Total	\$0	\$0	\$0	\$0	\$7,494,000	\$7,494,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Medical Rescue Training Center Security Additions

Fire Training Center, 1340 E. University Drive

This project entails removing the current chain link fencing that is located on the west and north sides of the drivers training course and replacing that fencing with a block wall to match the block wall on the east side. This project will also add an electronic gated entrance on the Northwestern portion of the property for access into the facility from 3rd St. and Dorsey, which will also provide better availability for Station 8's access to the facility. This project is needed to enhance the security of the training center facility as a whole. Over the past several years there have been numerous individuals cut through the chain link fencing and make access onto the training facility site. There has been an increase in the number of times this has happened since the plot of land to the west has become developed and allowed for more access. Security cameras will be installed at gated locations and around the perimeter of the property.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	NA		7/1/2028		12/31/2029	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Total	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Fire Program Contingency

NA

This CIP project creates spending authority for grants and other funding sources that may be received throughout the fiscal year. New funding received will be used for projects identified as Fire Medical Rescue's next highest priority projects after those that have already been approved for funding in the adopted FY 2026-2027 CIP.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.01 - ALS RESPONSE TIME - Achieve a response time of less than or equal to 7 minutes for 90% of advanced life support calls for service as benchmarked by the National Fire Protection Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	9856		7/1/2025		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Grants/Other Funding	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
Total	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Firefighter Respiratory Protection Equipment

All fire stations

This project entails the purchase of breathing apparatus for all personnel requiring respiratory protection, supporting equipment infrastructure, and a re-model of the current self-contained breathing apparatus (SCBA) technician room. SCBAs protect firefighters from respiratory hazards encountered during fire suppression, hazardous materials incidents, building inspections and other emergency operations. The previous purchase of SCBAs occurred in 2018 and these SCBAs have a 10-year shelf life. Compressors utilized to fill breathing apparatus will need either refurbishing or replacement. An additional compressor will be needed to support an influx of SCBAs purchased for over sixteen new firefighters since the last SCBA purchase occurred. The technician support room remodel will create dedicated workstations for SCBA maintenance, repair, and parts storage.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 2.13 - EMPLOYEE ENGAGEMENT - Achieve ratings greater than or equal to 72% for overall levels of employee engagement and job satisfaction of "Strongly Agree" or "Agree" as measured by the Employee Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5611739		7/1/2025		6/30/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$23,034	\$0	\$0	\$2,500,000	\$0	\$2,523,034
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$23,034	\$0	\$0	\$2,500,000	\$0	\$2,523,034
Total	\$23,034	\$0	\$0	\$2,500,000	\$0	\$2,523,034
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Medication Security Compliance

All ALS response apparatus

All pre-hospital medications have strict storage guidelines to ensure their quality and security. The purpose of this project is to equip TFMR fire stations, TFMR front-line apparatus and special event apparatus with narcotic security measures that comply with Arizona Department of Health Services, Department of Homeland Security (DHS), Food and Drug Administration (FDA), and the Drug Enforcement Administration (DEA) regulations. This entails the remodeling of the current apparatus or outfitting apparatus with safe and regulation-compliant containers. This will include front-line fire truck apparatus, reserve fire truck apparatus, TFMR special event vehicles, and facilities. Failure to comply with these standards could lead to an investigation by the entities noted above and loss of TFMR's Certificate of Necessity.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.02 - CARDIAC ARREST SURVIVAL RATE - Achieve cardiac arrest survival rates greater than the national average as benchmarked by the American Heart Association.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	5611749		7/1/2025		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Total	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

**General Governmental Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

New project requests are <u>underlined</u>				New 2026-27	2026-27 Total	Additional Projected Needs				Total 5-Year Program
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	Appropriation Request	Requested Appropriation	2027-28	2028-29	2029-30	2030-31	
<u>Communications & Marketing</u>										
<u>Council Chamber Technology Refresh</u>	NEW	General Obligation Bonds	-	-	-	-	-	-	480,000	480,000
Communications & Marketing Total			-	-	-	-	-	-	480,000	480,000
<u>Community Development</u>										
Double Butte Cemetery Restoration	6711759	General Obligation Bonds	500,000	-	500,000	-	-	-	-	500,000
Eisendrath Adobe Restoration	6711589	General Obligation Bonds	-	400,000	400,000	-	-	-	-	400,000
Endangered Historic Property Acquisition Fund	6711599	General Obligation Bonds	-	750,000	750,000	-	-	-	-	750,000
Gonzalez-Martinez House Emergency Stabilization	6708249	Capital Projects Fund Balance	463,316	-	463,316	-	-	-	-	463,316
Homeowners Exterior Rehabilitation Assistance Program for Historic Properties	N/A	General Fund Cash Reserve	-	-	-	200,000	-	-	-	200,000
Recommended Downtown Historic Core, Historic Context, and Historic Neighborhood Studies	6711769	General Fund Cash Reserve	246,019	-	246,019	-	-	-	-	246,019
Community Development Total			1,209,335	1,150,000	2,359,335	200,000	-	-	-	2,559,335
<u>Community Health and Human Services</u>										
<u>950 E. Baseline Demolition</u>	NEW	General Obligation Bonds	-	-	-	-	1,000,000	-	-	1,000,000
Affordable Housing Enhancement Program	6711519	General Obligation Bonds	9,406,830	8,000,000	17,406,830	8,000,000	-	-	-	25,406,830
Archaeological / Historical / Environmental Phase 1 - City Owned Parcels	6710259	Capital Projects Fund Balance	1,621,110	-	1,621,110	-	-	-	-	1,621,110
Archaeological / Historical / Environmental Phase 2 - City Owned Parcels	6710539	Capital Projects Fund Balance	-	704,297	704,297	-	-	-	-	704,297
CHHS Tenant Improvements (Community Health Staff Build Out)	6710659	Capital Projects Fund Balance	252,007	-	252,007	-	-	-	-	252,007
Community Supervision Case Management Program Replacement	N/A	General Fund Cash Reserve	-	-	-	250,000	-	-	-	250,000
Creation / Acquisition Non-Congregate Shelter	6710599	Capital Projects Fund Balance	404,959	-	404,959	-	-	-	-	404,959
Creation / Acquisition Non-Congregate Shelter Rehab	6711569	American Rescue Plan Act	75,000	-	75,000	-	-	-	-	75,000
North Tempe Affordable Housing Sheltering the Unhoused - Non-congregate Homeless Shelter Rehabilitation	6711619	Federal Grants	1,700,000	-	1,700,000	-	-	-	-	1,700,000
	6711789	General Obligation Bonds	92,342	5,106,031	5,198,373	-	-	-	-	5,198,373
<u>Sue's Espacio Demolition</u>	NEW	General Obligation Bonds	-	-	-	1,000,000	-	-	-	1,000,000
Tempe EnVision Center / Resiliency Hub	6710651	General Obligation Bonds	300,139	-	300,139	-	-	-	-	300,139
Community Health and Human Services Total			13,852,387	13,810,328	27,662,715	9,250,000	1,000,000	-	-	37,912,715

**General Governmental Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

New project requests are <u>underlined</u>				New 2026-27	2026-27 Total	Additional Projected Needs				Total 5-Year Program
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	Appropriation Request	Requested Appropriation	2027-28	2028-29	2029-30	2030-31	
Community Services										
<u>Backup Generator - Escalante Multigen Center</u>	NEW	General Obligation Bonds	-	-	-	-	52,000	-	342,000	394,000
Community Services Asset Restoration	6708269	General Obligation Bonds	214,965	458,000	672,965	876,000	700,000	724,775	690,500	3,664,240
<u>Implement Recreation Facilities Needs Assessment - Kiwanis Rec Center Phase 1</u>	NEW	General Obligation Bonds	-	-	-	-	-	520,000	6,267,000	6,787,000
Community Services Total			214,965	458,000	672,965	876,000	752,000	1,244,775	7,299,500	10,845,240
Economic Development										
Apache Demolition Fund	6711799	City Trust Account	658,078	-	658,078	-	-	-	-	658,078
<u>Hayden Flour Mill Project</u>	6711909	General Obligation Bonds	-	4,780,838	4,780,838	7,876,483	5,621,945	-	-	18,279,266
<u>Historic Sanctuary Building Restoration & Improvements</u>	6711919	General Obligation Bonds	-	1,996,640	1,996,640	3,400,000	-	-	-	5,396,640
<u>Priest Yard - Building Abatement & Demolition</u>	6711929	General Obligation Bonds	-	660,000	660,000	-	-	-	-	660,000
Redevelopment Property Acquisitions	6711259	Other - Contingency	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000
Economic Development Total			658,078	12,437,478	13,095,556	16,276,483	10,621,945	5,000,000	5,000,000	49,993,984
Financial Services										
ADA Improvements - City Facilities	6709869	General Obligation Bonds	26,792	300,000	326,792	500,000	500,000	500,000	500,000	2,326,792
BEAM	6711529	General Obligation Bonds	3,511,990	-	3,511,990	-	-	-	-	3,511,990
Chilled Water Loop Repairs - Downtown City Buildings	6710109	General Obligation Bonds	500,000	-	500,000	-	5,939,618	-	-	6,439,618
City Facilities Small Scale Remodels	6708289	General Obligation Bonds	365,306	-	365,306	1,250,000	750,000	750,000	750,000	3,865,306
City Hall Municipal Complex Improvements	6709519	General Obligation Bonds	-	-	-	3,000,000	-	-	-	3,000,000
Cooling Tower Replacement and Repairs	6711279	General Obligation Bonds	14,686	-	14,686	985,000	2,725,000	1,900,000	3,905,000	9,529,686
Emergency Capital Repair	6799779	General Obligation Bonds	103,342	1,500,000	1,603,342	325,000	325,000	325,000	325,000	2,903,342
Existing City Building Asset Management Program - Replacement & Repairs	6708849	General Obligation Bonds	5,844,746	3,000,000	8,844,746	7,366,000	9,400,000	9,514,898	9,500,000	44,625,644
General Governmental Contingency	N/A	Other - Contingency	31,500,000	-	31,500,000	-	-	-	-	31,500,000
Historic Properties Building Maintenance	6706809	General Obligation Bonds	951,505	357,000	1,308,505	357,000	425,000	425,000	695,000	3,210,505
Municipal Facilities Warehouse	6711809	General Obligation Bonds	-	1,500,000	1,500,000	-	-	-	-	1,500,000
		Capital Projects Fund Balance	583,263	-	583,263	-	-	-	-	583,263
		Project Total	583,263	1,500,000	2,083,263	-	-	-	-	2,083,263
Municipal Infrastructure Improvements	6711819	General Obligation Bonds	2,125,643	-	2,125,643	-	-	-	-	2,125,643
Financial Services Total			45,527,273	6,657,000	52,184,273	13,783,000	20,064,618	13,414,898	15,675,000	115,121,789

**General Governmental Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

New project requests are <u>underlined</u>				New 2026-27	2026-27 Total	Additional Projected Needs				Total 5-Year Program
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	Appropriation Request	Requested Appropriation	2027-28	2028-29	2029-30	2030-31	
Information Technology										
Citizen/Customer Relationship Management (CRM) System	6711289	General Obligation Bonds	856,131	-	856,131	-	-	-	-	856,131
City Fiber Communication Expansion	6711539	General Obligation Bonds	300,000	-	300,000	190,000	253,000	737,557	800,000	2,280,557
Cybersecurity & Regulatory Compliance Program	6710129	General Obligation Bonds	-	700,000	700,000	1,195,000	1,195,000	1,195,000	1,815,500	6,100,500
Data and Technology Plan	6710839	General Obligation Bonds	1,589,033	-	1,589,033	-	-	-	-	1,589,033
Enterprise Software Upgrades and Replacements	6708739	General Obligation Bonds	-	-	-	200,000	200,000	200,000	300,000	900,000
<u>GenGov - Information Technology</u>	6711939	General Obligation Bonds	-	1,000,000	1,000,000	-	-	-	-	1,000,000
Network Infrastructure Refresh (Previously Network Cabling Replacement)	6710569	General Obligation Bonds	-	200,000	200,000	1,125,600	2,269,100	1,503,000	2,290,000	7,387,700
PeopleSoft Replacement	6711299	General Obligation Bonds	1,199,483	1,913,000	3,112,483	764,000	1,301,000	-	-	5,177,483
		Emergency Medical Transporation Fund	23,000	37,000	60,000	15,000	25,000	-	-	100,000
		Water / Wastewater Fund	424,000	676,000	1,100,000	270,000	460,000	-	-	1,830,000
		Solid Waste Fund	103,000	165,000	268,000	66,000	112,000	-	-	446,000
		Arts & Culture Fund	55,000	87,000	142,000	35,000	59,000	-	-	236,000
		Transit Tax	304,000	484,000	788,000	193,000	329,000	-	-	1,310,000
		Project Total	2,108,483	3,362,000	5,470,483	1,343,000	2,286,000	-	-	9,099,483
Public Internet Technology	6708299	General Obligation Bonds	-	-	-	178,000	278,600	130,000	321,000	907,600
Security Systems Upgrades	6707609	General Obligation Bonds	-	150,000	150,000	308,000	213,275	537,000	547,900	1,756,175
Team Technology Refresh	6707229	General Obligation Bonds	818,049	1,615,000	2,433,049	1,710,000	1,885,000	818,375	1,678,675	8,525,099
		Water / Wastewater Fund	308,653	-	308,653	-	-	567,500	-	876,153
		Transit Tax	206,600	-	206,600	-	-	282,500	-	489,100
		Project Total	1,333,302	1,615,000	2,948,302	1,710,000	1,885,000	1,668,375	1,678,675	9,890,352
Information Technology Total			6,186,949	7,027,000	13,213,949	6,249,600	8,579,975	5,970,932	7,753,075	41,767,531
Public Works										
Electric Vehicle Charging Station Expansion	6709899	General Obligation Bonds	399,022	-	399,022	1,284,000	1,080,519	1,080,519	1,080,519	4,924,579
Overhead to Underground Utility Relocation	6710819	General Obligation Bonds	-	-	-	250,000	250,000	250,000	250,000	1,000,000
Public Works Total			399,022	-	399,022	1,534,000	1,330,519	1,330,519	1,330,519	5,924,579
Transportation & Sustainability										
Energy Conservation Program	6705179	General Obligation Bonds	368,037	-	368,037	375,000	375,000	375,000	375,000	1,868,037
		Capital Projects Fund Balance	368,038	375,000	743,038	-	-	-	-	743,038
		Project Total	736,075	375,000	1,111,075	375,000	375,000	375,000	375,000	2,611,075
Implementation of Downtown Improvements Plans (Mill Ave Improvements)	6708311	General Obligation Bonds	14,362,322	-	14,362,322	-	-	-	-	14,362,322
Shade and Green Stormwater Infrastructure	6710809	General Obligation Bonds	-	397,000	397,000	1,996,000	2,497,000	1,000,000	1,000,000	6,890,000

**General Governmental Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

New project requests are <u>underlined</u>				New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations			2027-28	2028-29	2029-30	2030-31	
Solar Power Partnerships & Solar in City Facilities	6708369	General Fund Cash Reserve	-	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
		Capital Projects Fund Balance	470,188	-	470,188	-	-	-	-	470,188
		Project Total	470,188	200,000	670,188	200,000	200,000	200,000	200,000	1,470,188
Transportation & Sustainability Total			15,568,585	972,000	16,540,585	2,571,000	3,072,000	1,575,000	1,575,000	25,333,585
General Governmental Total			83,616,594	42,511,806	126,128,400	50,740,083	45,421,057	28,536,124	39,113,094	289,938,758

Capital Improvements Program

Council Chamber Technology Refresh

City Hall

The Communication and Marketing Office is responsible for informing our community about issues and events every day. We create videos for every city department and air City Council and Boards & Commissions meetings live on our TV channel. This requires substantial technology that has a 7-year shelf life. This CIP includes in FY30/31 the dedicated computers, TV station equipment, microphones and cameras should be replaced to maintain a 7-year replacement schedule. Without this, Council meetings, Boards & Commissions meetings, and a variety of other videos and projects cannot be produced.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.21 SATISFACTION WITH INFORMATION AVAILABILITY Achieve ratings of "Very Satisfied" or "Satisfied" with the availability of information about City programs, events, services, and issues greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	New	7/1/2026				6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$480,000	\$480,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$0	\$480,000	\$480,000	
Total	\$0	\$0	\$0	\$0	\$480,000	\$480,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Double Butte Cemetery Restoration

Tempe

Double Butte Cemetery, a site designated in the Tempe Historic Property Register, requires substantial funding for restoration. A recent Logan Simpson needs assessment commissioned by the Tempe Historic Preservation Foundation, a local nonprofit group, investigated the oldest portion of the cemetery--the Pioneer Section, dating to 1888--and discovered numerous plots and grave markers in a serious state of disrepair, as well as serious deficiencies in the cemetery's fencing, irrigation, tree cover, and other features. A substantial amount of funding is needed to pay for additional studies, especially of the larger non-Pioneer Section of the cemetery, to assess further needs, as well as to restore the cemetery to an aesthetically pleasing condition. More than a historic site, Double Butte Cemetery remains an active interment site in the community, making its restoration all the more critical and pressing.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development 4.20 COMMUNITY DEVELOPMENT PROCESS SATISFACTION Achieve customer satisfaction ratings that are greater than or equal to an annual average of 4.0 on a 5- point scale as measured by the Community Development Process Surveys.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	6711759	7/1/2025				6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Total	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Eisendrath Adobe Restoration

Tempe

The Eisendrath House is a City-owned abode house built in 1930. It is listed in both the National Register of Historic Places and the Tempe Historic Property Register. Adobe is a delicate material that requires periodic repair and replacement. In 2023-25, sections of the houses's adobe walls were restored. Additional funding requested in FY26-27 will facilitate the repair or replacement of the building's final unrestored (north) side..



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.20 - COMMUNITY DEVELOPMENT PROCESS SATISFACTION - Achieve customer satisfaction ratings that are greater than or equal to an annual average of 4.0 on a 5- point scale as measured by the Community Development Process Surveys.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711589	1/2/2025			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$400,000	\$0	\$0	\$0	\$0	\$400,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$400,000	\$0	\$0	\$0	\$0	\$400,000	
Total	\$400,000	\$0	\$0	\$0	\$0	\$400,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Endangered Historic Property Acquisition Fund

Tempe

The Endangered Historic Properties Acquisition Fund is designed to assist the City in balancing its commitment to both furthering robust development and preserving its declining stock of historic buildings. The fund will aid the City in carrying out its mandate, as stated in the opening section of the Historic Preservation Ordinance (City Code, Ch. 14A) "to provide protection for significant properties . . . which represent important aspects of Tempe's heritage." Besides purchasing important historic properties, the fund may also be used to rehabilitate or restore those properties' historic features according to the Secretary of the Interior's Standards for the Treatment of Historic Properties. Such preservation work will help to ensure that the acquired properties are able to convey both their historical and architectural significance, while burnishing Tempe's reputation as a progressive city that looks to the future without forgetting its past.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.20 - COMMUNITY DEVELOPMENT PROCESS SATISFACTION - Achieve customer satisfaction ratings that are greater than or equal to an annual average of 4.0 on a 5- point scale as measured by the Community Development Process Surveys.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711599	1/2/2025			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$750,000	\$0	\$0	\$0	\$0	\$750,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$750,000	\$0	\$0	\$0	\$0	\$750,000	
Total	\$750,000	\$0	\$0	\$0	\$0	\$750,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Gonzales-Martinez House Stabilization and Rehabilitation

Tempe

This project will undertake needed safety improvements, emergency stabilization, and historic rehabilitation measures to protect and preserve the historic building in accordance with the advice of City staff and a contracted historical architect and adobe restoration expert. After emergency stabilization is completed, work will begin on rehabilitating the Gonzales-Martinez House, based on the recommendations for repairs included in a 2017 building condition assessment (2017) and update (2023), to ensure responsible stewardship of this historic resource. The repair efforts will ensure public health and safety and address prevent further deterioration of the historic resource. Furthermore, the subsequent rehabilitation of the home will aid in the preservation and adaptive reuse of the house. 1st and Farmer LLC, which signed a 2023 development agreement with the City to purchase and redevelop the site, will share the cost and responsibility of the stabilization and rehabilitation.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.11 - FEELING OF SAFETY IN CITY FACILITIES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in City Facilities" greater than or equal to 90% as measured by the Community and the Employee Surveys.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6708249	1/2/2025			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$463,316	\$0	\$0	\$0	\$0	\$463,316	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$463,316	\$0	\$0	\$0	\$0	\$463,316	
Total	\$463,316	\$0	\$0	\$0	\$0	\$463,316	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Homeowners Exterior Rehabilitation Assistance Program For Historic Properties

Tempe

This project will fulfill Goal IV, Priority 16 of the City's updated, Council-adopted Historic Preservation Plan: "Develop incentive programs for historic preservation, including: a. Emulate CoP preservation grant / City of Scottsdale HRER program; b. Investigate the feasibility of adding preservation grant funding to the next bond election." An annual, recurring request of \$200,000 would serve as funding for reimbursable matching grants to the owners of Tempe properties that are designated individually or as contributing properties in historic districts in the Tempe Historic Property Register. The program's grants may be used to assist in defraying the cost of repairs to, or rehabilitation of, the home's exterior to help maintain or restore its historic integrity according to the Secretary of the Interior's Standards for the Treatment of Historic Properties. In exchange for the grant, the homeowner would be required to provide the City with a façade conservation easement.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development 4.20 - COMMUNITY DEVELOPMENT PROCESS SATISFACTION - Achieve customer satisfaction ratings that are greater than or equal to an annual average of 4.0 on a 5- point scale as measured by the Community Development Process Surveys.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	NEW	7/1/2025			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Fund Cash Reserve - CIP	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Total	\$0	\$200,000	\$0	\$0	\$0	\$200,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Recommended Downtown Historic Core, Historic Context, and Historic Neighborhood Studies

Tempe

In 2022 and 2023, Tempe City Council approved planning documents that recommend commissioning the following studies to assist staff in administering the City's historic preservation program: 1.) The Downtown Historic Core (DHC) Plan; 2.) a Mexicans and Mexican Americans historic context study; 3.) a Native American historic context study; and 4.) a post-World War II subdivisions (1961-1980) study.

The DHC Plan will be completed in FY25-26 and will not utilize the additional funding request for FY26-27 or the remaining balance of bond funding. In subsequent years, requests for additional funding to complete the Native American historic context study and the subdivisions study will be required.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth &
Development

4.20 - COMMUNITY DEVELOPMENT PROCESS SATISFACTION - Achieve customer satisfaction ratings that are greater than or equal to an annual average of 4.0 on a 5- point scale as measured by the Community Development Process Surveys.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Customer Enhancements	6711769		7/1/2025		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$246,019	\$0	\$0	\$0	\$0	\$246,019
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Fund Cash Reserve - CIP	\$246,019	\$0	\$0	\$0	\$0	\$246,019
Total	\$246,019	\$0	\$0	\$0	\$0	\$246,019
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

950 E. Baseline Demolition

950 E. Baseline Road

Demolition of the structure located at 950 E. Baseline Road.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.28 - ENDING HOMELESSNESS - Achieve an end to homelessness in Tempe as measured by Tempe's annual count.

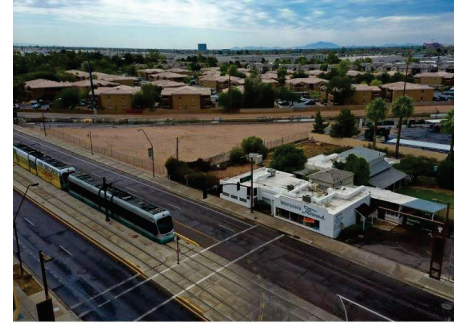
Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	NEW		7/1/2030		6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Total	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Affordable Housing Enhancement Program

Various Locations

Funding for a five-year program that will aid in building more housing units in Tempe finalized as part of the 2024 election ballot, increasing Tempe's affordable housing budget by \$32 million over a five-year period beginning in Fiscal Year 2024/25. Program addresses homelessness, community health and wellbeing, and increases Tempe's housing inventory ratios.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.18 - HOUSEHOLD ECONOMIC STABILITY - Achieve a household economic stability composite score greater than or equal to 300 as benchmarked by the Phoenix Metropolitan statistical area.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	6711519		7/1/2024		6/30/2028	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$17,406,830	\$8,000,000	\$0	\$0	\$0	\$25,406,830
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$17,406,830	\$8,000,000	\$0	\$0	\$0	\$25,406,830
Total	\$17,406,830	\$8,000,000	\$0	\$0	\$0	\$25,406,830
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Archeological/Historic/Environmental Phase 1 - City-Owned Parcels

Various City-Owned Parcels

This project is for the Phase 1 Archeological/Historic/Environmental mitigation costs associated with site clearance for the development of affordable/workforce housing on City-owned properties. Phase 1 properties consist of parcels located at Dorsey & Lemon, Dorsey & Apache, the parcel adjacent to Watson's Flowers, the parcels acquired with CDBG funds on Apache across from the Apache 101 Park & Ride, Apache Central Plaza, and for the parcel located at 1395 E. Apache Boulevard. Based on pending and/or future acquisition along Apache Boulevard; if funding is available in this project, additional parcels may be added to the aforementioned property listing.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.18 - HOUSEHOLD ECONOMIC STABILITY - Achieve a household economic stability composite score greater than or equal to 300 as benchmarked by the Phoenix Metropolitan statistical area.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Systems Expansions	6710259		7/1/2021		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,621,110	\$0	\$0	\$0	\$0	\$1,621,110
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$1,621,110	\$0	\$0	\$0	\$0	\$1,621,110
Total	\$1,621,110	\$0	\$0	\$0	\$0	\$1,621,110
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Archeological/Historical/Environmental Phase 2 - City Owned Parcels

Various City-Owned Parcels

This project is for the Phase 2 Archeological/Historic/Environmental mitigation costs associated with site clearance for the development of affordable/workforce housing on City-owned properties. Phase 2 properties consist of parcels located at Dorsey & Lemon, Dorsey & Apache, the parcel adjacent to Watson's Flowers, the parcels acquired with CDBG funds on Apache across from the Apache 101 Park & Ride, Apache Central Plaza, and the parcel located at 1395 E. Apache Boulevard. Based on pending and/or future acquisition along Apache Boulevard; if funding is available in this project, additional parcels may be added to the aforementioned property listing.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.18 - HOUSEHOLD ECONOMIC STABILITY - Achieve a household economic stability composite score greater than or equal to 300 as benchmarked by the Phoenix Metropolitan statistical area.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6710539	1/1/2022			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$704,297	\$0	\$0	\$0	\$0	\$704,297	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$704,297	\$0	\$0	\$0	\$0	\$704,297	
Total	\$704,297	\$0	\$0	\$0	\$0	\$704,297	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

CHHS Tenant Improvements

Tempe EnVision Center; City Hall Parking Garage

Project is a reconfiguration of existing leased spaces to accommodate Community Health and Human Services Department staff that provide community health, age-friendly, education, and career enhancement programming. Project also addresses the relocation of Tempe Community Council from the BB Moer Campus and Hatton Hall to the City Hall Parking Garage. These strategic moves align with Tempe's commitment to enhancing health and wellbeing services, strengthens community partnerships, and also addresses the current inefficiencies related to utilizing an affiliate-owned, single-family home (2303 E. Maryland Drive) outside of the City of Tempe's network as office space. By relocating staff to more suitable workspaces; the affiliate home can be repurposed for its original intent—to provide affordable housing for Tempe families.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6710659	7/1/2024			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$252,007	\$0	\$0	\$0	\$0	\$252,007	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$252,007	\$0	\$0	\$0	\$0	\$252,007	
Total	\$252,007	\$0	\$0	\$0	\$0	\$252,007	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Community Supervision Case Management

Tempe Public Library; Community Health and Human Services

The purpose of this case management system replacement request is to fully support Community Supervision with a purposeful, client-friendly software platform which will enhance services and support both staff and participants. This will greatly improve the efficiency of operations, provide a client-friendly platform, and allow for data collection to evaluate the program efficacy and support City Performance Measure 1.17.

There are limitations in the current system both on the client and staff interface which hinder the ability to efficiently conduct business. Current platforms available specific to the use for Community Supervision programs (Supervised Probation, Diversion, Deferred Prosecution and Home Detention) provide updated technology, reporting, and Apps for client management.

Other factors supporting this request include: client confidentiality, best practices for ethical service provision, and a client-centered approach.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.17 - COMMUNITY SUPERVISION SUCCESS RATE - Achieve participant completion rates that are greater than or equal to a) the rate of 60% for the supervised probation program and b) the rate of 86% for the diversion program.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	NEW	7/1/2026		6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$250,000	\$0	\$0	\$0	\$250,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Fund Cash Reserve - CIP	\$0	\$250,000	\$0	\$0	\$0	\$250,000
Total	\$0	\$250,000	\$0	\$0	\$0	\$250,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Creation/Acquisition of Non-Congregate Shelter

Apache Inn; 1915 E Apache Blvd

Project is the acquisition of one or more properties for conversion and/or utilization as temporary transitional housing and/or non-congregate shelter; which depending on the property acquired, may/would be redeveloped in the future to higher-density multi-family dwelling units. Potential acquisition could be in the form of a hotel, motel, or single-family dwelling units (attached or detached). The City was awarded \$7.3M from Maricopa County Human Services Department (MCHSD) to combine County/City ARPA funds for an acquisition and rehabilitation of a hotel/motel to be used as non-congregate shelter. Grant funds have since been expended; remaining funds are from General Fund Cash Reserve. This will be operated as a bridge shelter for a minimum of 10 years, after which it can be converted to affordable housing.



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.28 - ENDING HOMELESSNESS - Achieve an end to homelessness in Tempe as measured by Tempe's annual count.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	6710599	7/1/2023		6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$404,959	\$0	\$0	\$0	\$0	\$404,959
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$404,959	\$0	\$0	\$0	\$0	\$404,959
Total	\$404,959	\$0	\$0	\$0	\$0	\$404,959
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Creation/Acquisition Non-Congregate Shelter Rehab

Apache Inn; 1915 E Apache Blvd

The purpose of this project request is to rehab acquired property for conversion and/or utilization as temporary transitional housing and/or non-congregate shelter. The City was awarded \$7.3M from Maricopa County Human Services Department (MCHSD) to combine County/City ARPA funds for an acquisition and rehabilitation of a hotel/motel to be used as non-congregate shelter. This will be operated as a bridge shelter for a minimum of 10 years, after which it can be converted to affordable housing.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.28 - ENDING HOMELESSNESS - Achieve an end to homelessness in Tempe as measured by Tempe's annual count.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	6711569		7/1/2024		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
T otal	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
American Rescue Plan Act	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Total	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

North Tempe Affordable Housing

North Tempe

The North Tempe Affordable Housing Project will leverage Maricopa County grant dollars to enhancing the community's livability and inclusivity. This project encompasses the construction of dwellings that prioritizes affordability, accessibility, and security for all residents of North Tempe.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.18 - HOUSEHOLD ECONOMIC STABILITY - Achieve a household economic stability composite score greater than or equal to 300 as benchmarked by the Phoenix Metropolitan statistical area.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Systems Expansions	6711619		7/1/2024		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
T otal	\$1,700,000	\$0	\$0	\$0	\$0	\$1,700,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Federal Grants	\$1,700,000	\$0	\$0	\$0	\$0	\$1,700,000
Total	\$1,700,000	\$0	\$0	\$0	\$0	\$1,700,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Sheltering the Unhoused: Non-Congregate Homeless Shelter Rehabilitation

Apache Inn, 1915 E Apache Boulevard

The former Apache Inn is being redeveloped into a bridge shelter that addresses a critical gap between emergency shelter and permanent housing. An initial \$755,000 CIP award stabilized the building and initiated conversion. This request seeks \$5.1 million to complete the project and deliver a functional, code-compliant facility responsive to current shelter demand. Funding will expand ADA accessibility; reconfigure guest rooms with adjoining doors to flex for larger families; add intake, case management, and laundry areas; and complete essential interior and exterior improvements, including parking lot paving and sewer liner replacement. Funds also support safe outdoor spaces for children and animals and the furnishings, fixtures and equipment needed for safe operations. Without this investment, the City risks underusing a key asset amid rising family homelessness and accessibility needs. Plans are complete and submitted for City permitting.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.28 - ENDING HOMELESSNESS - Achieve an end to homelessness in Tempe as measured by Tempe's annual count.

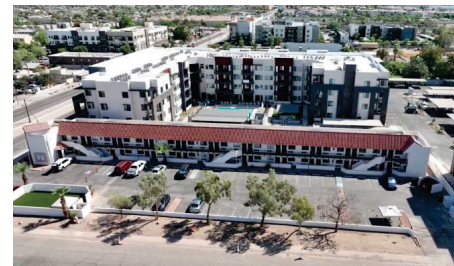
Priority Type	Project Number	Estimated Start		Estimated Completion			
Public Health and Safety	6711789	7/1/2026		12/31/2026			
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$5,198,373	\$0	\$0	\$0	\$0	\$0	\$5,198,373
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$5,198,373	\$0	\$0	\$0	\$0	\$0	\$5,198,373
Total	\$5,198,373	\$0	\$0	\$0	\$0	\$0	\$5,198,373
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Sue's Espacio Demolition

Sue's Espacio; 2101 E. Apache Boulevard

Demolition of the Sue's Espacio Bridge Shelter located at 2101 E. Apache Boulevard.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.28 - ENDING HOMELESSNESS - Achieve an end to homelessness in Tempe as measured by Tempe's annual count.

Priority Type	Project Number	Estimated Start		Estimated Completion			
Public Health and Safety	NEW	7/1/2030		6/30/2031			
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Total	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Tempe EnVision Center / Resiliency Hub

Tempe EnVision Center; 1310 E Apache Boulevard

The Tempe EnVision Center is a one-stop resource center designed with the community to meet their unique needs and help individuals and families thrive in Tempe. It is located on the northeast corner of Dorsey Lane and Apache Boulevard. The Tempe EnVision Center is designed to boost community resilience, wellbeing, and self-reliance through two concepts:

- EnVision Centers: Government facilities that act as a one-stop shop for social and healthcare programs;
- Resilience Hubs: Community-based facilities that promote local empowerment through self-reliance by creating a local approach to emergency preparedness. The Tempe EnVision Center offers year-round services for individuals and families such as help community members find employment, GED classes, housing assistance, parenting programs, digital skills, and before and after-school care. Services are offered through City of Tempe Community Health and Human Services staff, nonprofit organizations, and other partners.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.34 - COMMUNITY HEALTH AND WELL-BEING - Achieve a Community Health and Well-Being score of 90% thriving as measured by the annual Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	6710651	7/1/2023		6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$300,139	\$0	\$0	\$0	\$0	\$300,139
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$300,139	\$0	\$0	\$0	\$0	\$300,139
Total	\$300,139	\$0	\$0	\$0	\$0	\$300,139
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Backup Generator - Escalante MultiGen Center

2150 E. Orange

The 2025 Makers Recreation Facilities Needs Assessment (MRFNA) identifies Escalante Multi-Generational Center, built in 1997, as having remaining useful life but significant functional deficiencies, including an undersized fitness room, limited storage, poorly configured lobby and floor plan, and program spaces that are over capacity or disconnected from core areas. Escalante is a priority site for City investment in energy resilience and emergency preparedness. Both the MRFNA and the 2025 Microgrids Masterplan (MM) recommend Escalante for installation of a backup emergency generator, and the MM ranks Escalante as the City's top priority due to its location in a heat priority area and strong microgrid feasibility. This CIP funds design of a backup generator in 2029 and installation in 2031.

Long-term planning for Escalante includes scoping the expansion and reconfiguration needs in 2035 and significant renovation, coordinated with major systems replacements, by 2045.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.34 - COMMUNITY HEALTH AND WELL-BEING - Achieve a Community Health and Well-Being score of 90% thriving as measured by the annual Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	NEW	7/1/2030		6/30/2031		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$52,000	\$0	\$342,000	\$394,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$52,000	\$0	\$342,000	\$394,000
Total	\$0	\$0	\$52,000	\$0	\$342,000	\$394,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Community Services Asset Restoration

Various

Funds the repair, refurbishment or replacement of major equipment, infrastructure and sub-systems throughout Community Services facilities on a life cycle basis. Project is part of a continuous plan for preserving assets through rehabilitation (i.e., equipment, infrastructure, ADA compliance), ensuring sustainable recreational amenities for the community. Includes:

FY27-FY31: Replace appliances, furniture, countertops, cabinets, fitness equip
 FY26-27: Replace Library public use chairs; Replace Rec PA system; lockers; floor color, reseal; Pyle stage; kayaks, rowing barge, boat storage security screening
 FY27-28: Replace patio shade structure; fencing, bball hoop motors, dividers; screens & netting at KRC batting cages; window coverings
 FY28-29: Paint, replace patio furniture; monitors; A/V equip; rowing shells; Marina awnings
 FY29-30: Replace gym scoreboard; playground surface at ECC
 FY30-31: Replace boat storage fencing & gates; bball hoops & safety straps; window coverings



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6708269	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$672,965	\$876,000	\$700,000	\$724,775	\$690,500	\$3,664,240	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$672,965	\$876,000	\$700,000	\$724,775	\$690,500	\$3,664,240	
Total	\$672,965	\$876,000	\$700,000	\$724,775	\$690,500	\$3,664,240	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Implement Recreation Facilities Needs Assessment - Kiwanis Rec Center Phase 1

6111 S. All America Way

The 2025 Makers Recreation Facilities Needs Assessment (MRFNA) identifies the Kiwanis Recreation Center (KRC), built in 1988, as the City's most deficient recreation facility and the most urgent to address. KRC is undersized for current program demand, nearing the end of its useful life, and has major functional deficiencies, including inefficient circulation, limited multi-purpose space, insufficient storage, no elevator, and inadequate capacity for the revenue-generating tennis program. The MRFNA recommends phased improvements from 2030–2044, with full replacement as the long-term goal.

This CIP funds Phase 1 renovations addressing two critical deficiencies: limited gym storage and the absence of a second-floor elevator.

Future Phases include: Construct annex for tennis programming and flexible program space (2035-2044) and full replacement of the center (2045-2055)



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 COMMUNITY SERVICES FACILITIES AND OPEN SPACES Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Customer Enhancements	NEW	7/1/2029			6/30/2031		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$520,000	\$6,267,000	\$6,787,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$520,000	\$6,267,000	\$6,787,000	
Total	\$0	\$0	\$0	\$520,000	\$6,267,000	\$6,787,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Apache Demolition Fund

1328 E Apache Blvd Tempe, AZ

The City of Tempe acquired the Food City located on Apache Boulevard in 2021 to be redeveloped into mixed-income affordable housing. The funds will be used for the demolition of the building as indicated by the purchase agreement. These funds will come from the operating costs to manage the center so there is no additional budgetary impact for this project. This CIP is to continue the funds to the next fiscal year (26/27) if the demolition is not completed by the end of this current fiscal year (25/26). There are still no additional expenditures and/or budgetary impact requested.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.03 - CAPITAL INVESTMENT CREATED - Achieve an increase of capital investment that is twice Tempe's proportion of the capital investment forecasted for the region, based on population.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6711799	8/1/2025		8/1/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$658,078	\$0	\$0	\$0	\$0	\$658,078
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Other - City Trust Account	\$658,078	\$0	\$0	\$0	\$0	\$658,078
Total	\$658,078	\$0	\$0	\$0	\$0	\$658,078
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Hayden Flour Mill Project

119 S Mill Avenue

Design and construction for the 1918 Hayden Flour Mill Building (excluding the silos) to achieve a warm shell per the condition assessment report dated January 2026, from RSP Architects. The components include design work, elevator, HVAC, salvage and preservation of existing mill equipment, fire suppression, restroom/plumbing, electrical, communications, site circulation improvements, exterior, underground utilities, concrete, metals, and finishings such as paint, floor, and ceiling. The project cost also includes contingency and escalation. The assessment scope focuses on delivering the City of Tempe with a framework for preparing the building to be a safe, accessible, weather-tight, code-compliant warm shell suitable for a range of mixed-use occupancies, with future tenant improvements that include site circulation for the public and back-of-house operations. The property is listed on the National Register of Historic Places and the Tempe Historic Property Register.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.03 - CAPITAL INVESTMENT CREATED - Achieve an increase of capital investment that is twice Tempe's proportion of the capital investment forecasted for the region, based on population.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6711909	7/1/2026		6/30/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$4,780,838	\$7,876,483	\$5,621,945	\$0	\$0	\$18,279,266
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$4,780,838	\$7,876,483	\$5,621,945	\$0	\$0	\$18,279,266
Total	\$4,780,838	\$7,876,483	\$5,621,945	\$0	\$0	\$18,279,266
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Supplies and Services	\$0	\$0	\$0	\$150,000	\$0	\$150,000
Total	\$0	\$0	\$0	\$150,000	\$0	\$150,000

Capital Improvements Program

Historic Sanctuary Building Restoration and Improvements

101 E 6th Street

This project will restore the historic Sanctuary Church while delivering a complete commercial kitchen tenant improvement and related building upgrades. Work includes a historic assessment to document character-defining features and guide restoration of interior and exterior elements, along with the design and construction of new HVAC, plumbing, electrical, gas, and fire sprinkler systems that meet current codes and are compatible with the historic structure. The scope also covers full commercial kitchen buildout (including grease trap and walk-in refrigerator/freezer), new or upgraded interior restrooms, and interior and exterior modifications and finishes required to support normal building use and kitchen operations.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.03 - CAPITAL INVESTMENT CREATED - Achieve an increase of capital investment that is twice Tempe's proportion of the capital investment forecasted for the region, based on population.

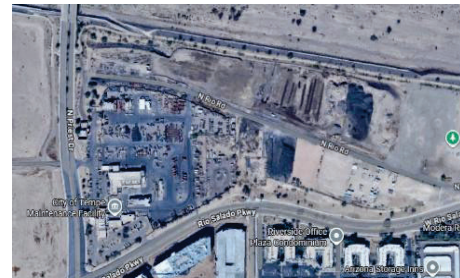
Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	New	7/1/2026		12/31/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,996,640	\$3,400,000	\$0	\$0	\$0	\$5,396,640
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$1,996,640	\$3,400,000	\$0	\$0	\$0	\$5,396,640
Total	\$1,996,640	\$3,400,000	\$0	\$0	\$0	\$5,396,640
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Supplies and Services	\$0	\$0	\$37,500	\$0	\$0	\$37,500
Total	\$0	\$0	\$37,500	\$0	\$0	\$37,500

Capital Improvements Program

Priest Yard - Building Abatement and Demolition

56 S Priest Drive

Demolition of the Priest Yard facility buildings including asbestos abatement. The reason for the demolition of the buildings (including abatement) is to better position the property for redevelopment.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.03 - CAPITAL INVESTMENT CREATED - Achieve an increase of capital investment that is twice Tempe's proportion of the capital investment forecasted for the region, based on population.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6711929	11/1/2026		12/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$660,000	\$0	\$0	\$0	\$0	\$660,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$660,000	\$0	\$0	\$0	\$0	\$660,000
Total	\$660,000	\$0	\$0	\$0	\$0	\$660,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Redevelopment Property Acquisitions

Various

Economic Development is requesting an annual allocation to fund redevelopment efforts in Tempe. This fund would allow for the strategic acquisition of property and property improvements with respect to redevelopment opportunities as they align with Council goals. Setting up this fund will allow for staff to be more strategic and proactive in targeting redevelopment to prevent blight, assist existing cultural/community/historical businesses and real estate assets, and facilitate the implementation of other Council priorities.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality

5.03 - CAPITAL INVESTMENT CREATED - Achieve an increase of capital investment that is twice Tempe's proportion of the capital investment forecasted for the region, based on population.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711259	7/1/2023			6/30/2033		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$25,000,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Other Contingency	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$25,000,000	
Total	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$25,000,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

ADA Improvements - City Facilities

Various

This project involves updating infrastructure not constructed to current ADA specifications and improving overall accessibility using the ADA Transition Plan. The Transition Plan includes city facilities and identifies and prioritizes needed improvements. Projects will look at not only accessibility inside facilities, but accessibility leading into facilities. FY26 Projects will look at Improvements to the City of Tempe Multi-generation centers.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.14 - ADA TRANSITION PLAN - Achieve an accessibility rate of 100% in all city rights-of-way, parks, and facilities as identified in the Tempe Americans with Disabilities Act Transition Plan.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6709869	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$326,792	\$500,000	\$500,000	\$500,000	\$500,000	\$2,326,792	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$326,792	\$500,000	\$500,000	\$500,000	\$500,000	\$2,326,792	
Total	\$326,792	\$500,000	\$500,000	\$500,000	\$500,000	\$2,326,792	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

BEAM

433 S. Farmer

The project is to fund the design to relocate the Finance Department (excluding Customer Service and Facilities) along with City Aduitors into the Beam at 433 S. Farmer. The existing space at the BEAM is shell space that is approximately 15,000sq ft. The City's goal is to create a new hybrid workspace model for these two departments. The scope of the renovations needed includes: Architectural, Mechanical, Electrical, Plumbing, Fire Protection, Specifications, Code Review, and Code Signage. Design started in FY24; Construction is estimated to begin in the 1st quarter of 2026 with department moves sometime in 4th quarter of 2026.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.11 - FEELING OF SAFETY IN CITY FACILITIES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in City Facilities" greater than or equal to 90% as measured by the Community and the Employee Surveys.

Priority Type	Project Number	Estimated Start		Estimated Completion		
0	6711529	2/1/2024		6/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,511,990	\$0	\$0	\$0	\$0	\$3,511,990
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$3,511,990	\$0	\$0	\$0	\$0	\$3,511,990
Total	\$3,511,990	\$0	\$0	\$0	\$0	\$3,511,990
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Chilled Water Loop Repairs - Downtown City Buildings

Downtown Municipal Campus

This CIP provides multi-year funding to make repairs and upgrades to an aging chilled water system for which serves cooling to the following downtown buildings: Main PD/Courts Complex, 525 building, City Hall complex (East and West Garden) and TPAC/Old Performing Arts Building. Facilities initiated an assessment to plan and prioritize upgrades to various chilled water system. As complex as this system is, planning for various upgrades to this old system is crucial to having a cooling system for the downtown buildings. The age of existing systems is between 25 and 50 years old. Upon the initial assessment it was found that there is corrosion with the chilled water pipes (Interior and Exterior), and it has been discovered that in some areas incorrect piping material was used. Completed projects include: CH West Wing - Complete FY24; CH East Wing – Complete FY24. The next phase of the project will include the CH Tower (\$5.8M); and Air Handler Unit replacements at Main PD.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6710109	3/13/2019		12/31/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$500,000	\$0	\$5,939,618	\$0	\$0	\$6,439,618
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$500,000	\$0	\$5,939,618	\$0	\$0	\$6,439,618
Total	\$500,000	\$0	\$5,939,618	\$0	\$0	\$6,439,618
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

City Facilities Small Scale Remodels

Various

This project funds small scale remodel projects. Although these are smaller projects, they are important to the staff and patrons of our facilities. Projects will be evaluated based on the project priority criteria: 1) Public Health and Safety; 2) Asset Preservation; 3) Customer Enhancements; and 4) System Expansion. There are approximately \$4M in projects planned over the next 5 years such as updating classroom and kitchen cabinets, flooring, painting and tenant improvements to make building spaces functions better. The Facilities Master Plan is also funded by this CIP.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.14 FACILITIES CONDITION INDEX Achieve an average Facilities Condition Index less than or equal to the national benchmark standards.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6708289		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$365,874	\$1,250,000	\$750,000	\$750,000	\$750,000	\$3,865,874
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$365,874	\$1,250,000	\$750,000	\$750,000	\$750,000	\$3,865,874
Total	\$365,874	\$1,250,000	\$750,000	\$750,000	\$750,000	\$3,865,874
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

City Hall Municipal Complex Improvements

Harry E. Mitchell Government Center

The City completed a Facilities Master Plan, a Downtown Civic Center Campus Master Plan, a facility condition and asset management assessment, and a Municipal Complex Modernization Plan. The studies included the condition and needs at the City Hall buildings including the Council Chambers, the West and East Garden Level Wings, and the City Hall Tower. The updated Facilities Master Plan study (2025) conducted a highest-and-best use analysis of the City Hall Complex and recommended the facility continue to function as the center of city government. .



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6709519		Ongoing		12/31/2029	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$3,000,000	\$0	\$0	\$0	\$3,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$3,000,000	\$0	\$0	\$0	\$3,000,000
Total	\$0	\$3,000,000	\$0	\$0	\$0	\$3,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Cooling Tower Replacement and Repairs

Various

The cooling towers at Main Police Department, Apache Police Department, and the Library are at or nearing the end of their useful life. A comprehensive maintenance and replacement plan is required to address these critical assets. Cooling towers are essential components of the heating, ventilation, and air conditioning (HVAC) systems and provide a cost-effective and energy-efficient means of system cooling. Facilities has implemented preventive maintenance and replacement programs at all three locations, and initial funding has been used to replace select components to extend the service life of the existing equipment. Funding in FY28 is allocated for design, with FY29 funding planned for replacement at the South Police Department. The total project cost for the South Police Department is currently estimated at \$3.2 million. Approximately \$985,000 was previously allocated in CIP 5510309 for this project in FY28; this funding has been transferred to the current CIP.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.14 FACILITIES CONDITION INDEX Achieve an average Facilities Condition Index less than or equal to the national benchmark standards.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711279	7/1/2023			12/31/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$14,686	\$985,000	\$2,725,000	\$1,900,000	\$3,905,000	\$9,529,686	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$14,686	\$985,000	\$2,725,000	\$1,900,000	\$3,905,000	\$9,529,686	
Total	\$14,686	\$985,000	\$2,725,000	\$1,900,000	\$3,905,000	\$9,529,686	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Emergency Capital Repair

Various

This project funds major unplanned and emergency repairs to building assets across approximately 140 city facilities with over 2.9 million square feet of space. Each year the city experiences unplanned incidents, including storm-related damage, property damage, sewer back-ups, flooding and electrical emergencies. The purpose of this CIP is to respond to emergencies at public facilities and buildings. This CIP helps to cover unexpected repairs.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.11 - FEELING OF SAFETY IN CITY FACILITIES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in City Facilities" greater than or equal to 90% as measured by the Community and the Employee Surveys.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6799779	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,603,342	\$325,000	\$325,000	\$325,000	\$325,000	\$2,903,342	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,603,342	\$325,000	\$325,000	\$325,000	\$325,000	\$2,903,342	
Total	\$1,603,342	\$325,000	\$325,000	\$325,000	\$325,000	\$2,903,342	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Existing City Building Asset Management Program - Replacement & Repairs

Various

This project funds major asset system replacements and upgrades across approximately 140 city facilities such as roofing, plumbing, electrical, fire systems, HVAC, fencing, automated gates, and roll up doors to maintain safe, inviting, and functioning city facilities while extending the life of the facilities. Repairing and replacing assets prior to failure, minimizes future capital needs and reduces impacts to City services relied on by residents, customers, and employees. Justification for this request includes data collection, analysis and recommendations from a variety of industry consultants including: Facilities Master Plan; Asset life cycle plan; Facility and Facility Condition Assessments; Employee Survey results. The recommended plan to budget for annual predicted maintenance and deficiencies. Facilities not separately funded, have predicted maintenance of \$19.3M for the next 5 years and deficiencies of \$57.4M. Average yearly cost is approximately \$9.5M.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.14 FACILITIES CONDITION INDEX Achieve an average Facilities Condition Index less than or equal to the national benchmark standards.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6708849		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$8,844,746	\$7,366,000	\$9,400,000	\$9,514,898	\$9,500,000	\$44,625,644
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$8,844,746	\$7,366,000	\$9,400,000	\$9,514,898	\$9,500,000	\$44,625,644
Total	\$8,844,746	\$7,366,000	\$9,400,000	\$9,514,898	\$9,500,000	\$44,625,644
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

General Governmental Contingency

N/A

General Governmental Contingency for unanticipated capital project expenses. This is appropriation only and the funding source is identified at the time the contingency is used.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	N/A		7/1/2026		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$31,500,000	\$0	\$0	\$0	\$0	\$31,500,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Other Contingency	\$31,500,000	\$0	\$0	\$0	\$0	\$31,500,000
Total	\$31,500,000	\$0	\$0	\$0	\$0	\$31,500,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Historic Properties Building Maintenance

Various

This project combines the efforts of the Facilities Division, with Community Services and Community Development to fund the rehabilitation and repair of aging historic facilities, infrastructure, and systems. Facilities maintains 9 buildings designated as historic properties with an average age of 100 years (Peterson House, Hayden Flour Mill, Hackett House, Elias Rodriguez, BB Mouer House, Hayden House, Hatton Hall, Sandra Day O'Connor and Eisendrath). Projects include rehabilitation and repair of roofing, flooring surfaces, painting, plumbing, electrical systems, heating, ventilation and air conditioning (HVAC), fencing and gates, and security and fire systems. Annual building assessments are conducted to prioritize maintaining these historic properties. This project will enable the City to continue to preserve and maintain our historic property assets.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.14 FACILITIES CONDITION INDEX Achieve an average Facilities Condition Index less than or equal to the national benchmark standards.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6706809	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,308,505	\$357,000	\$425,000	\$425,000	\$695,000	\$3,210,505	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,308,505	\$357,000	\$425,000	\$425,000	\$695,000	\$3,210,505	
Total	\$1,308,505	\$357,000	\$425,000	\$425,000	\$695,000	\$3,210,505	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Municipal Facilities Warehouse

2404 W 14th St

This project will purchase a developed or undeveloped warehouse property for existing municipal facilities, including custodial, print shop, surplus warehouse, and IT warehouse functions. This project is the result of two major planning activities: the City Facilities Space Study (FY 2019/20) and the Municipal Operations Site Plan Study (FY 2020/21). Most of the functions identified in these studies are relocating to the new Tempe Municipal Operations Center, with the remaining functions programmed to be housed in this warehouse. A warehouse lease has been acquire at 2404 W 14th St for an initial 5 year term with a renewable option of an additional 5 years. The remainder of the Capital Project Fund Balance of the \$600,000 provided in FY26 for interim accommodations will need to be transferred to operating as well as additional funding is needed for the lease payments going forward. \$1,500,000 is allocated in FY 2026/27 to begin long-term accommodations in the space.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.14 FACILITIES CONDITION INDEX Achieve an average Facilities Condition Index less than or equal to the national benchmark standards.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Customer Enhancements	6711809	9/1/2025			9/1/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,083,263	\$0	\$0	\$0	\$0	\$2,083,263	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,500,000	\$0	\$0	\$0	\$0	\$1,500,000	
Capital Project Fund Balance	\$583,263	\$0	\$0	\$0	\$0	\$583,263	
Total	\$2,083,263	\$0	\$0	\$0	\$0	\$2,083,263	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$375,000	\$385,000	\$525,000	\$540,000	\$590,000	\$2,415,000	
Total	\$375,000	\$385,000	\$525,000	\$540,000	\$590,000	\$2,415,000	

Capital Improvements Program

Municipal Infrastructure Improvements

Various

This project funds municipal infrastructure improvement projects that contribute to economic development and revitalization.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Customer Enhancements	6711819		ongoing		ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$2,125,643	\$0	\$0	\$0	\$0	\$2,125,643
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$2,125,643	\$0	\$0	\$0	\$0	\$2,125,643
Total	\$2,125,643	\$0	\$0	\$0	\$0	\$2,125,643
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Citizen / Customer Relationship Management (CRM) System

120 E 5th St

The City of Tempe currently lacks a fully functional CRM (Customer/Citizen Relationship Management) solution and uses various siloed platforms to connect with citizens. A streamlined, effective digital engagement solution is essential for advancing the City's programs, priorities, vision. Issues like community safety and quality of city streets highlight the need for improved and effective citizen engagement. To achieve initiative goals like the 30/60/90 plan for the unsheltered population, a robust relationship management tool is critical.

This new system would centralize public engagement for all departments, enabling public outreach and two-way communication. It would also provide data for reporting and analysis.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.02 - CUSTOMER SERVICE SATISFACTION - Achieve satisfaction ratings of "Very Satisfied" or "Satisfied" with the "Quality of Customer Service" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Customer Enhancements	6711289		7/1/2023		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$856,131	\$0	\$0	\$0	\$0	\$856,131
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$856,131	\$0	\$0	\$0	\$0	\$856,131
Total	\$856,131	\$0	\$0	\$0	\$0	\$856,131
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

City Fiber Communication Expansion

Citywide

Tempe IT collaborates with other City departments to connect municipal assets requiring secure and reliable network connectivity via fiber optic infrastructure. This network serves Tempe facilities, traffic signals, large water meters, and sewer lift stations. IT and Engineering coordinate fiber installation whenever open trenches are required in City right-of-way, systematically expanding network coverage. This fiber expansion also provides secured connectivity and alternative routing between Police and Fire radio towers, which face signal interference from increasing downtown development that threatens redundancy and fail-over capabilities for critical radio infrastructure. The project includes replacing deteriorated fiber to maintain availability of essential City services. Budget increases in FY 29/30 and 30/31 reflect connectivity for the new Fire EOC and transitioning from leased to City-owned fiber at Hardy PD, reducing long-term costs while improving network reliability.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Customer Enhancements	6711539	7/1/2024			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$300,000	\$190,000	\$253,000	\$737,557	\$800,000	\$2,280,557
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$300,000	\$190,000	\$253,000	\$737,557	\$800,000	\$2,280,557
Total	\$300,000	\$190,000	\$253,000	\$737,557	\$800,000	\$2,280,557
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Cybersecurity & Regulatory Compliance Program

Citywide

The City of Tempe cybersecurity program supports all departments, improving Cybersecurity Council Priority (5.12) metrics. This proposal covers protective programs that defend critical infrastructure and information assets against unauthorized access and breaches. With cloud computing growth, securing and monitoring assets wherever hosted is crucial, protecting public records like health, public safety, and credit card data that could cost millions in breach settlements. The program expands visibility by adding log sources to the SIEM tool (Security Information and Event Management) and growing SOC (Security Operations Center) response capability. The SIEM provides centralized log and event correlation. Costs increase as we ingest and retain more cloud-based logs. Our SOC contractor initially discounted years 1-3 due to limited log sources compared to other clients. As log sources grow, SOC analysts develop additional playbooks, increasing actions and costs.



Primary City Council Priority and Performance Measure Addressed



Financial Stability & Vitality 5.12 - CYBERSECURITY - Achieve a Security Studio score greater than or equal to 660 for "good" security and privacy controls from as benchmarked by the National Institute of Standards and Technology Cybersecurity Framework.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Asset Preservation	6710129	4/10/2019			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$700,000	\$1,195,000	\$1,195,000	\$1,195,000	\$1,815,500	\$6,100,500
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$700,000	\$1,195,000	\$1,195,000	\$1,195,000	\$1,815,500	\$6,100,500
Total	\$700,000	\$1,195,000	\$1,195,000	\$1,195,000	\$1,815,500	\$6,100,500
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Data and Technology Plan

120 E 5th St

Mayor Corey Woods launched the Tempe Public Safety Advisory Task Force (PSATF) to build trust, accountability, and dialogue between the community and Tempe Police. The PSATF's strategic focus on Data and Transparency aims to foster trust through data-driven insights and planning. In response, Tempe issued an RFP to find a firm for a technology and data assessment across departments, identifying needs and risks. This CIP will fund a Data and Technology Plan (DTP), implementing recommendations which will guide the creation of a scalable platform for PSATF's vision. After reviewing vendors, it's clear that a scalable solution, developed by cloud and data warehousing experts, will save costs, extend project timelines, and enhance access to data transparency software for non-technical staff.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.06 - POLICE TRUST SCORE - Achieve positive ratings for community trust with police related to fairness, respect, and voice that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Customer Enhancements	6710839	1/17/2022				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,589,033	\$0	\$0	\$0	\$0	\$1,589,033	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,589,033	\$0	\$0	\$0	\$0	\$1,589,033	
Total	\$1,589,033	\$0	\$0	\$0	\$0	\$1,589,033	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Enterprise Software Upgrades and Replacement

Citywide

When this CIP was originally submitted the Executive Steering Committee (ESC) had not been established. With ESC now in place, there is oversight on the technology needs of the City which includes vetting and ranking of potential technology projects. There are many small and mid-size projects that address a business need, requires an upgrade, or a replacement of current technology which do not have a funding source. This 'technology project refresh' CIP would establish ongoing funding to allow for the upgrading and replacement of these smaller initiatives, as well as contracted support to assist in the timely execution of these projects.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.05 - ONLINE SERVICES SATISFACTION RATE - Achieve ratings of "Very Satisfied" or "Satisfied" with "Tempe's online services ease of use and needs met" greater of than or equal to 90% as measured by the Community Survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Customer Enhancements	6708739	7/1/2017				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$200,000	\$200,000	\$200,000	\$300,000	\$900,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$200,000	\$200,000	\$200,000	\$300,000	\$900,000	
Total	\$0	\$200,000	\$200,000	\$200,000	\$300,000	\$900,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

GenGov - Information Technology

Citywide

This program creates appropriation for unforeseen or emergency capital items. Even with a program of regular infrastructure replacements there will be some failure(s) or demands which cannot wait for their scheduled replacement. This project creates funding to address the unexpected infrastructure failures, public health and safety issues, and/or contractual obligations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

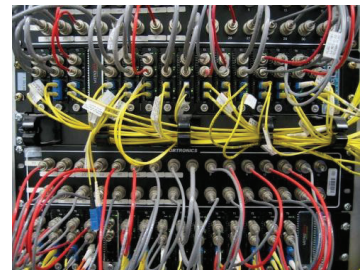
Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711939	7/1/2026			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Network Infrastructure Refresh

Citywide

This project funds major network infrastructure asset replacement for equipment reaching end of service life and support. The project continues the City's asset preservation program and provides for replacement of City network infrastructure systems such as: cabling, microwaves, UPSs, vaults, towers, monopoles, fiber, and switches and routers. This effort keeps Tempe's network infrastructure current and reduces vulnerability. Tempe maintains a scheduled replacement cycle for network equipment to keep devices operational and current with technology standards. Funding requests vary year to year based on the volume of equipment scheduled for refresh during that period. This CIP combines previous CIPs: Enterprise Station Cabling Replacement (6710569), Microwave Replacement (6710849), UPS Replacement (6710859), Vault Replacement (6710869), Citywide Communication Tower and Monopole Relocation & Replacement (6711559), Multimode Fiber Replacement (6711609), and Core Network Replacement (TBD).



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6710569	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$200,000	\$1,125,600	\$2,269,100	\$1,503,000	\$2,290,000	\$7,387,700	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$200,000	\$1,125,600	\$2,269,100	\$1,503,000	\$2,290,000	\$7,387,700	
Total	\$200,000	\$1,125,600	\$2,269,100	\$1,503,000	\$2,290,000	\$7,387,700	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

PeopleSoft Replacement

120 E 5th St

Replacement of the Oracle Peoplesoft Enterprise Resource Planning (ERP) system, which includes Human Capital Management (HCM) and Financials, has been in use since 1997. While there have been enhancements, its overall functionality has remained the same. The system no longer keeps pace with modern software applications offering better functionality, user interfaces, and mobile device compatibility. The software support contract has moved from Oracle to a third-party provider, saving the City annually, but reducing opportunities for future enhancements and posing security challenges. This will be a multi-year project, with first year funding for professional consulting to analyze the current state and provide options for possible solutions. Consecutive projects to replace the Financials and HRMS systems will be conducted during all five years of the CIP.



Primary City Council Priority and Performance Measure Addressed



Strong Community Connection 2.05 - ONLINE SERVICES SATISFACTION RATE - Achieve ratings of "Very Satisfied" or "Satisfied" with "Tempe's online services ease of use and needs met" greater than or equal to 90% as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6711299	7/1/2023			6/30/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$5,470,483	\$1,343,000	\$2,286,000	\$0	\$0	\$9,099,483	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$3,112,483	\$764,000	\$1,301,000	\$0	\$0	\$5,177,483	
Emergency Medical Transportation Fund	\$60,000	\$15,000	\$25,000	\$0	\$0	\$100,000	
Water / Wastewater Fund	\$1,100,000	\$270,000	\$460,000	\$0	\$0	\$1,830,000	
Solid Waste Fund	\$268,000	\$66,000	\$112,000	\$0	\$0	\$446,000	
Arts & Culture Fund	\$142,000	\$35,000	\$59,000	\$0	\$0	\$236,000	
Transit Tax	\$788,000	\$193,000	\$329,000	\$0	\$0	\$1,310,000	
Total	\$5,470,483	\$1,343,000	\$2,286,000	\$0	\$0	\$9,099,483	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$634,400	\$666,100	\$573,905	\$0	\$1,874,405	
Total	\$0	\$634,400	\$666,100	\$573,905	\$0	\$1,874,405	

Capital Improvements Program

Public Internet Technology

Citywide

The Public Internet Technology project will enhance the capabilities of Tempe's free public Internet access through public computers and wireless access for citizens visiting public facilities, such as the Library complex, City Hall, Tempe Center for the Arts, and recreation centers. Tempe currently provides over 150 physical computers to provide all computing needs to users of our recreation facilities and library. The wireless network averages between 400-600 active device connections at any point during the day, with usage spiking during holidays and summer months. Installed in 2008 for web browsing and email, the system was updated in 2015. This update supports the evolution of the internet, proliferation of personal smart devices, citizen browsing requirements, and security capabilities to support services Tempe would like to provide (example; YouTube, Facebook, and online library resources).



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.16 COMMUNITY SERVICES FACILITIES AND OPEN SPACES Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6708299	7/1/2017			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$178,000	\$278,600	\$130,000	\$321,000	\$907,600	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$178,000	\$278,600	\$130,000	\$321,000	\$907,600	
Total	\$0	\$178,000	\$278,600	\$130,000	\$321,000	\$907,600	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Security Systems Upgrades

Citywide

Tempe maintains 137 buildings covering over 1,600,000 square feet. Special Systems are essential for safety and security throughout Tempe facilities, including security alarms, video security, card access, and environmental and energy management controls. The card access system comprises 62 access controls and 440 doors and gates. There are over 44 security alarm panels. The useful life of these systems ranges from 5-7 years for cameras to 10 years for security and surveillance systems. These systems are crucial in protecting our infrastructure and facilities. It is critical to keep the camera system fully functional to support the RTOC and public safety. Project delays have resulted in spending being pushed to subsequent fiscal years. While future expenses appear lower, the RTOC is driving increased camera deployment and requiring greater video storage capacity, necessitating more frequent equipment replacement to meet expanding operational demands.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.11 - FEELING OF SAFETY IN CITY FACILITIES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in City Facilities" greater than or equal to 90% as measured by the Community and the Employee Surveys.

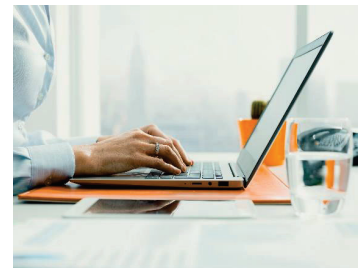
Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6707609	7/1/2017			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$150,000	\$308,000	\$213,275	\$537,000	\$547,900	\$1,756,175	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$150,000	\$308,000	\$213,275	\$537,000	\$547,900	\$1,756,175	
Total	\$150,000	\$308,000	\$213,275	\$537,000	\$547,900	\$1,756,175	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Team Technology Refresh

Citywide

The Team Technology Refresh CIP replaces aging devices across the City on a rotating 4-year cycle. Regular technology refreshes ensure departments stay current, reduce support costs, and improve user performance and efficiency. Previously focused only on PCs, this project now includes laptops and domain-joined tablets (such as Surface models) to meet evolving technology needs, including secure VPN options and increased work flexibility. In FY21-22, laptops and docking-capable devices were included to support a "single device usage" model. These devices are more energy-efficient than desktops, supporting the City's carbon neutrality goals by reducing power consumption. Conference rooms continue to be upgraded to enhance Teams conferencing, promoting collaboration, reducing travel, and providing options for public meetings. Desktop telephones will be deferred for 4 years, advantageous pricing allowed needed End of Life replacements to be purchased earlier than planned.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6707229	7/1/2014			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,948,302	\$1,710,000	\$1,885,000	\$1,668,375	\$1,678,675	\$9,890,352	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$2,433,049	\$1,710,000	\$1,885,000	\$818,375	\$1,678,675	\$8,525,099	
Water / Wastewater Fund	\$308,653	\$0	\$0	\$567,500	\$0	\$876,153	
Transit Tax	\$206,600	\$0	\$0	\$282,500	\$0	\$489,100	
Total	\$2,948,302	\$1,710,000	\$1,885,000	\$1,668,375	\$1,678,675	\$9,890,352	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Electric Vehicle Charging Infrastructure/Stations

Citywide

This project will fund design, construction and installation of fixed electric vehicle (EV) charging station infrastructure and solar-powered covered parking charging stations for City vehicles. In advancement of City Council's Climate Action Plan goals, Performance Measure 4.19 and existing strategies 1 and 2 within Performance Measure 4.19, Fleet Services is transitioning city vehicles deemed appropriate for EV replacements. Fleet is already purchasing EVs, but sufficient EV charging stations located around the city are required prior to EV acquisition to ensure safe and reliable operation.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.19 - MUNICIPAL CARBON NEUTRALITY - Achieve the City Council goal of carbon neutrality in municipal operations with a strategy of 100% renewable energy by 2035.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Systems Expansions	6709899	7/1/2024				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$399,022	\$1,284,000	\$1,080,519	\$1,080,519	\$1,080,519	\$4,924,579	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$399,022	\$1,284,000	\$1,080,519	\$1,080,519	\$1,080,519	\$4,924,579	
Total	\$399,022	\$1,284,000	\$1,080,519	\$1,080,519	\$1,080,519	\$4,924,579	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Overhead to Underground Utility Relocation

Citywide

Tempe City Code requires that all new development and redevelopment projects underground abutting overhead utilities. This code requirement includes applicable city CIP projects. Most large CIP projects easily absorb these costs, but some of the smaller projects struggle to cover these additional costs. Also, there are small remnant strands of overhead utilities that are an eyesore and are not scheduled by the utility companies for removal. This project will provide special funding that can be used to augment small CIP projects to meet undergrounding code requirements or to mitigate visual blight related to overhead utilities.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.11 - TREE AND SHADE CANOPY - Achieve a citywide (City and private property) 18% tree and shade canopy.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Customer Enhancements	6710819	On going				On going	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000	
Total	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Energy Conservation Program

Citywide

The goal of this program is to reduce energy use and utility costs in city facilities and achieve the Council goal of carbon neutrality in city operations by 2050. This funding will continue the City's initiative of conducting energy audits, re-commissioning, replacing inefficient lighting, air conditioning systems and mechanical equipment and reviewing additional ways to conserve and reduce electricity use. To date, the city has achieved a reduction of 6% in municipal energy use. In 2009, total electricity expenses for all city operations was \$7.5 Million and was expected to increase to \$12.5 Million by 2020. Over the last 10 years, because of the City's sustainability initiatives, electricity expenses have remained at or below \$7.5 million per year. This program also funds the operation and maintenance of communityEV charging infrastructure.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.19 - MUNICIPAL CARBON NEUTRALITY - Achieve the City Council goal of carbon neutrality in municipal operations with a strategy of 100% renewable energy by 2035.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6705179		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,111,075	\$375,000	\$375,000	\$375,000	\$375,000	\$2,611,075
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$368,037	\$375,000	\$375,000	\$375,000	\$375,000	\$1,868,037
Capital Project Fund Balance	\$743,038	\$0	\$0	\$0	\$0	\$743,038
Total	\$1,111,075	\$375,000	\$375,000	\$375,000	\$375,000	\$2,611,075
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Implementation of Downtown Improvement Plans (Mill Ave Improvements)

Mill Ave, University Dr to Rio Salado Pkwy

This project is a phased implementation of the 2019 Downtown Improvements Plan, which incorporates the principles from several previous studies and prioritizes them for implementation. This is a coordinated, ongoing effort among several departments (Community Development, Community Services, Engineering and Transportation) as well as the Downtown Tempe Authority (DTA) and community stakeholders. The project focus is on safety, shade, walkability, and wayfinding. Improvements will include electrical upgrades, enhanced lighting, intersection improvements at Mill Avenue and 3rd, 4th, 6th, 7th Streets and University Drive, median improvements from Rio to University, one gateway/monument, sidewalk/paver replacement/repairs, and trees. ADA elements and correction of other identified deficiencies are also included in this project. Design for improvements along Mill Avenue between University Drive and Rio Salado Parkway was completed in February 2024.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6708311		3/1/2024		9/30/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$14,362,322	\$0	\$0	\$0	\$0	\$14,362,322
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$14,362,322	\$0	\$0	\$0	\$0	\$14,362,322
Total	\$14,362,322	\$0	\$0	\$0	\$0	\$14,362,322
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Shade and Green Stormwater Infrastructure

Citywide

The threat of extreme heat is intensifying due to climate change and the urban heat island effect. The City's Climate Action Plan identifies specific actions to establish resilience to extreme heat, including Green Stormwater Infrastructure. Tempe can save water and cool the city by designing landscapes that capture stormwater, while also growing vegetation for shade and cooling. Recent pilot projects have been community favorites and received regional attention including the YMCA landscape refresh, Smith Road, and Wendler right of way. This funding will assist traffic calming, right-of-way, multi-use path, and Pavement Quality Index projects for a more "complete street" design. This project began with the Rain to Roots program and masterplan that is guiding future design and construction of green infrastructure on city properties, streetscape projects, in the public right-of-way, and supports neighborhood grants.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.23 - URBAN COOLING - Achieve a score that is less than or equal to 3 as measured by Tempe's Heat Vulnerability Index.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	6710809	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$378,000	\$1,998,000	\$2,503,000	\$1,000,000	\$1,000,000	\$6,879,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$397,000	\$1,996,000	\$2,497,000	\$1,000,000	\$1,000,000	\$6,890,000	
Total	\$397,000	\$1,996,000	\$2,497,000	\$1,000,000	\$1,000,000	\$6,890,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Solar Power Partnerships & Solar in City Facilities

Citywide

This project will increase the city's renewable energy portfolio and reduce the City's carbon footprint. Thirty-five percent of city operations' energy comes from renewable energy. Tempe has 4.14 MW of solar power at 9 city facilities, 7 of those were built through solar service agreements. Maintaining a \$300,000 fund is necessary in case solar panels get damaged and City of Tempe is responsible for repairs. In 2025, this fund supported the installation of a solar array at the update Fire Station Number 2, following the International Green Construction Code. In the next 5 year CIP, this fund will continue to operate and maintain existing solar and fund a design for microgrid (solar and battery storage) at Escalante Community Center. This location was prioritized in the Tempe Microgrid Feasibility Study.



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth & Development

4.19 - MUNICIPAL CARBON NEUTRALITY - Achieve the City Council goal of carbon neutrality in municipal operations with a strategy of 100% renewable energy by 2035.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	6708369	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$670,188	\$200,000	\$200,000	\$200,000	\$200,000	\$1,470,188	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Fund Cash Reserve - CIP	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000	
Capital Project Fund Balance	\$470,188	\$0	\$0	\$0	\$0	\$470,188	
Total	\$670,188	\$200,000	\$200,000	\$200,000	\$200,000	\$1,470,188	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

**Park Improvements / Recreation Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Aquatics Infrastructure & Equipment Replacement	6304999	General Obligation Bonds	2,512	-	2,512	286,000	433,000	857,000	515,000	2,093,512
Bell Butte Management Plan	6309039	Capital Projects Fund Balance	94,000	-	94,000	-	-	-	-	94,000
Clark Park Pool & Amenities	6310509	General Obligation Bonds	84,017	-	84,017	-	-	-	-	84,017
Diablo Stadium Complex Baseball Field Renovations	6308639	General Obligation Bonds	-	130,000	130,000	130,000	130,000	130,000	130,000	650,000
Diablo Stadium Contractual Improvements	6303009	Diablo Stadium Revenue	-	47,500	47,500	47,500	47,500	47,500	47,500	237,500
		General Obligation Bonds	52,585	102,500	155,085	102,500	102,500	102,500	102,500	565,085
		Project Total	52,585	150,000	202,585	150,000	150,000	150,000	150,000	802,585
Double Butte Cemetery Study Improvements	6311829	General Obligation Bonds	500,000	400,000	900,000	-	-	-	-	900,000
Hayden Butte Restoration	6311839	General Obligation Bonds	500,000	-	500,000	-	-	-	-	500,000
Implementation of Diablo Stadium Master Plan	6309769	General Obligation Bonds	23,923,628	-	23,923,628	-	-	-	-	23,923,628
		Capital Projects Fund Balance	6,999,967	-	6,999,967	-	-	-	-	6,999,967
		Project Total	30,923,595	-	30,923,595	-	-	-	-	30,923,595
<u>Implementation of Diablo Stadium Master Plan Developer Contingency</u>	6311899	Developer Assistance/Contribution	-	10,000,000	10,000,000	-	-	-	-	10,000,000
Implementation of Preserves Management Plan	6308699	General Obligation Bonds	599,347	-	599,347	175,000	175,000	175,000	175,000	1,299,347
Implementation of Rio Salado Master Plan	6309909	General Obligation Bonds	727,197	-	727,197	700,000	-	1,000,000	-	2,427,197
Ken McDonald Clubhouse Renovation	6311389	General Obligation Bonds	4,550,839	3,900,000	8,450,839	-	-	-	-	8,450,839
Ken McDonald Irrigation Renovation	6311499	General Obligation Bonds	3,870,846	-	3,870,846	-	-	-	-	3,870,846
Kiwanis Tennis Court Asset Preservation	6311509	General Obligation Bonds	-	-	-	-	-	-	177,000	177,000
Loma del Rio Restoration	6311849	General Obligation Bonds	450,000	-	450,000	-	-	-	-	450,000
Park Archaeological Monitoring & Mitigation	6310359	General Obligation Bonds	18,040	-	18,040	50,000	50,000	50,000	50,000	218,040
Park Concrete & Sports Court Replacement & Renovation	6305119	General Obligation Bonds	-	-	-	1,100,000	1,050,000	900,000	675,000	3,725,000
Park Electrical and Lighting	6307659	General Obligation Bonds	77,567	-	77,567	500,000	500,000	700,000	725,000	2,502,567
Park Emergency Repairs	6305989	General Obligation Bonds	-	1,500,000	1,500,000	130,000	130,000	130,000	180,000	2,070,000
Park Enhancements	6308189	General Obligation Bonds	-	-	-	475,000	700,000	700,000	800,000	2,675,000
		Development Impact Fees	272,390	-	272,390	-	-	-	-	272,390
		Project Total	272,390	-	272,390	475,000	700,000	700,000	800,000	2,947,390
Park Infrastructure	6308169	General Obligation Bonds	69,504	-	69,504	550,000	650,000	750,000	750,000	2,769,504

**Park Improvements / Recreation Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Park Irrigation System	6305999	General Obligation Bonds	14,578	-	14,578	540,000	560,000	720,000	880,000	2,714,578
		Water / Wastewater Fund	-	-	-	40,000	40,000	40,000	40,000	160,000
		Project Total	14,578	-	14,578	580,000	600,000	760,000	920,000	2,874,578
Park Lake Improvements	6307629	General Obligation Bonds	46,108	-	46,108	-	-	300,000	-	346,108
Park Landscape Renovation & Buffer	6309789	General Obligation Bonds	113,354	-	113,354	100,000	100,000	170,000	150,000	633,354
Park Monument Signs	6311219	General Obligation Bonds	66,240	-	66,240	200,000	200,000	200,000	200,000	866,240
Park Playground Infrastructure & Equipment Replacement & Renovation	6305499	General Obligation Bonds	2,642,270	-	2,642,270	1,650,000	1,650,000	1,300,000	1,235,000	8,477,270
Park Projects - Impact Fee Funded	6310369	Development Impact Fees	1,217,165	-	1,217,165	700,000	700,000	700,000	-	3,317,165
Park Ramadas Replacement	6307639	General Obligation Bonds	186,149	25,000	211,149	2,000,000	1,215,000	1,180,000	540,000	5,146,149
Park Restrooms Renovations/Replacement	6307649	General Obligation Bonds	425,937	-	425,937	120,000	580,000	530,000	880,000	2,535,937
Park Sign Package Study/Design	6308679	Capital Projects Fund Balance	53,453	-	53,453	-	-	-	-	53,453
Park Sports Amenities	6303089	General Obligation Bonds	78,302	-	78,302	1,305,000	1,525,000	1,225,000	1,850,000	5,983,302
Parks Improvements - Contingency	9863	Grants/Other Funding		1,000,000	1,000,000	-	-	-	-	1,000,000
Parks Urban Forest	6309489	General Obligation Bonds	-	305,000	305,000	305,000	305,000	305,000	150,000	1,370,000
Recreation Emergency Repairs	6310529	General Obligation Bonds	-	-	-	100,000	100,000	100,000	100,000	400,000
Park Improvements/Recreation Program Total			47,635,995	17,410,000	65,045,995	11,306,000	10,943,000	12,312,000	10,352,000	109,958,995
Financial Services										
Diablo Stadium Improvements/ Repairs	6308139	General Obligation Bonds	27,635	-	27,635	250,000	250,000	250,000	250,000	1,027,635
Financial Services Program Total			27,635		27,635	250,000	250,000	250,000	250,000	1,027,635
Park Improvements/Recreation Program Total			47,663,630	17,410,000	65,073,630	11,556,000	11,193,000	12,562,000	10,602,000	110,986,630

Capital Improvements Program

Aquatics Infrastructure and Equipment Replacement

Various

This project will rehabilitate and replace aquatic facility equipment and infrastructure based on life cycle and condition rating to ensure reliable operations. Aquatic facilities include Kiwanis Pool, Escalante Pool, McClintock Pool, splash pads, splash playgrounds, and some water fountains.

Projects include:

FY26-27: Replace pool equipment, Kiwanis pool resurface, Kiwanis splash playground pump

FY27-28: Replace pool operating equipment. Repair the pool floor and operating equipment at the splash playground

FY28-29: Replace Pebble Tech and pool operating equipment.

FY29-30: Repair pool deck. Replace diving board, pool filter type, pool floor and walls, pool operating equipment. Purchase and install a heater.

FY30-31: Replace pool operating equipment, shade canopies, slide recoating, and splash play features and operating equipment.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6304999	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,512	\$286,000	\$433,000	\$857,000	\$515,000	\$2,093,512	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$2,512	\$286,000	\$433,000	\$857,000	\$515,000	\$2,093,512	
Total	\$2,512	\$286,000	\$433,000	\$857,000	\$515,000	\$2,093,512	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Bell Butte Management Plan

Bell Butte near Broadway & Priest

This project will fund the creation of a management plan for Bell Butte. There are 3 buttes that are locations for water tanks serving the city: Hayden Butte Preserve, Bell Butte, and Papago Preserve Butte. All three require vehicle and equipment accessibility for routine maintenance and scheduled rehabilitation projects. They are historically and culturally significant, and two hold preserve status. The in-process Preserves Management Plan will serve as a template for Bell Butte. This plan will analyze the existing site relative to safety, access, history and cultural significance (working with Historic Preservation, SRP-MIC, and other stakeholders), maintenance and care of the native vegetation. Bell Butte is highly visible from the I-10 freeway, and a favored venue for graffiti. The management plan will recommend improvements and the standard of care and use for this area.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.23 - FEELING OF SAFETY IN PARKS - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in Parks" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6309039	7/1/2026			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$94,000	\$0	\$0	\$0	\$0	\$94,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$94,000	\$0	\$0	\$0	\$0	\$94,000	
Total	\$94,000	\$0	\$0	\$0	\$0	\$94,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Clark Park Pool and Amenities

Clark Park

This project constructed the Clark Park Community Pool and Recreation Center. The facility is substantially complete and open for operations. Outstanding items are limited to remaining work and final closeout, anticipated to be completed by June 2027. Any remaining funds will be reappropriated in the new fiscal year to address final project expenses, if needed.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

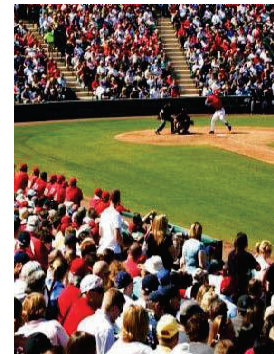
Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6310509	7/1/2021			6/1/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$84,017	\$0	\$0	\$0	\$0	\$84,017	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$84,017	\$0	\$0	\$0	\$0	\$84,017	
Total	\$84,017	\$0	\$0	\$0	\$0	\$84,017	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Diablo Stadium Complex Baseball Field Renovations

Diablo Stadium

This project will remove the buildup of organic matter in the soil and replace the soil substrate with USGA sand at the main stadium and the other complex baseball fields (7 fields total); this type of work is recommended to occur every 5-6 years to provide an adequate playing surface and drainage. Scheduled improvements include 1-2 field renovations per year.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6308639	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$650,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$650,000	
Total	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$650,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Diablo Stadium Contractual Improvements

Diablo Stadium

This project provides ongoing contractual capital requirements and improvements to the Diablo Stadium Sports Complex. The city is required to address Angels-identified Stadium and Diablo Complex capital needs annually. Planned projects by year are:

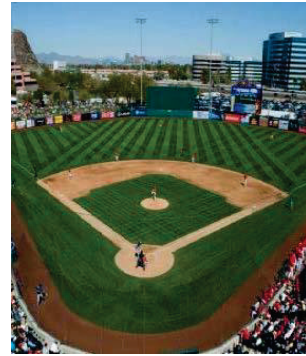
FY 2026-27: Field Equipment replacement (L-Screens, screens, etc.), Street banner replacement (48th St/Alameda - Angels Way), New and upgraded Stadium Graphics (interior and exterior); Angels requests

FY 2027-28: Stadium pad replacement, netting replacement, windscreen replacement

FY 2028-29: Annual replacements for pads, screens, netting and equipment and Angels' requests

FY 2029-30: Artificial Turf, wind screens, paint and misc.

FY 2030-31: Safety upgrades



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6303009		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$202,585	\$150,000	\$150,000	\$150,000	\$150,000	\$802,585
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$155,085	\$102,500	\$102,500	\$102,500	\$102,500	\$565,085
Diablo Stadium Revenue	\$47,500	\$47,500	\$47,500	\$47,500	\$47,500	\$237,500
Total	\$202,585	\$150,000	\$150,000	\$150,000	\$150,000	\$802,585
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Double Butte Cemetery Study Improvements

Double Butte Cemetery

This project funds the implementation of the recommendations from the Double Butte Cemetery Study, once completed. May include, gravesite restoration, road improvements, drainage modifications, landscape and irrigation improvements etc. These improvements will be phased over 3-5 years. Funding will come from a variety of sources including Park Improvements CIP funds and matching donations from a third party.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6311829		5/1/2026		6/30/2029	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$900,000	\$0	\$0	\$0	\$0	\$900,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$900,000	\$0	\$0	\$0	\$0	\$900,000
Total	\$900,000	\$0	\$0	\$0	\$0	\$900,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Hayden (Tempe) Butte Restoration

Tempe

Hayden Butte, also known Tempe Butte and "A" Mountain, is located in downtown Tempe. It is listed in the National Register of Historic Places and the Tempe Historic Property Register, and it is classified as a Traditional Cultural Property and sacred site by the Four Southern Tribes of Arizona. The 25-acre Hayden Butte Park Preserve, which contains much of the Butte, contains approximately 500 petroglyphs that were made by the Hohokam between A.D. 750 and 1450. The Hohokam, built hundreds of miles of irrigation canals, cultivated corn and lived in many settlements both large and small throughout the valley. La Plaza was a large Hohokam settlement at the base of Hayden Butte. An in-progress Logan Simpson management plan, in addition to public feedback, reveals the need to pursue restoration, improved trail development, and additional educational signage. The need for erosion control is pressing. This funding request is designed to help fulfill these needs.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

1.23 - FEELING OF SAFETY IN PARKS - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in Parks" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

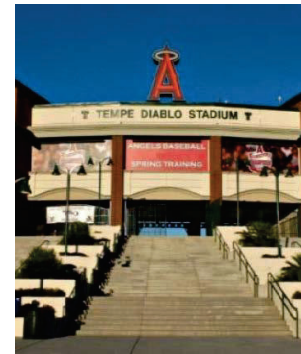
Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6311839	6/1/2026			6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Total	\$500,000	\$0	\$0	\$0	\$0	\$500,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Implementation of Diablo Stadium Master Plan

Diablo Stadium Complex

Implementation of Diablo master plan for a shared vision for the Diablo Stadium Complex as a competitive venue within the Cactus League organization. Improvements to infrastructure, fan experiences, and provide operational efficiencies. In conjunction with this project, Tempe's ADA Transition Plan for infrastructure compliance will be addressed. Scheduled projects include:
FY 2026-27: Continue Phase 2 improvements, design, construction
FY 2027-28: Continue Phase 2 improvements, construction



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

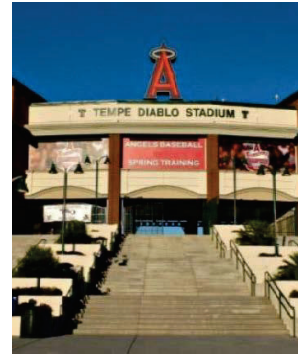
Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6309769	7/1/2021			6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$30,923,595	\$0	\$0	\$0	\$0	\$30,923,595	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$23,923,628	\$0	\$0	\$0	\$0	\$23,923,628	
Capital Fund Assigned Fund	\$6,999,967	\$0	\$0	\$0	\$0	\$6,999,967	
Total	\$30,923,595	\$0	\$0	\$0	\$0	\$30,923,595	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Implementation of Diablo Stadium Master Plan Developer Contingency

Diablo Stadium Complex

This project holds the contingency from Developer Assistance funds as additional spending authority, if needed on Phase 2.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6311899	7/1/2026		6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$10,000,000	\$0	\$0	\$0	\$0	\$10,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Developer Assistance/Contribution	\$10,000,000	\$0	\$0	\$0	\$0	\$10,000,000
Total	\$10,000,000	\$0	\$0	\$0	\$0	\$10,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Implementation of Preserves Management Plan

Papago Park and Hayden Butte

Based on recommendations from the preserves management plan and other known improvements and preservation needs this fund will implement components of the preserves management plan for Papago and Hayden Butte. Improvements and preservation may include natural, cultural, social, recreational and educational. Site restoration, erosion control, trail maintenance and improvement, revegetation are among the priorities as well as signage, historic and cultural preservation, and additional recreation or educational amenities.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.23 - FEELING OF SAFETY IN PARKS - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in Parks" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6308699	7/1/2020		6/30/2034		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$599,347	\$175,000	\$175,000	\$175,000	\$175,000	\$1,299,347
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$599,347	\$175,000	\$175,000	\$175,000	\$175,000	\$1,299,347
Total	\$599,347	\$175,000	\$175,000	\$175,000	\$175,000	\$1,299,347
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Implementation of Rio Salado Master Plan

Rio Salado

This project funds a phased implementation of the Rio Salado Park Master Plan. CIP, development impact fees and public private partnership funds will be combined to increase the potential for additional recreational amenities.

FY2026-2027: Advance public private partnership land-based recreational activity; Preliminary design for several activity zones on the north side of Tempe Town Lake
Future projects to be determined upon completion of preliminary design of the north side.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6309909	7/1/2020			6/30/2035		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$727,197	\$700,000	\$0	\$1,000,000	\$0	\$2,427,197	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$727,197	\$700,000	\$0	\$1,000,000	\$0	\$2,427,197	
Total	\$727,197	\$700,000	\$0	\$1,000,000	\$0	\$2,427,197	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Ken McDonald Clubhouse Renovation

Ken McDonald Golf Course

This project renovates the clubhouse at Ken McDonald Golf Course, adds parking adjacent to the building, and adds outdoor seating and lawn space. This project is partially funded through a public private partnership.

The current clubhouse was built in 1975 and has had studies completed in 2002 and 2021, identifying drainage issues, failing masonry, unlevel floors, roof leaks and a sinking foundation. Both studies recommended a rebuild or significant renovation of the clubhouse to address the aging infrastructure as well as the flow and layout issues which impede operations.

FY2026-27 – Construction of clubhouse



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6311389	7/1/2025			12/31/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$8,450,839	\$0	\$0	\$0	\$0	\$8,450,839	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$8,450,839	\$0	\$0	\$0	\$0	\$8,450,839	
Total	\$8,450,839	\$0	\$0	\$0	\$0	\$8,450,839	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Ken McDonald Irrigation Renovation

Ken McDonald Golf Course

This project replaces the full irrigation system at Ken McDonald Golf Course. This project is partially funded through a public private partnership.

The current irrigation system was installed in 1992 as a full replacement. A study completed in 2021 recommends a complete replacement due to below-ground PVC pipes exceeding lifecycle, outdated control system, inadequate spacing of sprinkler heads, and aging intakes and infrastructure.

Due to the significant construction timeline and impact to the golf course, it is recommended that the irrigation project and a separate clubhouse renovation project be undertaken simultaneously to reduce the amount of time the course is closed.

FY2025-26: Construction of irrigation system



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6311499		7/1/2025		6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$3,870,846	\$0	\$0	\$0	\$0	\$3,870,846
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$3,870,846	\$0	\$0	\$0	\$0	\$3,870,846
Total	\$3,870,846	\$0	\$0	\$0	\$0	\$3,870,846
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Kiwanis Tennis Court Asset Preservation

Kiwanis Recreation Center

This project will rehabilitate and replace court equipment and infrastructure to ensure the health and safety of participants and spectators while supporting the continued success and growth of the tennis program.

FY30-31: Life cycle replacement, repair, and update of Playsight equipment. Replacement of net straps, spectator seated shade canopy, and windscreens.



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6311509		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$0	\$0	\$177,000	\$177,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$0	\$0	\$177,000	\$177,000
Total	\$0	\$0	\$0	\$0	\$177,000	\$177,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Loma del Rio Restoration

Tempe

Loma del Rio, is located at 715 North Mill Avenue, on a portion of a 72-acre parcel (132-04-002E) within the 296-acre City of Tempe portion Papago Park. Loma del Rio ("hill by the river") is an archaeological site occupied by the Hohokam during the late Classic Period. Ceramic and lithic evidence recovered from the site indicates occupation between A.D. 1300 and A.D. 1450. The Tempe Historic Property Register-designated site is in need of restoration. Several recurring issues threaten the site. These include unauthorized removal of portions of the rock wall by the site's ramada to create campfires, and repeatedly taking down walls on the north side of Loma del Rio. Soil erosion near the ramada is also an issue. Funding associated with this proposal would be used to hire a contractor to complete a study of the site and to implement their recommendations pertaining to site restoration and maintenance, including trails, and the installation of educational signage.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Customer Enhancements	6311849	7/1/2025		6/30/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$450,000	\$0	\$0	\$0	\$0	\$450,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$450,000	\$0	\$0	\$0	\$0	\$450,000
Total	\$450,000	\$0	\$0	\$0	\$0	\$450,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Park Archeological Monitor and Mitigation

Various

The Parks and Recreation Division currently has several projects underway and planned that have been identified as needing archeological monitoring and possible archeological mitigation. Given the unknowns related to the archeological process and difficulties in calculating costs, this project provides funding for unforeseen expenses related to historical and archaeological studies and potential remediation for all Parks and Recreation capital improvement projects.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6310359	Ongoing		Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$18,040	\$50,000	\$50,000	\$50,000	\$50,000	\$218,040
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$18,040	\$50,000	\$50,000	\$50,000	\$50,000	\$218,040
Total	\$18,040	\$50,000	\$50,000	\$50,000	\$50,000	\$218,040
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Park Concrete and Sports Court Replacement and Renovation

Various

This project funds the regular replacement or resurfacing of park basketball courts, tennis/pickleball courts, plazas, and other park concrete related infrastructure. This project also funds general sidewalk repairs and necessary corrections to the deficiencies listed in the ADA survey.

Scheduled improvements include:

FY 2026-27: Ragsdale MLK Park concrete construction (no design)

FY 2027-28: Kiwanis Lake Sidewalk ADA corrections Construction

FY 2028-29: Kiwanis Sister Cities construction, Tempe Sports Complex

FY 2029-30: Age Friendly Garden; Tempe Sports Complex

FY 2030-31: Daley Basketball Courts; Tempe Sports Complex Skate park design



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6305119	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$1,100,000	\$1,050,000	\$900,000	\$675,000	\$3,725,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$1,100,000	\$1,050,000	\$900,000	\$675,000	\$3,725,000	
Total	\$0	\$1,100,000	\$1,050,000	\$900,000	\$675,000	\$3,725,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Electrical & Lighting

Various

This project provides for replacement and installation of electrical and lighting infrastructure for general park lighting and the lighting of sports fields, courts, pools etc. There are more than 3000 lights within Park facilities supported by lamps, ballast, LED components, light poles, electrical conductors, conduit, controls, electrical panels, electrical gear, and SES's. As infrastructure ages, replacement of infrastructure is required. Projects are scheduled proactively due to equipment reaching end of life, or based on recommendations made during light pole studies. 2026-27; Gonzales SES, Rio Salado infrastructure. 2027-28: light pole replacement, SES replacement, Infrastructure rewire/replace. 2028-29: light pole replacement, SES replacement, sports relamping. 2029-30: SES replacement, various lighting control replacement, light pole study, LED updates. 2030-31: Arch flash evaluation, LED updates, light pole replacements, wiring/infrastructure replacement.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.23 - FEELING OF SAFETY IN PARKS - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Feeling of Safety in Parks" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6307659	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$77,567	\$500,000	\$500,000	\$700,000	\$725,000	\$2,502,567	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$77,567	\$500,000	\$500,000	\$700,000	\$725,000	\$2,502,567	
Total	\$77,567	\$500,000	\$500,000	\$700,000	\$725,000	\$2,502,567	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Emergency Repairs

Various

Each year due to the age of our facilities, weather, and other unforeseen incidences, there are unscheduled infrastructure failures requiring repair. Even with a program of regular infrastructure replacements there will be some failure(s) or demands which cannot wait for their scheduled replacement. This project creates funding to address the unexpected infrastructure failures, public health and safety issues, and/or contractual obligations. In recent years due to an aging parks and recreation facility system, a series of emergency and/or unexpected infrastructure repairs and replacements has been required. Additionally, this fund will be used for ongoing improvements and repairs of infrastructure at Indian Bend Wash outlet, levee and pond per the agreement with the Maricopa County Flood Control District.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	6305989	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,500,000	\$130,000	\$130,000	\$130,000	\$180,000	\$2,070,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,500,000	\$130,000	\$130,000	\$130,000	\$180,000	\$2,070,000	
Total	\$1,500,000	\$130,000	\$130,000	\$130,000	\$180,000	\$2,070,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Enhancements

Various

This project funds park improvements to bring parks up to the base "recreational value" standard such as playgrounds (rubber surfacing, shade structure, and inclusive equipment), shaded picnic areas, trees, and site furnishings. This fund will also focus on new expansion projects and amenities such as new infrastructure, sports amenities, play amenities, gardens, multi-use gathering space, pickle ball courts or dog parks etc., as well as bleachers, scoreboards, netting and shade for sports fields/courts. Finally, this project funds implementation of the Equity Study and Parks and Recreation Master Plan recommendations.

FY 2027-28: Cole, Rotary ramadas construction

FY 2028-29: Stroud ramada, Kiwanis Field lighting design

FY 2029-30: Kiwanis Field lighting, Age Friendly Garden

FY 2030-31: Park Enhancement Project TBD



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Customer Enhancements	6308189	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$272,390	\$475,000	\$700,000	\$700,000	\$800,000	\$2,947,390	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$475,000	\$700,000	\$700,000	\$800,000	\$2,675,000	
Development Impact Fees	\$272,390	\$0	\$0	\$0	\$0	\$272,390	
Total	\$272,390	\$475,000	\$700,000	\$700,000	\$800,000	\$2,947,390	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Infrastructure

Various

Equipment Infrastructure: This project funds the replacement of picnic tables/equipment, benches, trash & recycle receptacles, drinking fountains, backstops, fencing, soccer goals, signage, sand, rubber safety surfacing maintenance and repair, etc. in City of Tempe parks.

Drainage Infrastructure: There are over 200 storm structures throughout the park system, which are part of a larger drainage and storm drain system. In some parks there is infrastructure related to drainage from streets into parks or on-site drainage at the parks such as bubbler boxes and dry wells. Several parks are having issues associated with the drainage of water including bubbler boxes backing up and slow draining retention basins. Additionally, turf in detention parks and flood irrigated areas drain slowly. This project will fund solutions to the drainage issues in neighborhood and community parks.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6308169	7/1/2017			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$69,504	\$550,000	\$650,000	\$750,000	\$750,000	\$2,769,504	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$69,504	\$550,000	\$650,000	\$750,000	\$750,000	\$2,769,504	
Total	\$69,504	\$550,000	\$650,000	\$750,000	\$750,000	\$2,769,504	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Irrigation Systems

Various

Tempe maintains all park living infrastructure including trees, shrubs, and turf through multiple irrigation methods, including flood, drip, and spray heads. Much of the irrigation infrastructure is beyond its useful life. This project funds modifications and replacements of irrigation systems components. This project will also fund the full conversion of irrigation controllers, including the installation of flow meters and master valves, in order to efficiently manage irrigation.

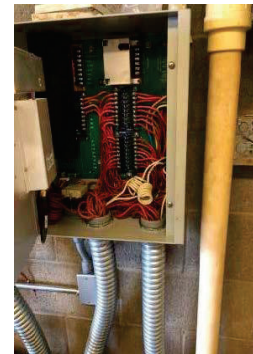
Scheduled projects include:

FY 2027-28: New irrigation controllers various locations;; Benedict Mainline/Controller upgrade

FY 2028 -29: Tempe Sports Complex (design); Benedict lateral lines and rotors; Kiwanis Controllers; new controllers various locations

FY 2029-30: Tempe Sports Complex phase 1 (construction); new irrigation controllers

FY 2030-31: Sports Complex construction phase 2; New irrigation controllers



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6305999	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$14,578	\$580,000	\$600,000	\$760,000	\$920,000	\$2,874,578	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$14,578	\$540,000	\$560,000	\$720,000	\$880,000	\$2,714,578	
Water / Wastewater Fund	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$160,000	
Total	\$14,578	\$580,000	\$600,000	\$760,000	\$920,000	\$2,874,578	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Lake Improvements

Various

Within the 6 parks (Hallman Park, Selleh Park, Kiwanis Park, Papago South, Indian Bend Habitat Ponds and Tempe Town Lake), Tempe maintains the lake edge, boating infrastructure and requires periodic dredging of the lakes. Erosion of the lake edge results in an unstable ground surrounding the water. This project will fund the reconstruction of eroded lake edges to prevent further erosion, line lakes to improve water retention, and add elements to improve water quality.

Scheduled projects include:

Projects in progress utilizing reappropriation: Hallman dredging and overflow

FY 29/30: Papago alternate water source construction; Misc lake edge repairs or modification at Papago Lake



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6307629		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$46,108	\$0	\$0	\$300,000	\$0	\$346,108
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$46,108	\$0	\$0	\$300,000	\$0	\$346,108
Total	\$46,108	\$0	\$0	\$300,000	\$0	\$346,108
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Park Landscape Renovation & Buffer

Various

Much of the parks landscape has extended beyond its useful life and needs to be renovated. Additionally, many parks border residential walls with sprinkled turf; these areas also include park assets, such as SES cabinets and irrigation controllers that are within turf areas. This project will fund moving sprinkler heads away from walls, installing a concrete header and decomposed granite buffers between parks and residential walls; these changes will increase the life of park assets and reduce irrigation overspray onto private property. Costs will include irrigation modifications, as well as decomposed granite and concrete header installations.

The following projects will be completed:

FY 2027-28: Petersen curbing, irrigation adjustments/landscape buffer

FY 2028-29: General landscape and curbing improvements

FY 2029-30: Tempe Beach/Rio Salado Landscape DG

FY 2030-31: Kiwanis landscape and DG refresh



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

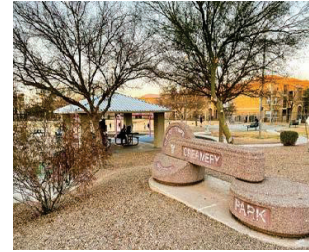
Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6309789		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$113,354	\$100,000	\$100,000	\$170,000	\$150,000	\$633,354
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$113,354	\$100,000	\$100,000	\$170,000	\$150,000	\$633,354
Total	\$113,354	\$100,000	\$100,000	\$170,000	\$150,000	\$633,354
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Park Monument Signs

Various

This project constructs and installs new park monuments signs with approximately 4-5 signs being replaced per year. A Park Sign Package study and design addresses the updating and replacement of parks rules and regulations signs, educational signs and wayfinding signs.
 FY 2027-28: Indian Bend, Hanger, Celaya, Scudder, Gaicki,
 FY 2028-29: Birchett, Stroud, Svob, Daumler
 FY 2029-30: Waggoner, Optimist x2, Arredondo, Cole
 FY 2030-31: Tempe Town Lake, Campbell, Double Butte Cemetery, Joyce



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6311219	7/1/2023			6/30/2035		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$66,240	\$200,000	\$200,000	\$200,000	\$200,000	\$866,240	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$66,240	\$200,000	\$200,000	\$200,000	\$200,000	\$866,240	
Total	\$66,240	\$200,000	\$200,000	\$200,000	\$200,000	\$866,240	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Playground Infrastructure & Equipment Replacement & Renovation

Various

This project funds replacement of all equipment and safety surfacing. Each playground is brought into compliance with current (CPSC), (ASTM), And (ADA) guidelines. Playgrounds include rubber safety surfacing and elements that match Tempe's recreational value standard, including equipment that meets inclusivity index standards. Fitness elements have also been included.

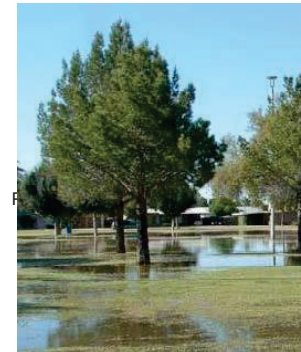
This project consist of the following playground updates:

FY 2027-28: Papago North and South Design, Cole & Rotary (construction); Jaycee Playground Construction; Hanger (design), ADA Compliance

FY 2028-29: Stroud Design, Hanger (construction); Papago north and South (Construction), ADA Compliance

FY 2029-30: Parque de Soza (Design); Esquer (construction), ADA Compliance

FY 2030-31: Mary and Moses Green Design, parque de Soza (construction), ADA Compliance



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6305499	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,642,270	\$1,650,000	\$1,650,000	\$1,300,000	\$1,235,000	\$8,477,270	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$2,642,270	\$1,650,000	\$1,650,000	\$1,300,000	\$1,235,000	\$8,477,270	
Total	\$2,642,270	\$1,650,000	\$1,650,000	\$1,300,000	\$1,235,000	\$8,477,270	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Parks Projects Impact Fee Funded

Various

Development Impact Fees are a funding source representing development's proportionate share of infrastructure costs and are used to construct system improvements needed to accommodate new development. In the Parks and Recreation category, several types of park improvement projects are eligible to be funded with development impact fees as identified in a 2021 development fee study.

This CIP will fund new projects that expand park amenities.

FY 2026-27: Diablo Stadium Lighting Field 3

FY 2027-28: Dog Park Project

Future projects are to be determined.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	6310369	7/1/2021			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,217,165	\$700,000	\$700,000	\$700,000	\$0	\$3,317,165	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Development Impact Fees	\$1,217,165	\$700,000	\$700,000	\$700,000	\$0	\$3,317,165	
Total	\$1,217,165	\$700,000	\$700,000	\$700,000	\$0	\$3,317,165	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Ramadas Replacement

Various

Tempe maintains ramadas in parks. This CIP will replace/renovate ramadas to ensure they are safe, accessible, and in good working condition. It funds the full replacement (including design) or minor renovation of park ramadas based on a life cycle or condition rating. Additionally, projects are scheduled in conjunction with identified playground renovations, in order to minimize park impact. In conjunction with this project, Tempe's ADA Transition Plan for infrastructure compliance will be implemented.

Scheduled replacement or minor renovations include the following parks:

FY 2026-27: Tempe Beach Park (renovations); Ragsdale MLK Ramada (reno)

FY 2027-28: Kiwanis Fishing ramadas (construction); Kiwanis Fiesta and Romero (design)

FY 2028-29: Kiwanis Fiesta Ramada Install. Kiwanis lake ramadas (renovation)

FY 2029-30: Kiwanis Romero (construction) Kiwanis lake ramadas (renovation)

FY 2030-31: Evelyn Hallman missing roofs; Rio Salado Shade Structures; Papago S renovation



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	6307639	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$211,149	\$2,000,000	\$1,215,000	\$1,180,000	\$540,000	\$5,146,149	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$211,149	\$2,000,000	\$1,215,000	\$1,180,000	\$540,000	\$5,146,149	
Total	\$211,149	\$2,000,000	\$1,215,000	\$1,180,000	\$540,000	\$5,146,149	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Park Restrooms Renovations/Replacement

Various

This project funds full restroom replacements and partial renovations. Restrooms undergoing full replacements require design and will generally be rebuilt in the same location and only relocated when necessary and practical. This CIP will replace/renovate restrooms to ensure they are safe, accessible and in good working condition. In conjunction with this project, Tempe's ADA Transition Plan for infrastructure compliance will be implemented. Scheduled projects include:

FY 2026-27: TSC 1 Restroom (partial)

FY 2027-28: Papago N, Marina (partials), Kiwanis Romero (design)

FY 2028-29: Tempe Beach (partial) Kiwanis fiesta, Kiwanis Romero (construction),

FY 2029-30: Papago S, Hallman (design); Jaycee, Hollis (design), Kiwanis white house

FY 2020-31: Tempe Beach Park, Daley, Marina, Hallman (construction)



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

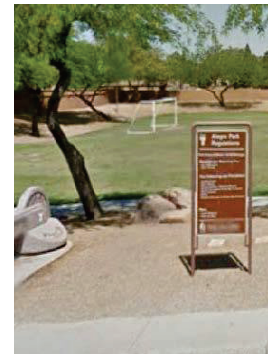
Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6307649		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$425,937	\$120,000	\$580,000	\$530,000	\$880,000	\$2,535,937
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$425,937	\$120,000	\$580,000	\$530,000	\$880,000	\$2,535,937
Total	\$425,937	\$120,000	\$580,000	\$530,000	\$880,000	\$2,535,937
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Park Sign Package Study/Design

Various

This project funds a study and the design for neighborhood and community park signage, which is currently in need of structural, aesthetic and informational updates and improvements. The study and subsequent design will address the following: concrete monument markers, parks rules and regulations signs, educational signs, and wayfinding signs (including accessibility features where applicable). The construction and installation of signs will be funded through the asset specific Park Infrastructure/Equipment Replacement CIP project.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6308679		Ongoing		12/31/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$53,453	\$0	\$0	\$0	\$0	\$53,453
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$53,453	\$0	\$0	\$0	\$0	\$53,453
Total	\$53,453	\$0	\$0	\$0	\$0	\$53,453
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Parks Sports Amentities

Various

Lighting Projects: 26-27: Indian Bend basketball & tennis const; , 27-28: Daumler & Ehrhardt basketball const., Marcos, Corona, tennis design; Kiwanis Romero vollyeball & Basketball design; Arredondo, Cole, Joyce & Optimist Basketball design; halide to light emitting diodes (LED) athletic lighting conversions , 28-29: Corona, Marcos, McClintock tennis const. Athletic lighting conversions to LED. Romero Volleyball & Basketball, 29-30: Arredondo, Cole, Joyce, Optimist Basketball construction; Marcos, McClintock, Corona, Tempe High Schools tennis const. Athletic lighting conversions to LED. 30-31: Mitchell Basketball, Diablo Field 4 lighting, Misc Athletic field lighting conversion

Field Renovations: 27-28: Tempe Sports Complex (2 soccer), Palmer, 28-29: Benedict (2 Soccer), Field Infrastructure upgrades, 29-30: Benedict (2 soccer), Ballfield refresh, soccer field reno, Rio volleyball infrast. 30-31: Misc Field renovation TBD



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6303089		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
T otal	\$78,302	\$1,305,000	\$1,525,000	\$1,225,000	\$1,850,000	\$5,983,302
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$78,302	\$1,305,000	\$1,525,000	\$1,225,000	\$1,850,000	\$5,983,302
Total	\$78,302	\$1,305,000	\$1,525,000	\$1,225,000	\$1,850,000	\$5,983,302
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Parks Improvements-Contingency Fund-Grants/Other

Various

This CIP creates spending authority and other funding that are received mid-year.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

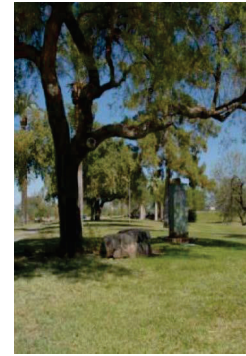
Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	9863		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
T otal	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Local Grants	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Parks Urban Forest

Various

This project funds new trees in parks, as well as to implement the Urban Forest Master Plan's 18% tree and shade canopy coverage performance measure. Tree planting projects will occur in conjunction with other, already scheduled projects, such as playground, ramada, or irrigation renovations. The neighborhood and community park portions of this project have been accelerated. This project also funds replacement trees lost to storm damage, age, vandalism, and accident at a rate of 2% each year for replacements. Scheduled projects include:
 FY 2026-27: Rio Salado, Kiwanis and Tempe Sports Complex; annual replacements
 FY 2027-28: Rio Salado, Kiwanis and Tempe Sports Complex, Cole/Rotary; annual replacements
 FY 2028-29: Rio Salado, Kiwanis and Tempe Sports Complex, Stroud, Hanger; annual replacements
 FY 2029-30: Rio Salado, Kiwanis and Tempe Sports Complex, Parque de Soza; annual replacements
 FY 2030-31: Rio Salado, Kiwanis and Tempe Sports Complex, Benedict; annual replacements



Primary City Council Priority and Performance Measure Addressed



Sustainable Growth &
Development

4.11 - TREE AND SHADE CANOPY - Achieve a citywide (City and private property) 18% tree and shade canopy.

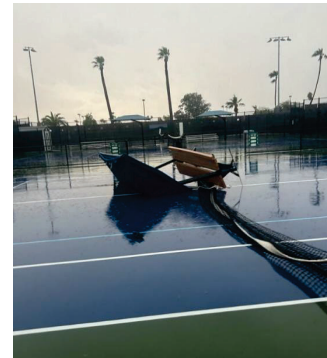
Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6309489		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$305,000	\$305,000	\$305,000	\$305,000	\$150,000	\$1,370,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$305,000	\$305,000	\$305,000	\$305,000	\$150,000	\$1,370,000
Total	\$305,000	\$305,000	\$305,000	\$305,000	\$150,000	\$1,370,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Recreation Emergency Repairs

Various

Aging infrastructure, weather or other incidents cause unscheduled facility and equipment failures that require repair or replacement. Even with a program of regular asset replacements there will be some unanticipated failures that would cause significant service interruptions if demands cannot wait for scheduled replacement. A few examples of emergencies are pool heater failure, broken fitness equipment, unexpected damage to fixtures and furnishings, and damage to fencing and netting caused by vandalism or weather.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.16 - COMMUNITY SERVICES FACILITIES AND OPEN SPACES - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of city parks, recreation, arts, and cultural centers" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6310529		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Total	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Diablo Stadium Improvements/Repairs

Diablo Stadium

Tempe Diablo Stadium was constructed in the late 1960's and has undergone several renovations since that time including an extensive renovation in 2005. This project will provide for the ongoing critical maintenance of the facility and its systems. There are repairs needed for concrete, roofing, fencing, and issues relating to HVAC's, electrical, and plumbing systems. Annual maintenance repairs are also needed for the high volume of use in spring. The impacted areas will include but may not be limited to the grandstands, concourse, stairwells and locker room areas. Future additional funding for this project is dependent on the outcome of the major Diablo Stadium Complex renovations. Current renovations are set to start in FY25/26 and continue for several years and includes projects such as painting, roof recoating and replacements, electrical updates, and plumbing. Diablo deficiencies are about \$4.9M and average 5 year predicted maintenance is \$250k per year.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	6308139		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$27,635	\$250,000	\$250,000	\$250,000	\$250,000	\$1,027,635
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$27,635	\$250,000	\$250,000	\$250,000	\$250,000	\$1,027,635
Total	\$27,635	\$250,000	\$250,000	\$250,000	\$250,000	\$1,027,635
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Police Program
FY 2026/27 - FY 2030/31 CIP Project Listing

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
9-1-1/Radio Recording Equipment Refresh	5511449	General Obligation Bonds	228,796	-	228,796	-	-	900,000	-	1,128,796
Armored Rescue Vehicle	N/A	General Obligation Bonds	-	-	-	-	-	536,687	-	536,687
City Regional Radio System Maintenance and Replacement	5501989	General Obligation Bonds	85,318	4,898,320	4,983,638	8,601,594	6,379,448	5,703,084	11,179,299	36,847,063
		Solid Waste Fund	-	63,434	63,434	148,336	608,823	242,105	248,032	1,310,730
		Water / Wastewater Fund	-	6,343	6,343	14,834	53,375	24,210	24,803	123,565
		Project Total	85,318	4,968,097	5,053,415	8,764,764	7,041,646	5,969,399	11,452,134	38,281,358
Detention CCTV System and Security Control	N/A	General Obligation Bonds	-	-	-	-	-	750,000	-	750,000
Digital Forensics Server Unit Project	N/A	General Obligation Bonds	-	-	-	600,000	-	-	-	600,000
Expansion and Replacement of Rifles	5508629	General Obligation Bonds	-	400,000	400,000	451,580	-	409,000	-	1,260,580
Explosive Ordnance Detection X Ray System Replacement	N/A	General Obligation Bonds	-	-	-	206,820	-	-	-	206,820
Explosive Ordnance Disposal Deployment Vehicle Replacement	5511459	General Obligation Bonds	23,792	-	23,792	120,000	-	-	-	143,792
Mobile and Enhanced Computer Replacement	5509189	General Obligation Bonds	316,909	50,000	366,909	20,000	2,362,397	100,000	250,000	3,099,306
New Police Substation	5511149	Development Impact Fees		1,200,000	2,400,000	-	-	-	-	2,400,000
		General Obligation Bonds		6,100,000	11,115,937	-	-	-	-	11,115,937
		Capital Projects Fund Balance		-	12,659,907	-	-	-	-	12,659,907
		Project Total			26,175,844					26,175,844
Police Analytics Integrated Information System	5511359	General Obligation Bonds	150,896	-	150,896	162,902	-	-	-	313,798
Police CAD and RMS Cloud Migration	5511719	Asset Forfeiture Proceeds	-	123,092	123,092	-	-	-	-	123,092
Police Facilities Repair/Remodel (formerly Hardy Substation HVAC and Gear Locker)	5510309	General Obligation Bonds	-	-	-	1,375,000	-	-	-	1,375,000
<u>Police Fund - Emergency Capital Repairs</u>	5511889	General Obligation Bonds	-	1,000,000	1,000,000	-	-	-	-	1,000,000
Police Training Simulator	N/A	General Obligation Bonds	-	-	-	-	-	148,500	-	148,500
Protective and Emergency Preparedness Equipment	5509719	General Obligation Bonds	-	344,563	344,563	375,000	900,000	564,305	185,300	2,369,168
Public Safety Communications Equipment Replacement	5510709	General Obligation Bonds	-	-	-	1,411,546	-	433,000	700,000	2,544,546
Taser and Body Worn Camera Refresh	5508819	General Fund Cash Reserve	-	670,598	670,598	980,489	-	-	-	1,651,087
Traffic Major Crime Scene Equipment and Software	N/A	General Obligation Bonds	-	-	-	-	-	385,661	-	385,661
Police Protection Program Total			19,681,555	14,856,350	34,537,905	14,468,101	10,304,043	10,196,552	12,587,434	82,094,035

Capital Improvements Program

9-1-1/Radio Recording Equipment Refresh

1855 E. Apache Boulevard, Tempe

The Communications Bureau provides recordings of 9-1-1 and non-emergency calls and police radio traffic to fulfill public records requests and assist outside agencies. These systems also protect the Police Department and City from liability, aid prosecutions, and enhance employee performance. The current systems, replaced in 2013 and 2017, are at the end of their 5-7 year lifespan, requiring full replacement for reliability. Partial upgrades risk compatibility issues. This proposal will replace the entire system and provide support for future needs like Next Generation 9-1-1 data (video, text). For planning purposes, the equipment will need replacement again in FY29-30 to include software maintenance. With this project being included in the City's capital improvement plan, it will ensure uninterrupted service.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5511449	ongoing			ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$228,796	\$0	\$0	\$900,000	\$0	\$1,128,796	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$228,796	\$0	\$0	\$900,000	\$0	\$1,128,796	
Total	\$228,796	\$0	\$0	\$900,000	\$0	\$1,128,796	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Armored Rescue Vehicle

N/A

This request is to replace the Tempe Police Department SWAT Team Armored Rescue Vehicle (ARV) Vehicle Number 929 in FY29-30. The current ARV has been in service for approximately 17 years and is approaching the end of its service life, with the manufacturer identifying 20 years as the expected maximum lifespan. This vehicle is experiencing increased mechanical failures, resulting in increased maintenance costs, and reduced reliability. ARVs are a vital component of SWAT operations. Their primary purpose is to safely transport tactical team members into and out of hostile environments and to provide protected movement for the rescue and recovery of officers, victims, and civilians during high-risk incidents. The ARV is specifically designed to provide ballistic protection from small-arms fire and explosive threats. Based on the fact that this is a replacement, there are no added operating expenses.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	N/A	7/1/2029			6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$536,687	\$0	\$536,687	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$536,687	\$0	\$536,687	
Total	\$0	\$0	\$0	\$536,687	\$0	\$536,687	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$0	\$0	\$0	\$6,000	\$6,000	
Total	\$0	\$0	\$0	\$0	\$6,000	\$6,000	

Capital Improvements Program

City Regional Radio System Maintenance and Replacement

120 E 5th St

The City of Tempe currently utilizes the Regional Wireless Cooperative (RWC), a regional Project 25 700/800 MHz interoperable radio system. The RWC has 23 partners and many other interoperable partners, allowing for seamless interoperability among federal, state, transit, county and municipal users. To support the infrastructure, maintenance, upgrades and support staff, RWC members must pay ongoing yearly costs. The RWC is planning a major infrastructure update beginning around 2028 that will require ALL radios on the system to be TDMA capable. Radios that are not TDMA capable will stop working once this upgrade is implemented. RWC is currently working to establish a firm date for this transition. Tempe maintains a scheduled replacement cycle for end user radio equipment to keep devices operational and current with technology standards, including TDMA compatibility. Funding requests may vary year to year based on the volume of equipment scheduled for refresh during that period.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5501989	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$5,053,415	\$8,764,764	\$7,041,646	\$5,969,399	\$11,452,134	\$38,281,358	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$4,983,638	\$8,601,594	\$6,379,448	\$5,703,084	\$11,179,299	\$36,847,063	
Solid Waste Fund	\$63,434	\$148,336	\$608,823	\$242,105	\$248,032	\$1,310,730	
Water / Wastewater Fund	\$6,343	\$14,834	\$53,375	\$24,210	\$24,803	\$123,565	
Total	\$5,053,415	\$8,764,764	\$7,041,646	\$5,969,399	\$11,452,134	\$38,281,358	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Detention CCTV System and Security Control

120 E. 5th St., Tempe

The Detention Facility will evaluate and replace the CCTV and Security Control Systems to ensure continuity in operations while ensuring appropriate technology updates. The systems become outdated and require an upgrade every 6-8 years. Recent upgrades were completed in 2024. The CCTV and Security Control systems are connected and should be upgraded together to maximize compatibility and minimize operational issues.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	N/A	7/1/2029			12/31/2031		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$750,000	\$0	\$750,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$750,000	\$0	\$750,000	
Total	\$0	\$0	\$0	\$750,000	\$0	\$750,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Digital Forensics Unit Server Project

N/A

The Tempe Police Department Digital Forensics Units responsible for accessing, retrieving, and storing evidence from digital devices for investigative units departmentwide. The digital evidence obtained is related to investigations (including homicides, crimes against children, robberies, drug trafficking, and serious/fatal traffic collisions) and is required for successful prosecution. The digital evidence is stored on a specialized computer server or cloud based platform, which is maintained by the DFU. Due to advancing technology, this server (originally purchased in 2017) will be considered obsolete in 2027. The TPD is therefore requesting the purchase of a Digital Forensics Server or cloudbased platform service in FY 2026-27 for \$600,000. This amount covers server replacement and all applicable fees for five years. After five years (FY 2031-32), there is an estimated annual fee of \$80,000 for server maintenance and software fees.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.05 - FEELING OF SAFETY IN YOUR NEIGHBORHOOD - Achieve ratings of "Completely Safe" or "Mostly Safe" for "feeling of safety in your neighborhood" that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	N/A	7/1/2026				6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$600,000	\$0	\$0	\$0	\$600,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$600,000	\$0	\$0	\$0	\$600,000	
Total	\$0	\$600,000	\$0	\$0	\$0	\$600,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Expansion and Replacement of Rifles

N/A

This project requests funding in FY 2026–27 to replace the Tempe Police Department's SWAT Team handguns, rifles, precision rifles, and related accessories, which will reach end of life by 2027. These weapons are the primary tools used by SWAT operators and snipers during high-risk incidents and are also heavily used to meet required training and qualification standards. The high frequency of both operational deployment and training use accelerates wear, necessitating a 5-year replacement cycle. Estimated costs include \$60,000/handguns, \$250,000/rifles, \$64,000/precision rifles, and \$26,000/accessories. This project also requests funding to replace Field Operations rifles and related accessories that will reach end of life by 2027. These weapons are used by patrol officers during high-risk operations, including armed violent offender and active assailant incidents. Estimated costs include \$173,300/rifles and \$278,280/accessories. Based on standard deployment and training, these systems follow an 8-year replacement cycle. Funding this project ensures TPD's SWAT operators and patrol officers have reliable, mission-critical equipment to effectively respond to public safety threats while safeguarding officers and the community. This is a recurring on-going project.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	5508629	7/1/2026				On-Going	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$400,000	\$451,580	\$0	\$409,000	\$0	\$1,260,580	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$400,000	\$451,580	\$0	\$409,000	\$0	\$1,260,580	
Total	\$400,000	\$451,580	\$0	\$409,000	\$0	\$1,260,580	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Explosive Ordnance Detection X-Ray System Replacement

N/A

This project aims at replacing the Tempe Police Department's (TPD) Explosive Ordnance Detection (EOD) Unit's five X-ray systems. TPD's existing EOD x-ray systems have been in service for approximately 19 years (as of FY 2025-26). EOD X-ray systems safely and effectively diagnose Improvised Explosive Devices (IEDs), suspicious packages, and other items that need to be analyzed without manipulation. In addition, x-ray systems are the first tool EOD technicians use to in counter IED detection. Considering the anticipated life expectancy and technological advances, existing X-ray systems will be considered obsolete in FY 2026-27 and must be replaced. The estimated cost to replace the x-ray systems is \$206,820. (with no recurring fees).



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	N/A	7/1/2026				6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$206,820	\$0	\$0	\$0	\$206,820	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$206,820	\$0	\$0	\$0	\$206,820	
Total	\$0	\$206,820	\$0	\$0	\$0	\$206,820	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Explosive Ordnance Disposal Deployment Vehicle Replacement

N/A

This project will replace the Tempe Police Department's (TPD) existing Explosive Ordnance Detection (EOD) Deployment Vehicle and two EOD blast suits. EOD deployment vehicles are used to store and secure specialized EOD equipment and transport the equipment to and from scenes involving potential explosives and dangerous individuals. TPD's existing EOD deployment vehicle has been in service for approximately 17 years. The specialized equipment secured and transported in the existing EOD deployment vehicle is critical to safeguard victims, innocent bystanders, and Law Enforcement Officers (LEOs) in high-risk incidents involving potential explosives and dangerous individuals. TPD's existing EOD deployment vehicle has surpassed its life expectancy. The vehicle replacement cost is estimated to be \$665,000 (this will also require an additional \$3,000 per vehicle in operating costs for gas and maintenance). The EOD blast suit replacement is estimated to be \$120,000 in FY2027-28.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	5511459	7/1/2026				6/30/2028	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$23,792	\$120,000	\$0	\$0	\$0	\$143,792	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$23,792	\$120,000	\$0	\$0	\$0	\$143,792	
Total	\$23,792	\$120,000	\$0	\$0	\$0	\$143,792	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Mobile and Enhanced Computer Replacement

N/A

Police mobile and enhanced computers are essential for field and investigative employees to maintain constant access to a fully integrated public safety system. Mobile computers provide field employees with the ability to communicate with each other, respond to calls for service, and complete police reports, records of field contacts, and arrests/bookings. Enhanced computers also provide investigative field employees with the ability to manage their caseload from the field or office, map crime and crash scenes, and conduct analysis and intelligence research. Equipment need to be replaced every five (5) years to ensure employees have access to critical systems and limit individual and systems failures. Refresh of the field operations and special assignment laptops and tablets are scheduled for FY2028-29. After the refresh, miscellaneous equipment and parts will also need to be replaced.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	5509189	7/1/2023		12/31/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$366,909	\$20,000	\$2,362,397	\$100,000	\$250,000	\$3,099,306
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$366,909	\$20,000	\$2,362,397	\$100,000	\$250,000	\$3,099,306
Total	\$366,909	\$20,000	\$2,362,397	\$100,000	\$250,000	\$3,099,306
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

New Police Substation

TBD

In support of Tempe Police Departments key initiatives, reduce crime/fear of crime and community and regional engagement, and in accordance with the facilities Master Plan (Makers April 2019), this project will provide the construction of a new Police Substation. This new substation will house a portion of North Patrol Operations, some specialty units, and all associated support functions. Units from the Investigations Division will also be relocated from Headquarters. The vacated spaces will make room for the Courts/Justice Center Expansion. This project is the starter/1st phase for many projects directly affecting the following projects: 1.) Vacate the Hawk Substation, 2.) vacate building #2 at HQ (Courts Modernization/expansion). See Makers and Arrington Watkins 2019 Studies details. The project is funded through development impact fees, General Obligation Bonds, and General Fund Cash Reserves -CIP. A portion of land costs are included in the project.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	5511149	11/1/2023		6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$26,175,844	\$0	\$0	\$0	\$0	\$26,175,844
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Development Impact Fees	\$2,400,000	\$0	\$0	\$0	\$0	\$2,400,000
General Obligation Bonds	\$11,115,937	\$0	\$0	\$0	\$0	\$11,115,937
Capital Projects Fund Balance	\$12,659,907	\$0	\$0	\$0	\$0	\$12,659,907
Total	\$26,175,844	\$0	\$0	\$0	\$0	\$26,175,844
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Personnel Services	\$0	\$0	\$234,515	\$244,454	\$254,817	\$733,787
Supplies and Services	\$0	\$0	\$120,640	\$120,640	\$120,640	\$361,920
Total	\$0	\$0	\$355,155	\$365,094	\$375,457	\$1,095,707

Capital Improvements Program

Police Analytics Integrated Information System

N/A

Strategic and Tactical Crime and Intelligence Analysis are a key initiative for the Police Department, making accurate, timely, and actionable data and intelligence available to support 's key initiatives. Having quality data and intelligence supported by well-informed analysis improves the speed and effectiveness of decision making that is so vital to problem solving, and meeting City performance measures. The project will integrate hardware, software, public safety/open source databases currently being used, leverage emerging predictive analytic techniques, and will support the development, implementation, and activation of a Real Time Operations Center to enable more efficient and effective deployment of Police resources in responding to crime. A drive in this direction will enhance public safety by improving the quality of life in the community and contribute to an increase in citizen satisfaction in police responses and service.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5511359	7/1/2024			6/30/2031		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$150,896	\$162,902	\$0	\$0	\$0	\$313,798	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$150,896	\$162,902	\$0	\$0	\$0	\$313,798	
Total	\$150,896	\$162,902	\$0	\$0	\$0	\$313,798	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Police CAD and RMS Cloud Migration

N/A

This project will enhance the end-user services and eliminate the need for internal hardware & support from City IT by transitioning the Police's CAD and RMS from an on-premises to vendor-hosted cloud environment. One advantage is the vendor will be responsible for all updates and changes to the systems. Also, there are some system functionalities that are unavailable, or make it more challenging to utilize, in our current environment. For example, the vendor has deployed programs that allow for data sharing with neighboring jurisdictions that we cannot take advantage of. It is critical we minimize downtime and have current updates.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5511719	7/1/2025			ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$123,092	\$0	\$0	\$0	\$0	\$123,092	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Asset Forfeiture Proceeds (RICO, 45222)	\$123,092	\$0	\$0	\$0	\$0	\$123,092	
Total	\$123,092	\$0	\$0	\$0	\$0	\$123,092	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$123,092	\$123,092	\$123,092	\$123,092	\$492,368	
None	\$0	\$123,092	\$123,092	\$123,092	\$123,092	\$492,368	

Capital Improvements Program

Police Facilities Repair/Remodel (Hardy Substation)

8201 S Hardy Dr, Tempe

The purpose of this project is to remodel and repair the Hardy Police Substation, which was built in 1994. The current space and design no longer meet the department's needs. In the fiscal year 2026/2027, officer gear lockers will be constructed in the existing motorcycle parking area. Any remaining funds will be used to replace the original men's and women's bathroom lockers and to create storage for department ammunition.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5510309	7/1/2026				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$1,375,000	\$0	\$0	\$0	\$1,375,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$1,375,000	\$0	\$0	\$0	\$1,375,000	
Total	\$0	\$1,375,000	\$0	\$0	\$0	\$1,375,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Police Fund - Emergency Capital Repairs

Citywide

This program creates appropriation for unforeseen or emergency capital items. Even with a program of regular infrastructure replacements there will be some failure(s) or demands which cannot wait for their scheduled replacement. This project creates funding to address the unexpected infrastructure failures, public health and safety issues, and/or contractual obligations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5511889	7/1/2026				6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Police Training Simulator

8201 S. Hardy Drive, Tempe

A training simulator allows for the creation of realistic scenarios to provide officers with an immersive learning experience, which will equip them with decision-making skills, verbal communication techniques, and non-physical intervention strategies in high-stress situations. A simulator is a safe and controlled environment where trainees can enhance their ability to handle real-life incidents using effective de-escalation techniques with confidence and composure when appropriate within the scenarios. The current simulator is no longer operable as it's out of date and out of warranty. Therefore, the training unit is looking to replace the inoperable equipment with the latest technology, compatible with handguns, rifles, and less lethal tools such as Taser and Pepperball. Current systems offer options to enhance training for a variety of environments and multitude of users and workgroups to include training civilians in police use of force.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.05 - FEELING OF SAFETY IN YOUR NEIGHBORHOOD - Achieve ratings of "Completely Safe" or "Mostly Safe" for "feeling of safety in your neighborhood" that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	N/A	7/1/2029			12/31/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$148,500	\$0	\$148,500	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$148,500	\$0	\$148,500	
Total	\$0	\$0	\$0	\$148,500	\$0	\$148,500	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Protective and Emergency Preparedness Equipment

N/A

This funding request ensures officers are equipped with protective equipment that reduces injury risk and enhances survivability during violent, hazardous, and life-threatening incidents. In FY26-27, all sworn personnel will replace gas masks. Also, the SWAT Team and SWAT Medics will purchase replacement masks (specific to SWAT) in FY26-27. In FY27-28, the Traffic Section will replace Motorcycle Helmets. In FY28-29, all sworn personnel will replace ballistic helmets. The total amount will include IRT, SWAT (and SWAT Medics). Also, in FY28-29, Field Operations and SWAT will replace their ballistic shields. In FY29-30, SWAT (and SWAT Medics), and CAST Personnel will replace their rifle rated vests. In FY30-31, gas masks will be purchased. This is a recurring, on-going project.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5509719	ongoing			ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$344,563	\$375,000	\$900,000	\$564,305	\$185,300	\$2,369,168	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$344,563	\$375,000	\$900,000	\$564,305	\$185,300	\$2,369,168	
Total	\$344,563	\$375,000	\$900,000	\$564,305	\$185,300	\$2,369,168	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Public Safety Communications Equipment Replacement

1855 E Apache Blvd. Tempe

This project seeks funding to replace all monitors, furniture, and equipment in the Tempe Police Department 9-1-1 Emergency Dispatch Center, built in 2008 and operating 24/7/365. Extensive wear and tear make this replacement essential for maintaining operational efficiency. Upgrades include a modern audio/visual system, transitioning from static single monitors to flexible displays that allow dispatchers to customize their workspaces for productivity and comfort. Supervisors will also be able to share critical information with all personnel simultaneously. The project includes the purchase of Mobile 9-1-1 Dispatch CAD and Radio Kits, ten printers, as well as, replacement monitors and chairs (in FY 29-30). CAD replacement computers and replacement Telephone Computers (FY 30-31)



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5510709	7/1/2023			6/30/2032		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$1,411,546	\$0	\$433,000	\$700,000	\$2,544,546	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$1,411,546	\$0	\$433,000	\$700,000	\$2,544,546	
Total	\$0	\$1,411,546	\$0	\$433,000	\$700,000	\$2,544,546	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Taser and Body Worn Camera Refresh

N/A

This project is specific to Tasers and Body Worn Cameras (BWC). The previous contract for both Tasers and BWC will expire in July and October 2027, respectively. The contracts for both include hardware components for both, as well as maintenance, replacements, and warranty, totaling \$670,598. FY 27/28 will require \$980,489 in order to upgrade both asset and warranty to a Taser 10 contract and extend the BWC contract.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.05 - FEELING OF SAFETY IN YOUR NEIGHBORHOOD - Achieve ratings of "Completely Safe" or "Mostly Safe" for "feeling of safety in your neighborhood" that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5508819	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$670,598	\$980,489	\$0	\$0	\$0	\$1,651,087	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Fund Cash Reserve - CIP	\$670,598	\$980,489	\$0	\$0	\$0	\$1,651,087	
Total	\$670,598	\$980,489	\$0	\$0	\$0	\$1,651,087	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$0	\$980,489	\$980,489	\$980,489	\$2,941,467	
Total	\$0	\$0	\$980,489	\$980,489	\$980,489	\$2,941,467	

Capital Improvements Program

Traffic Major Crime Scene Equipment and Software

1855 E. Apache Blvd

The Police Traffic Section is responsible for processing and documenting major collision and crime scenes throughout Tempe. These efforts support investigations conducted by the Traffic Section, Criminal Investigations, and Special Investigations units. To document major scenes—such as homicides, shootings, fatal collisions, and other violent crimes—the section uses advanced equipment, including 3D terrestrial scanners, total stations, GNSS instruments, small unmanned aircraft systems, and related peripheral tools. Specialized software is also employed, allowing police to analyze and utilize the collected data effectively. This technology supports a variety of analytical and investigative tasks, helping police conduct thorough investigations. By leveraging these advanced methods, field and investigative teams deliver police services efficiently while ensuring accountability for individuals responsible for crimes or collisions and enhancing public safety across the community.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.07 - POLICE SERVICES SATISFACTION - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Local Police Services" greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	N/A		7/1/2029		6/30/2031	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$0	\$385,661	\$0	\$385,661
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$0	\$385,661	\$0	\$385,661
Total	\$0	\$0	\$0	\$385,661	\$0	\$385,661
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

**Storm Drains Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
Mill Avenue Drainage Improvements	5810749	General Obligation Bonds	-	-	-	-	-	-	250,000	250,000
Roosevelt Storm Drain	5810911	Flood Control District - Maricopa County	8,957,000	-	8,957,000	-	-	-	-	8,957,000
		City of Scottsdale	2,411,500	-	2,411,500	-	-	-	-	2,411,500
		General Obligation Bonds	2,411,500	-	2,411,500	-	-	-	-	2,411,500
		Project Total	13,780,000	-	13,780,000	-	-	-	-	13,780,000
Storm Drain Improvements	5899971	General Obligation Bonds	3,610	-	3,610	330,000	330,000	330,000	330,000	1,323,610
<u>Storm Drain Management Plan Update</u>	NEW	General Obligation Bonds	-	-	-	250,000	-	-	-	250,000
Watson Drive - Bonarden Lane Drainage Improvements	5810079	General Obligation Bonds	-	-	-	950,000	2,526,000	-	-	3,476,000
Storm Drains Program Total			13,783,610	-	13,783,610	1,530,000	2,856,000	330,000	580,000	19,079,610

Capital Improvements Program

Mill Avenue Drainage Improvements

Mill Ave and Union Pacific Railroad

This project is identified in the Tempe Drainage Master Study. This project is eligible for Flood Control District of Maricopa County Project Funding. The project will focus on increasing the downstream storm drain capacity, as well as the connection of two separate storm drain systems in the area to provide relief to these systems to reduce potential flooding in the area. Possible flood mitigation components for this location include: 1) Provide relief to the storm drainage system by replacement/addition of 1000' of 24" storm drain along Mill Ave to connect to 13th St. system. Upsize 13th St. drain pipe from 30" to 42" to the Union Pacific Rail Road (UPRR) and the UPRR crossing pipe to 48"; 2) Provide additional capacity by replacement of 18" storm drain with 24" and addition of new catch basin. 3) Replace the aging equipment for the UPRR underpass pump station. This will be a multi year project with funding requirements beyond this 5 year project budget request.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5810749	7/1/2030				7/1/2032	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$0	\$250,000	\$250,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$0	\$250,000	\$250,000	
Total	\$0	\$0	\$0	\$0	\$250,000	\$250,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Roosevelt Storm Drain

Roosevelt/Continental from College to Miller Rd

This project ranked highly in the Tempe Drainage Master Study. The Flood Control District of Maricopa County recommended and approved this project for the District's Capital Improvement Program funding at 65% match and splits the remaining budget participation between the City of Tempe and the City of Scottsdale. The project will focus on increasing the storm drain capacity to relieve future flooding. The proposed Roosevelt Street storm drain system is an extension of the existing 78-inch storm drain that will run from the Indian Bend Wash in Scottsdale to Continental Drive in Tempe. This new storm drain system will significantly improve drainage conditions for the neighborhood areas south of Continental Drive and Roosevelt Street.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5810911	6/27/2023				11/30/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$13,780,000	\$0	\$0	\$0	\$0	\$13,780,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$2,411,500	\$0	\$0	\$0	\$0	\$2,411,500	
Flood Control District - Maricopa County	\$8,957,000	\$0	\$0	\$0	\$0	\$8,957,000	
City of Scottsdale	\$2,411,500	\$0	\$0	\$0	\$0	\$2,411,500	
Total	\$13,780,000	\$0	\$0	\$0	\$0	\$13,780,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Storm Drain Improvements 2026-27

Citywide

The city's storm drainage system includes approximately 225 miles of storm drains, 3,600 catch basins, 1,670 storm manholes and two railroad underpass pump stations. This CIP project funds the following asset maintenance and improvements to the storm drainage system:

- 1) Replacement of substandard storm drain infrastructure (mainly catch basins) in conjunction with street reconstruction projects.
- 2) Repair and replace storm drain infrastructure as identified by the Water Utilities Storm Drain Assessment Program and systemwide ongoing inspection.
- 3) Small projects identified from the 2019 Stormwater Management Master Plan.
- 4) Safety and access improvements to the railroad underpass pump stations located at Rural Road and McClintock Drive

These activities will improve our storm drain system in areas across the City to enhance safety and lower the risk of flooding and property damage.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5899971	7/1/2026			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$3,610	\$330,000	\$330,000	\$330,000	\$330,000	\$1,323,610	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$3,610	\$330,000	\$330,000	\$330,000	\$330,000	\$1,323,610	
Total	\$3,610	\$330,000	\$330,000	\$330,000	\$330,000	\$1,323,610	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Storm Drain Management Plan Update

Citywide

This project will review and update the 2019 Tempe Storm Drain Management Study. That study provided a road map for future storm drain Capital Improvement Projects to reduce damage from intense rainfall events. The project identified flood mitigation measures for flood-prone areas identified in Area Drainage Master Studies (ADMSs) performed by the Flood Control District of Maricopa County (District). The ADMSs provided results identifying areas of potential flooding. The Tempe Storm Drain Management Study verified City flooding issues in the identified areas, performed multi-frequency analyses to identify potential solutions, determined preferred solutions and a ranking for each location, and then developed a ranking matrix to prioritize projects for 15 locations. This update will revise the models to include completed significant projects and new or revised ADMSs. Once revised, the updated model will provide for updating of the plan to best address continuing flood hazards.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	New	7/1/2027			7/1/2028		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$250,000	\$0	\$0	\$0	\$250,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$250,000	\$0	\$0	\$0	\$250,000	
Total	\$0	\$250,000	\$0	\$0	\$0	\$250,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Watson Drive - Bonarden Lane Drainage Improvements

Watson Drive - Bonarden Lane

This is a ranked project in the Tempe Drainage Master Study. This project was a recipient of Flood Control District of Maricopa County (FCDMC) Capital Improvement Funding and the design work has been completed. However, construction costs for the Roosevelt Storm Drain exceeded Tempe's and FCDMC funding for Capital Improvement Project budgets and the FCDMC funding for this project was shifted to the construction of the Roosevelt Storm Drain Project. Tempe staff will reapply for FCDMC Capital Improvement Funding and anticipate future funding for this project. The drainage solution in this area is focused on increasing capacity to provide relief to the existing overloaded storm drain system. Any ADA improvements made as part of this project will be entered and tracked in GIS.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

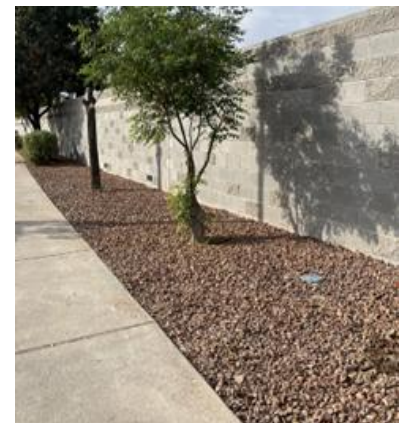
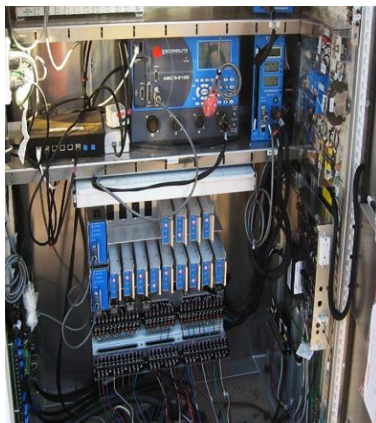
Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5810079	7/1/2028			7/1/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$950,000	\$2,526,000	\$0	\$0	\$3,476,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$950,000	\$2,526,000	\$0	\$0	\$3,476,000	
Total	\$0	\$950,000	\$2,526,000	\$0	\$0	\$3,476,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Transportation Program

The Transportation element of the Capital Improvements Program includes all new and ongoing improvements put into service under the city's Transportation and Right-of-Way, and Traffic Signal and Street Lighting programs. Combined the two programs represent \$92.9 million (13.5%) of the \$687.5 million Capital Improvements Budget for FY 2026/27.

In FY 2026/27 the main funding sources for transportation projects are the planned issuance of general obligation bonds and the balance from existing transportation capital project funds, federal grants, and other outside funding sources.

The Transportation and Right-of-Way program is scheduled to complete a variety of arterial and residential street maintenance, resurfacing, and reconstruction projects. The Traffic Signal and Street Lighting program is primarily focused on projects that maintain, replace and upgrade various technologies that support the city's traffic signals system, as well as on street light pole replacement.



**Traffic Signals and Street Lighting Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are <u>underlined</u>										
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
ITS Network Infrastructure Upgrade	6911309	Federal Grants	376,849	-	376,849	-	-	-	-	376,849
		Capital Project Fund Balance	-	60,718	60,718	-	-	-	-	60,718
		General Obligation Bonds	-	-	-	97,720	100,000	100,000	100,000	397,720
		Project Total	376,849	60,718	437,567	97,720	100,000	100,000	100,000	835,287
Left Turn Operation Improvements	N/A	ADOT	-	-	-	792,135	614,581	1,856,973	-	3,263,689
New Signals/Safety Upgrades	6906209	Capital Project Fund Balance	-	525,000	525,000	1,200,000	-	-	-	1,725,000
		Development Impact Fees	135,000	135,000	270,000	-	-	-	-	270,000
		Project Total	135,000	660,000	795,000	1,200,000	-	-	-	1,995,000
Streetlight LED Replacement Program	6908399	General Obligation Bonds	-	-	-	-	200,000	278,000	278,000	756,000
		Capital Project Fund Balance	10,317	250,000	260,317	200,000	-	-	-	460,317
		Project Total	10,317	250,000	260,317	200,000	200,000	278,000	278,000	1,216,317
Streetlight Pole Structural Replacement	6999849	General Obligation Bonds	-	-	-	-	204,951	204,951	204,951	614,853
		Capital Project Fund Balance	-	204,951	204,951	204,951	-	-	-	409,902
		Project Total	-	204,951	204,951	204,951	204,951	204,951	204,951	1,024,755
Streetlight Upgrade/New Installation	6999869	Highway User Revenue Fund	-	-	-	132,500	132,500	100,000	132,500	497,500
		Capital Project Fund Balance	-	255,000	255,000	-	-	-	-	255,000
		Project Total	-	255,000	255,000	132,500	132,500	100,000	132,500	752,500
Traffic Management Center Updates	6910199	General Obligation Bonds	1,031,660	-	1,031,660	-	-	-	-	1,031,660
Traffic Signal CCTV Updates	6911699	Capital Project Fund Balance	-	67,500	67,500	132,500	132,500	100,000	100,000	532,500
Traffic Signal Green Signs	6906229	General Obligation Bonds	-	-	-	-	150,522	150,522	150,522	451,566
		Capital Project Fund Balance	40,640	150,522	191,162	150,522	-	-	-	341,684
		Project Total	40,640	150,522	191,162	150,522	150,522	150,522	150,522	793,250
Traffic Signal Infrastructure	6903383	General Obligation Bonds	-	-	-	-	375,000	375,000	375,000	1,125,000
		Capital Project Fund Balance	64,825	475,000	539,825	375,000	-	-	-	914,825
		Project Total	64,825	475,000	539,825	375,000	375,000	375,000	375,000	2,039,825
Traffic Signal Pedestrian Access Improvements	6909679	General Obligation Bonds	-	-	-	-	50,000	50,000	50,000	150,000
		Capital Project Fund Balance	-	100,000	100,000	50,000	-	-	-	150,000
		Project Total	-	100,000	100,000	50,000	50,000	50,000	50,000	300,000
Update Signalized Intersection Detection	6910209	General Obligation Bonds	-	-	-	-	150,000	150,000	150,000	450,000
		Capital Project Fund Balance	63,750	150,000	213,750	150,000	-	-	-	363,750
		Project Total	63,750	150,000	213,750	150,000	150,000	150,000	150,000	813,750
Western Canal @ Guadalupe Rd Crossing Improvements	6910489	Capital Project Fund Balance	123,843	-	123,843	-	-	-	-	123,843
Traffic Signals and Street Lighting Program Total			1,846,884	2,373,691	4,220,575	3,485,328	2,110,054	3,365,446	1,540,973	14,722,376

Capital Improvements Program

ITS Network Infrastructure Upgrade

Citywide

Management of the City's transportation operations and signalization requires reliable communications with the capacity to transmit data to allow staff to actively manage traffic conditions. The goal of this project is two fold: first, to improve network performance with upgraded equipment and network architecture to support current and future ITS network bandwidth needs. The second goal is to obtain devices to maintain the transportation communications network. The first part of the project will replace outdated and out-of-warranty backbone and edge switching equipment with new high bandwidth equipment for lower O&M costs, expanded capabilities, and improved reliability. The future years will include the procurement and installation of radios, fiber switches, POE (power over ethernet) devices, splice closures, and cables.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	6911309	7/1/2023				6/1/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$437,567	\$97,720	\$100,000	\$100,000	\$100,000	\$835,287	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Federal Grants	\$376,849	\$0	\$0	\$0	\$0	\$376,849	
Capital Project Fund Balance	\$60,718	\$0	\$0	\$0	\$0	\$60,718	
General Obligation Bonds	\$0	\$97,720	\$100,000	\$100,000	\$100,000	\$397,720	
Total	\$437,567	\$97,720	\$100,000	\$100,000	\$100,000	\$835,287	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Left Turn Operation Improvements

Citywide

This project was awarded ADOT Highway Safety Improvement Program funding for the intersections of Southern Ave/College Ave and Kyrene Rd/Elliott Rd. This project will upgrade traffic signal equipment at the two intersections to provide upgraded left-turn operation and improved signal visibility. At Kyrene Rd/Elliott Rd, all four approaches will be upgraded from protected-permitted phasing to protected-only phasing. At Southern Ave/College Ave, the major street approaches will be upgraded from permissive to flashing yellow arrow (FYA) operation. The grant request included the installation of new left-turn signal heads, additional signal heads, retroreflective backplates, and associated signal poles, mast arms, and foundations to support the upgraded equipment.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	N/A	7/1/2027				6/30/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$792,135	\$614,581	\$1,856,973	\$0	\$3,263,689	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
ADOT	\$0	\$792,135	\$614,581	\$1,856,973	\$0	\$3,263,689	
Total	\$0	\$792,135	\$614,581	\$1,856,973	\$0	\$3,263,689	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

New Signals/Safety Upgrades

Various

This project provides for the installation of new traffic signals and associated equipment based on traffic engineering studies and warrants. It will also allow for replacement of existing equipment to meet safety features required by state and federal regulations. An intersection with modular traffic signal poles costs on average \$1,200,000 depending of the size of intersection, which takes into account two modular poles at each corner. ADA elements, including accessible push buttons and ramps are included in all signal projects. Transportation currently has 19 signal studies in various stages of review/completion. Currently one intersection meets warrants and will be moving forward to design. Staff anticipates that additional intersections will meet warrants based on initial data review.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6906209	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$795,000	\$1,200,000	\$0	\$0	\$0	\$1,995,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$525,000	\$1,200,000	\$0	\$0	\$0	\$1,725,000	
Development Impact Fees	\$270,000	\$0	\$0	\$0	\$0	\$270,000	
Total	\$795,000	\$1,200,000	\$0	\$0	\$0	\$1,995,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Streetlight LED Replace Program

Citywide

Beginning in year 2021, the city began the conversion of 5,000 arterial roadway luminaires to energy efficient LED type luminaires. In coming years, the focus will be to convert all 1500 existing High Pressure Sodium to LED luminaires. The remaining years funds would assist with finishing of the remaining 1250 residential streetlight luminaires that are Induction and have reached the end of their useful life. LED luminaires produce clean white light with improved color rendition that the human eye uses to see. For this reason, LED luminaires significantly improve night time visibility of our vulnerable roadway users including bicyclists and pedestrians. Research demonstrates that bicyclists and pedestrians are over-represented in night time crashes. LED luminaires also consume 50% less energy and have a reduced maintenance cost.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

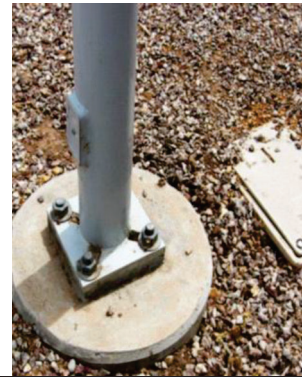
Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	6908399	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$260,317	\$200,000	\$200,000	\$278,000	\$278,000	\$1,216,317	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$200,000	\$278,000	\$278,000	\$756,000	
Capital Project Fund Balance	\$260,317	\$200,000	\$0	\$0	\$0	\$460,317	
Total	\$260,317	\$200,000	\$200,000	\$278,000	\$278,000	\$1,216,317	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Streetlight Pole Structural Replacement

Citywide

This project will focus on addressing the 2022 survey which found 308 poles to be structurally deficient. These streetlight poles are on foundation and will need to be replaced due to wet, corrosive environments. Approximately 50 poles can be replaced per year and by the end of 2022/23 approximately 300 poles will have been replaced. After the 2022 survey replacements are complete a new survey will be completed to re-evaluate the direct bury and foundation poles not previously replaced. Out-year funds will continue to be requested to cover any poles found deficient in the new survey. The new survey was recently completed by Phoenix National Laboratory (PNL) and 280 were structurally deficient and need to be replaced.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	6999849	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$204,951	\$204,951	\$204,951	\$204,951	\$204,951	\$1,024,755
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$204,951	\$204,951	\$204,951	\$614,853
Capital Project Fund Balance	\$204,951	\$204,951	\$0	\$0	\$0	\$409,902
Total	\$204,951	\$204,951	\$204,951	\$204,951	\$204,951	\$1,024,755
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Streetlight Upgrade New Installation

Citywide

This project allows staff to strategically prioritize improvements to the street light system including the installation of arterial dual-side street lights and residential street lights per citizen requests. Tempe currently has some arterial roadways that lack dual-side lighting and this project would continue to add lighting in order to meet the minimum lighting standard. In addition, there are 6 requests that are pending funding in FY26/27 (Total request \$255,000).



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

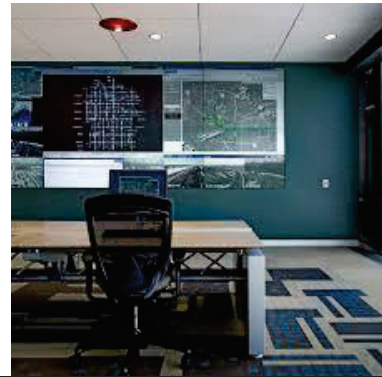
Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	6999869	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$255,000	\$132,500	\$132,500	\$100,000	\$132,500	\$752,500
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Highway User Revenue	\$0	\$132,500	\$132,500	\$100,000	\$132,500	\$497,500
Capital Project Fund Balance	\$255,000	\$0	\$0	\$0	\$0	\$255,000
Total	\$255,000	\$132,500	\$132,500	\$100,000	\$132,500	\$752,500
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Traffic Management Center Upgrade

Tempe Transportation Center

The Tempe Transportation Center opened in August of 2008 and included the city's first Transportation Management Center. In order to continue to monitor the safety and operations of the transportation system, equipment upgrades are necessary before the existing equipment in the TMC has reached the end of its useful life. Project objectives include the replacement of outdated video wall displays and modifying the TMC work space. This can integrate multiple real-time data sources for complete situational awareness of traffic conditions. Phase 1 work will include procurement of the video wall management system.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	6910199	7/1/2025		6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,031,660	\$0	\$0	\$0	\$0	\$1,031,660
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$1,031,660	\$0	\$0	\$0	\$0	\$1,031,660
Total	\$1,031,660	\$0	\$0	\$0	\$0	\$1,031,660
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Traffic Signal CCTV Updates

Citywide

This project will add CCTV cameras throughout the City with new, high resolution units to ensure that staff has visibility to every signalized intersection. Visibility via cameras is key to providing staff with full situational awareness of traffic conditions throughout the City. These CCTV cameras are a major component of the City's Intelligent Transportation System (ITS) and allow staff to monitor the transportation network in real-time and make adjustments as needed to move traffic as safely and efficiently as possible, as referenced in the City's ITS Strategic Plan. This project will also include replacement of existing cameras that have reached the end of their useful life and no longer provide clear views.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.08 HIGH SEVERITY TRAFFIC CRASHES Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	6911699	7/1/2024		6/1/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$67,500	\$132,500	\$132,500	\$100,000	\$100,000	\$532,500
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$67,500	\$132,500	\$132,500	\$100,000	\$100,000	\$532,500
Total	\$67,500	\$132,500	\$132,500	\$100,000	\$100,000	\$532,500
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Traffic Signal Green Signs

Citywide

This project will allow for the replacement of the traffic signal internally illuminated green signs which have exceeded their expected life. As part of the development of the Transportation Division Asset Management Plan, staff has identified the green signs and downtown blue signs as an asset in the system for inclusion in the plan and development of a program for the systematic replacement of the signs. Many of the current traffic signal internally illuminated signs have been in place for at least 15+ years and have exceeded their product life cycle. As part of a continuing transportation asset management program, this project will continue the process of replacing sign faces (eight per intersection) at a rate of 15 intersections per year with a total of 190 modular signalized intersections to complete. This project will allow Tempe through a contracted vendor to replace its aging green sign faces, which will increase visibility and improve safety for the motoring public.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	6906229	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$191,162	\$150,522	\$150,522	\$150,522	\$150,522	\$793,250	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$150,522	\$150,522	\$150,522	\$451,566	
Capital Project Fund Balance	\$191,162	\$150,522	\$0	\$0	\$0	\$341,684	
Total	\$191,162	\$150,522	\$150,522	\$150,522	\$150,522	\$793,250	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Traffic Signal Infrastructure

Citywide

The City's transportation system includes 250 signalized intersections and associated infrastructure to support the safe movement of all modes of travel in Tempe. This project provides for the installation and repair of existing equipment related to the traffic signal system and as warranted by traffic engineering studies including detection, controllers, and other equipment. The installation includes 50 new Green Myers meter pedestal equipment in the downtown area as a measure to safely de-energize the streetlighting and traffic signal power before traffic signal technicians proceed with their troubleshooting. This project is necessary in order to keep the signal system functioning properly by supplementing our existing traffic signal construction program (two full time employees) with installing infrastructure which may include underground items such as conduit repair and replacements, new traffic signal underground j-boxes and new signal foundations.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	6903383	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$539,825	\$375,000	\$375,000	\$375,000	\$375,000	\$2,039,825	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$375,000	\$375,000	\$375,000	\$1,125,000	
Capital Project Fund Balance	\$539,825	\$375,000	\$0	\$0	\$0	\$914,825	
Total	\$539,825	\$375,000	\$375,000	\$375,000	\$375,000	\$2,039,825	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Traffic Signal Pedestrian Access Improvements

Citywide

This project will install pedestrian pushbuttons at intersections in order to accommodate pedestrians such as older adults and persons with disabilities. This project also provides funding for audible pedestrian signals for persons with disabilities who contact the city needing assistance crossing at signalized intersections.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.14 - ADA TRANSITION PLAN - Achieve an accessibility rate of 100% in all city rights-of-way, parks, and facilities as identified in the Tempe Americans with Disabilities Act Transition Plan.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Public Health and Safety	6909679	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000
Capital Project Fund Balance	\$100,000	\$50,000	\$0	\$0	\$0	\$150,000
Total	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Updated Signalized Intersection Detection

Citywide

The Transportation Division is responsible for delivering a balanced transportation system for all modes of travel. This project will upgrade real-time intersection detection systems to: identify vehicular, bicycle, and pedestrian demand, and to allow staff to the flexibility to change detection locations and coordinate the signalized intersections along arterial corridors. Once installed, these advanced detection systems will also begin to provide the data required to analyze signal operations and efficiency.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start			Estimated Completion	
Customer Enhancements	6910209	Ongoing			Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$213,750	\$150,000	\$150,000	\$150,000	\$150,000	\$813,750
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$150,000	\$150,000	\$150,000	\$450,000
Capital Project Fund Balance	\$213,750	\$150,000	\$0	\$0	\$0	\$363,750
Total	\$213,750	\$150,000	\$150,000	\$150,000	\$150,000	\$813,750
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Western Canal & Guadalupe X-ing

Western Canal and Guadalupe

The City of Tempe's Transportation Division is tasked with providing residents and visitors with a safe and efficient transportation system. As part of a continuing transportation safety program, Traffic Engineering staff proactively identifies potential locations within the City that could benefit from the implementation of traffic safety measures. Due to the popularity of the Western Canal Multi-use Path, staff continues to get comments from bicyclists and pedestrians requesting a signalized crossing at Guadalupe Road to improve safety. This project will design and construct a signalized crossing. It is anticipated that a significant amount of coordination will be required with Salt River Project. This project will include ADA Transition Plan identified repairs.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Public Health and Safety	6910489		7/1/2022		6/30/2026	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$123,843	\$0	\$0	\$0	\$0	\$123,843
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Capital Project Fund Balance	\$123,843	\$0	\$0	\$0	\$0	\$123,843
Total	\$123,843	\$0	\$0	\$0	\$0	\$123,843
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

**Transportation and R.O.W. Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

New project requests are <u>underlined</u>				New 2026-27	2026-27 Total	Additional Projected Needs				
Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	Appropriation Request	Requested Appropriation	2027-28	2028-29	2029-30	2030-31	Total 5-Year Program
Public Works Department										
ADA Improvements	5408021	General Obligation Bonds	28,472	600,000	628,472	600,000	600,000	700,000	800,000	3,328,472
Bridge Maintenance	5499891	General Obligation Bonds	87,442	470,000	557,442	21,000	470,000	21,000	470,000	1,539,442
City Facility Parking Lots	5407791	General Obligation Bonds	34,476	-	34,476	1,600,000	1,500,000	3,000,000	3,000,000	9,134,476
Fire Medical Rescue Facilities Pavement Replacement	5410439	General Obligation Bonds	1,491,124	-	1,491,124	-	-	-	-	1,491,124
Hudson Manor/University Heights Neighborhood Alley Stabilization	5410419	Federal Grants	364,035	-	364,035	-	-	-	-	364,035
		Capital Project Fund Balance	87,738	-	87,738	-	-	-	-	87,738
		Project Total	451,773	-	451,773	-	-	-	-	451,773
Minor Concrete Improvements	5401417	General Obligation Bonds	-	300,000	300,000	330,000	330,000	330,000	330,000	1,620,000
Minor Pavement Preservation	5409661	General Obligation Bonds	358,285	-	358,285	3,500,000	3,500,000	3,500,000	3,500,000	14,358,285
Minor Pavement Preservation Acceleration	5411411	General Obligation Bonds	1,495,000	-	1,495,000	1,500,000	-	-	-	2,995,000
Roadway Mill & Overlay & Reconstructions	5499741	General Obligation Bonds	25,500,000	5,700,000	31,200,000	9,350,000	6,000,000	6,000,000	6,000,000	58,550,000
		Capital Project Fund Balance	-	2,500,000	2,500,000	400,000	-	-	-	2,900,000
		Project Total	25,500,000	8,200,000	33,700,000	9,750,000	6,000,000	6,000,000	6,000,000	61,450,000
Roadway Mill & Overlay PQI Acceleration	5411421	General Obligation Bonds	5,640,000	31,650,000	37,290,000	30,300,000	17,850,000	-	-	85,440,000
Public Works Department Total			35,086,572	41,220,000	76,306,572	47,601,000	30,250,000	13,551,000	14,100,000	181,808,572
Transportation & Sustainability Department										
<u>2026 MAG Street Sweeper Grant</u>	5411879	Federal Funding	-	378,946	378,946	-	-	-	-	378,946
		General Obligation Bonds	-	22,905	22,905	-	-	-	-	22,905
		Project Total	-	401,851	401,851	-	-	-	-	401,851
Baseline Rd SS4A Safety Project (Previously Rural Rd & Baseline Rd Intersection Improvements)	5410681	General Obligation Bonds	632,328	259,615	891,943	665,363	461,410	461,410	474,254	2,954,380
		Development Impact Fees	25,144	10,682	35,826	88,697	128,712	128,713	171,172	553,120
		Federal Grants	762,028	206,371	968,399	3,201,940	3,162,378	2,936,377	2,278,574	12,547,668
		Project Total	1,419,500	476,668	1,896,168	3,956,000	3,752,500	3,526,500	2,924,000	16,055,168
<u>Bike Lane and Multi-Use Path Sweeper</u>	NEW	General Obligation Bonds	-	-	-	146,500	-	-	-	146,500
Broadway Rd Arterial Rehab and Reconstruction Project (Previously Broadway Road Revitalization Corridor)	5411081	General Obligation Bonds	-	147,000	147,000	13,500	1,770,734	-	-	1,931,234
		Federal Grants	-	343,000	343,000	31,500	3,625,043	-	-	3,999,543
		Project Total	-	490,000	490,000	45,000	5,395,777	-	-	5,930,777
Dorsey Ln Connection at Rio Salado	N/A	General Obligation Bonds	-	-	-	-	1,261,000	353,728	-	1,614,728
Future Fiber Network Expansion	5409681	General Obligation Bonds	45,595	-	45,595	400,000	300,000	300,000	300,000	1,345,595
Hardy Drive Neighborhood Traffic Calming	5411401	General Obligation Bonds	2,718,266	-	2,718,266	3,694,266	-	-	-	6,412,532
Loop 202 & Scottsdale Road On-Ramp Expansion	5411091	General Obligation Bonds	-	-	-	416,000	1,348,000	348,000	-	2,112,000
Neighborhood Traffic Calming	5408051	Highway User Revenue Fund	-	-	-	453,000	453,000	453,000	453,000	1,812,000

**Transportation and R.O.W. Program
FY 2026/27 - FY 2030/31 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2026-27 Appropriation Request	2026-27 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2027-28	2028-29	2029-30	2030-31	
		Capital Project Fund Balance	917,084	-	917,084	-	-	-	-	917,084
		General Obligation Bonds	119,864	-	119,864	-	-	-	-	119,864
		Project Total	1,036,948	-	1,036,948	453,000	453,000	453,000	453,000	2,848,948
Pedestrian and Bicycle Overpass at Rural and 6th St	N/A	ASU Participation	-	-	-	-	1,705,000	-	8,222,000	9,927,000
		Federal Grants	-	-	-	-	-	-	7,411,000	7,411,000
		Project Total	-	-	-	-	1,705,000	-	15,633,000	17,338,000
Quiet Zone and Alameda Intersection Improvements	5410169	Capital Project Fund Balance	660,878	-	660,878	-	-	-	-	660,878
Roundabout at College and McKellips	5411121	General Obligation Bonds	2,537,624	-	2,537,624	-	-	-	-	2,537,624
		Development Impact Fees	387,614	-	387,614	-	-	-	-	387,614
		Project Total	2,925,238	-	2,925,238	-	-	-	-	2,925,238
Right of Way (ROW) Landscape Replacement	5406149	General Obligation Bonds	35,523	800,000	835,523	1,000,000	1,000,000	1,000,000	1,000,000	4,835,523
Sidewalk Infill	5411431	General Obligation Bonds	-	-	-	-	-	425,000	425,000	850,000
Smith Innovation Hub Infrastructure Improvements	5410441	General Obligation Bonds	200,000	-	200,000	-	-	-	-	200,000
Street Grant Contingency	9854	Grants/Other	-	1,000,000	1,000,000	-	-	-	-	1,000,000
Veterans Way & 6th St Turn Lane	N/A	General Obligation Bonds	-	-	-	202,000	1,213,500	-	-	1,415,500
		ASU Participation	-	-	-	202,000	1,213,500	-	-	1,415,500
		Project Total	-	-	-	404,000	2,427,000	-	-	2,831,000
Vision Zero Infrastructure Improvements	5410189	General Obligation Bonds	3,025	200,000	203,025	200,000	220,180	220,000	220,000	1,063,205
Warner I-10 Drainage Channel Access Ramp	5410691	General Obligation Bonds	-	-	-	-	-	400,000	-	400,000
Transportation & Sustainability Department Total			9,044,973	3,368,519	12,413,492	10,714,766	17,862,457	7,026,228	20,955,000	68,971,943
Transportation and R.O.W. Program Total			44,131,545	44,588,519	88,720,064	58,315,766	48,112,457	20,577,228	35,055,000	250,780,515

Capital Improvements Program

ADA Improvements - Right-of-Way

Citywide

This project involves updating infrastructure to meet current Public Right of Way Access Guidelines and American Disability Act specifications. The project focuses on improving overall accessibility in alignment with the ADA Transition Plan to identify and prioritize needed improvements and to establish a long-term plan to improve city accessibility. The work has been slow to start pending the finalization of the ADA Transition Plan and alignment of priorities. With the plan being finalized, the first group of improvements is entering design and with the large need for improvements, will be able to spend the re-appropriation in one project.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.14 - ADA TRANSITION PLAN - Achieve an accessibility rate of 100% in all city rights-of-way, parks, and facilities as identified in the Tempe Americans with Disabilities Act Transition Plan.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5408021	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$628,472	\$600,000	\$600,000	\$700,000	\$800,000	\$3,328,472	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$628,472	\$600,000	\$600,000	\$700,000	\$800,000	\$3,328,472	
Total	\$628,472	\$600,000	\$600,000	\$700,000	\$800,000	\$3,328,472	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Bridge Maintenance

Citywide

Under federal law the National Bridge Inspection Program mandates the inspection of all bridges in the country at least once every two years. ADOT has been administering these inspections for the City of Tempe's bridges for many years and subsequently submitting a report to the City defining required repairs and maintenance. Currently ADOT inspects 32 bridges for the City, all of which are at least twenty years old. Repairs are prioritized based upon the sufficiency rating produced by ADOT which varies for each inspection year. Funding in FY23 and future years is for completing the required repairs in alternating years as identified by ADOT from the inspection. This CIP also funds the inspection and asset management for the City's pedestrian bridges including the bridge over Tempe Town Lake. ADA elements are incorporated into the projects where applicable.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5499891	7/1/2026			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$557,442	\$21,000	\$470,000	\$21,000	\$470,000	\$1,539,442	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$557,442	\$21,000	\$470,000	\$21,000	\$470,000	\$1,539,442	
Total	\$557,442	\$21,000	\$470,000	\$21,000	\$470,000	\$1,539,442	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

City Facility Parking Lots

Citywide

This project provides for the sealing, resurfacing and reconstruction of the city's 74 parking lots in order to maintain the lots at a safe and acceptable level. Like the PQI levels identified for the street pavement network, the condition rating will be used to prioritize the rehabilitation of the parking lots. ADA elements are included in this project when applicable. There are numerous parking lots in need of significant work to replace failing asphalt as well as curbs, sidewalks and ramps. The budget has been escalated in the five year window to help account for the increasing need as well as increasing costs for the work.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5407791	7/1/2021			1/0/1900		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$34,476	\$1,600,000	\$1,500,000	\$3,000,000	\$3,000,000	\$9,134,476	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$34,476	\$1,600,000	\$1,500,000	\$3,000,000	\$3,000,000	\$9,134,476	
Total	\$34,476	\$1,600,000	\$1,500,000	\$3,000,000	\$3,000,000	\$9,134,476	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Fire Medical Rescue Facilities Pavement Replacement

Citywide

The primary purpose of this project is to replace the pavement for the driveway areas for apparatus at Tempe Fire Medical Rescue facilities. This will improve the long-term life of fire station driveways by replacing the current asphalt surfaces with a resilient and durable surface that is deemed appropriate for the weight and size of our emergency apparatus. The project includes funding for the Fire Training Center, Station 4 and Station 5.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5410439	7/1/2021			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,491,124	\$0	\$0	\$0	\$0	\$1,491,124	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$1,491,124	\$0	\$0	\$0	\$0	\$1,491,124	
Total	\$1,491,124	\$0	\$0	\$0	\$0	\$1,491,124	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Hudson Manor and University Hts Alley Stabilization

Hudson and Univertisty Hts Neighborhoods

This project will improve the deteriorating alley surface and provide dust control and mitigation, as required by the Maricopa County, for alleyways located in the Hudson Manor and University Heights neighborhoods. This project includes all alleys located in the area bounded by 8th Street to the north, Union Pacific to the south, McClintock Dr. to the east and Dorsey Lane/Cedar St. to the west. The project will remove six inches of the alley surface and replace it with double-rolled reclaimed asphalt pavement (RAP). RAP will be applied to 18 feet of the 20-foot wide alleyway, eliminating potential conflict with utilities generally located at the one foot outer edge of alleys. The project will improve air quality and mitigate detrimental public health effects from excessive dust production during summer months and on windy days. The project will advance implementation of federally-approved measures, submitted by the region, to comply with mandated particulate matter (PM10) levels.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.33 - ALLEY QUALITY INDEX - Achieve an Alley Quality Index score greater than or equal to a citywide average rating of 4.5 on a 5.0 scale.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5410419	7/1/2017			8/1/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$451,773	\$0	\$0	\$0	\$0	\$451,773	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$87,738	\$0	\$0	\$0	\$0	\$87,738	
Federal Grants	\$364,035	\$0	\$0	\$0	\$0	\$364,035	
Total	\$451,773	\$0	\$0	\$0	\$0	\$451,773	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Minor Concrete Improvements

Citywide

This project supplements the City's Concrete Program and the strategy of utilizing city staff to handle smaller less complex jobs. This project will provide for peak demands and emergency replacement of broken curbs, gutters, and sidewalks throughout the City. Other uses of the project include the construction of curbs, gutters, sidewalks and ADA accessible ramps to improve the continuity of the infrastructure and to improve accessibility and mobility for pedestrians in various areas. This project is also used in emergency call out situations as needed. Funds for the project will allow for approximately 18,000 square feet of minor concrete repair per year.

This CIP provides a cost-effective way of quickly repairing concrete damages of the estimated 5.0 million lineal feet of curb, gutter and sidewalk in the city right-of-way. Funding this project is crucial to the residents by providing safe and easily traversable pedestrian and wheelchair access throughout the city.



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.14 - ADA TRANSITION PLAN - Achieve an accessibility rate of 100% in all city rights-of-way, parks, and facilities as identified in the Tempe Americans with Disabilities Act Transition Plan.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5401417	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$300,000	\$330,000	\$330,000	\$330,000	\$330,000	\$1,620,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$300,000	\$330,000	\$330,000	\$330,000	\$330,000	\$1,620,000	
Total	\$300,000	\$330,000	\$330,000	\$330,000	\$330,000	\$1,620,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Minor Pavement Preservation

Citywide

This project provides for the proactive preservation of pavement assets to prevent the need for major rehabilitation or reconstruction in future years. The pavement life is extended maximizing the value of each dollar spent. Another important benefit of the pavement preservation approach is to preserve good roads which will require substantially less in future funding. Minor Pavement Preservation enables the preservation of four to 10 times more streets than if staff focused on fixing the roads in disrepair first. Improvements are necessary to ensure accessibility and safety for residents and businesses on Tempe's streets and to accommodate all modes of traffic including pedestrians, bicyclists, and vehicular traffic. This project is an important component of our strategic plan to maintain/preserve the 1321 lane miles of pavement in the city.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.22 - PAVEMENT QUALITY INDEX - Achieve adopted standards for Pavement Quality Index greater than or equal to a citywide average of 70 across all demographic categories.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	5409661		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$358,285	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$14,358,285
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$358,285	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$14,358,285
Total	\$358,285	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$14,358,285
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Minor Pavement Preservation Acceleration

Citywide

This project provides for the proactive preservation of pavement assets to prevent the need for major rehabilitation or reconstruction in future years. The pavement life is extended maximizing the value of each dollar spent. Another important benefit of the pavement preservation approach is to preserve good roads which will require substantially less in future funding. Minor Pavement Preservation enables the preservation of four to 10 times more streets than if staff focused on fixing the roads in disrepair first. Improvements are necessary to ensure accessibility and safety for residents and businesses on Tempe's streets and to accommodate all modes of traffic including pedestrians, bicyclists, and vehicular traffic. This project is a component of our strategic plan to maintain/preserve the 1321 lanes miles of pavement in the city. This CIP accelerates the paving of streets in Tempe over a 4-year period due to voter approved GO Bond Authorization in November 2024.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.22 - PAVEMENT QUALITY INDEX - Achieve adopted standards for Pavement Quality Index greater than or equal to a citywide average of 70 across all demographic categories.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	5411411		Ongoing		Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$1,495,000	\$1,500,000	\$0	\$0	\$0	\$2,995,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$1,495,000	\$1,500,000	\$0	\$0	\$0	\$2,995,000
Total	\$1,495,000	\$1,500,000	\$0	\$0	\$0	\$2,995,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Roadway Mill/Overlay & Reconstruction

Citywide

This project provides for the rehabilitation of pavements that exhibit distresses that are beyond the benefit/cost effectiveness of applying a minor preservation technique. These pavements typically have a Pavement Quality Index (PQI) score of 60 or less. These rehabilitation techniques include: standard mill & overlays, hot or cold in-place recycling, full-depth reclamation, and full reconstruction. Rehabilitation and reconstruction techniques increases the strength and the durability of the roadway. This project is an important component of our strategic plan to accelerate efforts to maintain/preserve the 1321 lanes miles of asphaltic roadways. Improvements are necessary to ensure accessibility and safety for residents and businesses on Tempe's streets and to accommodate all modes of traffic including pedestrians, bicyclists, and vehicular traffic.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.22 - PAVEMENT QUALITY INDEX - Achieve adopted standards for Pavement Quality Index greater than or equal to a citywide average of 70 across all demographic categories.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5499741	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$33,700,000	\$9,750,000	\$6,000,000	\$6,000,000	\$6,000,000	\$61,450,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$31,200,000	\$9,350,000	\$6,000,000	\$6,000,000	\$6,000,000	\$58,550,000	
Capital Project Fund Balance	\$2,500,000	\$400,000	\$0	\$0	\$0	\$2,900,000	
Total	\$33,700,000	\$9,750,000	\$6,000,000	\$6,000,000	\$6,000,000	\$61,450,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Roadway Mill & Overlay Acceleration

Citywide

This project provides for the rehabilitation on pavements that exhibit distresses that are beyond the benefit/cost effectiveness of applying a minor preservation technique. These rehabilitation techniques include (in order of cost): standard mill & overlays, hot or cold in-place recycling, full-depth reclamation, and full reconstruction. Rehabilitation and reconstruction techniques increases the strength and the durability of the roadway. This project is an important component of our strategic plan to accelerate efforts to maintain/preserve the 1321 lanes miles of asphaltic roadways. Improvements are necessary to ensure accessibility and safety for residents and businesses on Tempe's streets and to accommodate all modes of traffic including pedestrians, bicyclists, and vehicular traffic. This CIP accelerates the paving of streets in Tempe over a 4-year period due to voter approved GO Bond Authorization in November 2024.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.22 - PAVEMENT QUALITY INDEX - Achieve adopted standards for Pavement Quality Index greater than or equal to a citywide average of 70 across all demographic categories.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5411421	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$37,290,000	\$30,300,000	\$17,850,000	\$0	\$0	\$85,440,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$37,290,000	\$30,300,000	\$17,850,000	\$0	\$0	\$85,440,000	
Total	\$37,290,000	\$30,300,000	\$17,850,000	\$0	\$0	\$85,440,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

2026 MAG Street Sweeper Grant

Citywide

On December 3, 2025, the MAG Regional Council approved the Prioritized List of Proposed PM-10 Certified Street Sweepers for FY 2026 CMAQ Funding. On January 8, 2026, the city of Tempe received notification from the Maricopa Association of Governments (MAG) that the federal Congestion Mitigation and Air Quality Improvement (CMAQ) funded street sweepers had been completed and the prioritized list included the city of Tempe for funding of a new street sweeper for FY 2026. The funding awarded to Tempe was in the amount of \$401,851 with a \$22,905 required local match.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

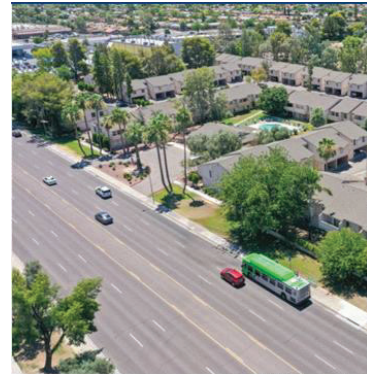
Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5411879	7/1/2026			6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$401,851	\$0	\$0	\$0	\$0	\$401,851	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Federal Funding	\$378,946	\$0	\$0	\$0	\$0	\$378,946	
General Obligation Bonds	\$22,905	\$0	\$0	\$0	\$0	\$22,905	
Total	\$401,851	\$0	\$0	\$0	\$0	\$401,851	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Baseline Rd SS4A Safety Project (Formerly Rural Rd & Baseline Rd Intersection Improvements)

Baseline Rd Darrow Dr to Bala Dr

Based on the Vision Zero Action Plan (2019), Traffic Engineering staff proactively pursued a was awarded a Safe Streets and Roads for All (SS4A) grant from FHWA. The project Baseline Road: Setting a New Baseline for Multi-Modal Safety will modify the 3.8-mile segment of Baseline Road between Darrow Drive and Bala Drive. The project will add raised medians to the arterial roadway, provide bikes lanes, add bus pull-outs, provide a signalized pedestrian crossing, enhance lighting, provide PROWAG-compliant pedestrian walkways, and upgrade signals to provide safer signal phasing.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 HIGH SEVERITY TRAFFIC CRASHES Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5410681	7/1/2025			6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,896,168	\$3,956,000	\$3,752,500	\$3,526,500	\$2,924,000	\$16,055,168	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$891,943	\$665,363	\$461,410	\$461,410	\$474,254	\$2,954,380	
Development Impact Fees	\$35,826	\$88,697	\$128,712	\$128,713	\$171,172	\$553,120	
Federal Grants	\$968,399	\$3,201,940	\$3,162,378	\$2,936,377	\$2,278,574	\$12,547,668	
Total	\$1,896,168	\$3,956,000	\$3,752,500	\$3,526,500	\$2,924,000	\$16,055,168	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Supplies and Services	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000	
Total	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000	

Capital Improvements Program

Bike Lane and Multi-Use Path Sweeper

Citywide

This request is for a street sweeper that will allow the Transportation division to sweep buffered bike lanes and multi-use paths. As part of Transportation's commitment to a safe and efficient transportation system, the city has continued to install buffered bike lanes and the number of miles of the bike lanes continues to grow with completed streetscape projects. The city's current inventory of sweepers does not allow for sweeping these areas as they are too wide. It is important that the bike lanes be swept on a regular basis to ensure they are free of dirt and debris. The purchase of the sweeper will allow staff to efficiently sweep the routes vs cleaning them manually. ADOT currently has a cooperative contract that allows Tempe to purchase the bike lane sweeper from.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	NEW	7/1/2026				6/30/2027	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$146,500	\$0	\$0	\$0	\$146,500	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$146,500	\$0	\$0	\$0	\$146,500	
Total	\$0	\$146,500	\$0	\$0	\$0	\$146,500	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Broadway Rd Arterial Rehab and Reconstruction Project (Formerly Broadway Rd Revitalization Corridor)

Broadway Rd - 55th St to Mill Ave

The purpose of the project is improve safety, pavement quality, and accessibility along Broadway Road from 55th Street to Mill Avenue. The City of Tempe was awarded an Arterial Reconstruction and Rehabilitation Program grant through the Maricopa Association of Government for this 1.5 mile section of Broadway Road. The project will include Mill and Overlay of existing pavement to improve the Pavement Quality Index currently ranging between 40.5 and 48.2. The project will bring Broadway Road up to current City standards, including expansion of sidewalk to full 8' width along the corridor, reconstruction of two signals, street lights, and undergrounding of existing overhead power. This project will support City initiatives including the Kyrene Road/Roosevelt Road/ Farmer Avenue Bicycle and Pedestrian Improvement Project and the Maker's District /Broadway Innovation Hub.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	5411081	7/1/2026				6/30/2029	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$490,000	\$45,000	\$5,395,777	\$0	\$0	\$5,930,777	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$147,000	\$13,500	\$1,770,734	\$0	\$0	\$1,931,234	
Federal Funding	\$343,000	\$31,500	\$3,625,043	\$0	\$0	\$3,999,543	
Total	\$490,000	\$45,000	\$5,395,777	\$0	\$0	\$5,930,777	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Dorsey Ln Connection at Rio Salado Pkwy

Dorsey Ln, north of Rio Salado Pkwy

As part of the Novus Innovation District, there are plans to extend Dorsey Ln north of University, through Rio Salado Pkwy connecting to McClintock Dr. Per the agreement with ASU related to the Dorsey Ln improvements, the city will be responsible for half-street improvements along the frontages of those parcels owned by the city as well as half the cost of relocating the existing signal at Dorsey Ln and Rio Salado Pkwy. This project would provide funds for construction of the city's improvements.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

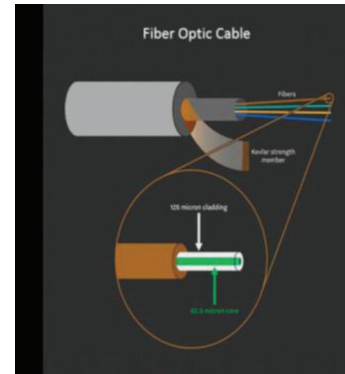
Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	N/A	7/1/2028		6/30/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$1,261,000	\$353,728	\$0	\$1,614,728
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$1,261,000	\$353,728	\$0	\$1,614,728
Total	\$0	\$0	\$1,261,000	\$353,728	\$0	\$1,614,728
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Future Fiber Network Expansion

Citywide

This project will provide funding for the expansion of the City's fiber network in conjunction with other City CIP projects underway. By creating a funding source for joint projects, efficiency and cost savings will be realized by allowing infrastructure projects within the right of way to include the installation of conduit and fiber while the street is dug up. This project could include the installation of conduit, fiber, or both.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Asset Preservation	5409681	Ongoing		Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$45,595	\$400,000	\$300,000	\$300,000	\$300,000	\$1,345,595
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$45,595	\$400,000	\$300,000	\$300,000	\$300,000	\$1,345,595
Total	\$45,595	\$400,000	\$300,000	\$300,000	\$300,000	\$1,345,595
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Hardy Drive Neighborhood Traffic Calming

Hardy Dr - Baseline Rd to Guadalupe Rd

The purpose of this project is to respond to resident requests for traffic calming along Hardy Drive from Baseline Road to Guadalupe Road. Per the City's Neighborhood Traffic Calming Guide, residents can submit a form requesting consideration for a traffic calming project in their neighborhood. The residents are concerned about vehicle speeds, volume of traffic, noise, and cut through traffic. Staff has reviewed the existing conditions including traffic volumes and speed. Based on the review, the corridor is eligible for traffic calming. Due to the high traffic volumes and the collector classification of the roadway, large scale traffic calming is recommended. Alternatives were prepared and presented to the neighborhood. Based on resident input, a neighborhood preferred alternative was selected. The project is currently in the final design phase. The Engineers opinion of cost has been provided and the budget requests have been updated based on the expected costs.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Public Health and Safety	5411401	7/1/2024		6/30/2027		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$2,718,266	\$3,694,266	\$0	\$0	\$0	\$6,412,532
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$2,718,266	\$3,694,266	\$0	\$0	\$0	\$6,412,532
Total	\$2,718,266	\$3,694,266	\$0	\$0	\$0	\$6,412,532
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Supplies and Services	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
Total	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000

Capital Improvements Program

Loop 202 and Scottsdale Rd On-Ramp Expansion

Loop 202 and Scottsdale Rd

Arizona State University (ASU) is undertaking significant urban development on the Tempe campus and within the Novus Innovation Corridor. In order to proactively plan for the necessary traffic related infrastructure for Novus and other private development projects in and around downtown Tempe, the City and ASU have been collaborating on projects to help address congestion. The ramp currently only has a single right turn lane which could result in backup on Scottsdale Rd during the evening peak hours in the future. Discussions took place with ADOT since the work would be in their right-of-way and no major concerns were identified. The next step will be the project design and obtaining permits from ADOT for construction in Fiscal Year 28/29.



Primary City Council Priority and Performance Measure Addressed



Quality of Life 3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start		Estimated Completion		
Systems Expansions	5411091	7/1/2026		6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$416,000	\$1,348,000	\$348,000	\$0	\$2,112,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$416,000	\$1,348,000	\$348,000	\$0	\$2,112,000
Total	\$0	\$416,000	\$1,348,000	\$348,000	\$0	\$2,112,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvements Program

Neighborhood Traffic Calming Program

Citywide

This project will provide Transportation with resources to address neighborhood traffic concerns with the installation of traffic calming devices. Staff continues to receive requests from residents to install speed cushions and other traffic calming measures. The cost of speed cushions project depends on the total number to be installed, but average \$8500 - \$9500 apiece (including signing and marking). The number of speed humps/cushions varies by the length of the street, with most projects including three or four cushions. Staff has an ongoing list of residents interested in having speed cushions installed and 12 cushions are planned at this time for installation by June 30, 2026. All requests are reviewed according to the Neighborhood Traffic Calming Guide. A funding level of \$450,000 per year would allow transportation to address neighborhood traffic concerns at various levels including the design of traffic calming devices that are more complex than speed cushions.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.05 - FEELING OF SAFETY IN YOUR NEIGHBORHOOD - Achieve ratings of "Completely Safe" or "Mostly Safe" for "feeling of safety in your neighborhood" that is greater than or equal to the quarterly average of the benchmark cities as measured by the police sentiment survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	540051	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,036,948	\$453,000	\$453,000	\$453,000	\$453,000	\$2,848,948	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Highway User Revenue	\$0	\$453,000	\$453,000	\$453,000	\$453,000	\$1,812,000	
General Obligation Bonds	\$119,864	\$0	\$0	\$0	\$0	\$119,864	
Capital Project Fund Balance	\$917,084	\$0	\$0	\$0	\$0	\$917,084	
Total	\$1,036,948	\$453,000	\$453,000	\$453,000	\$453,000	\$2,848,948	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Pedestrian and Bicycle Overpass at Rural Rd and 6th St

Rural Rd and 6th St

The city in partnership with ASU, engaged a consultant to review conflict areas for pedestrians in the downtown core area with the goal of studying the feasibility of constructing pedestrian and bike grade separation facilities. This project looked at three crossing locations around the Arizona State University, Tempe campus. The study locations included the intersections of College/University, Rural/6th Street, and Rural/Terrace. Following the analysis, Tempe and ASU discussed the prioritization of the grade separation projects. This project located at Rural Rd and 6th St would be the second project of the three to move forward. As part of the analysis, budgetary estimates were identified for each of the locations. This project would jointly fund the design and construction of the grade separation project.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Systems Expansions	0	7/1/2028			6/30/2029		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$1,705,000	\$0	\$15,633,000	\$17,338,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
ASU Participation	\$0	\$0	\$1,705,000	\$0	\$8,222,000	\$9,927,000	
Federal Grants	\$0	\$0	\$0	\$0	\$7,411,000	\$7,411,000	
Total	\$0	\$0	\$1,705,000	\$0	\$15,633,000	\$17,338,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Quiet Zone and Alameda Intersection Improvements

Railroad Quiet Zone and Alameda Dr

This project funds safety improvements to upgrade the railroad crossing on the Alameda Dr alignment from west of Mill to Wilson Street. Improvements to date include removal and replacement of broken pathway to provide safe access for pedestrians and bicyclists. The next phase includes the acquisition of the right-of-way and construction of the missing gap of path at the parking lot just west of the railroad tracks and east of Wilson Street. The improvements will address ADA elements to ensure access for all users.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5410169	7/1/2024			6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$660,878	\$0	\$0	\$0	\$0	\$660,878	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Capital Project Fund Balance	\$660,878	\$0	\$0	\$0	\$0	\$660,878	
Total	\$660,878	\$0	\$0	\$0	\$0	\$660,878	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Roundabout at College Ave & McKellips Rd

College Ave and McKellips Rd

The Transportation Division is tasked with providing residents and visitors with a safe and efficient transportation system. The intersection of College Avenue and McKellips Road is currently controlled by a traffic signal. Traffic Engineering staff met with local neighborhoods and received feedback from residents requesting traffic calming on College Avenue. Traffic Engineering staff is recommending the construction of this roundabout as an alternative to the existing traffic signal. Roundabouts have proven safety benefits and reduced maintenance costs. Roundabouts also have sustainability benefits since they have no need for electricity and don't require replacement of aging equipment. This project will include ADA Transition Plan identified repairs. The project is currently under construction.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5411121	7/1/2024			9/30/2026		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$2,925,238	\$0	\$0	\$0	\$0	\$2,925,238	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$2,537,624	\$0	\$0	\$0	\$0	\$2,537,624	
Development Impact Fees	\$387,614	\$0	\$0	\$0	\$0	\$387,614	
Total	\$2,925,238	\$0	\$0	\$0	\$0	\$2,925,238	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Right of Way (ROW) Landscape Replacement

Citywide

The City of Tempe maintains over 7.5 million square feet of right-of-way and median landscaping, including 9,000+ street trees valued at more than \$16 million that provide shade, heat reduction, stormwater benefits, and improved air quality. These assets are essential to achieving the City's Urban Forest Master Plan and Climate Action Plan goals. Many right-of-way areas are experiencing plant stress, aging infrastructure, and landscape decline, compounded by recent roadway and development construction impacts. Without reinvestment, canopy loss and increased maintenance costs will continue.

This request funds the replacement and revitalization of deteriorating landscapes, supports ongoing maintenance, and provides water wagon operations to sustain non-irrigated areas. An annual assessment has identified six priority revitalization sites for FY 2026–27.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.23 - RIGHT OF WAY LANDSCAPE MAINTENANCE - Achieve ratings of "Very Satisfied" or "Satisfied" with the "Quality of Landscape maintenance along streets/sidewalks" greater than or equal to the top 10% of the national benchmark cities as measured by the Community Survey.

Priority Type	Project Number	Estimated Start			Estimated Completion		
Asset Preservation	5406149	Ongoing			Ongoing		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$835,523	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,835,523	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$835,523	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,835,523	
Total	\$835,523	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,835,523	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Sidewalk Infill Project

Various

Sidewalks are an important part of the transportation system as they improve pedestrian safety by providing a designated place to walk and a level surface to walk on. Sidewalks are called for in the ADA Transition Plan. Residents are requesting sidewalks for parts of neighborhoods where sidewalks don't currently exist. Missing sections exist on all levels of streets: arterials, collectors, and local streets. The missing sections vary in length and width. An ongoing study is evaluating and tabulating the needs and will present a priority list of how to proceed with the improvements. This project would construct sidewalk that is missing along city streets.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start			Estimated Completion		
Public Health and Safety	5411431	7/1/2024			6/30/2030		
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$0	\$0	\$425,000	\$425,000	\$850,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$0	\$0	\$425,000	\$425,000	\$850,000	
Total	\$0	\$0	\$0	\$425,000	\$425,000	\$850,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Infrastructure Improvements Smith Innovation Hub

Smith Rd - Rio Salado Pkwy to Apache Blvd

The City recently completed a master plan for infrastructure improvements in the Smith Innovation Hub area. The area is bounded by University Dr on the south, Rio Salado Pkwy on the north, McClintock Dr on the west and Price Rd on the east. Infrastructure that was evaluated included sidewalks, crosswalks, signage, markings, lighting, bike facilities, city utilities, and transit stops. The project includes outreach, design, and construction of specific improvements along Perry Lane, Smith Road, and Fifth Street identified in the master plan. For continuity and access to light rail, this project also includes the portion of Smith Road immediately south of the Smith Innovation Hub, between University Drive and Apache Boulevard.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.26 - 20 MINUTE CITY - Achieve a rate of dwellings from which residents can meet all basic daily, non-work needs within 20- minutes utilizing a multimodal transportation system (walk, bicycle, or use public transit).

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5410441	Ongoing				12/31/2025	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$200,000	\$0	\$0	\$0	\$0	\$200,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$200,000	\$0	\$0	\$0	\$0	\$200,000	
Total	\$200,000	\$0	\$0	\$0	\$0	\$200,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Street Grant Contingency

Various

This project creates spending authority for grants or other funding that may become available during the fiscal year.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Asset Preservation	9854	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Other - TBD	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Total	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Veterans Way and 6th St Turn Lane

Veterans Way and 6th St

As part of the Novus Innovation District Master Traffic Impact Study, improvements to infrastructure adjacent to the developments was identified. The study identified that improvements were recommended at the intersection of Veterans Way and 6th St due to poor levels of service anticipated as development occurred in the area. The study recommended a southbound right-turn lane modifications to increase the capacity of the approach. Veterans Way is a city-street and 6th St is an ASU street. This CIP would be to design and construct the improvements jointly with ASU.



Primary City Council Priority and Performance Measure Addressed



Quality of Life

3.27 - TRAFFIC DELAY REDUCTION - Achieve a Travel Time Index along major streets that is less than or equal to 1.25 with all individual segments less than 2.0 as measured during morning and evening rush hour periods.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Systems Expansions	N/A	7/1/2027				6/30/2029	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$0	\$404,000	\$2,427,000	\$0	\$0	\$2,831,000	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$0	\$202,000	\$1,213,500	\$0	\$0	\$1,415,500	
ASU Participation	\$0	\$202,000	\$1,213,500	\$0	\$0	\$1,415,500	
Total	\$0	\$404,000	\$2,427,000	\$0	\$0	\$2,831,000	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Vision Zero Infrastructure Improvements

Citywide

The Transportation Division has developed a Vision Zero Action Plan. The goal of the plan is to eliminate fatal and serious injury crashes on the City's transportation system. The Vision Zero Action Plan identifies specific strategies, including infrastructure improvements, that will reduce fatal and serious injury crashes. Projects that could be included are signal visibility improvements, continuation of Safety Corridors program, the installation of specialized signage or devices, design and construction for safety improvements on City arterials, or other emerging safety treatments that align with the Action Plan. Identification of Vision Zero projects will be data driven. This fiscal year and next, staff will purchase additional speed feedback signs as well as rapid flash beacons. In addition, staff will be implementing changes in left turn phasing at several intersections which will use the remaining funding programmed for FY25/26 and FY26/27.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities

1.08 - HIGH SEVERITY TRAFFIC CRASHES - Achieve a reduction in the number of fatal and serious injury crashes to zero.

Priority Type	Project Number	Estimated Start				Estimated Completion	
Public Health and Safety	5410189	Ongoing				Ongoing	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
Total	\$203,025	\$200,000	\$220,180	\$220,000	\$220,000	\$1,063,205	
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
General Obligation Bonds	\$203,025	\$200,000	\$220,180	\$220,000	\$220,000	\$1,063,205	
Total	\$203,025	\$200,000	\$220,180	\$220,000	\$220,000	\$1,063,205	
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year	
None	\$0	\$0	\$0	\$0	\$0	\$0	

Capital Improvements Program

Warner I-10 Drainage Channel Access Ramp

Warner Rd and I-10

Providing an access ramp to the ADOT channel will help address overgrown vegetation and damage to drainage channel infrastructure, as well as assist with access to address an abundant amount of graffiti. Current practice to address concerns is lowering a ladder and tools into the channel. With the limited tools that can be physically lowered into the channel, staff has not been successful in adequately addressing deficiencies and vegetation. Adding the access ramp allows appropriate vehicles, large machinery and equipment into the channel for proper maintenance.



Primary City Council Priority and Performance Measure Addressed



Safe & Secure Communities 1.27 - CITY INFRASTRUCTURE AND ASSETS - Achieve 100% compliance with industry standards related to the replacement or rehabilitation of infrastructure and assets.

Priority Type	Project Number		Estimated Start		Estimated Completion	
Asset Preservation	5410691		7/1/2029		6/30/2030	
Estimated Project Costs	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
Total	\$0	\$0	\$0	\$400,000	\$0	\$400,000
Funding Sources	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
General Obligation Bonds	\$0	\$0	\$0	\$400,000	\$0	\$400,000
Total	\$0	\$0	\$0	\$400,000	\$0	\$400,000
Operating Impacts	2026-27	2027-28	2028-29	2029-30	2030-31	Total 5 -Year
None	\$0	\$0	\$0	\$0	\$0	\$0

Section 8: Schedules and Summaries Contents

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Property Tax Ordinance

ORDINANCE NO. O2026.26

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, LEVYING SEPARATE AMOUNTS TO BE RAISED FOR PRIMARY AND SECONDARY PROPERTY TAX LEVIES UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUATION OF PROPERTY SUBJECT TO TAXATION WITHIN THE CITY OF TEMPE, ARIZONA FOR THE FISCAL YEAR ENDING JUNE 30, 2027.

WHEREAS, pursuant to A.R.S. §42-17151, the ordinance levying taxes for fiscal year 2026/27 is required to be adopted on or before the third Monday in August;

WHEREAS, the County of Maricopa is the assessing and collecting authority for the City of Tempe, Arizona;

WHEREAS, Tempe City Charter Section 5.11 allows an ordinance necessary in connection with the adoption of the annual budget to be adopted and go into effect upon adoption;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

Section 1. There is hereby levied on each One Hundred Dollars (\$100.00) of the limited assessed value of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a primary property tax rate, for general and administrative expenses of the City of Tempe. The City of Tempe intends to adopt a primary property tax levy of \$23,794,713, resulting in a primary tax rate of \$0.8851 per \$100 of assessed value. The primary tax levy amount is equal to the maximum allowable levy limit as determined by Maricopa County pursuant to the laws of the state of Arizona.

Section 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of limited assessed valuation of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a secondary property tax rate of \$1.6775 per \$100 of assessed value, estimated to raise the sum of \$45,097,644, for the purpose of providing a bond interest and redemption fund for the City of Tempe for the fiscal year ending June 30, 2027.

Section 3. The combined tax rate as set forth in Sections 1 and 2 shall equal \$2.5626 per one hundred dollars (\$100.00) of assessed valuation of all property, real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation.

Section 4. Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to

him or them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Tempe upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

Section 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon adoption.

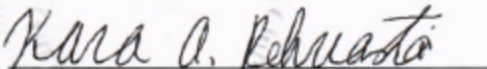
Section 7. The City Clerk is directed to transmit a certified copy of this ordinance to the County Assessor and Board of Supervisors of Maricopa County.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 25th day of June, 2026.

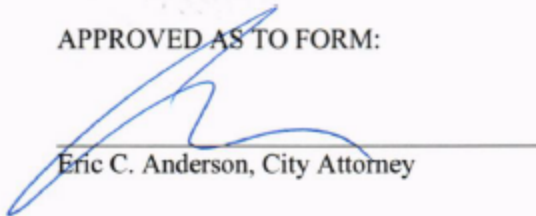


Corey D. Woods, Mayor

ATTEST:


Kara A. DeArrastia, City Clerk

APPROVED AS TO FORM:


Eric C. Anderson, City Attorney

Budget Resolution

RESOLUTION NO. R2026.56

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, DETERMINING AND ADOPTING FINAL ESTIMATES OF PROPOSED EXPENDITURES OF THE CITY OF TEMPE, ARIZONA, FOR THE FISCAL YEAR BEGINNING JULY 1, 2026, AND ENDING JUNE 30, 2027. DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET FOR THE CITY OF TEMPE FOR SAID FISCAL YEAR.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the City Council did, on May 14, 2026, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Tempe, Arizona;

WHEREAS, in accordance with said chapter of said title, and following due public notice, the City Council met on June 4, 2026, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies;

WHEREAS, the publication has been duly made as required by law, of said estimates together with a notice that the City Council will meet on June 25, 2026, for the purpose of hearing taxpayers and setting the tax levies as set forth in said estimates;

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in Arizona Revised Statutes §42-17051(A);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA as follows:

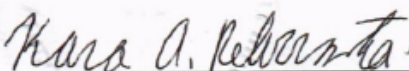
1. That the said estimates of revenues and expenditures/expenses shown on the attached Schedules A-G (Attachment A) are hereby adopted as the final budget of the City of Tempe, Arizona, for the fiscal year 2026-27.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 4th day of June, 2026.



Corey D. Woods, Mayor

ATTEST:



Kara A. DeArrastia, City Clerk

APPROVED AS TO FORM:



Eric C. Anderson, City Attorney

Budget Schedules**Schedule A** Summary of Schedule of Estimated Revenues and Expenditures/Expenses

City of Tempe, Arizona
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2027

Fiscal year	S C h		Funds						
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Enterprise Funds Available	Internal Service Funds	Total all funds
2026	E	1	341,526,280	249,462,332	44,645,114	837,175,035	160,034,511	57,180,401	1,690,023,673
2026	E	2	341,526,280	249,462,332	44,645,114	190,880,523	160,034,511	57,180,401	1,043,729,161
2027		3	109,696,000	114,929,000	2,601,647	61,720,000	100,740,000	36,702,000	426,388,647
2027	B	4	23,794,713						23,794,713
2027	B	5			45,097,644				45,097,644
2027	C	6	292,020,118	226,643,476	2,020,250	112,831,758	165,096,153	58,070,225	856,681,980
2027	D	7	0	0	0	487,423,722	0	0	487,423,722
2027	D	8	0	0	0	0	0	0	0
2027	D	9	94,750	0	469,000	35,221,547	1,844,464	0	37,629,761
2027	D	10	10,903,062	11,991,940	469,000	0	14,265,759	0	37,629,761
2027		11							
									0
2027		12	414,702,519	329,580,536	49,719,541	697,197,027	253,414,858	94,772,225	1,839,386,706
2027	E	13	341,505,376	251,116,805	49,051,840	687,540,763	164,043,453	62,246,079	1,555,504,316

Expenditure limitation comparison		2026	2027
1	Budgeted expenditures/expenses	\$ 1,690,023,673	\$ 1,555,504,316
2	Add/subtract: estimated net reconciling items	(194,561,512)	(188,951,369)
3	Budgeted expenditures/expenses adjusted for reconciling items	1,495,462,161	1,366,552,947
4	Less: estimated exclusions	876,445,109	706,483,484
5	Amount subject to the expenditure limitation	\$ 619,017,052	\$ 660,069,463
6	EEC expenditure limitation	\$ 680,425,326	\$ 710,493,685

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Schedule B Tax Levy and Tax Rate Information

City of Tempe, Arizona
Tax levy and tax rate information
Fiscal Year 2027

	2026	2027
1. Maximum allowable primary property tax levy.A.R.S. §42-17051(A)	\$ 23,219,063	\$ 23,794,713
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 23,219,063	\$ 23,794,713
Property tax judgment		
B. Secondary property taxes	42,085,879	45,097,644
Property tax judgment		
C. Total property tax levy amounts	\$ 65,304,942	\$ 68,892,357
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 23,219,063	
(2) Prior year's levies		
(3) Total primary property taxes	\$ 23,219,063	
B. Secondary property taxes		
(1) Current year's levy	\$ 42,085,879	
(2) Prior years' levies		
(3) Total secondary property taxes	\$ 42,085,879	
C. Total property taxes collected	\$ 65,304,942	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.8744	0.8851
Property tax judgment		
(2) Secondary property tax rate	1.5849	1.6775
Property tax judgment		
(3) Total city/town tax rate	2.4593	2.5626
B. Special assessment district tax rates		
Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating 1 special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Schedule C Revenues Other Than Property Taxes

City of Tempe, Arizona
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
General Fund			
Local Taxes			
City Sales Tax	\$ 133,924,337	\$ 132,331,645	\$ 137,441,177
Transient Lodging Tax	14,394,976	14,974,136	15,713,352
Franchise Fees	2,456,800	3,411,800	3,636,500
Licenses & Permits	2,462,000	1,912,000	2,420,900
Intergovernmental			
State	77,309,130	75,906,229	78,755,471
Other	1,844,424		1,708,876
Charges for Services	28,406,680	28,846,226	23,073,852
Fines & Forfeits	4,778,288	5,387,481	7,011,098
Voluntary Contributions	3,516,315	3,516,315	3,656,968
Interest on Investments	11,687,993	10,184,501	8,648,011
Miscellaneous	10,090,065	12,036,009	9,953,913
Total General Fund	\$ 290,871,008	\$ 288,506,342	\$ 292,020,118

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Schedule C Revenues Other Than Property Taxes (Continued)

City of Tempe, Arizona
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
Special Revenue Funds			
Arts & Culture Fund			
Arts & Culture Tax	\$ 11,151,614	\$ 11,068,593	\$ 11,495,969
Fees & Admissions	968,108	1,108,050	1,150,415
Interest Income	489,629	788,131	494,713
Miscellaneous Revenue	1,000		7,000
	<u>\$ 12,610,351</u>	<u>\$ 12,964,774</u>	<u>\$ 13,148,097</u>
Transit Fund			
Transit Tax	\$ 55,756,193	\$ 55,164,506	\$ 57,294,494
EVBOB Reimbursements	10,145,320	8,963,810	8,605,910
Light Rail Fares	1,100,000	1,205,299	1,500,000
Interest Income	5,823,797	5,823,797	4,112,770
Miscellaneous Revenue	2,067,209	2,262,263	1,940,841
	<u>\$ 74,892,519</u>	<u>\$ 73,419,675</u>	<u>\$ 73,454,015</u>
Highway User Revenue Fund			
Highway User Revenue Tax	\$ 15,200,763	\$ 14,579,918	\$ 14,883,171
Barricading Fees	230,000	—	230,000
Miscellaneous Revenue	222,599	452,599	4,800
	<u>\$ 15,653,362</u>	<u>\$ 15,032,517</u>	<u>\$ 15,117,971</u>
Opioid Settlement Fund	<u>\$ 5,087,977</u>	<u>\$ 5,087,977</u>	<u>\$ 5,617,401</u>
CDBG & Section 8 Housing Funds			
Community Development Block Grant (CDBG)	\$ 43,797,578	\$ 43,797,578	\$ 46,842,385
Section 8 Housing	36,495,456	36,495,456	38,136,123
	<u>\$ 80,293,034</u>	<u>\$ 80,293,034</u>	<u>\$ 84,978,508</u>
Restricted Revenue & Donations Fund	<u>\$ 7,499,460</u>	<u>\$ 7,499,460</u>	<u>\$ 4,274,365</u>
Police Department-RICO & Grants Fund	<u>\$ 13,173,885</u>	<u>\$ 13,173,885</u>	<u>\$ 14,742,881</u>
Governmental Grants Fund	<u>\$ 21,154,616</u>	<u>\$ 21,154,616</u>	<u>\$ 13,879,580</u>
Court Enhancement Fund	<u>\$ 2,141,168</u>	<u>\$ 2,141,168</u>	<u>\$ 1,175,658</u>
Peterson House Endowment Fund	<u>\$ 120,852</u>	<u>\$ 120,852</u>	<u>\$ 5,000</u>
Housing Trust Fund	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
Total Special Revenue Funds	<u>\$ 232,877,224</u>	<u>\$ 231,137,958</u>	<u>\$ 226,643,476</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Schedule C Revenues Other Than Property Taxes (Continued)

City of Tempe, Arizona
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
Debt Service Funds			
Special Assessments	\$ 2,023,500	\$ 2,023,500	\$ 2,020,250
Total Debt Service Funds	\$ 2,023,500	\$ 2,023,500	\$ 2,020,250
Capital Projects Funds			
Development Fees	8,285,252	5,644,004	4,684,009
Grants	89,950,240	4,351,757	49,602,803
Federal Funding	75,000		378,946
Miscellaneous	29,912,422	9,536,384	58,166,000
Total Capital Projects Funds	\$ 128,222,914	\$ 19,532,145	\$ 112,831,758
Enterprise Funds			
Emergency Medical Transport Fund	\$ 7,065,599	\$ 7,037,759	\$ 7,823,606
Water/Wastewater Fund	123,923,792	126,759,606	131,758,525
Solid Waste Fund	24,184,023	25,565,360	25,514,022
Total Enterprise funds	\$ 155,173,414	\$ 159,362,726	\$ 165,096,153
Internal Service Funds			
Tempe Health Fund	\$ 45,136,343	\$ 49,133,934	\$ 49,133,934
Risk Management Fund	4,973,857	5,169,909	5,169,909
Worker's Compensation Fund	3,679,186	3,766,382	3,766,382
Total Internal Service Funds	\$ 53,789,386	\$ 58,070,225	\$ 58,070,225
Total All Funds	\$ 862,957,446	\$ 758,632,896	\$ 856,681,980

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Schedule D Other Financing Sources/<Uses> and Interfund Transfers

City of Tempe, Arizona
Other financing sources/(uses) and interfund transfers
Fiscal Year 2027

Fund	Other financing 2027		Interfund transfers 2027	
	Sources	(Uses)	In	(Out)
General Fund				
General Fund	\$	\$	\$ 94,750	\$ 10,903,062
Total General Fund	\$	\$	\$ 94,750	\$ 10,903,062
Special Revenue Funds				
Arts & Culture Fund				1,852,000
Transit Fund				10,139,940
Highway User Revenue Fund	—	—		
Total Special Revenue Funds	\$	\$	\$ —	\$ 11,991,940
Debt Service Funds				
General Obligation Debt Service Fund	\$	\$	\$ 469,000	\$ 469,000
Total Debt Service Funds	\$	\$	\$ 469,000	\$ 469,000
Capital Projects Funds				
Enterprise Related Capital Program	\$ 246,339,616	\$	\$ 11,052,486	\$
Special Purpose Capital Program			11,699,433	
General Purpose Capital Program	158,975,902		12,469,628	
Transportation Capital Program	82,108,204			
Total Capital Projects Funds	\$ 487,423,722	\$	\$ 35,221,547	\$
Enterprise Funds				
Emergency Medical Rescue Transport Fund				\$ 60,000
Water/Wastewater	\$	\$	\$ 469,000	\$ 10,624,325
Solid Waste			1,375,464	3,581,434
Total Enterprise Funds	\$	\$	\$ 1,844,464	\$ 14,265,759
Total all funds	\$ 487,423,722	\$	\$ 37,629,761	\$ 37,629,761

Schedule E Expenditures/Expenses by Fund

City of Tempe, Arizona
Expenditures/Expenses by Fund
Fiscal Year 2027

	Adopted budgeted expenditures/ expenses	Expenditure/ expense adjustments approved	Actual expenditures/ expenses*	Budgeted expenditures/ expenses
Fund/Department	2026	2026	2026	2027
General Fund				
Mayor & Council	\$ 781,346	\$ 50,639	\$ 831,985	\$ 888,785
City Manager	4,115,667	179,249	4,294,916	3,416,174
City Attorney	4,521,739	315,060	4,836,799	4,916,873
City Clerk	2,018,802	31,414	2,050,216	1,571,733
City Court	6,316,562	370,036	6,686,598	6,916,705
Communications & Marketing	1,918,513	109,221	2,027,734	2,129,914
Community Development	18,583,008	254,654	18,837,662	19,735,695
Community Health & Human Services	29,733,647	(263,561)	29,470,086	27,454,758
Community Services	41,435,361	1,582,556	43,017,917	43,472,037
Diversity, Equity & Inclusion	668,874	27,633	696,507	717,010
Economic Development Office	2,861,967	416,027	3,277,994	2,861,594
Financial Services	17,292,055	538,096	17,830,151	17,436,802
Fire Medical Rescue	55,964,340	487,060	56,451,400	58,769,084
Government Relations	578,040	6,591	584,631	592,285
Human Resources	5,474,116	649,417	6,123,533	5,736,489
Information Technology		474,559	474,559	
Internal Audit	827,072	25,303	852,375	\$ 926,994
Municipal Budget	429,443	1,197	430,640	491,904
Police	127,903,151	1,871,669	129,774,820	133,331,684
Public Works	1,075,587	553,998	1,629,585	3,926,406
Strategic Management & Innovation	1,997,231	(12,798)	1,984,433	1,724,596
Transportation & Sustainability	2,415,191	68,700	2,483,891	2,389,854
Non-Departmental	11,614,568	(7,363,600)	4,250,968	(902,000)
General Fund Contingency	3,000,000	(373,120)	2,626,880	3,000,000
Total General Fund	\$ 341,526,280	\$ —	\$ 341,526,280	341,505,376

*Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Fund/Department	Adopted budgeted expenditures/ expenses 2026	Expenditure/ expense adjustments approved 2026	Actual expenditures/ expenses* 2026	Budgeted expenditures/ expenses 2027
Special Revenue Funds				
Arts & Culture Fund	\$ 13,404,384		\$ 13,404,384	\$ 14,491,080
Transit Fund	87,837,118		87,837,118	92,906,681
Highway User Revenue Fund	18,499,838		18,499,838	\$ 18,563,185
Opioid Settlement Fund	5,087,977		5,087,977	\$ 5,617,401
Community Development Block Grant Fund	43,797,578		43,797,578	46,842,385
Section 8 Housing Fund	36,495,456		36,495,456	38,136,123
Restricted Revenue & Donations Fund	7,499,460		7,499,460	4,263,831
Police Department-RICO & Grants Fund	13,173,885		13,173,885	14,742,881
Governmental Grants Fund	21,154,616		21,154,616	13,879,580
Court Enhancement Fund	2,141,168		2,141,168	1,175,658
Peterson House Endowment Fund	120,852		120,852	120,000
Housing Trust Fund	250,000		\$ 250,000	378,000
Total Special Revenue Funds	\$ 249,462,332	\$ —	\$ 249,462,332	\$ 251,116,805
Debt Service Funds				
General Obligation Debt Service Fund	\$ 42,621,614		\$ 42,621,614	\$ 47,031,590
Special Assessments Fund	2,023,500		2,023,500	2,020,250
Total Debt Service Funds	\$ 44,645,114	\$ —	\$ 44,645,114	\$ 49,051,840
Capital Projects Funds				
Enterprise Related Capital Program	\$ 295,506,747		\$ 60,162,618	\$ 274,156,587
Special Purpose Capital Program	74,541,702		13,358,860	62,875,538
General Purpose Capital Program	348,075,604		73,937,214	257,567,999
Transportation Capital Program	119,050,982		43,421,831	92,940,639
Total Capital Projects Funds	\$ 837,175,035	\$ —	\$ 190,880,523	\$ 687,540,763
Enterprise Funds				
Emergency Medical Transport Fund	\$ 7,043,632		\$ 7,043,632	\$ 8,279,410
Water/Wastewater Fund	121,009,934	(1,958,817)	119,051,117	126,361,461
Solid Waste Fund	31,980,945	1,958,817	33,939,762	29,402,582
Total Enterprise Funds	\$ 160,034,511	\$ —	\$ 160,034,511	\$ 164,043,453
Internal Service Funds				
Tempe Health Fund	\$ 46,747,358		\$ 46,747,358	\$ 51,566,984
Risk Management Fund	6,973,857		6,973,857	7,169,909
Worker's Compensation Fund	3,459,186		3,459,186	3,509,186
Total Internal Service Funds	57,180,401	—	57,180,401	62,246,079
Total All Funds	\$ 1,690,023,673	\$ —	\$ 1,043,729,161	\$ 1,555,504,316

*Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Schedule F Expenditures/Expenses by Department

City of Tempe, Arizona Expenditures/Expenses by Department Fiscal Year 2027				
Department/fund	Adopted budgeted expenditures/ expenses 2026	Expenditure/ expense adjustments approved 2026	Actual expenditures/ expenses* 2026	Budgeted expenditures/ expenses 2027
Mayor & Council:				
General Fund	\$ 781,346	50,639	831,985	888,785
Department Total	\$ 781,346	\$ 50,639	\$ 831,985	\$ 888,785
City Manager				
General Fund	\$ 4,115,667	179,249	4,294,916	3,416,174
Transit Fund	719,289		719,289	724,492
Restricted Revenue & Donations Fund	43,700	468	44,168	44,168
Governmental Grants Fund	5,610,000	(283,974)	5,326,026	5,610,000
Department Total	\$ 10,488,656	\$ (104,257)	\$ 10,384,399	\$ 9,794,834
City Attorney:				
General Fund	\$ 4,521,739	315,060	4,836,799	4,916,873
Restricted Revenue & Donations Fund	16,129	(1,149)	14,980	13,326
Governmental Grants Fund	14,600	38,979	53,579	56,479
Department Total	\$ 4,552,468	\$ 352,890	\$ 4,905,358	\$ 4,986,678
City Clerk:				
General Fund	\$ 2,018,802	31,414	2,050,216	1,571,733
Department Total	\$ 2,018,802	\$ 31,414	\$ 2,050,216	\$ 1,571,733
City Court:				
General Fund	\$ 6,316,562	370,036	6,686,598	6,916,705
Governmental Grants Fund		(35,299)		24,701
Court Enhancement Fund	1,891,168	(367,447)	1,523,721	925,658
Department Total	\$ 8,267,730	\$ (32,710)	8,235,020	7,867,064
Communication and Marketing Office:				
General Fund	\$ 1,918,513	\$ 109,221	\$ 2,027,734	\$ 2,129,914
Restricted Revenue & Donations Fund	\$ 1,631		\$ 1,631	\$ 1,631
Department Total	\$ 1,920,144	\$ 109,221	\$ 2,029,365	\$ 2,131,545
Community Development:				
General Fund	\$ 18,583,008	254,654	18,837,662	19,735,695
Restricted Revenue & Donations Fund	172,948	(2,888)	170,060	
Governmental Grants Fund	10,051	38,241	48,292	
Department Total	\$ 18,766,007	\$ 290,007	\$ 19,056,014	\$ 19,735,695
Community Health & Human Services:				
General Fund	\$ 29,733,647	\$ (263,561)	\$ 29,470,086	\$ 27,454,758
Opioid Settlement Fund				3,371,054
Community Development Block Grant Fund	20,597,578	(898)	20,596,680	21,141,487
Section 8 Housing Fund	26,495,456		26,495,456	28,136,123
Restricted Revenue & Donations Fund	441,668	(13,639)	428,029	587,465
Governmental Grants Fund	4,937,565	(86,783)	4,850,782	3,508,622

Schedule F Expenditures/Expenses by Department (Continued)

Housing Trust Fund								
Department Total	\$	85,293,891	\$	(364,881)	\$	84,929,010	\$	84,199,509
Community Services:								
General Fund	\$	41,435,361		1,582,556		43,017,917		43,472,037
Arts & Culture Fund		11,821,709				11,821,709		12,752,334
Restricted Revenue & Donations Fund		815,746		348,007		1,163,753		1,073,150
Governmental Grants Fund		332,281		157,739		490,020		21,000
Petersen House Endowment Fund		120,852				120,852		120,000
Department Total	\$	54,525,949	\$	2,088,302	\$	56,614,251	\$	57,438,521
Diversity, Equity and Inclusion:								
General Fund	\$	668,874	\$	27,633	\$	696,507	\$	717,010
Restricted Revenue & Donations Fund	\$	16,942	\$	1,900	\$	18,842	\$	6,000
Governmental Grants Fund	\$	49,686	\$	(200)	\$	49,486		
Department Total	\$	735,502	\$	29,333	\$	764,835	\$	723,010
Economic Development:								
General Fund	\$	2,861,967		416,027		3,277,994		2,861,594
Restricted Revenue & Donations Fund		90,000				90,000		
Department Total	\$	2,951,967	\$	416,027	\$	3,367,994	\$	2,861,594
Financial Services:								
General Fund	\$	17,292,055		538,096		17,830,151		17,436,802
Risk Management Fund		4,973,857				4,973,857		5,169,909
Worker's Compensation Fund		3,459,186				3,459,186		3,509,186
Water/Wastewater Fund		5,912,012		20,638		5,932,650		5,037,908
Department Total	\$	31,637,110	\$	558,734	\$	32,195,844	\$	31,153,805
Fire Medical Rescue:								
General Fund	\$	55,964,340		487,060		56,451,400		58,769,084
Restricted Revenue & Donations Fund		1,295,751		(40,221)		1,255,530		507,000
Governmental Grants Fund		36,351		2,343		38,694		
Emergency Medical Transport Fund		6,843,632		(290,382)		6,553,250		8,079,410
Department Total	\$	64,140,074	\$	158,800	\$	64,298,874	\$	67,355,494
Government Relations Office:								
General Fund	\$	578,040	\$	6,591	\$	584,631	\$	592,285
Department Total	\$	578,040	\$	6,591	\$	584,631	\$	592,285
Human Resources:								
General Fund	\$	5,474,116		649,417		6,123,533		5,736,489
Tempe Health Fund		46,747,358				46,747,358		51,566,984
Department Total	\$	52,221,474	\$	649,417	\$	52,870,891	\$	57,303,473
Information Technology								
General Fund				474,559		474,559		
Department Total	\$		\$	474,559	\$	474,559	\$	
Internal Audit								
General Fund	\$	827,072		25,303		852,375		926,994
Department Total	\$	827,072	\$	25,303	\$	852,375	\$	926,994
Municipal Budget:								
General Fund		429,443		1,197		430,640		491,904
Department Total	\$	429,443	\$	1,197	\$	430,640	\$	491,904

Schedule F Expenditures/Expenses by Department (Continued)

Police:					
General Fund	\$	127,903,151	1,871,669	129,774,820	133,331,684
Police Department-Rico & Grants Fund		10,173,885	(1,567,778)	8,606,107	8,332,881
Department Total	\$	138,077,036	\$ 303,891	\$ 138,380,927	\$ 141,664,565
Public Works:					
General Fund		1,075,587	553,998	1,629,585	3,926,406
Water/Wastewater Fund		66,312,667		65,776,014	71,526,463
Solid Waste Fund		31,480,945		31,391,187	28,902,582
Restricted Revenue & Donations Fund		338,841		338,841	326,091
Department Total	\$	99,208,040	\$ (72,413)	\$ 99,135,627	\$ 104,681,542
Strategic Management & Innovation:					
General Fund	\$	1,997,231	(12,798)	1,984,433	1,724,596
Governmental Grants Fund		1,708,622	137,207	1,845,829	15,625
Department Total	\$	3,705,853	\$ 124,409	\$ 3,830,262	\$ 1,740,221
Transportation & Sustainability:					
General Fund	\$	2,415,191	68,700	2,483,891	2,389,854
Transit Fund		80,957,051	(72,682)	80,884,369	85,947,897
Highway User Revenue Fund		17,499,838		17,328,843	17,392,190
Restricted Revenue & Donations Fund		266,104	5,000	271,104	
Governmental Grants Fund		395,460	1,751,695	2,147,155	
Department Total	\$	101,533,644	\$ 1,581,718	\$ 103,115,362	\$ 105,889,662
Non-Departmental:					
General Fund	\$	11,614,568	(7,363,600)	4,250,968	(902,000)
Department Total	\$	11,614,568	\$ (7,363,600)	\$ 4,250,968	\$ (902,000)
Contingency:					
General Fund	\$	3,000,000	(373,120)	2,626,880	3,000,000
Arts & Culture Fund		1,000,000		1,000,000	1,000,000
Transit Fund		1,500,000	72,682	1,572,682	1,572,682
Highway User Revenue Fund		1,000,000	170,995		1,170,995
Opioid Settlement Fund					2,246,347
Community Development Block Grant Fund		23,200,000	898	23,200,898	25,700,898
Section 8 Housing Fund		10,000,000		10,000,000	10,000,000
Restricted Revenue & Donations Fund		4,000,000	(297,478)	3,702,522	1,705,000
Police Department-RICO & Grants Fund		3,000,000	1,567,778	4,567,778	6,410,000
Governmental Grants Fund		8,000,000	(1,719,948)	6,280,052	4,643,153
Court Enhancement Fund		250,000	367,447	617,447	250,000
Housing Trust Fund		250,000		250,000	378,000
Emergency Medical Transport Fund		200,000	290,382	490,382	200,000
Water/Wastewater Fund		1,000,000	516,015	1,516,015	1,000,000
Solid Waste Fund		500,000	2,048,575	2,548,575	500,000
Risk Management Fund		2,000,000		2,000,000	2,000,000
Department Total	\$	60,900,000	\$ 2,644,226	\$ 63,544,226	\$ 61,777,075
Debt Service:					
Arts & Culture Fund		582,675		582,675	579,025

Schedule F Expenditures/Expenses by Department (Continued)

Transit Fund	4,660,778		4,660,778	4,661,610
General Obligation Debt Service Fund	42,621,614		42,621,614	47,031,590
Special Assessments Fund	2,023,500		2,023,500	2,020,250
Water/Wastewater Fund	\$ 47,785,255	(1,958,817)	45,826,438	48,797,090
Department Total	\$ 97,673,822	\$ (1,958,817)	\$ 95,715,005	\$ 103,089,565
Capital				
Enterprise Related Capital Program	\$ 295,506,747		\$ 60,162,618	\$ 274,156,587
Special Purpose Capital Program	74,541,702		13,358,860	62,875,538
General Purpose Capital Program	348,075,604		73,937,214	257,567,999
Transportation Capital Program	119,050,982		43,421,831	92,940,639
Department Total	\$ 837,175,035	\$ —	\$ 190,880,523	\$ 687,540,763
TOTAL ALL DEPARTMENTS	\$ 1,690,023,673	\$ —	\$ 1,043,729,161	\$ 1,555,504,316

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year

Schedule G Full-Time Employees and Personnel Compensation

City of Tempe, Arizona
Full-time Employees and Personnel Compensation
Fiscal Year 2027

Fund	Full-time equivalent (FTE) 2027	Employee salaries and hourly costs 2027	Retirement costs * 2027	Healthcare costs 2027	Other benefit costs ** 2027	Total estimated personnel compensation 2027
General Fund	1,725.23	\$ 165,123,131	\$ 26,633,057	\$ 34,654,900	\$ 16,710,456	\$ 243,121,544
Special Revenue Funds						
Highway User Revenue Fund	51.50	\$ 4,613,750	\$ 559,202	\$ 1,122,159	\$ 403,111	\$ 6,698,222
Transit	45.00	4,035,148	545,314	780,167	383,927	5,744,556
CDBG/HOME	4.00	1,243,593	89,258	98,690	62,916	1,494,457
Section 8 Housing	11.50	2,939,507	225,631	347,863	172,875	3,685,876
Performing Arts / Arts & Culture	66.69	5,426,228	550,181	909,476	458,661	7,344,546
Gov't Restricted Rev & Donations	10.50	243,384	29,206	34,882	18,619	326,091
Police Department-RICO & Grants	11.00	1,097,591	119,242	192,450	83,833	1,493,116
Governmental Grants	9.40	960,925	115,023	148,048	73,645	1,297,641
Court Enhancement	2.00	274,232	32,908	69,590	20,978	397,708
Total Special Revenue Funds	211.59	\$ 20,834,358	\$ 2,265,965	\$ 3,703,325	\$ 1,678,565	\$ 28,482,213
Capital Projects Funds						
Municipal Arts	3.00	\$ 492,666	\$ 59,118	\$ 85,910	\$ 37,688	\$ 675,382
Total Capital Projects Funds	3.00	\$ 492,666	\$ 59,118	\$ 85,910	\$ 37,688	\$ 675,382
Enterprise Funds						
Water/Wastewater	207.32	\$ 19,133,108	\$ 2,287,797	\$ 4,127,725	\$ 1,675,306	\$ 27,223,936
Solid Waste	74.90	5,819,986	697,055	1,373,901	532,892	8,423,834
Emergency Medical Transport	45.89	3,967,674	474,612	586,980	302,891	5,332,157
Total Enterprise Funds	328.11	\$ 28,920,768	\$ 3,459,464	\$ 6,088,606	\$ 2,511,089	\$ 40,979,927
Internal Service Funds						
Risk Management	6.00	\$ 688,515	\$ 82,622	\$ 124,994	\$ 52,672	\$ 948,803
Total Internal Service Funds	6.00	\$ 688,515	\$ 82,622	\$ 124,994	\$ 52,672	\$ 948,803
Total All Funds	2,273.93	\$ 216,059,438	\$ 32,500,226	\$ 44,657,735	\$ 20,990,470	\$ 314,207,869

*Represents employer contributions to Arizona State Retirement System, Public Safety Personnel Retirement System, and Elected Officials Retirement System.

**Includes FICA, deferred compensation contributions, mediflex reimbursements, and employer contributions to a health reimbursement plan for future retirees.

Personnel Summary

Dept	2024-25 Budget				2024-25 Revised				2025-26 Budget				Full Time	2026-27 Budget		
	Full Time	Perm FTE	Frozen FTE	Temp FTE	Full Time	Perm FTE	Frozen FTE	Temp FTE	Full Time	Perm FTE	Frozen FTE	Temp FTE		Perm FTE	Frozen FTE	Temp FTE
City Attorney	31.00			0.07	31.00			0.07	31.00			0.07	31.00			0.07
City Clerk	6.00				6.00				6.00				6.00			
City Court	41.00			5.06	41.00			5.06	41.00			5.06	41.00			5.06
City Manager	28.00				28.00				28.00				28.00			
Communication Marketing Office	12.00			1.89	12.00			1.89	12.00			1.89	12.00			1.89
Community Development	75.00			9.27	75.00			9.27	76.00			16.70	76.00			16.70
Community Health & Human Services	123.00	1.00		81.96	123.00	1.00		81.96	123.00	1.00		83.19	127.00	1.00		79.19
Community Services	210.00	2.50		176.87	210.00	2.50		176.87	212.00	2.50		176.42	213.00	2.75		176.42
Diversity, Equity & Inclusion	3.00				3.00				3.00				3.00			
Economic Development Office	7.00				7.00				7.00				7.00			
Education, Career & Family Svcs	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00	0.00	0.00		0.00
Transportation & Sustainability	89.00			10.42	90.00			10.42	89.00			2.49	89.00			2.49
Financial Services	109.00	0.50			109.00	0.50			107.00	0.50			107.00	0.50		
Fire Medical Rescue	248.00			1.89	248.00			1.89	251.00			1.89	261.00			1.89
Government Relations	1.00				1.00				1.00				1.00			
Human Resources	22.00			1.25	22.00			1.25	22.00			1.25	22.00			1.25
Information Technology	89.00				89.00				89.00				89.00			
Internal Audit	3.00	0.50			3.00	0.50			3.00	0.50			3.00	0.50		
Mayor & Council	7.00				7.00				7.00				7.00			
Municipal Budget Office	5.00				5.00				5.00				5.00			
Public Works	314.00			2.47	315.00			2.47	315.00			2.47	313.00			2.47
Police	522.00	2.00	0.50	7.25	522.00	2.00	0.50	7.25	522.00	2.00	0.50	7.25	523.50	1.50	0.50	7.25
Strategic Management & Innovation	7.00				7.00				8.00				8.00			
Sustainability Office	0.00				0.00				0.00				0.00			
Sub Total	1,952.00	6.50	0.50	298.40	1,954.00	6.50	0.50	298.40	1,958.00	6.50	0.50	298.68	1,972.50	6.25	0.50	294.68
Total Personnel		2,257.40				2,259.40				2,263.68				2,273.93		

Personnel Changes

Full and Part-Time Reductions

Department	Position	Fund Name	Fund	Cost Center	PCN	FTE	Action Summary
Community Health & Human Services		General	10000	2951		2.00	Reduce 2.0 FTEs to increase base budget operating capacity

Full and Part-Time Position Additions

Department	Position	Fund Name	Fund	Cost Center	PCN	FTE	Action Summary
Community Services	Digital Engagement Specialist	General	10000	2521		0.25	Increase Digital Engagement Specialist from .75 FTE to 1.0 FTE
Fire and Medical Rescue	Firefighter Assign medic	General	10000	2340		6	Add (6) Firefighter Assign Medic Positions
Fire and Medical Rescue	Emergency Transportation Services Paramedic	Ambulance	29000	2991		4	Add (4) Emergency Transportation Services Paramedic Positions

Total Full and Part-Time Position Additions						10.25	
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Temporary (Wage) Position Additions

Department	Position	Fund Name	Fund	Cost Center	PCN	FTE	Action Summary
Community Health & Human Services	Unclassified Temporary Wage Position	General	10000	2961	N/A	5.83	Approved the addition of 5.83 FTE of Unclassified Temporary Wage Positions

Glossary of Terms

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Adopted Budget - The financial plan of revenue and expenditures for a fiscal year as approved by the governing entity.

Annexation - The legal merging of some territory into another. A city might annex unincorporated areas or a county might annex other disputed territories. Also used to refer to mergers of countries.

Appropriation - An authorization made by the City Council which permits the City to incur obligations to make expenditures for specific purposes.

Assessed Valuation - A value that is established for real and personal property for use as a basis for levying property taxes (note: Property values are established by the County).

Asset - Resources owned or held by a government which have monetary value.

Available (Undesignated) Fund Balance - Refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Balance Sheet - A financial statement showing the assets, liabilities, and net worth of an entity as of a specific date.

Balanced Budget - A budget where current revenues support current expenditures of the city. In the event that current expenditures exceed current revenues, non-recurring drawdowns of unassigned fund balances will occur to the extent that they are in compliance with reserve policy. A balanced budget will not utilize one-time revenue sources for recurring expenditures or use borrowing to fund operations.

Benchmarking - The process of comparing an entity's performance against the practices of other leading entities, in or outside of an industry, for the purpose of improving performance. Entities also benchmark internally by tracking and comparing past performance.

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used to finance capital projects.

Bond Rating - Is the measure of the quality and safety of a bond. It indicates the likelihood that a debt issuer will be able to meet scheduled repayments, and dictates the interest rate paid.

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial operation for a specified period of time (fiscal year). The annual budget authorizes, and provides the basis for control of, financial operations during the fiscal year.

Capital Budget - A capital budget is a separate budget from the operating budget. Items in the CIP are usually construction or renovation projects designed to improve the value of the government assets. Examples of capital improvement projects include new roads, sewer lines, buildings, recreational facilities and large scale remodeling. The City Council receives a separate document that details the CIP costs for the upcoming fiscal year.

Line Item Budget - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

efficiency of services. Typical measures collected might include average emergency response time for fire or cost per man-hour of garbage collection.

Budget Adjustment - A procedure to revise a budget appropriation either by City Council approval through the adoption of a supplemental appropriation ordinance for any interdepartmental or interfund adjustments or by City Manager authorization to adjust appropriations within a departmental budget.

Budget Calendar - The schedule of key dates or milestones which the city follows in the preparation, adoption, and administration of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Group - A fun group of caffeinated, hardworking employees responsible for budget preparation, benchmarking, forecasting, and financial analysis.

Budget Message - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

Budgetary Basis - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, Modified Accrual or some type of statutory form budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that (a) encumbrances are considered to be an expenditure chargeable to appropriations, (b) no depreciation is budgeted for in enterprise funds, (c) investments in supply inventories and assets restricted for self-insurance purposes are not considered to be appropriable, (d) revenue accruing to sinking funds are not appropriable, and (e) contributions into sinking funds are budgeted, whereas disbursements from sinking funds are not budgeted. Unencumbered appropriations lapse at the close of the fiscal year.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenue.

Capital Budget - The appropriation of bonds or other revenue for improvements to facilities and other infrastructure.

Capital Expenditures - Expenditures approved in the Capital Budget related to the acquisition, expansion or rehabilitation of an element of the government's physical plant.

Capital Improvements - The acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvements Program - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a period of several future years. Tempe's City Charter requires annual submission of a five- year capital program for City Council approval.

Capital Outlay - Expenditures which result in the acquisition of or addition to fixed assets.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Community Development Block Grant (CDBG) - Program authorized by the Housing and Community Development Act of 1974 in place of several community development categorical grant programs. CDBG provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low and moderate income persons.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost Center - An organizational budget/operating unit within each city division or department, i.e., Fire Prevention is a cost center within the Fire Medical Rescue Department.

Debt Management (Capacity) Plan - The city's basis to evaluate upcoming and future debt financing in relation to the impact the borrowing will have on the city's debt ratios and related to the city's credit position as determined by the major rating agencies.

Debt Ratios - Ratios which provide measure of assessing debt load and ability to repay debt which play a part in the determination of credit ratings. They are also used to evaluate the city's debt position over time and against its own standards and policies. The four major debt ratios used by the city are (1) Debt Per Capita; (2) Debt to Full Value; (3) Debt to Personal Income; and (4) Debt Services to Revenue.

Debt Service - The amount of interest and principal that a city must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

Direct Debt - The sum of the total bonded debt and any unfunded debt (e.g. short-term notes) of the city for which the city has pledged its "full faith and credit." It does not include the debt of overlapping jurisdictions.

Outstanding Tax Supported Debt - Direct debt minus self-supporting debt. Debt for which the city has pledged a repayment from its secondary property taxes.

Overall Net Debt - Net direct debt plus overlapping debt.

Overlapping Debt - The city's proportionate share of the debt of other local overlapping governmental jurisdictions. The debt is generally apportioned based on relative assessed value.

Self-Supporting Debt - Debt for which the city has pledged a repayment source separate from its general tax revenue (e.g. water bond repaid from water utility income/special assessment bonds).

Debt Service Fund Requirements - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures over revenue during a single accounting period.

Department - A major administrative division of the city which indicates overall management responsibility for an operation or a group of related operations within a functional area.

Department Goal - Specific intended result of a strategy; used interchangeably with objective. The term "goal" is used in a wide variety of ways in planning; e.g. as a strategic result or outcome; an objective, a measure, a target, etc.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division - A group of homogeneous cost centers within a department, i.e., all traffic engineering, traffic operations and transit cost centers make up the Transportation Division within the Public Works Department.

Encumbrance - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Energy Efficiency and Conservation Block Grants (EECBG) - This program supports projects to develop, promote, implement, and manage energy efficiency and conservation projects and programs designed to: reduce fossil fuel emissions; reduce the total energy use of the eligible entities; improve energy efficiency in the transportation, building, and other appropriate sectors; and create and retain jobs.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year.

Expenditure/Expense - This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

Fiscal Year - The time period designated by the city signifying the beginning and ending period for recording financial transactions. The city of Tempe has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Franchise Fees - Annual fees paid by utilities (electricity, telephone, cable TV, natural gas) for the use of the city's public rights-of-way, or that are granted a service monopoly that is regulated by the city (garbage collection). The franchise fee is typically a set percentage of gross revenue within the city.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-Time Equivalent (FTE) - There are three types of classifications: (1) Full-time - works 40 hours/week (full-time) and is benefitted; (2) Permanent FTE - works more than 19.5 hours per week and less than 40 hours/week, is not seasonal, is not of specific limited duration, and is not for educational training; and (3) Temporary FTE - works less than 40 hours/week, is seasonal, and is of specific limited duration, or is for educational training.

Fund - A set of inter-related accounts to record revenue and expenditures associated with a specific purpose. Fund structure consists of Governmental Funds (e.g., General Fund, Special Revenue Fund, Debt Service Fund), Proprietary Funds, and Fiduciary Funds (See previous section on "Financial Structure and Operations" for complete description of funds).

Governmental Funds

Capital Projects Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

Debt Service Fund - Debt Service Funds are set up to receive dedicated revenue used to make principal and interest payments on City debt. They are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment debt principal, interest and related costs, except the debt service accounted for in the Special Revenue Funds, and Enterprise Funds.

General Fund - The General Fund is the general operating fund of the city. It is used to account for all activities of the city not accounted for in some other fund.

Special Revenue Fund - Special Revenue Funds are set up as accounts for Federal or State grants legally restricted to expenditures for specific purposes. Our Special Revenue Funds include the Highway User Fund, the Local Transportation Assistance Fund, the Performing Arts Fund, the Community Development Fund, and the Housing Assistance Fund.

Proprietary Funds

Enterprise Funds - Enterprise Funds are used to account for operations including debt service (a) that are financed and operated in a manner similar to private businesses - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

Our Enterprise Funds include the Water and Wastewater Fund, the Solid Waste Fund, and the Cemetery Fund.

Fund Balance - The difference between revenue and expenditures. The beginning fund balance represents the residual funds brought forward from the previous year (ending balance).

The classifications of fund balance are Non-spendable, Restricted, Committed, Assigned, and Unassigned. Committed, Assigned, and Unassigned represent the amount that is available for discretionary spending.

Non-spendable fund balance includes amounts that cannot be spent because either 1) it is not in a spendable form, such as inventory or prepaid items or 2) legally or contractually required to be maintained intact.

Restricted fund balance is externally (outside the city) enforceable limitations imposed by creditors, grantors, contributors, laws and regulations of other governments, or laws through constitutional provisions or enabling legislation (changes in City Charter).

Committed fund balance is self-imposed limitations imposed at the highest level of decision making authority, namely, Mayor and Council. Mayor and Council approval (through ordinance or another type of formal action) is required to commit resources or to rescind the commitment.

Assigned fund balance represents limitations imposed by management for specific purposes.

Furlough - Mandatory time off work with no pay. Used as an alternative to a layoff, employee furloughs can occur when revenue or projected revenue fails to match expenses.

General Governmental Revenue - The revenue of a government other than those derived from and retained in an enterprise fund. General Governmental revenue include those from the General, Debt Service, and Special Revenue Funds.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from secondary property taxes, and these bonds are backed by the "full faith and credit" of the issuing government.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal - A long-term, attainable target for an organization-its vision of the future.

Governmental Accounting Standards Board (GASB) - An accounting standards board formed in 1984 by the Financial Accounting Foundation (FAF) to develop accounting standards for state and local governmental entities.

Granicus - Granicus, Inc. provides comprehensive solutions for creating, managing and distributing live and on-demand streaming media content to support and enhance public meeting communications, internal training and public education programs for government.

Grant - A contribution by the State or Federal government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

Highway User Revenue Fund (HURF) - Special revenue fund to account for the receipts and expenditures of highway user monies. Arizona cities/towns are entitled to receive a portion of the highway user revenue collected by the state. The highway user revenue consists of the gasoline and diesel fuel taxes as well as other transportation related fees. One half of the money is distributed on the basis of the population of an incorporated city/town as a percentage of the total of all incorporated cities/towns in the state. The remaining half of the money is distributed based on the level of gasoline sales in the county in which the municipality is located and the population of each city or town in the county. Highway user revenue funds may only be used for street and highway purposes.

Home Ownership Made Easier (HOME) - The largest federal block grant to State and local governments designed exclusively to create affordable housing for low income households.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned, such as administrative support, facility maintenance or custodial services.

Infrastructure - The basic facilities, services, and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, and public institutions including schools, post offices, and prisons.

Interfund Transfer - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenue, and payments in lieu of taxes.

Internal Services Charges - The charges to user departments for internal services provided by another government agency, such as data processing, fleet services and communications.

Levy - To impose taxes for the support of government activities.

Liability - Amounts owed for items received, services rendered, expenses incurred, assets acquired, construction performed, and amounts received but not as yet earned.

Line Item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund (LTAF) - Special revenue fund to account for the receipts and expenditures associated with LTAF monies. This state shared revenue is generated by the state lottery. Distribution is based upon the population of the city/town in relation to the total population of all cities/towns. Each city/town is entitled to receive a minimum of \$10,000. A maximum of \$23 million (if that amount is generated by the lottery) is distributed each year to cities/towns. The principal use of these funds is for transportation purposes.

Long-Term Debt - Debt with a maturity of more than one year after the date of issuance.

Maintenance of Effort - A transfer of General Fund dollars to Transportation to fulfill the statutory requirement placed on cities to maintain the expenditure of local revenue for streets at a level computed as an average of local funds expended for any four of the FY 1981-82 through FY 1985-86.

Major Fund - A government's main operating fund; other individual governmental and enterprise funds are reported in separate columns as major funds based on the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Mandate - A binding obligation issued from an inter-governmental organization. For example, the state to a county which is bound to follow the instructions of the organization.

Modified Accrual Basis - Refers to the accrual basis of accounting, which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Thus, under modified accrual basis of accounting, then, amounts are recognized as revenue when earned, only so long as they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period.

Municipality - An urban district having corporate status and powers of self-government.

Net Assets Earnings - An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Objective - A specific measurable and observable result of an organization's activity which advances the organization toward its goal.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations, including such items as taxes, user fees, interest earnings, and grant revenue. Operating revenue is used to pay for day-to-day services.

Other Postemployment Benefits - in addition to salary, an employee may earn benefits over their years of service that will not be received until after their employment ends. Postemployment benefits other than pensions generally take the form of health insurance and dental, vision, prescription or life insurance benefits provided to eligible retirees. As a group, these are referred to as Other Postemployment Benefits, or OPEB.

Pay-As-You-Go Financing - A term used to describe a financial policy by which the capital program is financed from current revenue rather than through borrowing.

Per Capita - Applies to a unit of population or a person and shows how much each would have if a commodity/expense was divided equally.

Performance Budget - A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Performance Measure - Specific quantitative and qualitative indicator of work performed as an objective of the department.

Performing Arts Fund - Used to account for the receipts and expenditures of Performing Arts monies. This tax is for the construction and operation of the performing and visual arts center.

Personnel Costs - Expenditures for salaries, wages, and fringe benefits of a government's employees.

Policy - A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

Prior Year Encumbrances - Obligations from previous years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Property Tax - A levy upon the assessed valuation of the property within the City of Tempe upon each \$100 of valuation. Property taxes in Arizona consist of both primary and secondary levies.

Primary Property Tax - A statutory limited tax levy which may be imposed for any purpose.

Secondary Property Tax - An unlimited tax levy which may be used only to retire the principal and interest or redemption charges on bond indebtedness.

Public Forums - A public meeting involving audience discussion.

Purpose - A broad statement, in terms of meeting public service needs, that a department is organized to meet.

Rainy Day Reserve - A long-term reserve in the event of a significant unforeseen event, economic downturn or liability.

Reserve - An account used to indicate that a portion of a fund's assets are restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution - A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenue, fund transfers, and beginning balances.

Revenue - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenue and interest income.

Revenue Bonds - Bonds usually sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

Revised Budget - A revision of the adopted budget previously submitted and authorized by a governing board.

Right-of-Way - The land used by a public utility, road, or railroad.

Rio Salado - Spanish for Salt River was a project to re-introduce water into a dry riverbed. In 1999, Tempe Town Lake was filled and it extends about 5.5 miles in length and one mile in width.

Rio Salado Community Facilities District Fund - Special revenue fund established in 1987, under the laws of the State of Arizona. The purpose is to account for the receipts and expenditures associated with Tempe Town Lake.

Rio Salado Fund - Special revenue fund to account for the receipts and expenditures of miscellaneous monies used to foster the development of Rio Salado.

Risk Management - An organization goal to protect a government's assets against accidental loss in the most economical method.

R.O.W. - Abbreviated form, see *Right-of-Way*.

Section 108 Loan - A source of financing offered by the U.S. Department of Housing and Urban Development Section 108 Loan Guarantee Program to provide communities with financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

Significant Nonrecurring Capital Expenditures - Expenditures for major projects that are typically "one time" in nature and involve the construction or expansion of new City facilities or City infrastructure, extensive renovation of existing facilities, the purchase of important capital assets, or the acquisition of new technology which will enhance service delivery.

Source of Revenue - Revenue are classified according to their source or point of origin.

Special Assessment Bonds - Municipal bonds repaid with taxes assessed on the land that benefits from the improvements financed by the bonds.

Surplus - An excess of receipts over disbursements.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unrestricted Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).

Acronyms

AASHTO-American Association of State Highway and Transportation Officials	FBI-Federal Bureau of Investigation
ADA-Americans with Disabilities Act	FCD- Flood Control District
ADDI-American Dream Downpayment Initiative	FCRR-First Call Resolution Rate
ADEQ-Arizona Department of Environmental Quality	FEVA-Finance, Economy, and Veterans Affairs
ADOT-Arizona Department of Transportation	FLASH-Free Local Area Shuttle
ADWR-Arizona Department of Water Resources	FTE-Full-Time Equivalent
ALS-Advanced Life Support	FRWS-Field Report Writing System
APS-Arizona Public Service	FSS-Family Self Sufficiency
ARC-Annual Retiree Contribution	FSU-Forensic Services Unit
ARPA-American Rescue Plan Act	FTA-Federal Transportation Administration
A.R.S.-Arizona Revised Statutes	FTE-Full-Time Equivalent
ASTM-American Safety for Testing and Materials	FY-Fiscal Year
AWWA-American Water Works Association	FYE-Fiscal Year Ending
ASU-Arizona State University	GAAP-Generally Accepted Accounting Principles
AZPDES-Arizona Pollutant Discharge Elimination System	GASB-Governmental Accounting Standards Board
BLS-Basic Life Support	GDP-Gross Domestic Product
USBLS-U.S. Bureau of Labor Statistics	GFOA-Government Finance Officers Association
BCAR-Building Condition Assessment Report	GIS-Geographical Information System
BRIC-Business Resource and Innovation Center	G.O.-General Obligation
CAD-Computer Aided Dispatch	HCV-Housing Choice Vouchers
CAP-Central Arizona Project	HOME-Home Ownership Made Easier
CARES-Coronavirus Aid, Relief and Economic Security Act	HOPE-Homeowners Preserving Equity
CAWCD-Central Arizona Water Conservation District	HPCC-Household Products Collection Center
CCTV-Closed Circuit Television	HPRP-Homelessness Prevention and Rapid Re-housing Program
CC&B-Customer Care & Billing	HPS-High Pressure Sodium
CDBG-Community Development Block Grant	HRA-Health Reimbursement Account
CFD-Community Facilities District	HUD-Housing and Urban Development
CIP-Capital Improvements Program	HURF-Highway User Revenue Fund
CMAQ-Congestion Mitigation and Air Quality	HVAC-Heating, Ventilation, and Air Conditioning
CMAR-Contract Manager at Risk	IBW-Indian Bend Wash
CMMS-Computer Maintenance Management System	ICMA-International City Management Association
CNG-Compressed Natural Gas	ICU-Interconnect Unit
COE-Cooperative Office Education	IES-Illuminating Engineering Society
COPS-Community Oriented Policing System	IMP-Integrated Master Plan
CP/EV-Central Phoenix/East Valley	IT-Information Technology ITS-Intelligent Transportation Systems
CPSC-Consumer Products Safety Commission	JCEF-Judicial Court Enhancement Fund
CRM-Citizen Request Management	JGMWTP-Johnny G. Martinez Water Treatment Plant
CY-Calendar Year	JMS-Jail Management System
DMS-Dynamic Message Sign	KMGC-Ken McDonald Golf Course
DPS-Department of Public Safety	KWRF-Kyrene Water Reclamation Facility
DUI-Driving Under the Influence	KTC-Kiwanis Tennis Center
EECBG-Energy Efficiency and Conservation Block Grant	LED-Light-Emitting Diode
EEOC-Equal Employment Opportunity Commission	LEED-Leadership in Energy and Environmental Design
EMS-Emergency Medical Services	LID-Low Impact Development
EPCR-Electronic Patient Care Records	LPV-Limited Property Value
EVBOE-East Valley Bus Operations & Maintenance	LRT-Light Rail Transit
EVP-Emergency Vehicle Preemption	LTAFL-Local Transportation Assistance Fund
FAC-Finance Advisory Committee	MAG-Maricopa Association of Governments
	MCFCF-Maricopa County Flood Control District
	METRO-Metropolitan

MGD-Million Gallons per Day	SHP-Supportive Housing Program
MMU-Malfunction Management Unit	SPOC-Single Point of Contact
MSA-Metropolitan Statistical Areas	SRO-Salt River Outfall
MUP-Multi-Use Path	SRO-School Resource Officer
MUTCD-Manual on Uniform Traffic Control Devices	SROG-Sub-Regional Operating Group
MW-Megawatt	SRP-Salt River Project
N/A-Not Applicable	STWTP-South Tempe Water Treatment Plant
NFIL-Non-Filing	SUV-Sport Utility Vehicle
NFPA-National Fire Protection Agency	SVU-Special Victims Unit
O&M-Operation and Maintenance	TCA-Tempe Center for the Arts
OPEB-Other Postemployment Benefits	TCAA-Tempe Community Action Agency
OSHA-Occupational Safety & Health Administration	TCVB-Tempe Convention and Visitors Bureau
PBV-Project Based Voucher	TIP-Transportation Improvement Program
PC-Personal Computer	TLC-Tempe Learning Center
PCN-Position Control Number	TTC-Tempe Transportation Center
PLC-Programmable Logic Controller	UNPY-Unpaid
PM-Preventive Maintenance	UPRR-Union Pacific Railroad
PQI-Pavement Quality Index	USGA-United States Golf Association
PVC-Polyvinyl chloride	VDSL-Very High Digital Subscriber Line
PTF-Priority Transportation Fund	VFD-Variable Frequency Drives
PT FTE-Part Time Full Employee	WIFA-Water Infrastructure Finance Authority
QCA-Quantification Settlement Agreement	WMAT-White Mountain Apache Tribe
QECB-Qualified Energy Conservation Bonds	WUD-Water Utilities Division
RFID-Radio Frequency Identification	WWTP-Wastewater Treatment Plant
RFP-Request for Proposal	
RICO-Racketeer Influenced and Corrupt Organizations	
RMS-Records Management System	
ROW-Right-of-Way	
RPTA-Regional Public Transportation Authority	
RWC-Regional Wireless Cooperative	
SAFER-Staffing for Adequate Fire and Emergency Response	
SAI-Southern Avenue Interceptor	
SAN-Storage Area Network	
SBP-Skill Based Pay	
SCADA-Supervisory Control and Data Acquisition	
SCBA-Self-Contained Breathing Apparatus	
SES-Service Entrance Section	
SES-Standard Electrical System	

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Municipal Budget Office Staff

Annual budget preparation begins with projections of City funding sources, remaining bond authorization, reserves, revenue, and expenditures. It continues through numerous phases and culminates with adoption by the Mayor and Council in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the fiscal year. Each year, every effort is made to improve both the budget process and the usefulness of budget documents.

Robert Baer
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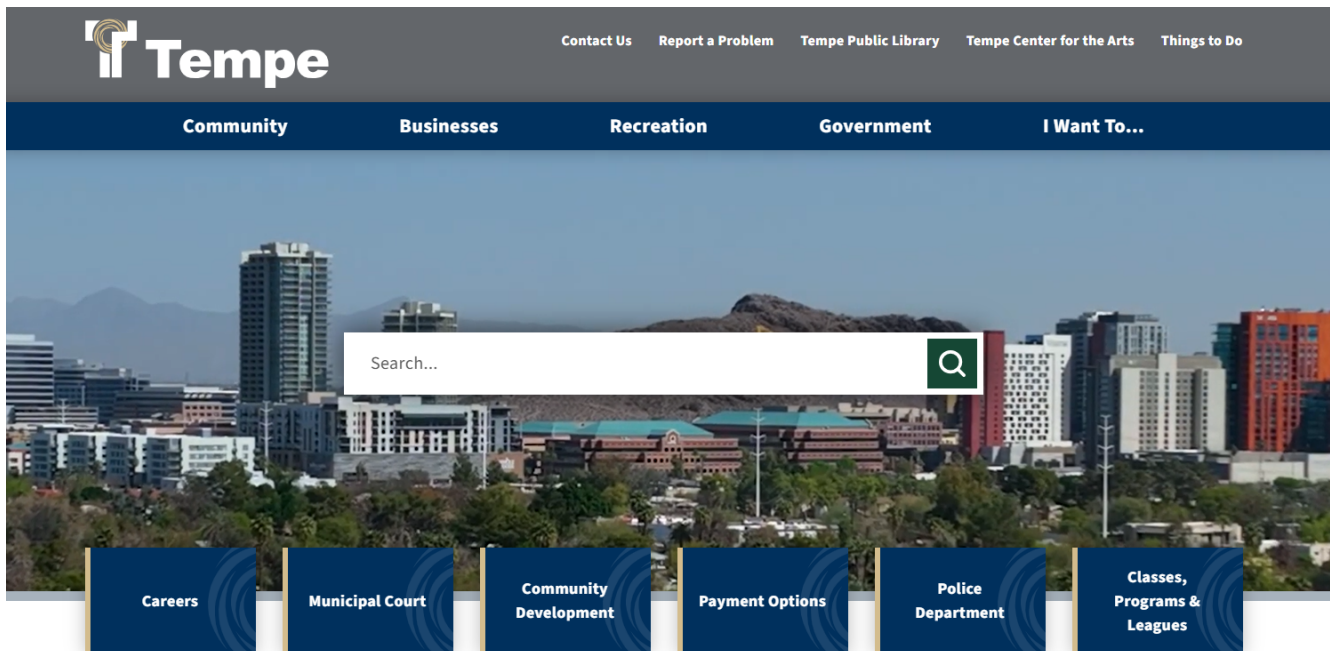
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