Town of Chino Valley

MEETING NOTICE
TOWN COUNCIL

SPECIAL MEETING
Thursday, October 18, 2012
6:00 P.M.

Council Chambers
202 N. State Route 89
Chino Valley, Arizona

AGENDA

1) **CALL TO ORDER; ROLL CALL**

2) PUBLIC HEARING regarding Resolution No.12-1000, proposing an extension of the alternative expenditure limitation—home rule option. (Joe Duffy, Finance Director)

   Recommended Action: Hold public hearing.

3) Consideration and possible action to adopt Resolution No. 12-1000, proposing an extension of the Alternative Expenditure Limitation.

   Recommended Action: Adopt Resolution No. 12-1000, proposing an extension of the Alternative Expenditure Limitation.

4) **ADJOURNMENT**

Dated this 15TH day of October, 2012.

By: ***Jami C. Lewis, Town Clerk***

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 636-1787 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting. Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at http://www.chinoaz.net/clerk/townagenda.shtml, and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley Town Hall, Chino Valley Post Office, and Chino Valley Aquatic Center in accordance with the statement filed by the Town Council with the Town Clerk.

Date:____________________ Time:_________________ By:________________________________

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting **Item No. 2.**

Meeting Date:	10/18/2012
Contact Person/Dept:	Joe Duffy Phone: 928-636-2646 x-1211
Item Type:	Action-Presentation
Estimated length of staff presentation:	10 minutes
Physical location of item:	N/A

Information

AGENDA ITEM TITLE:

PUBLIC HEARING regarding Resolution No.12-1000, proposing an extension of the alternative expenditure limitation—home rule option.

RECOMMENDED ACTION:

N/A

SITUATION AND ANALYSIS:

This is the second of two required public hearings on the Home Rule Option.

The Home Rule Option relates to the Town's budget process as prescribed by state law. All Arizona cities and towns are required to have a balanced budget where spending (expenditures) cannot exceed available income (revenues). State law also requires that the Town adopt a cap for its annual expenditures as part of the budget process ("expenditure limitation"). This expenditure limitation is based on a formula set by the state ("state-imposed limitation") in 1979. However, at any time, a municipality's voters may approve an alternative method for setting their municipality's expenditure limit ("alternative expenditure limitation").

There are 4 alternative expenditure limitation ("AEL") options, as well as an Emergency Override option, which allows a municipality to exceed its expenditure limitation in the event of a disaster in which either the governor or the Town Council declares an emergency. The 4 AELs are:

- <u>One-Time Override</u> – Provides for a one time election for one year only to exceed the state-imposed limitation or to override an error in an approved AEL. This option does not apply to the Town at this time.
- <u>Capital Projects Accumulation</u> – This option is most appropriate for communities where

the state-imposed limitation is sufficient except in the area of capital outlays. This option has become obsolete and is not being used by any Arizona municipalities. As the state-imposed limitation is not sufficient for the Town, staff does not recommend this option.

- Permanent Base Adjustment – Allows a municipality to permanently adjust the state's base expenditure amount used to formulate the municipality's expenditure limitation until the voters approve another permanent base adjustment or another AEL option. As this option requires a longer term commitment, would bind future Town Councils, and does not require regular elections to extend the option; and staff believes the Town's citizens would prefer additional opportunities to be involved in the Town's budgeting process, staff is not recommending this option.
- Home Rule – Allows a municipality to set a spending limit based upon current and projected revenues and local service demands and must be extended by the voters every 4 years. As this option appears to fit the community's needs the best, staff recommends that Council ask the Town's voters to extend this option.

The Town currently operates under the Home Rule Option, which was originally approved in 1985, and extended every four years since. The Town's current Home Rule Option expires in 2013. The Town Council has three possible options to propose to the voters:

- Propose an extension of the Home Rule Option for another 4 years;
- Propose another AEL option;
- Propose nothing and revert to the default state-imposed expenditure limitation.

In order to extend Home Rule, Council must hold two public hearings to hear public comment. After the second public hearing, Council must adopt a resolution (Exhibit "A") proposing an extension of the Home Rule Option and placing it on a Town election ballot. Staff recommends that the proposal be placed on the March 12, 2013 primary election ballot. Alternately, it may be placed on the May General election ballot.

For more information on the Home Rule Option, see Exhibit "B" – Frequently Asked Questions about Alternative Expenditure Limitation – Home Rule Option.

Finance staff has prepared the financial analyses required by law prior to placing the question before the voters. Those documents include a summary analyses (Exhibit "C"), summary analysis worksheet (Exhibit "D"), and a detailed analysis (Exhibit "E"). These analyses contain the calculations for determining the state-imposed limitation and the projected AEL under the Home Rule option for the next four fiscal years.

Exhibit "C" – The summary analysis delineates four things:

- The estimated expenditure limitation (or budget cap) that the Town will be allowed to expend for the next four fiscal years under the Home Rule Option (paragraph 2).
- The budgetary purposes (Town services and operations) for which the Town will use its expenditure authority (paragraph 3).
- The estimated expenditure limitation that the Town will be allowed to expend for the next four fiscal years under the state-imposed limitation (paragraph 4).
- The amount of revenues estimated to be available to fund the Town's operations (paragraph 5).

Exhibit “D” – The worksheet is used to compute the total expenditures under the state imposed limitation, which includes as its base the Town’s revenues from 1979-80 and its 1978 population.

Exhibit “E” – The detailed analysis includes:

- A synopsis of the summary analysis (paragraphs 2 & 3).
- The amounts estimated to be expended in specific areas for Town services and operations (1st table).
- Estimated revenues from federal, state, and local sources (2nd table).

All of this assumes that the revenues the Town receives will continue to be available as they have been for the past four years.

Should Council approve Resolution No. 12-1000 on October 18, staff will place the Home Rule extension proposal on the March 12, 2013 ballot. Should Council not approve the Resolution, the item will not be placed on the ballot and the Town’s expenditure limitation will revert back to the state-imposed limitation.

Attachments

A - Home Rule Resolution

B - Home Rule FAQs

C - Summary Analysis

D - Summary Analysis Worksheet

E - Detailed Analysis

RESOLUTION NO. 12-1000

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, YAVAPAI COUNTY, ARIZONA, PROPOSING AN EXTENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION

WHEREAS, the Arizona State Constitution permits the submission to the voters of a City or Town of an Alternative Expenditure Limitation; and

WHEREAS, the voters of the Town of Chino Valley in 2009 adopted an Alternative Expenditure Limitation; and

WHEREAS, the Town Council of the Town of Chino Valley after two Public Hearings, has determined that an extension of the Alternative Expenditure Limitation is necessary for the Town of Chino Valley;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, that the following Alternative Expenditure Limitation be submitted to the Voters of the Town of Chino Valley.

> Shall the following be adopted by the Town of Chino Valley as an Alternative Expenditure Limitation:
>
> "The Mayor and Common Council of the Town of Chino Valley shall annually, as part of the annual budget adoption process, adopt an Alternative Expenditure Limitation equal to the total amount of budgeted expenditures/expenses as it appears on the annual budget as adopted by the Council to apply to the Town of Chino Valley for each of the four fiscal years immediately following adoption of the Alternative Expenditure Limitation. The Alternative Expenditure Limitation shall be adopted each year after a public hearing at which the citizens of the Town of Chino Valley may comment on the proposed Alternative Expenditure Limitation. No expenditures may be made in violation of such Alternative Expenditure Limitation, nor may any proposed expenditures be in excess of estimated available revenues, except that the Mayor and the Common Council may, by three-fourths vote, declare an emergency and suspend the Alternative Expenditure Limitation. The suspension of the Alternative Expenditure Limitation shall be in effect for only one fiscal year at a time."

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 18th day of October, 2012.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Musgrove Drutz & Kack, PC
Town Attorney

RESOLUCIÓN NO. 12-1000

UNA RESOLUCIÓN DEL ALCALDE Y DEL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO YAVAPAI, ARIZONA, QUE PROPONE UNA EXTENSIÓN DE LA LIMITACIÓN DE GASTOS ALTERNATIVA

VISTO QUE, la Constitución del Estado de Arizona permite la presentación a los votantes de una Ciudad o un Pueblo de una Limitación de Gastos Alternativa; y

VISTO QUE, en 2005 los votantes del Pueblo de Chino Valley adoptaron una Limitación de Gastos Alternativa; y

VISTO QUE, después de dos Audiencias Públicas el Concejo del Pueblo de Chino Valley ha determinado que una extensión de la Limitación de Gastos Alternativa es necesaria para el Pueblo de Chino Valley;

AHORA, POR CONSIGUIENTE, RESUELVE el Alcalde y el Concejo Común del Pueblo de Chino Valley, Condado Yavapai, Arizona, que la siguiente Limitación de Gastos Alternativa se les presente a los Votantes del Pueblo de Chino Valley.

> ¿Deberá el Pueblo de Chino Valley adoptar lo que sigue como una Limitación de Gastos Alternativa:
>
> Cada año el Alcalde y el Concejo Común del Pueblo de Chino Valley, como parte del proceso anual de adoptar el presupuesto, deberán adoptar una Limitación de Gastos Alternativa igual a la cantidad total de los gastos/costos presupuestados como aparece en el presupuesto anual como adoptado por el Concejo que se le aplicará al Pueblo de Chino Valley para cada uno de los cuatro años fiscales inmediatamente después adopción de la Limitación de Gastos Alternativa. La Limitación de Gastos Alternativa se deberá adoptar cada año después de una audiencia pública en la cual los ciudadanos del Pueblo de Chino Valley puedan comentar sobre la propuesta Limitación de Gastos Alternativa. No se permitirán ningunos gastos en violación de dicha Limitación de Gastos Alternativa, ni se permitirán propuestos gastos en exceso de los calculados ingresos disponibles, con la excepción de que el Alcalde y el Concejo Común pueden, por un voto de tres cuartos, declarar una emergencia y suspender la Limitación de Gastos Alternativa. La suspensión de la Limitación de Gastos Alternativa deberá estar en vigor por solamente un año fiscal a la vez.

PASADA Y ADOPTADA por el Alcalde y el Concejo Común del Pueblo de Chino Valley, Arizona este día __18__ de ___octubre___ de 2012.

Chris Marley, Alcalde

CERTIFICA:

Jami C. Lewis, Secretaria del Pueblo

APROBADA EN FORMA:

Musgrove Drutz & Kack, PC
Abogado del Pueblo

FREQUENTLY ASKED QUESTIONS

ALTERNATIVE EXPENDITURE LIMITATION – HOME RULE OPTION

What is the *Expenditure Limitation*?

- Chino Valley, like all cities and towns in Arizona, is required to have a balanced budget where spending (expenditures) cannot exceed available revenues.
- Additionally, in 1980, Arizona voters approved a constitutional amendment designed to limit the annual expenditures of all Arizona cities and towns. The law requires that each municipality cap its annual expenditures by adhering to a budgetary limit set by the state. This is known as the *state-imposed expenditure limitation*.
- As Arizona's municipalities began experiencing the growth that we still see today, with their revenues and budget demands growing, it became clear that the state formula, set according to the economic climate of the late seventies, no longer reflected the revenue and expenditure needs of a rapidly growing state.
- The Arizona Constitution was then amended to provide options to accommodate these growing financial needs and allow voters to authorize their Council to adopt an alternative method for setting their municipality's expenditure limit. This is known as the *Alternative Expenditure Limitation* (or AEL).
- Each fiscal year, the Council adopts an expenditure limitation (based upon either the state limitation or an alternative) in conjunction with adoption of the budget. Expenditures can not exceed that limitation, thereby creating the required balanced budget.

What are the 4 Alternative Expenditure Limitation Options?

- One-Time Override – Provides for a one time election for one year only to exceed the state-imposed limitation or to override an error in an approved AEL.
- Capital Projects Accumulation – This option is most appropriate for communities where the state-imposed limitation is sufficient except in the area of capital outlays. This option has become obsolete and is not currently being used by any Arizona municipalities.
- Permanent Base Adjustment – Allows a municipality to permanently adjust the state's base expenditure amount used to formulate the municipality's expenditure limitation. It requires a longer term commitment and remains in effect until the voters approve another permanent base adjustment or another AEL option.
- Home Rule – Allows a municipality to set a spending limit based upon current and projected revenues and local service demands. It must be extended by the voters every 4 years.

MUNICIPALITIES & EXPENDITURE LIMITATIONS – 2012

STATE-IMPOSED	CAPITAL PROJECTS	PERMANENT BASE	HOME RULE
12	0	22	56

- Emergency Override – This is not an AEL, but it allows a municipality to exceed its expenditure limitation in the event of a disaster in which either the governor or the Town Council declares an emergency.

What is the *Home Rule Option*?

- The Home Rule Option permits the citizens of Chino Valley and their elected officials to set a spending limit based upon local priorities instead of making budget decisions based on a state-imposed formula. Hence, budget decisions are made at "home."
- Home Rule does *not* enable the Town to spend more than the revenues it receives. Should the Town receive fewer revenues than budget projections, Town officials will cut expenditures to maintain a balanced budget.
- The Town was under the state limitation until 1985, when Chino Valley citizens voted to approve the Home Rule Option for the first time. Chino Valley voters have extended the Home Rule Option every four years since.
- The Town's current option expires in June 2013 and the Town Council will be asking the voters to extend it another four years at the Town's Primary Election on March 12, 2013.
- The Town is recommending the Home Rule Option over the other options, because it best fits the Town's current circumstances. More specifically:
    - The One-Time Override does not apply to the Town at this time.
    - The state-imposed limitation under the Capital Projects Accumulation is not sufficient for the Town at this time.
    - The Permanent Base Adjustment requires a longer term commitment, would bind future Town Councils, and tends to be more favorable during a stable economy.

What effect does Home Rule have on revenues and taxes?

- Home Rule does not increase or decrease the revenues that the Town receives from sales taxes and state shared revenues.
- Home Rule has *no* impact on taxes or tax rates. It does not change the Town's sales tax rate.

What is the difference between Home Rule and the state-imposed limitation?

- The expenditure limitation was originally adopted in 1980 and the formula for the state limitation is based on revenues and population from 1978-1980.
- While the state limitation for subsequent years permits increased spending limits using a population growth factor and an inflation factor, those factors are *not* calculated from *actual* revenues, population growth, or inflation.
- When the state limitation formula was originally developed in 1980, Chino Valley had a population of 2,400 and revenues of $255,094.
- As the Town has grown, so have its revenues, operating costs, and demand for services. Today, the Town has a population of about 11,000 and it projects to receive approximately $12,758,000 in revenues during fiscal year 2012-2013.

STATE LIMIT VS. HOME RULE – PROJECTIONS – 2014-2017

	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017
State imposed expenditure limitation plus exclusions	$5,906,982	$6,037,050	$6,317,822	$6,841,751
Estimated revenues received from any source	$14,564,385	$15,158,848	$15,771,992	$16,629,000
Additional dollars available with Home Rule	$8,657,403	$9,121,798	$9,454,170	$9,787,249

What happens if the voters APPROVE the Home Rule Option?

- The Home Rule Option will remain in effect for the next four consecutive fiscal years.
- The voters will authorize the Council to set the Town's expenditure limitation based on current and projected revenues and needs while remaining within the broad budgetary limits prescribed by the state.
- The Town will adopt an expenditure limitation based on the Home Rule AEL each of the four next fiscal years during the budget process.
- After four years, the Mayor and Council may ask the voters to extend it again or propose another alternative.

What happens if the voters DO NOT APPROVE the Home Rule Option?

- The Town will lose the ability to set its budget based on current needs and revenues and will be required to limit Town expenditures to the state imposed formula for at least two consecutive fiscal years.

- Projections indicate that approximately 59% of the Town's overall budget for the next two years would have to be eliminated.
- Although the Town will still receive revenues approximating the estimates above, revenue amounts in *excess* of the state limitation will remain unavailable for two years, as state law will prevent the Town from expending those funds to provide general government services.

<u>What do we need to know about voting on the proposal?</u>

- The Town is proposing to place the proposal on the March 12, 2013 ballot.
- Registered voters will receive a voter information pamphlet with voting information, as well as much of the material presented here on Home Rule.
- Individuals or a group can file an argument for the voter pamphlet supporting or opposing Home Rule. Submit arguments to the Town Clerk's office by December 12, 2012, notarized, and accompanied by an $80 submittal fee.

TOWN OF CHINO VALLEY, ARIZONA
ALTERNATIVE EXPENDITURE LIMITATION

(Home Rule Option)

SUMMARY ANALYSIS

The voters of the Town of Chino Valley in 2005 adopted an alternative expenditure limitation (Home Rule Option). The purpose of this election is for the continued use of the Home Rule Option.

Pursuant to the Arizona State Constitution, the Town of Chino Valley seeks voter approval to adopt a Home Rule Option to apply to the town for the next four years beginning in 2013-2014. Under the Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately $14,564,385 in 2013-2014, $15,158,848 in 2014-2015, $15,771,992 in 2015-2016, and $16,629,000 in 2016-2017.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including; General Government; Public Safety; Parks & Recreation; Aquatics; Library; Senior Center; Magistrate; Prosecutor; Planning & Building; Public Works & Engineering; Roads; Water & Sewer Utilities; Capital Improvements; Debt Service; and Impact Fee Projects.

Under the state-imposed limitation, after considering the constitutionally allowed exclusions, the town estimates it will be allowed to expend approximately $5,906,982 in 2013-2014, $6,037,050 in 2014-2015, $6,317,822 in 2015-2016, and $6,841,751 in 2016-2017 for the operation of your local government.

The amount of revenue estimated to be available to fund the operation of your town government is $14,564,385 in 2013-2014, $15,158,848 in 2014-2015, $15,771,992 in 2015-2016, and $16,629,000 in 2016-2017. These revenue estimates are the same under the Home Rule Option or the state-imposed expenditure limitation.

Any and all dollar figures presented in this summary are estimates only and are based upon information available at the time of preparation of this analysis. The budget and actual expenditures in any of the four years may be more or less than expenditures noted above depending on available revenue.

If no alternative expenditure limitation is approved, the state-imposed expenditure limitation will apply to the town.

TOWN OF CHINO VALLEY, ARIZONA
ALTERNATIVE EXPENDITURE LIMITATION

(Home Rule Option)

SUMMARY ANALYSIS WORKSHEET

POPULATION FACTOR COMPUTATION

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2013-2014	10,900	÷	2,400	=	4.5417
2014-2015	11,100	÷	2,400	=	4.6250
2015-2016	11,300	÷	2,400	=	4.7083
2016-2017	11,500	÷	2,400	=	4.7917

STATE-IMPOSED EXPENDITURE LIMITATION

Fiscal Year	1979-80 Base	x	Population Factor	x	Inflation Factor	=	Projected State-Imposed Expenditure Limitation	+	Estimated Exclusions	=	Total Expenditures Under State-Imposed Limit
2013-2014	$255,094	X	4.5417	X	2.8500	=	$3,301,899	+	$2,605,083	=	$5,906,982
2014-2015	$255,094	X	4.6250	X	2.8903	=	$3,410,005	+	$2,627,045	=	$6,037,050
2015-2016	$255,094	X	4.7083	X	2.9352	=	$3,525,349	+	$2,792,473	=	$6,317,822
2016-2017	$255,094	X	4.7917	X	2.9852	=	$3,648,912	+	$3,192,839	=	$6,841,751

TOWN OF CHINO VALLEY, ARIZONA
ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the Town of Chino Valley as authorized by Resolution # passed on October 18, 2012 will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the Town for the next four years beginning in 2013-2014.

Under a Home Rule Option if approved by the voters, the Town estimates it will be allowed to expend approximately $14,564,385 in 2013-2014, $15,158,848 in 2014-2015, $15,771,992 in 2015-2016, and $16,629,000 in 2016-2017.

With approval of the Home Rule Option, the Town will utilize the expenditure authority for all local budgetary purposes including: General Government; Public Safety; Parks & Recreation; Aquatics; Library; Senior Center; Magistrate; Prosecutor; Planning & Building; Public Works & Engineering; Roads; Water & Sewer Utilities; Capital Improvements; Debt Service; and Impact Fee Projects. We estimate that the expenditures for the next four years under the Home Rule Option will be as follows:

ESTIMATED AMOUNTS TO BE EXPENDED IN SPECIFIC AREAS

Purpose	2013-2014	2014-2015	2015-2016	2016-2017
General Government	$ 3,450,806	$ 3,892,928	$ 4,207,715	$ 4,918,805
Public Safety	2,496,276	2,546,202	2,597,126	2,649,068
Parks & Recreation	421,971	430,410	439,019	447,799
Aquatics	281,772	287,407	293,155	299,018
Library	266,507	271,837	277,273	282,819
Senior Center	199,489	203,478	207,548	211,699
Magistrate	273,925	279,403	284,991	290,691
Prosecutor	109,892	112,089	114,331	116,618
Planning & Building	285,081	290,783	296,598	302,530
Public Works & Engineering	63,859	65,136	66,439	67,768
Roads	820,418	836,826	853,563	870,634
Water & Sewer Utilities	2,943,827	2,984,864	3,026,626	3,069,068
Capital Improvements	2,000,000	2,000,000	2,000,000	2,000,000
Debt Service	576,643	583,527	733,610	728,445
Impact Fee Projects	373,919	373,958	373,998	374,038
Total Expenditures	$14,564,385	$15,158,848	$15,771,992	$16,629,000

If approved, the expenditures authorized will be funded from revenues obtained from federal, state and local sources. It is estimated that the amount of revenue from each source for the next four years will be as follows:

ESTIMATED AMOUNTS OF REVENUE FROM EACH AND ANY SOURCE

Source	2013-2014	2014-2015	2015-2016	2016-2017
Federal	$ 146,560	$ 146,560	$ 146,560	$ 536,560
State	3,877,878	3,921,685	3,966,086	4,011,089
Local	10,539,947	11,090,603	11,659,346	12,081,351
Total Revenues	$14,564,385	$15,158,848	$15,771,992	$16,629,000

In determining the revenue sources to fund the authorized additional expenditures under the alternative expenditure limitation, it is assumed that the federal, state and local revenues received by the Town will continue to be available in 2013-2014 as they have for the past four (4) years. Their continued availability is also assumed for the next three (3) consecutive years following 2013-2014.

Any and all dollar figures shown in this analysis are estimated figures only and are based upon information available at the time of preparation of this report. The budgets and actual expenditures in any given year may be more or less than the figures noted above depending on available revenues. The actual expenditure limitation for each fiscal year shall be adopted as an integral part of the budget for that fiscal year.

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting **Item No. 3.**

Meeting Date:	10/18/2012
Contact Person/Dept:	Joe Duffy Phone: 928-636-2646 x-1211
Item Type:	N/A
Estimated length of staff presentation:	None
Physical location of item:	N/A

Information

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 12-1000, proposing an extension of the Alternative Expenditure Limitation.

RECOMMENDED ACTION:

Adopt Resolution No. 12-1000, proposing an extension of the Alternative Expenditure Limitation.

SITUATION AND ANALYSIS:

A 2/3 majority vote is needed for passage of this Resolution.

Should Council approve Resolution No. 12-1000, staff will place the Home Rule extension proposal on the March 12, 2013 ballot. Should Council not approve the Resolution, the item will not be placed on the ballot and the Town's expenditure limitation will revert back to the state-imposed limitation.

Should Council approve the Resolution, the next steps in the process will be:

- Staff publishes record of this vote in the Courier and posts per state law
- Staff submits resolution, summary and detailed analyses to Auditor General
- Council approves Call of Election - November 13, 2012, tentatively
- Staff develops voter pamphlet
- Staff receives arguments (statements) for voter pamphlet from public - deadline December 12, 2012
- Staff submits pamphlet to Auditor General for review
- Staff and Council engage in public education outreach - now through March 2013
- Voters decide for or against Home Rule - March 12, 2013

Other Pertinent Documents Available Upon Request:
See Resolution No. 12-1000 attached to previous item.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code:
Available:

Funding Source:
This item and a subsequent election, if approved by Council, will determine the Town's spending limit for the next two to four fiscal years.
