

Home Rule Proposition

What is Home Rule?

In 1980, Arizona voters approved a tax reform package that placed an expenditure limitation on cities and towns. However, this legislation also allows local voters to approve an exception to the state-imposed expenditure limitation in their city or town, known as Home Rule. (Arizona State Constitution-Article IX, Section 20, subsection 9)

Under the State imposed expenditure limitation, a city or town may only spend a certain amount of funds. Regardless of the city or town's revenue or individual needs, its budget is limited to the state-imposed ceiling. Under the Home Rule Option, the city or town may determine its own expenditures based on its budget.

Why is it on the Primary Election Ballot?

The City of Tombstone voters have approved the Home Rule Option every four years since 1985. To continue the Home Rule Option, it must be passed by the voters every four years. It was last passed in 2016.

Have other cities and towns authorized Home Rule?

YES! As of February there are 45 cities and towns in Arizona that operate under Home Rule and of those 45, 25 are due for a vote in 2020.

What happens if Home Rule is not continued?

If Home Rule is not approved, the City of Tombstone will operate under the existing state-imposed expenditure limit. Under this limit, the City of Tombstone may not be able to budget all of its available resources, and therefore expend the revenues that it collects to provide services such as Fire, Law Enforcement, Senior Services, Recreation, Road and Street Maintenance, Water, Waste Water, Sanitation and General Government Services to residents.

The state-imposed limitation for FY 2021-2022 (next year) is estimated at \$2,004,714. The FY 2019-2020 budget was \$6,338,812. The state-imposed limitation of \$2,004,714 is only an estimate and subject to changes in population figures and the % change in the GDP deflators.

Does approval of Home Rule give the City authority to impose new taxes?

NO! Approval to continue Home Rule only allows the City to spend the revenues it collects as approved in the annual budget. *Home Rule does not change the property tax or sales tax that the City currently collects. Rates can only be set during the annual budget process.*

If Home Rule is continued, what will it mean for Tombstone residents?

With Home Rule, City residents and the Mayor and City Council will continue to decide what level of service is best for City of Tombstone.

Home Rule allows the City to expend the revenues it receives to provide services to residents. Each year, the City will set its expenditure limit after citizen input through the budget and public hearing process.

Because the City is required to have a balanced budget, expenditures will be restricted by available revenues.