

## **ALTERNATIVE EXPENDITURE LIMITATION**

**(Home Rule Option)**

### **SUMMARY ANALYSIS**

The voters of the Town of Patagonia on August 2<sup>nd</sup>. of 2022 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 Patagonia seeks voter approval to adopt a Home Rule Option to apply to the town for the next four years beginning in 2027-2028. Under a Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately **\$5,511,500 in 2027-2028, \$4,688,000 in 2028-2029, \$4,864,000 in 2029-2030, and \$5,041,000 in 2030-2031.**

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes, including General Government, Capital Projects, Highways, Water & Sewer Utility, and Solid Waste Utility.

Under the state-imposed limitation, the town estimates it will be allowed to expend approximately **\$3,824,243 in 2027-2028, \$2,922,796 in 2028-2029, \$3,022,285 in 2029-2030, and \$3,121,173 in 2030-2031** for the operation of your local government. These expenditure estimates include expenditures of constitutionally excludable revenues.

The amount of revenue estimated to be available to fund the operation of the Town of Patagonia is approximately **\$5,511,500 in 2027-2028, \$4,688,000 in 2028-2029, \$4,864,000 in 2029-2030, and \$5,041,000 in 2030-2031.** These revenue estimates are the same under the Home Rule Option or the state-imposed expenditure limitation. (The Town's property tax shall be limited to the amount prescribed in the Arizona State Constitution.)

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 the expenditures noted above depending on available revenue.

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