

## TUSAYAN TOWN COUNCIL PUBLIC HEARING

9:00 am  
July 8, 2010  
Zuni Room  
Best Western Squire Inn  
74 State Route 64, Tusayan, AZ

### Minutes

#### Call to order

by Mayor Pete Shearer at 9:00 am

#### Members in Attendance:

Mayor Pete Shearer  
Vice Mayor Greg Bryan (telephonically)  
Council member Al Montoya  
Council member Ann Wren  
Council member Clarinda Vail

Cameron Williams presented an alternative expenditure to State Imposed Spending. The Home Rule Option is an alternative expenditure that allows the Town of Tusayan to set the amount of taxes to spend and is not limited by the State. The Town of Tusayan has four years in which the Home Rule Option can be presented to the voters. If not passed during that time period, the Town of Tusayan will be locked in to the State Imposed Expenditure. A passage of the Home Rule Option is effective for the next four fiscal years.

Currently the taxes are based on 1979 figures which figure is based on a population of 606 and added an inflation factor. During the fiscal year July 2010 to June 30, 2011, expenditures are limited to the DOR figures which at this time are \$1.3M. Home Rule Option is used in most of the towns and cities in Arizona. If the Home Rule Option is approved by the voters, the Town Council will set a Budget every year for four years subject to public hearings. At the end of four years, a new Home Rule Option is presented to the voters and is based upon the needs of the town.

Councilmember Montoya asked why Flagstaff chose Permanent Base Adjustment. Mr. Williams explained the Permanent Base Adjustment gave the City of Flagstaff the ability to spend more money than the State Expenditure Limitation but it does limit the expenditures more than the Home Rule Option.

Councilmember Wren asked what the Flagstaff State Expenditure Limitation is right now. Mr. Williams advised he would get the figures for council.

Councilmember Vail asked if the State would consider changing the amounts and Mr. Williams advised it would take a constitutional amendment to change it.

Mr. Williams explained that there are no new taxes raised by the Home Rule Ballot, this option just allows the Town to spend the amount of taxes collected. Vice Mayor Bryan estimated the taxes collected for the fiscal year July 1, 2010 through June 30, 2011 as \$2.5M. Under State Imposed Limitation only \$1.3M can be spent, the remainder will have to be set aside and not spent.

Mayor Shearer asked Vice Mayor Bryan how he arrived at the half million dollars in grants. Vice Mayor Bryan said it was a suggestion from the Arizona League of Cities and Towns and Joe Duffy, Williams Interim Manager, to carry a 20-25% buffer to cover any grants or contingency funds that may come in.

Mr. Williams outlined the process for the Home Rule Option as defined by the Statutes. Vice Mayor Bryan has started drafting the analysis. Council will hold two public meetings to answer any questions from the public about the Home Rule Option. At the end of the second public hearing, council will immediately go into Special Session and to discuss whether to pass a resolution for this to the voters. Public notice of the vote will be published.

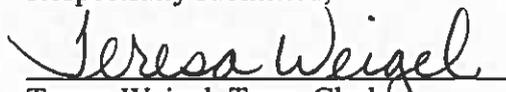
Mr. Williams advised council that the members of the council can have no personal opinion on the Home Rule Option publicly. If the Resolution is passed, it is sent to the Auditor General who will review it and make sure everything is correct. The AGO will review the proposal and get back to the Town with any feedback for any changes and make sure everything complies with state law. After the AGO signs off on it, the Town Council will put it on the November ballot for the public to vote on. Pro and con arguments will be solicited from the public to include in the pamphlet. A discussion was held as to whether the submission will require a charge to the individual. Coconino County currently charges \$75. Mr. Williams will check the IGA with Coconino County to see if the Town of Tusayan needs to charge a fee for the submissions.

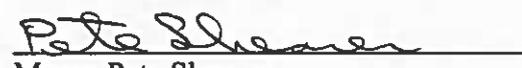
If the Home Rule Option is approved by the voters, it will become effective July 1, 2011 for four consecutive years. If the Home Rule Option is defeated by the voters, the Town will be subject to State Imposed Expenditure Limitation and no other expenditure option can be presented to the voters again until the 2012 ballot.

#### Adjournment

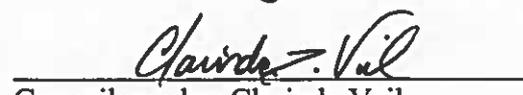
Councilmember Vail motioned to adjourn the public hearing at 9:32 am. Councilmember Wren seconded the motion. The motion passed at 9:32 am.

Respectfully submitted,

  
Teresa Weigel, Town Clerk

  
Mayor Pete Shearer

Dated: August 11, 2010

  
Councilmember Clarinda Vail