City of Prescott
City Council - Study Session

April 30, 2024 | 1:00 PM
201 N Montezuma Street
City Council Chambers, 3rd Floor
Prescott, AZ 86301

AGENDA

The following Agenda will be considered by the **Prescott City Council** at its **Study Session** pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending the meeting through the use of a technological device.

Viewing & Participation

This meeting may be viewed on Channel 64, Facebook Live or on the City's website: [City of Prescott Public Portal]
Public comments for Council may be submitted through the City website: [Public Comment Form]

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION**
   A. Presentation & Discussion Regarding Prop478, A Proposed Transaction Privilege Tax for Purposes of Public Safety Within the City Related to Options for Ballot Language and Percentages.
4. **ADJOURNMENT**

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

(1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
(2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
(3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
(4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. § 38-431.03(A)(4));
(5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations

(A.R.S. §38-431.03(A)(5));
(6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6);
(7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 4/26/24 at 12:00 p.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Sarah M. Siep

Sarah M. Siep, City Clerk

CITY OF PRESCOTT ARIZONA

TO:	MAYOR AND CITY COUNCIL
AGENDA:	April 30 Special Study Session
DATE:	April 30, 2024
DEPT:	Legal
ITEM #:	3.A
SUBJECT:	Presentation & Discussion Regarding Prop478, A Proposed Transaction Privilege Tax for Purposes of Public Safety Within the City Related to Options for Ballot Language and Percentages.

ITEM SUMMARY

The Prescott City Council has adopted Resolution No. 2024-1880 calling for a Special Election to be held on Tuesday, November 5, 2024 to ask voters whether to establish a transaction privilege tax for public safety purposes. At the Tuesday, April 9 Voting Meeting staff was directed to bring back multiple options to discuss with the Council regarding ballot language and percentages for this tax. Staff needs direction from the Council on their desired percentage to present to voters in order to adopt ballot language by the required deadlines so the City Clerk's Office may provide this information to the County and begin the process of putting together the appropriate election materials and calling for arguments for and against.

BACKGROUND

On March 26, 2024, the Prescott Fire Department and the Prescott Police Department presented to Council regarding issues facing each department and strategies to improve public safety outcomes for City residents. As part of the presentation, Council was presented evidence that these needs, including construction of at least one new fire station, exceeds the City's financial capacity. Council directed an additional Study Session be held to discuss potential funding mechanisms, which was help on April 2, 2024.
At the April 2 meeting, Council directed a Resolution be presented to Council on the April 9, 2024 agenda for the purposes of calling an election to be held on November 5, 2024 presenting the question to the voters of the City of Prescott regarding these enhancements to public safety, and on April 9, 2024 Resolution No. 2024-1880 was adopted.

Staff will provide four (4) options to the Council during this discussion, as previously requested, in order for the Council to make a determination and provide direction for future adoption of an Ordinance approving ballot language at the Tuesday, May 14 Voting Meeting.

FINANCIAL IMPACT

The special election will be administered by Yavapai County Elections pursuant to an Intergovernmental Agreement and cost roughly $80,000. Additionally, publicity pamphlets are mandated by state law and would cost between $10,000 and $15,000. This election will be budgeted in the City Clerks Department for fiscal year 2025.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

1. Public Safety Needs Ballot Measure
2. DRAFT_0.8% No Sunset Tax Ordinance
3. DRAFT_0.8% Sunset Tax Ordinance

4. DRAFT_0.75% No Sunset Tax Ordinance
5. DRAFT_0.75% Sunset Tax Ordinance

Public Safety Needs

April 30, 2024

CITY OF PRESCOTT
ARIZONA

Projected Capital Needs

Total $110,565,090

	Immediate Needs			Short Term				Longer Term		
	1st FY	2nd FY	3rd FY	4th FY	5th FY	6th FY	7th FY	8th FY	9th FY	10th FY
Police										
Property and Evidence Facility	$ 700,000	$ 7,630,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Firing Range Improvement	475,000	-	-	-	-	-	-	-	-	-
Radio Tower Improvements	1,500,000	-	-	-	-	-	-	-	-	-
Additional Vehicles	300,000	315,000	330,750	-	-	-	-	-	-	-
Additional Facility	-	-	-	28,917,000	-	-	-	-	-	-
Remodel of Downtown Facility	-	-	-	-	6,361,740	-	-	-	-	-
Fire										
Station 73	2,809,000	10,584,000	-	-	-	-	-	-	-	-
Station 76	784,000	10,584,000	-	-	-	-	-	-	-	-
Engine for Station 76	1,165,000	-	-	-	-	-	-	-	-	-
Station 72	560,000	7,560,000	-	-	-	-	-	-	-	-
Ladder Tender for Station72	950,000	-	-	-	-	-	-	-	-	-
Training Tower	750,000	750,000	-	-	-	-	-	-	-	-
Station 71 Remodel	-	-	-	2,106,000	-	-	-	-	-	-
Station 75 Remodel	-	-	-	-	2,210,000	-	-	-	-	-
Station 74 Remodel	-	-	-	-	-	2,314,000	-	-	-	-
Station 77	-	-	-	-	-	-	4,372,000	14,817,600	-	-
Engine for Station 77	-	-	-	-	-	-	-	1,720,000	-	-
Total	$9,993,000	$37,423,000	$330,750	$31,023,000	$8,571,740	$2,314,000	$4,372,000	$16,537,600	$ -	$ -

Projected Operating Needs

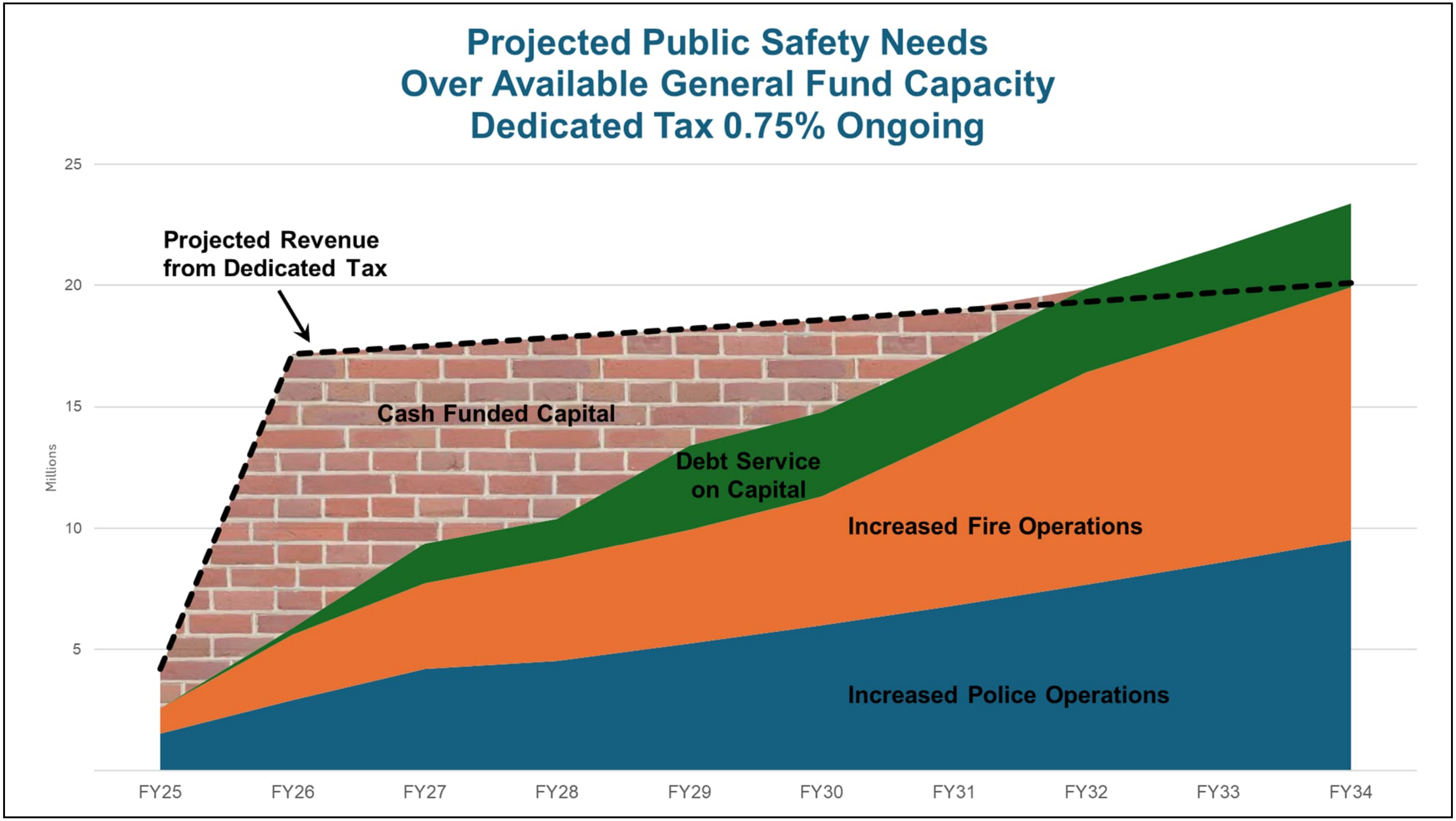
		Immediate Needs			Short Term				Longer Term		
	FY 25	**1st FY**	**2nd FY**	**3rd FY**	**4th FY**	**5th FY**	**6th FY**	**7th FY**	**8th FY**	**9th FY**	**10th FY**
Police Operations											
Existing Operations - General Fund	16,351,865	$ 17,169,500	$ 18,027,975	$ 18,929,374	$ 19,875,842	$ 20,869,635	$ 21,913,116	$ 23,008,772	$ 24,159,211	$ 25,367,171	$ 26,635,530
New Sworn Positions (FY25 - 6, FY26 - 6, FY27 - 4)		669,700	1,372,010	1,822,729	1,877,411	1,933,733	1,991,745	2,051,497	2,113,042	2,176,433	2,241,726
Public Safety Support Needs		359,800	523,524	807,010	476,900	491,207	505,943	521,122	536,755	552,858	569,444
Fire Operations											
Existing Operations - General Fund	13,155,794	13,813,600	14,504,300	15,229,500	15,991,000	16,790,600	17,630,100	18,511,605	19,437,185	20,409,045	21,429,497
Needed Facility Staffing											
Fire Station 76 Personnel Impact		680,000	1,751,000	1,803,530	1,857,636	1,913,365	1,970,766	2,029,889	2,090,786	2,153,509	2,218,114
Fire Station 72 Personnel Impact (Low-Acuity Initiatives)		-	-	160,000	164,800	169,744	174,836	180,081	185,484	191,048	196,779
Fire Station 77 Personnel Impact		-	-	-	-	-	-	1,045,393	2,090,786	2,153,510	2,218,115
Proactive Risk Reduction		-	110,000	288,300	448,449	333,978	344,901	356,984	369,517	382,517	396,002
Total Projected Operation		$ 32,692,600	$ 36,288,809	$ 39,040,442	$ 40,692,038	$ 42,502,261	$ 44,531,407	$ 47,705,343	$ 50,982,765	$ 53,386,090	$ 55,905,207

Projected Cashflows 0.75% Tax
With No Sunset

	Immediate Needs			Short Term				Longer Term		
	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Sources										
Proposed Privilege Tax 0.75%	$ 4,207,500	$ 17,166,600	$ 17,509,932	$ 17,860,131	$ 18,217,333	$ 18,581,680	$ 18,953,314	$ 19,332,380	$ 19,719,027	$ 20,113,408
General Fund Funding	30,097,812	30,699,768	31,313,763	31,940,038	32,578,839	33,230,416	33,895,024	34,572,924	35,264,382	35,969,670
Interest Earnings	-	-	114,220	272,601	427,479	360,756	397,815	351,930	17,641	-
Development Impact Fees	3,180,798	530,400	541,008	551,828	562,865	574,122	585,604	597,316	609,262	621,447
Debt Issues (30 year, 4.30%)	4,397,202	32,108,000	-	31,023,000	-	-	-	-	-	-
Total Sources	41,883,312	80,504,768	49,478,923	81,647,598	51,786,516	52,746,974	53,831,757	54,854,550	55,610,312	56,704,525
Uses										
Operating Cost	32,692,600	36,288,809	39,040,442	40,692,038	42,502,261	44,531,407	47,705,343	50,982,765	53,386,090	55,905,207
Cash Funded Capital	5,595,798	5,315,000	330,750	-	8,571,740	2,314,000	4,372,000	16,537,600	-	-
Debt Funded Capital	4,397,202	32,108,000	-	31,023,000	-	-	-	-	-	-
Debt Service Payments	-	279,680	2,188,666	2,188,666	4,048,647	4,048,647	4,048,647	4,048,647	4,048,647	4,067,495
Total Uses	42,685,600	73,991,489	41,559,858	73,903,704	55,122,648	50,894,054	56,125,990	71,569,012	57,434,737	59,972,702
Current Year Cashflow	(802,288)	6,513,279	7,919,065	7,743,894	(3,336,132)	1,852,920	(2,294,233)	(16,714,462)	(1,824,425)	(3,268,177)
Prior Year Cash Balance	-	(802,288)	5,710,991	13,630,056	21,373,949	18,037,817	19,890,737	17,596,504	882,042	(942,383)
Current Year Cash Balance	$ (802,288)	$ 5,710,991	$ 13,630,056	$ 21,373,949	$ 18,037,817	$ 19,890,737	$ 17,596,504	$ 882,042	$ (942,383)	$ (4,210,560)

Notes

Projected Debt Issues	$ 67,528,202
Debt Issue Interest Cost	53,931,218
Final Maturity	FY 2058



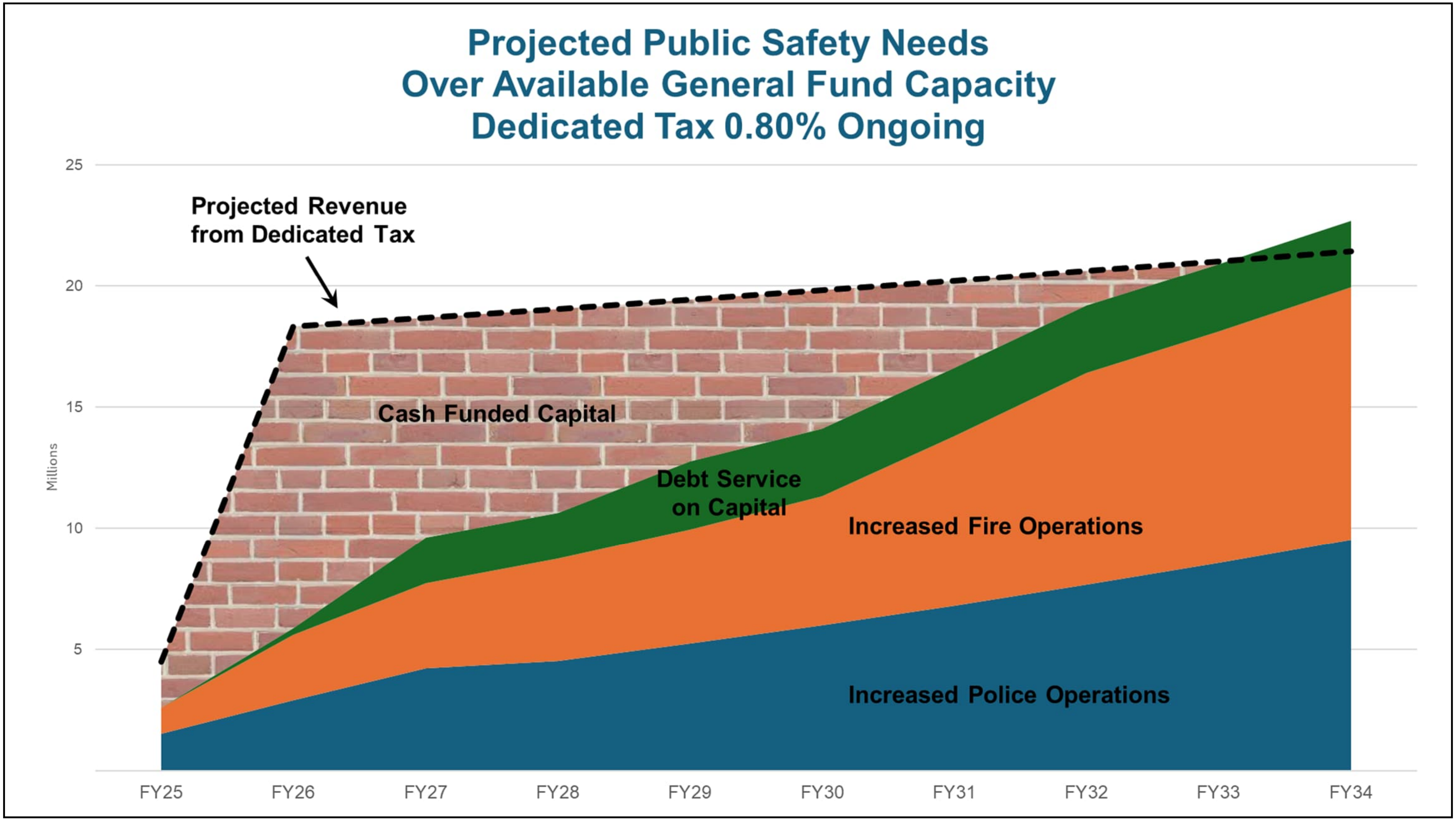
Projected Public Safety Needs
Over Available General Fund Capacity
Dedicated Tax 0.75% Ongoing
25
20
15
10
5
Millions
Projected Revenue
from Dedicated Tax
Cash Funded Capital
Debt Service
on Capital
Increased Fire Operations
Increased Police Operations
FY25
FY26
FY27
FY28
FY29
FY30
FY31
FY32
FY33
FY34

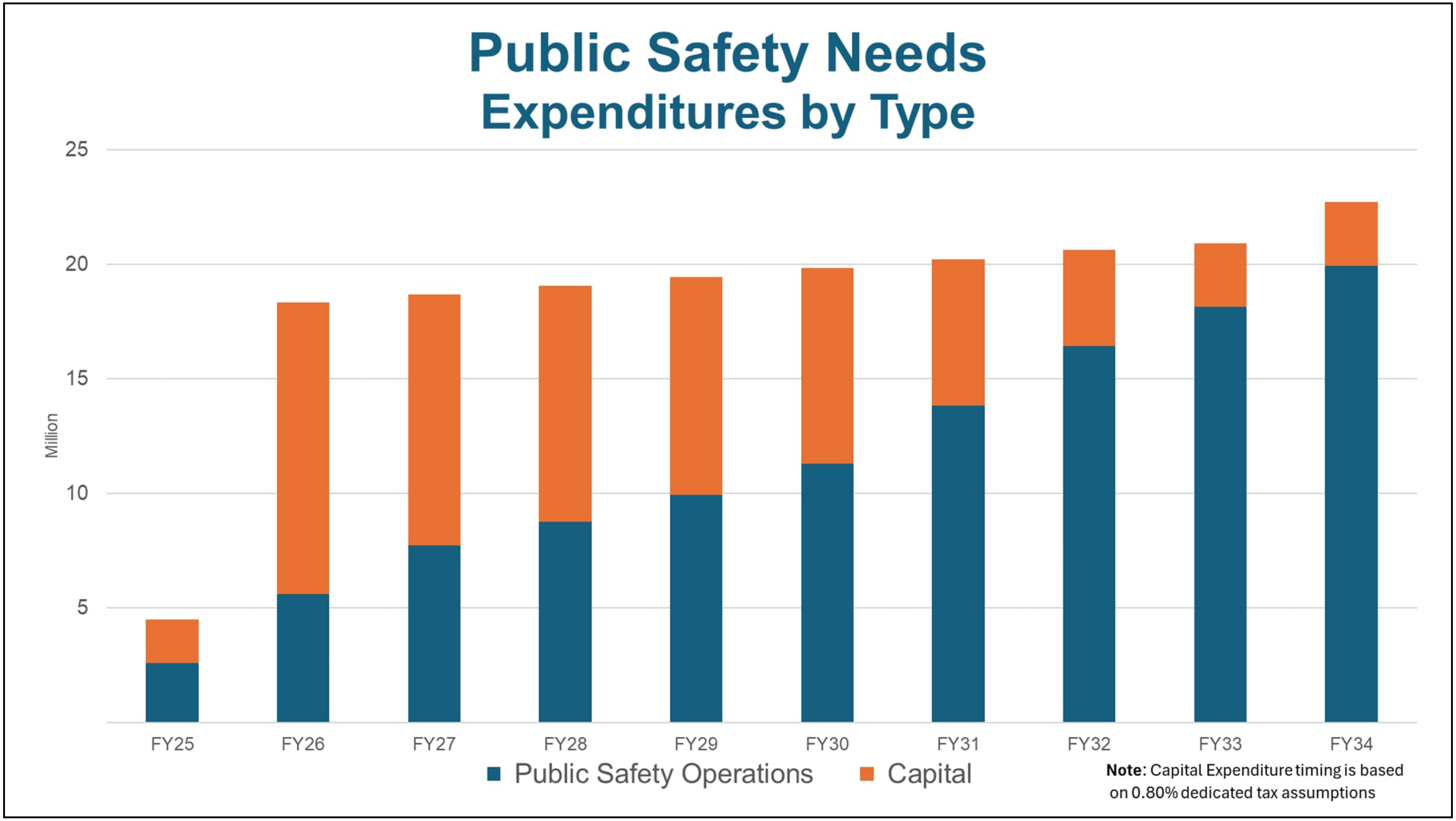
Projected Cashflows 0.80% Tax
With No Sunset

	Immediate Needs			Short Term				Longer Term		
	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Sources										
Proposed Privilege Tax 0.80%	$ 4,488,000	$ 18,311,040	$ 18,677,261	$ 19,050,806	$ 19,431,822	$ 19,820,459	$ 20,216,868	$ 20,621,205	$ 21,033,629	$ 21,454,302
General Fund Funding	30,097,812	30,699,768	31,313,763	31,940,038	32,578,839	33,230,416	33,895,024	34,572,924	35,264,382	35,969,670
Interest Earnings	-	-	222,831	401,935	278,416	246,192	318,925	309,924	13,761	16,677
Development Impact Fees	3,180,798	530,400	541,008	551,828	562,865	574,122	585,604	597,316	609,262	621,447
Debt Issues (30 year, 4.30%)	4,397,202	36,108,000	-	16,023,000	-	-	-	-	-	-
Total Sources	42,163,812	85,649,208	50,754,863	67,967,607	52,851,942	53,871,189	55,016,421	56,101,369	56,921,034	58,062,096
Uses										
Operating Cost	32,692,600	36,288,809	39,040,442	40,692,038	42,502,261	44,531,407	47,705,343	50,982,765	53,386,090	55,905,207
Cash Funded Capital	5,595,798	1,315,000	330,750	15,000,000	8,571,740	2,314,000	4,372,000	16,537,600	-	-
Debt Funded Capital	4,397,202	36,108,000	-	16,023,000	-	-	-	-	-	-
Debt Service Payments	-	274,070	2,428,486	2,428,486	3,389,143	3,389,143	3,389,143	3,389,143	3,389,143	3,389,143
Total Uses	42,685,600	73,985,879	41,799,678	74,143,524	54,463,144	50,234,550	55,466,486	70,909,508	56,775,233	59,294,350
Current Year Cashflow	(521,788)	11,663,329	8,955,185	(6,175,917)	(1,611,202)	3,636,639	(450,065)	(14,808,139)	145,801	(1,232,254)
Prior Year Cash Balance	-	(521,788)	11,141,541	20,096,726	13,920,808	12,309,606	15,946,245	15,496,180	688,041	833,842
Current Year Cash Balance	$ (521,788)	$ 11,141,541	$ 20,096,726	$ 13,920,808	$ 12,309,606	$ 15,946,245	$ 15,496,180	$ 688,041	$ 833,842	$ (398,412)

Notes

Projected Debt Issues	$ 56,528,202
Debt Issue Interest Cost	45,146,097
Final Maturity	FY 2058


Projected Public Safety Needs
Over Available General Fund Capacity
Dedicated Tax 0.80% Ongoing
Projected Revenue
from Dedicated Tax
Cash Funded Capital
Debt Service
on Capital
Increased Fire Operations
Increased Police Operations
Millions
25
20
15
10
5
FY25
FY26
FY27
FY28
FY29
FY30
FY31
FY32
FY33
FY34



Public Safety Needs
Expenditures by Type
25
20
15
10
5
Million
FY25
FY26
FY27
FY28
FY29
FY30
FY31
FY32
FY33
FY34
Public Safety Operations
Capital
Note: Capital Expenditure timing is based on 0.80% dedicated tax assumptions

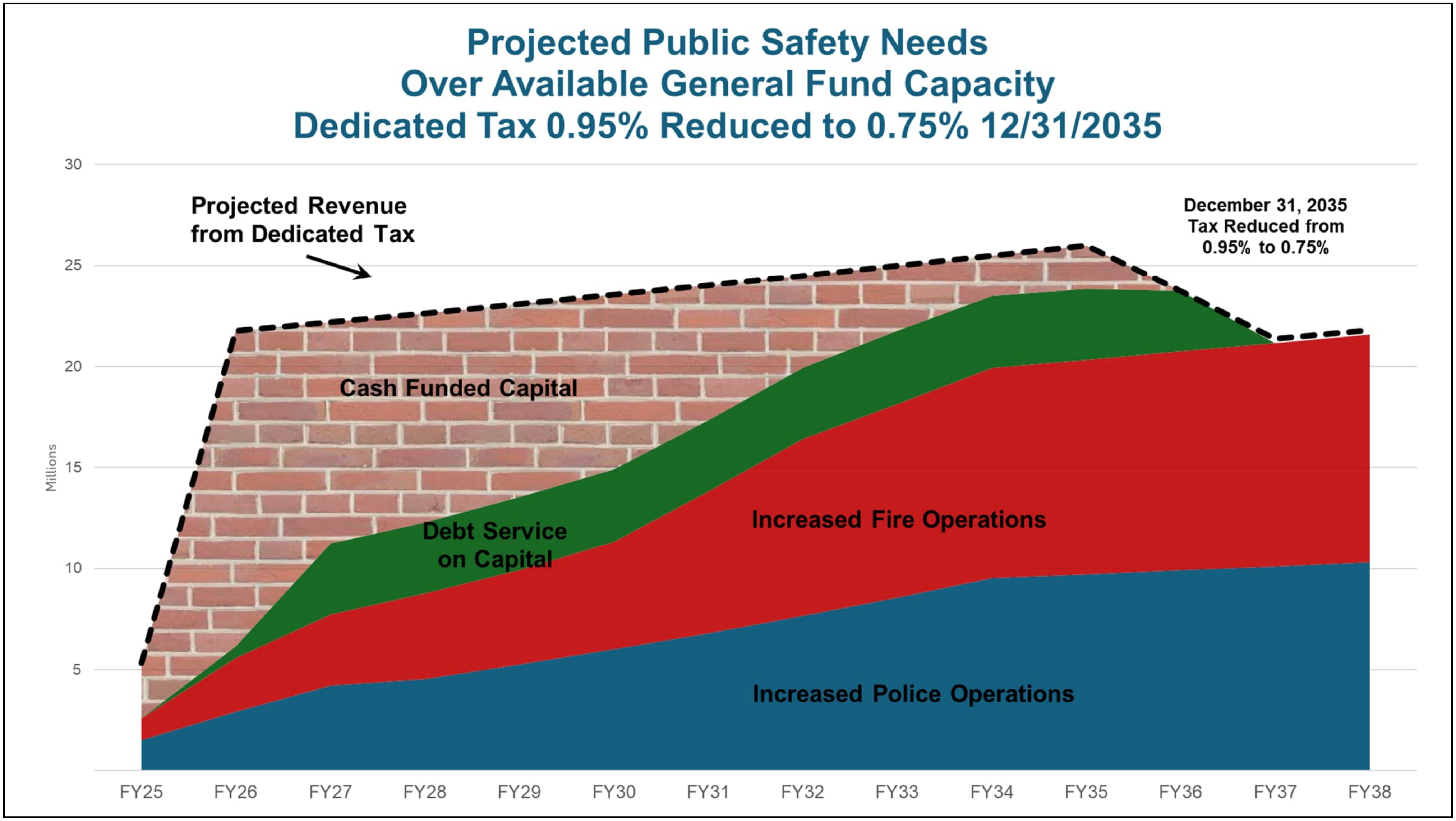
Projected Cashflows 0.95%
With Reduction to 0.75% December 31, 2035

	Immediate Needs			Short Term				Longer Term						
	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038
Sources														
Proposed Privilege Tax	$ 5,329,500	$ 21,744,360	$ 22,179,247	$ 22,622,832	$ 23,075,289	$ 23,536,795	$ 24,007,530	$ 24,487,681	$ 24,977,435	$ 25,476,983	$25,986,523	$23,716,122	$21,344,509	$21,771,400
General Fund Funding	30,097,812	30,699,768	31,313,763	31,940,038	32,578,839	33,230,416	33,895,024	34,572,924	35,264,382	35,969,670	36,689,063	37,422,844	38,171,301	38,934,727
Interest Earnings	-	6,394	63,094	287,324	-	-	59,214	118,326	-	-	22,399	78,282	92,836	98,468
Development Impact Fees	3,180,798	530,400	541,008	551,828	562,865	574,122	585,604	597,316	609,262	621,447	633,876	646,554		
Debt Issues (10 year, 4.00%)	4,397,202	24,108,000	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	43,005,312	77,088,922	54,097,112	55,402,022	56,216,993	57,341,333	58,547,372	59,776,247	60,851,079	62,068,100	63,331,861	61,863,802	59,608,646	60,804,595
Uses														
Operating Cost	32,692,600	36,288,809	39,040,442	40,692,038	42,502,261	44,531,407	47,705,343	50,982,765	53,386,090	55,905,207	57,023,311	58,163,778	59,327,053	60,513,594
Cash Funded Capital	5,595,798	13,315,000	330,750	31,023,000	8,571,740	2,314,000	4,372,000	16,537,600	-	-	-	-	-	-
Debt Funded Capital	4,397,202	24,108,000	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Payments	-	542,135	3,514,433	3,514,433	3,623,658	3,593,272	3,514,433	3,514,433	3,621,278	3,544,404	3,514,433	2,972,298	-	-
Total Uses	42,685,600	74,253,944	42,885,625	75,229,471	54,697,659	50,438,679	55,591,776	71,034,798	57,007,368	59,449,611	60,537,744	61,136,076	59,327,053	60,513,594
Current Year Cashflow	319,712	2,834,978	11,211,487	(19,827,449)	1,519,334	6,902,654	2,955,596	(11,258,551)	3,843,711	2,618,489	2,794,117	727,726	281,593	291,001
Prior Year Cash Balance	-	319,712	3,154,690	14,366,177	(5,461,273)	(3,941,939)	2,960,715	5,916,311	(5,342,240)	(1,498,529)	1,119,960	3,914,076	4,641,803	4,923,396
Current Year Cash Balance	$ 319,712	$ 3,154,690	$ 14,366,177	$ (5,461,273)	$ (3,941,939)	$ 2,960,715	$ 5,916,311	$ (5,342,240)	$ (1,498,529)	$ 1,119,960	$ 3,914,076	$ 4,641,803	$ 4,923,396	$ 5,214,396

Notes

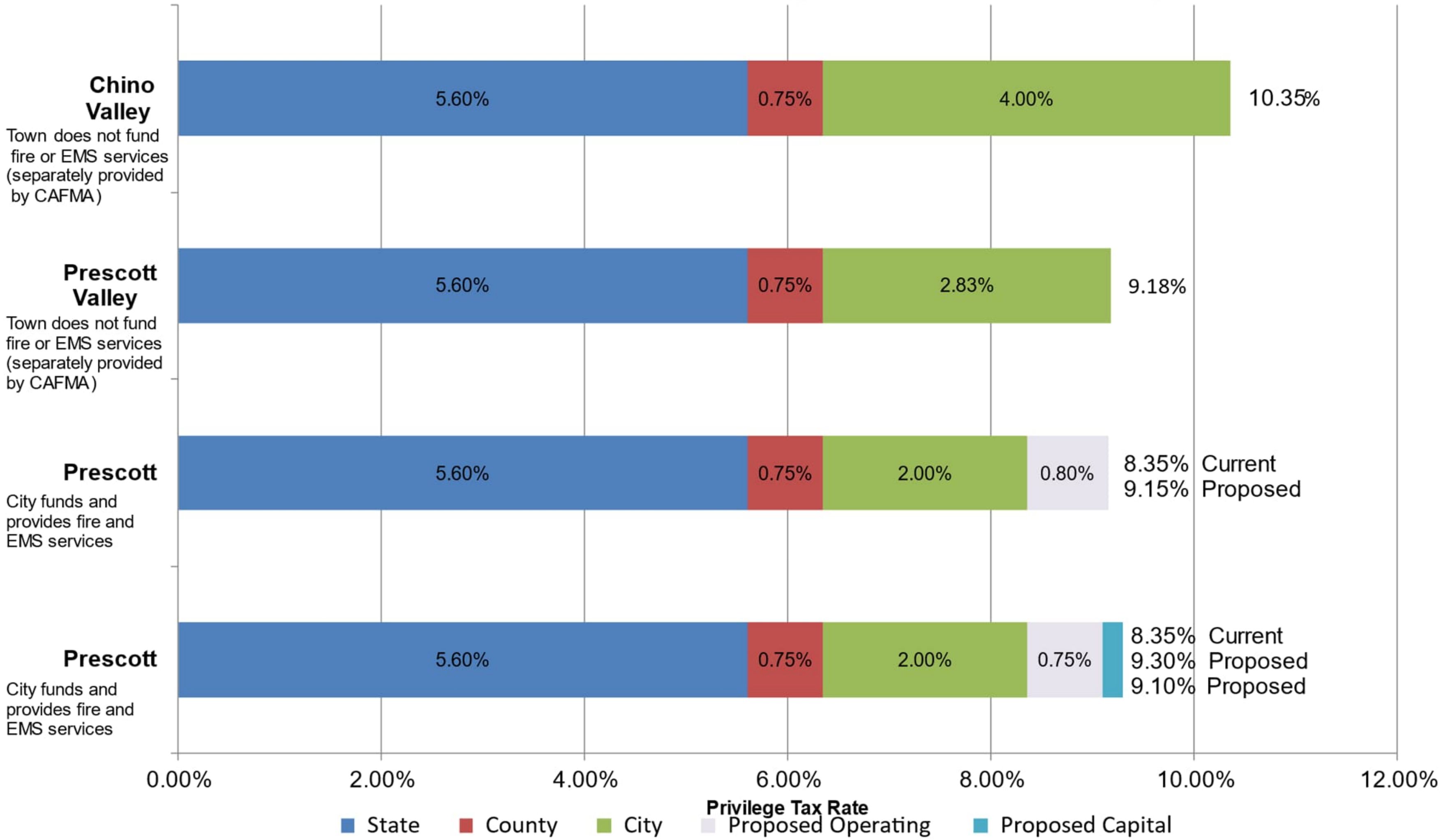
Projected Debt Issues	$ 28,505,202
Debt Issue Interest Cost	6,639,131
Final Maturity	FY 2036

Tax Would Reduce from 0.95% to 0.75% December 31, 2035



Projected Public Safety Needs
Over Available General Fund Capacity
Dedicated Tax 0.95% Reduced to 0.75% 12/31/2035
Projected Revenue from Dedicated Tax
December 31, 2035
Tax Reduced from
0.95% to 0.75%
Cash Funded Capital
Debt Service on Capital
Increased Fire Operations
Increased Police Operations
Millions
30
25
20
15
10
5
FY25
FY26
FY27
FY28
FY29
FY30
FY31
FY32
FY33
FY34
FY35
FY36
FY37
FY38

Sales Tax Rates by Community



Next Step

Give staff direction on what ballot language to bring on May 14, 2024, for Council consideration.

Ballot Language 0.80% Ongoing

Shall the City of Prescott adopt a transaction privilege tax of eight-tenths of one percent (0.80%), the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of eight-tenths of one percent (0.80%), taking effect on April 1, 2025, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of eight-tenths of one percent (0.80%) the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

Ballot Language 0.95% and 0.75%

Shall the City of Prescott adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

ORDINANCE NO. 2024-XXXX

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, PLACING ON THE NOVEMBER 5, 2024, ELECTION BALLOT THE QUESTION OF ADOPTING A TRANSACTION PRIVILEGE TAX OF EIGHT-TENTHS OF ONE PERCENT (0.8%), FOR PURPOSES OF PUBLIC SAFETY WITHIN THE CITY, TAKING EFFECT ON APRIL 1, 2025

RECITALS:

WHEREAS, Article VI, Section 7 of the Prescott City Charter requires that no transaction privilege tax shall be levied at a rate in excess of the base one percent (1%) rate unless such rate is approved by a majority of the qualified electors voting on the question at a special or general election; and

WHEREAS, the City aims to reduce response times for its residents in need of Fire Department and Police services while continuing to provide other services to City residents; and

WHEREAS, in order to improve response times and other public safety efficiencies, the City must build additional fire stations, as well as other infrastructure for Police and Fire, such as a location to securely store property and evidence; and

WHEREAS, in order to ensure such facilities benefit the citizens of Prescott, the City must also fund properly trained personnel to staff such locations; and

WHEREAS, the current General Fund operating revenue is not sufficient to support increased public safety service level needs; and

WHEREAS, a municipal transaction privilege tax is the only source of City revenue available to pay for ongoing staffing of new public safety infrastructure; and

WHEREAS, an election regarding a transaction privilege tax may be held at any special or general election; and

WHEREAS, elections are already being held on November 5, 2024; and

WHEREAS, the City Council wishes to place on the November 5, 2024 ballot a question to be submitted to the voters of whether to adopt a transaction privilege tax of eight-tenths of one percent (0.8%), taking effect on April 1, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

ENACTMENTS:

SECTION 1. THAT the City of Prescott shall hold an election on November 5, 2024, and a question shall be submitted to the qualified electors of the City of Prescott of whether to adopt a transaction privilege tax of eight-tenths of one percent (0.8%), taking effect on April 1, 2025.

SECTION 2. THAT the ballot language for such special election shall read as follows:

Shall the City of Prescott adopt a transaction privilege tax of eight-tenths of one percent (0.8%), the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of eight-tenths of one percent (0.8%), taking effect on April 1, 2025, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of eight-tenths of one percent (0.8%) the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

SECTION 3. THAT the Mayor and staff are hereby authorized to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this ____ day of ___________, 2024.

PHILIP R. GOODE, Mayor

ATTEST: APPROVED AS TO FORM:

SARAH M. SIEP, City Clerk JOSEPH D. YOUNG, City Attorney

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Sarah M. Siep, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Ordinance No. 2024-XXXX is a true, correct and accurate copy of Ordinance No. 2024-XXXX passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the ________ day of _____________ 2024, at which a quorum was present and, by a ________ vote, ________ voted in favor of said ordinance.

Given under my hand and sealed this ______ day of ______________, 2024.

Seal

____
City Clerk

ORDINANCE NO. 2024-XXXX

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, PLACING ON THE NOVEMBER 5, 2024, ELECTION BALLOT THE QUESTION OF ADOPTING A TRANSACTION PRIVILEGE TAX OF NINETY-FIVE HUNDREDTHS OF ONE PERCENT (0.95%), FOR PURPOSES OF PUBLIC SAFETY WITHIN THE CITY, TAKING EFFECT ON APRIL 1, 2025, AND THEN REDUCING TO EIGHT-TENTHS OF ONE PERCENT (0.8%) ON DECEMBER 31, 2035

RECITALS:

WHEREAS, Article VI, Section 7 of the Prescott City Charter requires that no transaction privilege tax shall be levied at a rate in excess of the base one percent (1%) rate unless such rate is approved by a majority of the qualified electors voting on the question at a special or general election; and

WHEREAS, the City aims to reduce response times for its residents in need of Fire Department and Police services while continuing to provide other services to City residents; and

WHEREAS, in order to improve response times and other public safety efficiencies, the City must build additional fire stations, as well as other infrastructure for Police and Fire, such as a location to securely store property and evidence; and

WHEREAS, in order to ensure such facilities benefit the citizens of Prescott, the City must also fund properly trained personnel to staff such locations; and

WHEREAS, the current General Fund operating revenue is not sufficient to support increased public safety service level needs; and

WHEREAS, a municipal transaction privilege tax is the only source of City revenue available to pay for ongoing staffing of new public safety infrastructure; and

WHEREAS, an election regarding a transaction privilege tax may be held at any special or general election; and

WHEREAS, elections are already being held on November 5, 2024; and

WHEREAS, the City Council wishes to place on the November 5, 2024 ballot a question to be submitted to the voters of whether to adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

ENACTMENTS:

SECTION 1. THAT the City of Prescott shall hold a special election on November 5, 2024, and a question shall be submitted to the qualified electors of the City of Prescott of whether to adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035.

SECTION 2. THAT the ballot language for such special election shall read as follows:

Shall the City of Prescott adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035, the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

SECTION 3. THAT the Mayor and staff are hereby authorized to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this ____ day of ____________, 2024.

____
PHILIP R. GOODE, Mayor

ATTEST: APPROVED AS TO FORM:

______________________________ ______________________________
SARAH M. SIEP, City Clerk JOSEPH D. YOUNG, City Attorney

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Sarah M. Siep, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Ordinance No. 2024-XXXX is a true, correct and accurate copy of Ordinance No. 2024-XXXX passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the ________ day of _____________ 2024, at which a quorum was present and, by a ________ vote, ________ voted in favor of said ordinance.

Given under my hand and sealed this ______ day of _____________, 2024.

Seal

____
City Clerk

ORDINANCE NO. 2024-XXXX

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, PLACING ON THE NOVEMBER 5, 2024, ELECTION BALLOT THE QUESTION OF ADOPTING A TRANSACTION PRIVILEGE TAX OF SEVENTY-FIVE HUNDREDTHS OF ONE PERCENT (0.75%), FOR PURPOSES OF PUBLIC SAFETY WITHIN THE CITY, TAKING EFFECT ON APRIL 1, 2025

RECITALS:

WHEREAS, Article VI, Section 7 of the Prescott City Charter requires that no transaction privilege tax shall be levied at a rate in excess of the base one percent (1%) rate unless such rate is approved by a majority of the qualified electors voting on the question at a special or general election; and

WHEREAS, the City aims to reduce response times for its residents in need of Fire Department and Police services while continuing to provide other services to City residents; and

WHEREAS, in order to improve response times and other public safety efficiencies, the City must build additional fire stations, as well as other infrastructure for Police and Fire, such as a location to securely store property and evidence; and

WHEREAS, in order to ensure such facilities benefit the citizens of Prescott, the City must also fund properly trained personnel to staff such locations; and

WHEREAS, the current General Fund operating revenue is not sufficient to support increased public safety service level needs; and

WHEREAS, a municipal transaction privilege tax is the only source of City revenue available to pay for ongoing staffing of new public safety infrastructure; and

WHEREAS, an election regarding a transaction privilege tax may be held at any special or general election; and

WHEREAS, elections are already being held on November 5, 2024; and

WHEREAS, the City Council wishes to place on the November 5, 2024 ballot a question to be submitted to the voters of whether to adopt a transaction privilege tax of seventy-five hundredths of one percent (0.75%), taking effect on April 1, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

ENACTMENTS:

SECTION 1. THAT the City of Prescott shall hold an election on November 5, 2024, and a question shall be submitted to the qualified electors of the City of Prescott of whether to adopt a transaction privilege tax of seventy-five hundredths of one percent (0.75%), taking effect on April 1, 2025.

SECTION 2. THAT the ballot language for such special election shall read as follows:

Shall the City of Prescott adopt a transaction privilege tax of eight-tenths of one percent (0.8%), the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of seventy-five hundredths of one percent (0.75%), taking effect on April 1, 2025, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of seventy-five hundredths of one percent (0.75%) the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

SECTION 3. THAT the Mayor and staff are hereby authorized to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this ____ day of ___________, 2024.

DRAFT

____
PHILIP R. GOODE, Mayor

ATTEST: APPROVED AS TO FORM:

____
SARAH M. SIEP, City Clerk

____
JOSEPH D. YOUNG, City Attorney

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Sarah M. Siep, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Ordinance No. 2024-XXXX is a true, correct and accurate copy of Ordinance No. 2024-XXXX passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the ________ day of _____________ 2024, at which a quorum was present and, by a ________ vote, ________ voted in favor of said ordinance.

Given under my hand and sealed this _____ day of _____________, 2024.

Seal

____
City Clerk

ORDINANCE NO. 2024-XXXX

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, PLACING ON THE NOVEMBER 5, 2024, ELECTION BALLOT THE QUESTION OF ADOPTING A TRANSACTION PRIVILEGE TAX OF NINETY-FIVE HUNDREDTHS OF ONE PERCENT (0.95%), FOR PURPOSES OF PUBLIC SAFETY WITHIN THE CITY, TAKING EFFECT ON APRIL 1, 2025, AND THEN REDUCING TO SEVENTY-FIVE HUNDREDTHS OF ONE PERCENT (0.75%) ON DECEMBER 31, 2035

RECITALS:

WHEREAS, Article VI, Section 7 of the Prescott City Charter requires that no transaction privilege tax shall be levied at a rate in excess of the base one percent (1%) rate unless such rate is approved by a majority of the qualified electors voting on the question at a special or general election; and

WHEREAS, the City aims to reduce response times for its residents in need of Fire Department and Police services while continuing to provide other services to City residents; and

WHEREAS, in order to improve response times and other public safety efficiencies, the City must build additional fire stations, as well as other infrastructure for Police and Fire, such as a location to securely store property and evidence; and

WHEREAS, in order to ensure such facilities benefit the citizens of Prescott, the City must also fund properly trained personnel to staff such locations; and

WHEREAS, the current General Fund operating revenue is not sufficient to support increased public safety service level needs; and

WHEREAS, a municipal transaction privilege tax is the only source of City revenue available to pay for ongoing staffing of new public safety infrastructure; and

WHEREAS, an election regarding a transaction privilege tax may be held at any special or general election; and

WHEREAS, elections are already being held on November 5, 2024; and

WHEREAS, the City Council wishes to place on the November 5, 2024 ballot a question to be submitted to the voters of whether to adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

ENACTMENTS:

<u>SECTION 1.</u> THAT the City of Prescott shall hold a special election on November 5, 2024, and a question shall be submitted to the qualified electors of the City of Prescott of whether to adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to eight-tenths of one percent (0.8%) on December 31, 2035.

<u>SECTION 2.</u> THAT the ballot language for such special election shall read as follows:

Shall the City of Prescott adopt a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "yes" vote shall have the effect of adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which shall be contributed to the City's general fund for the sole purpose of funding public safety services within the City.

A "no" vote shall have the effect of not adopting a transaction privilege tax of ninety-five hundredths of one percent (0.95%), taking effect on April 1, 2025, and then reducing to seventy-five hundredths of one percent (0.75%) on December 31, 2035, the revenue from which would have been contributed to the City's general fund for the sole purpose of funding public safety services within the City.

<u>SECTION 3.</u> THAT the Mayor and staff are hereby authorized to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this _____ day of ____________, 2024.

____
PHILIP R. GOODE, Mayor

ATTEST: APPROVED AS TO FORM:

______________________________ ______________________________
SARAH M. SIEP, City Clerk JOSEPH D. YOUNG, City Attorney

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Sarah M. Siep, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Ordinance No. 2024-XXXX is a true, correct and accurate copy of Ordinance No. 2024-XXXX passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the ________ day of _____________ 2024, at which a quorum was present and, by a ________ vote, ________ voted in favor of said ordinance.

Given under my hand and sealed this _____ day of _____________, 2024.

Seal

____
City Clerk