

**ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
DETAILED ANALYSIS**

Pursuant to the Arizona State Constitution, the Town of Guadalupe as authorized by Resolution # 2012-18 passed on November 1, 2012 will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the City/Town for the next four years beginning in 2013-2014.

Under a Home Rule Option, if approved by the voters, the city/town estimates it will be allowed to expend approximately \$6,780,000 in 2013-2014, \$7,150,000 in 2014-2015, \$7,550,000 in 2015-2016, and \$7,990,000 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, Public Works & Streets, Culture & Recreation, Community Development and Health & Welfare. 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	1,340,000	1,400,000	1,450,000	1,500,000
Public Safety	2,140,000	2,300,000	2,500,000	2,700,000
Public Works & Streets	1,400,000	1,450,000	1,500,000	1,550,000
Culture & Recreation	230,000	240,000	240,000	250,000
Community Development	1,360,000	1,430,000	1,500,000	1,600,000
Health & Welfare	310,000	330,000	360,000	390,000
Total Expenditures	6,780,000	7,150,000	7,550,000	7,990,000

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	2,100,000	2,000,000	2,150,000	2,190,000
State	1,900,000	2,150,000	2,200,000	2,300,000
Local	2,780,000	3,000,000	3,200,000	3,500,000
Total Revenues	6,780,000	7,150,000	7,550,000	7,990,000

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 years. Their continued availability is also assumed for the next three 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.

**ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
SUMMARY ANALYSIS**

The voters of the Town of Guadalupe in 1981 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 Guadalupe seeks voter approval to adopt a 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 city/town estimates it will be allowed to expend approximately \$6,780,000 in 2013-2014, \$7,150,000 in 2014-2015, \$7,550,000 in 2015-2016, and \$7,990,000 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, Public Works & Streets, Culture & Recreation, Community Development and Health & Welfare.

Under the state-imposed limitation the town estimates it will be allowed to expend approximately \$3,945,776 in 2013-2014, \$4,083,749 in 2014-2015, \$4,234,112 in 2015-2016, and \$4,393,822 in 2016-2017 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 your town government is \$6,780,000 in 2013-2014, \$7,150,000 in 2014-2015, \$7,550,000 in 2015-2016, and \$7,990,000 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 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.