

CITY OF APACHE JUNCTION
ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the City of Apache Junction, as authorized by Resolution No. 16-10 passed on April 19, 2016, will seek voter approval to adopt a local alternative expenditure limitation (Home Rule Option) to apply to the City for the next four years beginning in 2017-2018.

Under a Home Rule Option if approved by the voters, the city estimates it will be allowed to expend approximately \$37,369,500 in 2017-2018, \$39,190,500 in 2018-2019, \$40,942,500 in 2019-2020, and \$41,122,000 in 2020-2021.

With approval of the Home Rule Option, the city will utilize the expenditure authority for all local budgetary purposes including General Government, Parks & Recreation/Library, Public Safety and Public Works. 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

Area	2017-2018	2018-2019	2019-2020	2020-2021
General Government	11,870,000	12,458,000	13,071,000	13,076,000
Parks & Recreation/Library	6,426,500	6,745,500	7,065,500	7,084,500
Public Safety	10,119,000	10,654,000	11,191,000	11,215,000
Public Works	8,954,000	9,333,000	9,615,000	9,747,000
Total Expenditures	37,369,500	39,190,500	40,942,500	41,122,500

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	2017-2018	2018-2019	2019-2020	2020-2021
Federal	600,000	600,000	600,000	600,000
State	11,708,000	12,199,000	12,717,000	12,763,000
Local	25,061,500	26,391,500	27,625,500	27,759,500
Total Revenues	37,369,500	39,190,500	40,942,500	41,122,500

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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 City will continue to be available in 2017-2018 as they have for the past thirty-eight years. Their continued availability is also assumed for the next three consecutive years following 2017-2018.

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.