



# 2020 August Election Update

December 3, 2019





# 2020 Election Dates

- Primary Election – August 4, 2020
  - Franchise – UniSource is seeking voter approval for the renewal of their Franchise Agreement
  - Candidate Primary – If there are more than 2 candidates for each seat
  - Staff is recommending an adjustment to the **City's Permanent Base Expenditure Limitation**
- General Election – November 3, 2020
  - Candidate election
  - Other City questions



# What is a Base Expenditure Limitation?

- Established by legislation in 1980
- Places a limitation on how much cities are allowed to spend each year
- Flagstaff permanently adjusted the State imposed expenditure limitation in 1988 and again in 2006
- If a city exceeds their allowed expenditure limitation without authorization, State income taxes are withheld



# Why Now?

- Current Expenditure Limitation is \$162,133,141
- In FY 2017-2018 the City was \$19M below the limitation
  - The budget has been consistently closer to the limitation each year
- New revenues have been added or significant increases in expenses:
  - Road Repair and Street Safety Taxes - \$7M
  - Parking District - \$1.5M
  - Stormwater - \$3.6M (since FY 2005-2006)
  - Water Service Rate Increases - \$14.1M (since FY 2005-2006)
  - FHA - \$1.9M
  - Butler/Route 66 Bridge - \$4.8M
  - Pension Cost Increase - \$13M (since FY 2005-2006)



# Why August Instead of November?

- Education and outreach is extensive
- The question will not be competing with other City questions
- Other possible November ballot questions:
  - Affordable Housing
  - Parks, Recreation, Open Space
  - City General Sales Tax Renewal
  - Save Shultz Meadows Initiative
  - Other Community Questions
    - CCC
    - FUSD
    - County



# 2020 Election Timeline

- Should the Expenditure Limitation Adjustment be added to the August ballot, financial analysis needs to begin now
- Council approval of the analysis must be done in March
- August Election would be called in April
- Election Date: August 4, 2020
  
- November Election would be called in July
- Election Date: November 3, 2020



# Financial Considerations

- Coconino County Elections conducts the City Elections
- Costs are based on registered voters.
  - 40,000 registered voters at last election
  - \$2.00/registered voter
- UniSource is responsible for the cost of the August election unless a City issue is also included on the ballot
  - Cost would be split if Primary is needed or Expenditure Limitation Adjustment is added



# Financial Considerations

- Other Election Related Costs for City Questions
  - Publicity Pamphlet
  - Outreach / Education Materials



# Council Options

1. Prepare for an Expenditure Limitation Adjustment ballot question for August 2020
2. Prepare for an Expenditure Limitation Adjustment ballot question for November 2020
3. Do not move forward with an Expenditure Limitation Adjustment at this time