



Home Rule Option Public Hearing

2024 Proposed Local Alternative
Expenditure Limitation



Home Rule Origen

- State Law effective June 3, 1980
- Limits municipal spending for Cities and Towns
- Maximum spending limit formula
- Based on FY 1979-80 expenditures
- Allows for annual population increase
- Allows for GDP inflation increase
- Allows for exclusions of some expenditures





Alternatives to Formula

1

One-Time Override

2



Local Alternative
Expenditure Limitation
(Home Rule)

3

Permanent Adjustment of
Base Limit

All require voter approval

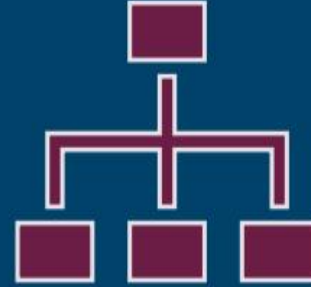
2024 Home Rule Option



**Allows City to override
State-imposed
Expenditure Limitation**



**Provides flexibility to
establish budget based
on anticipated
revenues, programs
and services**



**Authority re-established
every 4 years**
**Requires a majority vote
of the public at Primary
or General election**



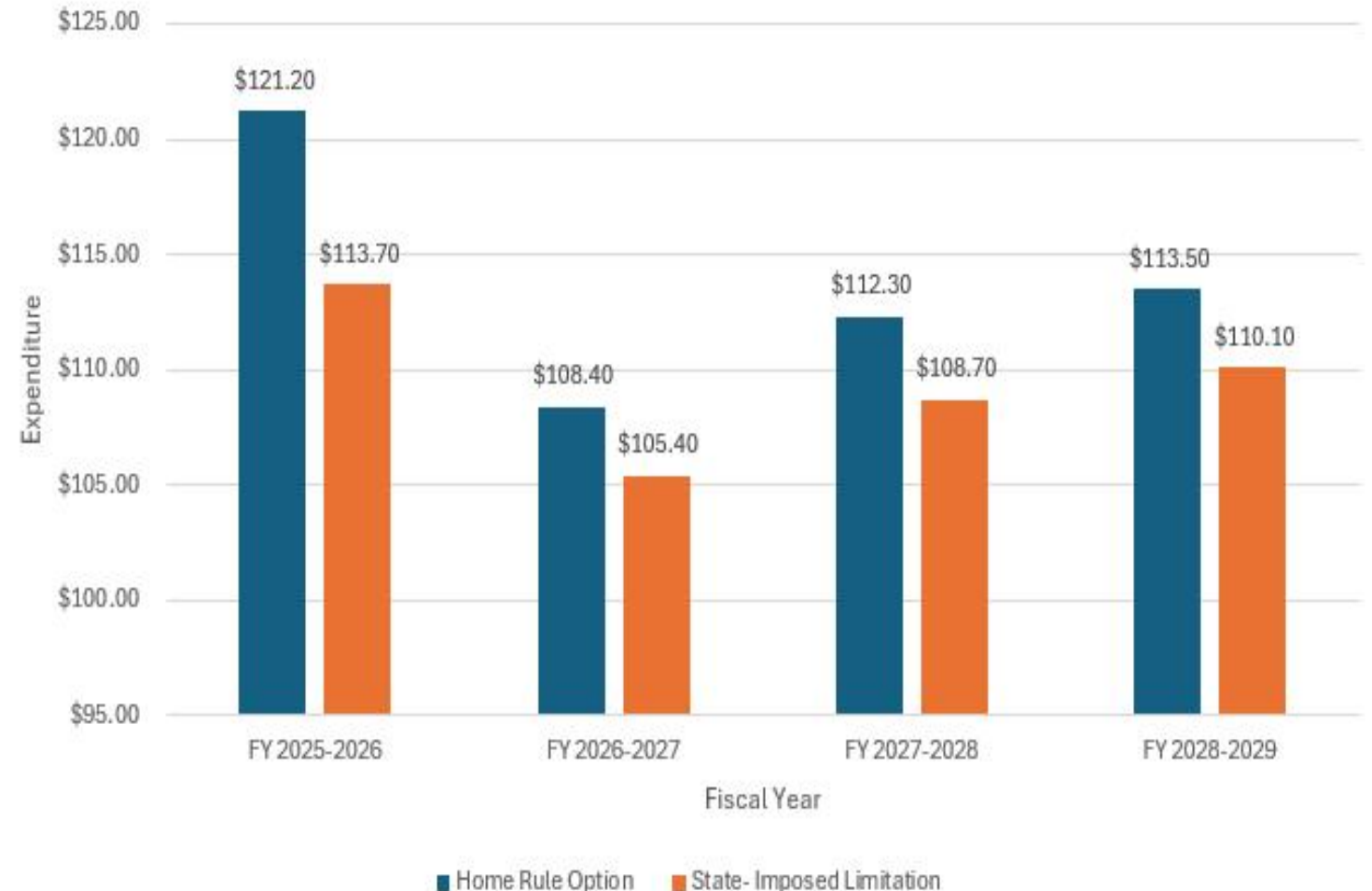
**Requires 2 Public Hearings
prior to Council action**
**Special Meeting held
immediately following the
2nd Public Hearing**
Requires 2/3 majority

Home Rule Option Financial Implications (preliminary)

- Amount Over Sate Limit for the four years:

\$17.5 Million
Budget Expenses that would need to be eliminated without approval of Home Rule

Comparison of Expenditures for FY 2026-2029



2024 Home Rule Option Financial Implications



**Approval of
Home Rule
does not
Increase
Taxes**

Potential Impacts if Home Rule fails

- Reductions in street maintenance funding
- Reductions in public safety funding
- Deferral or cancellation of capital projects (water, wastewater, streets, constructions of new parks, etc.)
- Reductions to recreation activities

**If Home Rule
fails, revenue
will continue to
be received but
it cannot be
spent.**

2024 Home Rule Election Schedule

Dates	Actions
June 17th	<ul style="list-style-type: none"> • Publish First Notice of Public Hearing
June 24th	<ul style="list-style-type: none"> • Publish Second Notice of Public Hearing
July 3rd	<ul style="list-style-type: none"> • Hold First Hearing on Proposed Home Rule Option
July 10th	<ul style="list-style-type: none"> • Hold Second Public hearing on the Proposal
	<ul style="list-style-type: none"> • Council Votes on the Proposal Immediately after Second Hearing in a Special Meeting
July 11th	<ul style="list-style-type: none"> • Publish Record of Vote, Amount Over Limit & Purpose
July 11th	<ul style="list-style-type: none"> • Submit Financial Worksheets to Auditor General's Office
July 29th	<ul style="list-style-type: none"> • Receive Reviewed Worksheet From AGO
August 7th	<ul style="list-style-type: none"> • Receive Arguments for or Against Alternative Expenditure Limit for Publicity Pamphlet
August 16th	<ul style="list-style-type: none"> • Complete Preparation of Publicity Pamphlet and Sent Draft to Auditor General
September 6th	<ul style="list-style-type: none"> • Send Publicity Pamphlets to the Printer After Incorporating Auditor General Comments
October 3rd	<ul style="list-style-type: none"> • Make Early Ballots Available
	<ul style="list-style-type: none"> • Mail Publicity Pamphlets or let early voters know when and where they will be available
October 9th	<ul style="list-style-type: none"> • Distribute Early Ballots
October 25th	<ul style="list-style-type: none"> • Distribute Publicity Pamphlets
November 5th	<ul style="list-style-type: none"> • General Election Day
November 25th	<ul style="list-style-type: none"> • Canvas Vote
	<ul style="list-style-type: none"> • Inform Auditor General's Office and Economic Estimates Commission of the results

A person is shown in silhouette from the back, looking through a telescope. The background is a city skyline at sunset, with the sun low on the horizon, casting a warm orange and red glow over the buildings. The sky is filled with soft, wispy clouds. The overall mood is contemplative and forward-looking.

Questions?

City of San Luis,
Arizona