



Fact Sheet

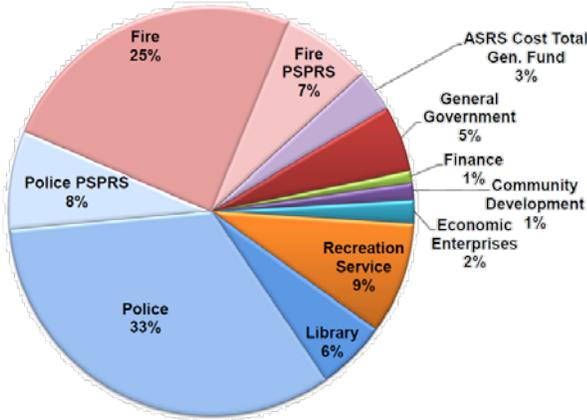
0.55% Sales Tax for Public Safety Pension Unfunded Obligations

Shall the City of Prescott adopt a transaction privilege (sales) tax of fifty-five one-hundredths of one percent (0.55%), the restricted revenue from which shall be dedicated to the payment or funding of payment of the unfunded obligations of the city to the Arizona Public Safety Personnel Retirement Systems, taking effect on January 1, 2016, and continuing until the unfunded obligations of the city to the Systems are paid in full, including any associated financing of said obligations, but ending not later than December 31, 2035?

- ✓ 0.55% equates to approximately \$126 per household annually (1/4 the property tax levied for Central Yavapai Fire District service in Prescott Valley and other unincorporated areas)
- ✓ Use of revenue restricted to the sole purpose of paying off the City's unfunded PSPRS obligations
- ✓ Eliminates these obligations from draining dollars needed to maintain public safety, library and parks
- ✓ Preserves funding for quality of life services and amenities – parks, trails, lakes, library, special events
- ✓ Stabilizes funding for public safety and avoids service cuts – Police, Fire and Dispatch
- ✓ Saves \$40 Million dollars in payments to the Public Safety Personnel Retirement System for unfunded liabilities
- ✓ Enables timely replacement of public safety vehicles and equipment
- ✓ Enables maintenance management of public buildings and facilities
- ✓ Retains current funding for development of Airport public facilities
- ✓ Prescott will continue to be a desirable destination for visitors whose taxable purchases reduce the cost to residents of City services
- ✓ Provides capital for strategic initiatives for economic development and other services
- ✓ When the liability is paid, and the tax expires (not longer than 20 years), the capacity in the general fund remains, without the 0.55% tax being necessary
- ✓ Allows necessary time for PSPRS reform without deterioration of local service levels
- ✓ The City will actively engage in dialogue and legislation related to reform of PSPRS

Service Level Funding Today

FY15 General Fund Operating Budget
 Net of Program Revenues and Cost Recoveries



Projected Service Level Funding in 22 years with no new revenue

FY33 Projected General Fund Operating Budget
 Net of Program Revenues and Cost Recoveries

