

ORDINANCE NO. 668-20

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AMENDING ORDINANCES 558-10 AND 616-14, PERTAINING TO THE CITY TAX CODE, REPEALING THE SUNSET PROVISION AND AMENDING THE USE OF THE FINAL ONE PERCENT (1%) PRIVILEGE TAX.

WHEREAS, Ordinance 457-03, subsequently amended by Ordinance 497-06, Ordinance 558-10 and Ordinance 616-14, established an additional two percent (2%) tax rate increase in each of the tax code sections referenced in Ordinance 281-93; and

WHEREAS, Ordinance 616-14 provided that revenues generated by the final one percent (1%) of the two percent (2%) tax increase would be dedicated to: (A) Series 2011 bond debt reduction in the amount of eighty-five percent (85%) and (B) tourism, economic development and community development in the amount of fifteen percent (15%); and

WHEREAS, Ordinance 558-10 contains a sunset provision which automatically repeals the final one percent (1%) of the two percent (2%) established in Ordinance 457-03; and

WHEREAS, there are adequate funds available in the City Debt Service Fund to satisfy the Series 2011 bond debt; and

WHEREAS, it is critical to the long-term welfare of the City of Page to ensure that a continuous funding mechanism is in place to fund capital projects, PSPRS and other long-term liability, and maintain an adequate emergency reserve fund by repealing the sunset provision of Ordinance 558-10 and amending the dedicated allocation of the final one percent (1%) of the two percent (2%) established in Ordinance 616-14.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

Section 1. That Ordinance 616-14 and the City Tax Code are hereby amended as follows:

Revenues generated by the final one percent (1%) of the two percent tax increase imposed by ~~this ordinance~~ ORDINANCE 457-03 shall be dedicated to: (A) ~~Series 2011 Bond debt reduction~~ CAPITAL PROJECTS in the amount of ~~eight-five~~ SEVENTY percent (70%)(85%); (B) ~~tourism, economic development and community development~~ THE EMERGENCY RESERVE FUND in the amount of

fifteen percent (15%); AND (C) THE DEBT SERVICE FUND TO SATISFY THE CITY'S PSPRS OR OTHER LONG-TERM LIABILITY IN THE AMOUNT OF FIFTEEN PERCENT (15%).

THE EMERGENCY RESERVE FUND SHALL BE FUNDED WITH FIFTEEN PERCENT (15%) OF THE ONE PERCENT (1%) UNTIL THE EMERGENCY FUND BALANCE IS EQUAL TO THE GENERAL FUND EXPENSE BUDGET FOR THE PRIOR FISCAL YEAR. IN THE EVENT THAT THE EMERGENCY FUND BALANCE IS EQUAL TO THE GENERAL FUND EXPENSE BUDGET FOR THE PRIOR FISCAL YEAR, THE FIFTEEN PERCENT (15%) OF THE ONE PERCENT (1%) DEDICATED TO THE EMERGENCY FUND SHALL BE DEDICATED TO CAPITAL PROJECTS. SIMILARLY, IN ANY FISCAL YEAR WITH NO PSPRS OR OTHER LONG-TERM LIABILITY, THE FIFTEEN PERCENT (15%) OF THE ONE PERCENT (1%) DEDICATED TO PSPRS/LONG-TERM LIABILITY SHALL BE DEDICATED TO CAPITAL PROJECTS.

Section 2. That Ordinance 558-10 and the City Tax Code is hereby amended to delete and repeal the following section such that the final one percent (1%) of the two percent tax increase imposed by Ordinance 457-03 shall not be automatically repealed:

~~One percent (1%) of the two percent increase in privilege tax imposed by this ordinance, pertaining to debt reduction and tourism/economic development, shall automatically be repealed on July 31, 2020.~~

Section 3. All provisions of Ordinance 457-03 not previously modified by ordinance nor modified herein shall remain in effect and unchanged.

Section 4. That the effective date of this Ordinance shall be April 1, 2020.

Section 5. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 6. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 7. Any person found responsible for violating this Ordinance shall be subject to the penalties set forth in § 10.99, PENALTY, of the Page City Code of Ordinances.

Section 8. That the City Clerk is authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary; and that the City Clerk is authorized to make formatting changes needed for purposes of clarity and form, if required, to be consistent with the Page City Tax Code.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 26th day of February, 2020, by the following vote:

Ayes	<u>7</u>
Nays	<u>0</u>
Abstentions	<u>0</u>
Absent	<u>0</u>

CITY OF PAGE

By 
Mayor

ATTEST:


CITY CLERK



APPROVED AS TO FORM:


CITY ATTORNEY