



Proposed Special Election Ballot Measures Overview

Election Date: May 21, 2019

Question 1: Road Maintenance Program Funded by Property Tax

Current funding available to maintain Chino Valley's existing road network is insufficient. During a series of meetings with various community members, Mayor Croft and Town Manager Gritman heard consistent concerns about the condition of roads and streets within Town limits. After evaluating options to pay for road maintenance and repair, the Town Council is proposing to establish a primary property tax to be used to provide additional funding specifically for road maintenance.

Q: Where can I learn more about this ballot measure?

A: As we develop more materials, we will place them on our website home page at www.chinoaz.net or elections page at www.chinoaz.net/245/Elections.

Q: Where can I get general voter information?

A: In addition to the above, registered voters will receive a voter information pamphlet about a month before the election. You can also obtain voter information from Yavapai County Elections & Voter Registration at (928) 771-3248 or www.yavapai.us/electionsvr.



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Q: How are roads maintained now?

A: The main source of funding for road and street maintenance comes from Highway User Revenue Fund (HURF). HURF revenues are maintained in a separate fund and are required to be used exclusively for road and street maintenance, and associated costs. Out of these funds, approximately \$400,000 is available for road maintenance annually. The proposed Road Maintenance Program requires approximately \$1.6 million per year.

Q: Why is a Property Tax being proposed?

A: Over the past ten years, the State drastically reduced HURF funds distributed to cities and towns for roads maintenance. This decade-long deficit has resulted in the current deterioration of our roads.

This property tax will provide the funding needed to keep the Town's roads maintained on a regular cycle to ensure they last longer and cost less to repair.

Q: Why do Town residents have to vote on this?

A: Per state law, voters must authorize any new property tax. The Town is asking residents to approve a primary property tax to pay for necessary road maintenance that current funding levels cannot cover.

Q: If approved, how much will my property taxes increase?

A: The Town is proposing a property tax levy that will either maintain or possibly maintain and improve Town roads. (The Town Council will determine the specific levy after receiving feedback from the public.) The chart on the opposite page shows the tax amount per \$100K of assessed value for two options.

Q: What will a property tax be used for?

A: If approved, these property tax funds can be used for road maintenance and construction services only. They cannot go toward employee pay, other services, supplies, and/or overhead costs.

Q: What other funding was evaluated to pay for road maintenance?

A: The Roads & Streets Committee also evaluated sales tax and bonding. Chino Valley’s sales tax is already the highest in the area due to the fact that residents routinely shop outside the Town and there are not adequate retail stores within Town limits. There is not room for another increase.

Bonding also requires voter approval, and the Town Council believes it is more responsible to pay for repairs as we receive money, rather than borrowing and paying interest. It will save taxpayer money in the long run.

By limiting the tax to 20 years, voters can monitor progress and see that the money is invested as approved. If supplemental funding is needed later to maintain roads, another property tax can be presented to voters after 20 years.

Q: How will residents be assured that these tax revenues will be used strictly as approved by the voters?

A: Property tax funds will be accounted for in a separate fund and audited by independent auditors. Audit results are reported to the Town Council, and will be made available on the Town’s website detailing how the funds were used along with compliance with the ballot measure.

Q: What will happen if the property tax is defeated by voters?

A: The Town will continue to follow its current process of assessing the roads each year and performing maintenance based on available funding. The Town will continue to actively pursue other revenue streams, but unless new and/or increased adequate revenue is generated, many roads will continue to deteriorate.

Repair & Maintenance Strategy
• Use seal coats as much as possible
• Some roads may need overlays
• Some roads may need reconstruction or expansion
General Repair Strategy
• Arterials/Collector Streets – Overlays and seal coats
• Residential Streets – Mostly seal coats
• Treat every road at least once every 7 years if possible

Projected Total Road Maintenance Income & Expenses		
	Option A	Option B
Road Materials HURF Funds	\$400,000	\$400,000
Property Tax Funds	\$1,200,000	\$1,500,000
Total Funds Available	\$1,600,000	\$1,900,000
Funds Needed for Maintenance	\$1,600,000	\$1,600,000
Additional Funds Available for Improvements/New Roads	\$0	\$300,000

Total Estimated Cost Over 20 Years To Properly Maintain Town Roads (No Improvements/New)	
Arterial/Collector	\$16,000,000
Residential/Rural	\$16,000,000
Total	\$32,000,000
Average Annual	\$1,600,000
Current Annual Budget	+/- \$400,000

Projected Tax Amount Based On \$100,000 Primary Assessed Valuation Of Home		
	First Year Property Tax	Monthly Property Tax
Option A	\$157.53	\$13.13
Option B	\$196.91	\$16.41