

Public Safety Sales Tax Proposed Election

April 26, 2018

City of Mesa

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Public Safety Challenges



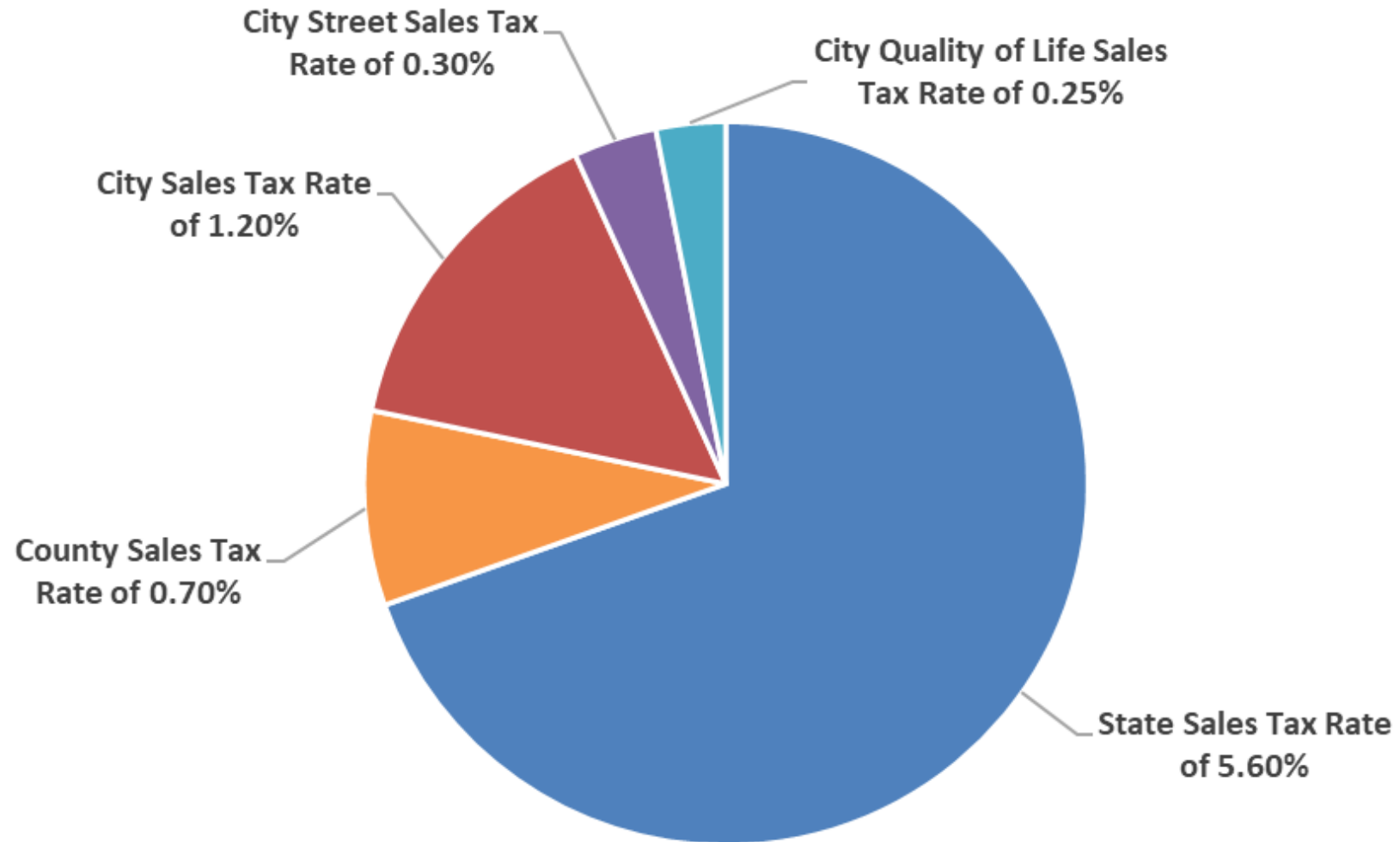
The Police Department and the Fire and Medical Department are facing similar challenges

- Population growth
- Overall increased calls for service
- Mental Health related calls increasing

- Geographical issues as East side of the City becomes more populated
- Call concurrency as West side of the City becomes more populated

Sales Tax Rates In the City of Mesa

Total of 8.05%



Sales Tax - Current Rate Structure

<u>Fund</u>	<u>Rate</u>	<u>FY 18/19 Forecast Revenues</u>	<u>FY 19/20 Forecast Revenues</u>
General Fund	1.20%	\$116.9M	\$121.7M
Quality of Life	0.25%	\$24.4M	\$25.4M
Local Streets	0.30%	\$29.2M	\$30.4M
Total – Current Rates	1.75%	\$170.5M	\$177.5M

Impact of Increased Sales Tax

0.25% Rate Adj (2.0% Total City Rate)

	FY 18/19*	FY 19/20	FY 20/21**	FY 21/22	FY 22/23
Retail	\$4.3	\$13.2	\$12.7	\$12.9	\$13.6
Rental	1.4	4.1	4.1	4.3	4.4
Rest & Bar	0.8	2.4	2.4	2.5	2.6
Utilities	0.6	2.1	2.2	2.2	2.2
Miscellaneous	0.4	1.2	1.2	1.2	1.2
Contracting	0.9	2.5	2.3	2.1	2.4
Total	\$8.4	\$25.5	\$24.9	\$25.2	\$26.4

* FY 18/19 assumes March 1, 2019 effective date

** Includes economic correction

Allocation of Increased Sales Tax

60/40 Split of Projected Incremental Revenue

	FY 18/19*	FY 19/20	FY 20/21**	FY 21/22	FY 22/23
Police	\$5.0	\$15.3	\$14.9	\$15.1	\$15.9
Fire and Medical	\$3.4	\$10.2	\$10.0	\$10.1	\$10.5
Total	\$8.4	\$25.5	\$24.9	\$25.2	\$26.4

* FY 18/19 assumes March 1, 2019 effective date

** Includes economic correction

Public Safety Operational Resources

- Police Department
 - Sworn Officer/Sergeant in FY 22/23 \$166K - \$217K
 - Civilian Patrol Support in FY 22/23 \$69K - \$110K
 - \$15M estimated to cover about 65 positions and related expenses
- Fire and Medical Department
 - Sworn Fire Fighter/Captain in FY 22/23 \$167K - \$215K
 - Civilian Technical Support in FY 22/23 \$83K - \$117K
 - \$10M estimated to cover about 45 positions and related expenses
- Some one-time/lifecycle needs addressed while phasing in staff
 - Driving track, CAD replacement, heart monitor replacements, etc.



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Sales Tax Rate Comparison

City Rate Comparison	Retail	Contracting	Utilities	Food
Chandler	1.50%	1.50%	2.75%	1.50%
Gilbert	1.50%	1.50%	1.50%	1.50%
Scottsdale	1.65%	1.65%	1.65%	1.65%
Mesa	1.75%	1.75%	1.75%	0.00%
Peoria	1.80%	1.80%	3.30%	1.60%
Tempe	1.80%	1.80%	1.80%	1.80%
Surprise	2.20%	3.70%	2.20%	0.00%
Queen Creek	2.25%	4.25%	2.25%	2.25%
Phoenix	2.30%	2.30%	2.70%	0.00%
Apache Junction	2.40%	2.40%	3.40%	2.40%
Avondale	2.50%	2.50%	2.50%	2.50%
Goodyear	2.50%	3.50%	2.50%	2.00%
Fountain Hills	2.60%	2.60%	2.60%	2.60%
Glendale	2.90%	2.90%	2.90%	2.50%
Buckeye	3.00%	3.00%	3.00%	3.00%
Carefree	3.00%	4.00%	3.00%	2.00%
Cave Creek	3.00%	5.00%	3.00%	3.00%