

RESOLUTION 43-2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, SUPPORTING LOCAL ALLOCATION OF HIGHWAY USER REVENUE FUNDS (HURF) AND ADVOCATING THAT THE ARIZONA LEGISLATURE DEVELOP A PLAN TO RESTORE HURF FUNDING TO ARIZONA CITIES AND TOWNS TO THE FISCAL YEAR 2008 LEVELS OVER THE NEXT 3 TO 5 YEAR PERIOD

WHEREAS, the State Treasurer is mandated under A.R.S. § 28-6540 to distribute each month revenues collected on sales of motor vehicle fuel to Arizona Cities and Counties based upon a distribution formula; and

WHEREAS, Article IX Section 14 of the State Constitution mandates all Highway User Revenue Fund ("HURF") monies received by local governments be used solely for construction, reconstruction, maintenance and repair of local streets and roads; and

WHEREAS, the Arizona Highway User Revenue Fund was set up as a method of sharing State gas tax revenues with Arizona municipalities; and

WHEREAS, in the FY 2012 budget, the State of Arizona has swept 25% of these revenues from Arizona municipalities to fund the operations of the Arizona Department of Public Safety (DPS); and

WHEREAS, recurring recent cuts to local allocation of HURF monies have the effect of putting increasing pressure on the City's General Fund revenues to make up the difference to fund local street and road repairs and maintenance; and

WHEREAS, due to the decline of Highway User Revenue Funds, together with the decline of general state-shared revenues and locally-generated taxes, the City of Benson is increasingly limited in its ability to undertake either minor or major local road construction, reconstruction, repair or maintenance projects; and

WHEREAS, without an active and aggressive program of repair, maintenance and reconstruction, the condition of local streets will quickly deteriorate, discouraging local commercial activity and private investment within the City, which in turn creates a substantial drag on economic growth and job creation; and

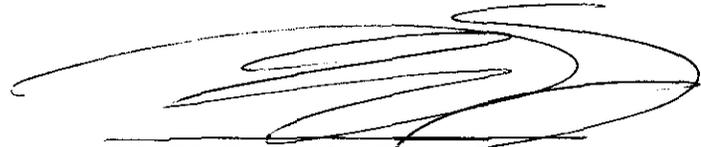
WHEREAS, to avoid the negative economic and human consequences arising from deteriorating local roads, bridges and streets, including much greater repair costs in the future, the City's FY 2011, 2012 and 2013 budgets have been able to supplement lost HURF funds with the proceeds from the City's recent capital bond issue, a one-time short-term fix; and

WHEREAS, beyond the FY 2013 budget, it becomes increasingly difficult to identify local funding sources to continue with even a scaled-down local maintenance and repair program for local streets, bridges and roads; and

WHEREAS, with the recent approval by state voters of a temporary one-cent sales tax increase, the City's combined sales tax rate is already 9.6 percent, severely limiting any options for increasing local tax generation in the future.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Benson, Arizona, that the City whole-heartedly supports the submission by the Arizona League of Cities and Towns of a resolution to the State Legislature advocating that the State of Arizona: 1) freeze or discontinue any future sweeps of municipal HURF monies; and 2) restore local HURF funding to 2008 levels over a three to five year period beginning with the State FY 2012/2013 budget.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, this 27th day of June, 2011.



TONEY D. KING, SR., Mayor

ATTEST:



VICKI L. VIVIAN, CMC, City Clerk

APPROVED AS TO FORM:



MICHAEL J. MASSEE, City Attorney