

ATTACHMENT A

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL,
ADOPTED ORDINANCE**

ORDINANCE S-XXXX

AN ORDINANCE ESTABLISHING THE FORM OF THE
BALLOT FOR THE CITY OF PHOENIX SPECIAL
ELECTION ON TUESDAY, AUGUST 27, 2019.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX, as
follows:

SECTION 1. That the form of the ballot for the City of Phoenix Special
Election on August 27, 2019, shall be established to read substantially as follows:

(FOR ALL BALLOTS)

(Precinct Name)

District (No.)

OFFICIAL BALLOT

SPECIAL ELECTION

AUGUST 27, 2019

CITY OF PHOENIX, ARIZONA

INSTRUCTIONS TO VOTERS

TO VOTE: Complete the arrow(s) ← pointing to your choice with a single bold line, like this ← using blue or black ink.

If you wrongly mark or damage your ballot, return it to the Election Official and obtain another.

PROPOSITIONS SUBMITTED TO THE VOTERS

PROPOSITION NUMBER 105

Descriptive Title

Proposed amendment to the Charter of the City of Phoenix to: (1) terminate all construction, development, extension or expansion of, or improvement to Phoenix light rail authorized by Proposition 104 (2015); (2) prohibit using any funds from any source for the construction, development, extension or expansion of, or improvement to any light rail or other fixed transit system (except PHX Sky Train) constructed on or after August 27, 2018 and to instead use Proposition 104 tax revenues for other transportation Infrastructure Improvements in the City; (3) redirect the City's share of existing funding for the South Central Light Rail extension exclusively to other transportation infrastructure improvement projects located in South Phoenix; and (4) appropriate up to \$25,000 annually to the Citizens Transportation Committee to solicit public input and recommend City Council action on potential transportation infrastructure improvement projects.

Text

Chapter XXVIII of the Charter of the City of Phoenix will be added as follows:

1. **DEFINITIONS**
 - (A) "ACT" MEANS THE BUILDING A BETTER PHOENIX ACT.
 - (B) "CITIZENS TRANSPORTATION COMMITTEE" MEANS THE BODY ORGANIZED TO REVIEW TRANSPORTATION EXPENDITURES PURSUANT TO PROPOSITION 104.

(C) “CITY” MEANS THE CITY OF PHOENIX, ARIZONA, TO INCLUDE ALL DEPARTMENTS, AGENCIES, OFFICES, INSTRUMENTALITIES, AND SUBDIVISIONS OF THE SAME.

(D) “INFRASTRUCTURE IMPROVEMENTS” MEANS ANY AND ALL CONSTRUCTION, DEVELOPMENT, EXTENSION OR EXPANSION OF, OR IMPROVEMENTS OR REPAIRS TO, PUBLIC INFRASTRUCTURE AND PUBLIC TRANSIT MODES OTHER THAN LIGHT RAIL OR OTHER FIXED RAIL LINE TRANSIT, INCLUDING BUT NOT LIMITED TO PUBLIC ROADS, MEDIANS, SIDEWALKS, STREETLIGHTS, AUTONOMOUS TRANSIT, RIDESHARING, BIKE LANES, IMPROVED ADA ACCESSIBILITY, AND ELECTRIC BUS AND OTHER BUS AND DIAL-A-RIDE SERVICES.

(E) “LIGHT RAIL EXTENSIONS” MEANS ANY AND ALL CONSTRUCTION, DEVELOPMENT, EXTENSION OR EXPANSION OF, OR IMPROVEMENT TO, LIGHT RAIL TRANSIT AUTHORIZED BY PROPOSITION 104.

(F) “PROPOSITION 104” MEANS THE BALLOT MEASURE TITLED “AN ORDINANCE TO FUND A COMPREHENSIVE TRANSPORTATION PLAN FOR PHOENIX TO MAINTAIN AND EXPAND THE LIGHT RAIL AND BUS SYSTEMS, IMPROVE CITY STREETS AND ROADWAYS, AND PROVIDE PHOENIX RESIDENTS WITH MORE TRANSPORTATION CHOICES” APPROVED AT THE REGULAR CITYWIDE ELECTION ON AUGUST 25, 2015, TOGETHER WITH ALL AUTHORIZATIONS, APPROPRIATIONS, ORDINANCES, MEASURES, ACTS, FRANCHISES, AND RESOLUTIONS OF THE CITY COUNCIL AND ALL CONTRACTS, AGREEMENTS AND OTHER ADMINISTRATIVE ACTS EXECUTED, APPROVED OR CARRIED OUT BY THE CITY IN CONNECTION WITH OR PURSUANT TO SUCH BALLOT MEASURE.

(G) “SOUTH PHOENIX” MEANS (I) THE GEOGRAPHIC AREA COMPRISING THE SOUTH MOUNTAIN VILLAGE PLANNING AREA UTILIZED BY THE CITY FOR PLANNING PURPOSES AS OF

SEPTEMBER 30, 2018, TOGETHER WITH (II) THE GEOGRAPHIC AREA BOUNDED ON THE WEST BY SEVENTH AVENUE, ON THE EAST BY SEVENTH STREET, ON THE NORTH BY JEFFERSON STREET AND ON THE SOUTH BY THE SALT RIVER.

(H) "SOUTH PHOENIX LIGHT RAIL EXTENSION" MEANS ANY LIGHT RAIL EXTENSION ALONG ANY SEGMENT OF CENTRAL AVENUE SOUTH OF WASHINGTON STREET.

2. TERMINATION OF LIGHT RAIL EXTENSIONS AND USES OF SAVED REVENUES

(A) UPON THE EFFECTIVE DATE OF THE ACT, THE CITY SHALL IMMEDIATELY TERMINATE ALL LIGHT RAIL EXTENSIONS AND SHALL NOT AUTHORIZE, APPROPRIATE OR EXPEND ANY FUNDS FROM ANY SOURCE, INCLUDING BUT NOT LIMITED TO REVENUES COLLECTED PURSUANT TO PROPOSITION 104, IN FURTHERANCE OF ANY LIGHT RAIL EXTENSION OR ANY OTHER FIXED RAIL LINE TRANSIT SYSTEM CONSTRUCTED ON OR AFTER AUGUST 27, 2018. FOR PURPOSES OF THIS SUBSECTION, "FIXED RAIL LINE TRANSIT SYSTEM" DOES NOT INCLUDE ANY AUTOMATED PEOPLE MOVER RAIL SYSTEM WITHIN TWO MILES OF SKY HARBOR INTERNATIONAL AIRPORT.

(B) ANY AND ALL REVENUES ASSESSED PURSUANT TO THE TRANSACTION PRIVILEGE TAX AND USE TAX RATE INCREASES PROVIDED BY PROPOSITION 104 THAT (I) HAVE BEEN COLLECTED BUT NOT EXPENDED AS OF THE EFFECTIVE DATE OF THE ACT OR THAT ARE COLLECTED ON OR AFTER THE EFFECTIVE DATE OF THE ACT, AND (II) HAVE BEEN OR WOULD HAVE BEEN AUTHORIZED OR APPROPRIATED FOR LIGHT RAIL EXTENSIONS SHALL BE DISTRIBUTED AS FOLLOWS:

(1) ANY AND ALL REVENUES AUTHORIZED OR APPROPRIATED FOR LIGHT RAIL EXTENSIONS OTHER THAN THE SOUTH PHOENIX LIGHT RAIL

EXTENSION, INCLUDING BUT NOT LIMITED TO ALL CAPITAL AND OPERATING FUNDS, SHALL BE APPROPRIATED AND EXPENDED FOR INFRASTRUCTURE IMPROVEMENTS IN THE CITY AND MAY BE USED FOR NO OTHER PURPOSE. TO ADVANCE TRANSPARENCY, COMMUNITY INVOLVEMENT AND GOVERNMENT ACCOUNTABILITY, THE CITIZENS TRANSPORTATION COMMITTEE SHALL SOLICIT PUBLIC INPUT AND FORMULATE RECOMMENDATIONS TO THE CITY COUNCIL WITH RESPECT TO THE NATURE, TIMING, MANNER, AND GEOGRAPHIC LOCATION OF INFRASTRUCTURE IMPROVEMENTS MADE PURSUANT TO THIS CHAPTER.

(2) ANY AND ALL REVENUES AUTHORIZED OR APPROPRIATED FOR THE SOUTH PHOENIX LIGHT RAIL EXTENSION, INCLUDING BUT NOT LIMITED TO ALL CAPITAL AND OPERATING FUNDS, SHALL BE APPROPRIATED AND EXPENDED FOR INFRASTRUCTURE IMPROVEMENTS WITHIN THE JURISDICTIONAL BOUNDARIES OF SOUTH PHOENIX, INCLUDING BUT NOT LIMITED TO INFRASTRUCTURE IMPROVEMENTS ALONG ANY SEGMENT OF CENTRAL AVENUE LOCATED WITHIN SOUTH PHOENIX, AND MAY BE USED FOR NO OTHER PURPOSE. TO ADVANCE TRANSPARENCY, COMMUNITY INVOLVEMENT, AND GOVERNMENT ACCOUNTABILITY, THE CITIZENS TRANSPORTATION COMMITTEE SHALL SOLICIT PUBLIC INPUT AND FORMULATE RECOMMENDATIONS TO THE CITY COUNCIL WITH RESPECT TO THE NATURE, TIMING, MANNER, AND GEOGRAPHIC LOCATION OF INFRASTRUCTURE IMPROVEMENTS IN SOUTH PHOENIX MADE PURSUANT TO THIS CHAPTER.

(C) THE MONIES APPROPRIATED PURSUANT TO THIS SECTION SHALL SUPPLEMENT, AND NOT SUPPLANT, MONIES AUTHORIZED OR APPROPRIATED FROM ANY OTHER SOURCE, INCLUDING BUT NOT LIMITED TO THE CITY GENERAL FUND, FOR INFRASTRUCTURE IMPROVEMENTS. ANY UNEXPENDED BALANCE OF MONIES AT THE END OF THE FISCAL YEAR SHALL NOT REVERT TO THE CITY GENERAL FUND BUT SHALL BE CARRIED FORWARD FOR THE USES AND PURPOSES PROVIDED IN THIS

SECTION.

(D) THIS SECTION SHALL NOT BE CONSTRUED AS CREATING ANY RIGHT OR ENTITLEMENT BY ANY PERSON TO RECEIVE, OR ANY OBLIGATION OF THE CITY TO APPROPRIATE OR EXPEND, ANY FUNDS OTHER THAN REVENUES ACTUALLY COLLECTED BY THE CITY PURSUANT TO THE TRANSACTION PRIVILEGE TAX AND USE TAX RATE INCREASES PROVIDED BY PROPOSITION 104; PROVIDED, HOWEVER, THAT ALL APPROPRIATIONS PURSUANT TO THIS SECTION SHALL SUPPLEMENT, AND NOT SUPPLANT, MONIES APPROPRIATED FROM ANY OTHER SOURCE, INCLUDING BUT NOT LIMITED TO THE CITY GENERAL FUND, FOR INFRASTRUCTURE IMPROVEMENTS.

(E) SUBJECT TO ALL OTHER PROVISIONS OF THIS CHAPTER, THE CITY SHALL USE ITS BEST EFFORTS TO PURSUE, SUPPORT AND EFFECTUATE ANY AND ALL ACTS AND RESOLUTIONS BY MARICOPA COUNTY OR THE MARICOPA COUNTY ASSOCIATION OF GOVERNMENTS TO ENSURE THAT FUNDING RECEIVED BY THE CITY FROM MARICOPA COUNTY OR THE MARICOPA COUNTY ASSOCIATION OF GOVERNMENTS FOR INFRASTRUCTURE IMPROVEMENTS IS PRESERVED, MAINTAINED OR INCREASED.

3. CITIZENS TRANSPORTATION COMMITTEE

(A) THE CITIZENS TRANSPORTATION COMMITTEE SHALL BE CONSTITUTED AND ORGANIZED AS PROVIDED IN SECTION 2-510 OF THE CITY CODE, AS AMENDED BY ORDINANCE NO. G-6051.

(B) IN ADDITION TO THE POWERS AND DUTIES PROVIDED IN SECTION 2-511 OF THE CITY CODE, AS AMENDED BY ORDINANCE NO. G-6051, THE CITIZENS TRANSPORTATION COMMITTEE SHALL SOLICIT AND CONSIDER PUBLIC INPUT AND MAKE RECOMMENDATIONS TO THE CITY COUNCIL WITH RESPECT TO THE PURPOSES AND USES FOR WHICH FUNDS APPROPRIATED PURSUANT TO SECTION 2 OF THIS CHAPTER XXVIII SHALL BE EXPENDED,

INCLUDING BUT NOT LIMITED TO THE NATURE, TIMING, MANNER, AND GEOGRAPHIC LOCATION OF INFRASTRUCTURE IMPROVEMENTS.

(C) TO IMPROVE COMMUNITY INVOLVEMENT AND TRANSPARENCY, THE CITIZENS TRANSPORTATION COMMITTEE SHALL RECEIVE AN ANNUAL BUDGET NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS TO SOLICIT COMMUNITY INPUT ON PROPOSED INFRASTRUCTURE IMPROVEMENTS, WHICH MAY INCLUDE BUT IS NOT LIMITED TO PUBLIC FORUMS, SURVEYS, MAILERS AND EMAIL. THE CITIZENS TRANSPORTATION COMMITTEE SHALL HAVE NO AUTHORITY TO APPROPRIATE OR EXPEND ANY FUNDS OTHER THAN THE FUNDS APPROPRIATED TO IT PURSUANT TO THIS SUBSECTION BUT MAY REVIEW AND MAKE RECOMMENDATIONS TO THE CITY COUNCIL WITH RESPECT TO EXPENDITURES MADE PURSUANT TO PROPOSITION 104 AND THIS CHAPTER.

(D) MEETINGS OF THE CITIZENS TRANSPORTATION COMMITTEE SHALL BE OPEN TO THE PUBLIC, AND THE MINUTES OF ITS PROCEEDINGS SHALL BE KEPT AND FILED IN THE OFFICE OF THE CITY CLERK AS A PUBLIC RECORD.

Question

Shall Chapter XXVIII be added to the Charter of the City of Phoenix to terminate all construction, development, extension or expansion of, or improvement to Phoenix light rail authorized by Proposition 104 (2015); to prohibit using any funds from any source for the construction, development, extension or expansion of, or improvement to any light rail or any other fixed rail transit system (except PHX Sky Train) constructed on or after August 27, 2018; to instead use Proposition 104 tax revenues for other transportation Infrastructure Improvements in the City of Phoenix; and as further described above?

YES

NO

PROPOSITION NUMBER 106

Descriptive Title

Proposed amendment to the Charter of the City of Phoenix to: (1) require the City to conduct an additional annual assessment of all of its pension liabilities; (2) impose a cap on budget growth for City programs including budgets for parks, libraries, and information technology but excluding budgets for police, fire, first responders, labor contracts, enterprise funds and voter-approved special revenues or revenue funds, if pensions are not at least 90% funded, and mandate that all funds above the budget cap be spent solely toward pension liabilities; and (3) require elected officials reimburse the City for all future pension contributions made by the City on the elected officials' behalf.

Text

Chapter XXIV, Article V of the Charter of the City of Phoenix will be added as follows:

WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS ACT, THE CITY COUNCIL SHALL ADOPT AMENDMENTS IMPLEMENTING THE FOLLOWING PROVISIONS OF THIS ACT, INCLUDING STRIKING ANY CURRENTLY-EXISTING PROVISIONS OF THE CITY CHARTER INCONSISTENT WITH THE TERMS OF THIS ACT. CHAPTER XXIV SHALL BE AMENDED BY ADDING PART V, TO PROVIDE FOR THE FOLLOWING:

1. **DEFINITIONS**

1.1 "ACT" MEANS RESPONSIBLE BUDGET ACT.

1.2 "ANNUAL ASSESSMENT" MEANS A YEARLY RECORD OF THE CITY OF PHOENIX EMPLOYEES' RETIREMENT SYSTEMS FINANCIAL CONDITION.

1.3 "CITY OFFICIAL" MEANS THE MAYOR AND MEMBERS OF THE COUNCIL OF THE CITY OF PHOENIX, WHETHER SERVING BY ELECTION OR APPOINTMENT.

1.4 "FUNDED" MEANS THE AMOUNT PROJECTED TO BE REQUIRED TO BE OWNED IN A PENSION SYSTEM, BY TAKING INTO ACCOUNT CAPITAL CONTRIBUTIONS AND RETURN ON INVESTMENTS, IN ORDER TO SATISFY ALL OBLIGATIONS TO PAY RETIREMENT BENEFITS.

1.5 “GAAP” MEANS GENERALLY ACCEPTED ACCOUNTING PRINCIPLES WHICH ARE THE ACCOUNTING STANDARDS ADOPTED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION.

1.6 “GASB” MEANS THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD WHICH IS THE SOURCE OF GAAP PRINCIPLES FOR STATE AND MUNICIPAL GOVERNMENTS.

1.7 “PENSION FUNDING” MEANS REQUIRED EMPLOYER CONTRIBUTION RATES ARE DETERMINED ACTUARIALLY TO FUND FULL BENEFITS FOR ACTIVE MEMBERS AND TO AMORTIZE ANY UNFUNDED ACTUARIAL LIABILITY AS A LEVEL PERCENT OF PROJECTED MEMBER PAYROLL OVER THE AMORTIZATION PERIOD.

1.8 “SEAT” MEANS THE OFFICE OF AN ELECTED OR APPOINTED MEMBER OF THE CITY COUNCIL WHICH CONSISTS OF A MAYOR AND EIGHT (8) OTHER MEMBERS.

1.9 “TEN YEAR RATE OF RETURN” MEANS THE RETURN AN INVESTMENT PROVIDES OVER A PERIOD OF TIME, CALCULATED AS A TIME-WEIGHTED INVESTMENT. THE ANNUAL RETURN RATE IS MEASURED FROM THE INITIAL AMOUNT OF THE INVESTMENT.

2. ANNUAL ASSESSMENT

a) THE PHOENIX CITY COUNCIL SHALL PRODUCE AND PUBLISH, ON AN ANNUAL BASIS, AN ASSESSMENT REPORT THAT PROVIDES AN ASSESSMENT OF THE CITY OF PHOENIX’S PENSION DEBT AND THIS ANNUAL REPORT SHALL EMPLOY GAAP PRINCIPLES IN ACCORDANCE WITH OVERSIGHT AND PRINCIPLES PROMULGATED BY THE GASB.

b) IN ASSESSING THE PENSION DEBT, THE REPORT SHALL ONLY UTILIZE THE HISTORICAL ANNUAL AVERAGE RETURN ON INVESTMENT OF THE PREVIOUS 10 YEARS, AND SHALL ONLY UTILIZE THE HISTORICAL LIFE EXPECTANCY OF PENSION

PARTICIPANTS OF ALL CITY OF PHOENIX PENSION SYSTEMS OF THE PREVIOUS 10 YEARS, TO DETERMINE PENSION SOLVENCY AND DEBT AMOUNT.

1. THE ANNUAL ASSESSMENT SHALL NOT UTILIZE ANY ASSUMPTIONS OR ESTIMATES FOR POTENTIAL RETURNS.

3. FULLY FUNDED PENSIONS

a) THE CITY COUNCIL IS REQUIRED BY CHARTER XVIII SECTION 6(B)(3) TO ADOPT A YEARLY BUDGET. IF THE ANNUAL ASSESSMENT OF THE CITY OF ALL PHOENIX EMPLOYEES' RETIREMENT SYSTEMS DEMONSTRATE THAT THE RETIREMENT SYSTEMS ARE NOT AT LEAST 90% FUNDED, THEN THE CITY COUNCIL'S BUDGET GROWTH IS FIXED AT AN AMOUNT NO GREATER THAN POPULATION GROWTH, PER THE U.S. CENSUS, AT THE RATE OF INFLATION FOR THE PREVIOUS YEAR, EXCEPT FOR BUDGETARY LINE ITEMS FOR POLICE OFFICERS, FIREFIGHTERS AND FIRST RESPONDER PROTECTIONS.

b) ANY EXCESS CITY BUDGET FUNDS GREATER THAN INCREASES FOR POPULATION GROWTH AND THE RATE OF INFLATION FOR THE PREVIOUS YEAR, EXCEPT FOR BUDGETARY LINE ITEMS OF FOR POLICE OFFICERS, FIREFIGHTERS AND FIRST RESPONDER PROTECTIONS SHALL BE SPENT SOLELY TOWARD PENSION DEBT.

c) ANY EXCESS BUDGET FUNDS SHALL FIRST BE SPENT TOWARDS COMPLETELY SATISFYING OUTSTANDING DEBTS TO THE PENSION SYSTEMS FOR POLICE OFFICERS, FIREFIGHTERS AND FIRST RESPONDERS. ONCE THESE FUNDS ARE DEEMED 90% FUNDED CAN EXCESS FUNDS BE USED TO SATISFY THE OUTSTANDING DEBTS TO THE OTHER CITY OF PHOENIX EMPLOYEES' RETIREMENT SYSTEMS.

d) THE PASSAGE AND OPERATION OF THIS ACT SHALL NOT INTERFERE WITH, IMPACT, ABROGATE, NULLIFY, NOR INVALIDATE ANY CONTRACTUAL AGREEMENTS, BETWEEN THE CITY OF PHOENIX AND ANY LABOR UNIONS, THAT WERE EXECUTED PRIOR TO JANUARY 1, 2018.

e) THE PASSAGE AND OPERATION OF THIS ACT SHALL NOT INTERFERE WITH, IMPACT, ABROGATE, NULLIFY, NOR INVALIDATE ANY CITY ENTERPRISE FUNDS OR VOTER APPROVED SPECIAL REVENUES OR REVENUE FUNDS.

4. ELECTED CITY OFFICIALS

a) ALL ELECTED OR APPOINTED CITY OFFICIALS WHO PARTICIPATE IN OR QUALIFY FOR ANY PENSION OR RETIREMENT SYSTEM, SHALL BE REQUIRED TO REIMBURSE THE CITY FOR ALL EMPLOYER CONTRIBUTIONS EQUAL TO THE FURTHERANCE OF THEIR PENSION OR RETIREMENT SYSTEM BENEFITS EARNED OR ACCRUED AFTER THE ENACTMENT OF THIS ACT.

b) THIS ACT SHALL NOT IMPACT ANY PENSION OR RETIREMENT BENEFITS EARNED BY CITY OFFICIALS PRIOR TO THE EFFECTIVE DATE OF THIS ACT.

5. DECLARATION OF EMERGENCY

a) THE PROVISIONS OF THIS ACT MAY BE WAIVED, EXCEPT FOR SECTIONS 1 (8) AND (9), IF THERE IS A SPECIFIC FORMAL DECLARATION OF EMERGENCY BY THE MAYOR. THE DECLARATION MUST THEN BE APPROVED BY A VOTE OF 8 OF THE 9 MEMBERS OF THE CITY COUNCIL. SUCH DECLARATION CANNOT EXTEND BEYOND ONE BUDGETARY YEAR.

Question

Shall Chapter XXIV, Article V be added to the Charter of the City of Phoenix to require the City to conduct an additional annual assessment of all of its pension liabilities; to impose a cap on budget growth for City programs including budgets for parks, libraries, and information technology but excluding budgets for police, fire, first responders, labor contracts, enterprise funds and voter-approved special revenues or revenue funds, if pensions are not at least 90% funded, and mandate that all funds above the budget cap be spent solely toward pension liabilities; and to require elected officials to reimburse the City for all future pension contributions made by the City on the elected officials' behalf as described above?

YES

NO

PASSED by the Council of the City of Phoenix this 1st day of May, 2019.

MAYOR

ATTEST:

_____ City Clerk

APPROVED AS TO FORM:

_____ Acting City Attorney

REVIEWED BY:

_____ City Manager

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