

ARGUMENTS FILED IN SUPPORT OF PROPOSITION 124

We fully support proposition 124 and believe this negotiated reform is the best way to sustain the public pension system for our fire fighters and police while protecting taxpayers.

Serving in our respective capacities of Senate President and Senate Finance Chairman, we worked together with the governor's office, the fire fighter and law enforcement associations, Republican and Democratic legislators, the cities, the Public Safety Personnel Retirement System and the counties for over a year and believe this reform is the best way to improve the funded status of the retirement system in a way that is agreeable to all sides. The reform serves a significant and legitimate public purpose that is both reasonable and appropriate.

Multiple sources have identified the current pension benefit increase structure as a major contributor to the underfunded status of the retirement fund. For over 20 years the current structure has paid out a nearly 4% increase compounded every year.

This proposition, if approved, will replace the current flawed system with a cost of living adjustment that follows inflation with a cap of 2%. Many people have worked hard and long on this negotiated reform.

We sincerely ask you to VOTE YES to protect the fund and the taxpayers.

Andy Biggs and Debbie Lesko

Sponsored by "Debbie Lesko and Andy Biggs"

My name is Bryan Jeffries. As the president of the Professional Fire Fighters of Arizona, I represent more than 8,000 retired and active fire fighters across our state. Respectfully, we ask you to vote yes on Proposition 124, which reforms and repairs Arizona's public safety retirement system.

Prop 124 is the product of years of partnership and productive negotiation between fire fighters, police officers, Gov. Doug Ducey, mayors of cities and towns, Republican and Democrat legislators of both political parties and a prominent conservative think tank.

Together, we have crafted a reform measure that will take the pressure off overburdened taxpayers and municipal budgets, while ensuring the middle class retirement of the men and women working on the frontlines of public safety.

Your "yes" vote on Proposition 124 will:

- Save Arizona taxpayers more than \$1.5 billion over the next three decades.
- Shore up the underfunded PSPRS pension fund, to ensure its solvency in the future and relieve the pressure on municipal budgets, thus freeing resources for public safety, education, senior centers and youth programs.
- Improve 911 response times and allow cities and towns to fill open public safety jobs, improve training for police officers and fire fighters, and purchase necessary equipment to keep the public safe.

As a Mesa fire captain and paramedic, I have experienced firsthand how an ongoing lack of resources have made answering 911 calls more difficult and, at times, more dangerous. Prop 124 will help turn this around. That's one reason among many why your fire fighters support this very necessary measure.

Please, vote to support public safety and to save much-needed tax revenues.

Vote yes on Proposition 124.

Bryan Jeffries

Sponsored by "Professional Fire Fighters of Arizona"

As members of the Arizona House of Representatives, we ask you to join us in voting Yes on Proposition 124, a proposal to reform Arizona's public safety retirement system.

Proposition 124 is a bipartisan and sensible approach to solving a problem that threatens the safety of our families and the budgets of our cities, towns and state. It is the result of more than a year of negotiations. The stakeholders at the table included police officers and fire fighters, elected legislators, Governor Doug Ducey's team, representatives from cities and towns, and economists from a leading conservative think tank. Our bipartisan solution includes:

- A savings of more than \$1.5 billion to taxpayers.
- A series of steps to stabilize the underfunded pension system in order to protect retirement for both active first responders and retirees.
- An end to pension spiking.
- More flexibility in retirement investments for public safety workers.
- More equitable sharing of retirement contributions between municipal employers and police officers and fire fighters.

The change to the Arizona Constitution included in Proposition 124 is small, but meaningful. It will save taxpayers \$1.5 billion over the next three decades. These resources will enable cities and towns to better serve you – improving public safety and increasing the availability of funds for roads and tax relief.

On May 17th, join us in supporting the bipartisan Proposition 124.

A YES ON 124 vote is a vote for keeping families safe.

The Arizona House of Representatives

Lela Alston, Richard Andrade, Brenda Barton, Reginald Bolding Jr., Sonny Borrelli, Paul Boyer, Ken Clark, Doug Coleman, Karen Fann, Charlene R. Fernandez, Randall Friese, Rosanna Gabaldon, Sally Ann Gonzales, Albert Hale, Matthew A. Kopec, Jonathan R. Larkin, Jay Lawrence, Stefanie Mach, Debbie McCune Davis, Juan Jose Mendez, Eric Meyer, Jill Norgaard, Lisa A. Otondo, Celeste Plumlee, Bob Robson, Macario Saldate, Ceci Velasquez, Bruce Wheeler

YES ON 124

As a current 26 year Phoenix Fire Fighter and President of the United Phoenix Fire Fighters Association, I strongly urge you to vote YES on Prop 124. This measure, supported by fire fighters and police officers State wide, will protect public safety and the core municipal services relied on by every Arizona resident.

Proposition 124 will save Arizona taxpayers more than \$1.5 pillion over the next 30 years. It will also help repair the State's Public Safety Personnel Retirement System, ensuring that the men and women on the frontlines continue to have a secure middle-class retirement.

The 3,000 plus members of our organization support Prop 124 because we live and work in Arizona's cities and towns. We understand that our underfunded pension system has resulted in increased contributions for Arizona's cities and towns. Increased PSPRS contributions have caused reductions in staffing and cuts to budgets. These reductions result in increased response times to 911 emergencies and reduced funding for critical resources, training, and equipment.

Your "YES" vote on Prop 124 is a vote for safer neighborhoods and a vote to support your first responders.

Please vote to support your fire fighters and police officers. Vote YES on Proposition 124.\

Steve Beuerlein

Sponsored by "Steve Beuerlein"

I urge you to vote yes on proposition 124. This pension modification has been in process for several years and it is not the work of just big cities. Flagstaff is a city of 70,000. Our chief financial officer was part of the task force looking for reasonable options for both cities and our valued personnel.

Our current pension contribution exceeds our entire primary property tax.

This proposition is the result of a lot of work by all parties. I think it is fair and necessary for cities of all sizes if we are to have public safety pensions in the future.

This is my opinion and not necessarily the opinion of the entire council.

Jerry Nabours

I support the ballot proposition because:

1. The current level and quality of public safety is preserved. Benefits to current employees and retirees are, for the most part, retained. The annual cost of living increase to future pensions has been curtailed and a third pension for new employees will be created.
2. The unfunded pension liability for public safety is addressed. Current public safety employees are promised a pension and we are legally and financially responsible to provide that.

With the contribution paid by cities and counties stabilizing, and the lowering of the benefits, the system's liability will be addressed.

3. The proposition is legal. State and federal laws regarding pensions are complex. For example, it is not legal to decrease the promised pension benefits to current retirees. This proposition straddled a fine line in staying legal while addressing the financial challenges.

4. There is broad-based support from stakeholders of this proposition. While this proposition is not perfect, representative from cities, counties, and public safety employee organizations support his proposition.

Thomas L. Schoaf

Support Arizona's Taxpayers and Public Safety. Vote Yes on Proposition 124!

My name is John Ortolano. I'm President of the Arizona Fraternal Order of Police, which represents more than 8,500 police officers. I am also a Police Captain serving the citizens of Arizona.

I write today to ask you to VOTE YES ON PROPOSITION 124.

Supporting a ballot measure which asks men and women on the frontlines of public safety to accept even a penny less in retirement was a tough sell to our members. The thing is, as workers in the business of keeping the public safe, we get it.

Arizona's taxpayers, cities and towns are in crisis when it comes to tax dollars and budgets. If we want to keep families safe, this crisis must be met head-on and solved.

Proposition 124 is that solution. Yes on 124 helps alleviate the underfunding of Arizona's public safety retirement system to take the pressure off taxpayers and our employers.

This measure will save money beginning immediately, building to a savings of more than \$1.5 billion by 2045. This savings will free up revenue so cities and towns can provide the core services our families rely on. The changes made by the bipartisan pension reform proposal will shore up retirement for police officers so we can protect our families just as we protect your family.

Please vote Yes on 124. Support the protectors who protect you.

John Ortolano and Louis Manganiello
Sponsored by "Arizona Fraternal of Police"

Arizona Chamber of Commerce and Industry urges "yes" vote on Proposition 124

The Arizona Chamber of Commerce and Industry strongly urges you to vote yes on Proposition 124. We believe the measure represents the best opportunity to preserve critical public safety services while protecting taxpayers.

Arizona's public safety pension system has been unable to keep pace with liability growth. A creaking public pension system that cannot keep up with growing obligations will begin to crowd out core government functions as more and more taxpayer dollars are shifted to pension liabilities, while raises, hiring and equipment upgrades will become extremely difficult.

Unless we act, we will be faced with two bad options: Either severely cut services, or dramatically raise taxes.

Fortunately, thanks to state Sen. Debbie Lesko and her colleagues in the state Legislature, Gov. Doug Ducey, representatives of public safety employees, local government leaders and the Reason Foundation, a respected think tank, legislation has been signed into law that takes a major step toward stemming the growth in unfunded liabilities. The reform package is a game-changer.

The last step, however, is up to us. We must pass Proposition 124 to amend the state Constitution in order to alter the pension system's future benefit increases.

If we want to ensure that our police officers and firefighters have retirement benefits they can count on in the future while protecting taxpayer dollars, then serious reforms are needed now. It is for these reasons that the Arizona Chamber urges you to vote yes on Proposition 124.

Glenn Hammer and Dennis Dahlen
Sponsored by "Arizona Chamber of Commerce and Industry"

As Governor of the state of Arizona, I strongly encourage all voters to vote YES on Proposition 124. As the son of a police officer, I have seen firsthand the sacrifice and commitment that police officers and firefighters make for their communities every day, and they deserve a retirement system that they can rely on. Unfortunately, the current system for our public safety officials is unsustainable for the hardworking taxpayers of this state. Thankfully, Proposition 124 accomplishes two equally important goals: protecting the men and women who put their lives on the line every day to protect ours, while fixing a broken system that will protect you – the taxpayer. This plan preserves the promise made to our current police officers and firefighters, while providing responsible reforms for new members in the system. I'm confident that the collaborative process that established this set of reforms will serve as a model for the rest of the country seeking to reform their pension systems for long-term sustainability. Let's vote YES on Proposition 124 and support our communities, and the men and women who protect them.

Doug Ducey

Arizona's Cities and Towns Encourage a YES Vote on Proposition 124

Dear Arizona Voters:

The League of Arizona Cities and Towns, which represents the 91 incorporated cities and towns across our state, strongly supports Proposition 124. Our public safety retirement system is not solvent and is in critical need of reform – not only to ensure the futures of public safety personnel, but the futures of Arizona cities.

Proposition 124 has broad, bi-partisan support. As mayors, we are here to solve problems – especially those that save taxpayer dollars and help us build a sustainable future. This solution works for taxpayers, public safety workers and cities and towns.

The May 17th ballot initiative, along with the legislative package, is a big win for taxpayers:

- Starting in 2017, new hires in public safety will share the cost of funding their retirement 50-50 with their employers, meaning the cost of the retirement system will be split evenly between cities, towns and their new public safety employees.
- It helps rein in pension costs, freeing up taxpayer dollars to pay for other vital services. It's estimated to save \$1.5 billion over 30 years.
- It helps prevent pension spiking by reducing the cap on pensionable compensation from over \$200,000 to \$110,000.

Arizona's cities and towns are committed to supporting this common sense pension reform, and we hope you will join us by voting YES on Proposition 124.

/s/ Officers of the League of Arizona Cities and Towns:

Mayor Mark Mitchell	Mayor Jay Tibshraeny	Mayor Mark Nexsen
City of Tempe	City of Chandler	Lake Havasu City

Ken Strobeck

Sponsored by "League of Arizona Cities and Towns"

As a retired Maricopa County Sheriff's Office deputy and Chairman of the Arizona Fraternal Order of Police Legislative Committee, I ask you to vote Yes on Proposition 124, the pension reform measure meant to fix our state's ailing Public Safety Retirement System.

While Arizona's police officers and fire fighters did not cause the Wall Street busts that badly damaged PSPRS' funding level, we have worked for years to fix the damage. Our motivation? Simply put, no one has more invested in our retirement than we do.

Just as important is the need to alleviate the extreme budget pressure faced by our employers. For years, Arizona police officers and fire fighters have faced growing danger on the job caused by severe budget cuts, threatened layoffs, training restrictions, equipment reductions and positions left unfilled.

Proposition 124 represents a fair solution to these problems. It represents a set of shared sacrifices meant to ensure that rising public safety costs do not crowd out funding for other community necessities, from education to health care, child protection services to parks and libraries.

Come May 17th, Arizona's police officers hope we can count on you to join us in supporting Proposition 124. Your "yes" vote will help us keep neighborhoods safe across this state and help us be secure once our careers have ended.

Please, vote Yes on 124.

James Mann

Sponsored by “James Mann”

As Mayor for the City of Surprise, I take our commitment of providing police, emergency medical and fire services to residents very seriously. In fact, public safety is our city’s top priority to help ensure the health, safety and welfare of our citizens.

Providing these life-safety services requires a certain type of individual, whose duties are hazardous or dangerous and physically and psychologically demanding. Thus, paying the pension costs for state and local governments’ public safety employees is part of our ongoing commitment to preserving a high quality of life for residents in Surprise and throughout Arizona.

I support Proposition 124 because it will allow cities to manage these pension costs in a fiscally responsible, sustainable manner so we can continue providing high-level public safety services in our community, in conjunction with our regional partners.

This ballot proposition ensures both current and future employees are able to receive a quality pension in a fiscally responsible manner. It will also enable us to address unfunded pension liabilities and stabilize the system in order to appropriately manage costs.

Furthermore, this proposition provides a legal remedy to the current challenges of the system, while retaining promised pension benefits for current retirees as well as providing pensions for future members.

Finally, I support this proposition because of the diverse input of stakeholders across multiple state, county, city and public safety organizations that worked together to draft it. We have a responsibility, not just to our public safety employees directly affected by this proposition, but to our communities and residents of providing appropriately for public safety services.

Passage of Proposition 124 will help us fulfill that responsibility.

Sharon Wolcott

We, the members of the Arizona State Senate, ask you to vote YES on Proposition 124. This reform will help sustain the pension system for our fire fighters and law enforcement and protect the taxpayers. After one year of negotiations we are thankful to have reached an agreement with the fire fighter and law enforcement associations, the governor’s office, the cities, and the counties on this much needed reform. The entire Senate, both Republicans and Democrats, voted to refer this reform to the ballot and we ask you to vote yes.

Sylvia Allen, Nancy Barto, Andy Biggs, Adam Driggs, Steve Farley, Gail Griffin, Katie Hobbs, John Kavanagh, Debbie Lesko, Barbara McGuire, Don Shooter, Steve Smith

Sponsored by “Debbie Lesko”

Vote Yes on 124 to Help 9-1-1 Services In Every Arizona Community

Every day, the men and women who answer emergency 9-1-1 calls in Arizona's fire districts face enormous difficulty in doing more – while saving lives – with less in terms of budget dollars. Arizona's more than 150 fire districts have struggled to provide essential training for their firefighters and paramedics, replace aging equipment, and hire or retain enough trained professionals to properly protect our communities.

Proposition 124 will help answer many of those problems. That's why I'm asking you to vote YES on 124.

As an assistant fire chief and the President of the Arizona Fire Districts Association, I personally experience the budget pressures created by soaring pension contributions on a daily basis. Every dollar spent to pay for employee retirement is a dollar directed away from emergency responses.

By saving more than \$1.5 billion for taxpayers, Prop 124 will free up much-needed resources that would otherwise be diverted away from vital public services. This will improve 9-1-1 response times and keep our communities safer.

Arizona's firefighters support Proposition 124 because we understand the significant issues and instability with the current system. We are in full agreement with the proposed changes even though it means a reduction in benefits for our retirements.

Please, join your first responders – vote Yes on 124.

Mary M. Dalton

Sponsored by "Arizona Fire District Association"

Arizona's police and firefighters risk their lives to keep us safe every day, and in return we promise them a secure and stable retirement. The Public Safety Personnel Retirement System, however, is underfunded and cannot keep these promises in its current form. Proposition 124 will restore the system to health in a way that protects our first responders, their employers and you, the taxpayer. Replacing an unsustainable automatic benefit increase with stable, predictable cost of living adjustments allows the core of the retirement fund to grow while ensuring retiree benefits keep up with inflation. Sharing the future cost of the plan equally between employees and employers will protect employers and taxpayers from shouldering the huge costs we see today. Putting new employee benefits on par with current public pension best practices, Proposition 124 will ensure the Public Safety Personnel Retirement System delivers on our promises now and for the future. Please join us, the undersigned members of the Arizona Senate Democratic Caucus, in voting yes on Proposition 124 to protect those who protect us.

Katie Hobbs – Senate Democratic Leader

Steve Farley – Senate Assistant Democratic Leader

Lupe Contreras – Senate Democratic Whip

Martin J. Quezada – Senate Democratic Whip

Andrea Dalessandro – Senator, District 2

Barbara McGuire – Senator, District 8
Andrew C. Sherwood – Senator, District 26
David T. Bradley – Senator, District 10
Robert Meza – Senator, District 30
Olivia Cajero Bedford – Senator, District 3
Catherine Miranda – Senator, District 27
Lynne Pancrazi – Senator, District 4

Katie Hobbs, Steve Farley, Lupe Contreras, Martin J. Quezada, Andrea Dalessandro, Barbara McGuire, Andrew C. Sherwood, David T. Bradley, Robert Meza, Olivia Cajero Bedford, Catherine Miranda, Lynne Pancrazi

The public safety pension system is a problem that I have seen grow in importance over the past decade, throughout my 32 year career as a public safety officer in the City of Glendale. I know that the pension system is one of the biggest issues facing many municipalities across the state. Government has been recently been plagued with partisan gridlock but in this case Governor Doug Ducey, legislators, public safety labor organizations and city leaders worked together to tackle the elephant in the room of pension reform. Proposition 124 takes the burden off taxpayers and ensures that police officers and firefighters continue to have a secure retirement. This pension reform legislation and now Proposition 124 is a perfect example of how government should work and I hope that you all join me in voting “Yes” on Proposition 124 on May 17.

Mark Burdick