NOTICE OF A REGULAR MEETING OF THE
LEAGUE OF ARIZONA CITIES & TOWNS
EXECUTIVE COMMITTEE

Wednesday, August 23, 2017 at 11:45 a.m.
Hilton El Conquistador Resort, White Dove
10000 North Oracle Road
Oro Valley, Arizona

Notice is hereby given to the members of the Executive Committee and to the general public that the Executive Committee will hold a meeting open to the public on August 23, 2017 at 11:45 a.m. Members of the Executive Committee will attend either in person or by telephone conference call. The Executive Committee may vote to recess the meeting and move into Executive Session on any item on this agenda. Upon completion of Executive Session, the Executive Committee may resume the meeting, open to the public, to address the remaining items on the agenda. A copy of the agenda is available at the League office building in Suite 200 or on the League website at www.azleague.org.

Agenda

All items on this agenda are scheduled for discussion and possible action, unless otherwise noted.

1. Review and Adoption of Minutes
2. PSPRS Update; New League Staff Member
3. Construction Sales Tax Update
4. SB 1487 Developments
5. League Director’s Report: Interim Activities
6. Resolutions

Additional informational materials are included in the agenda packet but are not part of the agenda.
Agenda Item #1  Review and Adoption of Minutes

Summary: Minutes of the previous meeting are enclosed for your review and approval.

Responsible Person: President Jay Tibshraeny

Attachments: May 12, 2017 Executive Committee Minutes

Action Requested: Approval
President Jay Tibshraeny called the meeting to order at 10:02 a.m. He invited Vice President Mark Nexsen to lead with the Pledge of Allegiance.

1. **REVIEW AND ADOPTION OF MINUTES**

Mayor Bob Rivera moved to approve the minutes of the February 16, 2017 Executive Committee Meeting; Mayor Jonathan Rothschild seconded the motion and it carried unanimously.

2. **LEGISLATIVE REPORT AND NEW LAWS UPDATE (INCLUDING BUDGET)**

Before beginning the summary of the legislative report, President Tibshraeny thanked the Executive Committee along with the League for their work throughout the session.
President Tibshraeny then gave the floor to League Executive Director Ken Strobeck. Executive Director Strobeck thanked the Executive Committee and discussed some of the issues that affected cities and towns throughout the legislative session. Mr. Strobeck also thanked the efforts of staff and introduced Legislative Director Patrice Kraus. Legislative Director Kraus then thanked staff, including League contract lobbyists, and public relations counsel.

Ms. Kraus then discussed some of the larger issues that were brought up during the session. She indicated that several major issues including construction sales tax, university bonding and retirement had been addressed.

She discussed HB 2521, Representative Cobb’s TPT reform bill, which would have eliminated construction sales tax and shifted to a materials-only tax. This bill was managed to be kept from Committee of the Whole. Ms. Kraus indicated that the success for this was due largely to the work that had been done all interim long with the Construction Sales Tax Task Force and the data compiled by League Tax Policy Analyst Lee Grafstrom. She said that this issue would likely come up in future sessions so they planned to reconvene the Task Force and continue to develop some data, hoping to finalize their report before the beginning of the next legislative session.

Ms. Kraus also touched on the two major PSPRS bills from this session, noting that the issues centered on pooling and local boards. She indicated they had reached an agreement on pooling; the negotiation allows for plans with 251 or more active members to have individual plans and all the smaller police and fire departments would be pooled into one group with the same contribution rate.

Additionally, Ms. Kraus discussed the university bonding proposal that had been included by the Arizona Board of Regents and the League fought all year. She told the Executive Committee that they had done an analysis of the long-term cost of this proposal, which exposed some of the reasons why the universities wanted to move forward. In the end, the universities did receive $27 million per year plus two percent growth for 25 years, but they can only use the money solely for bonding purposes. She indicated this was a good state-wide policy and a good solution.

Ms. Kraus also reviewed the budget, highlighting HURF and indicating that there is intent to start increasing appropriations to DPS and wean off the HURF sweeps. She also reminded the Executive Committee that the League was able to work on amending a number of bills, including the negotiations of two small cell bills. They also negotiated bills relating to Communities Facilities Districts (CFDs) and Government Property Lease Excise Tax (GPLET) that resulted in good compromises.

Ms. Kraus highlighted bills that had been defeated, including a bill that said cities and towns could not own motels or hotels.

One bill we were unable to defeat was Senate Bill 1152, which says that if a city or town increases their sales tax at an election, they have to hold the election in the even-numbered year fall cycle. This bill is intended to provoke a new lawsuit challenging the authority of Charter Cities in Arizona and supporters are hoping the court, with two additional members, will decide against Charter authority.
The League did send a veto request to the governor, as we felt it was important the governor and the public knew our concerns.

Mr. Strobeck thanked everyone for participating in the legislative update calls on Monday mornings and for reading the League Bulletin. He specifically remarked that when a legislative alert or call to action was sent out, he noticed that people were responding and making calls to their legislators, which really makes a difference when all members speak with one voice.

3. LEAGUE BUDGET FOR 2017-2018

President Tibshraeny welcomed Mayor Tom Schoaf, chairman of the budget committee to report on the League Budget for 2017-2018.

Mayor Schoaf noted that the budget was similar to the previous fiscal year, with some changes reflected for compensation and benefits changes. He did note that they were projecting a revenue shortfall of $33,000 if all expenditures were spent. Mayor Schoaf reminded the Executive Committee that last year they expected a budget deficit of $18,000 and ended up with a surplus. He did recommend budgeting for a small use of revenue reserves.

Mayor Schoaf moved to approve the League FY18 budget; Mayor John Giles seconded the motion and it carried unanimously.

The Executive Committee recessed to move into the League Property Corporation Meeting.

President Tibshraeny resumed the meeting to order at 10:30 a.m.

4. LEAGUE BUILDING SUBCOMMITTEE

President Tibshraeny introduced League Executive Director Ken Strobeck to report on the League Building Subcommittee.

Executive Director Strobeck informed the Executive Committee that the League Building Subcommittee had reviewed some proposals for building improvements and the latest round of estimates was included in the packets. Mr. Strobeck reminded the Committee that the building was showing its age and significant systems such as heating and air conditioning that would be nearing the point of needing replacement. Other items to potentially improve or replace would including lighting, ventilation system, walls and workspace areas. The proposal was to rebuild the entire interior of the building, leaving the exterior virtually unchanged. He also indicated that the proposal would allow for some modernizations that would better energy efficiency and improve heating and ventilation systems.

Mr. Strobeck reminded the Executive Committee that several years ago, the Executive Committee had looked at a $15 million project to demolish and rebuild with a multi-story building and parking garage; this new project would be about $2.5 million and would make modernizations to the current building. He also noted that the League’s electric bill is quite expensive due to inefficient lighting and heating/ventilation units and that they had to do some major work with the elevator this year, which was a large unexpected expense that was incurred.
He reminded the Executive Committee that a League Building Subcommittee was created to indicate interest in the project, but they needed the buy-in of the whole Executive Committee in order to proceed with a discussion of the mechanism of financing.

Mr. Strobeck then turned the floor to League Building Subcommittee Chairman Mayor Schoaf.

Mayor Schoaf indicated that the subcommittee had decided to move from trying to build a new building and decided to renovate the interior based on cost. The cost will still be very significant, but will provide cost-savings to the League with energy savings. He also noted that the subcommittee felt that there would be a variety of benefits that would be indirect, with a more productive and satisfied staff and perhaps a better ability for the League to attract new staff in the future if they have a better facility from which to work.

Mayor Schoaf noted that the subcommittee wanted to present their opinion to the full Executive Committee and ask if they felt the buy-in for the $2.5 million remodel, and additionally if they were to add that expense, that they discuss a potential dues assessment. He told the Committee that a dues assessment would simply assess everyone an extra amount of dues and spread it over a few years, so that the fees wouldn’t come out of any one particular year. Mayor Schoaf said this particular method of financing would make it so that the League would not have any interest on payments. He also indicated that they had looked into the option of bonding. He asked the Executive Committee for their input.

The Executive Committee discussed the option of bonding, which would also require a dues assessment; however, it would be smaller amounts over a longer period of time. Mayor Schoaf also indicated that they would be required to get different proposals on the bond itself. He also discussed the possibility of closely matching per-year bonding costs with the savings in energy costs that would likely come from this project.

Mayor Schoaf said that there was still a lot of work to put into the project and the Subcommittee wanted to get some assurance from the Executive Committee that there was still interest and that the Subcommittee should continue to do research and move forward.

The Committee discussed several options for refurbishment, the possibility of replacing smaller systems individually and prioritizing items of need and with the most cost efficiency, as opposed to doing one renovation all at once.

The Committee did agree that the location of the building was essential to the work of the League and its proximity to the Capitol was ideal.

Several mayors indicated that they did not feel comfortable issuing an assessment at this particular financial time, however, many felt that they would like to move forward in some capacity and begin to look into some cost estimates.

Mayor Lane said that he felt bonding was the best option, as it would spread the cost over a period of time and keep cost assessments down. He also noted that some of the refurbishment of
the electrical and better efficiencies that were discussed might offset against any debt service. He said that while more information is needed, he would support continuing to consider.

Mayor Daniels also discussed the idea that with a remodel, there is the opportunity to add more rental space that could help offset some of the monthly expenses.

Mr. Strobeck said that the whole building is approximately 10,000 feet, with approximately 20% used as rental space.

Mayor Price said that he felt some sort of decision should be made, as even if the decision is to not make any improvements or renovations at this time, issues related may come up down the road and the Committee should consider setting aside money now for future projects.

Based on the discussion from the Executive Committee, President Tibshraeny felt the Committee was split and more preliminary work needed to be done. He suggested to Mayor Schoaf that the Subcommittee continue to work and possibly put some numbers together for the Executive Committee to review, including options for financing and a savings fund should the project be held for a later date.

5. **SB1487 DEVELOPMENTS**

President Tibshraeny welcomed League General Counsel Christina Estes-Werther to provide an update on Senate Bill 1487.

Ms. Estes-Werther informed the Executive Committee that there had been no update since the last time they had met. She reminded the Committee that oral arguments had been held on February 28 with the Arizona Supreme Court and still no decision had been made.

Ms. Estes-Werther indicated that she had spoken with outside counsel immediately following the hearing and they also did not expect a quick response. She also said that there was still the case pending in superior court. If the Supreme Court does not take jurisdiction on the matter, she informed the committee that they would continue down the avenue of the Superior Court.

Ms. Estes-Werther told the Executive Committee that they would continue to be apprised of updates for this matter.

6. **CONSTRUCTION SALES TAX UPDATE**

President Tibshraeny reminded the Executive Committee that this item had been covered during the Legislative Update by Legislative Director Patrice Kraus.

7. **POLICY COMMITTEE REPORTS**

President Tibshraeny recognized Legislative Director Patrice Kraus and Deputy Director Tom Belshe to present the Policy Committee Report.
Legislative Director Kraus reminded the Executive Committee that the Policy Committees were implemented three years ago to get more individuals involved in the policy process and that the Policy Committees are now the only process to develop a League resolution.

Ms. Kraus then turned the floor to Deputy Director Belshe to discuss the suggestions brought forward by the General Administration, Human Resources and Elections (GAHRE) Policy Committee.

Mr. Belshe said that one issue had been brought forward by the City of Maricopa relating to legislators transferring campaign contribution funds. This stemmed from a last-minute budget bill amendment from the 2016 legislative session that allows legislators to use money received through campaign contributions for statewide office or for federal office, but does not allow local elected officials to do the same. In the interest of fairness, the Policy Committee agreed that this was an issue that should be addressed.

Ms. Kraus then introduced League Legislative Associate Tom Savage to present an update on the Transportation Policy Committee.

Legislative Associate Savage said that the committee had introduced two policy issues, one from the City of Sedona and one from the City of Yuma.

Mr. Savage said that Sedona’s policy item was related to off-highway vehicles being used on city streets. The city was seeking clarification in statue as well as some authority to restrict the usage of off-highway vehicles being used on the city streets.

The second issue was presented by the City of Yuma requesting for an increase to Highway User Revenue Funds (HURF). Mr. Savage indicated that both of these items were brought to the committee and further study and revision needed to be completed.

8. 2017 LEAGUE CONFERENCE UPDATE

President Tibshraeny introduced League Communication and Education Director Matt Lore to discuss the upcoming League Annual Conference.

Communication and Education Director Lore reminded the Executive Committee that the League Annual Conference would be held August 22 – 25 at the Hilton El Conquistador in Oro Valley. He said that registration would be opening the week of May 22 and would open first to the League Executive Committee and their staff. Mr. Lore informed the Committee that information would be sent to the full committee and their staff, including intergovers and managers and reminded them to register quickly as the hotel typically sells out. He also provided a handout for the Executive Committee that would allow them to indicate room preference at the hotel.

Mr. Lore also directed the Executive Committee to the League Annual Conference sponsorship program. He reminded the Committee that the conference is the second largest revenue generator for the League and a large portion of that revenue comes from conference sponsors. Mr. Lore directed the Committee to the sponsor packet and reminded the Committee that if they had any
organizations or businesses they thought would be interested in sponsorship, to let League Staff know and they could reach out.

9. PUBLIC OPINION SURVEY

President Tibshraeny welcomed League Executive Director Ken Strobeck to present on the Public Opinion Survey.

Executive Director Strobeck reminded the Executive Committee that a Subcommittee had been put together to discuss and create a Public Opinion Survey project. He informed the Executive Committee that the survey committee had met several times to discuss the survey and questions and also met with the firm Highground.

Mr. Strobeck then introduced Paul Bentz from Highground to present the findings from the survey.

Mr. Bentz summarized the findings of the survey, indicating that the League of Arizona Cities and Towns, and cities and towns in general, remain popular with their constituents. The survey tested public opinion of these ideas at both the statewide and local level. A copy of the survey and its findings was included in the Executive Committee meeting packet.

Seeing no further business, President Tibshraeny adjourned the meeting at 11:46 a.m.
Agenda Item #2  PSPRS Update; New League Staff Member

Summary: There has been a great deal of attention focused on the Public Safety Personnel Retirement System in the last few months. The new Tier III called for in SB 1428 from the 2015 session officially began on July 1, closing out any new members being enrolled in Tier I and Tier II. The new tier has a 50-50 contribution formula, has different requirements for retirement eligibility, and is targeted to be 100% funded. All PSPRS members are no longer eligible for the Permanent Benefit Increase (PBI), but are eligible for a COLA as prescribed by Proposition 124, adopted in May 2016.

There is an ad hoc legislative committee appointed by House Speaker Mesnard that is holding hearings on the system around the state, and Mayor Oberg of Prescott has convened a series of meetings with other mayors to explore the system and discuss options for paying down the unfunded liability of Tiers I and II. Also, the League’s Pension Task Force has met to discuss recommendations for the implementation of Tier III and other issues.

Additionally, the League has added Nick Ponder to our staff to monitor the activities of the PSPRS Board and administration, to develop information and data on all the Tiers for legislators, and to provide direct consulting assistance to our member cities and towns.

Nick will provide an update on his activities since joining the League staff.

Responsible Person: Nick Ponder, League Pension Policy Analyst

Attachments: Nick Ponder Resume
              Pensions report
PERSONAL STATEMENT

Professional Government Relations Officer with more than twelve years of service in both city and state government, with a background in pensions. Proven track record of advising on policy, preparing legislative reports, proposing and drafting legislation, and fostering relationships with key decision makers. Thorough working knowledge of legislative and regulatory process on both a state and local level.

PROFESSIONAL EXPERIENCE

Arizona State Retirement System  
GOVERNMENT RELATIONS OFFICER, Dec 2013-Present  
Phoenix, AZ

Management Analyst, Jan 2011-Dec 2013
Sr. Benefits Advisor, Apr 2009-Jan 2011

- Designated ASRS lobbyist tasked with representing the legislative and regulatory interests of the Arizona State Retirement System and its $35B in assets, 550,000 plan participants, and 585 employers to the Arizona Legislature
- Draft legislative policy and vet regulatory proposals put forward by the ASRS
- Communicate ASRS interests to lawmakers, legislative staff, the Office of the Governor, lobbyists, professional associations, and interest groups both in private settings and in public legislative committee meetings
- Partner with executives and board members to identify legislation and regulatory challenges to the agency and research and analyze the implications of policy developments
- Conduct monthly presentations to the ASRS Board of Trustees and External Affairs Committee of the Board on legislation and policy developments at the Capitol
- Present, on an ad hoc basis, to ASRS constituent groups regarding the current state of the ASRS, the agencies history, leveraging the benefits of ASRS, and legislation
- Track more than 30 bills per legislative session, provide detailed analysis of bill impact through a publicly available website and update website throughout the legislative session

Achievements

- Successfully passed twenty-one bills over four legislative sessions, focusing on IRS compliance, plan governance, and actuarial cost methodology
- Defeated fifteen bills over the four legislative sessions, including one bill (HCR2040) that would have required a reallocation of $10.5B in ASRS investments resulting in a less diversified investment portfolio, greater investment risk, and potentially lower rates of return
- Ensured a combined cost savings of $104M in present value over a 30 year period by convincing legislators to oppose two bills (HB2069 & HB2058) in the 2014 Legislative Session, as well as HB2157 in 2016., and HB2010 in 2017.
PROFESSIONAL EXPERIENCE (CONT.)

Fire Department of New York (FDNY), Pension Bureau  
ASSOC. RETIREMENT BENEFITS EXAMINER II, June 2007-Apr 2009  
Brooklyn, NY
Research Assistant, Sep 2004-Oct 2005

- Worked closely with representatives of the Uniformed Firefighters Association and Uniformed Fire Officers Association in analyzing negotiated contracts for pension calculations and counseling beneficiaries of firefighters killed in the line of duty
- Created monthly and ad hoc pension reports for Mayor’s Office and NYC Office of the Actuary
- Investigated pension inquiries and grievances initiated by FDNY members and determined validity of said request
- Represented the FDNY and City of New York in unemployment and Supplemental Security Income (SSI) hearings with the Department of City Administrative Services
- Counseled FDNY members on retirement, disability, annuity, and contribution benefits; Advised 9/11 widows and beneficiaries regarding death benefits

EDUCATION

THE OHIO STATE UNIVERSITY - 2003  
Columbus, OH
Bachelor of Arts in International Relations

SKILLS & RECOGNITION

- Keynote speaker at Arizona Education Association – Retired 2015 Annual Meeting to a group of approximately 120 retired teachers and administrators
- Consistently received performance evaluations of “Exceeds Expectations” or better over each of the last ten years including the comment in the most recent review, “Mr. Ponder in a short period of time has gained the respect of staff, agency management, and the ASRS Board. Equally important is the fact that Nick has become a credible and professional advocating voice at the Capitol on behalf of ASRS initiatives”
- Featured presenter rallying constituent support at events such as AEA Day at the Capitol, Greater Phoenix Educational Management Council, Arizona Fire District Association Annual Conference, and All Arizona School Retirees Association
- Delegates effectively to ensure satellite staff responds in a timely manner to constituent inquiries by members of the legislature

LANGUAGES

100 80

English  Spanish
League Executive Committee

Nick Ponder
Pension Policy Analyst

Pensions, In Focus

1. Tier 3 Implementation
2. House Pension Ad Hoc Study Committee Progress
3. SB1063 & HB2485 from 2017 Legislative Session
4. Hall/Parker Refunds
5. Bi-weekly/Monthly Pension Call
Tier 3 Implementation

- Effective 07/01/2017
- Police and Fire have the option to choose between the Defined Benefit or Defined Contribution plans. If no election is made w/in 90 days they default into the DB plan.
- Employers and employees share in the cost contributions 50/50
- Employees not eligible to pay in to Social Security will also be enrolled into a DC plan with employee and employer contributions of 3% each.
- Contribution cap on the first $110,000 of earnings (adjusted every 3 years)
- Retirement eligibility changes
- Minimum required funded status before COLA’s can be awarded

Ad Hoc Study Committee

- Established by Speaker of the House J.D. Mesnard
- Committee was directed to study:
  - Historical overview of PSPRS
  - Historical impact of PSPRS actuarial and investment assumptions
  - Result of recently enacted reforms [SB1428 (2016) & SB1063 (2017)]
  - Impacts of high PSPRS contribution rates on employers
  - Stakeholder and taxpayer concerns
SB1063, HB2485

- There were 2 major provisions in SB1063 from the 2017 Legislative Session
  1. Confirmed the 50/50 contribution rate split between employees and employers
  2. Established a risk pool for employers with 250 or fewer employees, single-employer accounts for employers with 251 or more employees
- HB2485 permitted employers to make a one-time election to switch from a 20-year amortization to a 30-year amortization period
  - Pros: reduces the employer contribution rate in the short term
  - Cons: increases the total cost of paying down the unfunded liability by accruing interest for an additional 10 years

Hall/Parker Refunds

- Hall (EORP) Supreme Court decision came down November 10, 2016
- In the case of Parker (PSPRS), the PSPRS Board voted to apply the Supreme Court decision to Parker.
- Ruled that changes to the contribution rate and PBI for members participating before the effective date were unconstitutional
- Required PSPRS, through the participating employers, to return contributions to EORP and Tier 1/2 PSPRS participants
- IRS prohibits PSPRS from returning monies to employers resulting from a mistake of law therefore employers must take credits on the refunding amounts
- Pre-judgement interest for Hall = 4.25%, Parker = 5.25%
- Post-judgement interest for Hall = 5.25%, Parker = TBD
- Judgement date Hall = 06/28/2017, Parker = TBD
Bi-Weekly/Monthly Pension Call

- The League has established a bi-weekly/monthly conference call to discuss:
  - PSPRS Tier 3 implementation
  - Questions/Concerns about PSPRS
  - Questions/Concerns about ASRS
  - Progress of ad hoc committee
  - Potential legislative changes proposed by PSPRS/ASRS/Legislature

Questions?

1820 W. Washington St.
Phoenix, AZ 85007
www.azleague.org

@AZCities

602-258-5786
Agenda Item #3  Construction Sales Tax Update

Summary:
The League’s Construction Sales Tax Task Force has reconvened and is finalizing its report and recommendations.

This group played a key role in providing data about the impact to state and local revenues if legislation were enacted that would change our current construction contracting tax to a “materials-only, point-of-sale” system.

It is likely that Representative Regina Cobb will continue to pursue legislation similar to the bill she introduced during the 2017 session (HB 2521). One provision included in this bill would have used building permit values to redistribute a portion of municipal retail taxes. Representative Cobb recently requested building permit information from all cities and towns and League staff has been assisting in the effort to fulfill this request.

League staff has also met with representatives of the construction industry over the interim in an attempt to find agreement on any future changes to the contracting tax system. We continue to hear concerns, both from municipalities as well as from members of the construction industry, about the Maintenance, Repair, Remodel and Alteration (MRRA) system so we will look for opportunities to address some of these issues during the 2018 legislative session.

Responsible Person: Patrice Kraus, Legislative Director
Agenda Item #4  SB1487 Developments

Summary: The Supreme Court heard oral arguments from the Attorney General’s Office, the City of Tucson and the League on February 28th and as of today’s date they have still not issued an opinion and have not asked for any additional information. There have been no new complaints filed by legislators invoking the provisions of SB 1487. The Executive Committee will hear the latest on the case from our General Counsel.

Responsible Person: Christina Estes-Werther, General Counsel

Note: If necessary to discuss legal strategy with our attorney, the Executive Committee may choose to convene in Executive Session.
Agenda Item #5  League Director’s Report:  Interim Activities

Summary:  The pace of League staff activities continues throughout the year, even when the legislature is not in session. It is the season of updates, road shows, affiliate group meetings, research reports, the League Annual Conference and many other activities. This agenda item will include an update on many of those events.

Responsible Person:  Ken Strobeck

Attachments:  Best of the Capitol Award, photo and article
Summary of activities and events
he state Capitol is a keg of competing interests that drips big controversies and never-ending political fights, and few do a better job of playing offense and defense than the League of Arizona Cities and Towns.

Led by Executive Director Ken Strobeck, the league is a lobbying powerhouse that superbly defends the interests of municipalities, particularly their shared revenue with the state, which is a perennial target of sweeps.

The league is involved in some of the biggest policy decisions coming out of the Capitol, including tax overhaul, changes to pensions, and crafting the state budget.

The core of its political fights often revolves around municipal independence and local control, and the league must find a way to offer a unified front, particularly given its own members' varied interests.

Consultant Beth Lewallen noted, “Public policy impacts every corner of our state, and as someone who grew up in northern Arizona, I know how important it is to have both urban and rural perspectives in legislative discussions. The league facilitates those connections, and ensures that local elected officials are informed and involved in decisions that impact their communities.”

Lobbyist Stuart Goodman said the league has one of the toughest jobs at the Capitol.

“They do it with the level of professionalism that is unparalleled,” Goodman said. “They remain a formidable force because of the great work that they do.”
BEST INDUSTRY TRADE & PROFESSIONAL ASSOCIATION

League of Arizona Cities & Towns

Chosen by popular vote of the subscribers of the

ARIZONA CAPITOL TIMES

Stephen Lincoln  
Executive Vice President,  
BridgeTower Media

Luige del Puerto  
Editor, Arizona News Service
Executive Director Report

• Best of the Capitol Award
  • First time ever for the League; recognized as “lobbying powerhouse.”

• Staff Changes
  • Nick Ponder, Pension Policy Analyst
  • Amy Price to Town of Gilbert
  • Samantha Womer to Member Services Associate
  • Emily Webb assisting with conferences, affiliates, publications
  • Summer Interns: APS Summer Intern Ryan Hautzinger and Legal Intern Mickell Summerhays

• League Legislative “Road Show” presentations
  • Florence
  • Oro Valley
  • Cottonwood
  • Flagstaff
  • Yuma
  • Springerville (Apache-Navajo Counties Mayors and Councilmembers)
  • Lake Havasu City (Tri-City Council)
  • Benson
  • League Annual Conference
  • El Mirage

• Publications
  • New Laws Report
  • Monthly Newsletters with new production company
  • League Magazine, summer edition

• Interim workgroups
  • Construction Sales Tax
  • GPLET
  • EcoATM
  • Group Homes
  • Public Utility Easements
  • Small Cell Implementation
• League and Affiliate Groups/Meetings and Conferences
  • League Conference
  • ACAA (City and Town Attorneys)
  • ACMA (City, Town and County Managers)
  • GFOAz (Finance Directors)
  • AMCA (Municipal Clerks)

• City Assistance
  • Open Meetings/Public Records Training
  • Local TPT ordinance updating
  • PSPRS advice
  • Normal calls regarding legal inquiries, media calls, etc.

• Staff travel/conferences
  • Tom Belshe-NLC Mutual Board
  • Alex Vidal-NLC Staff Workshop
  • Ken Strobeck-Arizona Historic Preservation Conference; League Directors Annual Workshop
  • Tom Belshe-ICMA
  • Christina Werther-IMLA

• League Amicus Briefs/Agency Comments
  • Federal Communications Commission Notice of Proposed Rulemaking and Notice of Inquiry regarding wireless broadband deployment and the shortened “shot clock” timeline for action. We filed our Comments on June 15th on the FCC Petitions: Accelerating Wireless/Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment; we filed our Reply to Comments on July 18th. The FCC could issue final rules, further notices of proposed rulemaking, declaratory rulings or take no action at all. Our outside counsel is monitoring and will let us know how the proceeding unfolds. The firm anticipates a legal challenge if the FCC issues rules or a declaratory ruling and we will monitor to determine how this impacts our recent small cell legislation. (Joint response with the League of California Cities and League of Oregon Cities.)
  • Boruch v. State/Mesa. The Court of Appeals has decided that a court may grant an injunction against a government entity that is performing its lawful powers, essentially second-guessing the executive functions of the government entity in these situations, which creates dire consequences when city/town personnel must act in emergency situations.
• Humphrey v. State of Arizona: The State is currently pursuing an appeal that involves two issues that will significantly impact all government entities in Arizona: (1) accrual for purposes of notices of claim (A.R.S. § 12-821.01) and the statute of limitations (A.R.S. § 12-821); and (2) immunity under A.R.S. § 12-820.01(A) (exercise of legislative and administrative functions). These potential defenses arise in nearly every civil lawsuit against a government entity. If the trial court is affirmed, these dispositive arguments for government entities may be weakened.

• Hanlon and French v. Atencio. US Supreme Court case from the Ninth Circuit relating to two Phoenix police officers in which that court held that an individual police officer may be held liable under what it has termed the “integral participation” doctrine, i.e. a police officer may be held liable merely for participating in a chain of events that ultimately led to a constitutional violation, even if that defendant’s own conduct did not violate the Constitution and even where the defendant had no reason to anticipate that another participant might violate a plaintiff’s civil rights. (Joined IMLA’s response.)

• League Statement in response to Goldwater Institute/ACLU paper on City Courts
Agenda Item #6  Resolutions

Summary: A resolution in memory of former League Executive Director Jack DeBolske is enclosed for action by the Executive Committee.

Resolutions of Appreciation for Mayor Harvey Skoog of Prescott Valley and Mayor Harry Oberg of Prescott are also enclosed for action by the Executive Committee.

Responsible Person: President Jay Tibshraeny

Attachment: Resolution in Memory of Jack DeBolske
Resolutions of Appreciation

Action Requested: Approval
RESOLUTION IN MEMORY OF

Jack DeBolske

A RESOLUTION EXPRESSING SYMPATHY TO THE FAMILY OF JACK DEBOLSKIE ON HIS PASSING AND GRATEFUL APPRECIATION FOR THE MAJOR IMPACT HE HAD ON THE LEAGUE AND LOCAL GOVERNMENT IN ARIZONA.

WHEREAS, JACK DEBOLSKE served as Executive Director of the League of Arizona Cities and Towns for 40 years, from 1957 to 1997; and

WHEREAS, JACK DEBOLSKE provided visionary leadership to cities and towns across the state by assisting in the incorporation of many of them and facilitating the establishment of the council-manager form of government; and

WHEREAS, JACK DEBOLSKE was instrumental in the creation of the Maricopa Association of Governments which he led from 1967 to 1996; and

WHEREAS, JACK DEBOLSKE developed the 1972 citizen ballot initiative that established the Urban Revenue Sharing system in Arizona and led the campaign for its passage; and

WHEREAS, JACK DEBOLSKE advocated legislation that led to the establishment of the Risk Pool for property liability and workers compensation insurance for municipalities in Arizona; and

WHEREAS, JACK DEBOLSKE helped negotiate Arizona’s landmark 1980 Groundwater Management Act which put the state on a path to water sustainability that enables growth to this day; and

WHEREAS, JACK DEBOLSKE spearheaded the effort to pass Prop. 300 in 1985 which instituted a half-cent sales tax in Maricopa County to finance the regional freeway system;

NOW, THEREFORE BE IT RESOLVED, that the deepest sympathies of the League of Arizona Cities and Towns be extended to the family of JACK DEBOLSKE on his passing; and further

THAT BE IT RESOLVED, the cities and towns of Arizona and express their grateful appreciation for the many years of loyal service and dedication that JACK DEBOLSKE gave to the League, cities and towns and the principles of local government; and further

THAT BE IT RESOLVED, that the League expresses support for the naming of a portion of the Maricopa County Freeway System in honor of JACK DEBOLSKE as recognition of his leadership and advocacy leading to its creation.
RESOLUTION OF APPRECIATION FOR

Harvey Skoog

A RESOLUTION EXPRESSING THE APPRECIATION OF THE EXECUTIVE COMMITTEE OF THE LEAGUE OF ARIZONA CITIES AND TOWNS TO HARVEY SKOOG FOR HIS DEDICATED SERVICE TO LOCAL GOVERNMENT IN ARIZONA.

WHEREAS, HARVEY SKOOG has served the citizens of the Town of Prescott Valley on the council for 24 years and as Mayor for 18 years; and

WHEREAS, HARVEY SKOOG has provided outstanding service to the League as a member of the Executive Committee from 1995-1998 and from 2007-2017; and

WHEREAS, HARVEY SKOOG served on the League Resolutions Committee, the League Resolutions Subcommittee, the League Nominating Committee and other special League committees; and

WHEREAS, HARVEY SKOOG was an active participant in League meetings and Conferences as a speaker and a presiding officer; and

WHEREAS, HARVEY SKOOG was actively engaged with legislators about League issues of importance to cities and towns; and

WHEREAS, HARVEY SKOOG represented the League on the Arizona Department of Homeland Security Senior Advisory Committee; and

WHEREAS, HARVEY SKOOG always has an engaging demeanor, a smile and a positive word about his town staff, friends, family, colleagues and League staff;

NOW, THEREFORE BE IT RESOLVED, that the grateful appreciation of the League of Arizona Cities and Towns be extended to HARVEY SKOOG for his service to municipal government in Arizona and to the League.
RESOLUTION OF APPRECIATION FOR

Harry Oberg

A RESOLUTION EXPRESSING THE APPRECIATION OF THE EXECUTIVE COMMITTEE OF THE LEAGUE OF ARIZONA CITIES AND TOWNS TO HARRY OBERG FOR HIS DEDICATED SERVICE TO LOCAL GOVERNMENT IN ARIZONA.

WHEREAS, HARRY OBERG has served the citizens of the City of Prescott as Mayor since 2015; and

WHEREAS, HARRY OBERG has provided outstanding service to the League as a member of the Executive Committee from February – August 2017; and

WHEREAS, HARRY OBERG helped elevate the issue of the Public Safety Personnel Retirement System (PSPRS) before state and local policy makers; and

WHEREAS, HARRY OBERG was actively engaged with legislators about League issues of importance to cities and towns; and

NOW, THEREFORE BE IT RESOLVED, that the grateful appreciation of the League of Arizona Cities and Towns be extended to HARRY OBERG for his service to municipal government in Arizona and to the League.
Additional Informational Materials
Not Part of the Agenda

League Budget Report

Property Corporation Budget Report

Letter to Senators McCain and Flake regarding Better Care Reconciliation Act

ARTICLE: Arizona Republic – The “father of Phoenix-area freeway systems’ has died at 89

ARTICLE: Arizona Republic – Robb: If you like how metro Phoenix turned out, thank Jack DeBolske

ARTICLE: Phoenix Business Journal – Run silent, run deep: Arizona political patriarch Jack DeBolske dead at 89

ARTICLE: AZBIGMEDIA – MAG mourns passing of founder Jack DeBolske
## League of Arizona Cities & Towns

**FY 2016-2017 Budget vs. Actual**

**July 2016 through June 2017**

<table>
<thead>
<tr>
<th>Ordinary Income/Expense</th>
<th>Jul '16 - Jun 17</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4057 · Valley Schools Health Pool</td>
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<td>25,000.00</td>
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<td>4000 · Affiliate Group Contribution</td>
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<tr>
<td>4005 · Annual Conference</td>
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<td>395,000.00</td>
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</tr>
<tr>
<td>4010 · Dues</td>
<td>1,938,081.00</td>
<td>1,938,076.00</td>
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<td>100.0%</td>
</tr>
<tr>
<td>4020 · Miscellaneous</td>
<td>41,238.26</td>
<td>30,000.00</td>
<td>11,238.26</td>
<td>137.5%</td>
</tr>
<tr>
<td>4035 · Seminars &amp; Meetings</td>
<td>110,485.47</td>
<td>145,000.00</td>
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<td>4040 · Interest Income</td>
<td>52,018.00</td>
<td>30,000.00</td>
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<tr>
<td>4055 · US Communities Purchasing P...</td>
<td>15,153.64</td>
<td>12,000.00</td>
<td>3,153.64</td>
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<td><strong>Total Income</strong></td>
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<td>2,712,026.00</td>
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<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5005 · Annual Conference (Expense)</td>
<td>256,385.56</td>
<td>230,000.00</td>
<td>26,385.56</td>
<td>111.5%</td>
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<tr>
<td>5010 · Benefits</td>
<td>441,398.56</td>
<td>523,000.00</td>
<td>-81,601.44</td>
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<tr>
<td>5015 · Capital Outlay</td>
<td>20,010.27</td>
<td>20,000.00</td>
<td>0.27</td>
<td>100.1%</td>
</tr>
<tr>
<td>5025 · Contingency</td>
<td>0.00</td>
<td>10,000.00</td>
<td>-10,000.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>5030 · Equipment Rental &amp; Maintena...</td>
<td>12,546.57</td>
<td>20,000.00</td>
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<tr>
<td>5035 · Executive Committee</td>
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<tr>
<td>5050 · Insurance</td>
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<td>7,600.00</td>
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</tr>
<tr>
<td>5055 · Postage &amp; Shipping</td>
<td>5,813.22</td>
<td>6,000.00</td>
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</tr>
<tr>
<td>5057 · PR &amp; Communications</td>
<td>42,560.00</td>
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<td>-22,440.00</td>
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<tr>
<td>5060 · Printing</td>
<td>9,623.93</td>
<td>10,000.00</td>
<td>-376.07</td>
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<tr>
<td>5065 · Professional Services</td>
<td>5065-1 · Accounting Services</td>
<td>44,278.91</td>
<td>44,000.00</td>
<td>278.91</td>
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<tr>
<td>5065-3 · Legal Services</td>
<td>286,674.74</td>
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<td>115,674.74</td>
<td>646.6%</td>
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<tr>
<td>5065-2 · Contract Lobbying &amp; Cons...</td>
<td>113,068.83</td>
<td>107,000.00</td>
<td>6,068.83</td>
<td>105.7%</td>
</tr>
<tr>
<td><strong>Total 5065 · Professional Services</strong></td>
<td>286,674.74</td>
<td>171,000.00</td>
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</tr>
<tr>
<td>5070 · Rent</td>
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</tr>
<tr>
<td>5071 · Salaries</td>
<td>1,279,851.92</td>
<td>1,350,000.00</td>
<td>-70,148.08</td>
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</tr>
<tr>
<td>5075 · Seminars and Meetings</td>
<td>66,186.04</td>
<td>48,000.00</td>
<td>18,186.04</td>
<td>137.9%</td>
</tr>
<tr>
<td>5085 · Subscriptions &amp; Dues</td>
<td>65,350.73</td>
<td>62,000.00</td>
<td>3,350.73</td>
<td>105.4%</td>
</tr>
<tr>
<td>5090 · Supplies</td>
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<td>38,000.00</td>
<td>5,192.63</td>
<td>113.7%</td>
</tr>
<tr>
<td>5095 · Telecommunications</td>
<td>26,725.58</td>
<td>30,000.00</td>
<td>-3,274.42</td>
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</tr>
<tr>
<td>5100 · Travel</td>
<td>18,621.44</td>
<td>25,000.00</td>
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<td><strong>Total Expense</strong></td>
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<td>2,730,600.00</td>
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</tr>
<tr>
<td><strong>Net Ordinary Income</strong></td>
<td>68,127.25</td>
<td>-18,574.00</td>
<td>86,701.25</td>
<td>-366.8%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>68,127.25</td>
<td>-18,574.00</td>
<td>86,701.25</td>
<td>-366.8%</td>
</tr>
</tbody>
</table>
# FY 2016-2017 Budget vs. Actual
## July 2016 through June 2017

<table>
<thead>
<tr>
<th>Ordinary Income/Expense</th>
<th>Jul '16 - Jun 17</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4000 · Rental Income</td>
<td>110,408.80</td>
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</tr>
<tr>
<td>4005 · Miscellaneous</td>
<td>0.00</td>
<td>2,000.00</td>
<td>-2,000.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>4010 · Interest</td>
<td>36.97</td>
<td>50.00</td>
<td>-13.03</td>
<td>73.9%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>110,445.77</td>
<td>121,450.00</td>
<td>-11,004.23</td>
<td>90.9%</td>
</tr>
<tr>
<td>Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5000 · Maintenance Services/Agreements</td>
<td>34,404.65</td>
<td>34,000.00</td>
<td>404.65</td>
<td>101.2%</td>
</tr>
<tr>
<td>5015 · Utilities</td>
<td>33,746.64</td>
<td>33,000.00</td>
<td>746.64</td>
<td>102.3%</td>
</tr>
<tr>
<td>5020 · Repairs and Maintenance</td>
<td>16,237.90</td>
<td>12,000.00</td>
<td>4,237.90</td>
<td>135.3%</td>
</tr>
<tr>
<td>5025 · Operating Expenses</td>
<td>6,794.79</td>
<td>6,250.00</td>
<td>544.79</td>
<td>108.7%</td>
</tr>
<tr>
<td>5030 · Accounting and Auditing</td>
<td>7,120.00</td>
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<td>120.00</td>
<td>101.7%</td>
</tr>
<tr>
<td>5035 · Insurance</td>
<td>5,363.00</td>
<td>5,200.00</td>
<td>163.00</td>
<td>103.1%</td>
</tr>
<tr>
<td>5040 · Capital Outlay</td>
<td>28,138.03</td>
<td>24,000.00</td>
<td>4,138.03</td>
<td>117.2%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>131,805.01</td>
<td>121,450.00</td>
<td>10,355.01</td>
<td>108.5%</td>
</tr>
<tr>
<td><strong>Net Ordinary Income</strong></td>
<td>-21,359.24</td>
<td>0.00</td>
<td>-21,359.24</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>-21,359.24</td>
<td>0.00</td>
<td>-21,359.24</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
June 27, 2017

The Honorable John McCain  
218 Russell Senate Office Building  
Washington, DC 20510

The Honorable Jeff Flake  
Senate Russell Office Building 413  
Washington, D.C. 20510

Dear Senators McCain and Flake:

On behalf of the 91 municipal members of the League of Arizona Cities and Towns, we are writing today to express our concern about the Better Care Reconciliation Act, the pending health care legislation released last week by the U.S. Senate.

While we acknowledge there are significant problems with the Affordable Care Act, we are equally concerned that the proposed bill will impact the Medicaid expansion program in Arizona which in turn will negatively impact the State budget by as much as $7 billion over the next 9 years. Consequently that directly affects the economic health of cities and towns across the state.

We are also hearing from our member cities and towns — particularly those in rural areas — that their local community hospitals do not have the resources to help care for the increased number of uninsured if Medicaid coverage goes away. Even hospitals in larger cities have warned of layoffs and delays or cancellation of new facilities. Those kinds of decisions have a direct effect on local budgets, especially when local healthcare facilities represent such a large percentage of the economy.

We certainly want to see the concerns related to the Affordable Care Act addressed, but we encourage you to take the time necessary to craft a solution that does not have such a detrimental consequence on the people of Arizona.

We appreciate your advocacy and hard work on this and other issues.

Sincerely,

Jay Tibshraeny, President  
Mayor of Chandler

Mark Nexsen, Vice President  
 Mayor of Lake Havasu City

Christian Price, Treasurer  
Mayor of Maricopa
The 'father of Phoenix-area freeway systems' has died at 89

Jack DeBolske, a longtime regional-government advocate who once was described as the most powerful man in Arizona, has died at 89.

DeBolske, known as the father of the Phoenix area's freeway system, defined the role of regional government in Arizona, serving as executive director of the League of Arizona Cities and Towns for 40 years until his retirement in 1997.

DeBolske also created the Maricopa Association of Governments and led it from 1967 until 1996, using it as a planning mechanism from which to launch a number of major initiatives on issues ranging from transportation to air quality.

"In Arizona, the highest honor we have for city and county managers who display professional excellence and exemplary leadership is the Jack DeBolske Award," Phoenix Mayor Greg Stanton said Wednesday. He called DeBolske "a class act, a visionary and a public-policy legend."

DeBolske's ability to rally local governments behind important regional policies often made him enemies in the Arizona Capitol. Once, enraged lawmakers tried to strip MAG of the power to oversee urban freeway planning because of disagreements regarding funding and priorities.

Ken Strobeck, current executive director of the League of Arizona Cities and Towns, said in an email to Valley mayors that DeBolske died Tuesday. Funeral arrangements are pending.

Strobeck noted that DeBolske gave cities and towns a combined voice in legislative affairs, while also helping negotiate Arizona's landmark 1980 Groundwater Management Act and establishing a risk pool for property liability and workers compensation insurance for municipalities.

"He was a strong advocate for excellence in city management and was instrumental in having the council-manager form of government adopted in municipalities throughout the state," Strobeck wrote. "He spearheaded the 1972 citizen ballot initiative that established the Urban Revenue Sharing system in Arizona, and he was instrumental in the passage of Proposition 300 in 1985, which instituted a half-cent sales tax in Maricopa County to finance the regional freeway system."

In 2011, he was awarded an Arizona Transportation Legacy Award. Two years ago, he also was honored with an ASU Morrison Institute for Public Policy Legacy Award, Strobeck said.

READ MORE:

ADOT eyes diverging diamonds instead of roundabouts (/story/news/local/phoenix-traffic/2017/07/19/adot-may-replace-roundabouts-diverging-diamond-design-interchange/490345001/)

OPINION: Recapturing our vision for groundwater (http://archive.azcentral.com/arizonarepublic/opinions/articles/2010/06/08/20100608ferris08.html)

Loop 303 carves new West Valley identity (/story/news/local/glendale/2014/05/09/loop-carves-new-west-valley-identity/8925485/)
Phoenix-area freeway history

*Robert Robb: From how cities are financed to how we get around, no one had more influence on modern metro Phoenix than a man virtually no one knows.*

Jack DeBolske, who [passed away this week](https://www.azcentral.com/story/news/local/phoenix/2017/07/20/jack-debolske-was-influential-metro-phoenix/500330001/), had a greater influence on the development of the modern Phoenix metro area than any other figure in our history.

More than any governor, senator or member of Congress. More than any mayor or state legislator.

That most of you probably have never heard of him is exactly as Jack wanted it. He was a behind-the-scenes guy. But behind the scenes, he was a relentless and inexorable force.

When I tangled and danced with Jack, in the 1970s and 1980s, he wore two hats. He was head of the League of Arizona Cities and Towns and the Maricopa Association of Governments, a regional planning agency.

Honest, competent and relatively efficient municipal governments are one of the unheralded economic advantages of the Valley.

That’s part of Jack’s legacy. He knew that good government was found in the nitty-gritty of service delivery and sound management. He inculcated that in generations of city professionals.

**Almost every city uses his 'home rule'**

As I indicated, Jack was both an adversary and a partner. A story to illustrate each.

In 1980, I was a legislative bugler for the Arizona Chamber of Commerce. Shortly after [California passed Jarvis-Gann](https://www.azcentral.com/story/news/local/phoenix/2017/07/20/jack-debolske-was-influential-metro-phoenix/500330001/), the Legislature started working on a comprehensive set of tax and spending limits to submit to voters.

The chamber was touting a spending limit for local governments based upon population growth and inflation. Local governments would be given flexibility, including the ability to ask voters for permanent additional spending capacity by adjusting the base. But population growth and inflation would remain the touchstone.

This, obviously, was anathema to the League. Jack was a masterful and creative tactician. Given the prevailing political winds at the time, he knew outright opposition was undoubtedly futile. So, instead, he concocted and promoted what he called a “home rule” option.

The population growth and inflation limit would be the default constraint. But cities could ask their voters to approve an alternative spending limit, which would be in effect for four years, subject to renewal.
The Legislature referred the entire package to the voters, who enshrined it in the state Constitution.

More than three decades later, I don’t think there’s a single Arizona city living under the population growth and inflation limit. All, or virtually all, have adopted home rule alternatives. Some are pretty brazen: Our spending limit is whatever our council decides to spend.

The freeway system was largely his, too

Despite bucking the prevailing political winds, DeBolske created the exception that swallowed the rule.

In 1984, I had changed uniforms and was toiling for the Phoenix Chamber of Commerce. MAG proposed property tax bonds to build what was known at that time as the Outer Loop, roughly today’s Loop 101.

Property taxes fell disproportionately on the business community. And some downtown advocates on the chamber board feared the effect of building only the Outer Loop on infill. So, I was tasked with working with MAG to develop a funding plan for an entire network of freeways for the Valley.

Jack was game, and thus commenced what seemed an endless series of work sessions in the basement of Jack’s lair at the League.

The combined staffs dusted off a Valley freeway plan that had been developed in the 1960s, updated it and produced some cost figures for it. Finding a revenue source to match was frustrating. The size of the increase in a gas tax or property tax was too big to be politically palatable.

Mostly through a process of elimination, we turned to the sales tax. A half cent did the trick, and that seemed politically doable.

Jack's persistence made it happen

So, Jack and I sallied forth to make the politics work, which it did. The Legislature passed enabling authority. Voters approved the tax in 1985.

And today, rather than a single freeway Valley residents called something different every time it turned a corner, we have a network of freeways that stitch the metro area together.

The birth of the Valley’s freeway system is commonly described as a collaboration between the chamber and MAG. And in a sense, it was.

But in another sense, it wasn’t. The rest of us were there only because of Jack’s persistence. He was indefatigable in the pursuit of what he thought the Valley needed to improve and progress. Decades of slow or no progress didn’t deter him a bit.

I used to kid Jack that the freeway network should be named the Jack DeBolske Freeway System. His invariable response: So long as it’s not the Jack DeBolske Memorial Freeway System.

Now, that’s exactly what the freeway system, or at least a component of it, should be officially named.
Run silent, run deep: Arizona political patriarch Jack DeBolske dead at 89

Jul 19, 2017, 3:24pm MST  Updated: Jul 19, 2017, 4:09pm MST

Jack DeBolske, the longtime director of the League of Arizona Cities and Towns and a founder of the Maricopa Association of Governments, died Tuesday afternoon. He was 89.

DeBolske headed the league for an impressive 40 years, during which time he cemented a lengthy political legacy that includes being a "guiding force" behind the creation of the regional highway system in the Valley.

"You're driving on his vision today," said Dennis Smith, a DeBolske protege and the current executive director of MAG.

DeBolske was also instrumental in making the council-manager system the de facto form of municipal government in the state, a form he believed was more efficient and accountable, as well as advocating for state-shared revenues to ensure uniform income tax policy.

"Because of his integrity, people would work with him, and they would trust him," Smith said. "Jack's reputation was Arizona wide."

His impact was so significant that the state named a city and county management award after him, said a statement from Phoenix Mayor Greg Stanton.

"Jack was a class act, a visionary and a public policy legend who helped shape our state for four decades as Executive Director of the Arizona League of Cities and Towns," Stanton said.

DeBolske was part an old breed of Arizona politicians who hailed from a time truer to the state's rough-and-tumble Wild West roots.
"He had a really dynamic, very strong — some people felt he was abrasive and aggressive — but it was very much a Western style," said Ken Strobeck, director of the League of Arizona Cities and Towns. "The force of his personality was able to move legislation, to get governors to sign bills. He kind of fits in with the legacy of Barry Goldwater, John Rhodes — legendary personalities in Arizona politics."

His buck-stops-here persona carried over to his management style, Smith said,

"He was a straight shooter. You didn't have to wonder what he said one day, because it was the same thing, he told it to you straight even if it hurt," he said.

But despite his lasting legacy, DeBolske had little interest in making headlines. He understood that his organizations ultimately served in an advisory role to elected officials, even if he felt those officials were committing folly.

"One of Jack's sayings was 'elected officials have the ultimate right to be wrong,'" Smith said. "You give them your best advice, you try to steer them in a certain way, but once they've made a decision, that's what we're doing. His whole thing was, get it done, run silent, run deep."

Arren Kimbel-Sannit
Editorial Intern
Phoenix Business Journal
MAG mourns passing of founder Jack DeBolske

Posted July 19, 2017 by AZ Business Leaders

The Maricopa Association of Governments (MAG) announced the passing of its founder, Jack DeBolske. DeBolske passed away yesterday at the age of 89. DeBolske led MAG under the title of MAG Secretary from 1967 to 1996.

“I worked with Jack over the years and I am saddened to hear of his loss,” said MAG Chair Jackie Meck, mayor of Buckeye. “Jack DeBolske leaves a legacy of leadership that had a lasting impact on the formation of our region and our state, serving as the Executive Director of the League of Arizona Cities and Towns for four decades and as MAG Secretary for 30 of those years.”

Phoenix Mayor Greg Stanton said, “In Arizona, the highest honor we have for city and county managers who display professional excellence and exemplary leadership is the Jack Debolske Award. He led the fight to build our regional freeway system. He was instrumental in creating the city manager form of government and the voter-approved state shared revenue system that keeps each of us who live in cities and towns secure and safe.”

Jack DeBolske stepped away from policy making two decades ago, but his impact is felt here every day and will continue to make Phoenix and our state a better place far into our future.”

DeBolske set up the structure of MAG to include a governing body made up of elected officials from local governments, including cities, towns, county, and Native American Indian Communities. He also insisted on creating a Management Committee of the managers of those local governments to assist in policy
guidance and direction. He was instrumental in the development of Proposition 300, which implemented a half-cent sales tax for transportation that built the regional freeway system.

“Jack made an indelible impression on the organization, the region, and on me personally,” said MAG Executive Director Dennis Smith, who worked for Jack from 1976 to 1996. “I was fortunate to have worked and learned from Jack for 20 years. His honesty and integrity meant the most to him,” said Smith. “As a boss, he always had your back. He understood that the elected officials led the organization and it was not about him. His signature MAG accomplishment was the creation of the regional freeway system through the passage of Proposition 300 that was overwhelmingly approved by the voters. MAG was one of the first in the nation to use a sales tax to fund transportation. In addition to transportation, Jack also made his mark in air quality legislation, human services and population estimates and projections.”

Ken Driggs, former MAG staff coordinator and former executive director of the Regional Public Transportation Authority, also recalled the incredible trust the elected officials placed in Jack.

“He was strong and he knew the system. He knew how to work with the Legislature, he knew how to work with people around the state and how to balance different pressures,” said Driggs. “Jack DeBolske had built up credibility about his ability to work with city officials around the state and therefore, there was a trust relationship that allowed MAG to move forward.”

MAG was founded on April 12, 1967, and is celebrating its Golden Anniversary. In the Foreword to a recent book documenting the organization’s 50-year history released in June, Jack wrote, “We were fortunate to have great elected officials throughout MAG’s history who were willing to take risks. They were willing to take advice and counsel and then make decisions. These were the founders of MAG and that leadership continues today….I am honored to be a part of this incredible history.”

Smith says Jack’s service will be remembered for decades to come. “He will be greatly missed, but his legacy lives on through MAG,” said Smith.