BALLOT PROPOSITION PETITION

Caption: An Amendment to the Austin City Charter to require an Independent Affordability and Efficiency Initiative on a regular basis and before any tax rate increase election and requiring the Independent contractor to identify annual and multi-year savings that exceed the cost of the contractor's service.

CHARTER AMENDMENT

The Charter of the City of Austin is hereby amended as follows:

ARTICLE VII, add § 18. – INDEPENDENT AFFORDABILITY & EFFICIENCY INITIATIVE

(A) By this Charter amendment, the People of Austin hereby require that an Independent Affordability and Efficiency Initiative ("IAEI") be performed as required by this provision.

(1) The IAEI shall include independent professional analysis and recommendations for changes that:

(a) as the top priority, ensures that the cost-of-living attributable to the City government is benchmarked to measures of Affordability of Austin residents and businesses of various levels of income and wealth;

(b) maximize the Performance of all City offices by creating and using measures and performance metrics of workload, costs, and outcomes to evaluate Performance of City offices;

(c) streamline and optimize the staffing and management Organization structure of the City for effectiveness and efficiency;

(d) develop measures and performance metrics of workload, costs, and outcomes that will be used to ensure Accountability of all entities contracting with the City to evaluate their Performance and condition payment on meeting such performance measures;

(e) identify Spending that can be reduced or eliminated;

(f) include a Forensic Accounting Analysis to publicly reveal and eliminate risks for fraud, conflicts-of-interest, waste, and abuse resulting from inadequate internal controls;

(g) ensure complete Transparency of Spending and Performance by all City offices and City contracting entities; and

(h) benchmark and compare all elements of the operation of the City, whether performed internally or by outside contractors, with similar Texas peer cities and programs.

(2) The scope of the Initiative does not include any matters included in Austin City Charter, Article VII, § 16 (Independent Audit). The scope of the Initiative must include review of all capital assets, sources of revenue, and expenditures of all parts of the City of Austin that are required by generally accepted accounting principles (GAAP) to be included in the City's Annual Comprehensive Financial Report. However, the Initiative may be done in phases to begin with all City Funds and Departments except for Austin Electric, Austin Water, and Austin Airport Funds and then proceed to those component enterprises as determined by the City Auditor to best achieve the goals of the Initiative.

(3) The independent entity chosen to conduct the Initiative must, as determined by the City Auditor, have performed the same or similar work previously, must be independent of the City, and must be selected by competitive process by the City Auditor within 120 days after passage of this Amendment. The Initiative Independent Contractor must, by contract, commit to identify annual or multi-year cost savings that exceed the cost of the Contractor's services. The Initiative Independent Contractor must complete the Initiative within 1 year of the contract engagement.

(4) The Initiative must be repeated and completed every five (5) years after the completion of the first Initiative or more often as required herein. The City Council is hereby prohibited from ordering an election to increase the City's maintenance and operation ad valorem tax unless an Initiative complying with this Charter provision has been completed within one (1) year before such an election would occur.

(5) All drafts of the Initiative received by the City Auditor and all information gathered by the Initiative Independent Contractor is public information and shall be made available to the public upon request.

(B) The Austin City Council, City Manager, and City Auditor have a nondiscretionary duty and must take all actions necessary to implement the IAEI in the manner and as required by this Charter provision.

(1) The City Auditor shall be provided funds and resources by the City Council sufficient to carry out the following duties of the City Auditor: (a) to timely prepare the Scope of Services for the Initiative and contractor's assistance in an implementation plan; (b) identify the experience and qualifications necessary for the independent contractor; (c) to oversee the competition, selection, and contracting of the Initiative Independent Contractor; (d) to pay for the Initiative Independent Contractor's services. The City Auditor may create an advisory group of government financial experts to assist in the performance of the Auditor's duties regarding the Initiative.

(2) The City Manager, all city contractors, and all other City component enterprises must promptly and efficiently provide any information requested by the

Initiative Independent Contractor for the Initiative. All City of Austin officials, staff, contractors, and personnel of component enterprises are prohibited from interfering in the conduct of the Initiative or the independence of the Initiative Independent Contractor.