CITY OF SAN DIEGO

Proposition C

(This proposition will appear on the ballot in the following form.)

PROP C AMENDS THE CHARTER OF THE CITY OF SAN DIEGO BY AMENDING SECTION 141 CONCERNING THE CITY EMPLOYEES' RETIREMENT SYSTEM. Shall the City Charter be amended to change the vesting requirement of the City Employees' Retirement System from ten years to five years?

Full text of this proposition follows the arguments.

ARGUMENT IN FAVOR OF PROPOSITION C

BEST POSSIBLE WORKFORCE

Proposition C helps the City attract and retain the best possible workforce to better serve the San Diego community. 5-year vesting offers the City more opportunity to hire qualified senior employees from the private sector. It is a "win win" proposition. That is why the Board of Administration for the City Employees' Retirement System and the San Diego County Taxpayers' Association support Proposition C.

FAIRNESS FOR PUBLIC WORKERS

Proposition C amends the vesting requirement of the City Employees' Retirement System to make it consistent with other public and private retirement systems. 5-year vesting is the standard in private retirement systems. Most public retirement systems also have 5-year vesting, including the California Public Employees Retirement System, the State Teachers Retirement System, and most California County retirement systems. That is why the Unions representing the City's Police, Fire Fighter and Non-safety employees all support Proposition C.

RETIREMENT SYSTEM PAYS FOR COST

The current cost of the change from 10-year to 5-year vesting will be paid from the Retirement System's reserves. It is not paid by the City's General Fund which is paid for by taxpayers.

VOTE YES ON PROPOSITION C

TONI ATKINS San Diego City Councilmember

RON SAATHOFF President, San Diego Fire Fighters Assn. and Trustee, City Employees' Retirement System FREDERICK W. PIERCE, IV President, (SDCERS)

BILL FARRAR President San Diego Police Officers Association

ARGUMENT AGAINST PROPOSITION C

Incredible! During this economic downturn, the city is trying to provide another financial windfall for city employees. Supposedly this is needed because San Diego is not rewarding its employees sufficiently.

But the City Manager spilled the beans with his 12/14/2001 Weekly Report:

"The City was named one of the 'Best Companies to Work for in San Diego' in 2001 at a Dec. 11 award ceremony presented by the *San Diego Business Journal* and the San Diego Workforce Partnership. In 2001, the City had an employee retention rate of nearly 97 percent. This can be attributed, in part, to several City programs that emphasize interpersonal communication, employee empowerment and satisfaction, a competitive benefits package, a variety of training programs, and rewards and recognition for exemplary work."

A retention rate of **<u>NINETY-SEVEN PERCENT?!</u>** Rather than having a retention problem, the city can't get anybody to leave! After deaths and retirements are taken into account, city job openings are few and far between.

Clearly the city's total compensation package is <u>FAR</u> better than what most private companies can pay their employees. Along with the high compensation comes labor union job security and civil service protection -- making it all but impossible to fire most city workers.

Did you ever wonder why the city doesn't do much advertising of job openings? The city wouldn't want thousands of people mobbing city hall, seeking one of the coveted few openings in city government!

The bottom line is that we taxpayers are the <u>real</u> employers of city workers, and they are paid out of OUR pockets. How come we compensate them at a far higher rate than most of us make in our own jobs?

As the City Manager admits, the city employers already are <u>well</u> paid (and then some).

Vote NO on Proposition C.

RICHARD RIDER Chair, San Diego Tax Fighters

JACK R. SANDERS Property Management EDWARD M. TEYSSIER Chair, San Diego Libertarian Party

JOHN MURPHY Retired Businessman

SARAH N. BAKER Attorney

PROPOSED CHARTER AMENDMENT

The portions of the charter to be added are <u>underlined</u> and the portions to be deleted are printed in strike-out type.

ARTICLE IX THE RETIREMENT OF EMPLOYEES SEC. 141. CITY EMPLOYEES' RETIREMENT SYSTEM

The Council of the City is hereby authorized and empowered by ordinance to establish a retirement system and to provide for death benefits for compensated public officers and employees, other than those policemen and firemen who were members of a pension system on June 30, 1946. No employee shall be retired before reaching the age of sixty-two years and before completing ten five years of service for which payment has been made, except such employees may be given the option to retire at the age of fifty-five years after twenty years of service for which payment has been made with a proportionately reduced allowance. Policemen, firemen and full time lifeguards, however, who have had ten five years of service for which payment has been made with a ge of fifty-give as after twenty years of service for which payment has been made with a proportionately reduced allowance.

The Council may also in said ordinance provide:

(a) For the retirement with benefits of an employee who has become physically or mentally disabled by reason of bodily injuries received in or by reason of sickness caused by the discharge of duty or as a result thereof to such an extent as to render necessary retirement from active service.

(b) Death benefits for dependents of employees who are killed in the line of duty or who die as a result of injuries suffered in the performance of duty.

(c) Retirement with benefits of an employee who, after ten <u>five</u> years of service for which payment has been made, has become disabled to the extent of not being capable of performing assigned duties, or who is separated from City service without fault or delinquency.