

# County of San Diego



## Sample Ballot & Voter Information Pamphlet GENERAL ELECTION

TUESDAY, NOVEMBER 7, 2006

### IF YOU INTEND TO VOTE BY MAIL:

- ✓ Complete and return the application on the back cover
- ✓ Save this pamphlet; another will not be sent with your ballot
- ✓ Individuals with permanent absentee voter status, please refer to page one for additional information

### IF YOU INTEND TO VOTE AT THE POLLS:

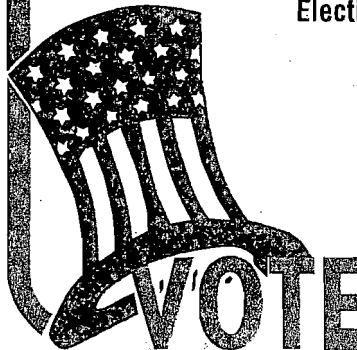
- ✓ Check back cover for your polling place. Polls open at 7 a.m. and close at 8 p.m.
- ✓ Don't wait! Call before Election Day if directions are needed or check [www.sdvote.com](http://www.sdvote.com)
- ✓ Mark and take this pamphlet with you to the polls

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For questions or additional information,  
call 858-565-5800 or 1-800-696-0136

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Election night results available at  
[www.sdvote.com](http://www.sdvote.com)



Mikel Haas  
Registrar of Voters  
5201 Ruffin Road, Suite I  
San Diego, CA 92123

**OFFICIAL BALLOT**

**SAN DIEGO COUNTY - GENERAL ELECTION - NOVEMBER 7, 2006**

**LOCAL PROPOSITIONS**

**SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY - ADVISORY VOTE ONLY**

**PROP A** To provide for San Diego's long-term air transportation needs, shall the Airport Authority and government officials work to obtain approximately 3,000 of 23,000 acres at MCAS Miramar by 2020 for a commercial airport provided necessary traffic and freeway improvements are made, military readiness is maintained without expense to the military for modifying or relocating operations, no local taxes are used on the airport, overall noise impacts are reduced, and necessary Lindbergh Field improvements are completed?

YES

NO

**CITY OF SAN DIEGO**

**PROP B** AMENDS THE CITY CHARTER TO CHANGE THE APPROVAL PROCESS FOR INCREASES IN CITY EMPLOYEES' RETIREMENT SYSTEM BENEFITS. Shall the Charter be amended to require voter approval for any increases in retirement system benefits for public employees?

YES

NO

**CITY OF SAN DIEGO**

**PROP C** AMENDS THE CITY CHARTER TO ALLOW FOR CONTRACTING OUT OF CITY SERVICES. Shall the Charter be amended to allow the City to contract services traditionally performed by City civil service employees if determined to be more economical and efficient while maintaining the quality of services and protecting the public interest?

YES

NO

# CITY OF SAN DIEGO

## Proposition B

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

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### **PROP B** AMENDS THE CITY CHARTER TO CHANGE THE APPROVAL PROCESS FOR INCREASES IN CITY EMPLOYEES' RETIREMENT SYSTEM BENEFITS.

Shall the Charter be amended to require voter approval for any increases in retirement system benefits for public employees?

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This proposition requires approval by a simple majority (over 50%) of the voters.

Full text of this proposition follows the arguments

### **CITY ATTORNEY'S IMPARTIAL ANALYSIS**

The City Council has authorized the placement of a proposition on the ballot seeking voter approval to amend Article IX, section 143.1 of the San Diego City Charter. The amendment would require that voters approve certain increases in retirement system benefits for public employees. In particular, the proposition provides that any ordinance that amends the City's retirement system by increasing the benefits of any employee, legislative officer or elected official shall not be adopted without approval of a majority of the qualified electors voting on the matter.

The ballot question states that voter approval is required for "any increases." The text of the measure states that increases in benefits due to cost of living adjustments would not require a vote of the electorate.

This measure also provides that, prior to placement on the ballot of a proposed increase in retirement benefits, the retirement system will prepare an actuarial study of costs due to the benefit changes. A summary of the actuarial study will be published in the ballot pamphlet issued to voters.

This measure further provides that City officials and employee organizations may negotiate tentative agreements that would increase retirement benefits. However, the agreements will not become final or binding unless a majority of San Diego's qualified voters approve of the increases.

If this measure is approved, it will become operative on January 1, 2007 for all proposed increases in retirement system benefits tentatively agreed upon by the City on or after that date. This measure provides that the requirement of voter approval for retirement benefit increases will remain in effect for 15 years from that date, at which time the requirement will automatically be repealed and removed from the Charter.

This ballot measure will take effect if passed by a majority of the City's voters.

## FISCAL IMPACT STATEMENT

As recent as June 30, 2000, the valuation of the Plan assets was \$2.46 billion and the projected Plan liabilities were \$2.53 billion. This represented a funding ratio (Plan assets to Plan liabilities) of 97.3%. As June 30, 2005, the most recent data available, the Plan assets were \$2.98 billion, while the projected Plan liabilities have grown to \$4.38 billion. This represents a funding ratio of 68.2% and an unfunded liability of \$1.4 billion. In addition, the unfunded liability as a percentage of payroll went from 15.4% in fiscal year 2000 to 216.9% in fiscal year 2003.

While a portion of the increase to the unfunded liability was the result of poor investment performance, the significant cause of the City's current dilemma resulted from the City's decision to grant increased employee retirement benefits while at the same time not making the necessary contributions to fund these benefits. During this same time period, the City's annual required contribution to the System grew from \$47.5 million in fiscal year 2000 to \$162 million in fiscal year 2007, taking valuable resources away from critical services and capital needs.

Proposition B requires that City employee benefit increases approved by the City Council be subject to approval by San Diego voters. It also requires public disclosure of the full cost and impact of the proposed benefit increases on the financial stability of the City's retirement system, along with a clear explanation of the proposed source of funding for these benefits.

Costs associated with public votes on proposed benefit increases would be limited, with the expectation if Proposition B is approved that City employee contracts would be synchronized with regularly scheduled elections, and such votes would be consolidated with regular primary or general elections.

# ARGUMENT IN FAVOR OF PROPOSITION B

## TAXPAYERS HAVE BEEN LEFT HOLDING THE BAG

The City of San Diego's employee pension system is under-funded by over \$1.4 billion. This shortfall represents a potential obligation owed by every taxpayer in the city.

## PROPOSITION B PROTECTS TAXPAYERS

Proposition B gives voters the final say over future pension increases for elected officials and city employees. It eliminates the backroom deals that created the city's current pension fund crisis.

## IT WORKS EFFECTIVELY IN SAN FRANCISCO

Public employee unions in San Francisco have even more political clout than they do in San Diego. Over a decade ago, facing a pension crisis, voters in San Francisco approved a requirement similar to Proposition B. Since then, San Francisco has avoided the pension under-funding problems that afflict San Diego and other public agencies in California and across the nation.

## WON'T IMPACT LEGITIMATE PENSION INCREASES

If it can be shown that pension benefits paid San Diego workers aren't adequate to attract or retain workers in highly-competitive fields like public safety, voters will approve reasonable benefit increases. But voters should and will require elected officials to demonstrate in advance how they intend to pay for enhanced benefits.

## IMPLEMENTATION COST WILL BE SMALL

If Proposition B is approved, employee labor contracts can be synchronized to coincide with regularly scheduled state and federal elections, so that if and when pension increases are recommended, the cost of placing them before voters will be minimal.

## INSURANCE POLICY FOR OUR FUTURE

Some say the city's pension problems are so widely known that there's little chance the same mistake will be repeated in the future. But memories are short, and the pressure to increase benefits never lets up. Proposition B provides insurance that once the current crisis fades, safeguards will still be in place.



JERRY SANDERS  
Mayor of San Diego

MICHAEL J. AGUIRRE  
San Diego City Attorney

JON COUPAL, President  
Howard Jarvis  
Taxpayers Association

CARL DE MAIO, Chairman  
San Diego Citizens  
for Accountable Government

DONNA FRYE  
City Councilmember

## ARGUMENT AGAINST PROPOSITION B

**Protect Your Family's Safety.  
Vote NO on Proposition B!**

**Proposition B will make it harder to hire highly qualified police officers and firefighters.** San Diego's own independent budget analyst expects our city to lose more than 100 police officers this fiscal year alone. We can not attract new officers because of the low wages and benefits the city pays them. Proposition B will only make this problem worse.

**Proposition B will COST us money, not save it.** Proposition B will mean more and more police officers and firefighters continue to leave San Diego for other cities with better pay and benefits—AFTER we have spent hundreds of thousands of our tax dollars to train them! That's a really bad deal for San Diego!

**Proposition B will guarantee we get what we pay for!** Low pay and benefits for police and firefighters mean low standards for our public safety. When we call 911, we want to ensure the best trained and most experienced emergency medical personnel work in our city—not another one with better pay and benefits.

**Proposition B sets the bar for our safety even lower.** San Diego already has one of the lowest ratios of police officers and firefighters per population in the state. Proposition B will only make that problem worse.

**Proposition B will take away our flexibility to make badly needed public safety improvements.** If Proposition B passes, it won't matter how badly we need to change public safety compensation. We will have to wait years to put it to a vote.

**Join the police officers, firefighters, EMTs  
and paramedics who serve San Diego and  
VOTE NO ON PROPOSITION B!**

FRANK DE CLERCQ  
Vice-President  
San Diego Firefighters

BILL NEMEC  
President  
SDPOA

## PROPOSED CHARTER AMENDMENT

The portions of the charter to be added are underlined  
and the portions to be deleted are printed in ~~strike-out~~ type.

### 143.1 Approval of ~~Amendments by Members~~ Retirement System Benefits

(a) No ordinance amending the retirement system which affects the benefits of any employee under such retirement system shall be adopted without the approval of a majority vote of the members of said system. No ordinance amending the retirement system which ~~affects the vested defined benefits of any retiree of such retirement system~~ increases the benefits of any employee, legislative officer or elected official under such retirement system, with the exception of Cost of Living Adjustments, shall be adopted without the approval of a majority vote of the affected retirees of said retirement system, of those qualified electors voting on the matter. No ordinance amending the retirement system which affects the vested defined benefits of any retiree of such retirement system shall be adopted without the approval of a majority vote of the affected retirees of said retirement system.

(b) Prior to any proposed amendment of the retirement system which increases benefits of any employee, legislative officer or elected official under such retirement system being placed on the ballot, the retirement system shall prepare an actuarial study of the cost due to the benefit changes proposed based upon the amortization schedules established by Charter Section 143. A summary of the actuarial study shall be published in the ballot pamphlet.

(c) Nothing in subsection (a) of this section shall prevent City officials from negotiating tentative agreements with employee organizations incorporating benefit changes to the extent permitted by state law, provided, however that no amendment of the retirement system which increases benefits, with the exception of Cost of Living Adjustments, of any employee, legislative officer or elected official under such retirement system, shall become binding or effective until approved by a majority of those qualified electors voting on the matter, and shall not have any force or effect if rejected by said voters. The City Council shall have no authority to enter into final or binding agreements regarding retirement system benefits increases until and unless those increases to retirement system benefits are approved by a majority of those qualified electors voting on the matter.

(d) The requirement for voter approval of retirement system benefit increases shall become operative on January 1, 2007, for all proposed increases in retirement system benefits tentatively agreed upon by the City on or after that date. This requirement shall remain in effect for a period of fifteen (15) years from that date, at which time this requirement shall be automatically repealed and removed from the Charter.

# CITY OF SAN DIEGO

## Proposition C

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

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**PROP C** **AMENDS THE CITY CHARTER TO ALLOW FOR CONTRACTING OUT OF CITY SERVICES.** Shall the Charter be amended to allow the City to contract services traditionally performed by City civil service employees if determined to be more economical and efficient while maintaining the quality of services and protecting the public interest?

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This proposition requires approval by a simple majority (over 50%) of the voters.

Full text of this proposition  
follows the arguments

### CITY ATTORNEY'S IMPARTIAL ANALYSIS

The City Council has authorized the placement of a proposition on the ballot seeking voter approval to amend Article VIII, section 117 of the San Diego City Charter.

Section 117 creates a civil service system that restricts the City's ability to employ independent contractors to perform public services traditionally performed by City employees. State law permits the City to employ independent contractors to provide public services under limited circumstances. If adopted, this measure would amend section 117 by adding subsection (c), which would allow the City to employ an independent contractor as an alternative to the classified service when the City Manager determines, subject to City Council approval, that City services can be provided more economically and efficiently by a contractor while maintaining service quality and protecting the public interest.

During the time the City operates under the Strong Mayor form of government established by Article XV of the City Charter, all references to the City Manager in the measure refer to the Mayor.

If approved, this measure will require the City Council to pass an ordinance to provide procedural details to implement the requirements of the Charter amendment; to set minimum contract standards; and to protect the quality and reliability of public services.

This measure permits City Departments and independent contractors to submit proposals to provide public services.

This measure directs the City Manager to establish the Managed Competition Independent Review Board ["Board"]. The Board will advise the City Manager whether City employees or an independent contractor may provide certain public services more economically and efficiently while maintaining service quality and protecting the public interest. The City Manager will appoint the seven Board members, who will include three City employees and four private citizens. The City Council must approve the appointments of the four citizen Board members. Citizen Board members must have specific professional experience. Board members may not have conflicts of interest with their duties as Board members, and may not be employed by any contractor selected by the City for the duration of the contract.

If the Board recommends that an independent contractor provide public services, the measure provides that the City Manager may choose to have the City Department continue to provide the services, or accept the Board's recommendation to employ an independent contractor. If the City Manager accepts the Board's recommendation to employ an independent contractor, the City



Manager must forward the recommended and proposed agreement to the City Council. The City Council must accept or reject the proposed agreement in its entirety.

The measure gives the City Manager sole responsibility to administer and monitor any approved agreements with independent contractors. The City Manager must produce annual performance audits for contracted services and seek an independent audit every five years to evaluate the City's experience.

This ballot measure will take effect if passed by a majority of the City's voters.

## **FISCAL IMPACT STATEMENT**

Mayor Sanders has undertaken a number of efforts to streamline city operations with the objective of providing city services in the most cost-effective and efficient manner possible, while protecting the public interest. One method used successfully by other local jurisdictions to achieve greater efficiency has been to seek competitive bids from private- and public-sector providers for certain appropriate services.

However, the City Charter currently limits the City's ability to contract out public services traditionally performed by City employees. This restriction in most cases prevents the City from entering into contracts with private companies even if doing so is shown through the bidding process to save the City money or create improved services or greater efficiencies. Proposition C would expand the City's ability to utilize "managed competition" for delivery of appropriate public services.

No significant new costs are anticipated as a result of the managed competition process. The Mayor would be responsible for oversight and contract utilizing existing City staff. Outside experts on an independent review board will serve without compensation and will be required to comply with strict conflict-of-interest requirements.

Limited costs will be associated with annual financial audits required to confirm that projected savings are in fact being achieved and an independent audit of the process required every five years.

Based on the experience of other jurisdictions, it is anticipated there will be significant cost savings as a result of increased efficiency in operations. The scope of the fiscal impact of this measure is unknown at this time. Cost savings from this measure will not be realized in the FY 07 budget, but will be reflected in future budgets as the program is fully implemented.

## **ARGUMENT IN FAVOR OF PROPOSITION C**

Proposition C amends the City Charter to permit "Managed Competition" between City departments and qualified outside providers to deliver more efficient city services. The Charter prohibits such competition for most services currently delivered by City employees.

### **A TOOL THE MAYOR NEEDS TO GET OUR CITY BACK ON TRACK**

Managed Competition is a tool Mayor Sanders needs to get city government back on track, make it more accountable to taxpayers, and reduce operating costs. It also could help reduce pension costs.

Proposition C authorizes the Mayor to target City departments or services where efficiency and effectiveness could be improved through Managed Competition.

### **COMPETITION TO IMPROVE EFFICIENCY, EFFECTIVENESS**

City employees will be given an opportunity to develop plans for improving the efficiency and effectiveness of a targeted service, while qualified outside providers will be invited to submit proposals for providing the service.

### **SAFEGUARDS TO PROTECT THE PUBLIC'S INTEREST**

An Independent Review Board, whose members must adhere to strict conflict-of-interest standards, will review the proposals and make a recommendation to the Mayor. The City Council would have the authority only to accept or reject the recommendation in its entirety.

Proposition C also includes tough safeguards to protect the public interest and requires regular monitoring and public disclosure to ensure service quality is maintained or improved and projected savings are achieved.

An implementing ordinance will include minimum contract standards and other measures to protect the quality and reliability of public services. The Mayor is required to produce annual performance audits for contracted services, and an independent audit every five years to evaluate performance.

### **SUCCESSFUL IN OTHER JURISDICTIONS**

Many jurisdictions, including Indianapolis, Phoenix and the County of San Diego, have successfully used Managed Competition to save millions of tax dollars and improve the quality of public services.



JERRY SANDERS  
Mayor of San Diego

MICHAEL J. AGUIRRE  
San Diego City Attorney

LANI LUTAR  
President & CEO,  
San Diego County  
Taxpayers Association

C. APRIL BOWLING  
Vice Chair,  
Blue Ribbon Committee  
on City Finances

KEVIN FAULCONER  
Councilmember

## ARGUMENT AGAINST PROPOSITION C

**Read it yourself. Prop. C has no real safeguards and no real protections to prevent taxpayers from being ripped off.**

**Under Prop. C, government contracts will go to the largest campaign contributors and their lobbyists.** Do we really want to turn vital city services like public safety, trash collection, or the water department over to well-connected insiders that hire the best lobbyist and make the biggest contributions?

**We already waste millions because of decisions that favored land owners, developers and other big campaign donors over the public interest.** The Union-Tribune reported that sweetheart city leases cost us millions annually. We're also paying for decisions that let builders and developers build projects without providing adequate roads and other essential services.

**Prop. C opens the door to Chicago-style job patronage.** Prop. C will eliminate civil service protections. Private employers will be free to replace city employees with their own relatives or reward employees for political activities.

**Prop. C will put public safety at risk.** Under Prop. C, there is no prohibition on contracting out police protection, fire protection and lifeguard services. These essential public safety services should not be managed by private companies who care more about their bottom line than our safety.

**Unscrupulous government contractors COST taxpayers millions.** San Diego's Kroll Consulting contract ballooned to \$20 million. Costs doubled when the state outsourced MediCal processing. A private company hired to run Florida's prisons billed millions for non-existent guards. The federal government paid tens of billions for fraudulent billing and contractor waste.

**San Diego is incapable of effectively monitoring its current contracts.** Prop. C will require spending many more millions for oversight – or we will get ripped off for millions more.

**Prop. C is a bad idea.  
It creates more problems than it purports to solve.**

NORMA DAMASHEK  
Vice President, San Diego Chapter  
League of Women Voters

FRANK DE CLERCQ  
Vice President,  
San Diego City Fire Fighters

JOHN HARTLEY  
Chair,  
Neighborhoods for Clean Elections

DR. STEVEN P. ERIE, Ph.D.  
Director Urban Studies Program  
University of California, San Diego

BILL NEMEC  
President, San Diego  
Police Officers Association

## PROPOSED CHARTER AMENDMENT

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

### 117. Unclassified and Classified Services

Employment in the City shall be divided into the Unclassified and Classified Service

(a) The Unclassified Service shall include:

1. All elective City Officers
2. Members of all boards and commissions
3. All department heads and one principal assistant or deputy in each department
4. One assistant to Mayor
5. City Manager, Assistant City Manager, and Assistants to the City Manager
6. City Clerk
7. Budget Officer
8. Purchasing Officer
9. Treasurer
10. All Assistant and Deputy City Attorneys
11. Industrial Coordinator
12. The Planning Director
13. A Confidential Secretary to the Mayor, City Council, City Manager, Police Chief, City Attorney
14. Officers and employees of San Diego Unified School District
15. Persons employed in positions for expert professional temporary service when such positions are exempted from the Classified Service for a specified period of temporary service by order of the Civil Service Commission
16. Interns including, but not limited to, Administrative Interns and legal Interns, temporarily employed in regularly established training programs as defined in the job specifications of the City
17. Managerial employees having significant responsibilities for formulating or administering departmental policies and programs. Each such position shall be exempted from the Classified Service by ordinance, upon the initiation of the appropriate appointing authority and after receiving the advisory review and comment of the Civil Service Commission and the approval of the City Council.

(b) The Classified Service shall include all positions not specifically included by this section in the Unclassified Service; provided, however, that the incumbents in the positions of the Planning Director and the Principal Assistant to the Planning Director on January 1, 1963 shall remain in the Classified Service until the respective positions are vacated by the incumbents.

(c) The City may employ any independent contractor when the City Manager determines, subject to City Council approval, City services can be provided more economically and efficiently by an independent contractor than by persons employed in the Classified Service while maintaining service quality and protecting the public interest. The City Council shall by ordinance provide for appropriate policies and procedures to implement this subsection. Such ordinance shall include minimum contract standards and other measures to protect the quality and reliability of public services. A City department shall be provided with an opportunity and resources to develop efficiency and effectiveness improvements in their operations as part of the department's proposal. The City Manager shall establish the Managed Competition Independent Review Board to advise the City Manager whether a City department's proposal or an independent contractor's proposal will provide the services to the City most economically and efficiently while maintaining service quality and protecting the public interest. The City Manager will appoint seven (7) members to the Board. Four (4) shall be private citizens whose appointments shall be subject to City Council confirmation. Each shall have professional experience in one or more of the following areas: finance, law, public administration, business management or the service areas under consideration by the City Manager. Three (3) shall be City staff including a City Manager staff designee, a City Council staff designee and the City Auditor and Comptroller or staff designee. Such appointees shall not have any personal or financial interests which would create conflict of interests with the duties of a Board member. Members of the Board shall be prohibited

from entering into a contract or accepting employment from an organization which secures a City contract through the managed competition process for the duration of the contract. The City Council shall have the authority to accept or reject in its entirety any proposed agreement with an independent contractor submitted by the City Manager upon recommendation of the Managed Competition Independent Review Board. The City Manager shall have the sole responsibility for administering and monitoring any agreements with contractors. The City Manager shall be required to produce annual performance audits for contracted services, the cost of which must be accounted for and considered during the bidding process. In addition, the City Manager shall seek an independent audit every five (5) years to evaluate the City's experience and performance audits. During the period of time that the City operates under the Strong Mayor form of governance pursuant to Article XV, the reference herein to City Manager shall be deemed to refer to the Mayor.