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(O-2006-115)
(COR. COPY)

ORDINANCE NUMBER O-19473 (NEW SERIES)

DATE OF FINAL PASSAGE MARCH 27, 2006

AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE CITY OF SAN DIEGO AT THE MUNICIPAL ELECTION CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 7, 2006, ONE PROPOSITION AMENDING THE CITY CHARTER BY AMENDING ARTICLE IX, SECTION 143.1, REGARDING APPROVAL OF AMENDMENTS TO THE RETIREMENT SYSTEM.

WHEREAS, pursuant to section 223 of the San Diego City Charter, section 3(b), Article 11 of the California Constitution, and Section 9255(a)(2) of the California Elections Code, the City Council has authority to place Charter amendments on the ballot to be considered at a Municipal Election; and

WHEREAS, by Ordinance No. O-19519, adopted on July 18, 2006, the Council of the City of San Diego is calling a Municipal Election on November 7, 2006, for the purpose of submitting to the qualified voters of the City one or more ballot propositions; and

WHEREAS, public concern has been expressed about previous increases in retirement benefits for public employees of the San Diego City Employees Retirement System; and

WHEREAS, presently, any changes in wages, hours and other terms and conditions of employment, including increases, to retirement system benefits for represented employees of the City of San Diego, go through a process of collective bargaining as required by State law; and if tentative agreement is reached, the tentative agreement must be adopted or rejected by City Council; and if adopted be placed into a Memorandum of Understanding, ordinance or resolution by the City; and

WHEREAS, it is desired that any future increases in retirement system benefits for public employees within the San Diego City Employees Retirement System be subject to the vote of qualified voters; and

WHEREAS, this sought change to the approval mechanism for retirement system benefit increases may be implemented only by amending article IX, section 143.1 of the Charter of the City of San Diego; and

WHEREAS, the City Council desires to submit to the voters at the Municipal Election one proposition amending the Charter of the City of San Diego by amending article IX, section 143.1;

WHEREAS, the City Council's proposal, on its own motion, of a charter amendment is governed by section 3(b), Article 11 of the California Constitution, section 9255(a)(2) of the California Elections Code, and section 34458 of the California Government Code, and is not subject to veto by the Mayor; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. One proposition amending City Charter article IX, section 143.1 is hereby submitted to the qualified voters to be held on November 7, 2006, the proposition to read as follows:

PROPOSITION

Section 143.1: Approval of Amendments by Members of 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 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 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 of 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.

END OF PROPOSITION

Section 2. The proposition shall be presented and printed upon the ballot and submitted to the voters in the manner and form set out in Section 3 of this ordinance.

Section 3. On the ballot to be used at this Municipal Election, in addition to any other matters required by law, there shall be printed substantially the following:

PROPOSITION ____ . AMENDS THE CITY CHARTER TO CHANGE THE APPROVAL PROCESS FOR INCREASES IN CITY EMPLOYEES' RETIREMENT SYSTEM BENEFITS	YES	
Shall the Charter be amended to require voter approval for any increases in retirement system benefits for public employees?	NO	

Section 4. An appropriate mark placed in the voting square after the word "Yes" shall be counted in favor of the adoption of this proposition. An appropriate mark placed in the voting square after the word "No" shall be counted against the adoption of the proposition.

Section 5. Passage of this proposition requires the affirmative vote of a majority of those qualified electors voting on the matter at the Municipal Election.

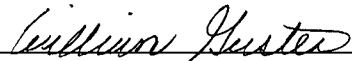
Section 6. The City Clerk shall cause this ordinance or a digest of this ordinance to be published once in the official newspaper following this ordinance's adoption by the City Council.

Section 7. Pursuant to San Diego Municipal Code section 27.0402, this measure will be available for public examination for no fewer than ten calendar days prior to being submitted for printing in the sample ballot. During the examination period, any voter registered in the City may seek a writ of mandate or an injunction requiring any or all of the measure to be amended or

deleted. The examination period will end on the day that is 75 days prior to the date set for the election. The Clerk shall post notice of the specific dates that the examination period will run.

Section 8. Pursuant to Section 295(b) and 295(d) of the Charter of the City of San Diego, this ordinance shall take effect on the date of passage by the City Council, which is deemed the date of its final passage.

APPROVED: MICHAEL AGUIRRE, City Attorney

By  _____
William Gersten
Deputy City Attorney

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08/30/2006COR.COPY
Or.Dept: Mayor
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