County of San Luis Obispo

City of San Luis Obispo Special Election

Tuesday, August 30, 2011

Voter Information Guide

- This is a mailed ballot election. Your OFFICIAL BALLOT along with this Voter Information Guide are contained in your Vote-By-Mail (VBM) packet. There is no sample ballot in this booklet since your OFFICIAL BALLOT is included. If you desire a copy of the ballot for your use, you can download one from www.slocounty.ca.gov/clerk or call 781-5228 to request one to be sent to you. This will be the only official mailing.

- The deadline for return of Vote-By-Mail ballots is 8:00pm, Tuesday, August 30, 2011. On Election Day you can return your ballot to any Official Ballot Drop-Off Center (listed on the back cover of this booklet) between 7:00am and 8:00pm. Ballots received after 8:00pm, August 30, 2011 WILL NOT BE COUNTED.

- **Unable to return your ballot?** If you are unable to return your ballot because of illness or other physical disability you may designate only your spouse, child, parent, grandparent, grandchild, brother, sister or a person residing in your household to return it for you by printing their name and having them sign their name on the lines provided on the I.D. Return Envelope.

- Vote by Mail Look-Up on the Web: Check the status of your returned VBM ballot on the Internet at www.slocounty.ca.gov/clerk

Vote By Mail Instructions to Voters

Use any black or blue colored pen or pencil to mark your ballot. Follow the "Instructions To Voters" on your OFFICAL BALLOT to vote on the measures of your choice.

WHEN YOU HAVE FINISHED VOTING:

1. Tear off the stub, fold the ballot, seal it in the I.D. Return Envelope, read Declaration of Voter and sign your name in the space provided - your signature must look similar to the original signature on your Affidavit of Registration - DO NOT PRINT YOUR NAME.

2. If you are unable to sign, you must mark an "X" and have it witnessed by one other person. No one else may sign for you. New legislation allows the use of a signature stamp if it was used on your Affidavit of Registration. Contact the Elections Office at 781-5228 for more information.

3. Write your residence address as registered (not mailing address) and the date on the lines provided.

4. Affix first class postage and mail your ballot by Thursday, August 25, 2011, or sooner, to ensure that it arrives by Election Day – August 30, 2011. You may also return your ballot in person to the County Clerk-Recorder's Office, 1055 Monterey Street, #D120, San Luis Obispo (8am to 5pm, Monday - Friday). On Election Day, you may return your ballot in person at any of the Official Ballot Drop-Off Centers listed on the back cover of this booklet between 7:00am and 8:00pm.

You may vote and return your ballot as soon as you receive it - you do not have to wait until Election Day. However, be aware that once your voted ballot is returned to the Elections Office, either in person or by mail, it is considered "in the ballot box" and may not be retrieved.

Spoiled Ballot? If you made a mistake, tore or defaced any portion of your ballot, replace the spoiled ballot in the I.D. Return Envelope and follow the instructions on the envelope to receive a replacement ballot either by mail or in person.

VOTER'S PAMPHLET INFORMATION SECTION

The Following Pages Contain Voter Information Applicable to your Ballot

- BALLOT MEASURES
- ANALYSES
- ARGUMENTS, PRO & CON

ARGUMENTS IN SUPPORT OF OR IN OPPOSITION TO THE PROPOSED LAWS ARE THE OPINIONS OF THE AUTHORS

The arguments are printed as submitted by the authors

FULL TEXT OF MEASURE A-11

RESOLUTION NO. 10264 (2011 Series)
A RESOLUTION OF THE CITY OF SAN LUIS OBISPO ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A PROPOSED CHARTER AMENDMENT AT AN ALL MAILED BALLOT SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, AUGUST 30, 2011 AS CALLED BY RESOLUTION NO. 10263 (2011 SERIES)

WHEREAS, a Special All Mailed Ballot Municipal Election has been called on Tuesday, August 30, 2011 by Resolution No. 10263 (2011 series), adopted on May 17, 2011; and

WHEREAS, the City Council has the authority to submit a Charter amendment to the electorate pursuant to the authority of Article XI of the Constitution, Title 4, Division 2, Chapter 3 of the Government Code, Division 9, Chapter 3, Article 3 (commencing at section 9255) of the Elections Code of the State of California, City Charter Sections 301 and 303, and Ordinance Number 1559 (2011 Series); and

WHEREAS, the City Council finds and declares that it is in the best interest of the City, consistent with principles of sound management and fiscal responsibility, and to the fullest extent permitted by State law, to vest in the duly elected City Council final decision making authority over management of the City's contracts with the Board of Administration of the California Public Employees Retirement System; and

WHEREAS, Charter Section 1105 (Retirement) currently provides as follows:

> The City Council shall be authorized to enter into a contract with the Board of Administration of the Public Employees' Retirement System of California that shall include all employees of the City of San Luis Obispo. Should the contract at any time be broadened, the City Council may have the contract amended to provide the improved coverage.
>
> The Council may terminate the contract or negotiate another contract with reduced employee coverage with the Board of Administration of the Public Employees' Retirement System only upon authority approved by a majority vote of the electorate.

WHEREAS, the City Council of the City of San Luis Obispo desires to submit to the voters a proposed amendment of Section 1105 to eliminate the Charter requirement for voter approval to terminate the City's contract with the California Public Employees' Retirement System or to negotiate another contract to provide reduced employee retirement benefits, but expressly to state that the City Council retains the authority to enter into contracts with CalPERS and remains subject to other applicable state laws and CalPERS rules with regard to any actions to amend, terminate or negotiate other contracts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1: The City Council of the City of San Luis Obispo hereby proposes on its own motion that an amendment of Section 1105 of the Charter of the City of San Luis Obispo be submitted to the voters at the All Mailed Ballot Special Municipal Election on August 30, 2011, to read as follows:

The City Council shall be authorized to enter into a contract with the Board of Administration of the Public Employees' Retirement System of California that shall include all employees of the City of San Luis Obispo. The City Council may terminate or amend its contract or negotiate another contract to provide improved or reduced employee benefits only in accordance with state law and as permitted by the Board of Administration of the Public Employees' Retirement System.

SECTION 2: That the City Council, pursuant to its right and authority, does order submitted to the voters at the All Mailed Ballot Special Municipal Election to be held on Tuesday, August 30, 2011, the following question:

Shall Section 1105 (Retirement) of the San Luis Obispo Charter, which authorizes the City Council to enter into a contract with the Board of Administration of the Public Employees' Retirement System (PERS), be amended to provide that the City Council may terminate or amend its contract or negotiate another contract to provide improved or reduced employee benefits only in accordance with state law and as permitted by the Board of Administration of PERS?	Yes
	No

SECTION 3. That the City Council authorizes any and all members of the City Council to file written arguments in favor of the measure in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the measure may be submitted to the City Clerk.

SECTION 4. That the City Council directs the City Clerk to transmit a copy of the measure to the City Attorney, who shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 5. That in all particulars not recited in this Resolution or Ordinance Number 1559 (2011 Series), the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this resolution.

SECTION 8. That the City Clerk is hereby directed to file a certified copy of this resolution with the San Luis Obispo County Board of Supervisors and Clerk-Recorder.

Upon motion of Council Member Carter, seconded by Council Member Carpenter, and on the following vote:

AYES: Council Members Carpenter, Carter and Smith, Vice Mayor Ashbaugh and Mayor Marx

NOES: None

ABSENT: None

The foregoing resolution was adopted this 17th day of May 2011.

IMPARTIAL ANALYSIS OF MEASURE A-11

Currently, the City of San Luis Obispo contracts with the Public Employees' Retirement System of California ("CalPERS") for the purpose of providing City employees and retirees with retirement benefits. As a CalPERS contracting agency, the City is required to comply with the provisions of the California Public Employees Retirement Law ("PERL"). PERL establishes the authority for public agencies to contract with CalPERS, establishes the benefit formulas under which contracting agencies may choose to provide retirement benefits to their employees, and dictates whether and how contracting agencies may terminate or make changes to contracts with CalPERS affecting the retirement benefits of employees or retirees of the contracting agency.

Similar to existing state law, City Charter Section 1105 provides that the City Council shall be authorized to enter into a contract with CalPERS to provide retirement benefits to employees and to amend the contract to provide improved coverage. However, Section 1105 also provides that "[t]he Council may terminate the contract or negotiate another contract with reduced employee coverage…only upon authority approved by a majority vote of the electorate." By that language, Section 1105 requires that the City Council hold an election and obtain majority voter approval to terminate its contract with CalPERS or reduce employee coverage. Absent the voter approval requirement of Section 1105, the City Council would be authorized to take these actions, in accordance with applicable state retirement and labor relations laws, without majority voter approval.

If approved, this measure would amend the City Charter to eliminate the requirement that the City Council hold an election and obtain voter approval to terminate its contract with CalPERS or to negotiate another contract with reduced employee benefits. If approved, the amended Section 1105 would provide that the "The City Council may terminate or amend its contract or negotiate another contract to provide improved or reduced employee benefits only in accordance with state law and as permitted by the Board of Administration of PERS." The amended Section 1105 would retain language acknowledging the City's obligations to comply with PERL and other existing and future state laws, but would vest final authority over approval of all contracts between the City and CalPERS in the City Council, rather than the electorate.

This measure, if approved, would not terminate, alter, or amend any existing City contract with CalPERS and would not change any retirement benefit or formula currently provided by the City to its employees.

A "yes" vote would amend the City Charter to eliminate the requirement that the City Council hold an election and obtain majority voter approval to terminate or amend its contracts with CalPERS to provide reduced employee benefits.

A "no" vote would reject the amendment of the City Charter and retain the requirement that the City Council hold an election and obtain majority voter approval to terminate or amend its contracts with CalPERS to provide reduced employee benefits.

s/ J. Christine Dietrick
City Attorney
City of San Luis Obispo

ARGUMENT IN FAVOR OF MEASURE A-11

The San Luis Obispo City Council urges you to vote YES on Measure A. It will provide Council the flexibility to negotiate lower pension benefits for new employees, negotiate greater pension cost sharing with all employees, and create other cost containment options. Now, Council has to wait for an election to make pension changes and implement cost savings measures.

Pension costs are out of control. Five years ago, San Luis Obispo spent $4.9 million on pensions. Last year, we spent $7.9 million. In five years, without corrective action, the City will spend at least $10.5 million, 20% of our General Fund. That's more than we currently spend on our Fire Department, Public Works, or Parks & Recreation.

Why are pension costs so high? Because pension formulas are too high. Police officers and firefighters can retire at age 50 with pensions that equal up to 90% of their highest year of earnings. Other employees can retire at age 55. A 30-year police officer retiring today receives a pension of at least $93,000. A 30-year firefighter, at least $70,000. A 30-year administrative assistant, $44,000. There are currently fifteen retired City employees receiving pensions worth over $100,000 a year.

Most residents have only Social Security and their own savings to rely on. The standard Social Security retirement age is now 66 and the current average annual benefit just $14,000.

Measure A does not change City Council's commitment and legal obligation to provide pensions to employees. But it does allow Council flexibility to negotiate lower pension costs and reasonable pension benefits in order to achieve long term fiscal sustainability. This is why it enjoys the support of a broad coalition of city residents.

The San Luis Obispo City Council urges you to vote YES on Measure A.

To learn more, visit www.CitizensForSLO.org

s/ Jan Marx, Mayor
s/ Andrew Carter, Council Member

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE A-11

Measure A, if approved, will take away your right to vote on the public employee pensions negotiated with all city employees. Current law requires that when City Council proposes changes to pensions that voters have the right to democratically approve or deny their proposal. Now the city council wants to take away your voice and rights to approve their spending plans, including first responders and firefighters.

The truth about firefighter retirement benefits:

- ✓ SLO Firefighters do not receive social security benefits. This is a cost savings to the city (the city does not pay the 6+% payroll tax), but also means this popular benefit available is not available to firefighters.
- ✓ SLO Firefighters work a 56 hour work week – 40% more than the average full-time worker, including 24-48 hour shifts and are "open" 365 days a year.
- ✓ SLO Firefighters often have early retirement ages due to the extremely dangerous and strenuous nature of the job, which leads to high rates of injury and illness. They negotiate for enhanced retirement benefits (in recognition of the high percentage of disability and early life expectancy) in exchange for increased salary or other benefits.
- ✓ Younger firefighters always pay more into the retirement system than current retires did, ensuring long-term viability.

Measure A does not change the current pension system for city employees and firefighters - it simply takes away residents' rights to vote to approve or deny proposed changes. Don't give up your right to vote – Vote No on Measure A.

s/ Erik S. Baskin, President, IAFF L3523 San Luis Obispo City Firefighters
s/ Jack O'Connell

ARGUMENT AGAINST MEASURE A-11

Measure A is a mean-spirited political maneuver to potentially restrict benefits to our public safety workers. The SLO City Council wants sole authority to dictate and change pension benefits and *take away your right to vote* on retirement benefits available to our first responders, firefighters, police officers and city employees. By changing current law in which voters decide on future pension policy changes, the city will be gambling with its ability to be competitive and able to attract, train, and retain the critical public safety officers and other personnel that makes our community such a remarkable place to live and work. Moreover, giving the City Council sole authority to dictate changes in pension policies and taking away voters' rights to decide issues which will affect our city's future budgetary health sets a dangerous precedent.

This measure would allow the City Council to remove all employees from the Public Employees Retirement System (PERS) without cause. PERS is the public pension system used by nearly all government employees in California. Due to the large number of participants, PERS is able to provide comprehensive benefits to city employees at a significantly reduced rate versus private open market plans. It's considered the standard in California municipalities and is significantly funded by employee contributions. Participation in the state standard plan allows the city to provide competitive benefits to ensure that we continue to attract dedicated and well-trained first responders, firefighters, police, and city employees.

Our firefighters are not just city workers, they are our neighbors, our friends, our children's coaches and contributors both on and off the job to our community's safety and well-being. Support your dedicated public safety personnel and keep the power to make future pension decisions in the hands of voters, not the City Council. Vote No on Measure A.

s/ Jack O'Connell
s/ Erik S. Baskin, President, IAFF L3523 San Luis Obispo City Firefighters
s/ Sherri Stoddard, RN, Director Region 3, California Nurses Association/National Nurses United

REBUTTAL TO ARGUMENT AGAINST MEASURE A-11

Can you retire at age 50 with an annual pension worth up to 90% of your highest year of earnings? San Luis Obispo police and firefighters can.

If not 50, can you retire at 55? All other city employees can.

Can you retire with a pension over $100,000 a year? Fifteen city employees already have.

In the past seven years, pension costs have quadrupled – rising from $1.7 to $7.9 million.

The city needs pension reform.

Without it, pension costs will continue to skyrocket and bleed the city budget, requiring additional cuts in basic services.

Without it, pension costs will soon jump to more than $10.5 million, consuming 20% of the budget. That's more than we currently spend on basic services like Fire, Public Works, or Parks and Recreation.

If the ratio of pension costs per employee had remained constant, pensions would cost San Luis Obispo $2.5 million today, not $7.9 million. That's a savings of $5.5 million, more than enough to balance the city budget.

Measure A will give our elected representatives – our City Council – flexibility to negotiate reasonable pension benefits for new employees.

It will allow Council to implement cost savings quickly, without waiting for an election. We'll be able to do what SLO County, Morro Bay, and Santa Maria have already done.

It will NOT strip city employees of their pensions. It is NOT an attempt to leave the Public Employees Retirement System (PERS); steep financial penalties make that impossible.

Measure A makes common sense.

Vote YES on Measure A.

s/ Lauren Brown, Retired scientist
s/ April Strong, Physical therapist
s/ Dan Hinz, Retired military
s/ Amy Kardel, Working mother
s/ Russ Levanway, Small business owner

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FULL TEXT OF MEASURE B-11

RESOLUTION NO. 10265 (2011 Series)
A RESOLUTION OF THE CITY OF SAN LUIS OBISPO ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A PROPOSED CHARTER REPEAL MEASURE AT AN ALL MAILED BALLOT SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, AUGUST 30, 2011 AS CALLED BY RESOLUTION NO. 10263 (2011 SERIES)

WHEREAS, an All Mailed Ballot Special Municipal Election for the purpose of placing two City measures before the voters has been called on Tuesday, August 30, 2011 by Resolution No. 10263 (2011 series), adopted on May 17, 2011; and

WHEREAS, the City Council has the authority to submit a Charter repeal measure to the electorate pursuant to the authority of Article XI of the Constitution, Title 4, Division 2, Chapter 3 of the Government Code, Division 9, Chapter 3, Article 3 (commencing at section 9255) of the Elections Code of the State of California, City Charter Sections 301 and 303, and Ordinance Number 1559 (2011 Series); and

WHEREAS, the City Council finds and declares that it is in the best interest of the City, consistent with principles of sound management and fiscal responsibility, and to the fullest extent permitted by State law, to vest in the duly elected City Council final decision making authority over and management of the City's employee agreements governing wages, hours or terms and conditions of City employment; and

WHEREAS, City Charter Section 1107 ("Impartial and Binding Arbitration for San Luis Obispo Police Officers Association and San Luis Obispo Firefighters Association, IAFF Local 3523, Employee Disputes") currently mandates an impasse resolution procedure for disputes between the City and its public safety employees over wages, hours or terms and conditions of City employment, which differs from the usual dispute resolution process established by state law for public employees, and which removes final decision making authority over such disputes from the City Council, as set forth in relevant part below:

(D) Impasse Resolution Procedures.

(1) All disputes, controversies and grievances pertaining to wages, hours or terms and conditions of City employment which remain unresolved after good faith negotiations between the City and said employee organization shall be submitted to a three-member Board of Arbitrators upon the declaration of an impasse by the City or by said employee organization. Upon declaration of impasse by either party, the City and employee organization shall each exchange a written last offer of settlement on each of the issues remaining in dispute. Written last offer of settlement shall be exchanged between parties within two days of the declaration of impasse.

(2) Representatives designated by the City and representatives of the employee organization shall each select and appoint one arbitrator to the Board of Arbitrators within three (3) business days after either party has notified the other, in writing, of the declaration of impasse and the desire to proceed to arbitration. The third member of the Board of Arbitrators shall be selected by agreement between the City's and the employee's organization representative within ten (10) business days of the declaration of impasse. This third member shall serve as the neutral arbitrator and Chairperson of the Board. In the event that the City and the employee organization

cannot agree upon the selection of the neutral arbitrator within ten (10) business days from the date that either party has notified the other that it has declared an impasse, either party may then request the State Mediation and Conciliation Service of the State of California Department of Industrial Relations to provide a list of seven (7) persons who are qualified and experienced as labor arbitrators. If the arbitrators selected by the City and the employee organization cannot agree within three (3) days after receipt of such list on one of the seven (7) to act as the third arbitrator, they shall have five (5) business days to alternately strike names, with the City's arbitrator striking first, from the list of nominees until one name remains and that person shall then become the neutral arbitrator and Chairperson of the Board of Arbitrators.

(3) Any arbitration proceeding convened pursuant to this Article shall be conducted in conformance with, subject to, and governed by Title 9 of Part 3 of the California Code of Civil Procedure. The Board of Arbitrators shall hold public hearings, receive evidence from the parties and cause a transcript of the proceedings to be prepared. The Board of Arbitrators may adopt by unanimous consent such other procedures that are designed to encourage an agreement between the parties, expedite the arbitration hearing process, or reduce the costs of the arbitration process.

(4) In the event no agreement is reached prior to the conclusion of the arbitration hearings, the Board of Arbitrators shall direct each of the parties to submit, within such time limit as the Board of Arbitrators may establish, but not to exceed thirty (30) business days, a last offer of settlement on each of the remaining issues in dispute. The Board of Arbitrators shall decide each issue by majority vote by selecting whichever last offer of settlement on that issue it finds most nearly conforms to those factors traditionally taken into consideration in the determination of wages, hours, benefits and terms and conditions of public and private employment, including, but not limited to the following: changes in the average consumer price index for goods and services using the San Francisco-Oakland-San Jose index, as reported at the time impasse is declared for the preceding twelve (12) months, the wages, hours, benefits and terms and conditions of employment of employees performing similar services in comparable cities; and the financial condition of the City of San Luis Obispo and its ability to meet the costs of the decision of the Board of Arbitrators.

(5) After reaching a decision, the Board of Arbitrators shall mail or otherwise deliver a true copy of its decision to the parties. The decision of the Board of Arbitrators shall not be publicly disclosed and shall not be binding until ten (10) days after it is delivered to the parties. During that ten (10) day period the parties shall meet privately, attempt to resolve their differences, and by mutual agreement amend or modify the decision of the Board of Arbitrators. At the conclusion of the ten (10) day period, which may be extended by mutual agreement between the parties, the decision of Board of Arbitrators, as it may be modified or amended by the parties, shall be publicly disclosed and shall be binding on the parties. The City and the employee organization shall take whatever action is necessary to carry out and effectuate the arbitration award. No other actions by the City Council or by the electorate to conform or approve the decision of the Board of Arbitrators shall be permitted or required.

(6) The expenses of any arbitration proceeding convened pursuant to this Article, including the fee for the services of the chairperson of the Board of Arbitrators and the costs of preparation of the transcript of the proceedings shall be borne equally

by the parties. The expenses of the arbitration, which the parties may incur individually, are to be borne by the party incurring such expenses. Such expenses include, but are not limited to, the expense of calling a party's witnesses, the costs incurred in gathering data and compiling reports, and any expenses incurred by the party's arbitrator. The parties may mutually agree to divide the costs in another manner.

(7) The proceedings described herein shall supersede the dispute resolution process for the San Luis Obispo Police Officers Association and the San Luis Obispo Firefighters Association which is set forth in Sections 13.2 and 14.1 of City of San Luis Obispo Resolution No. 6620, to the extent that such language is in conflict with this amendment. Furthermore, the proceedings described herein shall supersede any language within the Employer-Employee Resolution, the Personnel Rules and Regulations, any Memorandum of Agreement with the employee associations or any written policy or procedure relating to wages, hours or other terms and conditions of City employment, to the extent that such language is in conflict with this amendment. However, nothing in this section shall preclude the parties from mutually agreeing to use dispute resolution processes other than the binding arbitration process herein set forth. Nor, does it preclude the parties from negotiating, and submitting to the arbitration process set forth herein, a grievance process, which includes a form of binding arbitration that differs from the one, set forth herein.

WHEREAS, the City Council of the City of San Luis Obispo desires to submit to the voters a measure to repeal Section 1107 of the Charter of the City of San Luis Obispo in its entirety, the approval of which would result in the City's public safety employees being governed by the same State law dispute resolution procedures applicable to other represented public employee groups.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of San Luis Obispo hereby proposes on its own motion that a measure repealing in its entirety Section 1107 ("Impartial and Binding Arbitration for San Luis Obispo Police Officers Association and San Luis Obispo Firefighters Association, IAFF Local 3523, Employee Disputes") of the Charter of the City of San Luis Obispo be submitted to the voters at the Special All Mailed Ballot Municipal Election to be held on August 30, 2011.

SECTION 2. That the City Council, pursuant to its right and authority, does order submitted to the voters at the Special All Mailed Ballot Municipal Election on Tuesday, August 30, 2011, the following question:

<table>
<tr><td rowspan="2">Shall San Luis Obispo Charter Section 1107 ("Impartial and Binding Arbitration for San Luis Obispo Police Officers Association and San Luis Obispo Firefighters Association, IAFF Local 3523, Employee Disputes") be repealed in its entirety, leaving resolution of disputes over wages, hours, or working conditions, which remain unresolved after good faith negotiations between the City and the two covered organizations, subject to the same State law procedures for impasse resolution that govern other public employee organizations?</td><td>Yes</td></tr>
<tr><td>No</td></tr>
</table>

SECTION 3. That the City Council authorizes any and all members of the City Council to file written arguments in favor of the measure in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the measure may be submitted to the City Clerk.

SECTION 4. That the City Council directs the City Clerk to transmit a copy of the measure to the City Attorney, who shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 5. That in all particulars not recited in this resolution or Ordinance Number 1559 (2011 Series), the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this resolution.

SECTION 8. That the City Clerk is hereby directed to file a certified copy of this resolution with the San Luis Obispo County Board of Supervisors and Clerk-Recorder.

Upon motion of Council Member Smith, seconded by Council Member Carpenter, and on the following vote:

AYES: Council Members Carpenter, Carter, and Smith and Mayor Marx
NOES: Vice Mayor Ashbaugh
ABSENT: None

The foregoing resolution was adopted this 17th day of May 2011.

IMPARTIAL ANALYSIS OF MEASURE B-11

Under existing state law, cities are required to negotiate in good faith with employee organizations representing public employees regarding wages, hours, and terms and conditions of employment. If matters subject to negotiation cannot be resolved, impasse may be declared, and the parties may agree to non-binding mediation to reach resolution. If no agreement is reached after impasse has been declared, and applicable state law impasse procedures have been exhausted, the governing body may implement its last, best and final offer made during negotiations. Under existing state law, firefighters and police officers are prohibited from striking.

The City Council of the City of San Luis Obispo adopted Resolution Number 6620 (1989 Series), establishing local requirements for impasse resolution with City employee groups.

In 2000, the City of San Luis Obispo voters adopted initiative Measure S. That measure added Section 1107 to the Charter of the City of San Luis Obispo governing the resolution of labor disputes between the City of San Luis Obispo and its Police Officers Association and Firefighters Association ("Police and Fire Associations"). Section 1107 requires impasse resolution procedures different from those provided under state law and Resolution Number 6620. Section 1107 requires disputes regarding wages, hours, or terms and conditions of employment that cannot be resolved through negotiations be submitted to an independent three-member board of arbitrators for a final and binding decision.

Section 1107 requires each party to submit a last offer of settlement on each disputed issue to the arbitration board. By majority vote, the board selects and awards, on an issue by issue basis, whichever party's last offer the board finds most nearly conforms with those factors traditionally taken into consideration in the determination of wages, hours, benefits, and terms and conditions of public and private employment. The parties have ten days after the arbitration award privately to attempt to agree upon any modifications to the award. At the end of such ten day period, the arbitration award, as modified by the parties, is publicly disclosed and becomes binding upon the parties. No further action of the Council or the electorate is permitted or required.

Section 1107 prohibits the City from changing or eliminating any existing benefit or condition of employment for the Police and Fire Associations, unless such change is either the result of a negotiated agreement between the City and the Associations or ordered by the board of arbitrators.

If approved, this measure would repeal Section 1107 and remove from the City Charter the requirement that unresolved disputes between the City and the Police and Fire Associations be submitted to an arbitration board for final and binding decision. The City and the Associations would be subject to existing state and local impasse resolution procedures.

A "yes" vote removes from the City Charter the requirement that unresolved disputes between the City and the Police and Fire Associations be submitted to an arbitration board.

A "no" vote retains in the City Charter the requirement that unresolved disputes between the City and the Police and Fire Associations be submitted to an arbitration board.

s/ J. Christine Dietrick
City Attorney
City of San Luis Obispo

ARGUMENT IN FAVOR OF MEASURE B-11

Mandatory binding arbitration is unfair to local residents.

It lets an out-of-town arbitrator dictate pay and benefits for San Luis Obispo police and firefighters. The arbitrator doesn't live here, doesn't know our community, and doesn't need to consider what must be cut from the budget to finance the award. The arbitrator's decision is final and can't be overturned.

When residents voted in binding arbitration, they couldn't have imagined the consequences. Now they know, all too well.

In 2008, an out-of-town arbitrator gave San Luis Obispo police an unbudgeted $4 million increase over four years – that's a 30% pay raise when inflation was only 11%. Many officers got an additional 22% raise for years of service. The on-going annual cost of that award is $2.5 million, which represents more than half the City's current structural budget gap.

Due to the award, City Council had to eliminate $1.6 million in street and sidewalk improvements, $600,000 in flood protection projects, $300,000 in parks and open space projects, and $500,000 in public safety projects, including two hoped for neighborhood police officers. Higher per officer pay meant fewer officers on the street.

Before the award, San Luis Obispo police were the highest paid in the county. Now, they're paid more than Los Angeles police.

California courts have ruled binding arbitration unconstitutional for general law cities. Only Charter cities, like ours, can adopt it. Only 21 of 482 California cities have adopted binding arbitration. It has recently been repealed by the voters in two cities. You can make that three, if you vote YES on Measure B.

Binding arbitration takes decisions about the City's budget out of the hands of local elected officials responsible to you, the citizens of San Luis Obispo. Restore local decision making and local fiscal responsibility. Vote YES on Measure B.

To learn more, visit www.CitizensForSLO.org

s/ Jan Marx, Mayor
s/ Andrew Carter, Council Member

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE B-11

Binding arbitration is a fair process that protects both our community and our first responders. If the city and public safety responders are unable to reach a contract agreement, including working conditions, staffing levels or compensation, either party may request an independent third-party arbitrator to resolve the dilemma. This ensures that critical fire and police resources are not interrupted and the community remains safe and protected. Arbitrators must consider the city's ability to pay employees based on revenues and fiscal reserves, as well as using cities with similar cost of living, staffing ratios, and other factors for comparison purposes.

Binding arbitration does not cost the city money, and repealing it will not impact the city's budget. The City Council wants you to believe that our fiscal shortfall is due to dedicated public servants who risk their lives protecting our families and property, while they decided to spend over $110,000 on an unscheduled special election.

Firefighters and police officers continue to sacrifice pay and benefit increases and work with city government to be part of the solution as the city heals its budget gap. Don't be fooled by this attempt by the City Council, voters spoke loud and clear when they voted to adopt binding arbitration in response to recent extended impasses between the city and public safety. Let's work together to restore our economic vitality, and ask the City Council to continue to make our community's safety their top priority – Vote No on Measure B.

s/ Erik S. Baskin, President, IAFF L3523 San Luis Obispo City Firefighters
s/ Jack O'Connell
s/ Don A. Ernst

ARGUMENT AGAINST MEASURE B-11

Binding arbitration is an efficient resolution tool that was enacted by a significant majority of SLO City voters in 2000 and defines a fair negotiating process for our first responders. Prior to binding arbitration, first responders, firefighters and police often went years with unresolved contract issues. There was no incentive for both sides to fairly negotiate to reach a timely and just resolution and impasses that affect public safety dragged on extensively leaving the public vulnerable.

Our priority is keeping the community safe and ensuring that first responders, firefighters and police are able to respond quickly and appropriately to all emergencies and protect the health and safety of our community. Binding arbitration allows the city or the firefighters or police officers to request an outside arbitrator who must consider factors like the city finances, the last offers at the bargaining table, and other issues that affect response times and public safety if a resolution cannot be reached in regular negotiations. That provides the city, the firefighters and cops a level playing field and incentive to negotiate contracts that affect our community's ability to react and respond to emergencies efficiently and in good faith.

Now the City Council wants to override an initiative passed by the voters of SLO and is spending over $100,000 of taxpayer dollars on a special election, which only worsens the city's fiscal woes and the results of which won't affect the budget at all. Please continue to support your firefighters and cops and tell the city to stop playing games and get to work on solving our real fiscal problems like helping our city's economic recovery. Public safety workers will continue to be partners in solving the budget deficit, but playing games with our community's health and safety cannot be tolerated. Vote No on Measure B.

s/ Jack O'Connell
s/ Erik S. Baskin, President, IAFF L3523 San Luis Obispo City Firefighters
s/ Don A. Ernst
s/ Sherri Stoddard, RN, Director Region 3, California Nurses Association/National Nurses United
s/ Katcho Achadjian, Assemblyman

REBUTTAL TO ARGUMENT AGAINST MEASURE B-11

Do you make more than you would if you worked in Los Angeles? San Luis Obispo police officers do.

Did you receive a 30% cost of living increase between 2006 and 2009? SLO police officers did. In fact, many received increases of 57% when years of service were included.

This, in the midst of the worst recession since the Great Depression.

Why? Because of mandatory binding arbitration.

An out-of-town arbitrator gave police these enormous increases even though inflation was only 11%, our police were already the highest paid in the county, and unemployment was skyrocketing as the economy crashed.

You'd think binding arbitration was "fair" if you received these huge raises. If you had to pay for them, you wouldn't. All city residents had to pay, and we're still paying – an extra $2.5 million yearly.

Did the out-of-town arbitrator consider the City's ability to pay? No, not short of bankruptcy. He didn't care what had to be cut to cover these increases – $1.6 million in streets and sidewalks, $600,000 in flood protection, $300,000 in parks and open space, and $500,000 in public safety.

Did binding arbitration make our community safer? No. It meant fewer police officers on the street because the City had to cancel a planned nighttime neighborhood police patrol.

Binding arbitration is unfair to local residents. We urge you to repeal it. That's the only way to restore local decision making and insure long-term financial stability for San Luis Obispo.

Vote YES on Measure B.

s/ Dave Romero, Former Mayor
s/ Ken Schwartz, Former Mayor
s/ John Ewan, Former Council Member
s/ Paul Brown, Former Council Member
s/ Christine Mulholland, Former Council Member

Election Day Official Ballot Drop-Off Centers

Replacement ballots will be available at these locations in case your ballot is lost or misplaced.

San Luis Obispo Grange Hall
2880 Broad St.
San Luis Obispo

Cong. United Church of Christ
11245 Los Osos Valley Rd
San Luis Obispo

Zion Lutheran Church
1010 Foothill Blvd
San Luis Obispo

Creekside MH Park- Community Rm
3960 S. Higuera St.
San Luis Obispo

County Clerk-Recorder
1055 Monterey St D120
San Luis Obispo

REASONS WHY YOUR BALLOT WOULD NOT BE COUNTED

1. It arrives after 8:00 p.m. Election Day, August 30, 2011 - Postmark is not acceptable.
2. The I.D. Return Envelope is not signed.
3. The signature on the I.D. Return Envelope does not match the signature on the voter's Affidavit of Registration.
4. The ballot is returned by someone other than the voter or voter's authorized agent.
5. The ballot is returned without the I.D. Return Envelope.
6. Your ballot contains distinguishing marks (i.e. your name or notations other than to indicate your vote)

ASSISTANCE FOR THE VISUALLY IMPAIRED VOTER: For the visually impaired, audio tapes of the Ballot Measures are available from the Elections Department, 781-5080.

AUTOMARK: The AutoMARK ballot marking device will only be available for use at the County Clerk-Recorder's Office at 1055 Monterey Street in San Luis Obispo, beginning August 8 (8a.m. to 5p.m.) through Election Day, August 30, 2011 (7a.m.-8p.m.). The marking device is designed to assist voters with disabilities, such as vision or dexterity impairments, in marking their ballots. Call for more information, 781-5228.