

## Six Deadly Ballot Measures

by Patrick Monette-Shaw

As I wrote last month in the *Westside Observer*, the dueling pension reform ballot measures both have it backwards: Neither measure addresses salary reform, a necessary precursor that must come first, since salaries drive pensions.

The alphabet soup of ballot measures on the November 8 ballot represent six deadly sins, and six misguided ballot measures, some of which are being bankrolled by billionaires seeking to overwhelm the electoral process, now that the U.S. Supreme Court case *Citizen's United* has permitted unlimited spending by corporate voices.

**Proposition "B"** will only spend \$148 million of the \$248 bond measure on actually repairing roads, which should be covered by the City's General Fund, to avoid incurring interest on long-term debt. The interest payments should be better spent on actually funding road repair rather than feeding junk-bond dealers more of our tax dollars. **Vote "No" on Prop B.**

**Proposition "C,"** bankrolled by billionaires, claims in its campaign materials that Prop. "C" does not expose the City to a "significant legal challenge." This is untrue, since it bundles both pension reform and health care reform into a single ballot measure, which is precisely what doomed Jeff Adachi's November 2010 Prop. "B" ballot measure. If Prop. "C" passes, it will most surely end up facing legal challenges.

New data on the unfunded pay raises for senior managers surfaced on October 3, when Matier and Ross reported in the *San Francisco Chronicle* that the City now has 2,325 employees (fully 6.7% of all employees) earning over \$150,000 annually, though Matier and Ross neglected to mention that is costing taxpayer's \$407.6 million, a staggering 16% of total payroll — plus benefits — just for these 2,325 employees.

A quick three-hour jaunt through the database provided to Matier and Ross, which they neglected to report, is that data released by the City Controller in February 2011 for the *calendar* year ending December 2010 differs from slightly different data the City Controller released to Matier and Ross for the *fiscal* ending six months later, in June 2011. Comparing the City Controller's two data sets, across those six months the total payroll was reduced by \$49.8 million, something set in motion by former Mayor Gavin Newsom, not by Interim Mayor Ed Lee.

Comparison of the calendar year to fiscal year data shows that in just six months, there was a **decrease** of 1,541 fewer City employees earning less than \$60,000 annually, saving the City \$40 million. This represents a decrease to the payroll of 1.25% for those earning less than \$60,000.

Across the same six-month period comparing calendar year to fiscal year data, there was a \$34.6 million **increase** in salaries paid to City employees earning over \$100,000 annually, increasing the payroll for those earning over \$100,000 by 2.3%.

Was the \$40 million decrease to those earning less than \$60,000 then used to award \$34.6 million in salary increases to those earning over \$100,000?

Given this data, you have to ask who's fattening at the trough, because without salary reform you still have lipstick on a pig masquerading as pension reform.

Prop. "C's" campaign materials claim it does not "single out certain employees for better or worse treatment," and alternatively claims there "will be no special treatment for one group of workers over another." This is fiction at its worst — or an outright lie — since Mayor Ed Lee negotiated a backroom deal that singles out safety employees for favorable treatment.

Prop. “C” campaign material claims that the same billionaire backers of Adachi’s 2010 Prop. “B” are supporting Prop. “D,” but Prop “C” is not acknowledging that it has a different set of billionaires backing its own measure. Worse, Prop. “C” campaign literature accuses Adachi of having written his competing measure in secret, when in fact, the pension measure backed by Mayor Lee was completely developed in secret and not released until the deal with safety officers was already struck.

Both measures refused to meet with actual retirees of multiple City unions, shut out of both negotiations.

**Proposition “D,”** also bankrolled by billionaires, is similarly deeply flawed, as I reported in the last issue.

In his October article in the *Westside Observer*, Jeff Adachi claims San Francisco's retirement system is underfunded “by anywhere between \$2.5 billion and \$7.0 billion.” This is simply untrue, and not the first time Adachi has played loose and fast with data (for instance, Adachi has repeatedly claimed City employee average salaries are \$93,000, when in fact data released by the City Controller on August 3 indicates average City salaries are just \$73,636).

Adachi has repeatedly cited erroneous data for his multiple pension reform measures long before his November 2010 Prop. “B” measure failed.

“The City’s pension fund is underfunded by \$1.5 billion, but is 91% funded according to our last annual report. It’s among the best-funded plans in the country,” says Herb Meiberger, an elected member of the San Francisco Retirement Board.

“The plan’s market value as of June 2010 was \$13.1 billion, and is now at \$15.4 billion as of June 2011,” he adds, another \$2.3 billion improvement. Meiberger notes “The fund’s returns were 12.55% for FY 2010, and 21.85% for FY 2011, ending June 2011.”

That sounds to me like strong performance over the past two years, despite Prop. “C’s” and “D’s” unsupported, wild claim an actuarial 7.75% projected return will bankrupt the pension system.

Adachi also quoted Northwestern University Professor Joshua Rauh as saying San Francisco’s public employee pension fund will run out of money in the year 2032. “The probability of our pension system running out of money is miniscule. The retirement fund would have to have horrible returns for quite some time to become insolvent,” says Meiberger.

Following the West of Twin Peaks Central Council-sponsored mayoral debate on October 1, I approached Mr. Adachi and asked him where he got the \$7 billion unfunded pension liability figure from. Adachi pointed to fellow mayoral candidate Tony Hall, and said that he had relied on Hall’s data. If Adachi is willing to pull data out of thin air — which is patently false — do we really want him to become our next Mayor, and do we want to pass a ballot measure that is based on false assumptions and outright disinformation?

Don’t forget that if Prop “D” passes, a key provision of the police officer’s contract engineered by Interim Mayor Ed Lee will kick in, exempting public safety employees (firefighters and police officers) from additional contributions until 2015, a backroom deal Ed Lee announced only *after* he had jumped into the mayor’s race.  
***Vote “No” on both “C” and “D.”***

**Proposition “E”** will allow the Board of Supervisors to amend or potentially repeal ballot measures initially passed by voters. Sponsored by freshman Supervisor Scott Weiner, passage of Prop. “C” would mean that you can only challenge decisions made at City Hall if they allow you to. Otherwise, they’ll just repeal your vote, effectively ending democracy in San Francisco.

As George Wooding notes in the *San Francisco Neighborhood Voting Guide*, “Look upon Proposition E as a test of your own Intelligence Quotient (IQ): If you are dumb enough to vote for giving away your vote, you shouldn’t

be voting.” **Vote “No” on E.** While you’re at it, consider donating to the Friends of Ethics, a committee opposed to Measures “E” and “F” at <http://www.facebook.com/friendsofethics>.

**Proposition “F”** will allow the Ethics Commission to rewrite hard-won local law on campaign consultants, without voter approval. The campaign to pass propositions “E” and “F” is funded in part by a right-wing multimillionaire who has declared “We need to take back our City [from the progressives].” Props “E” and “F” are opposed by mayoral candidates Jeff Adachi, John Avalos, Tony Hall, Phil Ting, and Leland Yee. **Vote “No” on both “E” and “F”!**

**Proposition “G”** provides for the very real possibility of pushing San Francisco’s sales tax to over 10%, assuming that the State will eventually restore its one-percent sales tax that has been temporarily suspended. Prop. “G” claims it will split the estimated \$60 million in anticipated revenue equally between public safety programs and public safety net services for seniors and children. But the new poison pill in Prop “G” is that the Board of Supervisors or Mayor will be permitted to change how the revenue is shared between the two “beneficiaries” with a two-thirds vote by the Board, without allowing the citizens to further vote on changing the allocation of this new revenue source. **Vote “No” on “G.”**

Send the six deadly billionaire-backed measures packing: **Vote “No” on Prop.’s “B” through “G”!**

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