

## **WHY WE SHOULD REJECT FARRELL'S PROPOSITION A!**

### **Purpose of Prop A - City Savings and the Retirees Healthcare Trust Fund or (RHCTF)**

Prop A is on the ballot in order to create savings for the City. However, there is no indication as to what these savings will be used for. This is an important point to many San Franciscans, as we see vast amounts of tax dollars being spent on projects supporting the interests of the one percent and not on services and projects we actually need. Retirees already have a firm guarantee in the City Charter that they will receive healthcare coverage as well as a developing fund and a functioning RHCTF Board. Prop A adds nothing to this guarantee nor does it promise to reduce retiree or workers premiums. Prop A does not "Honor Retirees", it burdens the workforce.

### **Proposition A allows the City to Raid the Retirees' Healthcare Trust Fund**

\* Prop A is a deceptive measure that gives the Board of Supervisors and the Mayor the authority to make decisions about spending the RHCTF money without going back to the voters. Sections A8-.432(d)(1-3) allow the City to change even the spending limitations set forth in this amendment without specifying what these new spending limitations might be or under what circumstances. (see below)

### **Cost shifting potentially burdens current workforce and beyond.**

If money is spent from the RHCTF to pay for retiree healthcare costs, a way for the City to shift the burden of future costs from the General Fund has been included in the Prop A legislation during the 31 year "pay as you go" period or beyond. Prop A allows the City to ask for greater contributions to the RHCTF from the employees through agreements with their "employee organizations" see: "Additional Contributions to the RHCTF." pg 7 (e). Employee contributions can go up but not down according to Prop A.

### **Proposition A propaganda is misleading the public**

Proponents state that A protects Retirees and Employees because the RHCTF under Prop A cannot be spent on anything else but retiree healthcare. In truth the fund cannot be spent on anything else NOW. This core principle is in the original Prop B language approved by the voters in 2008 - nothing has changed this.

### **Proposition A creates an inequality in fund member representation.**

The current RHCF board consists of 5 members. Three represent the City and are appointed by the Controller, the City Treasurer and the Executive Director of

A8.432. (d)(3): "Upon a recommendation of the Controller, after consultation with the City's GASB Authority, approval of the Mayor, and approval of the Board of Supervisors by a two-thirds vote, the Board may adapt disbursement limitations different from the limitations set forth in Sections A8.432.(d)(1) and A8.432.(d)(2) above."



SF Retirement System **Two are currently elected from the member/beneficiaries i.e. active employees and retirees.** Right now the RHCTF is already weighted toward the City making the decisions. **Prop A adds the Board of Supervisors and the Mayor to this body, creating a top heavy governance which drowns out the voice of the members.** The workers hired after 2009 currently pay 2 percent to the City's 1 percent and yet Prop A basically destroys member representation.

**Prop A promises a fully funded RHCTF in 31 years but immediately sets up rules on how to spend the money.**

Although Prop A is being touted as a way to fully fund the RHCTF by locking up the fund for 31 years, **it also provides the newly created governance a way to spend the fund down with no specific limits. Sections A8.432(d)(3).** In addition, the City and County does not have to adhere to GASB funding standards which are not mandated.

Please do not support this flawed measure and negative and disingenuous campaign. San Franciscans need to identify and correct the real reasons for the economic crisis effecting us all, including the costs of healthcare. Proposition A is not a solution - VOTE NO!

**NO ON A Endorsers:**

SF Green Party  
SF Gray Panthers  
United Public Workers for Action  
SF City Employees and Retirees for Responsible Governance

Earl Gilman - El Nuevo Topo - SF Gray Panther's E- Board - SF City Retiree  
Bea Cardenas Duncan - past President SEIU 1021 Retirees Chapter -  
Kay Walker - past Pres. SEIU 535 City Workers Chap. Retired Social Worker  
Joe Duncan - past President - Retiree Member Council - SF City Retiree  
Sylvia Lynch - member Groupo Presente - SF City Employee  
Denise D'Anne - SF Gray Panther E-Board - SF City Retiree  
Jean Thomas - Retired City Accountant/Auditor - POB member  
Steve Zeltzer - Laborfest co-coordinator- Labor On the Job producer  
(partial list) (labor donated)