

MEASURE C: COUNTY OF SAN DIEGO "PROTECTING GOOD GOVERNMENT THROUGH SOUND FISCAL PRACTICES"

POSITION: The Chamber's Public Policy Committee voted to SUPPORT Measure C on September 11, 2018.

RATIONALE: The creation of a lock-box mechanism would be beneficial to the Board of Supervisors to ensure pension funds are protected from being siphoned for other purposes.

STATUS: The County Charter Amendment will be on the November 2018 ballot.

SUMMARY

The proposal would make two changes to the County Charter:

- 1- Create a lock-box mechanism for funds to be used only for pension-related liabilities.
- 2- Ban the use of long-term debt for ongoing expenses.

INDUSTRIES IMPACTED

The Charter Amendment is one of good financial management with no direct impact on industry.

SUPPORTERS

Supervisor Dianne Jacob

OPPONENTS

None known

ARGUMENTS IN FAVOR

- The County has achieved AAA credit ratings by practicing sound fiscal management including maintaining a pension reserve fund and avoiding the use of long-term debt for short term needs.
- This proposal would cement proven best-practices into the County's Charter relieving future Boards of political pressure to spend down reserves.

ARGUMENTS IN OPPOSITION

- Neither the existing Supervisors, nor the voters, should be binding the hands of future Boards of Supervisors.
- The County's current practices of maintaining large reserves have resulted in limiting services even when needed and should not be enshrined into the Charter.