

MEASURE B

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE B

This proposed Charter amendment would change the current annual 5% cost of living increase to Council salaries to a cost of living adjustment based on the annual Consumer Price Index for the Bay Area, not to exceed 5%. The proposed amendment would set the 2012 Council salaries at the current 2011 amount of \$2,088.64/month and the mayor's salary at \$2,784.86/month with the first CPI adjustment in 2013. The result of this amendment would most likely reduce the annual cost of living increases for Council salaries below the current automatic 5% increase.

Charter Section 603 now provides that the Council salary was set at the amount for general law cities with similar populations in 1992, and adjusted annually to increase 5%. The mayor receives a 33.3% premium for service as mayor. This Charter section was last amended in 1992, and Council salaries have been adjusted upward for cost of living at 5% annually since 1992. In 2011, Council salaries based on the 5% annual adjustments for cost of living are \$2,088.64/month and the mayor's salary is \$2,784.86/month. If the Charter is not amended, these salaries will continue to be adjusted upward by 5% annually.

The proposed Charter amendment would remove the automatic annual 5% increase to Council and mayor salaries, and substitute an annual cost of living increase based on the annual Consumer Price Index-Urban for the Bay Area. The maximum permitted increase would be 5% and the minimum permitted increase would be 0%. The Council and mayor salaries for 2012 would be set at the current 2011 salaries of \$2,088.64/month for Council members and \$2,784.86/month for mayor. No cost of living increase would be provided in 2012, and cost of living adjustments would begin in 2013.

A "YES" vote is a vote to amend Charter Section 603 to set 2012 Council and mayor salaries at \$2,088.64/month and \$2,784.86/month with annual cost of living increases commencing in 2013 based on the Bay Area Consumer Price Index-Urban not to exceed 5% or be below 0%.

A "NO" vote is a vote to maintain the 2011 Council and mayor salaries at \$2,088.64/month and \$2,784.86/month and to provide for continuing automatic 5% annual cost of living adjustments.

The above statement is an impartial analysis of Measure B. If you desire a copy of the measure, please call the elections official's office: Office of the City Clerk, telephone (408) 730-7483, located at 603 All America Way, Sunnyvale, California and a copy will be mailed at no cost to you.

You may also access the full text of the measure on the City's website at the following website address:
www.Elections.inSunnyvale.com.

/s/ David Kahn
City Attorney

ARGUMENT IN FAVOR OF MEASURE B

In this challenging economic climate, Sunnyvale's City Council and staff have spent a lot of time examining the budget and looking for ways to reduce costs, including Council members' salaries. Currently, the City Charter requires an automatic 5% annual raise for all councilmembers, and Council cannot vote to override the Charter.

This year, Council created a Charter Review Committee with several charges, among them to examine councilmembers' compensation and recommend changes. The Committee found current Council salaries to be reasonable, given the time commitment and responsibilities. However, it recommended changing the Charter to reduce Council raises to a rate based on the Bay Area Consumer Price Index, but never to exceed 5% in any year. Additionally, should the CPI be negative for a year, the salaries would not decrease. Given past performance, this change is expected to more than halve Council raises in future years.

The City Council accepted the recommendation of the Charter Review Committee and approved this ballot measure to implement the Committee's recommendation, with no additional changes.

Let's be clear. This measure does not increase Council's base salaries or raises, and it will likely dramatically reduce the growth of Council salaries in future years, while still providing councilmembers with fair compensation. This can only save the city money.

All that remains is for you the voters to approve it. We ask you to do so. Please vote YES on Measure B.

/s/ Melinda Hamilton
Sunnyvale Mayor

/s/ James R. Griffith
Sunnyvale Vice Mayor

/s/ Otto Lee
Sunnyvale Councilmember

/s/ Carol Weiss
Resident and 2011 Sunnyvale Charter Review Committee Chair

/s/ Glenn K. Hendricks
Resident and 2011 Sunnyvale Charter Review Committee Member

NO ARGUMENT AGAINST MEASURE B WAS SUBMITTED