



The VOICE

Your independent news source

Greater Shasta County, CA

Volume III, Issue V

www.shastavoices.com

October 2009

Did you know...

- There were 4 new single family home permits drawn in the City of Redding for the month of September, 2009. The total number of new single family home building permits in the City of Redding year-to-date through September, 2009 is 56. That is 59% lower than the same period for 2008, and 65% lower than the same period for 2007.
- Tuesday, November 3, 2009 is voting day for the Consolidated Schools and Special Districts Election. If you vote in person, your appropriate polling site will open at 7 a.m. and close at 8 p.m. The last day to register to vote in this election if you are voting by mail is October 19th. The last day to request a vote-by-mail ballot is October 27th. Your completed vote-by-mail ballot must be received in the Elections Department office or at any polling site within Shasta County no later than 8 p.m. on the day of election. If you have questions about voting, call the Shasta County Elections Department at (530) 225-5730.

Inside this issue:

Public Pension Forum Serves as "Model"	1
Why Are We Here? PEC Committee Update	2
IBEW Threatens Local Businesses	3
Redding Firefighters Show True Leadership	3
Sample Ballot Measure Moves Forward	4
Join Shasta VOICES	4

Public Pension Forum Serves as "Model" For Future Discussions

If you did not attend the Shasta VOICES "Public Pension Forum" held on September 24th, you missed a truly historical event. Our distinguished panelists, representing all sides of the debate on California's public pension system, had an impressive and invaluable discussion about potential reform of the existing system, paving the way for similar debate throughout the State.

The highly productive session proves that when people on all sides of the isle are able to come together and listen to each other, they can actually find a way to work through viable solutions. And all agreed that reform at the *State* level will be needed to bring the current system back to sustainability (including Steve Allen, who represented the public sector union employees). An initiative is being prepared by the California Foundation For Fiscal Responsibility (CFFR) for next year's ballot that would reduce pension formulas, raise retirement ages, and put a stop to costly abuses of the system for newly hired public workers.

A good deal of thought was given to the actual "format" for the Forum. Our goals, after securing our dream panel of experts, were to do these four things:

1. Avoid the town hall meeting environment to eliminate any disrespect for our panelists (or anybody else). Only two of our Shasta VOICES Board members, Dave Scott and Maureen Gaynor, were authorized to ask any questions.
2. Solicit and produce appropriate questions *in advance* that would educate, inform, and simplify the complex subject matter for all persons attending. Allow our panelists to view the questions two weeks in advance so that they would be prepared to have such a discussion.
3. Produce a power point presentation that showed each question on a large screen as it was being asked of our panelists for the benefit of the audience (we did have 7 panelists—it could've been easy to forget the question before each had answered).
4. Additional questions could be written down during the panel discussion by the audience, and passed along to our two authorized questioners.

To say we reached our goals is an understatement. We managed to stay focused and finish on time, even with some additional audience questions. The format that we created can serve as a model for future discussions for this and other sensitive subject matter.

But perhaps most importantly, we were willing to take the lead in promoting discussion of public pension reform when nobody else has been willing to do so. It is all too easy to sit back and wait for "somebody else" to do it because one lacks the personal fortitude to stand up for what they believe in. We could all take a lesson from union employees and their representatives. They never back away from what they believe is in their best interests, and have no fear of taking a position, even if it becomes negotiable.

If and when the taxpaying citizens in California decide to stand up for themselves, only then will we see public pension reform become a reality.

Privatization Evaluation Committee (PEC) Update #2

“Why are we here?”

The PEC meeting held on September 14th was devoted to hearing the public's comments and ideas about privatizing municipal services at the City of Redding. Several speakers were invited to address the committee, as well as audience members. The committee is charged with evaluating existing City services and determining whether or not privatizing any of them would save money and provide better value to the community.

The room set-up should have been the first clue that this committee is disjointed. The 5 City Council members, who are supposed to be part of a 10 member committee, sat together at one table on the left side, and the other 5 committee members sat at a separate table on the right side. It resembled a Council meeting, where they clearly are there to say yes or no, and everybody else is there to make their “case” one way or another. It was, at the very least, insulting to the non-Council committee members, and confusing to the general public who attended and spoke. But, speak they did.

Invited speakers included Gary Gerhard, who served on the City's Budget Committee this year; Mary Machado, who did a power point presentation giving an overview of the recently released document, *“Privatization of Public Services”* emphasizing that the study addresses the *concept* of privatization, and is not an analysis or comparison of the actual numbers involved; Ray Thomas, the Senior Business Representative for the IBEW. Speakers from the audience included Joe Wascoe from the Redding Swim Team, Roger Janis from the Redding Chamber of Commerce, and citizens George Clark, Gary Cadd, and Dwight Evans.

When the public comment period concluded, the committee asked a very important question: What are we supposed to do? It was clear that they have not been given direction as to what their “duties” actually are in this process. Even though the committee has been presented with long lists of suggestions as to which services they could explore, they still had no idea how to do this.

City Manager Kurt Starman finally concluded that the staff needs to put together a “scoring matrix” that lists each major City service. Each PEC member will be asked to try and complete the matrix before the next meeting on September 28th.

Fast Forward to September 28, 2009

It was evident at the PEC meeting held September 28th that the non-council committee members were determined to change the direction that the committee seemed to be headed at the prior meeting. The seating arrangement had changed to mix all ten committee members—no more council one side, citizens on the other. And, they were none too happy about the scoring matrix that had been sent to them for completion.

Most committee members agreed that it was premature to complete such a matrix absent any cost data. They believe that it is the cost of providing city services that is driving this effort in the first place. Mary Stegall even stated that she did not feel this was a committee-driven procedure, as it should be.

So, the much needed change in direction finally did occur. Unfortunately, the focus seems to be on “finishing” their evaluation by the end of January. Therefore, they felt it necessary to narrow their scope of work, seeking to minimize the number of city services to be evaluated. Those departments listed on the matrix, which was an all-inclusive list, rather than being scored, were up for a vote as to whether or not the committee wanted to take the time to actually evaluate them through this process.

After the vote, which required 6 yeses to go forward, here is the list of services that will be considered for potential privatization by the PEC:

1. Fire Department and first responder calls.
2. Parks Maintenance.
3. Explore ways to eliminate overtime in all city departments.
4. Explore ways to partner with other government agencies to eliminate duplication of services.

This list begs the question, is this really evaluating privatization, or a study in reducing costs internally? Either way, if costs of providing city services can be reduced through this process, it will prove to be a worthwhile exercise. Should all departments be included? If a complete job is to be done they should, no matter how long it takes.

IBEW Local Union 1245 Threatens Businesses

It appears that the International Brotherhood of Electrical Workers (IBEW Local 1245) in the North State don't take too kindly to anybody exploring ways to reduce government expenditures in the midst of the deepest recession we have ever experienced.

In a letter dated September 17, 2009, the IBEW sharply criticizes and singles out Mary Machado, the Chamber of Commerce, the Shasta Builders Exchange, and the Shasta Association of Realtors for funding a study of the **concept** of privatization in the Shasta County area. They must've forgotten that the unions participated in this study.

But they didn't stop with mere criticism. They state in this letter: "While the membership of IBEW Local 1245 respects your right to support enhanced privatization of City services, the membership of IBEW Local Union 1245 reserves the right to **"NOT PATRONIZE"** any business that supports the unwarranted elimination of their jobs."

Clearly, if the IBEW bothered to actually read the study, they would see that it contains the **viewpoints** of all parties, including the City Manager, County CAO, Union Representatives, and the community. There is no suggestion, proposal, or conclusion as to whether or not any government services in the area should be or will be privatized. It simply states what "people" think. And "people" (including unions) think there is no down side to exploring any and all ways to reduce the government spending of money that they do not have. Will privatization reduce spending? It may or may not. Nobody knows for sure. A good deal of analysis would need to be done to find out.

But somehow, the IBEW sees this as an "unwarranted elimination of their jobs." Why? Is there something about their jobs that we don't know about and will uncover if we continue to explore ways to reduce expenditures?

If the IBEW really feels that they can provide the "best bang for the buck" in the provision of government provided services, one would think they would welcome the chance to demonstrate it. In the case of those IBEW members who work for the City of Redding, the City's Privatization Evaluation Committee (PEC) has been established to do just that. Why would this, or any committee, want to jeopardize a situation that is, in fact, the "best bang for the buck?"

Rather than threatening the citizens of Redding who pay their salaries and benefits and keep them working, one would think the IBEW members would demonstrate a spirit of cooperation and do everything they can to assist the City during this unprecedented downturn in the economy.

Ironically, this letter is the kind of public employee union intimidation that makes privatization look more attractive than it would be otherwise.

Redding Firefighters Show True Leadership

There are at least some employees at the City of Redding who have demonstrated that they want to do their part to help get our community through this Great Recession that we are all experiencing.

The International Association of Fire Fighters Local 1934 (IAFF), representing the 71 employee members at the City of Redding, has agreed to wage concessions for **one year** that will prevent the closure of fire station No. 3 on Westside Road and the layoffs of six firefighters. City Council had voted to close this station as a budget reduction measure prior to the agreed upon concessions. The IAFF agreed to postpone annual step increases that would have occurred between now and October 2010. There are eight different step increases, usually paid every year on an employees' anniversary date. Additionally, each employee will pay \$72 per pay period (26 pay periods) toward health insurance premiums. These concessions will save about \$670,000. And, the IAFF has also agreed to extend its current labor contract two additional years until January 1, 2014, with no additional cost-of-living increases.

This spirit of cooperation is precisely what is needed during this unprecedented economic disaster that we are all living through. Our city firefighters could serve as models for the other union members in the city who refuse to do anything to keep their fellow employees from being laid off, and the taxpaying citizens of Redding from losing crucial public services.

We've heard (loudly) from other employees in different unions locally that their particular "jobs" are more important than others in the City and should be spared. We've heard publicly from the most recently hired employees desperate to save their jobs, but not from their fellow long term employees who have the opportunity to help them keep those jobs.

Some city employees are willing to "postpone" future promised raises, but that doesn't do anything to affect the current budget woes at the City.

Budget cuts should be just that—**cuts** to the existing budget. This does not mean simply moving money around to maintain the status quo. It does not mean preventing additional expenditures that would have occurred in the future. Yes, those measures are necessary, but only **in addition** to making real cuts now.

We applaud the efforts of our Redding Firefighters who have made concessions that not only offer **real money** savings, but demonstrate the leadership necessary to actually put public safety first.

We can only hope that other city employees will follow their lead and accept the reality of this recession.

Sample Ballot Measure Moves Forward Controversy Sure to Continue

At the October 6, 2009 Redding City Council meeting, a majority of the Redding City Council directed City staff to create a sample ballot measure that would require the City to modify its labor agreements to accomplish two goals:

1. All City employees would be required to pay the employee contribution to CalPERS; and
2. New City employees would no longer receive subsidized health insurance after retiring from the City of Redding.

Mayor Rick Bosetti, who suggested the measure, and Council members Patrick Jones and Missy McArthur expressed an interest in looking into such a measure further. City Attorney Rick Duvernay will be tasked with bringing the sample document forward for consideration at another meeting, and vowed to develop a respectful scenario that will include a tiering system. He explained that voters have the same restrictions as Council has with regard to any “vested” rights (i.e. pensions) of those already in the current system. Funding of the benefit, however, is subject to negotiation, and the Council could establish a policy to be adhered to.

Currently, the City pays **both** the employer contribution and the employee contribution to their CalPERS retirement benefit. The employee contribution for public safety employees is 9 percent of each employee’s earnings. The employee contribution for other City employees is 7 percent of each employee’s earnings. The City also pays 50 percent of the health insurance premium and the retiree pays 50 percent of the premium when they retire from the City and choose to keep their medical insurance.

Many concerns with such a ballot measure were expressed by public speakers. Ray Thomas, representing IBEW workers, said governing by initiative is distasteful to most people, and regressive. He said taking away benefits without recognizing policy 206 (the City’s salary policy effective 9-19-89 stating they will establish and maintain a compensation policy which is intended to recruit and retain the better qualified employees, among other things) would be disingenuous. Sabrina Struth, representing SEIU workers, felt that the City was trying to take away the bargaining process. Steve Allen, representing the police and firefighters, said that to ask the citizens what they think amounts to grandstanding. By law, he said, the City will still have to bargain with employee unions (research indicates he is correct). All the union leaders mentioned that they could also put their own measures on the ballot.

Council member Mary Stegall felt such a ballot measure “would absolutely tear this community apart.” She also felt that if it didn’t pass, it could weaken the position of Council. Council member Dick Dickerson said “we don’t live in a democracy,” and “the Council was elected to represent the people.” He felt this was an issue that was too complicated for the public to understand, and they would vote yes because “they don’t have a good retirement of their own, so why should anyone else.” He also stated that you cannot compel concessions by initiative.

As both Patrick Jones and Missy McArthur stated, there are limited tools available to the Council to make progress in the negotiation process. They agreed that it is their job to make these decisions on behalf of those who elected them, and feel that this could be a tool to help them do their job.

Join Shasta VOICES today.

We depend on membership and other contributions.

If you are viewing this issue of “***THE VOICE***” on our website, click on the ***membership tab*** for information and to download a membership application or contributor form. Or, you can obtain more information by going to our website, **www.shastavoices.com**, or calling **(530) 222-5251**.

Mary B. Machado, Executive Director