

# SACRAMENTO COUNTY TAXPAYERS LEAGUE PERSPECTIVE

PROMOTING ACCOUNTABILITY, EFFICIENCY AND ECONOMY IN GOVERNMENT—SINCE 1961



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# Sacramento's Identity Crisis

By Katy Grimes

For several years Sacramento has waged a debate over whether our NBA team, The Sacramento Kings, will leave town for greener pastures and deeper pockets. As a Sacramento native, I remember very well the fanfare surrounding the Kings' arrival in town in 1985. You'd have thought that the real royals, Prince Charles and Princess Diana, had moved in. A local developer was able to bring the team to Sacramento without using public funds, but that tune has changed dramatically. In the years since the Kings have been Sacramento's team, fans have been fickle with support. When the Kings are winning, the arena is

"If you build it they will come  
*only happens in movies.*"

packed. When the team loses, as is historically the case, the arena has lots of empty seats. Which makes many fiscally responsible Sacramento residents angry that the city council continues to push for building a massive arena. *If you build it, they will come* only happens in movies. Even on the verge of losing the Kings to Anaheim, talks about a local arena continue with local developers and money people.

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## PRESIDENT'S MESSAGE

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**T**his month's topic is "membership." To start with, below, I've copied a message to all of the Board Members from our Treasurer, Tom Reavey.

"Hello. I want to remind everyone to please mention the Taxpayers League in your various appearances and written editorials- we need to get new members. We have lost some in the last few years, including a very large corporate one, and are consequently facing financial challenges this year. You can direct your audience to our website at [www.sactax.org](http://www.sactax.org) and/or have them call 916-399-5600.

"We won't have a voice in these important public discussions if we are no longer around; so, getting new members is critical to our survival. Thanks.

"Kind regards, Tom Reavey, Your Treasurer"

Thanks, Tom for that sobering reminder. Since membership dues are our only source of revenue, we have to be more creative about thinking of potential members. For example, I get my hair cut at Supercuts. So, I found out that the shop I go to is part of a larger group of franchise shops under one owner. I'll contact that owner and ask if they would become a member of the League. They pay a lot of taxes of all kinds of things, including utilities. I have an "in" there, since I've been a customer for nearly 20 years. Another example is Taco Bell. Well, for fast food, I eat at Taco Bell exclusively, and usually several times each week. I know, "That explains it." The other night an assistant manager waited on me; so, I asked about the particular franchise. In this case, an out-of-town management company operates several dozen Taco Bells in the region. This is another potential corporate member. So, think about the places you regularly shop, tell them who we are and what we do, and ask if they would become a member. Of course, this means that you have to have a membership application in your car, purse, pocket, or back pack, or just send them to the website.

Get ready, get set, GO! Thanks, Tom, for the reminder! Again, membership dues are our main form of revenue.

Please join us for our next meeting.

Ken Payne

# EXECUTIVE DIRECTOR'S MESSAGE

Next month the Taxpayers League will be celebrating its 50th Anniversary. Yes, that's right, the League actually began in 1961, with some local businessmen in Sacramento and a few farmers in Elk Grove. It's been a long road with a lot of battles fought along the way, but the League is still here - and doing well.

For this year's annual dinner we are pleased to have noted Sacramento Bee political columnist Dan Walters as our keynote speaker. Mr. Walters has been in the newspaper business for over 50 years, and is probably more knowledgeable about statewide political issues than anyone else today. He will be sharing with us some of the political concerns he sees currently, and what taxpayers can look forward to down the road.

In addition to Dan Walters, the League will also be paying tribute to its own past leaders. All former Taxpayer League presidents will be honored with a special ceremony, commending them for their service. We are expecting about a dozen of the past presidents to be with us in person, and to share briefly when they served and what big issues they dealt with. A list of all past League presidents will be provided with the dinner program.

This year's dinner will again be at the Sacramento Marriott Hotel, corner of Sunrise and Folsom Blvds, on Thursday night April 21, 2011. Dinner prices will be \$55.00 per person, \$100 for a couple, \$250 for an Honor Role sponsor and \$350 for a Table of Eight. As usual, the no host bar begins at 6:00pm, dinner will begin at 6:30pm. The menu will consist of a choice of beef or chicken.

Dinner reservations are available online ([www.sactax.org](http://www.sactax.org)), or via email at [info@sactax.org](mailto:info@sactax.org), or you may call us in person at 399-5600. Please get your reservations in soon.



**Bob Blymyer**  
**Executive Director**

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## Cheers:

To Winnie Comstock-Carlson - for her excellent article on what California needs to do to recover from its fiscal crisis (Comstock's - February 2011)

To Lew Uhler - For continuing to push for more state government transparency and for re-establishment of the Gann Limit (Prop 4 in 1979)

## Jeers:

To proponents of the continuation of Redevelopment agencies, who erroneously claim losses of ten of thousands of jobs. And then California falls in the ocean too!

To all those who think government spending creates jobs. Maybe more government jobs, but not private sector jobs - you know, the ones that are really needed.

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## This n' That

Over the past 25 years job growth in right-to-work states has been over twice as high as in unionized states, 51% compared with 21%. Between 2000 and 2010 employment has grown by 2% in right-to-work states and declined by 4% in unionized states

Private sector union membership peaked in the 1950's at 36% of the work force. Now, only 12% of all American workers and 7% of private sector workers belong to unions. (Stephen Frank's California Political News and Views 12-24-10)

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## Special Thanks

These members donated gifts to the League during the past year: Ed Grebitus, Bill Johnson, Gordon Jack, Russ Nicholson and Joe Sullivan.  
Thanks so much to all of you.

# Sacramento's Identity Crisis

*continued from page 1*

Sacramento's decades of elected leaders have a crisis of identity. Neither the Sacramento Kings, nor any other professional sports team can fill the empty void where confidence should be, or repair the insecure-city syndrome.

The city cannot manage to develop its two beautiful rivers or resolve the perpetually blighted K Street Mall downtown — despite the millions of redevelopment dollars dumped into the ugly and crime laden street. Such a city should not have a seat at the NBA's table because the city has so badly mismanaged its 25 years with the Kings.

Taxpayers told the city emphatically “no” to a taxpayer-funded arena in 2006 when Measures Q and R went down in defeat. And instead of listening, city councils since have

tried to end-run voters, attempting to keep talk of a publicly funded arena alive — despite the denials. The Sacramento Grand Jury criticized both city's and county's backdoor dealings with the Kings, accusing the city and county of “deceiving” the citizens.

The Grand Jury reported in **“The Kings and City and County of Sacramento: Betrayal in the Kingdom?”**:

*In 1996 the second group owning the Kings was considering selling or moving the team. The owners approached the city with a \$235 million public/private partnership proposal to develop a sports complex and entertainment center. The proposal was termed ‘Partnership for Playing.’ The city's gross commitment would have been \$150 million. This included a \$90 million contribution toward Arco Arena and a \$10 million commitment for infrastructure at the arena and stadium sites as described under the North Natomas Financing Plan. On January 21, 1997, the Kings group withdrew their proposal.*

And on January 28, 1997, the Kings and the city reached an agreement for financial assistance which included a \$70 million loan, and fee credits and deferrals for future infrastructure. The source of payment for the loan was slated to be arena revenues and ticket surcharge revenues.

The loan is still outstanding, although payments are being regularly made.

Sacramento's elected councils have failed miserably in long range planning and priorities. Bad roads, failing city schools, threats of deadly flooding, foreclosures and suburban blight, high taxes, businesses closing or leaving and high unemployment are all the reality in Sacramento, and should be the regular agenda of the city council. Sacramento needs to get its own house in order before aspiring to big city status. Downtown needs a sincere clean up and renovation efforts, not the shuck-and-jive redevelopment scams that have been in place for decades, making local developers wealthy, and leaving taxpayers footing the bill. Our downtown has never looked worse, with the city the biggest slumlord in the area.

The owners of the Dive bar, Mermaid bar, and Cosmo Cafe on K Street are recipients of \$30 million in subsidies. Currently the city is planning a new entertainment venue and more low-income apartments and restaurants in the downtown area. Is that the best use of tax dollars during one of the worst economic slumps in history?

The small thinkers on the city council impose crash taxes and meddlesome, subjective home design requirements on area residents, acting more like a town council of busybodies. Recently the council killed the house design of a local couple, even though the couple had adhered to zoning ordinances and design requirements, and been given the go-ahead by two local boards made up of design professionals. Before voting to kill the project, the council spent hours during a council meeting discussing the design, demonstrating a tremendous waste of time, money and abuse of political power.

Let the entrepreneurs develop bars and restaurants and housing and entertainment venues, because they only build if there is a demand. Contrary to the popular liberal notion that government creates jobs, it's actually private enterprise that creates jobs and profits, and the subsequent tax money required to sustain the government beast.

Unless and until Sacramento residents start electing business leaders, Sacramento will be forever referred to as the cow town between San Francisco and Tahoe, with only fleeting moments of fame.

# Sacramento County Taxpayers League Opposes Effort to Unionize Top Sacramento City Managers

## Calls for Investigation of City's Former Labor Director for Potential Violation of City's Conflict of Interest Law

The Sacramento County Taxpayers League today announced its strong opposition to recent efforts by the City's own former labor relations director, Dee Contreras, to unionize top managers employed by the City of Sacramento, as reported Friday on the online news site SacPress.com.

"If the city's top managers join a public employees union, who will be left at the city to protect the interests of Sacramento's taxpayers?" asked Taxpayers League Vice-President Craig Powell. "City managers need to decide on which side of the bargaining table they are going to sit: with management or with the public employees unions? The Biblical adage is fundamentally true: "a man cannot serve two masters."

"At a time when the City of Sacramento is staggering under the weight of double-digit annual increases in union-negotiated pension costs, unsustainable soaring retiree health care costs and a \$35-40 million budget deficit, now is not the time for city managers to switch sides and abandon the interests of city taxpayers," said Powell.

The League also calls on the Sacramento County District Attorney to investigate whether labor organizer Dee Contreras, who until late last year served as the director of the city's labor relations department, is violating the city's "revolving door" ordinance which prohibits former city officials from having any dealing with the city on matters relating to their former official responsibilities for a one-year period following their departure from city employment.

Sacramento City Code Section 2.16.090 provides as follows:

*2.16.090 Disqualification of former officers and employees in matters connected with former official responsibilities.*

*A. No former officer or employee of the city shall, within one year after his or her city employment has ceased, appear personally before the city council or any department, board or commission or committee of the city as an agent for anyone other than the city in connection with any proceeding, application, request for ruling or other determination, contract, claim, controversy or other matter which was under his or her official responsibility as an officer or employee of the city at any time within one year prior to the termination of such responsibility.*

"It is appalling, but not surprising, that the very person who is seeking to induce top city managers to weaken their fiduciary allegiance to the interests of the city and Sacramento taxpayers is herself in apparent violation of the city's conflict of interest law," Powell noted.

*Craig Powell's letter was recently published in the Sacramento Bee.*



# HR 72: Identifying Federal Regulations that Impede Job Creation and Slow the Economy

*Congressman Tom McClintock, Chairman of the House Water and Power Subcommittee, made the following remarks on the House floor during consideration of a resolution directing committees to identify federal regulations that impede job creation and slow the economy.*

## *House Resolution 72*

### *Remarks by Congressman Tom McClintock House Chamber, Washington, D.C*

As Chairman of the Water and Power Subcommittee of Natural Resources, my colleagues and I are excited and eager to undertake the mission outlined in House Resolution 72: to identify the federal regulations in this field that are impeding job creation and slowing the economy.

The only problem is deciding where to begin.

A generation ago, the principal objective of our water and power policy was to create an abundance of both. It was an era when vast reservoirs and hydro-electric facilities produced a cornucopia of clean and plentiful water and electricity on a scale so vast that many communities didn't even bother to measure the stuff.

But that objective of abundance has been abandoned in favor of rationing shortages caused by government.

The result is increasingly scarce and expensive water and power that now undermines our prosperity as a nation.

Nowhere is that more evident than in the Central Valley of California. The last Congress sat idly by as this administration deliberately diverted 200 billion gallons of water away from the most abundant agricultural region of our nation – all to satisfy the environmental left and its pet cause, a three inch minnow called the Delta Smelt.

These willful diversions cost over 20,000 farm workers their jobs, inflicted up to 40 percent unemployment rates in the region; destroyed more than a quarter million acres of the most fertile farmland in our nation and forced up the price of groceries for us all.

Or we could look to the Klamath, where this administration is pushing to tear down four perfectly good hydroelectric dams that generate 155 megawatts of the cleanest and cheapest electricity on the planet – enough to power over 150,000 homes -- because, we're told, of catastrophic declines of salmon.

When I suggested building a salmon hatchery instead, I was informed that there already is one: it produces 5 million salmon smolt each year – 17,000 of which return to that river as fully grown adults to spawn – but they're deliberately ignored in the population counts. To add insult to insanity, as they tear down these dams in the name of saving the salmon, they're also tearing down the fish hatchery.

Or we could begin in Colorado, where they've sacrificed over 1,000 megawatts from the Glen Canyon Dam for the humpback chub – at the expense of a long neglected species called Homo sapiens.

Ronald Reagan was right: in this crisis, government is not the solution to our problems – government is the problem. The good news is that's within our power to correct – and it was clearly the mandate of the American people in 2010.

And we will act on that mandate beginning with a series of hearings and actions directly related to this much-needed resolution.

# MONTHLY BOARD MEETING

The Sacramento County Taxpayers League meets for lunch on the third Thursday of each month (except August and December) at:

**Denny's Restaurant**  
**7900 College Town Drive**  
**(Howe Ave. and Hwy 50)**  
**Sacramento CA 95826**

Although this is an official Board meeting of the League, guests are encouraged and welcomed to attend. Each month the Board discusses topics of community interest that affect all taxpayers.

Come join us at anytime!

## MEMBERSHIP

**YES! I am concerned about Sacramento. Please enroll me as a member of the Sacramento County Taxpayers League. I have checked my membership level below, and my check is enclosed.**

**Name:** \_\_\_\_\_  
**Firm name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**City:** \_\_\_\_\_ **Zip:** \_\_\_\_\_  
**Phone:** \_\_\_\_\_  
**Email:** \_\_\_\_\_



<input type="checkbox"/> <b>Gift (1<sup>st</sup> year only)</b>	<b>\$20</b>
<input type="checkbox"/> <b>Student</b>	<b>\$20</b>
<input type="checkbox"/> <b>Individual</b>	<b>\$45</b>
<input type="checkbox"/> <b>Family</b>	<b>\$60</b>
<input type="checkbox"/> <b>Professional</b>	<b>\$75</b>
<input type="checkbox"/> <b>Small Business</b>	<b>\$140</b>
<input type="checkbox"/> <b>Medium Business</b>	<b>\$295</b>
<input type="checkbox"/> <b>Large Business</b>	<b>\$600</b>
<input type="checkbox"/> <b>Large Corporation</b>	<b>\$850</b>

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**Sacramento, CA. 95822**  
**Phone: (916) 399-5600**  
**Email: [info@sactax.org](mailto:info@sactax.org)**

# What is the Taxpayers League?

In 1961, the Sacramento County Taxpayers League was formed by you, the local citizens and your businesses and professional organizations. The goal: to monitor tax issues, utility rates, bond measures and City and County budgets. When concerns arise, the League is there writing to your elected officials, testifying at public meetings and making certain that taxpayers' concerns are represented.

## 2011 OFFICERS & DIRECTORS OF THE TAXPAYERS LEAGUE

### *President:*

**\*KEN PAYNE**, Project Manager

### *Vice Presidents:*

**\*JON COUPAL**, President,  
Howard Jarvis Taxpayer  
Association

**\*KATY GRIMES**, Political  
Journalist

**\*CRAIG POWELL**, Attorney

### *Secretary:*

**\*DIANE SCHACTERLE**, ACRI,  
Director of Policy & Planning

### *Treasurer:*

**\*THOMAS REAVEY**, Analyst

### *Executive Director:*

**BOB BLYMYER**

### *Office Assistant:*

**CONNIE ABALOS**

*\*Executive Board*

### *Directors:*

**JEFF ALLEN**, IT Analyst

**JEFF ATTEBERRY**, Civil Engineer

**CARL BURTON**, People's Advocate, Inc.

**LARRY CARLI**, Retired, Co. Sheriff, D.A.

**TED COSTA**, CEO, People's Advocates, Inc.

**KARL DAMBACHER**, Professor

**MIKE DAY**, President BESTCO

**TROY DININ**, Raley's Superstores

**MARCIA FRITZ**, Pres. CA Fnd. for Fiscal Responsibility

**RAY GARCIA**, Retired Mechanical Engineer

**ED GREBITUS, JR.**, E.A. Grebitus & Sons, Inc.

**MEL GRIFFIN**, Workers Comp. Risk Mgmt Consultant

**GREG HATFIELD**, Local Development Consultant

**THOMAS HILTACHK**, Bell, McAndrews & Hiltachk

**\*BILL HIRSCHFELT**, John O. Bronson Company

**BILL JOHNSON**, Geophysicist & Civil Engineer

**W. BRUCE LEE**, Fiscal Policy Analyst

**JIM LOFGREN**, Rental Housing Assoc. Sac Valley

**LARRY MASUOKA**, San Juan Sch. Dist., Bd. of Trustees

**AL McNULTY**, Taxpayer

**\*RICHARD MERSEREAU**, Taxpayer-Policy Analyst

**ROGER NIELLO**, Business Owner

**JIM PRICE**, Rental Property Owner

**DAVID SANDER**, Rancho Cordova, City Councilman



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