

PUBLIC PENSIONS & Pro Baseball at Albert Park

TITLE---Pensions will sink many ships!!

“*Neighborhood Speak*”-----by Steve Patterson—Federation of SR Neighborhoods.

When a town or a city is criticized for not doing more with pension reform, they often blame the county. And when counties receive the same criticism they routinely blame the state. After that it works its way up to the state level and then they say the federal government must provide the solution. Public pensions are going to lead municipal government to eat their “financial lunch”.

Take the city of San Rafael for example. It recently puffed its chest over gains made in employee labor contract negotiations. The city came away with a new two tier pension system, a four percent wage concession by employees and greater pension contributions by public employees. But most knowledgeable people suggested this was a bit of joke and only a band-aid applied to a leaky dam.

San Rafael has \$140,000,000 in unfunded pension obligations to future retirees and another \$40,000,000 in unfunded medical benefits to that same group, all results of inappropriate labor negotiations in the past. Upcoming GASB (government accounting standards board) will make reporting and the numerical amounts look even more financially devastating in the future.

Two tier pension systems (reduced pension payout amounts to new hires) will have no budgetary impact for another 15 to 20 years and 4% salary concessions with increased contributions to pension systems are like the ripples of a pebble thrown into the ocean. At some point the real issue will be to cut some existing pensions yet to be paid out. If the piggy bank is empty, then past promises are irrelevant and past promises can no longer be honored. Unfortunately, this has happened in the private sector and boards of directors just eliminate pension plans that often affect all current employees.

How many towns, cities, counties will need go bankrupt before systematic reform is put into motion? When will elected officials no longer cater to the public unions and refrain from real reform discussions regarding pensions? While being elected often hinges on union support, more people are savvy to the fact that union support has an agenda, so they look at candidate supporters.

Pension issues so similar to ours are seen elsewhere too. Greece, France, Italy, Iceland, Great Britain—all have wasteful pension systems and now we see results—rioting in the streets, burning, looting. Might we see that here??

Baseball is failing at Albert Park:

Will there be pro baseball at Albert Park? If I were a betting person, I'd say no, and unfortunately, that would be a huge victory by those that don't want it under any circumstances. The City Council will decide in September to insist on an environmental review to be paid for by Centerfield Partners. That could run \$30K-\$40K and take 4-5 months with a 30 day review period tacked on at the end. This review would look at traffic, parking, noise, alcohol, etc. At the end of the review, mitigations will most likely be proposed, which could add significantly to the cost.

It seems it backloads all the risk for Centerfield Partners to make San Rafael work and figure out how to please everyone with little time before a season would start. They'd be better off going to another more welcoming community that embraces pro ball and has a stadium in place. It is becoming evident that divided community may not be the right environment for such entrepreneurial ventures.

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