

# Opinion: Finding the truth to myths circulating in S. Tahoe

**Publisher's note:** *The following letter was submitted by South Lake Tahoe resident Mary Ann Klein to the City Council prior to the Oct. 18 budget hearing. Lake Tahoe News is publishing it with her permission.*

**To all those sharing my concern about the proposed layoffs and privatization initiatives by the South Lake Tahoe City Council:**

I met in person with our city manager, Tony O'Rourke and our mayor pro tem, Claire Fortier. I have been corresponding daily with Tony since Oct. 10. Claire has been on vacation for 10 days and was just now responding to my letters. I asked my husband to accompany me as well. We attempted to clarify several issues for over two hours. I do not have political acumen; I was nervous and had lost a night of sleep. Despite this, Tony and Claire were attentive. They put me at ease and heard me out completely. The discussion took a few bunny trails, but overall the discussion was very focused.

1) There were questions about Tony O'Rourke's background, motives and his hiring process. For the record:

- Tony O'Rourke has absolutely no affiliation with any type of mega-enterprise such as "CNL Financial Group", CNL Lifestyle properties, or ski resort conglomerates. He had no clue what I was talking about.

- Tony has shown acceptable tenure with all his city manager jobs, including 14 years in Beaver Creek, seven in Coral Springs, five in Richardson, Texas, three in Dallas and one in Tallahassee. Note the average tenure for city managers is four years nationally.

- Tony was selected by all nine members of the Beaver Creek Resort Co. He was selected by all four [South Lake Tahoe] council members, with Bill Crawford choosing to abstain from the entire process.
- He did have a few litigation issues in his previous jobs that were summarily dismissed.

I wasted a lot of time checking out an unsigned link which implied Tony had some sort of criminal intent, researching the actual facts and then wasting more time questioning Tony, to confirm he has no agenda but to do what the City Council hired him to do. This "link" also contained a very twisted analysis of the city budget reserves. Both Tony and Claire explained the erroneous figures. I suspect a certain person authored this slanderous document; who no longer lives in this state.

2) For the record, the city is not considering a \$4.25 million property purchase. Claire explained there has been a plan in place for a long time to improve public access to the lake on the California side from the casino corridor westward. The California Tahoe Conservancy was approached about an existing beachfront Stateline Avenue property on the California side, but the Conservancy had no money. The Conservancy has in the past bought property and then given it to the city for the environmental and capital improvement projects. There is no funding for operational expenses with this venue. It was a no go because there were no dollars. In general, the city owns property, but did not try to buy this property with city funds.

3) A very legitimate suggestion was submitted to end future retiree benefits, offer early retirement incentives, limit frivolous spending (Christmas trees, signage improvements, etc.), reduce training and conference expenses, consider salary cuts and wage adjustments to preserve positions scheduled to be terminated, and have a regard for old-fashioned, committed, public service. This writer asked a very

profound question: Where does the entitlement "give me more" end? Claire discussed what she calls, "The corruption of the attitude of service" in this country. There are cities which owe employee entitlements which exceed their budgets; no manner of drastic wage adjustments can prevent them from going bankrupt since the entire budget is owed to retirees. It gave me pause.

Tony O'Rourke updated what is already being done by the city: "First, we are requesting our employees to contribute to their pension and health care plans. These contributions represent \$1.5 million in savings to the city. To date all senior managers have committed to do this, as well as all fire personnel. The other city employees covered by collective bargaining units are also on the verge of making this commitment. Second, lifetime health care benefits for retirees cost the city \$2 million a year. The city has already eliminated this benefit for anyone hired after 2008. Third, the city has over the last several years offered early retiree incentives. The key to them is to vacate the retiree position to create long-term savings. We will continue to offer this program. Fourth, expenditures like a decorated holiday tree are easy to criticize unless you forget we are a tourist-based destination and economy and guests want to see these kinds of entry statements and amenities. Believe me, \$7,000 is not the reason for our \$5.2 million projected deficit. Fifth, we have significantly reduced training and conference expenses. For example, I have not gone anywhere over the past year. Nonetheless, some training is vital to enhance staff or City Council skills and knowledge. Can you image teachers never upgrading their abilities? Finally, the funds earmarked for signage improvements ranks with infrastructure improvements has the number public priority based on the December 2010 Citizens Survey. People in this community are tired of crumbling roads, no sidewalks, insufficient bikeways, no streetlights and a blighted aesthetic appearance. Hence, the City Council's \$5 million commitment to roads and capital

improvements this fiscal year and funds to assist businesses clean up of our cluttered aesthetic environment. These are the priorities of the community and the city is committed to address them. Thank you for your ideas and interest in the community.”

4) Suggestions about increasing motel/hotel TOT are being implemented. A 2 percent increase to the city, as opposed to the visitors' bureau, is planned for 2013.

5) The redevelopment litigation, when settled “would not have any affect on budget balancing” (Tony O'Rourke) It is my understanding if the litigation went in the city's favor, the monies would be applied to the city's projected \$5.2 million deficit.

6) I, Mary Ann Klein, implored the city manager and the mayor pro tem to once more, give careful consideration to the proposed layoffs. The concept of a “community family” being torn asunder was received thoughtfully by Claire. It is the graceful interface our present staff provides between a warm family community (where many have no other family) and social destitution. Apparently of the 21 jobs being considered for termination, four have been saved. Which jobs were not discussed.

The discussion at this point felt painful for everybody at the table. The analogy given was something like: If there is a sinking ship with 500 people and only enough life boats for 40, who is to say which go and which do not? The point is, the ship is sinking. There are many hard questions and no easy answers.

6) Several people were skeptical about the public “survey” on which the council is relying to set priorities. The methodology involved a random sampling, statistically based. Apparently 1,200 people were queried in this random sample. The survey can be answered online on the South Lake Tahoe

website.

7) A question was asked by several writers about why the original attempt to privatize the golf course failed? Claire Fortier could not remember the details from 10 plus years ago, but it involved Knox Johnson being concerned that the community was not being served appropriately, or something like that. The ice rink is faring well, financially, thus far. It is reasonable for the public to be skeptical about privatization when we have only 60 days so far by which to judge the asset of the ice rink. Other cities have employed very creative ideas which involve variations on privatization. I think Claire referenced Half Moon Bay, but I can't remember how they problem solved.

Claire Fortier, our mayor pro tem, encouraged me to read an article in the current issue of Vanity Fair entitled Will California Sink the US? I have only had a chance to scan it, but already I feel I have a broader perspective of what we must face in our city. She commended our "state of the art high school," despite the negative economic vortex, and other amazing community initiatives. Tony crunched the numbers with experience and is steadfast about what has to be done else we go broke, but I feel Claire lent compassion for the individual suffering and faltering morale down here at the grass roots.

Respectfully submitted and with gratitude for our dedicated city employees.

Thanks and God bless you,

**Mary Ann Klein, South Lake Tahoe**