
The End of the Beginning -- Departing Remarks from Stephanie Gomes 1/8/14

Ed. note: VIB has received numerous requests to post the text of comments from Stephanie Gomes at the 1/7/14 Council Meeting, so here they are:

Remarks from a departing Vice-Mayor

The End of the Beginning

By Stephanie Gomes
1/8/14

Before I begin, let me thank first and foremost my family, for understanding my absences and single-minded preoccupation these past eight years. I'd like to dedicate my two terms to my mom, who passed away one year ago this month. She taught me to be a strong and independent woman and to stand up and fight injustice, to use my strong voice to speak for those who didn't have a voice, or whose voices weren't so strong. Mom was at every election night party, every swearing-in, and if she could be, she would be here with me tonight to walk up that isle and out the chamber doors. I think she'd be dancing up that isle, actually, as she wanted me to be done with this work so badly. Well mom, I'm done!

I'd also like to thank my friends, who have supported me through many difficult nights in these chambers, and many difficult decision-making processes. They were my sounding boards, my guides, sometimes even my conscience! You made me feel protected when I felt vulnerable. I won't name you because somebody will be left out and I'll get in trouble. But you know who you are.

I'd like to thank the city staff who have shared these council chambers with us so often, who I wasn't always so easy on, but whom I depended on and came to have a deep respect for. We've grown together through these difficult years, and I wish you nothing but good luck and continued growth and success.

I have to thank my fellow council members — because despite our differences, together we achieved a lot! Finally, I'd like to thank the public for voting for me, for believing in me and trusting me to represent you. Each election I felt so humbled by that, and I always remembered that feeling as I went about my business serving you. It has truly been an honor to represent you.

I've said this many times over the years, but one of my goals on Council was not to leave for future councils what was left for me. So to the incoming Council — you're welcome. :-)

I was fortunate enough to be the public's representative before, during and after bankruptcy. I sometimes lamented that fortune, that my time on the Council has been full of difficult “Sophie's choices”, service cuts, personal attacks, intimidation tactics, and employee union skirmishes. But really, I was probably the right person to pull that short straw. Because I'm smart, I'm stubborn, I'm headstrong, I'm ethical and I'm outspoken. And that's what we needed to unravel the dysfunction, the misconduct, the backwards financial practices and the unsustainable employee contracts.

My accomplishments aren't newsworthy or sexy or anything that will get a building named after me some day. My name will be but a footnote in time. But my accomplishments were course-altering. Because in eight years, I, along with several of my colleagues, have dismantled and began rebuilding a strong foundation from which the city can build on in the future. When I was first started, we had a fire union president suing council members, trying to get his personal lawsuits paid for in their new contract, years of raise deferrals coming due that were about 12%, city managers going in and out of a revolving door, a police and fire chief who represented the unions and not the city and definitely not the people of Vallejo, and a budget that was bleeding red all over the place. It was one big hot mess.

Today, the undue influence of the employee unions is out of the closed session room and contract decisions. We have a City Manager who is professional, ethical, strong and determined to turn this ship around. We are close to having a budget devoid of a structural deficit. And we have police and fire chiefs who represent the City but who also represent their employees in an appropriate balance.

But don't let the good news settle you in your seats. There is much work to be done, and there is much danger in the decisions ahead. If this new Council and the citizens of Vallejo aren't careful, all the work we've done to change the trajectory of our city can be turned back around in a minute.

So as I pass the baton of leadership on to a new City Council, I have some thoughts to leave with everyone.

The economy is slowly recovering — do not use that as an excuse to stop restructuring. Our reserve fund is pathetically low and our infrastructure is aging, broken and underfunded. The next financial crisis that hits the country, be prepared to weather it and not be forced to make poor decisions or go into bankruptcy again. Just because the intense pressure of the Great Recession is over doesn't mean you should let up on reform. Continue full tilt until Vallejo is healthy again.

And don't forget about our unfunded liabilities. By imposing the police contract and getting agreement on the CAMP contract, the City cut its OPEB (health care) liabilities 70 percent — from \$110 million to “just” \$33 million. That's a big deal.

And our unfunded pension liability remains overwhelming. If this City doesn't address this unfunded liability, we will never be healthy and successful. It will always be a yoke around our collective necks, something that J.D.'s grandchildren and great grandchildren will be stuck with.

Consider this, and please, heed this warning:

Our unfunded pension liability is \$239 million dollars. This year, for every dollar we spend on salary to a public safety employee, we are paying 52 cents for their retirement and those who have already retired. In just six years, for every dollar we spend on salaries, we will be paying 73 cents for their retirement and for retirees. So this means that in just six years, we'll be paying almost double for every public safety employee we have on duty. How will Vallejo afford that? Measure B will be sunseting just a couple of years later.

To the City Manager:

- (1) Thank you for coming to Vallejo, for believing in us, and for having the spirit that loves a challenge.
- (2) Think about offering pension plan education to city council members — we make multi-million dollar decisions on contracts with little to no education. Perhaps make that education available to the public. Knowledge is power.
- (3) Good luck. You'll need it.

To the City Council:

- (1) Let your city manager manage the city — he's the best city manager we've likely ever had. He has the education, the skills and the drive to manage this city well. You now have a luxury I didn't have — a city manager you can trust so you can focus on setting policy.
- (2) Your city manager and economic development staff are already bringing in new business opportunities and development proposals. Trust them and work with them on economic development.
- (3) Continue the simple but critical fiscal policy of “one time money for one time costs.” Don't see Measure B money as a solution to our structural deficit. Structural deficits are reduced by ensuring that your long term

obligations aren't larger than your long-term revenues. And you can't count on the citizens voting for another tax. So be prudent and conservative and base your long-term projections on long-term, reliable revenues.

(4) Build your reserves as large as you can. If we learned anything from bankruptcy, it was that you can't live paycheck to paycheck and not invite disaster.

(5) Continue down the path we're on to get our pay and benefits package in line with what Vallejo can afford, not with what Napa or Berkeley can afford.

(6) Remember, a contract is not a promise, it's a contract. Getting hired as a public employe, and I am a public employe myself, doesn't mean that we get a lifetime shelter from the economic storms of our country and our economy. A contract is a contract, and sometimes they need to be changed.

(7) Finally, in the words of Steve Jobs: "Your time is limited...Don't be trapped by dogma - which is living with the results of other people's thinking. Don't let the noise of others' opinions drown out your own inner voice. And most important, have the courage to follow your heart and intuition."

To City Staff:

(1) Whether you live here or not, we're all in this together. Please join with our community to make Vallejo prosper. We know most of you work hard and care about this city. Know that many of us residents recognize this and appreciate you. Please remember that residents in this city have been through the wringer alongside of you.

To the residents of Vallejo, I leave you with this:

(1) YOU have the most important job to do — more important than the city manager, staff or the city council. YOU are the watchdogs. It's up to YOU to ensure that the city council doesn't let the city backslide. Please, pay attention, read the staff reports, and speak out if you see something wrong. A strong democracy cannot exist without a thoughtful, involved citizenry.

(2) This last election turnout was abysmal. Next election, please, come out and vote. Get your neighbors, your family, co-workers and friends and convince them to vote. And before you vote, please, do your homework. And by that I don't mean read the glossy flyers that fill your mailboxes during the election season. The JumpStart mailers are proof that you can't trust the information coming from special interests — they were so full of lies, but just enough fear, to be effective. So don't trust what somebody paid for you to read or to know. Study the candidates, go to a forum or two, ask people their opinions, ask questions.

(3) Take a moment to think about the ramifications of our city employees, most who don't live in Vallejo, spending large amounts of money in our local elections to sway votes for their chosen candidates who will then approve their pay and benefits packages — pay and benefit packages that are three, four and five times the median household income in Vallejo of \$56,000. Remember, when I first ran for office, the public employee unions asked me in my endorsement interview: "If we endorse you, will you stay bought." Just think about that.

(4) Why is this important to you? Because you take the hit for us not getting employe costs under control in terms of higher taxes and fewer services. Ask yourselves, haven't our services been cut enough?

I will say the biggest threat to Vallejo's economic recovery is what I will call the "police and fire political complex." (I've obviously been reading President Eisenhower's "Military Industrial Complex" speech!) Those who have had the courage to question the unsustainable pay and benefits of police or fire have been dismissed or attacked as haters of police officers, firefighters or working families. Apparently uncritical support of all things police or fire is now expected from the public safety unions all in the name of "safety". The influences of politics and fear, rather than solid financial accounting, is consuming an unwarranted and alarming part of the debate in our elections and the overall budget in Vallejo. We must avoid letting the public employee unions, either separately or together as the Central Labor Council or the JumpStart label, dictate how our city spends our taxpayer dollars or who sits in the City Manager's seat.

Again, think about it: employee pay and benefits make up 82 percent of our general fund. That leaves just 18 percent to spend on our roads, trees, libraries, senior centers, etc. Eighty-two cents of every tax dollar we give to the City is consumed by employee pay and benefits.

That, my friends, is why the public employee unions are willing to spend big money on our little ole elections and why your mailboxes are stuffed with glossy, colorful flyers every other November.

So to Jon Riley and his JumpStart "Siblings":

Fool me once, shame on you, fool me twice, shame on me. We'll be watching you and your "siblings" and will participate equally in our own way. But just know, we're not going away, and we don't give up easily. Never again will undue influence or corruption control this City because we, the citizens of Vallejo, will be watching with magnifying glasses.

So we stand now on the other side of the painful precipice that was bankruptcy. Looking backwards, there is a wide and deep canyon behind us. I can confidently say that Vallejo is better off than it was eight years ago. But we're not that far from the canyon. I hope our new leaders won't let us fall backwards into the precipice and instead will take strong and confident strides into a healthy future.

My parting words to the new Council: you will face extremely difficult choices, made that much more difficult because of

the demands you will get from your special interest campaign donors. Don't give in to that pressure. Remain independent. Do what's right for us, the citizens and taxpayers of Vallejo. Please don't make me come back and say "I told you so." Remember, reality leaves a trail. I wish you good luck and prosperity for all. I will end with a final quote by Sir Winston Churchill: "Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning."