

# TAX NEWS

## Marin United Taxpayers Association

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Post Office Box 2214, Mill Valley, CA 94942 • (415) 456-7910 • [www.marintaxpayers.org](http://www.marintaxpayers.org) • November 2010

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*THE MUTA BOARD:* Don Erbel, President; Fielding Greaves, VP; Michael Hartnett, Treasurer; Directors: Nancy McCarthy; Anita Strom; Alice Vipiana.

*THE REAL MUTA since 1977\**

**Annual Meeting** The 2010 MUTA annual meeting will be held on Saturday, December 11, 2010, 9:30 a.m. until 11:30 a.m. (at the latest). MUTA will hold an election of its board members and discuss where you think MUTA should proceed in 2011. MUTA will have a speaker on Marin General Hospital. Please plan to attend the meeting to hear the speaker and so we can meet and talk with each other.

The meeting will be at 1000 Drakes Landing Road in Greenbrae which is just off Sir Francis Drake Blvd. Close to US-101 turn South off SFD at Barry Way, an Eliseo Drive extension, (at the Chevron and Shell stations). Next, turn left at the stop sign (at the fire station on your left). In a few hundred feet turn left again into the parking lot.

### **Marin General Hospital – Issues, Future Direction and Impact on Marin Citizens**

Market medicine allows a narrow band of investors and administrators to profit while a widening circle of patients suffer. This talk examines certain types of hospital expenditures, categories where public money can be diverted to trusted professionals for personal gain -- administrators, directors, physicians, realtors, and attorneys. Data are from the Annual Hospital Disclosure Report released by the Office of Statewide Health Planning and Development for the period 1982 through 2008. Expenditures at MGH are compared with other California hospitals of similar size. Much has been written about the \$120 million Sutter removed; this talk opens a discussion of the \$1 BILLION no one has talked about.

Linda Remy, PhD, is Research Director of the FHOP (Family Health Outcomes Project) and a health policy researcher at the UC San Francisco. Her research has focused on access problems affecting families and children. She specializes in longitudinal population health research and developing innovative ways to monitor and report population health indicators. She served as a publicly elected Director of the Marin Healthcare District from 1996 to 2000 and has co-founded and served on the boards of numerous community-based organizations. Her undergraduate degree is from New College of California and graduate degrees (MSW, PhD) from UC-Berkeley.

\* You may receive communications from another group that calls itself MUTA. When you see Fielding Greaves' name listed as a Board member (since 1977), you will know it is the real MUTA, which has no present or future connection with any other group.

**Board Election** Two directors (Don Erbel and Fielding Greaves) terms expire at the end of 2010, having been elected in 2007 for the 2008-2010 term. Two directors (Nancy McCarthy and Michael Hartnett) are serving by re-appointment and per code. No new directors were added in 2008 and 2009. Three directors were appointed this year, Diana Perdue, Anita Strom and Alice Vipiana.

**Nominees for election**

Enclosed is a ballot and stamped envelope that we ask you to mark and return as soon as possible. The election will be by pre-paid mail from you, so promptly mail your ballot whether or not you plan to attend the meeting.

Fielding Greaves, Vice President – nominated for a one-year term starting in 2011

Michael Hartnett, Treasurer – nominated for a one-year term starting in 2011

Nancy McCarthy, board member – nominated for a one year term starting in 2011

Anita Strom, board member – nominated for a one-year term starting in 2011

Alice Vipiana, board member – nominated for a one-year term starting in 2011

The second part of the ballot is your chance to express your views on where MUTA should direct its attention in 2011. Potential MUTA issues appear every day. Many of these issues are listed and can be checked off on the return ballot. Check those that are most important to you by ranking them (1=top, 2=net, etc.) Note issues we've missed. If you have a question on an issue, let us know. We'll contact you.

**CA top court rules CA law trumps federal law, ignores Constitutional "supreme law of the land" definition** On Nov. 15, the CA Supreme Court ruled that illegal immigrants, in the USA *illegally*, are entitled to in-state tuition rates for public colleges and university education, while out-of-state US citizens are paying out-of-state tuition, despite the fact that federal law requires just the opposite. Thus California taxpayers are being forced by that ruling to continue subsidizing education of illegals in violation of federal law.

**Unfunded pension Armageddon already here?** A new report by Stanford University's Institute for Economic Policy Research says the aggregate massive unfunded pension liability of all local and special district pension funds in California now amounts to about \$200 Billion, confirming that ALL levels of government in California have been understating the pension debts that are OWED BY THE TAXPAYERS to local public employees.

Earlier this year, Stanford's School of Public Policy reported California's state public-employee pension debt was nearly TEN TIMES the amounts reported by state pension funds. Taxpayers are already suffering the consequences of the billions in undisclosed pension debt, crowding out vital programs and services. The public needs proper accounting and competent pension management. We have neither. Those responsible for his mega-disaster need to be replaced by competent officials.

**SMART** or maybe not so “smart”! SMART is all over the news and not in a very positive way. Politicians junket to Japan to look at new equipment. The shrinking of the length of the line into Marin to run on a line that was previously shortened from Larkspur to San Rafael Downtown and now to the Civic Center. SMART holding up freight service (read: jobs, tax revenues and service) by arguing with NCRA (the freight user), when SMART has questionable rider volume and NCRA has customers it is anxious to begin serving. Lowered sales tax revenues and lowered funding for SMART. There are questions from Supervisors (Brown & Kinsey) about the viability of SMART. Unknown, but increased costs for the Puerto Suello hill tunnel have arisen. On a positive note: the California hill tunnel (to provide non-existent service to Larkspur will open in December – at least the bike riders will be happy to use it! MUTA is concerned about SMART’s viability and it looks like everyone else is too. Render your opinion by completing the survey at the end.

**Believe it or not!** MUTA has an on-going investigation of pay and perks and here are three examples showing a wide divergence in healthcare policies for elected board members in Marin. A key question we asked was, “If the elected official serves only one term in office, when does the person’s healthcare program terminate?”

A MMWD board member’s healthcare package is terminated at midnight of the last day of the month they leave office. For Novato elected officials it continues 18 months after the member’s leaves office, but the individual pays 100% of the premium. San Rafael is astonishingly generous. If not reelected after one term, the full pay (healthcare?) package for the mayor and council members continues, and is terminated only by the recipient’s death.

The investigation continues; look for more revelations in the next TAX NEWS.

**Do we have too much government? This suggests it could be cut in half** While federal health officials are cranking up the campaign to curb obesity and make sure our children don't get toys linked to unhealthy foods, the Department of Agriculture, subsidizing the cheese industry, is calling for pizza parlors to put more cheese on their pizzas, and urging Americans to eat more cheese—which is loaded with both unsaturated fats and lots of calories. What's wrong with this picture?

**Taxes and Spending** MUTA has historically been an “anti-tax” group. While this is partially true, MUTA's basic concern is not only fair taxes, but prudent spending as well. Evidence of this is our recent research into how government employees and elected officials are compensated (see Believe it or Not elsewhere in this issue).

**Bonds Cost More** A concern of ours is bonds and how taxpayers pay for these instruments of fiscal procrastination. For example, government could pay for a bridge out of current tax revenue, allocate a portion of several year's revenues into a fund used later to pay for the bridge or issue a bond to pay for it. If a bond is used, the cost is much more expensive. It costs money to issue bonds, and costs money in bond interest, all of which must be paid off in future taxes. Bonds are the *tax* that says “I want it now and I'm not willing to save up for it!”.

**Final Thoughts** Thank you to de-sal petitioners and supporters! Whether your vote was yes for S or T, the MMWD has now acknowledged the people have a right to a voice in public decision-making. This is an important step to better government.

MUTA can always use your help. If you'd like to help, call us (456-7910), send e-mail (info@marintaxpayers.org), or regular mail (P.O. Box 2214, Mill Valley, CA 94942). We've got lots of ideas; we just need people resources!

2011 should be a great year to advocate for better government and fairer taxation for everyone. MUTA is looking forward to leading your organization forward on these.