

Dear Council Members,

I urge you to vote NO on agenda item 4, Fiscal Emergency, for several reasons.

- 1) As it has been discussed at two separate previous Council meetings, City budgets have been proven to be unreliable indicators. In the past several years, a deficit was predicted and the City ended in surplus.
- 2) As was stated at the last meeting, the City uses “ultra-conservative” forecasting for sales tax revenues which make the revenue numbers look extremely low.
- 3) At the previous meeting (11/14) it was stated that sales tax revenue was actually in a growth pattern and if you look at historical data, it is forecasted to increase over time.
- 4) Declaring a fiscal emergency creates a negative narrative of Sebastopol, making it less attractive to developers and potential business owners. It creates an inaccurate picture of the City and the success of its businesses.
- 5) Declaring a fiscal emergency makes Sebastopol less attractive to other Fire Departments thus lessening the potential for a successful consolidation if that is the direction that is pursued by the Council.
- 6) There is no benefit of declaring a fiscal emergency if there is no tax tied to it unless you want to negotiate with the union.

Why does Council want to declare a fiscal emergency when there is zero benefit and many downsides in terms of Sebastopol is perceived by potential investors, developers and other fire departments?

Does Council want a Press Democrat headline, “Sebastopol Declares Fiscal Emergency”? Does that make Sebastopol attractive to people who might move their business here? If you want commercial properties to be rented, do you think this type of bad press draws businesses to our community? Hotels? Market rate development?

Does declaring a fiscal emergency make the Council and City staff appear competent and trustworthy? Does declaring a fiscal emergency give constituents confidence in their government?

There has already been two Council Meetings devoted to this topic. The Fiscal Emergency was voted down twice due to the fact that the budget and finance numbers are inconsistent and that the revenue forecasting does not reflect the historical data.

Please vote NO on Agenda Item #4. There is no benefit to the community and might harm future relationships with businesses, developers and other fire departments.

Thank you,
Kate Haug