

Phoenix needs to change directions to solve budget issues

Ask people these days how things are going, and among the most common responses is “hanging on.” Sometimes it’s just “trying to hang on.”

We’ve gotten more than a glimpse of what our parents’ or grandparents’ went through in the Depression. Today’s economy is like being behind in the fourth quarter with your family’s future on the line.

The last thing people need now is government piling on. But Phoenix is raising taxes, boosting fees and lowering services. We’ve heard the pleas at public budget hearings in Ahwatukee and elsewhere: “ We rely on the library (senior center/softball field/service for disabled).” “Please don’t make necessities more expensive.”

I firmly believe that the goal of government now should be to relieve those burdens and prevent new ones. That’s not what’s happening enough. Examples:

In the past 60 days, Phoenix has raised water rates, boosted fees on small businesses, established an innovation and efficiency task force that meets in secret and lacks a single member of the public, submitted a trial budget absent a strategic plan and voted to hike taxes on food. This is the wrong direction for a city in crisis, and I have voted against those increases.

Phoenix is trying to solve its budget shortfall by shuttering programs and bringing back a 2 percent food tax (which disproportionately burdens the most needy). The city manager asked employees – who all average \$100,000 a year in salary and benefit load – for a 3.2 percent wage cut. Firefighters and police stepped up and agreed, but at least one union is balking.

Phoenix has raised water fees 40 percent in the past five years. The department’s public testimony was that it’s not subject to budget cuts because it’s an “enterprise fund,” paid by user fees, not taxes. Then we discovered it was saving 200 positions for general fund employees who might lose their jobs in cutbacks. You – taxpayers -- won’t get to even apply for those jobs until all city employees have had a chance, regardless of whether you might be more qualified.

We proposed and passed an efficiency program last summer, and I have been pushing the city to explore moving some non-core functions to the private sector, where the labor costs wouldn’t be such a taxpayer burden. An innovation task force was appointed, entirely composed of insider department heads. Not only was no expertise wanted from those who know how the private sector performs, but the public isn’t even allowed to witness deliberations. I will work to make this group open up to new ideas and examination, but from what I’ve seen so far, there is little eagerness to look hard at necessary new ways to do business.

There are bright spots. The fire department, among America's best, is stepping up with efficiency and revenue-enhancing programs, such as selling services and sharing training with neighboring cities. Citizens passionate about art venues and softball programs and the like are volunteering effort and dollars to keep them going. Here and there, lightbulbs are popping on.

My fight will be to 1) keep down the cost of government; 2) make the city deal with its unsustainable labor cost bubble by shifting non-core functions to the private sector and 3) push for a strategic plan that will serve as a roadmap to navigate this new economy.

I invite you to join me.

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