



TOWN OF FAIRFAX

142 BOLINAS ROAD, FAIRFAX, CALIFORNIA 94930

September 16, 2005

Mayor

Lew Tremaine

Council

Larry Bragman

Susan Brandborg

Frank Egger

Mike Ghiringhelli

Catherine D. McKown
Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive
Room 303
San Rafael, CA 94903-4193

Re: Overdue Response to Marin Civil Grand Jury Report: *The Bloated Retirement Plans of Marin County, Its Cities and Towns*

Dear Ms. McKown:

Enclosed is the *Response to Grand Jury Report Form* for the Town of Fairfax regarding the recommendations for actions to be taken.

To my knowledge, the only recommendations that we are following currently are Recommendations 4 and 7. We do not spend found money on ongoing or recurring obligations. While we do not specifically sponsor programs, we facilitate Recommendation 7 by providing retirement information, including announcements of retirement workshops, to the employees whenever we receive such information from PERS.

Fairfax is a small town with limited resources and limited staff. Although the recommendations from the Grand Jury are addressing the important issue of pension reform, Fairfax is a very small cog in a very large wheel on this issue. Like other cities, our rising pension costs in the past several years have put more focus on the subject of pension reform. However, in our opinion, this effort needs to be championed by the larger agencies that, in effect, control the economies of the personnel pool that smaller agencies, like Fairfax, draw upon. Otherwise, if we independently implement our own reforms, it's highly doubtful that we'll be able to compete effectively for competent staff.

We do not currently have a Town Manager, but we're in the process of hiring one. We are confident that our new Town Manager will work

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diligently with the Town Council on a strategic plan for the future of Fairfax that will address the rising pension costs and that, in the course of that process, some of your recommendations will be considered and possibly implemented. We currently only have only one retired employee who is entitled to medical benefits and are aware of the upcoming GASB reporting that will require us to capture that as a future liability for the Town. The voters of Fairfax passed a five-year tax measure in June that will enable us to stay in business. We owe it to the voters to develop a financial plan to avoid another tax measure in five years. Part of the reason the tax measure was necessary was to enable the Town to absorb the rising pension costs. We are confident that your recommendations will be considered when our strategic plan is developed.

Sincerely,



Judy Anderson, CMC
Town Clerk
Representing the Management Team

Enclosures

cc: Town Council

RESPONSE TO GRAND JURY REPORT FORM

Report Title: The Bloated Retirement Plans of
Main County
Report Date: May 9, 2005
Its Cities & Towns
Response by: Judy Anderson Title: Town Clerk

FINDINGS See attached letter

- I (we) agree with the findings numbered: _____
 - I (we) disagree wholly or partially with the findings numbered: _____
- (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 9-16-05 Signed: J Anderson
Number of pages attached 2