

**PACIFIC GROVE COUNCIL**

## PAY INCREASES DISCUSSION ON TABLE

By Kyarra Harris  
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PACIFIC GROVE — The long-discussed proposal to increase Pacific Grove's council compensation is likely headed to voters this summer.

On Wednesday, the city council will consider a resolution calling a special election on June 2, which would allow voters to decide if they want to increase monthly compensation for council members and the mayor and allow elected officials to waive some or all of that compensation.

The current pay for the

council members was last set in 1998, at \$420 for council members per month, and \$700 for the mayor.

The proposed ordinance that would appear on the ballot would increase council member compensation to \$987 per month and the mayor's compensation to \$1,645 per month. If approved, the increases would take effect when officials begin new terms in December 2026.

The council originally approved the ordinance in May 2025, marking the first increase in two decades. However, former council member Luke Coletti later

submitted a referendum petition challenging that ordinance. The Monterey County Registrar of Voters certified 1,178 valid signatures, exceeding the required threshold and automatically suspending the pay increase under state law. After the petition qualified, the council repealed the ordinance in September 2025.

Coletti, who leads the group Transparent Pacific Grove, had argued the council should allow voters to decide on compensation changes, pointing in earlier meetings to the city's finan-

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Pacific Grove City Hall. **JAMES HERRERA — MONTEREY HERALD**

# Rain doesn't stop protestors at CSUMB



About 15 members of Teamsters Local 2010 Skilled Trades Labor Union were picketing near Cal State Monterey Bay Tuesday in the rain. The demonstration was part of a larger movement across the CSU system and stems from a dispute over salary provisions for the 2025–26 fiscal year. “We just wanted our raises, and they didn’t want to do that. They didn’t want to meet up anywhere in the middle,” said spokesman Anthony Cardinale. “We’re hoping that we can encourage the CSU to just give the process another shot.” The CSU system issued a statement that suggested the Union had prematurely declared talks to be at an impasse.

PHOTOS BY DAVID TIMONERA — MONTEREY HERALD CORRESPONDENT



## All real cowboys eat vegetables



**Barbara Intermill**  
ON NUTRITION

Editor's note: This column was initially written in May 2021.

In my eyes, he's the perfect man. A rancher who takes exquisite care of the Angus cattle in the pastures surrounding our home. He relishes every meal I prepare and tells me he loves my cooking. And he probably eats more vegetables than I do ... even at restaurants when he orders a salad and I sometimes give in to french fries.

Cowboys are an interesting breed. They are tough but don't find the need to act that way. They like the simple life but are more complex than they appear. Ranchers are animal nutritionists, veterinarians, mechanics, accountants and horsemen all in one. They believe in hard work. Getting enough exercise is hardly ever a problem. I like that.

Oh, and ranchers get up early in the morning. (Cows to be fed. Newborn calves to be checked.) Hence, they retire fairly early in the evening. No 8 o'clock dinners for this breed.

My cowboy likes the evening meals we have come to nickname “conglomerates.” Definition: foods mixed together to make a quick, nourishing and — sometimes surprisingly — tasty meal. There's no rhyme or reason here, just leftovers that need to be eaten mingled with vegetables and other edibles that need to make themselves useful.

Here's an example: We had a bit of leftover steak that I sliced and stir-fried in a bit of olive oil along with the last of the celery and cherry tomatoes and a dab of mushroom and peppers from the night before. I tossed in some balsamic vinegar for flavor and served the whole menagerie over a half-bag of baby spinach. Every meal an original!

What about those days when lunch is delayed because a bull got out or a cow had problems with her calf? On these occasions, when lunch is closer to midafternoon, this conversation may ensue:

“I think it's a popcorn night.”

Interpretation: “I'm really not that hungry. Let's just have something light for supper.” (Cowboys call dinner “supper” because, they say, “Jesus didn't have the last dinner.”)

Why popcorn? It's light and extremely satisfying. Popcorn popped in oil has only 35 calories per cup, according to the Popcorn Board, popcorn.org. We pop ours in a cool popper that uses just a bit of oil.

Popcorn is also a whole grain. That means it contains all the original components of the corn seed — germ, endosperm and bran. The medical evidence is clear, says the Whole Grains Council (wholegrainscouncil.org), “that whole grains reduce risks of heart disease, stroke, cancer, diabetes and obesity. Few foods can offer such diverse benefits.”

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## Understanding effective versus marginal tax rates



**Barry Dolowich**  
TAX TIPS

**Q: I just received a huge salary increase when I changed jobs. My wife and I are concerned that this increase will put us in a much higher tax bracket. Because we will be going into a higher tax bracket, will we have to pay more taxes than the increase in income?**

**A:** Your question illustrates a confusion regarding the tax rate schedule that I frequently encounter among my clients. It

almost ALWAYS makes sense economically to make more money. Only if the tax rates were above 100% would it not make sense to earn more money.

Generally, tax preparers look at tax rates from two perspectives, the effective tax rate and the marginal tax rate. The effective tax rate is the total income tax paid divided by your taxable income. The marginal tax rate is the percentage of tax you will pay on the NEXT dollar of income you will earn based upon your current level of taxable income.

The tax rate schedule is “progressive.” The percentage tax rates rise progressively higher with higher taxable income. However, by earning

more, you do not necessarily lose the benefits of the lower tax rate percentage brackets. For example: If you are in the 22% bracket and the next dollar you earn will put you in the 24% bracket, you will only pay an additional 2 cents (24 cents less 22 cents) on that dollar by entering the 24% bracket. Entering the 24% bracket does NOT mean that ALL your taxable income will be taxed at 24%!

Due to the complexity of the tax laws with many credits and deductions tied to various income levels for phase-outs, there may be certain (but rare) situations whereby earning more money may not be advantageous. Also, you need to make sure that both

you and your wife withhold taxes properly from your salaries as your incomes will be combined. If you have a complicated tax return that includes substantial investment income, social security benefits, passive activity losses, education credits, etc., you may want to discuss this issue with your tax return preparer.

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California state governor Gavin Newsom speaks after signing a clean energy agreement with British Energy Security and Net Zero Secretary Ed Milliband, at the Foreign Office in London, Monday. YUI MOK — PA VIA AP

# Newsom expands free preschool; private daycares struggle to stay open

By **Jeanne Kuang**  
CALMATTERS

There were once so many children at Frisha Moore's Elk Grove preschool that families filled up the waitlist. Now, one of her playgrounds and two classrooms sit empty because one key group of kids has stopped coming.

Dozens of families in recent years have opted not to enroll their 4-year-olds at Moore Learning Preschool & Child Care Center, she said. Instead, they're putting their children in transitional kindergarten, California's new public pre-kindergarten.

Even though she provides a full day of preschool, compared with transitional kindergarten that lasts only about 3.5 hours, Moore can't compete: Public school is free. She hasn't broken even in months and thinks about closing the preschool, "every single day." That would remove 91 licensed child care spots from the county, including 20 for children under age 2, for whom child care options are particularly scarce.

Transitional kindergarten's expansion is one of Gov. Gavin Newsom's signature educational achievements and a key part of his legacy on how California cares for its youngest residents.

Early childhood advocates were delighted when he was sworn into office seven years ago, his arms around his scene-stealing 2-year-old son. The first governor in decades to hold the office while raising young children, he had promised to achieve universal preschool — publicly funded preschool for all families who want to enroll — and expand access to child care for working parents.

As he prepares to leave office he is sure to tout those accomplishments. During his State of the State address to lawmakers in January, he boasted of "the most significant expansion of child care in America."

"It should be better known," he told MS Now last month. "It's not."

Many advocates say his legacy on child care includes some unfulfilled promises, though the expansions have been substantial. Newsom

has nearly tripled funding for subsidized child care and early childhood programs, including state-subsidized preschools and transitional kindergarten, from more than \$5 billion in 2020 to more than \$14 billion this year.

His administration has funded 130,000 new subsidized child care spaces for low-income families and allowed private, in-home child care providers that receive the subsidies to unionize, which has led to health care and retirement funds for a low-wage, overwhelmingly female workforce.

No move has been more significant than the expansion of a free, public pre-kindergarten grade for all families regardless of income. The grade was available for a limited number of children for about a decade before Newsom's administration began expanding it to all 4-year-olds four years ago. This school year, it was open for the first time to all children who turned 4 by September.

Despite rocky rollouts in some school districts, parents who have enrolled their children in transitional kindergarten say it's saved them a year of child care costs — from \$9,000 to \$24,000 for that age — while better preparing kids for school and even allowing some students to be screened for special education services a year earlier. CalMatters spoke with a dozen parents around the state who said the program was a positive experience for their 4-year-olds.

Melissa Chen and her husband, of San Jose, were paying \$1,800 a month to send their son to day care, where she said he struggled to get along with others and hated naptime. Now her

4-year-old is making friends and thriving with an attentive teacher in the Berryessa Union School District, she said. They still pay for an after-school care program on campus, but it's only about a third the cost of private preschool.

"If anyone doubted that the state was going to be able to stand up an entire TK program in five years, you would never know it from how smoothly it's gone for us this year," Chen, an attorney, said.

But the rollout has also come with unintended consequences and destabilized the child care sector, which could make care harder to find for younger children.

In Los Angeles County, a December UC Berkeley report found 167 preschools closed between 2020 and 2024 — a decline in child care spots that researchers attributed partly to the addition of the public school grade.

Private providers like Moore's preschool operate with strict regulations and thin margins. The enrollment of 4-year-olds, who need less hands-on care, typically helps cover the higher labor costs of caring for infants, so shifting solely to serving younger children doesn't always pencil out financially.

Whether Newsom can achieve his ambitious child care goals depends in part on whether people like Moore can afford to stay open.

"He's done a hell of a lot" to allow more kids to get cheaper early childhood care, said Bruce Fuller, the Berkeley sociologist who authored the LA County report. "He's also expanded a lot of pieces to the puzzle, without solving the puzzle."

## A PATCHWORK OF OPTIONS

The U.S. has long lagged far behind other developed nations in public funding for child care and early childhood education.

But the benefits of preschool are well-documented, both developmentally for children and economically for working parents. As middle-income families consider leaving California over crushing costs, making it easier to raise kids in a state with a declining child population is savvy politics, too.

Newsom prioritized child care early in his first term, appointing a cabinet member to work on the issue and commissioning a master plan, which recommended universal preschool for 4-year-olds and for income-eligible 3-year-olds.

"It was the first time we really had a governor coming into office that prioritized our issues," said Donna Sneeringer, director of the Child Care Resource Center in Los Angeles County, a nonprofit that helps families find child care. The center also runs its own preschools, some of them state-subsidized, and maintains a waitlist for low-income families waiting for subsidized care.

## Local stocks

Name	Div	PE	Close	Chg	YTD Chg
Amazon	...	28	201.15	+2.36	-29.67
American Water Works Cr	3.31	23	133.51	+0.01	+3.01
Apple	1.04	33	263.88	+8.10	-8.11
Bank of America Corp.	1.12	14	52.74	+0.19	-2.26
CH Robinson World	2.52	37	177.38	+1.37	+16.52
California Water Service C	1.34	20	46.49	-0.07	+3.16
Century Aluminum	...	58	48.89	+2.85	+9.71
Granite Construction Inc.	0.52	35	128.61	-2.32	+13.26
J.M. Smucker Co.	4.40	...	106.22	-4.31	+8.41
Joby Aviation Inc.	...	...	9.99	+0.09	-3.21
KB Home	1.00	11	65.75	-0.61	+9.34
McCormick & Co. Inc.	1.92	24	69.19	-2.30	+1.08
Meta Platforms Inc.	2.10	27	639.29	-0.48	-20.83
Microsoft Corp.	3.64	25	396.86	-4.46	-86.76
Nordson Corp.	3.28	35	296.93	-1.26	+56.50
PG & E Corp.	0.20	15	18.02	-0.14	+1.95
Skywest Inc.	0.56	...	107.43	+3.26	+7.02
TEGNA Inc.	0.50	10	20.88	-0.07	+1.47

# Wall Street swings with worries about tech stocks

By **Stan Choe**  
THE ASSOCIATED PRESS

NEW YORK — A quiet finish for the U.S. stock market on Tuesday masked big swings underneath the surface as companies talked about how discouraged their customers are feeling and some tech stocks continued to feel the downside of the artificial-intelligence boom.

The S&P 500 rose 0.1% after flipping earlier between a gain of 0.5% and a loss of nearly 1%. The Dow Jones Industrial Average added 32 points, or 0.1%, and the Nasdaq composite gained 0.1%.

Paramount Skydance helped lead the market and rose 4.9% after Warner Bros. Discovery said it would allow Paramount a chance to give its "best and final" bid to buy the entertainment company. Paramount is trying to top an offer from Netflix.

Warner Bros. Discovery rose 2.7%, and Netflix added 0.2%.

On the losing end of Wall Street was General Mills, which sank 7% after warning that its customers are feeling uneasy. The company behind the Cheerios, Nature Valley and Pillsbury brands cut its forecast for an underlying measure of profit for 2026, saying declines would likely be sharper than it earlier expected.

Several surveys have recently shown weak confidence among U.S. households, which are struggling with inflation that remains higher than anyone would like, a job market coming off a weak year of growth and worries about tariffs.

Genuine Parts, which sells auto and industrial replacement parts, said it's also "navigating a dynamic environment" while reporting weaker results for the latest quarter than analysts expected.

It plans to split into two separate, publicly traded companies in early 2027, with one focusing on auto parts and the other on industrial parts. Genuine Parts' stock fell 14.6%.

Drops for some Big Tech stocks were the heaviest weights on the market Tuesday, including a 1.2% fall for Alphabet.

The moves were tentative, though, and Nvidia swung between being

one of the market's heaviest weights and one of its biggest strengths.

Markets need such Big Tech companies to stabilize and "need to see less sell first/ask questions later behavior from investors," according to Sameer Samana, head of global equities and real assets at Wells Fargo Investment Institute.

Last week, Wall Street shook when stocks of software and other companies tumbled as investors hunted for companies that could be potential losers if AI ends up remaking the world and their industries.

"Overall, the market is still close to records highs, but it may not feel that way to some investors because of the sharp sell-offs that seem to derail upswings almost as soon as they begin," according to Chris Larkin, managing director, trading and investing, at E-Trade from Morgan Stanley.

The market has seen a sharp turnaround from prior years, when the promise of AI helped drive U.S. stock indexes to record after record. Now, companies in industries as varied as software and legal services and trucking have seen investors suddenly turn against them when worries flare that AI-powered competitors could steal their customers.

The companies spending big on AI are feeling their own pressure, too.

Global fund managers say they're worried about the risk that companies are pouring too many dollars into AI data centers and chips. Those companies will need to see tremendous profits and productivity to make their investments worth it. Alphabet, for example, said its spending on AI and other investments could double this year to roughly \$180 billion.

A survey of global fund managers by Bank of America found a record percentage is saying that companies are "overinvesting." That could mean an eventual pullback in spending on chips from Nvidia and other companies.

All told, the S&P 500 added 7.05 points to 6,843.22. The Dow Jones Industrial Average rose 32.26 to 49,553.19, and the Nasdaq composite gained 31.71 to 22,578.38.



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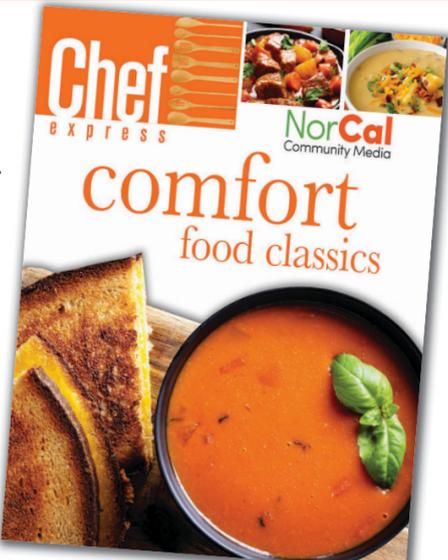
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## PAY

From Page 1

cial outlook, including an unfunded pension liability, rising insurance costs and projected deficits.

The pay increases were calculated using a state law, which allows for councils with small cities to increase pay by up to 5% each year. Since the last adjustment was 27 years ago, the total was tallied up.

If voters approve the measure, the city estimates the change would increase

annual compensation costs by \$52,164, along with \$7,148 in related costs such as Medicare, retirement contributions and workers' compensation, for a combined annual increase of \$59,312.

The Pacific Grove City Council will meet at 6 p.m. Wednesday at Pacific Grove City Hall, 300 Forest Avenue. The meeting will also be live-streamed and can be participated in via Zoom at <https://www.cityof-pacificgrove.org/Zoom-CC>.

## COWBOYS

From Page 1

Better get to bed. We've got to be in the barn to saddle horses at 6 a.m.

Barbara Intermill is a registered

dietitian nutritionist and syndicated columnist. She is the author of "Quinn-Essential Nutrition: The Uncomplicated Science of Eating." Email her at [barbara@quinessentialnutrition.com](mailto:barbara@quinessentialnutrition.com).