



## **KENAI PENINSULA BOROUGH**

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**DAVID R. CAREY  
BOROUGH MAYOR**

### **MEMORANDUM**

**TO:** Gary Knopp, Assembly President  
Members, Kenai Peninsula Borough Assembly

**FROM:** Bill Smith, Assembly Member *Bill Smith*

**DATE:** April 21, 2011

**SUBJECT:** Ordinance 2011- 13, Amending KPB 22.30.110 to amend the amount charged to Assembly Members for life and health insurance

Assembly members have long received the same benefit for life insurance and health insurance as borough department heads.

The cost of the benefit package has increased due to increasing health care costs. To date, assembly members have been shielded from those increased costs. While some adjustment would normally be anticipated due to inflation, health insurance costs have accelerated at a rate well beyond inflation.

The projected health insurance cost for FY 2012 is between \$1400 and \$1425 per employee.

This ordinance amendment aims to provide a check on those inflationary costs to the borough and provide a mechanism for the assembly members to share in the increased cost of benefits.

I believe the proposed ordinance is a reasonable adjustment to the compensation of the assembly and will provide a template for future adjustments.

Your consideration will be appreciated.