

Date: March 13, 2012
To: All Assembly Members, Cc: Borough Clerk & Mayor Navarre
From: Mike McBride
Subject: Opposition to KPB Ordinance [2011-19-70](#)

I oppose spending 200,000 tax dollars for the purpose of hiring a consultant to assist the Borough in determining the course of action to pursue regarding curtailing health care costs. While the intention of this ordinance sounds good, it is very questionable whether the expenditure of additional funds will result in any significant reduction to taxpayers.

The root of this problem, as alluded to in the ordinance, is based on market conditions that have statewide and national roots and implications. To spend more tax dollars, without concrete steps for achieving specific objectives, will likely result in needless expense and no solid plan to actually cut cost.

The real issue is: borough employee wages, retirement plans and benefits are unsustainable. Many in the public are having a difficult time paying ever increasing taxes to support the borough. This condition will not reverse until the economy turns around and economists don't see that happening any time soon. Expending more public tax dollars to discover a way to fund an unsustainable expense represents a short-sighted attempt to solve a national problem.

Government employee wages, their retirement and benefit packages have bankrupted many nations, states and municipalities. Do not think for a minute that the same cannot happen here too. Sure, we can fund more this year, but with every passing year it becomes more painful for taxpayers. The burden of government cost, when weighed against the benefit provided, increasingly becomes more difficult for many to bear. In simple terms, government is pricing itself out of business!

The Kenai School District latest statistics show at least 3,549 children in this borough qualify for free or reduced fee meals because their families earn at or below the poverty level. The current cost for each borough employees health care is more than many of these families earn in a year! The same impoverished people pay sales and property tax to support these benefits. The ever increasing costs, including this proposed \$200,000 expenditure, do nothing but add an additional burden on them.

My solution may be too simple, but it will solve the problem of expensive taxpayer provided health care cost and will be fairer to those who shoulder this burden. Establish a basic, bare-bones coverage plan for all borough and school district employees with a generous \$10,000,000 cap. Optional coverage could be made available to employees with 100% of that cost paid for by the employee. At this time, the savings to borough taxpayers would be about \$13,000,000, plus the \$200,000 proposed to study this government created problem.

Living beyond our means is an issue that every citizen and municipality needs to face. It is foolish to think it will ever be possible to spend ones way out of a deficit revenue situation. The administration already has staff that could and should dedicate themselves to reducing this deficit by negotiating contracts with sustainable wages and benefits, or risk killing the Golden Goose.

I respectfully request that each Borough Assembly member decline to fund this ordinance. Furthermore, I urge you to task the administration to balance the budget with fair and realistic solutions.

Thank you for considering my perspective.

From: joalaska [mailto:joalaska@ptialaska.net]
Sent: Tuesday, March 13, 2012 1:22 PM
To: Blankenship, Johni
Subject: oops!

Hi Johni,

Sorry I sent by email some comments I wanted added to tonight's Assembly packet.

I've got that terrible cold that's going around, and wasn't thinking, I guess....forgot to give my name and address:

Joann Odd
P.O. Box 62
Clam Gulch, AK 99568

in case you can still get it in.

Thanks
joann

From: joalaska
To: jblankenship@borough.kenai.ak.us
Sent: Tuesday, March 13, 2012 11:52 AM
Subject: please add to packet

Can this be added to the packets of all assembly members, for tonight's meeting?

Regarding Ordinance 2011-19-70: Appropriating \$200,000 to Hire a Consultant to Assist the Borough in Determining the Course of Action to Pursue Regarding Curtailing Health Care Costs (Mayor) (Referred to Finance Committee):

How will this proposed study differ from the recent similar study done by the State of Alaska? Spending \$200,000 to study this issue LOCALLY, is a waste of time and money. The Mayor should study the results of the STATE study, before spending more Borough money for information that may already exist at the state level. Voters WILL be looking very closely, to see where this \$200,000 is spent and who is hired to do it.

Regarding Ordinance 2011-19-72: Appropriating \$4,700,000 for the Purpose of Constructing a Radiation Oncology Facility at Central Peninsula Hospital (Mayor) (Referred to Finance Committee):

I object to earmarking this huge amount BEFORE negotiations are completed by both parties. We should see final proposals as to this issue before ANY Borough money is committed. If no solution between the hospital and the doctors is arrived at, that is the time to consider this HUGE amount.

Why isn't this money coming out of the large surplus fund the hospital has built up?

Isn't there a 1.5 million dollar limit the Assembly can request before adding this HUGE amount on to the taxpayers? I thought an initiative limiting the amount the Borough could spend without voter approval, is still a law?

Regarding Ordinance 2011-19-73: Appropriating \$569,292 from the Equipment Replacement Fund for the Purchase of New Sales Tax Software (Mayor) (Referred to Finance Committee)

I object to the purchase of NEW sales tax software until the people have been given adequate reasons for this expenditure. This seems like a LOT of money for a software program. I thought we just bought new software a few years ago. Why isn't that adequate? Didn't it bring in enough money?

Will this 'new software' become obsolete in a few years?

Was there any examination done to see if a comparable program might be found that costs less?

Is this just another way the new Mayor shows his disregard for the voters intent to SAVE MONEY, NOT SPEND MORE?

Regarding Ordinance 2012-07: Amending KPB Titles 2-Administration, 4--Elections and 16--Service Areas to Provide that All Kenai Peninsula Borough Service Area Boards are Appointed Instead of Elected (Murphy) (Hearings on 04/03/12 and 04/17/12) (Referred to Policies and Procedures Committee)

THIS IS OUTRAGEOUS! The PEOPLE should select who is on these Boards, NOT the Assembly.

Is this just one more POWER GRAB by the Assembly? If you pass this, legal action WILL follow, and MORE MONEY will be needed to defend this in court.

I ask the Assembly to re-think this horrible idea and shelve it for good!

Regarding Resolution 2011-108: Approving a New Senior Clerk Typist Classified Position in the River Center Department (Mayor) (Referred to Policies and Procedures Committee) TABLED 01/17/12

Again, our new Mayor seems to never run out of ways to spend more money. Will there be NO END to ways you can spend money on the River Center? What will ever be ENOUGH?

Times are HARD for a lot of Borough residents, and spending more money on NON ESSENTIAL ITEMS does not help.

Have you looked into ways PAPER WORK could be reduced, or whether existing employees are being used efficiently? Maybe some Department heads could type some of their own work? If they had to do it, maybe they would think twice before adding new regulations and policies that just generate more paperwork and justify hiring more people.

Is there ANY stipulation that this new position must be filled by a Borough resident? At least that would give a job to a local person.

Hiring new employees should be the LAST RESORT, because once they are hired, they are seldom, if ever, let go, and their benefits program adds to the financial indebtedness of the Borough and Borough taxpayers.

To the Assembly: I am ASKING YOU, to please review all possible ways to save money- not spend more.

The increase in gas prices and heating fuel costs mean that those of us on fixed incomes must make hard choices on how our money is being spent. I now have 1/4 of my spendable income cut, and must find ways to make what I get - go farther. I expect nothing less from you, who spend our tax dollars.

YOU can just increase my taxes, _I_ have no way to increase what I get.

PLEASE GET THE SPENDING UNDER CONTROL! Learn to prioritize our needs against our wants. PLEASE!