

## How should the Borough Assembly respond?

Do you think the Fairbanks North Star Borough Assembly should take into account the economic crisis caused by the response to the virus and the next few years of recovery? Or should it just keep increasing the budget? So far, what assembly members have done is use a windfall of \$7 million from a legal settlement to prop up the largest budget ever so that, with some work, they could keep the mill rate the same or less this year. This won't necessarily lower taxes because of increased assessments, but it does help a lot. The real issue is that taxes will then jump up over 1 mill next year and going forward. I'll show how they're implementing cost increases for the future and decreasing the amount of preventative maintenance that will be done.

The mayor's fiscal year 2021 budget includes six new unnecessary positions. First, there are trash enforcers — two new code enforcement officers and a manager just for them. They will replace the transfer site contractors that the borough has been using the past few summers. The assembly so far has decided to remove one of those officers and approved them for the current budget year also.

The costs, as put forth in a News-Miner article, are \$92,490 for the manager and \$57,230 for the officer. Then you add in the borough's high benefit rates, a vehicle for the officer, a phone for each of them, and offices, and you're easily near \$250,000. What will you get for that money?

The administration believes it can save money by stopping a lot of city people who use the transfer sites and also some commercial traffic (all commercial traffic should be using the landfill). So exactly how are they going to do that? Remember, the residents of the city all pay trash taxes to the city to have trash pickup, and most of the commercial businesses have their own trash contract, so there is no need for any of them to use the transfer sites. The borough attorney was clear that the officer isn't allowed to ask for identification. Even if they knew you were from the city, you are still allowed to bring trash there from another house you own in the borough or for somebody who lives in the borough. I think you can forget saving any money that way.

I will admit that they might be able to catch a little traffic where construction businesses are trying to avoid paying landfill fees, but I really don't think there is a huge amount of that, and they will be doing random patrols so would only get a very small percentage of that anyway. Also, remember the reasoning for the transfer site contractors? The mayor at the time said we'd save money because they would stop people from dumping trash all over the place and we wouldn't have to pay our trash pickup contractors to clean it up. Well, now that whole reason goes out the window. In February, the administration admitted that the contractors weren't really being cost effective, and it will be the same with these officers. The abuse that they say goes on at the transfer sites has been overblown, and there is no expectation that they will be able to show a savings and justify those positions.

In addition to trash police, the mayor also asked for three new employees for the Department of Emergency Management. Do we need them so that they can be ready when the next pandemic hits in how many decades? This is a perfect example of kingdom building, adding personnel to one of the slowest departments in the borough instead of just hiring temporary when the need arises. The assembly has cut that down to one position, but that's still one permanent position too many.

As you know, every year the employees get pay increases, so what these actions do is raise the operational budget not just this year but also increasingly every year to come. This is exactly how we acquired our big preventative maintenance problem, because we kept growing government's operational costs and didn't take care of what was really essential. The real proof of that is that, in order to lower taxes this year, the assembly took \$2 million out of the contribution to the Facilities Maintenance Reserve. This shows definitively how increasing operations costs hurts getting necessary maintenance completed.

The assembly will meet in May in a final meeting to make amendments and vote for the budget and therefore the tax rate. Please email them your testimony at [assembly@fnsb.us](mailto:assembly@fnsb.us).