

CITIZENS FOR GOVERNMENT **ACCOUNTABILITY (CFGa)**

January 2008

Keeping you informed with the

facts you should know.

"When people fear the government there is tyranny. When the government fears the people, there is liberty."

-Thomas Jefferson

LOCAL STATE

NATIONAL ISSUES

PROPERTY TAX INCREASE THANKS TO SCHOOL BOARD

Over the past year Union County property tax payers have seen their property taxes skyrocket due to a large increase imposed by the school district board. County school district salaries (teacher pay, etc.) can vary by county due to the valuation and school tax rate of property. Although there is no state law setting a minimum or maximum for school superintendent pay, many have complained that superintendent and assistant superintendent pay are too high in Union County for its size. In the past year reports have shown that for 4 of the past 5 years, Union County graduating seniors are the least academically prepared in Northwest Kentucky to go on to college or trade school. The following are facts we uncovered via the Ky. School Administrators Office in Frankfort, and on the web at kyschools.org/max data systems (union county school superintendent pay was received via an open records request of the union county school system, dated Aug. 3, 2007)

DID YOU KNOW:

The requirements to be a school superintendent are a valid teaching certificate with 3 years experience, and a master's degree.

The average Kentucky school district has nearly 3,500 students, Union County has less than 2,600

The average Kentucky school district superintendent salary is less than \$107,000.

Union County School Superintendent pay package is currently \$123,183.08 , insurance of \$1,244.20 , annuity of \$6,000, and dues paid for him of \$973. A school board owned vehicle and gas are also provided to him.

In contrast, other superintendents earn in: Webster Co. \$91,269. Fulton

Co. 85,445. McCracken Co. (Paducah) \$110,607. Bourbon Co. (near Lexington) \$95,587. In Evansville-Vanderburgh Co., which is the third largest school district in the state, superintendent pay was \$138,000, including benefits, but has been raised with the hiring of a new superintendent. Vanderburgh Co. schools have a student population of 22,300. (Evansville-Vanderburgh school information obtained from the EVSC website, and via open records request.)

Throwing money at a problem has never been a solution: We don't need to pay a superintendent a salary and benefits of a corporate CEO, or equal to a school district 5 times our size. We do need someone who wants to be here in a small county to improve the system of education for the students first and foremost, not for all the money they can get. We have already done that with the current and past superintendents and did not get the results the board thought offering a big salary would get. Take the money out of the equation and you will be left with applicants for the job who are truly interested in the education of the students, and understands that taxpayers want results for already paying high school taxes in a rural area.

Conclusion: To hide a school tax increase behind the same old slogan of 'the tax increase is for the schools to better educate the kids' is pure nonsense. *Simply paying a superintendent or teacher more does not guarantee better educated students.* Wouldn't smaller superintendent and assistant superintended pay in exchange for more teachers to improve the student-teacher ratio better educate students?

The school board needs to do better. Shouldn't the property tax payers get a refund for all the poor decisions made at our financial expense, and not another tax increase? Call your school board members now, before your taxes skyrocket again for a failing school system. Demand change or we will simply get more of the same. Union County school system 389-1694 or www.union.k12.ky.us

School board members: Eugene Pardue, Connie Thomas, Jennifer Buckman, Tommy Long, Jeanie Sheffer.

UPDATES

In May of 2007 Assistant Kentucky Attorney General Dennis Howard asked permission to use, at the state's discretion, J.C. McElroy's book *"For The Love of Oil: The Fleecing of the American Consumer by Big Oil Companies, Politicians, and Wall Street Commodity Traders"*, in it's lawsuit against Marathon Oil and others for price gouging in Kentucky. Let's hope this lawsuit turns out to be more than just a political football, and does real justice for the average citizen. Currently the oil company has

filed legal paperwork of their own in response to the state's lawsuit.

The 1,400 signatures presented to county judge-executive Jody Jenkins against the Occupational tax via the petition spearheaded by CFGA Director Pete Van, and citizen activist Jack Matthews, seems to have fallen on deaf ears. Only Magistrate Joe Clements has spoken out against the tax and the \$20,000 in bonus pay given to the three salaried ladies in the judges office who help collect the tax.

Calls by Pete Van to the judge's office regarding this matter throughout the fall of 2007 have gone unreturned.

Notable quote:

"The average citizen did not fight in the Revolutionary War to overthrow a despot king only to empower two political parties to treat themselves like royalty. Political parties will always be controlled by a handful of men for the benefit of themselves and a few of their closest allies." -- John Adams , 2nd President

STATE ENERGY POLICY PROTECTS CORPORATE PROFITS AT CONSUMERS EXPENSE

From October through late December 2007 C.F.G.A. Executive-Director J.C. McElroy contacted State Representatives Mike Cherry D-Princeton, John Arnold D- Sturgis, and Jim Gooch D- Providence, concerning the state's electric energy policy. Both Representatives Cherry and Arnold directed us to **Rep. Gooch who is chairman of the energy committee**. Several calls explaining our concerns were made to Representative Gooch's Frankfort office as well as his residence, none of our calls to Representative Gooch were returned. The following is the corpus of the letter highlighting our concerns as requested by Rep. Cherry, and also sent to Rep. Arnold.

Dear Representative Cherry;

In regards to our phone conversation the last week of October, the following is the requested overview of the energy issues we discussed. We strongly feel these issues need to be addressed for once from a rate payers perspective and not for the corporate benefit of a government controlled monopolistic system.

Fuel Adjustment Charge (K.U., et al):

Our opinion is the fuel adjustment charge equates to nothing more than a backdoor rate increase. The cost of producing the electricity you

sell used to be part of the energy charge. We can only wonder what will be next. The cost of corporate pensions as another charge? And they would still try to argue how cheap electric rates are in contrast to the large cities without mentioning how much more people earn in the large cities.

The two-page copy enclosed was provided by Kentucky Utilities (K.U.) as to the nature of the fuel adjustment charge. Only in a monopolistic system could a company get such a guarantee in writing through legislation at the expense of its customers who have no opportunity to pick their utility provider. *Customers should not have to guarantee a company a profit in an industry that has been around for a hundred years without having a choice of providers.*

Monthly Customer Charge (K.U.)

This is a \$5 per month charge that was enacted nearly 3 years ago **by Eon, the German based conglomerate that owns K.U.** This charge, so we are told, is to help recover the cost of meter reading by the private firm K.U. hired this service out to in order to cut it's full-time payroll and save money. And now they are charging us a fee after eliminating jobs and saving money.

Our response: only a monopoly could get away with this. To charge extra for what was once done and figured in as part of the utility rate. Making corporate executives richer at rate payer expense. Competition would eliminate this.

In-State de-monopolization

We feel Kentuckians will be best served with statewide utility competition. In short, to allow any Kentucky resident or business to choose which Kentucky based utility company to buy their electricity from. Simply put, competition is the backbone of the American economy. It spurs on innovation, new technology, creates jobs, and lowers the cost of product to consumers. Monopolies, mergers, and large corporate buyouts may look good to Wall Street, but always lead to job cuts and less competition.

The greatest limiting factors in achieving in-state energy de-monopolization are the large amounts of corporate donations to both political parties. The makeup of energy boards consisting of current or former employees from the utility, coal, oil, and natural gas industries. As well as the misinformation put out by the utility companies that would be comparable to that of AT &T back in the 1980's when they claimed no-one would have quality phone service or be able to use their lines if their monopoly was broken up.

We appreciate your time and interest in this matter, and hope changes can be made in the next legislative session to rectify these matters on behalf of the utility consumers of Kentucky.

Sincerely,

JC McElroy Executive- Director of C.F.G.A.

Footnote: Representative Cherry told us that the city of Princeton buys its electricity from a power-plant in Indiana in order to save it's customers money. This knocks down the utility industry argument that you can not use another utility companies lines to transport power to customers other than their own.

The Kentucky Division of Energy stated a few years ago that Kentucky produces 25% more power than it consumes, and can produce more.

Current state and federal policy continues to serve the corporate monopolies well at the expense of the average citizen. Good , ***honest politics should not allow or reward the very corporations it is trying to regulate with a seat at the table to write or 'consult' on the government policy that will regulate their industry.*** Large corporate donations do fund both political parties, but it is the citizens who pay their elected officials salary and benefits. The best interest of the average citizen should never be overshadowed by corporate donations. ***Contact your representatives at : 502-564-8100 or email:***

john.Arnold@lrc.ky.gov (or) ***jim.gooch@lrc.ky.gov***

Let them know you want them to work for you, not the special interest groups.

-----**Notable quote:**

"The two political parties no longer exist. There is only one party now. It is called corporate special interest money, and it funds both the democratic and republican parties equally." -- David Cay Johnston, New York Times, and author.