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ANCHORAGE FIRE DEPARTMENT



Ethan Berkowitz
Mayor

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Jodie Hettrick
Fire Chief

January 11, 2019

Representative Chuck Kopp
Alaska State Capitol, Room 13
Juneau, AK 99801-1182

Subject: Police and Fire Retirement Legislation

Dear Representative Kopp,

As you are aware, the Anchorage Fire Department (AFD) is the largest fire, EMS, and special rescue emergency response organization in Alaska. Approximately 40% of our current operations workforce belongs to the Tier IV retirement plan. By 2031 we expect close to 100% of that division to be in Tier IV.

While AFD has not experienced the degree of retention issues experienced by law enforcement post Tier IV implementation, we are seeing an increase in the number of departures compared to pre-Tier IV employees and expect this trend to continue. For example, in 2018 we were advised by our local bargaining unit that 18 of our Tier IV firefighters were actively testing with other fire departments in various states. That is unprecedented in the history of our department.

The per/capita rate for resignations to work for other departments is three times the rate of those prior to the implementation of the Tier IV plan. This equates to approximately \$1.5 million in lost investment in employee hiring, training, and experience each year. Our investment produces a high quality candidate which other departments are happy to hire.

The most significant impact of the Tier IV plan on AFD is in recruitment. In the 1990s-2000s, it was common to receive 800-1000 applications each time a test was announced. Since 2011 our applications have dropped to an average of 425, with only 305 received last year. This is most noticeable in the pool of licensed paramedics. We have had to modify our training program to send current employees to paramedic school. This increases our overtime costs significantly each year due to backfilling the positions vacated by employees in training for up to one year. AFD can no longer successfully compete with departments in other states for talented candidates when the retirement option is limited to the Tier IV plan.

Unless there is a significant change to the retirement system we expect the cost to the municipal tax payer to increase due to the higher attrition rate for Tier IV plan employees. For the long term health of the department and our ability to serve the citizens of Anchorage, a better option must be implemented.

Thank you for considering solutions which will save tax payer dollars in the long term and improve our ability to deliver high quality services to the community.

Jodie Hettrick
Fire Chief
Anchorage Fire Department
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Ethan Berkowitz
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Justin Doll
Chief

Representative Chuck Kopp
Alaska State Capitol, Room 13
Juneau, Alaska 99801-1182

January 9th, 2019

RE: Alaska Public Employee Retirement System

Dear Representative Kopp,

As Chief of Alaska's largest law enforcement agency, I am writing in strong support of amending the Alaska Public Employee Retirement System (PERS) to return public safety employees to a defined-benefit pension system. The return will help recruit new applicants and retain officers which will ensure Alaska residents have adequately staffed law enforcement agencies to mitigate their concerns for public safety.

Over the past three years the Anchorage Police Department (APD) has been fortunate to run consecutive police academies to rebuild the force after years of understaffing. During this process we faced an uphill battle to recruit new applicants and retain our extremely qualified officers due to Alaska's defined-contribution retirement system.

As applicants evaluate departments across the county, Alaska cannot compete with the agencies offering defined-benefit plans. This has left us with vacancies in multiple academies as applicants decide to pursue their careers elsewhere. For example, the last academy was short of our recruiting goal by about 10 recruits (about 35% less than our target).

Aside from difficulties in recruiting new applicants, we are seeing our highly-trained, qualified, and experienced officers leave APD to work out-of-state for other law enforcement agencies offering competitive defined-benefit retirement systems. We are paying the high cost of training these officers just to see them leave after a few years of valuable experience is gained.

The combination of recruiting shortfalls and inability to retain incumbent officers is a potential crisis for Alaska's public safety organizations. Making this change is a step in the right direction to help recruit and retain law enforcement officers. The Anchorage Police Department strongly supports this legislation and a return to a defined-benefit retirement system for Alaska's public safety employees.

I thank you for your support of law enforcement and public safety officials across the State of Alaska, especially here in Anchorage, and I urge you to present this important piece of legislation.

Sincerely,



Chief Justin Doll

Anchorage Police Department



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Email - fpd@ci.fairbanks.ak.us

February 11, 2019

Representative Chuck Kopp
Alaska State Capitol, Room 13
Juneau, Alaska 99801-1182
RE: Alaska Public Employee Retirement System

Dear Representative Kopp,

As the Chief of the Fairbanks Police Department, I am writing to express my support of amending the Alaska Public Employee Retirement System (PERS) to once again make a defined-benefit pension available to public safety employees. The return to a defined-benefit system provides us with additional tools to recruit and retain officers. Having an adequately staffed department is the first step to providing public safety for our communities.

The Fairbanks Police Department struggles with recruiting and retaining officers more each year. We see our employees becoming more mobile and our qualified applicant pool shrinks each year. While this is a nationwide phenomenon, I believe our agency and Alaska has been particularly hit hard. Although our applicant pool continues to shrink, we remain loyal to our standards. I believe the expectations of police are at a all time high, so how do we attract people who are able to meet these expectations?

We are living in an age where vast employment information is available on a mobile device. Applicants are able to search and compare numerous agencies and make instant comparisons. We want our future officers to be forward thinking and look beyond simply getting a job. Today's applicants are doing just that; now we must be ready to give them something to look forward to and be competitive.

Returning public safety employees to a defined-benefit pension plan will hopefully assist your state and local agencies in attracting forward thinking, goal-oriented men and women. It will also assist in retaining these officers after we spend considerable time and money training them. Our goal is to provide a level of service and public safety our communities expect. This all starts with having the right people and giving them a reason to stay.

I thank you for your time and support of law enforcement and public safety in Alaska and I urge you to support this legislation.

Sincerely,

A blue ink signature of Eric Jewkes, the Chief of Police, is written over the word "Sincerely,".

Eric Jewkes
Chief of Police



North Pole Fire Department

125 Snowman Lane - North Pole, Alaska 99705

Phone: 907.488.2232 Fax: 907.488.3747

Date: January 14, 2019

To: Representative Chuck Kopp
Alaska State Capitol, Room 13
Juneau, Alaska 99801-1182

Subject: Police and Fire Retention Legislation

Representative Kopp,

This letter is in regards to the difficulties the North Pole Fire Department (NPFDD) has had in the hiring and retention of employees. Since 2006 when the State of Alaska changed its Defined-Benefit retirement system (Tiers 1-3) to a Defined-Contribution system (Tier 4), our department has had continual turnover in personnel. As a result, it is extremely difficult for a department of our size, which currently has 15 paid positions to maintain and keep employees.

Since the change in retirement system to Tier 4, our department has been unable to retain fully trained employees. Prior to Tier 4 our department was able to compete with other higher paying fire departments because we could offer the best retirement and benefit package. Having a good defined-benefit retirement is why numerous applicants have put in for our very few open positions. Giving up higher pay for a competitive retirement is what has kept long term employees with the department. Now firefighters are leaving after a couple of years of experience to other departments because they offer a better retirement.

2006 brought about a drastic change to the North Pole Fire Department. The department has hired, trained and lost 27 personnel to other positions inside and outside the fire service. The turnover is not just limited to the firefighters, senior members have also left for other positions that have a better retirement system. At this rate of turnover, we will have no members with the training or experience to take over when our last Tier 2 and 3 officers retire. On average employees are staying for two years gaining training and experience with our department before moving on. With it taking up to three months to advertise, interview and hire new employees, this leaves large parts of the year where the department is working with reduced staff.

Having a stable and reliable future retirement is of great importance to firefighters and the departments they work for. Thank you for your time and consideration into this very important matter that is affecting the State of Alaska.

Sincerely,

Geoff Coon, Fire Chief
City of North Pole Fire Department
gcoon@northpolefire.org

2575 Allen Adale Road
Fairbanks, AK 99709-2581

14 January 2019

The Honorable Representative Chuck Kopp
State Capitol
Juneau, AK 99801

Representative Kopp:

Thank you for sponsoring legislation to address the problem of Alaska's highly trained and experienced firefighters leaving Alaska for states with more attractive retirement plans. This legislation is needed to stem the out-migration of Alaska's firefighters. I am writing to you in support of this bill from my perspective as a fire chief that is highly involved in the fire service in Alaska and nationally.

I worked for about 26 years in the Anchorage Fire Department. For me and my contemporaries, getting hired at AFD was the ultimate achievement for an aspiring firefighter. Working in the largest fire department in the magnificent State of Alaska was the ultimate prize. In the latter part of my career at AFD, as a chief, I was astonished and alarmed to witness an increasing number of firefighters leaving the department for jobs Outside. These were firefighters - including long-time Alaskans - in whom we had invested over a year of intensive training and thousands of dollars in equipment. Based on statements they made, I attribute this to the implementation of the PERS Tier IV retirement plan. Once firefighters got off probation and started thinking about families and retirement, they began shopping around.

Through my involvement as an officer and President of the Alaska Fire Chiefs Association, I became aware that this phenomenon was occurring in fire departments throughout the state. The loss of experienced firefighters which departments had spent months recruiting and training is an even bigger burden to the smaller city and rural departments. For these, the loss of a single firefighter represents a significant financial and operational deficit, as they seek to recruit and retrain a replacement while maintaining adequate coverage to their communities.

Currently, I operate a workforce development program for firefighters with an emphasis on higher education. Our firefighter alumni populate most Alaska career fire departments. The 42 young men and women in my program are far more aware of financial planning and retirement concerns than I was at their age. It is troubling that the majority of them are testing and interviewing for jobs in other states.

The fire departments in other states know this. In my travels and conversations as Immediate Past-President of the Western Fire Chiefs Association and as a Director for the International Association of Fire Chiefs, I have seen how departments throughout the West are increasingly offering lateral hiring -

avoiding the expense of training firefighters that other departments have already trained. These departments are actively recruiting in Alaska because of PERS Tier IV.

At a time when local budgets are strained, this problem takes on added emphasis. I thank you for working to solve this problem for our communities.

V/r,

A handwritten signature in blue ink, appearing to read "Douglas Schrage". The signature is fluid and cursive, with the first name "Douglas" being more prominent than the last name "Schrage".

Douglas Schrage