



North Pole Fire Department

125 Snowman Lane - North Pole, Alaska 99705

Phone: 907.488.2232 Fax: 907.488.3747

Date: February 21, 2018

To: Senator Kelly

Subject: PERS Tier 4 Employee Retention

Dear Senator Kelly,

This letter is in regards to the difficulties the North Pole Fire Department has had in the 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), this department has had continual turnover in personnel and it is extremely hard 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 not been able 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 25 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