

1 By: Diane Hutchison
2 Kathryn Dodge
3 Introduced: 10/24/13
4 Adopted: 10/24/13
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7 FAIRBANKS NORTH STAR BOROUGH

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9 RESOLUTION NO. 2013-38

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11 A RESOLUTION SUPPORTING ELIMINATION OF THE TERMINATION STUDY
12 REQUIREMENT FOR THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
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14 WHEREAS, the Borough entered into a participation agreement with the Public
15 Employees Retirement System (PERS) on July 1, 1969; and

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17 WHEREAS, the PERS system has evolved from being fully funded to being
18 underfunded by billions of dollars; and

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20 WHEREAS, the legislature passed SB125 in 2008 which established that
21 PERS is a consolidated system and that the combined defined benefit and defined
22 contribution salary base would be required to pay down the unfunded obligation and sustain
23 predictable, affordable, and stable employer rates; and

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25 WHEREAS, SB125 set a minimum contribution for employers to pay to ensure
26 a reasonably growing, system-wide salary base upon which to pay off the unfunded
27 obligation; and

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29 WHEREAS, employers have contributed more into the PERS system since
30 2008 than even the actuaries had projected; and

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32 WHEREAS, language added to SB125 relating to termination costs removes
33 equitable and consistent application of state law; and

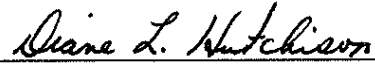
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35 WHEREAS, the State of Alaska has exempted itself from these termination
36 cost provisions, allowing it the flexibility to manage its own workforce; and

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38 WHEREAS, municipal employers desire this same operational flexibility to
39 effectively manage and deliver programs and services, without concern that an administrative
40 decision will have long-term financial impacts to their PERS liability.

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42 NOW, THEREFORE, BE IT RESOLVED that the Assembly of the Fairbanks
43 North Star Borough encourages the legislature to eliminate the termination study
44 requirement.
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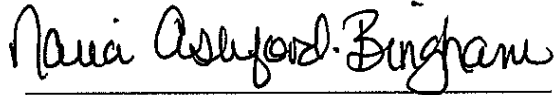
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PASSED AND APPROVED THIS 24th DAY OF OCTOBER, 2013.



Diane L. Hutchison
Presiding Officer

ATTEST:



Nanci Ashford-Bingham, MMC
Municipal Borough Clerk

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Ayes: Davies, Howard, Sattley, Dukes, Roberts, Lawrence, Dodge, Kassel, Hutchison
Noes: None

**ALASKA MUNICIPAL LEAGUE
RESOLUTION #2014-__**

**A RESOLUTION SUPPORTING ELIMINATION OF THE TERMINATION STUDY REQUIREMENT
FOR THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

WHEREAS, the PERS system has evolved from being fully funded to being underfunded by billions of dollars; and

WHEREAS, the legislature passed SB125 in 2008 which established that PERS is a consolidated system and that the combined defined benefit and defined contribution salary base would be required to pay down the unfunded obligation and sustain predictable, affordable, and stable employer rates; and

WHEREAS, SB125 set a minimum contribution for employers to pay to ensure a reasonably growing, system-wide salary base upon which to pay off the unfunded obligation; and

WHEREAS, employers have contributed more into the PERS system since 2008 than even the actuaries had projected; and

WHEREAS, language added to SB125 relating to termination costs removes equitable and consistent application of state law; and,

WHEREAS, the State of Alaska has exempted itself from these termination cost provisions, allowing it the flexibility to manage its own workforce; and,

WHEREAS, municipal employers desire this same operational flexibility to effectively manage and deliver programs and services, without concern that an administrative decision will have long-term financial impacts to their PERS liability.

NOW, THEREFORE BE IT RESOLVED THAT the Alaska Municipal League encourages the legislature to eliminate the termination study requirement.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE ON THE _____ DAY OF _____, 2013.

Signed: _____
President, Alaska Municipal League

Attest: _____
Executive Director, Alaska Municipal League

Submitted by: Fairbanks North Star Borough
Contact Name: Diane Hutchison, Presiding Officer
Kathryn Dodge, Assemblymember

Date Submitted: 10/25/13
Contact Phone #: (907) 459-1401

Implementation Recommendation:

This resolution was approved for submission to the Alaska Municipal League membership by the governing body of the Fairbanks North Star Borough on 10/25/13.