

**ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE**

February 8, 2023

1:35 p.m.

MEMBERS PRESENT

Senator Jesse Bjorkman, Chair
Senator Elvi Gray-Jackson
Senator Kelly Merrick
Senator Forrest Dunbar

MEMBERS ABSENT

Senator Click Bishop, Vice Chair

COMMITTEE CALENDAR

PRESENTATION(S): A CHANGING WORKFORCE: LOCAL GOVERNMENT
PERSPECTIVE FROM THE CITY OF SOLDOTNA

- HEARD

PRESENTATION(S): WORKFORCE CHALLENGE FROM THE CITY OF KENAI
PERSPECTIVE

- HEARD

PRESENTATION(S): WORKFORCE CHALLENGES AND INITIATIVES FROM THE
CITY AND BOROUGH OF JUNEAU PERSPECTIVE

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

STEPHANIE QUEEN, City Manager
City of Soldotna
Soldotna, Alaska

POSITION STATEMENT: Delivered a presentation on the changing
workforce from the perspective of the City of Soldotna.

TERRY EUBANK, City Manager

City of Kenai
Kenai, Alaska

POSITION STATEMENT: Delivered a presentation on the workforce challenges in Alaska from the perspective of the City of Kenai.

JEFF ROGERS, Finance Director
City and Borough of Juneau (CBJ)
Juneau, Alaska

POSITION STATEMENT: Delivered a presentation on workforce challenges and initiatives from the City and Borough of Juneau perspective.

ACTION NARRATIVE

[1:35:13 PM](#)

CHAIR JESSE BJORKMAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:35 p.m. Present at the call to order were Senators Dunbar, Gray-Jackson, Merrick, and Chair Bjorkman. Senator Bishop arrived shortly thereafter.

PRESENTATION(S): A CHANGING WORKFORCE: SOLDOTNA PERSPECTIVE

[1:36:24 PM](#)

CHAIR BJORKMAN announced the consideration of a presentation from the City of Soldotna on the changing workforce.

[1:36:33 PM](#)

STEPHANIE QUEEN, City Manager, City of Soldotna, Soldotna, Alaska, delivered a presentation on the changing workforce from the perspective of the City of Soldotna.

[1:37:00 PM](#)

SENATOR BISHOP joined the meeting.

MS. QUEEN began the presentation, stating Soldotna as a municipality does not yet have an employee hiring and retention crisis. She noted that her peers around the state might be experiencing this issue more acutely than she is. She intends to present the city's current and anticipated challenges during this slideshow.

[1:38:30 PM](#)

MS. QUEEN summarized slide 2, Overview - City of Soldotna:

- Home Rule City
- Council/Manager Form of Government

- Centrally located in Kenai Peninsula Borough
- 75 Full Time Equivalent (FTE) Employees
- \$15 million Annual Operating Budget

MS. QUEEN said a three percent sales tax generates most of the city's revenue, totaling about \$9.6 million last year. In contrast, property tax generated just over \$320,000. The city has a low millage rate of half a mill. She surmised that the municipality's focus and decisions on quality of life and economic projects are primarily sales tax informed and driven.

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MS. QUEEN summarized slide 3, Overview - Full Time Equivalent (FTE) Employees by Department:

- Soldotna Police Department (17 FTE)
- Parks + Recreation (16.09)
- Streets/Bldg /Airport/Shop (11.35)
- Library (7.81)
- Water / Wastewater Utility (6)
- Finance / HR (5.73)
- Public Works Admin (4)
- City Clerk (2)
- City Manager (2)
- Economic Dev + Planning (2)
- IT (2)

MS. QUEEN said city employees in leadership positions are professional. The city organization is small but high performing. She expressed concern that the city is more sensitive to changes in its workforce due to its size. The city might have difficulty absorbing and cross-training employees moving forward.

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MS. QUEEN displayed slide 4 and discussed recruitment:

RECRUITMENT:

Recent Observations

Fewer Applicants

Hiring Managers often frustrated with the overall number of applicants, and qualifications/experience of those who applied

Positions Vacant Longer

Some positions had to be re-posted multiple times, after initial attempts were unsuccessful

Highly Competitive Labor Market

Job Seekers are in a strong bargaining position with many employment options

MS. QUEEN said the city is making some changes. The city is lowering many of its minimum qualifications, is more flexible with what a prospective, successful employee might look like, and is letting positions sit longer. So far, this strategy has been adequate but it is cause for concern.

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MS. QUEEN displayed slide 5 to discuss difficult-to-fill positions in Soldotna:

Utility Operator
Utility Manager

MS. QUEEN said the utility department is experiencing high turnover. A six-person team runs the water and wastewater department, a manager, a lead operator, and four additional operators. Two of the utility operator positions were vacated recently. One was vacant for about five months and the other for eight months. She said the city would have been in a bind if these vacancies had occurred simultaneously. She expressed this theme is heard from her peers statewide about utilities. They have gotten creative to ensure adequate oversight, which could mean partnering with neighboring municipalities or contracting with an engineering firm.

City Clerk

MS. QUEEN said filling the city clerk position took almost a year.

Police Officer*
Department Directors*

MS. QUEEN said she expects a lot of director-level turnovers. She anticipates that it will be challenging to fill these and police officer positions.

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MS. QUEEN advanced to slide 6, expressing her understanding that the worker shortage at the local level is rooted in changes at the state and national levels. She pointed out these economic trends:

Alaska Economic Trends January 2023

Demographic Shift"

- 10 years net outmigration
- "Baby Boomers" aging out of the workforce
- State economy is growing
 - adding jobs
- State and National worker shortage

Simply put: there are more jobs than people available to do them

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MS. QUEEN displayed slide 7 to explain worker shortages contribute to retention efforts:

RETENTION:

More critical than ever

Competitive Market = More Flexibility

Our highly valued employees are the targets of our peers' recruitment and attraction efforts

71% of City Workforce is now in PERS [Public Employees Retirement System] Tier IV

After 5 years, retirement account is portable and can not only leave the City, can leave the PERS system entirely

Soldotna Does Not Participate in Social Security, or SBS

City employees cannot rely on supplemental retirement from Social Security

MS. QUEEN said PERS is the only retirement option as the city does not participate in Social Security or a supplemental benefit system (SBS) other than a voluntary 457 deferred compensation plan with no employer match.

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SENATOR MERRICK asked about Social Security and SBS. She wondered who decided to opt out of Social Security and SBS programs.

MS. QUEEN said she had not researched the history of this decision. She said she would collect information about it for the committee.

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MS. QUEEN displayed slide 8 to discuss generational employment briefly:

"More than the millennial and Gen X generations before them, Gen Z views employment as transactional in nature"

Employers beware: Even your 'loyal' Gen Z workers may still be looking for another job.

[Article excerpt from FastCompany, dated 1-17-23.]

MS. QUEEN speculated that these statements pertain to Gen Z, but broadly apply to millennials and Gen X too. She expressed her thought that these employees view jobs as transactional, a means to an end. She clarified that this is not a critique on generations; it comes from a position of self-awareness. Whether in the public or private sector, employment has fundamentally changed since moving away from pension-based systems. It is not surprising that employees are perceived as less loyal; Tier IV employees are more mobile.

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MS. QUEEN summarized the chart on slide 9, Retirement: Projections, Looking Ahead. She said Soldotna was in a unique position with its police department last year. It had been fully staffed for seven years and no recruitment was done for that period. It resulted in a lot of stability, but a senior department. Including last year and projecting out five more, the chart shows a 60 percent turnover rate in the police department; 40 percent due to retirement. The chart includes other departments and is concerning because the turnover rates due to retirement are substantial and don't even include turnover for other reasons.

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SENATOR GRAY-JACKSON asked if Soldotna has a fire department.

MS. QUEEN replied Soldotna participates in a regional fire service area. It consolidated with the borough into a service area decades ago.

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MS. QUEEN advanced to slide 10, which compared the number of staff enrolled in a defined benefit retirement plan against those enrolled in a defined contribution plan. She reviewed the significance of the numbers shown on slide 10:

**CURRENT WORKFORCE:
Defined Benefit vs. Defined Contribution**

\$98,438	\$78,613
Average salary of 18 City employees in PERS Tiers I III	Average salary of 44 City employees PERS Tier IV
19.25	<6
Average Years of Service (high is 45)	Average Years of Service (high is 16)
29 percent	71 percent
Of our current workforce	Of our current workforce

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MS. QUEEN displayed slide 11. She said the city's employment strategies focus more on increasing recruitment for the years ahead. The City of Soldotna is exploring the following nine strategies. They are doable on a local level, practical, effective, and provide flexibility. She noted some strategies are already in use on an ad hoc basis:

- Recruitment Bonuses
- Relocation Assistance
- Employee Referral Program
- Administrative Leave for Salaried Employees
- Paid Parental Leave
- Additional Paid Holidays
- Employee Sabbatical (unpaid)
- Increase Employer share of Health Insurance Premiums
- Employer Match into a Deferred Compensation Plan (457(b) or 401(a))

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SENATOR DUNBAR asked whether she sees the option of working remotely as a viable tool to increase recruitment and retention.

MS. QUEEN said it's one of the city's most effective tools and probably one of the most cost-effective. Soldotna quickly moved to work schedule and location flexibility during the pandemic. It had some pros and cons. The city allows flexibility on an ad hoc basis. She authorized one department to change its hours of operation for summer and winter and another department to work four 10-hour days. She said it requires making good position decisions and establishing evaluation methods to determine whether the changes work.

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SENATOR BISHOP asked whether the city does exit surveys and, if it does, what the trends are for employees leaving jobs. He asked whether good childcare is available in Soldotna for single-working parents.

MS. QUEEN replied that exit surveys are not administered consistently. A lot more information could be gained by formalizing the exit survey procedure. Childcare is challenging. She speculated the community offers less than is needed. The pandemic amplified the need for childcare. The city could not figure out how to fix the lack of childcare even with all the available Coronavirus Aid, Relief, and Economic Security (CARES) Act funds. Childcare is an issue that affects people's ability to join the workforce.

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MS. QUEEN advanced to slide 12, Additional Considerations. This slide discusses ways to maintain a viable level of services when understaffed:

**Additional
Considerations**

The future will force local governments to change, faster than we are comfortable with:

- Interagency partnerships for service delivery
- Mutual aid agreements
- Letting go of old processes that no longer serve us
- Provide flexible work arrangements/schedules
- Getting more creative and intentional with recruitment
- Continuity-of-Operations Planning (COOP) for unavoidable tight spots

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MS. QUEEN moved to slide 13 to address recruitment and retention from the perspective of employees who want to live in a quality community. Employees have many workplace options in Alaska and the Lower 48. Investing in the community is another piece of improving retention and recruitment:

Continue Investing in Quality of Place and Community

- Keep our young people here (or bring them back after outside education/experience)
- Attract new talent to Alaska and our area
- Support other local employers in their recruitment efforts

MS. QUEEN expressed hope that this conversation would continue.

MS. QUEEN thanked the committee for the opportunity to discuss the workforce challenges.

[2:08:15 PM](#)

SENATOR BISHOP asked whether the two employees on slide 9, with over 50 combined years of experience, are in a defined benefit plan.

MS. QUEEN replied that the employee with the longest work history is currently in Tier I with 45 years of service.

SENATOR BISHOP directed attention to the third bullet on slide 13, "Support the other local employers in their recruitment efforts," and asked whether the Dairy Queen is still open in Soldotna.

MS. QUEEN answered yes, it is alive and well.

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SENATOR GRAY-JACKSON asked about cultural diversity in Soldotna.

MS. QUEEN replied that Soldotna views itself as slightly progressive, welcoming, and diverse. The city is trying to broaden diversity in the community. The picture on slide 13 shows the Music in the Park series that runs every sunny Wednesday from June to August. She expressed her belief that Soldotna is probably similar to adjacent urban areas.

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CHAIR BJORKMAN brought up the subject of the city's decision to opt out of Social Security and SBS in the 1970s and earlier. He

asked if she believes the city did not opt-in because the state provided a defined benefit option to employees.

MS. QUEEN answered that she could not adequately speak to that. She knows it was considered in the past but does not know why the program lacked support at that time.

CHAIR BJORKMAN emphasized that PERS is a pension system that no longer gets new participants. He asked whether sufficient resources would be freed-up to offer retirement benefits to employees if the city did not have to contribute 22 percent for each PERS employee.

MS. QUEEN replied absolutely. The city's workforce is transitioning entirely into Tier IV; those PERS investments do not serve Tier IV employees. The city could invest more in the current workforce without that level of unfunded liability.

CHAIR BJORKMAN asked whether she would consider supporting a system that reduced Soldotna's unfunded liability and supported future retirements.

MS. QUEEN replied the city would be interested.

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At ease

**PRESENTATION(S): WORKFORCE CHALLENGES IN ALASKA KENAI
PERSPECTIVE**

[2:14:14 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of a presentation on workforce challenges in Alaska from the Kenai perspective.

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TERRY EUBANK, City Manager, City of Kenai, Kenai, Alaska, introduced himself and provided his background. He said he had not seen the magnitude of current workforce challenges facing local governments in his 25-year career in Alaska. These significant challenges include:

1. Recruitment and Retention
2. Position Flexibility
3. Legal and Regulatory Challenges
4. Escalating and Unsustainable Employee Healthcare Costs
5. Inflationary Pressure

2:16:04 PM

MR. EUBANK discussed the recruitment and retention issues covered in his handout:

- Increase in recruitments by 40 percent
- Positions vacant for longer periods
- Average number of applicants decreased by 65 percent

MR. EUBANK said the number of applicants decreased to an average of nine per position, with many positions receiving 0 - 4 applications. Individuals from outside of Alaska filled thirty-three percent of city director positions in the last five years, including three of the previous five director hires.

- Fewer applicants meet minimum job qualifications
- 78 percent of PERS eligible employees are Tier IV participants
- Number of Tier IV employees projected to grow to 92 percent

MR. EUBANK said Tier IV employees are projected to grow to 92 percent over the next five years.

- 20 percent of City employees are eligible to retire

MR. EUBANK reported the retirement system factors into Tier IV employee turnover.

MR. EUBANK said he is the city manager and the acting finance director. The assistant to the city manager is the acting human resources director. The city is hiring for the human resources director position. It is the 2nd recruitment for the finance director, with a salary range of \$111,000 to \$146,000 annually. The position closes this Friday, and the city has not received any applications.

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MR. EUBANK discussed work environment and position flexibility. There has been an increase in employee requests for flexible work hours and working remotely, which is challenging traditional work models and creating unique employer challenges:

- Worker's Compensation challenges

- Employment tax requirements for remote workers working in other states.
- Reimbursement agreements for home offices provided by remote workers.

MR. EUBANK said local governments face a variety of legal and regulatory challenges, including:

- Cost of PERS Termination studies
- Limitation on the ability to hire temporary or rehire PERS retired employees to fill temporary vacancies
- Affordable Care Act requirements

MR. EUBANK said the Affordable Care Act requires the city to provide health insurance to part-time and temporary employees who work a prescribed number of hours in a twelve-month period. Employers are forced to choose between terminating their employment or providing healthcare. Healthcare is the single most expensive benefit for local government employers, second only to salaries in personnel costs.

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MR. EUBANK discussed escalating and unsustainable employee healthcare costs:

- Employee healthcare costs are 18.60 percent of total personnel costs and 14.05 percent of total expenditures for the City's General Fund
- Health insurance premium increases despite cost saving changes in employee benefits and two provider switches.

MR. EUBANK discussed inflationary pressure, stating inflation in the nation and Alaska are at unprecedented 40-year levels. Businesses, local governments, and employees face escalating costs for goods and services. He reviewed these points:

- Inflation increases, as measured by the change in the annual Anchorage Consumer Price Index for All Urban Consumers (CPI-U), was 4.88 percent for 2021 and 8.11 percent for 2022
- Municipal revenue growth rates are slower than the rate of growth [in expenditures] for personnel, goods and services

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MR. EUBANK discussed ideas and solutions. Proposed solutions require creativity and stretch traditional thinking. He said the following ideas are his and do not necessarily reflect the position of the City of Kenai:

- Reconsider the 80th Percentile Rule [for healthcare].

MR. EUBANK said there are concerns this rule contributes to increased state healthcare costs. The rule was meant to protect consumers from hefty charges from out-of-network providers by requiring carriers to cover a certain amount. There are concerns that this rule contributes to increased healthcare costs.

- Examine the current PERS Tier IV and TRS Tier III retirement benefit for improvements and to determine if it is meeting its objection.
- Enact legislation to lessen the disproportionate burden placed on Alaska's smaller local governments by PERS termination studies.
- Create programs to increase Alaska's skilled workforce.

MR. EUBANK expressed his belief that the state should reexamine and potentially reinstate programs to incentivize skilled workers to remain in, move to, and return to Alaska after completing their education and skills training. He said the state should review PERS regulations regarding temporary employment and retired employee rehire when qualified applicants are limited. He said the state should reexamine workers' compensation laws, focusing on the new challenges posed by remote workers. He stated that the City of Kenai remains optimistic despite all these challenges. The City of Kenai is a financially strong city that remains an attractive place to work and raise a family.

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CHAIR BJORKMAN asked Mr. Eubank whether he was aware of a regulation change to repeal the 80th percentile rule; it is out for comment.

MR. EUBANK said he was aware of it but did not know the specifics. He said it was a step in the right direction.

CHAIR BJORKMAN explained that the regulation changes that the Division of Insurance proposed are out for comment. The regulations propose to repeal the 80th percentile rule. The

committee intends to hear more about this subject in upcoming meetings.

CHAIR BJORKMAN asked how changing the retirement and benefits system for public employees would affect the city's ability to meet its mission.

MR. EUBANK said employees need to see a benefit in the system to stay. Retaining employees long-term is significantly diminished if employees see no benefit. Whether it is a new tier in a defined benefit plan or enhancements to the contribution plan, employees must find value in it to stay. He said the City of Kenai does exit interviews. One of the major comments departing employees make is that they do not see value in the defined contribution and retirement system.

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CHAIR BJORKMAN asked whether employees find jobs that offer defined benefit retirement programs.

MR. EUBANK answered in some cases, but those opportunities are somewhat limited. He knew about police officers that found employment out of state that offered defined benefit plans.

CHAIR BJORKMAN asked whether similar lateral movements occur within the Kenai Fire Department.

MR. EUBANK said the fire department is relatively stable. The police department was not fully staffed until this last year. Most movement is in the police and public works departments, similar to the City of Soldotna.

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CHAIR BJORKMAN asked why public works employees move on from city employment.

MR. EUBANK replied that the supply of licensed workers is extremely limited, and many have left for higher-paying or advanced positions in other municipalities. Some have taken positions in oilfields on the North Slope. It's an employee's market.

CHAIR BJORKMAN asked whether Kenai's pay and benefits package can compete at market level.

MR. EUBANK answered that part of the problem is that upwardly mobile employees are interested in moving into lead and

foreperson positions. As employees gain experience, they look elsewhere for promotion opportunities because the city is a small employer and has few opportunities for advancement. Kenai gave employees a 6.35 percent salary adjustment in FY23. It is the largest salary adjustment to the base salary schedule he has seen in 25 years of working in government finance. An 8.11 percent annual cost of living increase would cost the city nearly \$900,000, almost a one-mill equivalent on property tax. This is a significant amount of financial pressure on the city. Kenai does not participate in Social Security. The city does not participate in the Supplemental Benefits System (SBS) but provides an employer match of 4 percent up to the first \$37,500 in employee wages in a 401 program. The maximum annual employer contribution is \$1,500. Expanding the match is under consideration but is far from the same level as SBS.

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At ease.

PRESENTATION(S): WORKFORCE CHALLENGES AND INITIATIVES JUNEAU PERSPECTIVE

[2:35:09 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of a presentation from the City and Borough of Juneau on workforce challenges and initiatives.

[2:35:26 PM](#)

JEFF ROGERS, Finance Director, City and Borough of Juneau, Juneau, Alaska, introduced himself and thanked the legislature for being in Juneau. He said almost 2,500 people work for the City and Borough of Juneau: approximately one-third work for the City and Borough proper, one-third for Bartlett Regional Hospital, and one-third for the school district.

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MR. ROGERS began his slideshow presentation on slide 2:

Known/Perceived Workforce Challenges for the City and Borough of Juneau.

- Availability and Affordability of Housing
- Availability and Affordability of Childcare
- Stiff competition with other employers for
 - Richer retirement benefits
 - Hiring bonuses

- Retention bonuses
- Flexible Workplace arrangements (i.e. telework and remote work)

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MR. ROGERS reviewed actions the city is taking to improve housing and childcare affordability, as shown on slide 3:

CBJ Action on the Availability and Affordability of Housing and Childcare.

- Borough-wide property tax abatement for qualifying new multifamily housing developments
- Multi-million dollar investment in grants and loans to non-profit and for-profit housing developers through competitive public process, funded by local taxes
- Direct municipal subsidy of local Juneau childcare providers, funded by local taxes

MR. ROGERS said the city subsidizes childcare at about \$1 million per year, which will increase to about \$1.5 million next year. The subsidy goes directly to childcare providers as an incentive to stay in business, and it helps them be profitable at rates that parents can afford.

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SENATOR MERRICK asked whether there was a lack of land or just buildings.

MR. ROGERS said it's both. CBJ just published a map of all the vacant and underdeveloped land in the borough. He expressed his belief that the map has been a rallying point to show that there is developable land. The questions are how to access it and whether it is profitable for nonprofit or for-profit developers. The city does what it can and has been developing in an area called Peterson Hill near Auke Lake. The first phase was developed, and the city is looking for nonprofit and for-profit partners to finish developing what will eventually be many hundreds of homes in a neighborhood.

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SENATOR DUNBAR mentioned his plans to sponsor legislation giving local governments more flexibility for property tax abatement, and it will address blighted properties.

SENATOR DUNBAR asked to what degree the city encounters resistance from neighborhoods when private or public subsidized projects try to build multi-family housing. He asked whether the legislature could impact statutory or regulatory barriers to building in Juneau.

MR. ROGERS replied that Juneau sees little resistance to housing developments. It is a bit of a challenge if the development is tailored to low-income housing. He said he did not know about regulatory barriers, but there are many challenges to building in a place like Juneau. He is unfamiliar with elements the legislature could address and does not necessarily think state regulation is hampering home construction in Juneau.

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SENATOR BISHOP commented that the housing shortage is a statewide issue. Housing is a tall order in the state.

MR. ROGERS responded that those statements are totally appropriate.

[2:43:31 PM](#)

MR. ROGERS advanced to slide 4 to review what the city is doing in terms of workforce development:

CBJ Recruitment and Retention
Initiatives - Monetary Benefits

- Dependent Care Assistance Program
 - \$5,000 per employee per year,
No employee contribution required
 - Childcare and other dependent care expenses are eligible

MR. ROGERS said one of the things he likes about this program is that it disproportionately benefits lower-wage workers. Workers who make \$40,000 per year are eligible for the same \$5,000 per year in childcare [as workers who earn significantly higher wages].

- Hiring Bonus
 - Up to \$40,000 per difficult-to-fill position.

MR. ROGERS surmised there would not be many \$40,000 hiring bonuses, but there will be hiring bonuses in amounts that make

difficult-to-fill positions attractive. These positions include police officers and equipment operators in particular.

- Employer Match to 457 Deferred Compensation Plan for Tier IV Employees
 - 50% match to employee voluntary contributions
 - Maximum 1 / 2 / 3 / 4 percent of annual wages at 0 / 2 / 5 / 10 years of service

MR. ROGERS said Tier IV creates a 5-year window. Once employees fully vest at five years, they become portable and lose nothing by moving to another employer. CBJ's deferred compensation plan is structured at 10 years to incentivize employees to stay beyond five years.

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SENATOR GRAY-JACKSON asked whether the hiring bonus contained years of service stipulations to qualify.

MR. ROGERS said yes. The public safety officer retention bonus uses a four-year eligibility system. It is a carrot approach to get people to stay in the system. He surmised the city would use a similar method with hiring bonuses.

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SENATOR MERRICK asked whether CBJ has to raise revenues to cover the cost of these programs.

MR. ROGERS replied that employee turnover is very expensive. This is particularly true of the cost of sending police officers to the training academy. Even turnover in non-public safety positions costs the city institutional knowledge and reduced efficiency. Juneau has had robust revenue in recent years. Property value in Juneau and sales tax revenue continue to grow. Juneau expects a record cruise ship season after weathering the pandemic. He said there are a ton of demands on city revenue, but the revenue itself is strong.

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MR. ROGERS advanced to slide 5 to review non-monetary recruitment and retention initiatives:

CBJ Recruitment and Retention
Initiatives - Flexibility Policies

- Hybrid and Remote Work Policy

- Up to two days hybrid telework per week
- Up to two weeks fully-remote work per year
- For eligible positions/employees with supervisory approval
- Alternate Workweek Policy
 - Allows 9-workday biweekly schedule
- Infants in the Workplace Policy

MR. ROGERS said young parents could bring an infant under six months into the office with them. The parent, human resources, and the supervisor will develop a plan and details to make it work. Babies are welcome in the workplace at CBJ. Strategies like the Dependent Care Assistance Program, infants in the workplace, and flexible work schedules target getting caregivers back in the workplace.

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MR. ROGERS advanced to slide 6 to discuss additional ideas under consideration:

- Enhance Internal Employee Development and Promotion
- Better Marketing of Job Recruitments
- Modernize Recruitment System
- Retention Bonuses for Non-Public Safety positions
- Student Loan Assistance
- Tuition Reimbursement
- Pets in the Workplace
- Non-monetary Workplace "Perks" (celebrations, rewards, food/beverage)

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CHAIR BJORKMAN asked whether there are any state-level changes the legislature could offer the borough that would improve CBJ's ability to meet its mission.

MR. ROGERS speculated that if a defined benefit retirement option were available to employees, many would take it. Many employees would find it valuable. Without passing judgment on anything before the legislature, he expressed that a defined benefit plan specifically for public safety employees would not help plow roads, help educate kids, and would not help clean out the sewer pipe. He encouraged the legislature to be broad and inclusive in developing a retirement system that works for all municipal employees. He acknowledged the stiffest competition for retirement benefits is with police and fire personnel;

however, the city faces recruitment and retention challenges in all job classes.

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There being no further business to come before the committee, Chair Bjorkman adjourned the Senate Labor and Commerce Standing Committee meeting at 2:56 p.m.