

**SB**

**245**

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: SB 245  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: 02  
Title An Act relating to retirement contributions and BRU Centralized Administrative Services  
benefits under PERS for certain harbor officers Component Retirement and Benefits  
Sponsor \_\_\_\_\_  
Requester \_\_\_\_\_ Component No. 64

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

AS 24.08.036 FISCAL NOTES ON BILLS AFFECTING STATE RETIREMENT SYSTEMS requires an analysis of the long term and short term costs to the state if a bill is adopted, as well as the impact of the bill on the actuarial soundness of the funds.

PERS allows peace officers to retire with 20 years of service and non peace officers to retire with 30 years of service. SB 245 would allow harbor officers to convert past service to service as a peace officer thereby allowing them to retire 10 years earlier. The harbor officer would pay the difference between the peace officers contribution rate and the rate for "All Others" (.75%) for the inclusion of this past service. Passage of this bill would increase the employer contribution rate by approximately 0.05% of total System payroll. The employer contribution rate attributable to the harbor officers would increase by 1.80%. The change would increase the unfunded liability of the PERS by approximately \$7.1 million and decrease the funding ratio as of June 30, 2003 by .05%. See attached letter from Mercer for further explanation.

Prepared by: Melanie Millhorn, Director Phone 465-4408  
Division Retirement and Benefits Date/Time 3/9/04 9:45 AM  
Approved by: Mike Miller, Commissioner Date 3/9/2004  
Agency Administration

FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

BILL NO. SB 245

ANALYSIS CONTINUATION

Examples of impact on PERS employers are as follows:

Note: The Department of Transportation indicates there are no State of Alaska employees impacted.

	Salaries (in 000's)	rate increase%	Annual cost (in 000's)
Juneau Borough	23,913.3	0.05%	12.0
Anchorage Municipality	117,039.4	0.05%	58.5
Fairbanks Borough	15,353.7	0.05%	7.7
North Slope Borough	43,491.2	0.05%	21.7
All other PERS Employers	\$ 125,220.1	0.05%	62.6
Total			<u>162.5</u>

AS 24.08.036 FISCAL NOTES ON BILLS AFFECTING STATE RETIREMENT SYSTEMS, requires an additional analysis of the long term and short term costs to the state if a bill is adopted, as well as the impact of the bill on the actuarial soundness of the funds. This bill would increase the average PERS contribution rate by .05% of total PERS payroll, 1.80% of harbor officer payroll. In addition, the funding ratio of the PERS as of June 30, 2002 was 75.2%. Passage of this bill would decrease the funding ratio by .05% to 75.15%.



SENATOR KIM ELTON

SB 245  
Sponsor Statement

*"An Act relating to retirement contributions and benefits under the public employees' retirement system of certain harbor officers."*

If you think a harbor officer is just there to pump out your boat when it's sinking, think again.

Among other duties, harbor officers:

- enforce regulations on the use of parking, safe operation of boats and vehicles, and the conduct of people and animals in the harbor and harbor areas;
- have the authority to issue citations and can testify in court;
- assist police, fire and other emergency personnel in harbor-related activities;
- carry radios to stay in contact with local police, state troopers and coast guard;
- work with state troopers and fish and wildlife officers;
- are required to render aid to distressed persons along with body recovery of drowning victims;
- work with the coast guard and FBI on security issues at the port; and
- have the authority to arrest individuals for violations.

Under federal regulations, harbor officers are responsible for port security. They have training in explosives and related fields and are part of homeland security. They are responsible for the security of docks when the huge cruise ships tie up and bring visitors to Alaska communities.

Harbor officers should be given the same retirement benefits as peace officers, fire fighters and dispatchers in the Public Employees Retirement System.

---

ALASKA SENATE

STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-4947 • FAX (907) 465-2108

SENATOR\_KIM\_ELTON@LEGIS.STATE.AK.US



SENATOR KIM ELTON

**SB 245**  
**Sectional Analysis**

*"An Act relating to retirement contributions and benefits under the public employees' retirement system of certain harbor officers."*

**Section 1.** For purposes of the employee contribution rate, harbor officers are added to the same subsection as peace officers and fire fighters in the Public Employees Retirement System (PERS).

**Section 2.** Adds harbor officers to the group of employees who may retire with 20 years of service for a normal retirement benefit.

**Section 3.** Adds harbor officers to the subsection which calculates the monthly amount of the retirement benefit for peace officers and fire fighters.

**Section 4.** Provides harbor officers with the same kind of retirement benefit provisions as peace officers and fire fighters. This subsection is for the situation where a person suffers a greater than one third permanent disability and continues to work for a PERS employer, but not as a police officer, fire fighter or harbor officer. That person can still get normal retirement after 20 years of service.

**Section 5.** Allows harbor officers to opt out of the enhanced retirement status that is provided in PERS to peace officers, fire fighters and harbor officers.

**Section 6.** Adds a definition for "hazardous duty status" to include peace officers, fire fighters and harbor officers for PERS purposes.

**Section 7.** Defines harbor officer.

**Section 8.** This uncodified section of law allows certain persons who have past service as harbor officers to convert that service to credited under this Act.

---

ALASKA SENATE



**Alaska Association of Harbormasters  
And Port Administrators**  
617 Katlian St., Sitka, AK 99835  
Phone: (907) 747-4877 Fax: (907) 747-6278

February 19, 2004

Senator Kim Elton  
State Capitol, Room 115  
Juneau, AK 99801-1182

Subject: SB245

Dear Senator Elton,

The Alaska Association of Harbormasters and Port Administrators supports providing harbor officers with the same retirement benefits afforded to peace officers, fire fighters and dispatchers.

Harbor officers often work in hazardous conditions, with little or no outside support. Tasks include fire suppression, law enforcement, search and rescue, port security and assistance to all branches of local, state and federal law enforcement in our state. Harbors and ports represent the economic heart of our communities, and are the center of many important social activities. Harbor officers are often the first or only responders to emergencies occurring within our harbors and their presence is important to the health of Alaska's communities.

Thank you for sponsoring this legislation. Please contact me at (907) 846-4981 or email to [asorum@ci.valdez.ak.us](mailto:asorum@ci.valdez.ak.us) if I can be of further assistance in this effort.

Sincerely,

Alan J. Sorum - MPA

President, Alaska Association of Harbormasters and Port Administrators



# Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs  
committee name

Committee on SB 245, dated 2/26/04  
bill # / subject public hearing date

I AM The finance Director for the City of Kenai; however, I am NOT representing Kenai at this time. I AM AGAINST passage of SB 245.

The PERS SYSTEM is currently seriously underfunded - liabilities greatly exceed Assets available to pay benefits. This bill would increase costs to the PERS SYSTEM. The .75% increase in employee contribution will NOT cover the increased cost of providing benefits up to 10 years earlier. These costs will be up to employers to pay. PERS employers are already facing increases that are nearly impossible to imagine. You may know that the rate proposed by the state's PERS actuary is 24.9% - THAT IS <sup>SIX</sup> 6 times the City of Kenai's current rate. ~~SB~~ SB 245 will increase costs and the rate will be higher.

I also do NOT agree that Harbor officers face the same work requirements and hazards that Police and Fire members do.

Please do not Pass SB 245

Signed: Larry Semmons  
Testifier

Representing (optional)  
36574 Markov Lake Road, Soldotna 99669  
Address

283 8227  
Phone number

CITY OF SEWARD  
P.O. BOX 167  
SEWARD, ALASKA 99664-0167



MAR 17 2004

- Main Office (907) 224-4050
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- City Clerk (907) 224-4046
- Engineering (907) 224-4049
- Utilities (907) 224-4050
- Fax (907) 224-4038

March 12, 2004

Senator Gary Stevens, Chair  
Senate State Affairs Committee  
State Capitol, Room 417  
Juneau, AK 99801-1182

Re: SB245

Dear Senator Stevens,

Please accept the following comments in opposition to Senate Bill 245 allowing harbor officers to switch to the police/ fire PERS "20 years and out" retirement program at an increase cost to affected municipalities.

The City of Seward recently found out that we are UNFUNDED in the PERS by \$5,077,954. That represents 70% of the ENTIRE years general fund expenditures. In addition, we are also unfunded in the Seward General Hospital by a recently estimated amount of \$3,881,207.

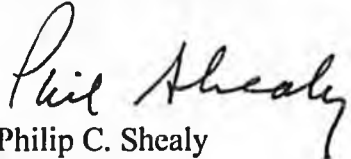
This along with the fact that I can think of no means to justify the inclusion of "harbor officers" in the status of police officer is reason enough to oppose SB245.

Harbor officers are not police and are not required to wear bullet proof vests to work. Harbor officers are like many other municipal workers, in that they are first responders to facility emergencies and then call the police. Other municipal employees have similar duties such as enforcing laws and regulations, responding to medical and other emergencies but who rely upon the police when faced with substantial risk of injury or danger to their lives.

We will be asking the city council to pass a resolution opposing SB245 at their next regular meeting but we did want to share these concerns with you as soon as possible.

Likewise, if you have any further questions regarding this matter, please feel free to contact me at your earliest convenience.

Sincerely,  
CITY OF SEWARD

  
Philip C. Shealy  
City Manager

cc: mayor and council, Kent Dawson

*IN SIA*  
*file*

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES



### CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833  
TELEPHONE (907) 772-4511  
TELECOPIER (907) 772-3759

March 15, 2004

Senator Gary Stevens, Chair  
Senate State Affairs Committee  
State Capitol, Room 417  
Juneau, AK 99801-1182

Re: Opposition to SB 245

*File*

Dear Senator Stevens:

The City of Petersburg opposes allowing harbor officers to switch to the police/fire PERS "20 years and out" retirement program. We also oppose a "local municipal option" allowing such a benefit. The duties of harbor security officers do not begin to compare to the danger faced by fire fighters and police officers.

Our harbor security officers are not required to conduct police operations in or around the harbor areas. They do not respond to police calls, rather they call the police when trouble arises. They do not investigate nor arrest criminals. They are not required to undergo a law enforcement selection process (i.e. criminal history check, background investigation, written test, psychological test, interview board, physical test, polygraph exam or medical exam). Our harbor officers do not carry weapons, nor are they trained to use weapons. Our harbor security officers are not required to maintain any form of physical ability or agility and they are not required to obtain or maintain any form of certification.

The City of Petersburg's Harbor Security employees are no different than other municipal employees who may sometime need to respond to emergencies or sometimes perform dangerous work. Responding to emergencies and performing dangerous work are not considered major components of a harbor security officer's job duties.

We urge you to retain the 20 year and out option only for certified police officers and firefighters. Allowing a "20 year and out" option for harbor security officers will only open the doors for other municipal employees to seek the benefit.

Sincerely,

Bruce R. Jones  
City Manager



CITY OF SEWARD  
P.O. BOX 167  
SEWARD, ALASKA 99664-0167



*File*

- Main Office (907) 224-4050
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- City Clerk (907) 224-4046
- Engineering (907) 224-4049
- Utilities (907) 224-4050
- Fax (907) 224-4038

March 12, 2004

Senator Gary Stevens, Chair  
Senate State Affairs Committee  
State Capitol, Room 417  
Juneau, AK 99801-1182

Re: SB245

Dear Senator Stevens,

Please accept the following comments in opposition to Senate Bill 245 allowing harbor officers to switch to the police/ fire PERS "20 years and out" retirement program at an increase cost to affected municipalities.

The City of Seward recently found out that we are UNFUNDED in the PERS by \$5,077,954. That represents 70% of the ENTIRE years general fund expenditures. In addition, we are also unfunded in the Seward General Hospital by a recently estimated amount of \$3,881,207.

This along with the fact that I can think of no means to justify the inclusion of "harbor officers" in the status of police officer is reason enough to oppose SB245.

Harbor officers are not police and are not required to wear bullet proof vests to work. Harbor officers are like many other municipal workers, in that they are first responders to facility emergencies and then call the police. Other municipal employees have similar duties such as enforcing laws and regulations, responding to medical and other emergencies but who rely upon the police when faced with substantial risk of injury or danger to their lives.

We will be asking the city council to pass a resolution opposing SB245 at their next regular meeting but we did want to share these concerns with you as soon as possible.

Likewise, if you have any further questions regarding this matter, please feel free to contact me at your earliest convenience.

Sincerely,  
CITY OF SEWARD

*Philip C. Shealy*  
Philip C. Shealy  
City Manager

cc: mayor and council, Kent Dawson



CITY OF SEWARD  
 City Manager  
 P.O. BOX 167  
 SEWARD, AK 99664-0167  
 Phone: 907.224.4068  
 Fax: 907.224.4038  
 E-mail: [pshealy@cityofseward.net](mailto:pshealy@cityofseward.net)

DATE:	March 12, 2004 (4:15PM)
FAX TO:	Senator Stevens
COMPANY:	
FAX NUMBER:	
PHONE NUMBER:	
TOTAL PAGES:	2
FROM:	Phil Shealy

*Call*

*PHL*  
*Call →*  
*4/16/04*



# CITY OF HOMER

## CITY HALL

491 E. Pioneer Avenue, Homer, AK 99603

*Handwritten notes:*  
 [Signature]  
 4/16/04

*Walt Wrede, City Manager/Dean Baugh, Finance Director/Sheri Hobbs, Personnel*  
 907-235-8121 - 907-235-3148 fax

<b>FAX TRANSMITTAL</b>
------------------------

TO: Senator Gary Stevens  
 DATE: 3-15-04  
 PAGES: 4  
 RE: SB245

We are writing regarding SB245 that would allow Harbor Officers a 20 year provision the same as police and fire fighters.

We feel that allowing Harbor Officers to retire at 20 years instead of 30 puts an additional strain on the PERS budget and health insurance program.

We do not feel that our Harbor Officer job description falls in the same category of duties as police and fire fighters. We have several positions in the city with duties considered hazardous. For example our ice plant and water/wastewater operators deal with hazardous chemicals on a daily basis.

Harbor Officers are first responders. After assessing the situation they call the appropriate fire or police department as needed. Several of our departments are trained in similar procedures.

The City of Homer like other cities in Alaska is facing budget shortfalls and cannot afford additional increases in our PERS rate. We have attached a copy of our Harbor Officer job description for reference. If you have any questions please contact us.

Thank you for the opportunity to comment.

**CITY OF HOMER  
JOB DESCRIPTION AND SPECIFICATIONS**

<b><u>HARBOR OFFICER I</u></b>			
<b>Department:</b>	Port & Harbor	<b>Sub-Department:</b>	Operations
<b>Reports To:</b>	Deputy Harbormaster	<b>Backed Up By:</b>	Deputy Harbormaster
<b>Supervises:</b>	Seasonal hires	<b>Backs Up:</b>	
<b>Pay Range:</b>	9	<b>Classification:</b>	Full-Time/Regular

**GENERAL FUNCTIONS**

Responsible for the safe and efficient operation of the Port/Harbor during assigned shift. Monitors use and security of Port/Harbor facilities.

**JOB FUNCTIONS AND MAJOR ACTIVITIES**

1. Responsible for security of facilities. Initiates first response for fires, vessel pumping, police assistance and medical emergencies.
2. Operates, moves and tows vessels of all sizes with Harbor vessel, operates patrol vehicle, fire pumps, cranes, forklifts and other miscellaneous equipment.
3. Responsible for enforcing applicable rules/regulations (vehicle parking, excessive wake, Port/Harbor ordinances, state/federal pollution laws). Monitors moorage, electrical usage, grid usage, float and public dock usage.
4. Assists local, state and federal agencies as required. Implements special emergency procedures as required including search and rescue and Spit evacuation.
5. Provides information to the public on facilities and regulations. Operates VHF marine, SSB marine, police and CB radios. Maintains accurate daily log.
6. Responsible for impounding (vehicles, gear, vessels) as directed and keeping facilities safe and clear of debris.

Received: \_\_\_\_\_ Approved: \_\_\_\_\_  
Employee: \_\_\_\_\_ Dept. Head \_\_\_\_\_ Personnel \_\_\_\_\_ City Manager \_\_\_\_\_ (11-00)

**CITY OF HOMER  
JOB DESCRIPTION AND SPECIFICATIONS - Continued**

7. Responsible for maintaining vessel stall order and grid appointment order, assists in collection of harbor fees including delinquent fees. Responsible for maintenance of vessel registration system and invoicing during "shift" and performs miscellaneous office functions.
8. Coordinate with stevedoring agency for longshore activities.
9. Performs routine, minor maintenance on port and harbor equipment and facilities as assigned by Deputy Harbormaster or Port and Harbor Director.
10. Performs related duties as assigned by Deputy Harbormaster or Port and Harbor Director.

**CITY OF HOMER**  
**JOB DESCRIPTION AND SPECIFICATIONS - Continued**

**SKILLS, KNOWLEDGE AND ABILITIES**

Two years of marine experience with knowledge of local, state and federal laws governing marine/harbor facilities. Experience with small vessel handling required. Experience in operating small gasoline engines desirable (outboards, snow blowers, bilge pumps, fire pumps). Law enforcement experience helpful. Valid Alaska driver's license required. High School diploma or G.E.D. required. CPR, First Aid and training in basic first response firefighting within 18 months of hire.

**DECISION MAKING RESPONSIBILITIES**

Independent decision making required for emergency situations (police, fire, medical). Activities are a moderate source of potential liability to the City.

**SUPERVISORY AUTHORITY**

Responsible for supervising seasonal hires on assigned shifts.

**EXTERNAL VISIBILITY/CONTACT**

Has high frequency of contact with current harbor users and general public. Moderate contact with government officials (Coast Guard, police, D.E.C). Low frequency of contact with key service personnel. Required to handle questions/complaints in a tactful/professional manner.

**WORKING CONDITIONS**

High frequency of work in unsheltered environment with exposure to extreme cold. Moderate hazardous conditions in dealing with irresponsible or dangerous person when attempting to enforce laws/regulations. Involves lifting up to 50 pounds and working in confined or awkward spaces. Involves occasional extreme physical effort during emergency situations. Requires ability to walk up and down steep ramps. May be required to work holidays and overtime. Required to work various shifts.

**Subject:** SB 245 Concerns from City of King Cove  
**Date:** Fri, 12 Mar 2004 15:42:45 -0900  
**From:** Mark Hickey <mshickey@gci.net>  
**To:** Douglas Letch <Doug\_Letch@legis.state.ak.us>

K -  
for  
SB245 file

Doug,

For Gary's information. I'll be working with AML and Elton's office on this...

Mark

----- Forwarded Message

**From:** Clark Corbridge <ccorbridgemgr@gci.net>  
**Date:** Fri, 12 Mar 2004 15:05:26 -0900  
**To:** 'Mark Hickey' <mshickey@gci.net>, 'Henry Mack' <kingcovemayor@arctic.net>, 'Gary Hennigh' <GHennigh@kauaigov.com>  
**Subject:** Harbor PERS bill info

Mark:

I very much appreciate your bringing this to our attention. Your e-mail is the first I recall hearing of SB 245.

This bill would NOT be good for King Cove. To answer the specific questions:

1. The City of King Cove does NOT support SB 245 allowing harbor officers to switch to the police/fire PERS "20 and out" program.
2. Harbor officers do not have substantially the same duties and risks as police officers in our community. Their duties are more comparable to employees in the public works arena.
3. The projected PERS cost increases would have a bad effect on the City's budget.
4. The City of King Cove would be more likely to support the bill if it involved a local municipal option, but I will need to confer with Mayor Mack and others before giving a more definitive answer.

Please let me know what further I should do to make sure King Cove's voice is heard loud and clear in this regard.

THANKS for staying on top of things like this!

Clark

MAR 26 2004

CITY OF SEWARD  
P.O. BOX 167  
SEWARD, ALASKA 99664-0167



- Main Office (907) 224-4050
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- City Clerk (907) 224-4046
- Engineering (907) 224-4049
- Utilities (907) 224-4050
- Fax (907) 224-4038

March 24, 2004

Senator Gary Stevens, Chair  
Senate State Affairs Committee  
State Capitol, RM 417  
Juneau, AK 99801-1182

Re: SB 245

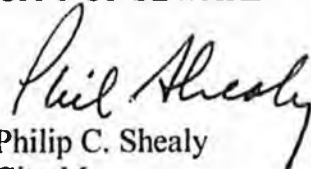
Dear Senator Stevens:

5/17  
Enclosed please find a copy of City of Seward resolution 2004-33 opposing Senate Bill 245 which would make harbor officers eligible for retirement after 20 years rather than 30 years of service under the State of Alaska Public Employees Retirement System.

This resolution was unanimously approved by the Seward City Council at their regular meeting on Monday, March 22, 2004. The Council is opposed to changes in the PERS system that increases cost to employers through added employee benefits, at a time when municipalities have been told to expect five percent annual increase in the PERS rate over the next five years.

If you have any further questions regarding this matter, please feel free to contact me at your convenience at 907-224-4068.

Sincerely,  
CITY OF SEWARD

  
Philip C. Shealy  
City Manager

Enclosure

cc: Representative Paul Seaton  
Kent Dawson

Sponsored by: Shealy

**CITY OF SEWARD, ALASKA  
RESOLUTION 2004-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, OPPOSING SENATE BILL 245 ("SB 245") WHICH WOULD  
MAKE HARBOR OFFICERS ELIGIBLE FOR RETIREMENT AFTER 20  
RATHER THAN 30 YEARS OF SERVICE UNDER THE STATE OF  
ALASKA PUBLIC EMPLOYEES RETIREMENT SYSTEM**

**WHEREAS**, the September, 2002 actuarial valuation report published by the State of Alaska Public Employees Retirement System (PERS) states that the City of Seward has an *overfunded* balance with PERS of \$622,287, but the subsequent actuarial report dated August, 2003 depicts an *unfunded liability* with PERS of \$5,077,954; and

**WHEREAS**, over the years, a significant portion of the increase in costs associated with PERS is the result of benefit increases approved by the State for municipal employees, and in the case of SB245, only municipalities will be impacted by added retirement-related costs; and

**WHEREAS**, currently the only PERS employees eligible for retirement after 20 years of service are peace officers and fire fighters, jobs which are considered hazardous by nature, and SB245 would enable harbor officers to retire after 20 years of service rather than the current requirement of 30 years of service; and

**WHEREAS**, SB245 is based on the premise that the job of a harbor officer is similar to that of a police officer or fire fighter and therefore justifies a "20 year and out" retirement program, but the administration feels that harbor officers are like other municipal employees who may be first responders to facility emergencies, and may enforce laws and regulations, but will then call police or fire crews when facing substantial risk of injury or danger; and

**WHEREAS**, the State of Alaska Department of Retirement and Benefits estimates that the annual cost of increasing PERS benefits to harbor officers will be approximately \$2,963 per employee, although that figure is arguably low given the actuarial projections for health care and retirement costs; and

**WHEREAS**, the administration does not support SB245 even if it were amended to allow each municipality to make its own decision as to whether or not to offer harbor officers a 20 year retirement plan because that would create disparate competition among municipalities, as well as unfair and unjustified advantages for harbor officers over other municipal employees; and

**WHEREAS**, the administration is opposed to changes in the PERS system that increase costs to employers through added employee benefits, at a time when municipalities have been told to expect 5% annual increases in PERS rates over the next five years, resulting in an expected annual increase in costs to the City of Seward of approximately \$186,025 in the first year, and up to \$930,000 in increased costs by the fifth year.

CITY OF SEWARD, ALASKA  
RESOLUTION 2004-33

---

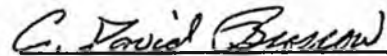
**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:**

**Section 1.** The City Council opposes Senate Bill 245 which would make harbor officers eligible for retirement after 20 years rather than 30 years of service under the State of Alaska Public Employees Retirement System.

**Section 2.** This resolution shall take effect immediately.

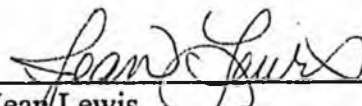
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 22nd day of March, 2004.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
**C. David Brossow, Mayor**

AYES: Shafer, Branson, Dunham, Clark, Valdatta, Amberg, Brossow  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Jean Lewis

