

Introduced by: Mayor Eberhart  
Council Member Cleworth  
Council Member Pruhs  
Council Member Matherly  
Council Member Huntington  
Council Member Walley  
Council Member Gatewood  
Introduced: February 22, 2016

**RESOLUTION NO. 4720, AS AMENDED**

**A RESOLUTION URGING THE STATE OF ALASKA TO HONOR ITS COMMITMENT  
TO CAP PAST AND PRESENT PERS SERVICE COSTS FOR MUNICIPAL  
EMPLOYERS AT 22 PERCENT**

**WHEREAS**, the State of Alaska created the Public Employees' Retirement System (PERS) in 1961 to provide a retirement system for state and participating municipal employees; and

**WHEREAS**, since its creation, PERS has evolved from being fully funded to being underfunded by billions of dollars; and

**WHEREAS**, the State Legislature passed SB 125 in 2008 to address the unfunded liability, which modified AS 39.35.255 to establish an employer rate of 22% for PERS non-state employers; and

**WHEREAS**, the City of Fairbanks supported SB 125 and expressed that support through Resolution No. 4274; and

**WHEREAS**, since that time, non-state employers have been paying the established rate on both defined benefit and defined contribution salaries; and

**WHEREAS**, an increase to this rate will have significant impacts of municipalities and other non-state PERS employers; and

**WHEREAS**, maintaining the currently established PERS contribution rate is the City's top legislative priority, because an increase in the employer rate would create a financial burden on all local governments throughout the state and will result in a reduction of public services and foregoing of local infrastructure improvements.

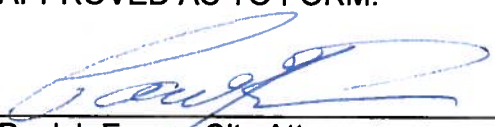
**NOW, THEREFORE, BE IT RESOLVED** that the City Council urges the Alaska State Legislature to continue to honor its commitment to cap past and present service costs for municipal PERS employers at the current rate of 22 percent and that the City Council supports Alaska Municipal League (AML) Resolution No. 2016-03.

**PASSED and APPROVED** this 22nd Day of February 2016.

  
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John Eberhart, Mayor

AYES: Cleworth, Pruhs, Huntington, Matherly  
NAYS: None  
ABSENT Walley, Gatewood  
APPROVED: February 22, 2016

ATTEST:  
  
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D. Danyielle Snider, CMC, City Clerk

APPROVED AS TO FORM:  
  
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Paul J. Ewers, City Attorney