

By: Mayor Cleworth  
Introduced: April 11, 2011

**RESOLUTION NO. 4469**

**A RESOLUTION SUPPORTING SENATE BILL 100, REGARDING THE PUBLIC  
EMPLOYEE RETIREMENT SYSTEM ("PERS")**

**WHEREAS**, by the 2008 passage of Senate Bill 125, the Alaska Legislature adopted a fair and equitable system where all municipal employers pay a flat 22% rate of salary to fund current costs and the unfunded liability of the PERS system; and

**WHEREAS**, in 2010, a new regulation, 2 AAC 35.235, was adopted which is in conflict with the approach taken by SB 125. The new regulation imposed "termination studies" with punitive measures on communities that have elected to terminate participation for a department, group or employee classification. The City is concerned that loss of grant funded positions could trigger these termination penalties. A full explanation of the issue is contained in the material attached to this Resolution; and

**WHEREAS**, a solution to this problem has been formulated and brought forth in Senate Bill 100; and

**WHEREAS**, Senate Bill 100 would repeal 2 AAC 35.235 and amend state statutes to end termination penalties while requiring municipalities to maintain overall PERS payrolls no lower than the 2008 level; and

**WHEREAS**, the Alaska Municipal League, the Fairbanks North Star Borough and other Alaskan municipalities support Senate Bill 100.

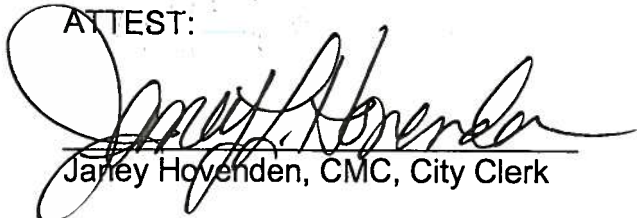
**NOW, THEREFORE, BE IT RESOLVED** that the City of Fairbanks supports adoption of Senate Bill 100.

**Passed, Approved, and Effective this 11th Day of April, 2011.**

  
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Jerry Cleworth, Mayor

AYES: PASSED and APPROVED on Consent Agenda  
NAYS:  
ABSENT: Eberhart  
APPROVED: April 11, 2011

ATTEST:

  
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Jarley Hovenden, CMC, City Clerk

APPROVED AS TO FORM:

  
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Paul J. Ewers, City Attorney