

Introduced by: Mayor Matherly

Date: November 8, 2021

RESOLUTION NO. 4994, AS AMENDED

**A RESOLUTION STATING THE CITY OF FAIRBANKS
LEGISLATIVE AND CAPITAL PRIORITIES FOR 2022**

WHEREAS, the City is grateful for the funding provided by the State of Alaska which has added significantly to the City's ability to provide essential services; and

WHEREAS, many of the services the City provides are centered on protecting the lives and property of Fairbanks citizens; preparedness and infrastructure are key in that endeavor; and

WHEREAS, the City of Fairbanks has identified the following legislative and capital priorities, and the public had the opportunity to speak to this Resolution at the November 8, 2021 regular City Council meeting.

NOW, THEREFORE, BE IT RESOLVED by the Fairbanks City Council that the 2022 legislative and capital priorities of the City of Fairbanks are stated in the attached list. In summary, the projects are ranked as follows:

2022 Legislative Priorities

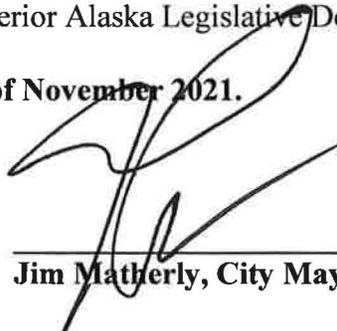
1. Maintain PERS contribution rates
2. Maintain a baseline of \$60 million annually in Community Assistance Program funding
3. Revisit the Off-Road Vehicle regulation
4. Express concern about fairness and unfunded liabilities for a Public Safety defined benefit plan
5. Oppose the state general sales tax
6. Increase SART funding

2022 Capital Priorities

1. Provide funding for construction of a Law Enforcement Firing Range and Training Facility
2. Support the demolition of the Polaris Building

BE IT FURTHER RESOLVED that the City Clerk is directed to send copies of this resolution to the Office of the Governor and the Interior Alaska Legislative Delegation.

PASSED and APPROVED this 8th Day of November 2021.



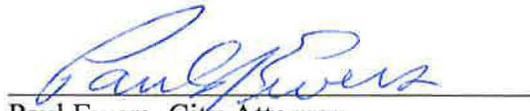
Jim Matherly, City Mayor

AYES: Cleworth, Marney, Rogers, Therrien
NAYS: Clark, Gibson
ABSENT: None
APPROVED: November 8, 2021

ATTEST:


D. Danyielle Snider, MMC, City Clerk

APPROVED AS TO FORM:


Paul Ewers, City Attorney



CITY OF FAIRBANKS

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City of Fairbanks Legislative and Capital Priorities 2022 Attachment to Resolution No. 4994, as Amended

- 1. PERS Contribution Rate:** The City of Fairbanks supports maintaining the 22% PERS contribution rate as was agreed to by PERS employers and the State in allocating the unfunded liability. We support amendments to termination studies and penalties for leaving PERS/TRS.
- 2. Community Assistance Program:** The City of Fairbanks is concerned with the reductions in the community assistance program and requests that the State restore a baseline floor of \$60 million annually to the program.
- 3. Off-Road Vehicles:** State regulations effective January 1, 2022, will allow all-purpose vehicles (APVs) on roads with speed limits up to 45 MPH. These unfunded regulations will impact the City, which will have to provide signage on numerous roads and intersections. The City requests the legislature pass a law allowing municipalities to opt in instead of having to opt out. If this is not possible, the City requests that the legislature provide the capital funds to properly sign the streets of Fairbanks once it has determined the total costs.
- 4. Defined Benefit:** A "Tier 5" defined benefit plan is currently being discussed at the State level. The City of Fairbanks has serious concerns regarding unfunded liabilities and the exclusive nature regarding which employees will receive this benefit. The economic viability of this proposed plan relies on an assumed 7.38% annual rate of return on investments which is not sustainable. ARM Board long-term returns over the last 20 years have averaged only 6.23% on an annualized basis. Guaranteeing fixed monthly retirement benefits without a guaranteed funding source is the basic flaw that has created billions of dollars of debt in Alaska and other states with defined benefit plans. Currently, the City of Fairbanks' portion of the unfunded PERS debt is \$16.5 million and is reflected annually on our financial statements. Finally, the current plan under consideration will base benefits upon one's high five years of earnings including overtime which perpetuates problems in

the former defined benefit plan and makes predictions of retirement liability extremely difficult to predict.

5. **State General Sales Tax:** Resolution #4753, as amended, was approved on July 11, 2016, by the City Council. The resolution stated, "...the Fairbanks City Council respectfully requests that the Alaska Legislature rejected any proposal for a statewide general sales tax..." The Council stands by this resolution today.
6. **SART Funding and Priorities:** Sexual assaults continue to be a serious issue throughout the State of Alaska and working SA cases is a priority for Fairbanks Police Department. The City of Fairbanks requests an increase in SART funding, with \$100,000 earmarked to Fairbanks.
7. **Construction of a Law Enforcement Firing Range and Training Facility:** The City of Fairbanks supports the City of North Pole's request for state funding to obtain property and construct a new law enforcement firing range and training facility. Due to safety concerns, the law enforcement range that was located on the Fairbanks International Airport property has permanently closed. There is currently no other firearms training facility within interior Alaska that is capable of functioning as a training range for law enforcement.

A cost estimate and business plan have been completed for a new range facility that would be open to and serve every local, state, and federal law enforcement agency within Interior Alaska. It would also serve as the primary training site for our interior Alaska police academy. At a time when law enforcement is under constant scrutiny and expected to perform at the highest level of professionalism, a high level of training and a professional training environment is essential.

8. **Demolition of the Polaris Building:** The City of Fairbanks expresses its gratitude to Alaska's Congressional Delegation for supporting \$10 million for the demolition of the Polaris Building. The City requests that the state also support federal funding for this demolition project and advocate for it, as this project will have a huge impact on downtown Fairbanks.