

**Alaska Municipal League  
Resolution #2019-12**

**A resolution in support of Public Employee Retirement System (PERS) reform.**

WHEREAS, most members of the Alaska Municipal League contribute to the Public Employee Retirement System (PERS); and

WHEREAS, included in Senate Bill 125 in 2008 was language requiring municipalities to pay termination costs and “below the floor costs” on the termination of a department, group, or classification of employees; and

WHEREAS, those lay-offs that are made up of a department, group, or classification will result in a charge to local governments for the actual study, followed by charges for each of those employee’s past service cost for approximately 30 years; and

WHEREAS, if the total base salary of any municipality falls below what it was in 2008 (the year of SB 125), then charges will be assessed on that drop, as well; and

WHEREAS, these rules severely limit the ability of municipalities, , from being agile in the workplace, including eliminating no longer needed departments, groups, or classifications; and

WHEREAS, these rules severely limit the ability of municipalities, , from creating new needed departments, groups, or classifications for fear of future termination studies and termination costs extending up to 30 years in the future; and

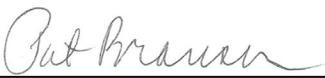
WHEREAS, municipalities require agility and adaptability in the workforce to meet our changing needs.

WHEREAS, with our current state fiscal crisis, municipalities may need to make reductions or increasing in the workforce; including entire departments, groups, or classifications of employees; and

WHEREAS, the State of Alaska is not subject to these rules as an employer; and the State of Alaska is making serious considerations to reducing its workforce.

NOW, THEREFORE BE IT RESOLVED, that the Alaska Municipal League supports reform in the Public Employee Retirement System (PERS), including the elimination of termination studies and all costs for reducing or eliminating departments, groups, or classifications of employees, as well as not inhibiting future additions of departments, groups, or classifications of employees.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE ON THE 16<sup>th</sup> DAY OF NOVEMBER 2018.

Signed:   
President, Alaska Municipal League

Attest:   
Executive Director, Alaska Municipal League