

# ALASKA MUNICIPAL LEAGUE ADOPTED RESOLUTIONS

## Resolution #2019-11

### **A resolution requesting that the Governor and Alaska State Legislature provide a one-time payoff of PERS arrearages.**

WHEREAS, many of Alaska's villages and smaller communities are under stress stemming from the State's fiscal problems, lack of an underlying economy, and a range of other factors; and

WHEREAS, these stresses manifest themselves as PERS arrearages, IRS liens, deficits, late payments, audit findings, grant reporting issues and other fiscal difficulties; and

WHEREAS, debt presents barriers to accessing Community Revenue Sharing/Community Assistance, PILT payments, federal and state grant opportunities, bulk fuel loans, and other opportunities; and

WHEREAS, the lack of access to those funds makes it even more difficult to fund payroll, including being able to pay into PERS and for past liability; and

WHEREAS, more than forty (40) municipal governments and school districts are delinquent on PERS payments, with the ten (10) highest accounting for over \$3 million collectively; and

WHEREAS, this delinquency and debt is then distributed to other PERS pool participants, and felt not just by municipalities but by the State as well, resulting in greater on behalf payments; and

WHEREAS, recognizing these communities as currently "stressed" and working to move them toward sustainability is an important goal of the Alaska Municipal League; and

WHEREAS, a stressed community should be thought of in terms of the degree to which it may be out of compliance with State and/or federal financial, legal or statutory requirements; and

WHEREAS, the State can play a significant role in assisting in the health of its communities; and

WHEREAS, there are clear need to establish a level playing field by paying off those arrearages now, justified not only by ensuring community health but as long-term investments that save the State in its ongoing expenditures.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League encourages the Governor and the Alaska State Legislature fund a one-time payoff of PERS arrearages.

Adopted by the majority of AML members at the Annual Business Meeting, November 16, 2018.