



RESOLUTION 2019-046

URGING THE OREGON LEGISLATURE TO ENACT PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS) REFORMS THAT REDUCE PENSION COSTS FOR PUBLIC EMPLOYERS, AND APPROVING THE CITY OF SHERWOOD'S MEMBERSHIP IN THE PERS SOLUTIONS FOR PUBLIC SERVICES COALITION

WHEREAS, Oregon public employers, including the City of Sherwood, are facing an unfunded actuarial liability (UAL) in the Oregon Public Employee Retirement System (PERS) pension program of more than \$26 billion, and employer costs have risen from 12% of payroll in 2010 to 19% in 2020 and are expected to rise to more than 30% of payroll by 2025 if the legislature fails to address reforms to the PERS pension program that will reduce the system's claims on public budgets and public services; and

WHEREAS, taxpayer annual costs are also rising, from about \$600 per Oregon household in 2010 to more than twice that amount currently—more than \$1,500 per household this year and climbing to more than \$2,200 per year by 2023; and

WHEREAS, legal and fair options for reforming PERS pensions, including those outlined by the PERS Solutions for Public Services coalition, would provide a path for lowering present and future PERS costs for public employers and taxpayers across the state; and

WHEREAS, the City of Sherwood will benefit from participating with other public employers across the state as part of the PERS Solutions for Public Services coalition, which is advocating for significant PERS pension reforms at the Oregon legislature.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The Sherwood City Council believes that, while every public employer in Oregon is bearing the burden of the PERS UAL in rapidly rising payroll costs, only the state legislature has the authority to reform PERS pensions to reduce the system's costs to public employers.

Section 2. The Sherwood City Council believes the principles outlined by PERS Solutions for Public Services meet the objectives of the City of Sherwood—a bipartisan effort to find solutions that are fair for taxpayers, public employers, and public employees alike.

Section 3. The Sherwood City Council believes that the City of Sherwood, its employees, and its citizens will benefit from PERS pension reforms, and relieving the PERS pension burden on the City of Sherwood's budget will allow the City of Sherwood to invest in improved public services for our community, and that reforms should be made on a system-wide basis, so that all jurisdictions and the services they provide share in the relief.

Section 4. The Sherwood City Council believes the Oregon legislature has a responsibility to take steps necessary to reduce the PERS claim on public services, such as police and fire, public health, higher education, child welfare, college tuition, and senior services; and furthermore that all public employers, not solely K-12 education, should be included in reforms.

Section 5. The Sherwood City Council believes that Sherwood's participation as a member of the PERS Solutions for Public Services coalition, including Sherwood's endorsement of the coalition's principles for PERS reform, will benefit the City of Sherwood and other public employers around the state.

Section 6. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 21st of May, 2019.


Keith Mays, Mayor

Attest:


Sylvia Murphy, MMC, City Recorder