

Date: 1-19-82

Submitted by: Assemblyman O'Connor  
Prepared by: Department of Law  
For Reading: January 19, 1982

ANCHORAGE, ALASKA  
AR NO. 82-30

A RESOLUTION OF THE ANCHORAGE ASSEMBLY RECOMMENDING THE MUNICIPALITY PROVIDE CERTAIN LIFE INSURANCE BENEFITS TO FORMER MAYOR GEORGE M. SULLIVAN AND REFERRING THE MATTER TO THE COMMISSION ON SALARIES AND EMOLUMENTS.

WHEREAS, on January 2, 1981, the lengthy and distinguished service of Anchorage Mayor George M. Sullivan concluded with the inauguration of his successor to the Office of Mayor; and

WHEREAS, the citizens of Anchorage are and will be forever indebted to Mayor George M. Sullivan for the many outstanding contributions he made to the general well-being of the citizens of the Municipality of Anchorage during his years of public service; and

WHEREAS, Section 5.08 of the Home Rule Charter for the Municipality of Anchorage and AMC 4.10.030 require the Commission on Salaries and Emoluments to establish the compensation, including salaries, benefits and allowances, if any, of elected officials;

NOW, THEREFORE, the Anchorage Assembly resolves:

Section 1. That the Commission on Salaries and Emoluments be requested to consider directing that life insurance coverage be provided to former Mayor George M. Sullivan for the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

Section 2. This resolution takes effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly, this 19th day of January, 1982.



Chairman

ATTEST:

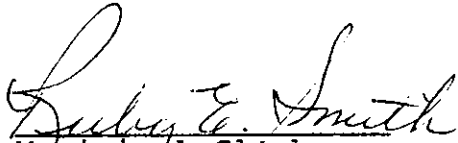
  
Municipal Clerk

EXHIBIT "A"

# Municipality of Anchorage

## MEMORANDUM

DATE: February 18, 1982

TO: Ruby Smith, Municipal Clerk

FROM: Susan Lindemuth, Manager, Records and Benefits *SLS*

SUBJECT: Life Insurance Coverage for George Sullivan

RECEIVED  
Office of Municipal Clerk

FEB 22 1982

Pouch 6-650  
Anchorage, Alaska 99502

You have asked for cost figures regarding continuation of life insurance coverage for George Sullivan.

When he left office, Mr. Sullivan's life was insured for \$193,000. The figures I am quoting are based on a continuation of that level of insurance.

If the Municipality continues Mr. Sullivan's coverage as a member of the group, it will cost the Municipality \$86.85 per month or \$1,042.20 per year. This is based on the current rate of \$.45 per thousand per month. This premium could be paid either by the Municipality or Mr. Sullivan.

Mr. Sullivan is eligible to convert his insurance to an individual policy. At his age, continued coverage would cost Mr. Sullivan \$961.00 per month. After the second year dividends would be paid and after a period of time (approximately 15 years) the dividends would pay the premium. Additionally, if Mr. Sullivan were to convert his insurance to an individual basis, at his age, the insurance company charges the Municipality a lum sum of \$150 per thousand or \$28,950, if he were to convert the full \$193,000.

If I can be of further assistance, please let me know.

SL:bjd

# Municipality of Anchorage



POUCH 6-650  
ANCHORAGE, ALASKA 99502  
(907) 264-4311

## COMMISSION ON SALARIES & EMOLUMENTS

February 24, 1982

### AGENDA

Mayor's Conference Room  
8th Floor, Municipal Hill Building  
February 24, 1983  
4:30 p.m.

- I. CALL TO ORDER
- II. ROLL CALL
- III. MINUTES OF PREVIOUS MEETING
  - A. September 2, 1981, Minutes of the Commission on Salaries and Emoluments.
- IV. OLD BUSINESS
- V. NEW BUSINESS
  - A. Resolution No. AR 82-30  

A RESOLUTION OF THE ANCHORAGE ASSEMBLY RECOMMENDING THE MUNICIPALITY PROVIDE CERTAIN LIFE INSURANCE BENEFITS TO FORMER MAYOR GEORGE M. SULLIVAN AND REFERRING THE MATTER TO THE COMMISSION ON SALARIES AND EMOLUMENTS.
- VI. PUBLIC HEARING
- VII. COMMISSION'S COMMENTS
- VIII. ADJOURNMENT

COMMISSION ON SALARIES AND EMOLUMENTS

February 24, 1982

I. CALL TO ORDER:

The special meeting of the Commission on Salaries and Emoluments was called to order by Chairman Claude Millsap at 4:37 p.m. in the Mayor's Conference Room, 8th Floor, Municipal Hill Building, 632 W. 6th Avenue, Anchorage, Alaska.

II. ROLL CALL:

Present: Ralph Amouak (4:39 p.m.), Pamela Gotham, Loren Lounsbury, Claude Millsap.  
Absent: Richard Silberer (excused).

III. MINUTES OF PREVIOUS MEETING:

Chairman Millsap asked if the members had read the minutes of September 2, 1981.

Mr. Lounsbury moved,  
seconded by Ms. Gotham,  
and they passed without  
objection.

to approve the minutes of  
September 2, 1981.

IV. OLD BUSINESS: None

V. NEW BUSINESS:

Resolution No. AR 82-30 "A RESOLUTION OF THE ANCHORAGE ASSEMBLY RECOMMENDING THE MUNICIPALITY PROVIDE CERTAIN LIFE INSURANCE BENEFITS TO FORMER MAYOR GEORGE M. SULLIVAN AND REFERRING THE MATTER TO THE COMMISSION ON SALARIES AND EMOLUMENTS".

Chairman Millsap advised the meeting had been called to consider Resolution No. AR 82-30 which was passed by the Anchorage Municipal Assembly January 19, 1982 and referred to the Commission on Salaries and Emoluments for consideration.

VI. PUBLIC HEARING:

Chairman Millsap said the meeting was open for comments.

Gerry O'Connor, Anchorage Assemblyman, said that when Mayor Sullivan was retiring, the Assembly looked at some things that could be done for him and this was one of the options considered. It was based on the fact of his having a heart problem. After the by-pass operation, he could have retired on disability at 80% of his salary. He chose to come back to work and after three months, he waived the option of taking the disability pay and retiring. In answer to questions by Ms. Gotham, Mr. O'Connor explained he had called the original meeting at the Cattlemen's restaurant and he proposed the resolution. He further stated this was originally proposed to be done at the George Sullivan Dinner. However, the Municipal Attorney advised the proper way to handle the matter was to refer it to the Commission on Salaries and Emoluments.

Chairman Millsap then asked if anyone else wished to speak. There was no one.

Chairman Millsap then read the memorandum dated February 18, 1982, to the Municipal Clerk from Susan Lindemuth, regarding the life insurance coverage for George Sullivan and it is attached as exhibit "A". After reading the memo, Chairman Millsap remarked the memo indicated the insurance premiums would be so far out of reach for most people, that it would be impossible to convert.

There was discussion among the members regarding whether a member may remain on the insurance plan once he has terminated and received his last pay check.

Mr. O'Connor said the former Mayor was still on the payroll as he had not taken a vacation in the last five years.

There was still concern by the Commission whether the insurance company would allow someone who was no longer employed by the Municipality to remain part of the group plan and pay the monthly premiums out-of-pocket. It was understood that most insurance companies allow a 30-day grace period in which to convert the insurance or lose it.

Chairman Millsap recessed the meeting at 4:45 p.m. until Susan Lindemuth, Manager of Records and Benefits, could be present to answer questions. The meeting reconvened at 4:53 p.m.

In response to questions by Mr. Lounsbury, Ms. Lindemuth stated there is no problem as far as the insurance company is concerned in continuing George Sullivan in the insurance program after his completion of service with the Municipality and has drawn his last paycheck. She further stated the Municipality would just add an amendment to the policy saying George Sullivan is eligible to continue participation.

Mr. Lounsbury said he had received two telephone calls regarding this matter. One call was from a Paul and Ann Fackler, 1576 Birchwood Street. They are long time residents of Anchorage and they wanted their opposition stated for the record. They felt it would be setting a very dangerous precedent and were afraid it would become a standing thing. The other caller did not divulge his name or address but basically said the same as Mr. & Mrs. Fackler.

Ms. Gotham said she also received telephone calls from Lana Markley, Donald and Terry Gotham, Robert E. and Helen Maulden, Chris Burns and two people who would not give their names. They all felt elective officials should not receive benefits after their terms in office had been fulfilled. Elective officials know when they run for office it is for a short duration. They further said they appreciated Mr. Sullivan's distinguished service but were not in favor of having the Municipality pay for extended life insurance for him.

Mr. Amouak said he received four telephone calls. Two calls were from municipal employees who would not give their names. All callers felt the Municipality should not extend life insurance coverage to Mr. Sullivan and it would be setting a dangerous precedent.

Ruby Smith, Municipal Clerk, stated her office had received one such call.

Chairman Millsap said this may be a precedent for the Municipality but it was not a precedent for the State. When an elected official or employee retires from the State, they have health insurance and life insurance provided for the rest of their lives.

There was discussion as to whether this should be part of the retirement benefit for George Sullivan and it was also brought out that he chose not to retire at the time of the heart operation.

Ms. Gotham said she felt this was not a benefit to George Sullivan but was rather a benefit to the Sullivan family upon his death. She did not feel this was a responsibility of the Municipality. Therefore she was opposed.

Chairman Millsap said he had drafted resolution number 82-1, Salary and Emoluments Commission and he asked it to be read for the record and it is attached as exhibit "B".

Mr. Millsap moved,  
seconded by Mr. Lounsbury,

to approve Resolution  
82-1

Ms. Gotham moved,  
seconded by Mr. Amouak,

to amend the Resolution by  
authorizing the life insurance  
so long as the full cost of  
the premiums are paid by  
George Sullivan.

There was discussion regarding the meaning of the amendment.

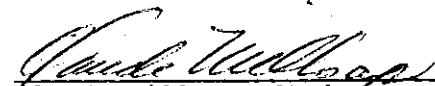
Chairman Millsap called the question on the amendment and it passed.

Chairman Millsap suggest that Section 2 be changed to read "That the said life insurance coverage be provided at full cost by George M. Sullivan" and Section 2 become Section 3. The Clerk was directed to have the Municipal Attorney draft the proper wording for the resolution and contact the members of the Commission for signatures.

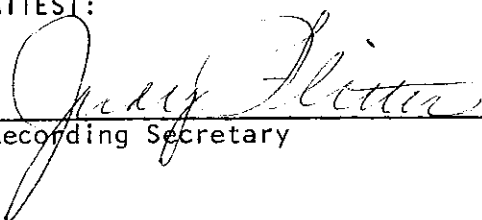
VII. COMMISSION COMMENTS: None

VIII. ADJOURNMENT:

The meeting adjourned at 5:10 p.m.

  
\_\_\_\_\_  
Claude Millsap, Chairman

ATTEST:

  
\_\_\_\_\_  
Recording Secretary

RESOLUTION NUMBER 82-1

SALARY AND EMOLUMENTS COMMISSION

by

Whereas, A resolution of the Anchorage Municipal Assembly has recommended to the Salary and Emoluments Commission ~~through their resolution number 82-30~~, that the Honorable George M. Sullivan term of office be concluded with a request that the Commission establish and provide life insurance coverage for the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

Now, therefore, the Anchorage Municipal Salary and Emoluments resolves:

Section 1 - That the Anchorage Municipality through its salary and Emoluments Commission, hereby establish life insurance coverage be provided to former Mayor George M. Sullivan for the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

Section 2 - ~~That the said life insurance coverage be provided at full cost by George M. Sullivan.~~  
Section 3 - This resolution takes effect immediately upon passage and approval.

PASSED AND APPROVED BY THE ANCHORAGE COMMISSION ON SALARY AND EMOLUMENTS,  
THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1982.

Claude Millsap, Chairman

\_\_\_\_\_  
Ralph Amovak  
Commissioner

\_\_\_\_\_  
Dorena Cotham



MUNICIPALITY OF ANCHORAGE  
SALARY AND EMOLUMENTS COMMISSION  
RESOLUTION 82-1

WHEREAS, by resolution adopted on January 19, 1982, the Anchorage Municipal Assembly requested that the Commission on Salaries and Emoluments consider directing that life insurance coverage be provided to former Anchorage Mayor George M. Sullivan for the remainder of his life at the same rate and at the same coverage as in existence on January 1, 1982; and

WHEREAS, by virtue of Section 5.01(e) of the Anchorage Municipal Charter the compensation of the Mayor shall be fixed by the Commission on Salaries & Emoluments;

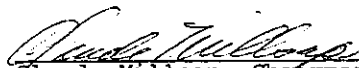
NOW, THEREFORE, the Commission on Salaries & Emoluments resolves:


Section 1. That the Municipality shall provide life insurance coverage to former Anchorage Mayor George M. Sullivan at the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

Section 2. That the cost of providing said life insurance coverage shall be borne in full by former Mayor George M. Sullivan.

Section 3. This resolution takes effect at the beginning of the next fiscal year of the Municipality.

PASSED AND APPROVED by the Anchorage Commission on Salary and Emoluments, this 24th day of February, 1982.

  
Claude Millsap, Chairman

  
Ralph Amovak  
Commissioner

  
Pamela Gotham

the same coverage as in existence on January 1, 1982; and

WHEREAS, by virtue of Section 5.01(e) of the Anchorage Municipal Charter the compensation of the Mayor shall be fixed by the Commission on Salaries & Emoluments;

NOW, THEREFORE, the Commission on Salaries & Emoluments resolves:

Section 1. That the Municipality shall provide life insurance coverage to former Anchorage Mayor George M. Sullivan at the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

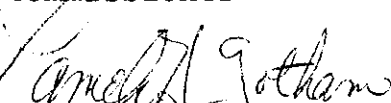
Section 2. That the cost of providing said life insurance coverage shall be borne in full by former Mayor George M. Sullivan.

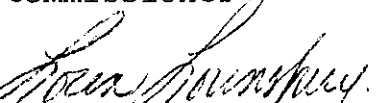
Section 3. This resolution takes effect at the beginning of the next fiscal year of the Municipality.


PASSED AND APPROVED by the Anchorage Commission on Salary and Emoluments, this 24th day of February, 1982.

  
Claude Millsap, Chairman

  
Ralph Amovak  
Commissioner

  
Pamela Gotham  
Commissioner

  
Loren Lounsbury  
Commissioner

  
Richard Silberer  
Commissioner

# Municipality of Anchorage



*Judy*  
POUCH 6-650  
ANCHORAGE, ALASKA 99502-0650  
(907) 264-4311

## COMMISSION ON SALARIES & EMOLUMENTS

NOVEMBER 10, 1982

### AGENDA

Clerk's Conference Room  
4th Floor, Municipal Hill Building  
November 10, 1982  
4:00 p.m.

- I. CALL TO ORDER
- II. ROLL CALL
- III. MINUTES OF PREVIOUS MEETING
- IV. OLD BUSINESS  
  
Report from Susan Lindemuth, Manager, Records and Benefits, on the status of Resolution 82-1 --- Life Insurance Coverage for Former Mayor Sullivan.
- V. NEW BUSINESS
- VI. PUBLIC HEARING  
  
Mr. Frank Ray - Classification & Pay
- VII. COMMISSION'S COMMENTS
- VIII. ADJOURNMENT

SALARY AND EMOLUMENTS

NOVEMBER 10, 1982

I. CALL TO ORDER:

The meeting of the Salary and Emoluments Commission was called to order by Chairman Millsap at 4:09 p.m. in the Clerk's Conference Room, 4th floor, room 411, Municipal Hill Building, 632 W. 6th Avenue, Anchorage, Alaska.

II. ROLL CALL:

Present: Pamela Gotham, Loren Lounsbury, Claude Millsap and Richard Silberer.

Absent: Ralph Amouak.

III. MINUTES OF PREVIOUS MEETING:

Minutes of previous meeting will be heard at November 17, 1982 meeting.

IV. OLD BUSINESS:

Chairman Millsap stated that attached to the Agenda was a status report on the life insurance coverage for Mr. Sullivan. He stated the letter was very self-explanatory and that everything had been taken care of.

Ms. Lounsbury stated he was questioning the last sentence -- "to the extent that the premium amount exceeds that paid by Mr. Sullivan, the mayor's office benefits account will be charged for the difference."

Ms. Gotham stated that is not what this commission said.

Mr. Lounsbury continued by saying that Mr. Sullivan is to pay what the premium is. The commission didn't set any certain amount, they just said you pay the premium.

Chairman Millsap requested the Recording Secretary obtain clarification from Susan Lindemuth.

V. NEW BUSINESS:

None.

VI. PUBLIC HEARING:

Chairman Millsap opened the public hearing and asked Mr. Frank Ray if he would like to speak at this time.

Mr. Frank Ray expressed his thanks to the commission for their time and comments at the last meeting. He stated he had been authorized to comment that the mayor will not be making a formal request at this time. However, he will be coming back next year with any requests that arise as a result of the new overall executive study. He said the mayor did not feel comfortable coming at this time as the study was not complete and they did not have all the facts and figures.

Mr. Silberer asked when this study should be completed and if the commission would be receiving a copy.

Mr. Ray stated it should be completed in 6-7 months and yes, the commission will definitely receive a copy. Again he thanked the commission for their time.

Chairman Millsap asked if there was anyone else who wished to speak. There being no one, Chairman Millsap closed the public hearing.

VII. COMMISSION'S COMMENTS:

Chairman Millsap asked if any commission members had comments.

Mr. Silberer asked if any assembly members or school board members had planned to attend this meeting. Recording Secretary stated that no one had responded to the letters sent out.

Mr. Lounsbury stated that no one had approached him about attending.

Mr. Silberer stated he felt comfortable with the salaries being paid to the mayor, assembly and school board at the present time.

The commission members stated they were in agreement and unless any special requests came, they would leave salaries as they are.

Mr. Lounsbury stated he felt that Mr. Mabry's salary should be under the Salary and Emoluments Commission.

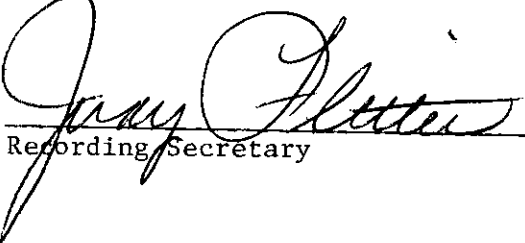
Ms. Silberer stated the Assembly should consider his contract concepts. At the time he is employed, build in an automatic increase factor. That way he does not have to come back and confront them for salary increases during the life of the contract.

VIII. ADJOURNMENT:

Chairman Millsap adjourned the meeting at 4:20 p.m.

  
\_\_\_\_\_  
Claude Millsap, Chairman

ATTEST:

  
\_\_\_\_\_  
Recording Secretary

# Municipality of Anchorage

## MEMORANDUM

DATE: November 10, 1982  
TO: Salary and Emoluments Commission  
FROM: Records and Benefits Manager  
SUBJECT: Life Insurance Coverage for Former Mayor Sullivan

NOV 29 10: 5

CLERKS OFFICE

The provisions of Resolution 82-1 of the Salary and Emoluments Commission state that George Sullivan will be allowed to continue his life insurance coverage under the Municipality's group plan at his expense for the remainder of his life. The amount of coverage will be that in effect on January 1, 1982 (\$193,000) and the premium rate will also be that in effect on January 1, 1982 (\$77.20). The resolution is to take effect January 1, 1983.

Mr. Sullivan retired from the Municipality on October 31, 1982. So that there would be no break in his insurance coverage, he was allowed to make the premium payments for November and December. Mr. Sullivan has already provided for monthly payment of the premium amount to the Municipality. To the extent that the premium amount exceeds that paid by Mr. Sullivan, the Mayor's Office benefits account will be charged for the difference.

If I can provide any additional information, please let me know.

  
Susan Lindemuth  
Manager, Records and Benefits

SL:bw

# Municipality of Anchorage

A

## MEMORANDUM

DATE: November 17, 1982  
TO: Salary and Emoluments Commission  
FROM: Records and Benefits Manager  
SUBJECT: Life Insurance Coverage for Former Mayor Sullivan

Judy Flitter has asked that I clarify the last sentence in paragraph two of my November 10 memo.

When planning for the implementation provisions of Resolution 82-1, the meaning of "at the rate in effect as of January 1, 1982" was questioned. Municipal Attorney Jerry Wertzbaugher interpreted it to mean that Mr. Sullivan would not be required to pay for increases in life insurance premium rates subsequent to January 1, 1982. To the extent that those rates will increase (current rate is \$.40/thousand/month; rate January 1, 1983 will be \$.45/thousand/month) the Municipality will have to pick up the difference.

I hope this provides sufficient clarification.

*Susan Lindemuth*

Susan Lindemuth  
Manager, Records and Benefits

SL:bw

# Municipality of Anchorage

## MEMORANDUM

*file*

*B*

DATE: November 22, 1982

TO: Susan Lindemuth, Manager, Records and Benefits

FROM: Judy Flitter - Clerk's Office - Staff Support for the Salary and Emoluments Commission

SUBJECT: LIFE INSURANCE COVERAGE  
FOR FORMER MAYOR GEORGE  
SULLIVAN

Susan:

The Salary and Emoluments Commission has requested I write a memo to you clarifying the intent of the commission on the life insurance policy.

The decision from the Salary and Emoluments Commission was to allow former Mayor George Sullivan to retain the policy but to pay any premiums himself. They did not intent for any monies to be taken from the current Mayor's budget. The statement from the commission is: The bill is to be sent to Mr. Sullivan for the difference per thousand per month.

If there are any questions, please refer them to my attention and I will contact the Salary and Emoluments Commission.

Regards,

*Judy*  
Judy

CONCUR:

*Claude Millsap*  
\_\_\_\_\_  
Claude Millsap, Chairman  
Salary and Emoluments Commission