

Re: SB 18 Operating budget

I urge you to support the resolution passed by the ARM Board seeking a cash infusion for the Alaska State Retirement trust funds now, to save billions of dollars in the future. This resolution will involve a \$500 million capital appropriation this next fiscal year and similar amounts the next three fiscal years. ARM Board Chair Schubert will testify on this issue tonight.

The current ballooning mortgage plan calls for payments toward the \$ 12 B Unfunded Liability to increase each year. This level percent pay down plan requires a payment of 630 million for fiscal year 2014 and over 1 billion within 10 years. **If you are only willing to put in \$ 630 M this yr [4 % of budget reserves], why should anyone believe you will put in 1 B by 2020 which may be 100 % of budget reserves.** This is especially true when you are on a path to reduce the state operating budget each year.

Ron Johnson, 2113 Jack St., Fairbanks, AK April 1, 2013