

1 By: Kathryn Dodge
2 Diane Hutchison
3 Janice Golub
4 Introduced: 01/30/2014
5 Adopted: 01/30/2014
6

7 FAIRBANKS NORTH STAR BOROUGH

8
9 RESOLUTION NO. 2014 - 06

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11 A RESOLUTION OF THE FAIRBANKS NORTH STAR BOROUGH
12 EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S
13 PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL
14 BUDGET RESERVE INTO THE ALASKA RETIREMENT TRUST FUNDS IN
15 2015
16

17 WHEREAS, the combined unfunded liability of Alaska's Public
18 Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is
19 \$11.8 billion at June 30, 2012; and
20

21 WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at
22 June 30, 2012; and
23

24 WHEREAS, the Governor has identified the State's unfunded pension
25 liability as Alaska's biggest budget driver, with annual State Assistance payments
26 expected to exceed \$1 billion per year without a substantial cash infusion directly into
27 the retirement trust funds; and
28

29 WHEREAS, State Assistance payments on behalf of municipalities
30 provide significant rate relief to local taxpayers, provide budget predictability and
31 stability to local governments, and are crucial to the financial health of Alaska's
32 municipalities and school districts; and
33

34 WHEREAS, Governor Parnell's plan is in the best interests of the
35 retirement systems, the State of Alaska and its municipalities by honoring Alaska's
36 constitutional obligations, reducing annual state assistance contributions to a more
37 predictable and sustainable \$500 million per year, increasing the funded status of the
38 PERS and TRS by 10%, honoring the State's previous commitment to pay employer
39 contribution rates in excess of 22%, allowing for future interest earnings to offset
40 future contribution requirements, reducing pressure on future State and local
41 government budgets, strengthening the credit rating of the State of Alaska and its
42 municipalities, increasing future flexibility at a time when oil production is anticipated
43 to decline, and solving the problem now when reserves are available rather than
44 passing the problem to future generations of Alaskans.
45

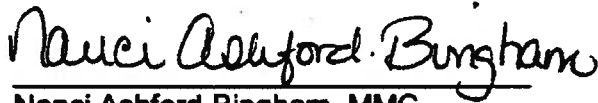
46 NOW, THEREFORE, BE IT RESOLVED that the Assembly of the
47 Fairbanks North Star Borough expresses strong support for Governor Parnell's
48 proposed transfer of \$3 billion from the State's Constitutional Budget Reserve directly
49 into the retirement trust funds in 2015.
50

51 BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the
52 Honorable Governor Sean Parnell and the Alaska State Legislature.
53

54 PASSED AND APPROVED THIS 30TH DAY OF JANUARY, 2014.
55


Karl Kassel
Presiding Officer

ATTEST:


Nanci Ashford-Bingham, MMC
Borough Clerk

56
57 Ayes: Hutchison, Golub, Dukes, Roberts, Lawrence, Dodge, Davies, Kassel
58 Noes: None
59 Excused: Sattley

CLERK'S OFFICE

APPROVED

Date: 1-28-14

ANCHORAGE, ALASKA

AR NO. 2014-27

Submitted by: ASSEMBLY MEMBER JOHNSTON

Reviewed by: Assembly Counsel Office

For reading: January 28, 2014

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING GOVERNOR PARNELL'S PROPOSAL FOR A THREE BILLION DOLLAR (\$3,000,000,000) APPROPRIATION FROM THE CONSTITUTIONAL BUDGET RESERVE FUND WITH DESIGNATED USE IN THE STATE RETIREMENT SYSTEMS, AND REQUESTING STRONG SUPPORT BY THE TWENTY-EGHTEH ALASKA STATE LEGISLATURE.

WHEREAS, the Alaska Retirement Management Board (Board) is charged with fiduciary responsibility for ensuring the availability of sufficient financial resources in the State's retirement systems to meet the liabilities and pension obligations of the retirement systems;

WHEREAS, Governor Parnell addressed the Board at their meeting of September 21, 2011, and asked the Board to collaborate with his Administration and the Alaska State Legislature on options to address the State's unfunded retirement system liabilities;

WHEREAS, the Board has worked diligently with members of the Administration, Alaska State Legislature and other stakeholder groups to provide solutions for the ongoing unfunded liability of the retirement systems;

WHEREAS, the Board has on numerous occasions supported lump-sum contributions into the retirement system trust funds;

WHEREAS, Governor Parnell has proposed a one-time \$3 BILLION appropriation from the Constitutional Budget Reserve Fund into the retirement trust funds during the FY 2015 budget cycle, enabling the annual state pension contribution to drop to \$500 MILLION per year and increasing the funded status of the Public Employees' and Teachers' Retirement Systems by 10%;

WHEREAS, the Board believes this proposal to be in the best interest of the retirement systems and the State of Alaska, putting the retirement systems on a sound footing and making the state's financial future stable, predictable and affordable; now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The Anchorage Assembly agrees with the Alaska Retirement Management Board and expresses its strong support of the proposal set forth by Governor Parnell for a \$3 BILLION appropriation in FY 2015 from the Constitutional Budget Reserve Fund to the state retirement systems.

Section 2. The Anchorage Assembly respectfully requests the 28th Alaska State

1 Legislature to support this proposal strongly and appropriate \$3 BILLION from the
2 Constitutional Budget Reserve Fund to the state retirement systems in FY 2015.
3

4 PASSED AND APPROVED by the Anchorage Assembly this 28th day of
5 January 2014.
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7

8
9 E. Ball
10 Chair

11
12 ATTEST:

13 Barbara A. Jones
14
15
16 Municipal Clerk

A Resolution of the Haines Borough Assembly expressing support for Governor Parnell's proposal to appropriate \$3 billion from the Constitutional budget reserve into the Alaska Retirement Trust Funds in 2015.

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3 percent and TRS is 52.1 percent at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 million per year, increasing the funded status of the PERS and TRS by 10 percent, honoring the State's previous commitment to pay employer contribution rates in excess of 22 percent, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans,

NOW, THEREFORE, BE IT RESOLVED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. The Haines Borough Assembly expresses support for Governor Parnell's proposed transfer of \$3 billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The Haines Borough Assembly expresses concern for any proposal to place the proposed \$3 billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.


Section 3. The Haines Borough Assembly expresses support for the Governor's proposal to continue to provide \$500 million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further

Haines Borough
Resolution No. 14-01-531
Page 2 of 2

diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability, resulting in local governments and school districts having to pay the 22 percent (PERS) and 12.56 percent (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

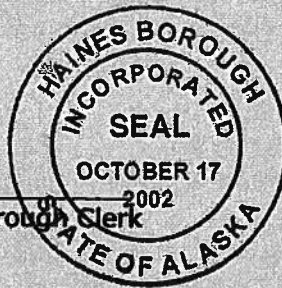
Section 4. This resolution shall take effect immediately upon adoption.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this 28th day of January, 2014.


Stephanie Scott, Borough Mayor

Attest:


Michelle L. Webb, Interim Borough Clerk





City of Pelican

BOX 737 - PELICAN, ALASKA 99832 - PHONE: 735-2202/2203 - FAX: 735-2258 - EMAIL: cityhall@pelicancty.org - WEBSITE: www.pelican.net

City of Pelican Resolution 2014 – 1

A RESOLUTION OF THE CITY OF PELICAN, ALASKA EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA RETIREMENT FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 billion at June 30, 2012' and

WHEREAS, the funded ration of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has indentified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable honoring \$500 million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW, THEREFORE BE IT RESOLVED by the City of Pelican, Alaska that:

Section 1. The City of Pelican expresses strong support for Governor Parnell's proposed transfer of \$3 billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City of Pelican expresses concern for any proposal to place the proposed \$3 billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapings of the Reserve Fund, however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City of Pelican further expresses strong support for the Governor's proposal to continue to provide \$500 million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED BY the City of Pelican, Alaska, this 24th day of January, 2014.

Signed: Patricia Phillips

Patricia Phillips, Mayor

Attest:

Kelly Chapman

Kelly Chapman, City Clerk





City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

Resolution 14-01-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOONAH, ALASKA, EXPRESSING SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOONAH, ALASKA, that:

Section 1. The City Council of the City of Hoonah expresses support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

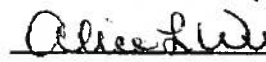
Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

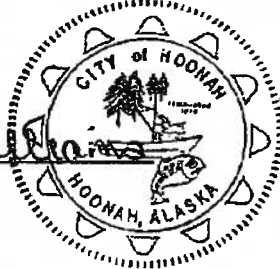
Section 4. This resolution shall take effect immediately upon adoption

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HOONAH, ALASKA, THIS 9TH, DAY OF JANUARY, 2014.


SEFERINO VILLARREAL, MAYOR

ATTEST:


ALICE WILLIAMS, CLERK



**Kaltag City Council
Kaltag, AK 99748**

RESOLUTION 14-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KALTAG, ALASKA, EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVED INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; AND

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; AND

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; AND

WHEREAS, State Assistance payment on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; AND

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rate in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and resolving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KALTAG, ALASKA, that:

Section 1. The City Council of the City of Kaltag expresses strong support for the Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directing into the Retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employers contributions into the system. Future tapping of the Reserve Funds however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City Council future expresses strong support of the Governor's proposal to continue to provide \$500 Million per year in State Assistance Payment on behalf of the municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortizations of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56%(TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting cost from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED by the City Council of the City of Kaltag, Alaska, this 21st day of January, 2014.


Violet Burnham, Mayor

ATTESTED: 
City Clerk

**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 14-014

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S
PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE
CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA
RETIREMENT TRUST FUNDS IN 2015.

WHEREAS, The combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, The funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, The Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that:

Section 1. The City Council of the Homer, Alaska, expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.


Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

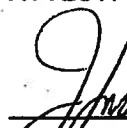
Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Homer City Council this 13th day of January, 2014.

CITY OF HOMER


MARY E. WYTHE, MAYOR

ATTEST:


JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A

Sponsored by: Hunt

**CITY OF SEWARD, ALASKA
RESOLUTION 2014-004**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE DIRECTLY INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability, affordability, and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

**CITY OF SEWARD, ALASKA
RESOLUTION 2014-004**

Section 1. The City Council of the City of Seward expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED by the City Council of the City of Seward, Alaska, this 13th day of January, 2014.

THE CITY OF SEWARD, ALASKA

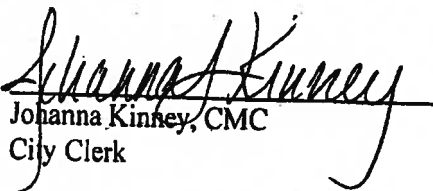


Jean Bardarson, Mayor

**CITY OF SEWARD, ALASKA
RESOLUTION 2014-004**

AYES: Keil, Terry, Squires, Butts, Bardarson
NOES: None
ABSENT: Casagrande, Shafer
ABSTAIN: None

ATTEST:


Johanna Kinney, CMC
City Clerk

(City Seal)



AKUTAN



Introduced by: City Staff
Date: January 8, 2014
Public Hearing: January 8, 2014

CITY OF AKUTAN, ALASKA

RESOLUTION NO. 14-10

A RESOLUTION OF THE AKUTAN CITY COUNCIL SUPPORTING PASSAGE OF STATE LEGISLATION FOR DIRECT APPROPRIATION TO THE PERS TRUST FUND THAT MINIMIZES COSTS TO THE STATE OF ALASKA AND MUNICIPALITIES

WHEREAS, the State of Alaska, pursuant to the State's Constitution, established the Alaska Public Employees' Retirement System and the Alaska Teachers' Retirement System as set forth in Alaska Statutes 39.35, 14, 25, and 39.30; and

WHEREAS, the Alaska Retirement Board was established by Alaska Statute 37.10 to serve as trustee to the assets of the State's retirement systems; and

WHEREAS, the combined unfunded liabilities of these two retirement systems have grown from approximately \$6.9 billion in 2005, when the defined benefits systems were closed to entry by new participants, to approximately \$11.9 billion by June 2012; and

WHEREAS, it is anticipated that the annual amount of the state assistance required to manage and pay down the combined unfunded liabilities of the two retirement systems will soon exceed \$1 billion.; and

NOW, THEREFORE, BE IT RESOLVED that the City of Akutan (City) hereby supports a direct appropriation to the PERS trust fund,

BE IT FURTHER RESOLVED, that:

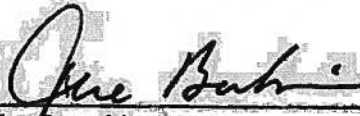
Section 1. The City opposes any legislation that requires that assets held outside of the trust funds be used in the determination of employer contribution rates.

Section 2. The City recommends the legislature consider funding options which minimize the long-term costs to both the State of Alaska and municipalities such as up-front contributions to the pension trust fund, continued state assistance above the current employer rate cap of 22%, level dollar amortization, and pension obligation bonds, or other options which meet this purpose.

Section 3. The City strongly recommends the use of the level dollar amortization methodology because of its substantial cost savings.

Section 4. This Resolution shall become effective immediately upon adoption.

ENACTED this 8th day of January, 2014, by a vote of 6 in favor and 0 opposed.



Joe Bereskin, Mayor

ATTEST:



Karen Vindler, City Clerk

**NORTH SLOPE BOROUGH
RESOLUTION SERIAL NO. 03-2014**

**A RESOLUTION OF THE NORTH SLOPE BOROUGH,
ALASKA, EXPRESSING STRONG SUPPORT FOR
GOVERNOR PARNELL'S PROPOSAL TO
APPROPRIATE \$3 BILLION FROM THE
CONSTITUTIONAL BUDGET RESERVE INTO THE
ALASKA RETIREMENT FUNDS IN 2015**

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH SLOPE BOROUGH, ALASKA THAT:


Section I. The North Slope Borough expresses strong support for Governor Parnell's transfer of \$3 billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The North Slope Borough expresses concern for any proposal to place the proposed \$3 billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions in to the system. Future tappings of the Reserve Fund, however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

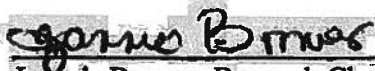
Section 3. The North Slope Borough further expresses strong support for the Governor's proposal to continue to provide \$500 million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.


Section 4. This resolution shall take effect immediately upon adoption.

INTRODUCED: January 7, 2014
ADOPTED: January 7, 2014


Michael Aamodt, President
Date: 01-07-14

ATTEST:


Jeannie Brower, Borough Clerk
Date: 1-7-2014


Charlotte E. Brower, Mayor
Date: January 7, 2014

HUSLIA CITY COUNCIL

P.O. BOX 10
HUSLIA, ALASKA 99746
(907) 829-2266

RESOLUTION 2014-01

A RESOLUTION OF THE CITY OF HUSLIA, ALASKA, EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE FUND INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015.

WHEREAS; the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's retirement system (TRS) is \$11.8 billion at June 30, 2012 and

WHEREAS; the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012 and

WHEREAS; the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS; State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS; Governor Parnell's plan is in the best interests of the retirement system, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generation of Alaskans.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF HUSLIA THAT:

SECTION 1. The Huslia City Council expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

SECTION 2. The Huslia City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance the funded levels of the retirement trust funds are adequate to pay pension benefits thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

SECTION 3. The Huslia City Council further expresses strong support for the governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22%(PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

SECTION 4. THIS RESOLUTION SHALL TAKE EFFECT IMMEDIATELY UPON ADOPTION.

PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF THE HUSLIA CITY COUNCIL
THIS 11th DAY OF JANUARY, 2014. THIS RESOLUTION WAS ADOPTED BY A VOTE:
Ayes: 6 Nays: 0 , Abstain: 0

SIGNED: Lorraine Panlick
MAYOR'S SIGNATURE

ATTEST: [Signature]
CITY ADMINISTRATOR'S SIGNATURE

Introduced By:
Date:
Action:
Vote:

Murphy
January 8, 2014
Adopted
6 Yes, 0 No

**CITY OF SOLDOTNA
RESOLUTION 2014-001**

**A RESOLUTION EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S
PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL
BUDGET RESERVE INTO THE ALASKA RETIREMENT TRUST FUND IN 2015**

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

Section 1. The Soldotna City Council expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

Section 4. Copies of this resolution will be provided to Governor Parnell, Senator Micciche, Representative Olson and Kathie Wasserman.

Section 5. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL THIS 8TH DAY OF JANUARY, 2014.


Nels Anderson, Mayor

ATTEST:


Michelle M. Sauer, CMC, City Clerk

Ayes: Daniels, Baxter, Sprague, Whitney, Bos, Murphy
Noes: None

**CITY OF KODIAK
RESOLUTION NUMBER 2014-04**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA RETIREMENT FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 billion at June 30, 2012; and

WHEREAS, the funded ration of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Kodiak, Alaska, expresses strong support for Governor Parnell's proposed transfer of \$3 billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

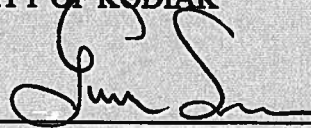
BE IT FURTHER RESOLVED that the Council of the City of Kodiak, Alaska, expresses concern for any proposal to place the proposed \$3 billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapings of the Reserve Fund, however, would significantly exacerbate the

unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

BE IT FURTHER RESOLVED that the Council of the City of Kodiak, Alaska, further expresses strong support for the Governor's proposal to continue to provide \$500 million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

BE IT FURTHER RESOLVED this resolution shall take effect immediately upon adoption.

CITY OF KODIAK



DEPUTY MAYOR

ATTEST:


CITY CLERK

Adopted: January 16, 2014



CITY OF TANANA
P.O. Box 249
Tanana, Alaska 99777
(907) 366-7159 • Fax (907) 366-7169

RESOLUTION #2014-10

**A RESOLUTION TO SUPPORT GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3
BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE FUNDS INTO THE ALASKA
RETIREMENT TRUST FUNDS IN 2015.**

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TERS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipals by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves rather than passing the problem to future generations of Alaskans.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TANANA, ALASKA, THAT WE STRONGLY SUPPORT THE GOVERNOR'S EFFORT TO REDUCE FUTURE PERS AND TRS LIABILITIES.

ADOPTED this 10th day of January, 2014 at the meeting of the Tanana City Council.

Donna May Folger

Donna Folger, Mayor

Bea K. Ziegler

Attest



CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2014-06

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans;

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

Section 1. The Dillingham City Council expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The Dillingham City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the

retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The Dillingham City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

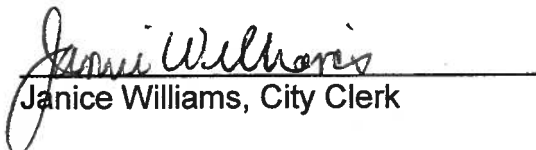
Section 4. This resolution shall take effect immediately upon adoption.

PASSED and ADOPTED by the Dillingham City Council on January 9, 2014.


Alice Ruby, Mayor

ATTEST:

[SEAL]


Janice Williams, City Clerk

City of Dillingham Information Memorandum R2014-06

Subject: A Resolution of the Dillingham City Council expressing strong support for Governor Parnell's proposal to appropriate \$3Billion from the constitutional budget reserve into the Alaska Retirement Trust Funds in 2015

Agenda of: January 9, 2014

City Council Action:

Manager: Recommend approval.

City Manager:

Rose Loera
Rose Loera

| Route To: | Department / Individual | Initials | Remarks |
|-----------|--------------------------------|----------|---------|
| X | Finance Director / Carol Shade | CS | |
| X | City Clerk / Janice Williams | JW | |

Fiscal Note: Yes _____ No X Funds Available: Yes _____ No _____

Other Attachment(s): None

Summary Statement.

Distribution:

Governor Sean Parnell
Representative Bryce Edgmon
Senator Gary Stevens
Kate Wasserman, AML
Executive Director, SWAMC
Clifford Stone, City's Lobbyist

DENALI BOROUGH, ALASKA

RESOLUTION 14-01

**A RESOLUTION EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S
PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET
RESERVE INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015**

WHEREAS, the combined unfunded liability of Alaska's Public Employees Retirement System (PERS) and Teachers Retirement System (TRS) is \$11.8 Billion as of June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% as of June 30, 2012; and

WHEREAS, the Governor has identified the state's unfunded pension liability as Alaska's biggest budget driver, with annual state assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, state assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the state of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the state's previous commitment to pay employer contribution rates of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future state and local government budgets and strengthening the credit rating of the state of Alaska and its municipalities.

NOW THEREFORE BE IT RESOLVED that the Denali Borough Assembly expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the Alaska State's Constitutional Budget Reserve directly into the retirement trust funds.

BE IT FURTHER RESOLVED that the Denali Borough Assembly expresses strong support for Governor Parnell's proposal to continue to provide \$500 Million per year in state assistance payments on behalf of municipalities and school districts.

PASSED and APPROVED by the DENALI BOROUGH ASSEMBLY this 8TH day of JANUARY, 2014.

F. Clay Walker
Mayor Clay Walker

ATTEST: *Gail Pleknik*
Gail Pleknik, Borough Clerk



~~PASSED UNANIMOUSLY~~
~~ABSENT: ZIMMERMAN, WEIBEL, DEBLAUW~~



**CITY OF COLD BAY, ALASKA
RESOLUTION NO. 14-06**

**A RESOLUTION OF THE CITY COUNCIL
OF COLD BAY, ALASKA, EXPRESSING
STRONG SUPPORT FOR GOVERNOR
PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION
FROM THE CONSTITUTIONS BUDGET RESERVE INTO THE ALASKA
RETIREMENT TRUST FUNDS IN 2015**

WHEREAS, The Cold Bay City Council, hereinafter called the Council, is the governing body of Cold Bay, Alaska; and

WHEREAS, the combined unfunded liability of Alaska's Public Employees Retirement System (PERS) and Teachers Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayer, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW THEREFORE BE IT RESOLVED, the City of Cold Bay Resolution 14-06

Section 1. The City Council of the City of Cold Bay expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 Billion into a Reserve fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

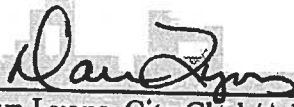
Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting cost from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED BY THE COLD BAY CITY COUNCIL this 17th day of December, 2013


Jorge Lopez Mayor

ATTEST:


Dawn Lyons, City Clerk/Administrator

CITY OF WRANGELL, ALASKA

RESOLUTION NO. 01-14-1291

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$11.8 Billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 Billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, that:

Section 1. The Assembly of the City and Borough of Wrangell expresses strong support for Governor Parnell's proposed transfer of \$3 Billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The Assembly of the City and Borough of Wrangell expresses concern for any proposal to place the proposed \$3 Billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve Fund however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The Assembly of the City and Borough of Wrangell further expresses strong support for the Governor's proposal to continue to provide \$500 Million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

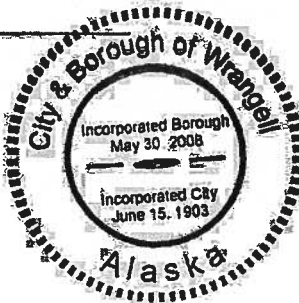
ADOPTED: January 14, 2014



David L. Jack, Mayor

ATTEST: 

Kim Lane, Borough Clerk



**CITY OF UNALASKA
UNALASKA, ALASKA**

RESOLUTION 2014-05

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNALASKA ALASKA,
EXPRESSING STRONG SUPPORT FOR GOVERNOR PARNELL'S PROPOSAL TO
APPROPRIATE \$3 BILLION FROM THE CONSTITUTIONAL BUDGET RESERVE
INTO THE ALASKA RETIREMENT TRUST FUNDS IN 2015**

WHEREAS, the combined unfunded liability of Alaska's Public Employee's Retirement System (PERS) and Teacher's Retirement System (TRS) is \$1.8 billion at June 30, 2012; and

WHEREAS, the funded ratio of PERS is 61.3% and TRS is 52.1% at June 30, 2012; and

WHEREAS, the Governor has identified the State's unfunded pension liability as Alaska's biggest budget driver, with annual State Assistance payments expected to exceed \$1 billion per year without a substantial cash infusion directly into the retirement trust funds; and

WHEREAS, State Assistance payments on behalf of municipalities provide significant rate relief to local taxpayers, provide budget predictability and stability to local governments, and are crucial to the financial health of Alaska's municipalities and school districts; and

WHEREAS, Governor Parnell's plan is in the best interests of the retirement systems, the State of Alaska and its municipalities by honoring Alaska's constitutional obligations, reducing annual state assistance contributions to a more predictable and sustainable \$500 Million per year, increasing the funded status of the PERS and TRS by 10%, honoring the State's previous commitment to pay employer contribution rates in excess of 22%, allowing for future interest earnings to offset future contribution requirements, reducing pressure on future State and local government budgets, strengthening the credit rating of the State of Alaska and its municipalities, increasing future flexibility at a time when oil production is anticipated to decline, and solving the problem now when reserves are available rather than passing the problem to future generations of Alaskans;

NOW, THEREFORE, BE THE FOLLOWING RESOLVED:

Section 1. The City Council of the City of Unalaska expresses strong support for Governor Parnell's proposed transfer of \$3 billion from the State's Constitutional Budget Reserve directly into the retirement trust funds.

Section 2. The City Council expresses concern for any proposal to place the proposed \$3 billion into a Reserve Fund rather than directly into the retirement trust funds. The purpose of a Reserve Fund is to provide future flexibility to allow monies to be used for purposes other than the provision of pension benefits. The existence of the Reserve Fund gives a potentially false assurance that funded levels of the retirement trust funds are adequate to pay pension benefits, thereby reducing required employer contributions into the system. Future tapping of the Reserve

fund, however, would significantly exacerbate the unfunded liability at a time when Alaska has diminished flexibility to address the problem due to lower oil production and likely lower reserves.

Section 3. The City Council further expresses strong support for the Governor's proposal to continue to provide \$500 million per year in State Assistance payments on behalf of municipalities and school districts. State Assistance payments should not be further diminished. Any further reduction in State Assistance necessarily extends the amortization of the unfunded liability resulting in local governments and school districts having to pay the 22% (PERS) and 12.56% (TRS) employer contribution rate for many more years than they otherwise would, and significantly shifting costs from the State to its municipalities.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 14TH DAY OF JANUARY 2014.


MAYOR

ATTEST:


CITY CLERK

