

**CONFIRMA-  
TION  
HEARINGS**

# Alaska State Legislature



**Chairman**  
State Affairs Committee

**Vice-Chairman**  
Economic Development, Trade & Tourism  
Committee

**Member**  
Judiciary Committee  
Joint Armed Services Committee

**Finance Subcommittees**  
Corrections  
Labor and Workforce Develop.  
Military and Veterans' Affairs  
Public Safety

*A Communication From*  
**REPRESENTATIVE BOB LYNN**  
District 31 Anchorage

**House State Affairs Committee Chair**

**Session:**  
Alaska State Capitol  
Juneau, AK 99801-1182

Phone: (907) 465-4931  
Fax: (907) 465-4316  
Toll Free: (800) 870-4391

**Interim:**  
716 W. 4<sup>th</sup> Ave., #650  
Anchorage, AK 99501-2133

Phone: (907) 269-0205  
Fax: (907) 269-0207

March 8, 2007

To: House State Affairs Committee Members

Fr: Representative Bob Lynn

Re: Governor Appointments – Confirmation Hearings

In mid-February we distributed to each office the resumes for several of the Governor's Appointments for your review prior to a confirmation hearing. We have scheduled that hearing for Tuesday, March 13. Attached is a second copy of these resumes for your convenience.



# Alaska State Legislature


House of Representatives

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

Official Business

Office of the Chief Clerk

## MEMORANDUM

Date: February 9, 2007  
To: Representative Lynn, Chair  
State Affairs Committee  
From: Suzi Lowell   
Chief Clerk  
Subject: Governor's Appointments

The Speaker referred the following Governor's appointments to the State Affairs Committee:

**Commissioner - Department of Administration**  
Ms. Annette Kreitzer

**Commissioner - Department of Corrections**  
Mr. Joe Schmidt

**Commissioner - Department of Public Safety**  
Mr. Walt Monegan

**Lieutenant Governor Designee**  
Mr. Talis Colberg

The Speaker referred the following Governor's appointment to the State Affairs Committee and the House Special Committee on Military and Veterans' Affairs:

~~Commissioner / The Adjutant General - Department of Military and Veterans' Affairs~~  
Major General Craig E. Campbell

Committee reports and resumes are attached for your use.

Attachments as noted

*Withdrawn - General Campbell does not need to be re-confirmed (He's already gone thru the process)*

Resume  
TALIS JAMES COLBERG

Palmer, Alaska 99645

EMPLOYMENT HISTORY

TALIS J. COLBERG, ATTORNEY AT LAW

Licensed attorney in Alaska since November 20, 1984

Sole practitioner in Palmer 1992 - present

21 years workers compensation law experience.

MATANUSKA-SUSITNA COLLEGE

Adjunct History Instructor (Eastern & Western Civilization)

1992 - present

Nominated for Outstanding Teaching 1998.

Awarded Honorable Mention by the University of Alaska,  
Anchorage.

THE TRAVELERS INSURANCE COMPANIES

1985 - 1992

Associate Attorney - Staff Counsel

KOPPERUD & HEFFERAN

1984 - 1985

Associate Attorney - Wasilla, Alaska

LAW OFFICE OF J.R. SNODGRASS, JR.

summers of 1981 - 1983

Law Clerk - Palmer, Alaska

COMMUNITY ACTIVITIES

PALMER ROTARY CLUB

1992 - present

Past President

GREATER PALMER CHAMBER OF COMMERCE

Member

1992 - present

ALASKA STATE FAIR, INC.

Director and Secretary

1995 - 2001.

President of Board

1999 - 2001.

MATANUSKA-SUSITNA VALLEYS STATE PARK CITIZEN ADVISORY BOARD

Board Member

1998 - 2001.

MATANUSKA-SUSITNA BOROUGH ASSEMBLY

Elected to two 3 year terms

2000 - 2006.

ALASKA HUMANITIES FORUM

Board of Directors (3 year term)

2002 - 2006.

Chairman of the Board

2004 - 2005.

EDUCATION

High School 1976 Palmer High School.

BA 1979 Oriental History, Pacific Lutheran University.

JD 1983 Pepperdine University School of Law.

Currently enrolled in the Northern Studies Ph.D. program at University of Alaska Fairbanks. 9 thesis credits left to complete, currently being worked on. Planned graduation: May 2008.

Annette Kreitzer

Juneau, Alaska 99801

**PERSPECTIVE:**

Alaska is such a young state and still full of opportunities. I continue to bring enthusiasm tempered with experience. My government experience has been honed on the smaller/smarter, common sense approach to government. I've spent my governmental career finding ways to simplify, streamline and better direct government activities. Alaskans deserve to have easy access to government and receive excellent service from State employees. We have many fine State employees, and need to continue to bring in and mentor younger workers to fill ranks of seasoned employees who will be retiring. I look forward to contributing to the successes of the Palin/Parnell Administration.

**WORK EXPERIENCE:**

12 years Chief of Staff - Senator/Lt. Governor Loren Leman  
10 years Senior Staff, staffing Natural Resource agency-related legislation  
Governor's Appointee to Rural CAP (2002-2006)  
Committee Aide for: Senate Special Committee on Oil and Gas; Senate Labor &  
Commerce Committee; and Senate Resources Committee  
4 years Senate Finance -- Aide to the following Subcommittees:  
Department of Environmental Conservation; Department of Natural Resources  
University of Alaska; and Department of Revenue  
Executive Director - Alaska Resource Policy Coalition (1985)  
Religion Editor/News Reporter (1981-83)

**ISSUE EXPERIENCE:**

Key legislative staff for oil and gas legislation for six years  
Tracked: Mental Health Trust Lands, Welfare Reform, University Lands bill, and other  
major rewrites of Alaska statutes  
Carried dozens of pieces of legislation on behalf of Senate Committees in addition to  
most of Senator Leman's personal legislation

**SUPERVISORY EXPERIENCE:**

4 Years Chief of Staff to Lt. Governor  
8 years Chief of Staff to State Senate Majority Leader and  
State Senator Loren Leman  
EMS Squad Leader and EMT  
Anna Livingston Memorial Clinic Administrator

### STRENGTHS:

Ability to bring consensus to contentious issues such as Mining Incentive Credit legislation and Area Wide Leasing legislation

Strong interpersonal skills and track record of mentoring younger employees in workplace (e.g., University Internship program - our legislative office had interns 9/10 years)

### POLITICAL AFFILIATIONS

Republican. Precinct Co-Chairman. Campaigned for Republicans since 1980 including Ronald Reagan, Harrison Schmidt, John Irick and Pete Domenici; Dale Anderson vs. Fran Ulmer; Hickel vs Knowles; Campbell/Miller vs Knowles/Ulmer; Loren Lemman vs Hollis French; Murkowski/Lemman vs. Ulmer/Hall; Mike Miller; Palin/Parnell

### REFERENCES

#### Employment:

Lt. Governor Loren Lemman  
Atwood Bldg. Suite 1740  
Anchorage AK, 99501

Senator Gary Wilken  
State Capitol-Room 518  
Juneau, AK 99801

#### Character:

Michael Pauley

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Official Business

# Alaska State Legislature

House of Representatives

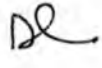
Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## MEMORANDUM

Date: February 15, 2007

To: Representative Lynn, Chair  
State Affairs Committee

From: Suzi Lowell   
Chief Clerk

Subject: Revised resume – Annette Kreitzer

We have been requested to send an updated page 2 for Annette Kreitzer's resume.

Attachments as noted.

**STRENGTHS:**

Ability to bring consensus to contentious issues such as Mining Incentive Credit legislation and Area Wide Leasing legislation

Strong interpersonal skills and track record of mentoring younger employees in workplace (e.g., University Internship program – our legislative office had interns 9/10 years)

Walter C. Monegan III  
Alaskan Native

Professional Experience:

- Chief of Police 2001-2006
- Police Lieutenant 1996-2001
- Police Sergeant 1986-1996
- Police Corporal 1982-1986
- Police Officer 1974-1982

Summary:

- Police Chief oversees police operations for the Municipality of Anchorage (MOA) [pop. 271,000] with a police staff that includes an authorized strength of 398 sworn and 176 non-sworn positions, totaling 574 authorized employees. Operations include the operation of the Municipality's Primary Public Safety Answering Point (PSAP) for the E-911 System. Duties include NIMS training for management and policy direction during MOA Emergency Operation Center's live and training exercises. Public speaking and political outreach for education and assistance in crafting law enforcement related legislation. Total Police Budget approx. \$80,000,000.
- Police Lieutenant included three assignments: one of five District commanders to oversee about 50 officers and detectives; Shift Commander that oversees Patrol shift operations that included about 60 officers and 5 sergeants; Mountain View Community Action Police Team, a Federal DOJ Grant Program that saturated 15 officers and two sergeants in a low income, high crime section of Anchorage.
- Police Sergeant included three assignments: Crime Prevention/Police School Liaison supervisor to oversee public education and community outreach through group presentations, media/public information, and programmatic efforts through Neighborhood Crime Watch, Crime Stoppers, and Police School Liaison [officers assigned to middle schools and their feeder elementary schools] with 8 officers; Patrol shift supervisor overseeing operations for one-half of the police service area with an assigned 8 police officers; Staff Inspections [Internal Affairs] assigned to investigate complaints of police misconduct.
- Police Corporal [now defunct rank] had two assignments: Shift supervisor for Communications and 911 Operations overseeing non-sworn staff of dispatchers and 911 operators, and the Training Supervisor for the Communications Section; and Patrol shift supervisor overseeing operations for one-half of the police service area with an assigned 8 police officers.
- Police Officer included assignments to Patrol areas, a Field Training Officer; a Uniformed Investigator, and when assigned to Investigations, assignments included both detective and undercover officer duties.
- Additional duties at ranks from sergeant to Chief included being a certified police instructor to teach in police academies.

Past Job Experience:

- Laborer at Tuluksak Dredging - Nyc, AK. Gold dredging operation that included dredge oiler, diesel and auto mechanic, and power lineman. 1973
- Laborer at City of Bethel - Bethel AK. Water truck delivery service worker for a community void of plumbing. 1972
- Radio announcer at KYUK Public Radio - Bethel AK. 1972
- Volunteer Fireman/EMT at Bethel (AK) Volunteer Fire Department 1972
- Volunteer Fireman/EMT at Chugiak (AK) Volunteer Fire Dept. 1971-1972
- United States Marine Corps, trained as an Artillery scout or 'forward observer.' Received an early but Honorable Discharge. 1970-1971

Education:

- National Executive Institute, FBI, Quantico, VA. 2006
- Senior Executives in State and Local Government, John F. Kennedy School of Government, Harvard University, Boston, MA. 2003
- Bachelors Degree in Organizational Administration, Alaska Pacific University, Anchorage, AK. 1992
- Associate of Arts Degree, University of Alaska Anchorage, Anchorage, AK. 1992
- Traffic Institute School of Police Staff and Command, Northwestern University, Evanston, IL. 1991
- National Crime Prevention Institute – Crime Prevention Technology and Program, University of Louisville, Louisville, KY. 1988

Professional Highlights:

2001-2006

- Implementation of *Mobile Data Computers* into all patrol vehicles, allowing patrol officers to complete and submit electronic reports and citations from their vehicles. Also to receive electronic dispatches and locates from Police Communications and access data from the Alaska Public Safety Information Network (APSIN) and the National Crime Information Center (NCIC); reducing radio traffic and redundant data entry, as well as subsequent transcription errors.
- Implementation of *Phase 2 of Enhanced 911 System*, which brings Anchorage to the 'cutting edge' in emergency communications technology in identifying both the originating phone-number (Phase 1) and Automated Number Identifier [ANI], but provides the location of the phone being used (Phase 2) or Automated Location Identifier [ALI]. We also had to consolidate five different data bases into one and verified every address [approx 110,000] within the police service area. As an increasing number of cell phones are utilized in calling 911, we had to seek state legislative changes to laws that mandate the implementation of ALI technology (either through relay tower triangulation or by satellite GPS chips) for all our community cell phone providers, along with the increase of allowable surcharge to the subscribers to maintain the operations and maintenance of this service and technology.
- After a resurgence of gang and youth violence, we put together a comprehensive plan that included certainly a reassignment of resources for police suppression tactics, but also initiated a public outreach effort at several levels, a Mayoral appointed civic leaders group, a less formal faith based coalition, and repeated contacts with specific community leaders. This is and must remain an ongoing effort, but following two high profile shootings; significantly it was the families of the suspects involved that brought them to the police. Due to these outreach efforts, one community recognized and honored the Mayor, the School District Superintendent, and myself.
- Created and continued Anchorage's first Citizens Police Academy, a ten week program in which volunteering citizens were instructed on various police programs and tactics promoting community understanding, trust, and support.
- Created and continued the School Resource Officer Program through a Federal grant that partners the Anchorage School District and the Anchorage Police Department in promoting safe and healthy lifestyles in youth.
- Resurrection of the police Traffic Unit, which in it's first year helped to reduced DUI fatalities in Anchorage by 50%; and is on pace for further reducing it again by another 50% in it's second year.

- Currently, facilitating a work group for Alaska Rural Justice and Law Enforcement Commission, to produce recommendations on issues of standardization of practice and recognition for rural law enforcement programs with Village Police Officer (VPO), Tribal Police Officer (TPO), and Village Public Safety Officer (VPSO).

Community Involvement:

Community Police Advisory Boards; Ethnic Round Table; Northern Endeavor Team (multi-diagnosed homeless issues); Salvation Army Booth Memorial Home; Anchorage Sexual Assault Task Force; Mayor's Task Force on Youth and Violence, Mayor's Advisory Committee on Municipal Employee Fund Raising Campaign; Municipality's Diversity Council; Alaska Special Olympics State Board; Community Action for Drug Free Youth; Alaska Safe Kids Project, Safe Harbor Advisory Board; Homeward Bound Advisory Council; Alaska Police Standards Council; Alaska Native Justice Center; South Central Foundation Privacy Board; Executive Anti-Terrorism Advisory Council; Minority Community Police Relations Task Force; and Alaska Rural Justice and Law Enforcement Commission Work Group on Police Standards and Cross-Designation.

Personal:

Husband to Terry Monegan, father to four surviving children, ages 32-21; and now grandfather to the first of hopefully many.

November 2006

Wasilla, Alaska  
Home Phone:  
Work Phone: 357 0973  
Cell Phone:

## **Joe Schmidt**

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### **Experience:**

February 2005 - Present

#### **Point Mackenzie Correctional Farm Superintendent**

- Implemented Unit Management concept
- Increased Garden Vegetable production from 40,000 pounds annually to 305,000 pounds annually, for distribution to correctional facilities
- Increased Potato production to year round supply, processing 800 pounds each day for distribution to correctional facilities
- Increased Hay production from 3000 bales annually to 10,000 bales
- Increased Beef herd from 30 head, to 120 head
- Increased Chicken production from 400 birds annually, to 12,000
- Increased Turkey production from 80 birds annually, to 1000
- Built Poultry processing room
- Built Vegetable processing center
- Made the above increases and under-spent our budget allotment by 24,000 dollars
- Built positive rapport with local legislators, farmers and the Media

2003-2005

#### **Anchorage Jail / Cook Inlet Pre-Trial**

Superintendent in charge of merging the Cook Inlet Pre-trial and the Anchorage Jail into one operational unit now called the Anchorage Correctional Complex

- Overall facility supervision
- Managed merger of both operations
- Combined budget of 20 million dollars
- Combined employee complement of 240
- Combined prisoner beds: 832
- Managed budget reduction of 1.4 million dollars

2002-2003

**Cook Inlet Pre-Trial  
Superintendent**

- Overall facility supervision
  - 9.1 million dollar annual budget
  - 412 prisoner beds
  - 117 employees
- Managed one unsuccessful escape attempt

January 2002-April 2002

**Palmer Correctional Center  
Assistant Superintendent**

- Supervise and evaluate all Shift Supervisors
- Supervise and evaluate Disciplinary Sergeant
- Supervise Medium Unit Manager and Unit Team staff
- Coordinated remodel of all seven medium custody housing units

1999-2002

**Cook Inlet Pre Trial  
Assistant Superintendent**

- Supervise and evaluate all Shift Supervisors
- Supervise and evaluate Security Sergeants and Records Sergeant
- Indirectly supervise eighty correctional officers
- Responsible for scheduling and minimum shift posting
- Responsible for approving and scheduling annual leave requests
- Training committee chair
- Network administrator
- Acting Superintendent June 2001 through October 2001
- Responsible for investigating staff misconduct allegations
- Hiring manager
- Implemented facility inspection and cleanliness regimen

1995-1998

**Mat-Su Pre Trial  
Correctional Officer II/Correctional Officer III**

- Researched and developed institutional key inventory
- Coordinated remodel of the segregation dormitory, armory, and booking control room
- Coordinated relocation of the inmate property area
- OSHA training, wrote Hazardous Materials Communication Program
- N.I.C. security audit training
- Reed school of interview/interrogation
- Shift Supervisor
- Security/Training Sergeant; Investigative/disciplinary hearing Officer
- On Call Officer for facility oversight during emergencies

1993-1995

**Sixth Avenue Correctional Center**

Correctional Officer II

- Booking Officer
- Shift Training Officer
- Auto Pistol Transition/Auto Pistol Instructor

1990-1993

**Highland Mountain/Meadow Creek Correctional Center**

Correctional Officer II/Correctional Counselor

- Supervised inmate Orientation program
- Worked with Mental Health to develop a special needs/Mental Health wing at Meadow Creek C.C.
- Correctional Counselor for mental health unit, female offenders
- Supervised Segregation unit at Meadow Creek C.C.
- Shotgun Instructor through D.O.C./A.P.D.
- Handgun Instructor through D.O.C./A.P.D.
- Range Master through D.O.C.
- P.R. 24 Baton Instructor
- C.P.R. Instructor
- Acting Sergeant Meadow Creek C.C.

1988-1990

**Spring Creek Correctional Center**

Correctional Officer II

- Basic Academy 4-11-88
- On duty for reception of new facility's prisoners
- Tactical Response Team Member

1987-1988

**Glennwood Restitution Center**

- Wrote security staff work schedule to incorporate increased staff coverage hours.
- Conducted Field Surveillance on prisoners, and interfaced with public and local businesses.
- Module Officer
- Lead Correctional Officer in Maximum Security Unit
- Lead Correctional Officer General Population Housing Unit

**Education:**

University of Alaska, Mat-Su Campus, 1987

- AA Degree, Emphasis in Criminal Justice
- 19 additional credits toward BA in Criminal Justice

Wasilla High School, High School Diploma, 1984

**Certifications:**

- Monadnock PR-24 Instructor
- Live-Scan Fingerprinting Instructor
- APD Shotgun Instructor
- APD Handgun Instructor (Revolver)
- APD Handgun Instructor (Semi-automatic)
- CPR Instructor

**Training:**

- The Reid Technique of Interviewing and Interrogation
- Basic Supervision
- Trace Evidence Collection
- Blood Evidence Collection
- DOC Supervision



Official Business

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## MEMORANDUM

Date: February 19, 2007  
To: Representative Lynn, Chair  
State Affairs Committee  
From: Suzi Lowell *sl*  
Chief Clerk  
Subject: Governor's Appointments

The Speaker referred the following Governor's appointments to the State Affairs Committee:

### State Commission for Human Rights

Ms. Karen Rhoades - Wasilla

Appointed: 3/1/2007      Term Expires: 3/1/2012

### Alaska Public Offices Commission (APOC)

Ms. Shirley R. Dean - Douglas

Appointed: 3/1/2007      Term Expires: 3/1/2012

Ms. Elizabeth Johnston Hickerson - Anchorage

Appointed: 9/8/2006      Term Expires: 3/1/2010

The Referral for Confirmation pages, resumes, and signature pages are attached for your use.

Attachments as noted.

Dean  
APOC  
ltr #4

**Shirley R. Dean - Douglas - 364-3581**

Shirley Dean is a 43-year resident of Alaska and currently resides in Douglas. She is retired from the State of Alaska after working over 16 years for the Child Support Enforcement Division and the Alaska State Human Rights Commission in investigations and management. Prior to her work for the State of Alaska, she worked as a Police Officer then a Legal Advocate in Domestic Violence Programs.

[Fwd: Democratic Party nominees for APOC]

Hickerson  
APOC  
ltr #4

**Subject:** [Fwd: Democratic Party nominees for APOC]

**From:** Susan Fischetti <susan\_fischetti@gov.state.ak.us>

**Date:** Fri, 08 Sep 2006 16:00:10 -0800

**To:** Donna S Collins <donna\_collins@gov.state.ak.us>, James Clark <james\_clark@gov.state.ak.us>

Susan Fischetti, Director  
Boards and Commissions  
Phone: 907-269-7451  
Fax: 907-269-7461  
[susan\\_fischetti@gov.state.ak.us](mailto:susan_fischetti@gov.state.ak.us)

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**Subject:** Democratic Party nominees for APOC

**From:** Kay Brown <kay@alaskademocrats.org>

**Date:** Fri, 08 Sep 2006 15:35:18 -0800

**To:** frank\_murkowski@gov.state.ak.us

**CC:** susan\_fischetti@gov.state.ak.us, Jake Metcalfe <jakemetcalfe@alaskademocrats.org>

Hello Governor Murkowski. I am sending you the letter below at the request of Jake Metcalfe, chair of the Alaska Democratic Party. Kay Brown

Sept. 8, 2006

Dear Governor Murkowski,

As a follow up to my phone conversation today with your secretary, I am submitting four nominees for the position of Member of the Alaska Public Offices Commission. One of the Democratic member seats is now vacant. We ask that you appoint someone from the list below no later than Friday, Sept. 15, so that the new Commission Member may serve at the upcoming meeting of APOC, which begins on Sept. 20.

Our nominees are:

~~Elizabeth Hickerson - Anchorage - 272-4170~~

Elizabeth Hickerson worked as an assistant attorney general for the State of Alaska before retiring from state service in August 2004.

Hickerson has a BS in Education (1973) from the University of Oklahoma, and a JD (1980) from Oklahoma City University. Elizabeth has been employed as a Teacher (1973-1977), Attorney (1980 to present), assistant district attorney in Oklahoma County, legal advisor and counsel for Alaska State Senate, and assistant attorney general State of Alaska (clients included APUC/RCA, DOTPF, Agriculture, Insurance, HIPAA implementation for DHSS).

She routinely teaches legal continuing education classes on open meeting, public records, administrative law and procedure and legal ethics, and assists the Alaska Bar Association on discipline hearings and adoption of the revised rules of professional conduct.

**Theda S. Pittman - Anchorage - 229-6225**

Theda S. Pittman served as Executive Director of the Alaska Public Offices Commission from 1981-1987, and held other positions with that agency from 1979-1981.

>From 1999-2002, Pittman worked in the Governor's Office of Equal Employment Opportunity as a trainer for Executive Branch employees. She retired from state service in January, 2003.

Pittman was Executive Director of the Alaska Women's Resource Center, a non-profit social services agency, from 1990-1993.

**KAREN RHOADES**

HC 31 Box 5268, Wasilla, AK 99654

(907)376-3821

karenr@pobox.mtaonline.net

## Professional Profile

Currently own and operate Northern Living Centers, LLC a 5-bed assisted living home.

- Responsible for regulatory compliance
- Responsible for contractual issues
- Create Policy
- Hire and manage personnel
- Responsible for financial stability
- Responsible for the safety and well-being of 5 residents and staff

## Professional Accomplishments

Member of the Assisted Living Association of Alaska (ALAA)  
Member of the Alaska Commission on Aging Advocacy Group  
Charter Board Member of the Wasilla Boys and Girls Club

## Work History

Business Manager/Bookkeeper

Rhodes Wallcovering, Wasilla, AK  
1986-2004

## Education

BSBA Health Care  
Management

Appalachian State University,  
Boone, NC 1981

## References

Hon. Sarah Palin  
Becky Erion  
Sheila Smith

Governor State of Alaska  
Relationship Manager Key Bank  
Office Manager Health Quest Therapy

**KAREN RHOADES**

HC 31 Box 526B, Wasilla, AK 99654

(907)376-3821

karenr@pobox.mtaonline.net

## Professional Profile

Currently own and operate Northern Living Centers, LLC a 5-bed assisted living home.

- Responsible for regulatory compliance
- Responsible for contractual issues
- Create Policy
- Hire and manage personnel
- Responsible for financial stability
- Responsible for the safety and well-being of 5 residents and staff

## Professional Accomplishments

Member of the Assisted Living Association of Alaska (ALAA)  
Member of the Alaska Commission on Aging Advocacy Group  
Charter Board Member of the Wasilla Boys and Girls Club

## Work History

Business Manager/Bookkeeper

Rhoades Wallcovering, Wasilla, AK  
1996-2004

## Education

BSBA Health Care  
Management

Appalachian State University,  
Boone, NC 1981

## References

Hon. Sarah Palin  
Becky Erion  
Sheila Smith

Governor State of Alaska  
Relationship Manager Key Bank  
Office Manager Health Quest Therapy



Official Business

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## REFERRAL FOR CONFIRMATION

Date Referred: February 19, 2007

Committee: State Affairs

**Alaska Public Offices Commission (APOC)**  
Ms. Elizabeth Johnston Hickerson - Anchorage  
Appointed: 9/8/2006      Term Expires: 3/1/2010

Action Date: 3-13-07  
(Same date as on the accompanying signature page)

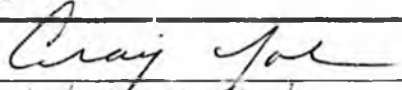
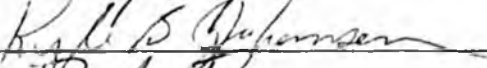

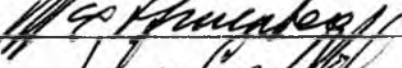


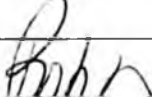
**Note: Attach to a signature page and return to the Chief Clerk's office.**

## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee(s) as shown on the attached Referral for Confirmation form(s) and recommends that the name(s) be forwarded to a joint session for consideration:

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	JOHANSEN
	Roses
	Gruesbeck
	Coghill
	Doll
Chair: 	LYNN

Please attach appointee Referral for Confirmation form(s) and return to the Chief Clerk's office.



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Fax: (907) 465-5334

## REFERRAL FOR CONFIRMATION

Date Referred: February 19, 2007

Committee: State Affairs

### State Commission for Human Rights

Ms. Karen Rhoades - Wasilla

Appointed: 3/1/2007

Term Expires: 3/1/2012

Action Date: 3-13-07

(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**

## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The **State Affairs Committee** has reviewed the qualifications of the following Governor's appointee(s) as shown on the attached Referral for Confirmation form(s) and recommends that the name(s) be forwarded to a joint session for consideration:

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
<i>Craig Joe</i>	Johnson
<i>Kyle S. Johnson</i>	JOHANSEN
<i>Babe Kaur</i>	Roses
<i>Wesley</i>	Gruenewald
<i>John C. Hill</i>	Coghill
<i>John Hill</i>	Doll
Chair: <i>Lynn</i>	LYNN

Please attach appointee Referral for Confirmation form(s) and return to the Chief Clerk's office.



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## REFERRAL FOR CONFIRMATION

Date Referred: February 19, 2007

Committee: State Affairs

**Alaska Public Offices Commission (APOC)**

Ms. Shirley R. Dean - Douglas

Appointed: 3/1/2007

Term Expires: 3/1/2012

Action Date: 3-13-07

(Same date as on the accompanying signature page)

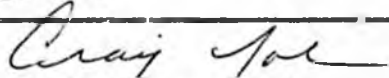
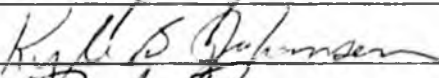

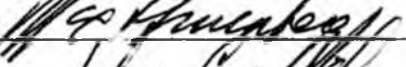



**Note: Attach to a signature page and return to the Chief Clerk's office.**

## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee(s) as shown on the attached Referral for Confirmation form(s) and recommends that the name(s) be forwarded to a joint session for consideration:

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	JOHANSEN
	Rose
	Greenberg
	Coghill
	Doll
Chair: 	LYNN

Please attach appointee Referral for Confirmation form(s) and return to the Chief Clerk's office.



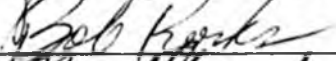
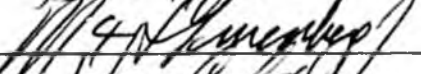
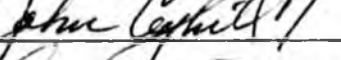


# CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

**Lieutenant Governor Designee**  
Mr. Talis Colberg

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	JOHNSON
	JOHANSEN
	ROSES
	Bruceley
	Coghill
	Doll
Chair: 	LYNN
Chair:	

Please return to the Chief Clerk's office.


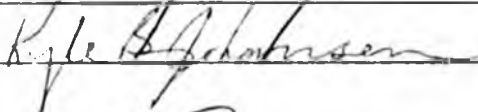
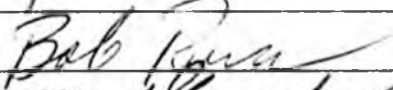
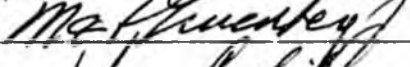


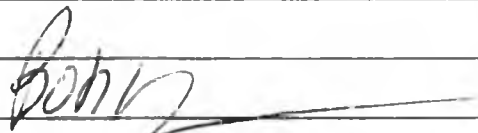
## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

**Commissioner - Department of Administration**  
Ms. Annette Kreitzer

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	JOHNSON
	JOHANSEN
	ROSE
	Gruenke
	Coghill
	DOLL
	LYNN
Chair:	
Chair:	

Please return to the Chief Clerk's office.

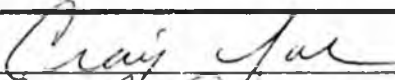

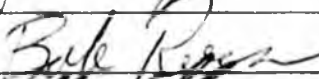
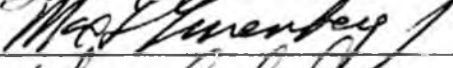


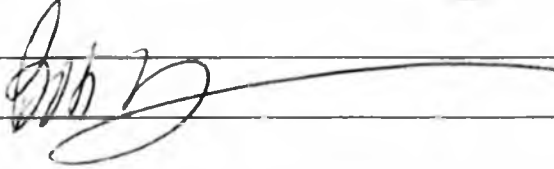
## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

**Commissioner - Department of Public Safety**  
Mr. Walt Monegan

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	JOHANSEN
	Roses
	Gruenker
	Coghill
	DOLL
	LINN
Chair:	

Please return to the Chief Clerk's office.

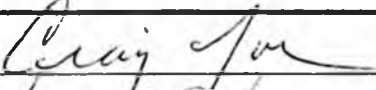
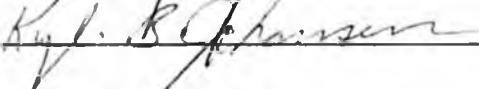
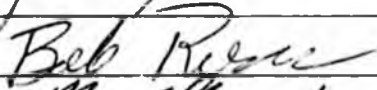
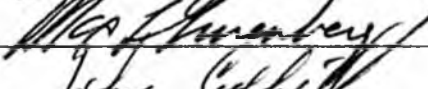
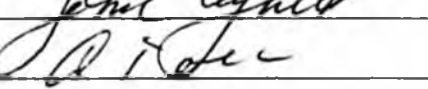
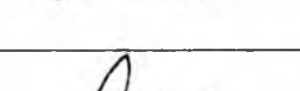

## CONFIRMATION COMMITTEE REPORT

Action date: 3-13-07

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

**Commissioner - Department of Corrections**  
Mr. Joe Schmidt

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	TENANSEN
	Rosen
	Greenberg
	Coghill
	DOLL
	CYNDI
Chair:	

Please return to the Chief Clerk's office.

Answers to questions from Rep. Max Gruenberg for Commissioner Kreitzer for March 13, 2007 Confirmation Hearing concerning Retirement and Benefit Issues

GRUENBERG: Background: The State of Alaska has a very serious unfunded liability for its retirement programs. Through SB 141, the State moved its retirement programs from defined benefit to defined contribution. There is discussion about further efforts to change the system and to deal with the unfunded liabilities before the legislature this year.

In order to understand the situation better, I have a few questions that deal with the underlying factual basis for these issues.

1. Are you aware of any cost differentiation among the various retirement tiers and the impact of each tier on the unfunded liability?

KREITZER Response: Yes, I was advised that each of the Tiers in PERS and TRS have a different normal cost. This information has not been broken out by individual Tier in the actuarial valuation reports in the past. However, this information has been requested of Buck Consultants, and as a result this information will be included in the valuation reports as of June 30, 2006. Additionally, I have approved the cost to have Buck Consultants produce the normal cost for each of the Tiers in PERS and TRS as of June 30, 2005, and a break down of accrued liability by Tier. This report will be completed on Wednesday, March 14, 2007. The estimated cost to produce this report is \$1,500.00.

2. I understand according to Ms. Millhorn's testimony before the Senate Finance Committee on February 15, 2007, that the current actuary, Buck Consultants, has not done such a differentiation analysis among the tiers. Please confirm whether this is true or not.

KREITZER Response: Yes, I am confirming that this information provided by Ms. Millhorn is accurate (see item 1).

3. It seems to me that during the debate over SB 141, this information had to have been available to the Administration because it was necessary to understand the impact of the last tier, Tier III, on the unfunded liability. Therefore, has there been a study of the differentiation among the tiers completed by Mercer or any other consultant for the State retirement system within the last five years?

KREITZER Response: You are correct in your assumption that a Tier Redesign would have included a review of the existing Tier normal costs for PERS and TRS. Background: In 2004 a Tier Redesign Study was initiated as a result of the significant unfunded liability for PERS and TRS of approximately \$4.4 billion. Several reports were produced during this project in 2004; I have made copies of these reports per your request. The former Tiers for PERS and TRS were established by the Legislature to assist with cost containment, and due to the unfunded liability for the

PERS and TRS the Division's actuary used the final Tier in each of the retirement systems in order to develop new Tiers. For example, Tier III PERS was used to design a new Tier IV for PERS and Tier II for TRS was used in the development of Tier III for TRS. The information regarding normal costs for Tier III - PERS and Tier II - TRS in the summary report dated November 19, 2004, are found on pages 4, 15, 86 and 87.

4. If so, please provide a copy of each of those reports for the State Affairs Committee meeting on Monday.

KREITZER Response: I have included copies of all of the Tier reports that were produced in 2004 as part of the Tier Redesign project.

5. If you do not have the information, how is it possible to be able to analyze the impact that Tier III had on the unfunded liability?

KREITZER Response: Please refer to response to question number 3.

GRUENBERG: I have a few questions in regard to the reconstituted ARM Board:

Background: The Commissioner of Fish and Game does not sit on the Board of Fisheries because the Commissioner supervises the department that provides scientific and social information for the board to consider and then implements the decisions of the Board. In a similar vein, the Commissioner of Administration supervises the Division of Retirement and Benefits, which provides technical support to the ARM Board and then implements the decisions of the Board.

1. Do you believe that it is a conflict of interest, as found by the Governor Palin Transition Team, for the Commissioner of Administration, to sit on the ARM Board in a policy making position?

KREITZER Response: I do not find that there is a conflict of interest to have the Commissioner of Administration hold a seat as a Trustee on the ARMB. As the Commissioner of Administration, I have a fiduciary role as the administrator for all of the retirement systems (PERS, TRS, JRS, EPORS, NGNMRS, DCR PERS, DCR TRS, SBS Annuity Plan and Deferred Compensation Plan). As such, I have broad responsibility for the management of the retirement systems. Instead, I believe that by serving as a trustee on the ARMB, it can be viewed as a natural expansion of my fiduciary role to the retirement systems as the Commissioner of Administration.

SB 141 acted to consolidate the responsibilities and functions of the three separate boards: (1) Public Employees' Retirement System (PERS) (2) Teachers' Retirement System (TRS) and (3) Alaska State Pension Investment Board (ASPIB). This action brought the management for the assets and liabilities for the retirement system under "one umbrella." In accordance with AS 37.10.210 the ARM Board, "has the fiduciary obligation to manage and invest the assets in a manner that is sufficient to

meet the liabilities and pension obligations of the systems, plan, and program. AS 37.10.210 (b) identifies that the Alaska Retirement Management Board and consists of nine trustees as follows:

- (1) two members, consisting of the commissioner or administration and the commissioner of revenue;
- (2) seven trustees appointed by the governor who meet the eligibility requirements for the Alaska permanent fund dividend and who are professionally credentialed or have recognized competence in investment management, finance, banking, economics, accounting, pension administration, or actuarial analysis as follows:
  - (A) two trustees who are members of the general public; the trustees appointed under this subparagraph may not hold another state office, position, or employment and may not be members or beneficiaries of the retirement system managed by the board;
  - (B) one trustee who is employed as a finance officer for a political subdivision participating in either the public employees' retirement system or the teachers' retirement system;
  - (C) two trustees who are members of the public employees' retirement system, selected from a list of four nominees submitted from among the public employees' retirement system bargaining units;
  - (D) two trustees so are members of the teachers' retirement system selected from a list of four nominees submitted from among the teachers' retirement system bargaining units;

Based on the above, the Legislature has ensured that the beneficiaries of the retirement systems coupled with the public (i.e., not direct beneficiaries) are well served by the diverse representation and background requirements that are set out for the trustees who serve on the Alaska Retirement Management Board.

2. The members of the ARM Board are now appointed by the Governor, rather than elected as they were prior to the passage of SB 141. Doesn't it make more sense for the retirees, who are the beneficiaries of the defined benefit retirement system to have a direct role in the selection of the people who manage the trust that these retirees rely upon?

KREITZER Response: Based on AS 37.10.210, the Legislature recognized that there are multiple "stakeholders" who have an interest in the fiscal solvency and management of the retirement systems. Items (C) and (D) allow up to 4 possible retirees, who are also beneficiaries of the retirement systems, to be seated on the ARM Board from a list of nominees.

2. Would you support a change to return to an election system for the ARM Board?

KREITZER Response: No. Under the former board structure for PERB, TRB, and ASPIB, there were two elected seats for the PERB and the ASPIB. The most

recent election revealed that only 17% of the eligible members voted in the PERB election in 2002 and the cost to determine the outcome of this election was \$76,698.24. On the other hand, the current statute allows multiple seats to be filled by qualified retirees.

GRUENBERG: Please provide your answers in writing prior to the start of the hearing.



Official Business

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## MEMORANDUM

Date: February 12, 2007

To: Representative Lynn, Chair, State Affairs Committee  
Representative Roses, Chair, House Special Committee on Military and Veterans' Affairs

From: Suzi Lowell *sl*  
Chief Clerk

Subject: Governor's Appointment Withdrawn

At the request of Governor Palin, the Speaker removed the following appointee from consideration by the State Affairs Committee and the House Special Committee on Military and Veterans' Affairs:

Craig Campbell, Commissioner, Department of Military and Veterans' Affairs

Please discard the committee report and resume for Major General Campbell.

A copy of the Governor's request is attached.

Attachment as noted

SARAH PALIN  
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



P.O. Box 110001  
JUNEAU, ALASKA 99811-0001  
(907) 465-3500  
FAX (907) 465-3532  
WWW.GOV.STATE.AK.US

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 8, 2007

FYI

The Honorable Lyda Green  
Speaker of the House  
State Capitol, Room 208  
Juneau, AK 99801-1182

The Honorable John Harris  
President of the Senate  
State Capitol, Room 111  
Juneau, AK 99801-1182

Dear President Green and Speaker Harris:

I'm requesting the withdrawal of Commissioner Karleen Jackson and Commissioner Craig Campbell from the list of commissioners being considered for confirmation. Their names were inadvertently included in the presentment forwarded to you. Pursuant to AS 39.05.080(1), a person who has previously been confirmed does not require presentment to the Legislature.

Sincerely,

A handwritten signature in black ink that reads "Sarah Palin". The signature is fluid and cursive, with a large loop at the end of the name.

Sarah Palin  
Governor

cc: Kirsten Waid, Senate Secretary, Alaska State Senate  
Suzi Lowell, Chief Clerk, Alaska House of Representatives

**adn.com**

Anchorage Daily News

Print Page

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**Lawmakers grill Palin's attorney-general pick****TALIS COLBERG: He defended his opinion that the governor couldn't remove Regent Hayes.**By ANNE SUTTON  
The Associated Press*(Published: March 1, 2007)*

JUNEAU -- State senators on Wednesday grilled Gov. Sarah Palin's prospective attorney general on a legal opinion many clearly disagreed with: that the governor could not remove a university regent under federal indictment.

Palmer attorney Talis Colberg defended his opinion and answered a variety of questions from the Senate Judiciary Committee about the Department of Law and other state issues.

Colberg also will face questions from the committee's counterparts in the House, and both State Affairs committees, before a joint Legislature convenes to vote on the governor's appointments.

Chairman Hollis French, D-Anchorage, began the hearing asking who Colberg's favorite Supreme Court justices were (Charles Evan Hughes and William Rehnquist) and U.S. presidents (Abraham Lincoln and Ronald Reagan) before the discussion turned to Colberg's controversial opinion regarding Jim Hayes, the University of Alaska regent recently indicted on federal charges of fraud and money laundering.

Colberg's opinion said the governor was unable to remove a regent from the university without cause. His stance differed from that of Legislative Legal Services, which said the governor may have that authority.

Though the legislative attorney's opinion said regents serve at the pleasure of the governor and may be removed at any time, Colberg said the finding was at odds with the constitutional convention's intent to insulate the university from politics.

Colberg told the committee he advocated a cautious approach despite the governor's clear wish to bring the matter to a close.

"Innocent until proven guilty is the premise of the system, and an indictment is not a finding," Colberg said.

Sen. Gene Therriault, R-North Pole, asked if Hayes could be subject to a separate and lower standard by the state based on evidence that the regent misused the state seal for personal gain and on his poor record of attendance at regents' meetings.

Colberg said it was possible but not without first establishing a formal hearing process to decide the matter.



Colberg (Al Grillo)

He agreed with Therriault that the governor's constitutional authority in the matter was unclear, unlike that of the Legislature, which may impeach a regent. Therriault is one of the sponsors of a bill that calls for Hayes' impeachment.

That bill was referred to three committees by Senate President Lyda Green, R-Wasilla, earlier this week, raising protests from Therriault and other members of the Senate Republican minority that the bipartisan majority was burying it.

Sen. Lesil McGuire, R-Anchorage, told Colberg she disagreed with his opinion.

"My personal opinion is the governor having handled this would have been in the public's best interest and it would have been the more appropriate legal action," McGuire said.

Though they challenged Colberg's decision on Hayes, committee members spoke highly of the lifelong Alaskan.

Besides his work as an attorney specializing in workers' compensation cases, Colberg also has been an adjunct instructor of history for Matanuska Community College, a branch of UAA, for 15 years and served two terms on the Matanuska-Susitna Borough Assembly.

He is also working on a doctorate in history through the University of Alaska Fairbanks Northern Studies Program.

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Major General Craig E. Campbell

Eagle River, Alaska 99577

## PROFESSIONAL RESUME

### DISTINGUISHING QUALIFICATIONS

- The Adjutant General, Alaska National Guard, 2003 – Present
- Commissioner, Alaska Department of Military and Veterans Affairs, 2003 – Present
- Executive Director, Office of Planning, Development, and Public Works, Municipality of Anchorage, 2000 – 2003
- Executive Staff Officer to the Commander, Alaska Air National Guard, 1999 – 2000
- Adjunct Professor, Embry-Riddle Aeronautical University, 1990-2003
- Matanuska Electric Association, Board of Directors, 1997 – 2000
- Anchorage Assembly, 1986 – 1996 (Twice served as Chairman)
- Winter Cities '94, Board of Directors, 1992-1994
- Anchorage Convention and Visitors Bureau, Board of Directors, 1991-1996
- Anchorage Economic Development Corporation, Board of Directors, 1986-1990
- Professional Aviation Planner, 1984 – 1998

### Professional Objectives:

To continue serving in a senior leadership role in state government to facilitate organizational improvements which provide cost effective, enhanced services and security to the citizens of Alaska.

### Work Experience:

#### *Military*

- 1975 – 1984, United States Air Force, Air Traffic Control, Numerous positions at various locations.
- 1984 – 1990, California Air National Guard, Chief Air Traffic Control Operations
- 1990 – 1998, Alaska Air National Guard, 168<sup>th</sup> Air Refueling Wing (ARW), Logistics Squadron Commander
- 1998 – 1999, Naval War College, Newport, Rhode Island
- 1999 – 2000, Executive Staff Officer to the Commander, Alaska Air National Guard
- 2000 – 2003, Vice Commander, 168<sup>th</sup> ARW, Eielson AFB
- 2003 – Present, The Adjutant General, Alaska National Guard

#### *Civilian:*

- 1984 – 1998, Professional Aviation Planner with worldwide experience specializing in master planning, environmental, feasibility studies and business development.
- 2000 – 2003, Executive Director, Office of Planning, Development, and Public Works, Municipality of Anchorage
- 2003 – Present, Commissioner, Alaska Department of Military and Veterans Affairs

### Milestone Accomplishments: 2003-2006

- Reestablished relationships with Air Force , Army, and National Guard Bureau to improve Alaska National Guard opportunities. Results illustrated below.
- Activated missile defense for Alaska Army National Guard at Ft Greely – 200+ jobs to Alaska
- Transferred USAF Regional Air Operations Center to Alaska Air National Guard – 125+ jobs to Alaska
- Initiated transfer of space surveillance mission at Clear AFS from USAF to Alaska Air National Guard – 90+ jobs to Alaska.
- Secured C-17 associate mission for Alaska Air National Guard – 150+ jobs
- Appointed co-chair of "Save Eielson" committee which was successful in keeping Eielson AFB operational through Base Realignment and Closure (BRAC) process, saving over 2,000 Alaskan jobs.
- Proactive leadership in moving Kulis ANGB to Elmendorf AFB, which will eventually free space at Anchorage International Airport for commercial development
- Reversed 10 year downward trend in Alaska Army National Guard personnel strength. Achieved highest level of personnel assigned in over a decade.
- Revitalized Alaska Army National Guard recruiting to highest level in 15 years
- Reorganized obsolete Alaska Army National Guard to relevant Infantry Brigade Combat Team (IBCT) organization
- Deployed first Alaska Army National Guard units to combat since World War II in 2004
- Deployed the single largest Alaska National Guard personnel overseas to combat since World War II in 2006. Over 1,000 deployed to Iraq and/or Afghanistan in 2006.
- Established Junior ROTC program in Nome
- Constructed Alaska Army National Guard Armory in Juneau. First ever national initiative as joint venture with University of Alaska.
- Expanded mission, size, and use of the Alaska State Defense Force
- Initiated and secured military discharge certificates for World War II veterans of the Alaska Territorial Guard. Over 100 certificates obtained to date
- Opened first Veterans Home in Palmer, Alaska
- Graduated largest number of cadets ever from Alaska Military Youth Academy
- Initiated process to expand Alaska Military Youth Academy into interior Alaska
- Expanded STARBASE to Kenai
- Reorganized and expanded state Homeland Security division
- Established Infrastructure Security Vulnerability Assessment Team
- Established joint state/federal Anti-Terrorism Advisory Council of Alaska (ATACA) with the US Attorney's Office. First in nation.
- Constructed Alaska Land Mobile Radio system after a decade of mismanagement.
- Developed Statewide Emergency Communications Interoperability Master Plan
- Implementing unique Satellite Communications Emergency plan and network
- Created and published award winning quarterly department magazine "WARRIOR"
- Contracted system improvements studies and implemented "Lean Government" processes
- Expanded statewide digital mapping project and established agreement with University of Alaska and Alaska Department of Natural Resources for implementation
- Implemented State Partnership Program with Mongolia. One of best in America.
- Bringing the annual Adjutants General Association of the United States (AGAUS) to Alaska in 2007

### Education

1974 Bachelor of Science in Political Science, University of Tulsa, Oklahoma  
1979 USAF Squadron Officer School, Maxwell AFB, Alabama  
1980 USAF Air Traffic Control Staff Officers Course, Keesler AFB, Mississippi  
1981 Master of Public Administration, Golden Gate University, California  
1983 USAF Airspace Management Course, Keesler AFB, Mississippi  
1985 FAA Land Use Compatibility Course, Georgia Tech University, Georgia  
1995 Air Command and Staff College (Seminar Program), Elmendorf AFB, Alaska  
1997 Air War College (Seminar Program), Elmendorf FB, Alaska  
1999 Master of Arts in National Security and Strategic Studies, Naval War College,  
Rhode Island

### Personal Information:

- Married to Anne Marie Campbell
- Two children, four grand-children
- Private Pilot
- Republican

Major General Craig E. Campbell

Eagle River, Alaska 99577

## PROFESSIONAL RESUME

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- Reversed 10 year downward trend in Alaska Army National Guard personnel strength. Achieved highest level of personnel assigned in over a decade.
- Revitalized Alaska Army National Guard recruiting to highest level in 15 years
- Reorganized obsolete Alaska Army National Guard to relevant Infantry Brigade Combat Team (IBCT) organization
- Deployed first Alaska Army National Guard units to combat since World War II in 2004
- Deployed the single largest Alaska National Guard personnel overseas to combat since World War II in 2006. Over 1,000 deployed to Iraq and/or Afghanistan in 2006.
- Established Junior ROTC program in Nome
- Constructed Alaska Army National Guard Armory in Juneau. First ever national initiative as joint venture with University of Alaska.
- Expanded mission, size, and use of the Alaska State Defense Force
- Initiated and secured military discharge certificates for World War II veterans of the Alaska Territorial Guard. Over 100 certificates obtained to date
- Opened first Veterans Home in Palmer, Alaska
- Graduated largest number of cadets ever from Alaska Military Youth Academy
- Initiated process to expand Alaska Military Youth Academy into interior Alaska
- Expanded STARBASE to Kenai
- Reorganized and expanded state Homeland Security division
- Established Infrastructure Security Vulnerability Assessment Team
- Established joint state/federal Anti-Terrorism Advisory Council of Alaska (ATACA) with the US Attorney's Office. First in nation.
- Constructed Alaska Land Mobile Radio system after a decade of mismanagement.
- Developed Statewide Emergency Communications Interoperability Master Plan
- Implementing unique Satellite Communications Emergency plan and network
- Created and published award winning quarterly department magazine "WARRIOR"
- Contracted system improvements studies and implemented "Lean Government" processes
- Expanded statewide digital mapping project and established agreement with University of Alaska and Alaska Department of Natural Resources for implementation
- Implemented State Partnership Program with Mongolia. One of best in America.
- Bringing the annual Adjutants General Association of the United States (AGAUS) to Alaska in 2007

### Education

1974 Bachelor of Science in Political Science, University of Tulsa, Oklahoma  
1979 USAF Squadron Officer School, Maxwell AFB, Alabama  
1980 USAF Air Traffic Control Staff Officers Course, Keesler AFB, Mississippi  
1981 Master of Public Administration, Golden Gate University, California  
1983 USAF Airspace Management Course, Keesler AFB, Mississippi  
1985 FAA Land Use Compatibility Course, Georgia Tech University, Georgia  
1995 Air Command and Staff College (Seminar Program), Elmendorf AFB, Alaska  
1997 Air War College (Seminar Program), Elmendorf FB, Alaska  
1999 Master of Arts in National Security and Strategic Studies, Naval War College,  
Rhode Island

### Personal Information:

- Married to Anne Marie Campbell
- Two children, four grand-children
- Private Pilot
- Republican

# STATE OF ALASKA

## DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

P.O. BOX 110200  
JUNEAU, ALASKA 99811-0200  
PHONE: (907) 465-2200  
FAX: (907) 465-2135

February 12, 2007

The Honorable Bob Lynn  
Chairman, House State Affairs  
House of Representatives  
State Capitol, Room 104  
Juneau, Alaska 99801

Re: Response to Questions from Meeting on January 25, 2007

Dear Representative Lynn:

This letter is written in response to questions received from members of the House State Affairs Committee on January 25, 2007. I have re-stated the questions received below in italics with responses immediately following.

1. *What is the liability impact for various defined benefit members by Tier?*

Presently the Division of Retirement and Benefits does not have liabilities by Tier. However, the division had previously requested this information from Buck Consultants. This information will be incorporated into the June 30, 2006, actuarial valuation reports for PERS and TRS. The schedule for completing the actuarial valuations by Buck Consultants has not yet been determined due to a project that needs to be incorporated into the actuarial valuations.

2. *How many members have converted from the defined benefit plan to the defined contribution plans for PERS and TRS?*

21 PERS members have converted as of January 31, 2007.

1 TRS member has converted as of January 31, 2007.

3. *What is the savings amount that can be attributed to going from the defined benefit plans to the defined contribution plans?*

While there is not a definitive financial figure available, we do know that adding additional members under the defined benefit plans would add additional liabilities. By closing the defined benefit plans to new members, it acts to eliminate the introduction of new liabilities. The

Division of Retirement and Benefits estimates that approximately 4,400 members are enrolled annually in the PERS and TRS retirement plans. As you are aware, rising health care costs are one of the primary factors associated with the unfunded liability for PERS and TRS.

Buck Consultants has advised that the medical liability is growing at a much faster pace than the pension liability component. The medical share of the PERS liability has grown from just under 30% to approximately 45% in the last nine years. The medical share of the TRS liability has grown from just under 20% to approximately 33% in the last nine years. It is important to note that the medical plan is the same for all members of the defined benefit PERS and TRS plans. The differences are found in the eligibility criteria for the medical plan. For example, a Tier I PERS member is eligible after five years of membership service once they reach age 55. Whereas a Tier III member must have 10 years of membership service in order to be eligible once the member reaches age 60. Seventy-five percent of the medical costs for the defined benefit plans are for eligible members between ages 55 and 65. Alaska statutes require that the AlaskaCare plan become supplemental to Medicare at age 65 at which point the cost is reduced to 25%. Currently the accrued health care liability associated with members of the defined benefit plans for PERS and TRS is \$8 billion.

Buck Consultants has advised that it provides health and welfare consulting services to approximately 300 state and local governments and that the AlaskaCare plan is their only client that cannot increase the costs to members. Alaska Constitution Article 12, Section 7, states in part, "Accrued benefits of these systems shall not be diminished or impaired." In 2003, Workplace Economics used a proprietary database reflecting benefits provided to state government employees in all 50 states. This report indicated that 66% of other states provide a less generous medical plan when compared with the State of Alaska. For example, 4% of states provided no health plan; 22% provide no state contribution to health care premiums for members; 40% of states provide a cost share with members; and 34% of states pay for the health premium for members.

Buck Consultants has advised that the normal medical cost for a Tier II member in TRS is 8.92% and is 9.28% for a Tier III member in PERS. On the other hand, the new defined contribution retirement plan realigns with the national trend in order to contain rising health care costs. This requires that in order to be eligible for medical benefits the member must retire from the system and have 10 years of service. The redesign of the medical plan for the defined contribution plans has reduced the health care cost for a Tier IV member of PERS or Tier III member of TRS to .99%.

4. *Please provide underlying basis regarding the dependent verification process for active and retired members and how many dependents were removed from health care coverage? Additionally, why did the Division of Retirement and Benefits not seek recovery from ineligible parties who received benefits that they were not entitled?*

Please refer to attachment #1 regarding background and statistics regarding dependent numbers who were removed from coverage.

5. *Please provide historical budget and caseload information for the following:*
- a) Violent Crimes Compensation Board (VCCB)*
  - b) Office of Public Advocacy (OPA)*
  - c) Public Defender Agency (PD)*

Attachments number 2 and 3 provide five years of budget and caseload information for VCCB. Attachments 4 and 5 provide five years of budget information for OPA and PD. Finally, attachments number 6 and 7 provide historical caseload information for felonies, children's matters, and public guardian clients.

6. *Please provide the status of the State's labor contracts.*

Attachment number 8 provides a brief status of each of the eleven bargaining units.

I appreciate the opportunity to provide further information to your committee and our House Finance Subcommittee. I am trying to ensure that we are completely responsive to the questions the committees have raised, and on the question of positive enrollment/dependent verification, I am still seeking more verification of how decisions were made. I hope to get this information to you by next week. Let me know if you need more detail on any of the responses in this correspondence.

Sincerely,

Annette Kreitzer  
Commissioner

Enclosures

cc: Members of House State Affairs Committee  
Members of House Finance Subcommittee

Kevin Brooks, Deputy Commissioner  
Department of Administration

Eric Swanson, Director Administrative Services  
Department of Administration

Melanie Millhorn, Director, Division of Retirement and Benefits  
Department of Administration

## Attachment #1

### Department of Administration Division of Retirement and Benefits Audit Process to Ensure Dependent Eligibility February 12, 2007

One method health plans use to assure that they are paying health claim payments only to bona fide dependents of members is to conduct an eligibility audit of dependents. The recommended interval is no more frequent than every 5 years and no longer than every 10 years. This process for the AlaskaCare plans constituted the first time ever that dependent eligibility was audited and completed for the Select Benefits (active employee) plan in July 2005 and for the Retiree plan in January 2006.

#### Reasons for the eligibility audit:

- Industry standards estimate that plans not using this method are paying up to 15% of their total member population as ineligible participants.
- In order to meet fiduciary responsibility associated with administration of health plans.
- Mandatory (positive) enrollment initially captures all members in a plan and requires them to enroll their dependents at one point in time to begin the audit process (creating a base line).
- Documentation verifying dependent's eligibility on the plan member by submitting marriage certificates and birth certificates, etc., conforms to the IRS requirements for 105(h) plans to provide tax beneficial savings only to those for whom the law allows this treatment.

#### Modifications to plan design and questions answered in order to accomplish the initial audit:

- 18 month dental-vision lock in period waived for the July 2005 enrollment only under the Select Benefits plan.

#### Results of audits:

- Retiree health plan-
  - Number of dependents found not eligible after audit = 2,181 (10%)
  - Amount of average paid claims per member in FY05 = \$4,920
    - Total number of dependents eligible after audit = 23,294
    - Approximate savings = \$10.7 M
- Select Benefits health plan-
  - Number of dependents not eligible after audit = 1,243 (13.6%)
  - Amount of average paid claims per member in CY05 = \$3,034
    - Total number of dependents eligible after audit = 7,918
    - Approximate savings = \$3.77 M

**Component Detail**

**Department of Administration**

**Budget Reports for House State Affairs Committee**

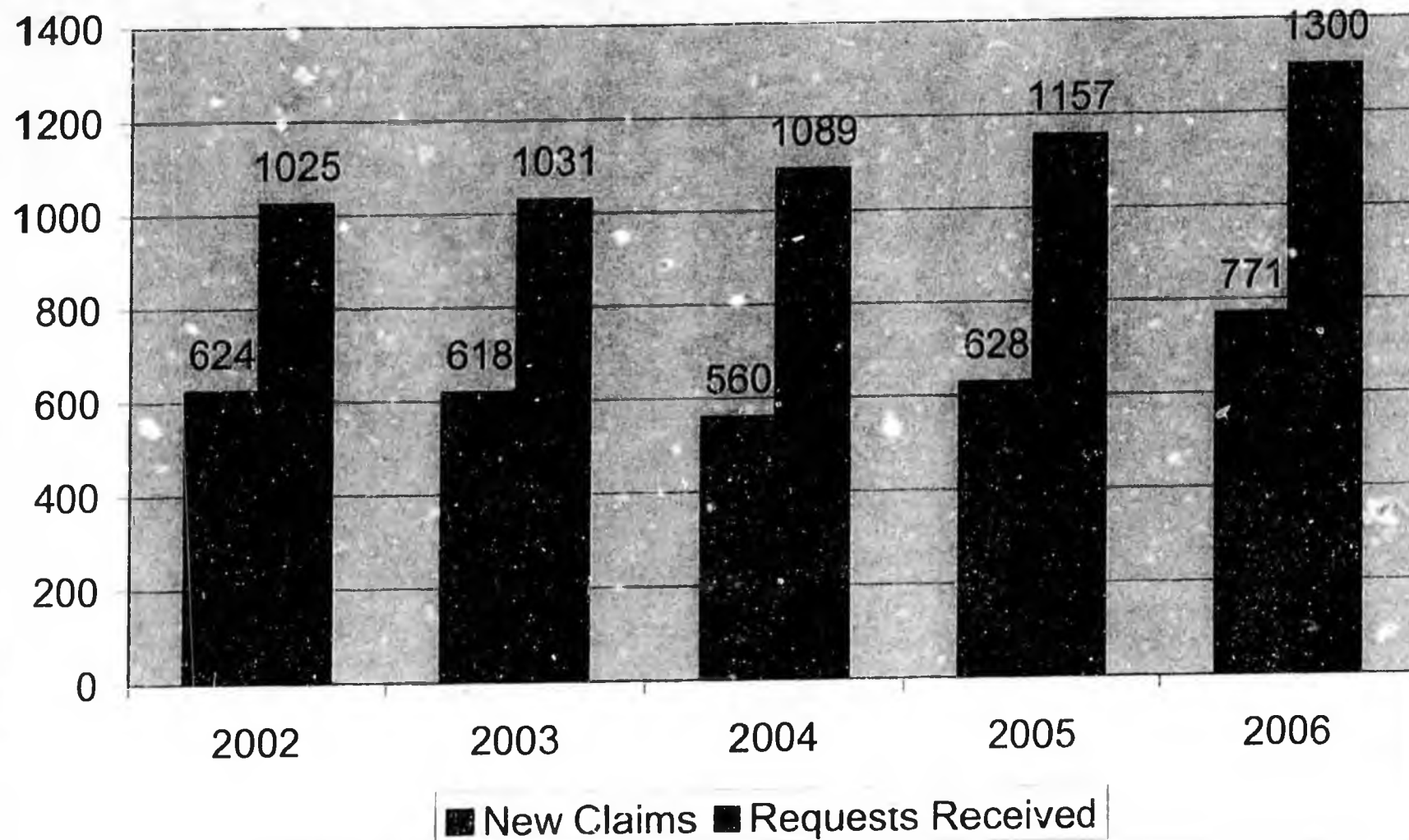
**Component: Violent Crimes Compensation Board (2694)**

**RDU: Violent Crimes Compensation Board (491)**

	<b>FY2004 Governor Amended</b>	<b>FY2005 Governor Amended</b>	<b>FY2006 Governor Amended</b>	<b>FY2007 Governor Amended</b>	<b>FY2008 Governor</b>
71000 Personal Services	205.2	203.8	211.7	231.4	270.1
72000 Travel	23.5	23.5	23.5	23.5	20.5
73000 Services	62.8	62.8	63.1	64.5	64.9
74000 Commodities	5.9	5.9	5.9	5.9	5.9
75000 Capital Outlay	3.0	0.0	3.0	3.0	0.0
77000 Grants and Benefits	1,286.7	1,136.2	1,212.4	1,330.7	1,330.7
78000 Misc /Debt Service	0.0	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>1,587.1</b>	<b>1,435.2</b>	<b>1,519.6</b>	<b>1,659.0</b>	<b>1,692.1</b>
<b>Funding Sources:</b>					
1002 Fed Rcpts	408.7	409.5	409.6	409.9	410.1
1004 Gen Fund	0.0	150.5	381.7	466.7	214.4
1050 PFD Fund	2.7	0.0	0.0	0.0	0.0
1171 PFD Crim	1,175.7	875.2	728.3	782.4	1,067.6
<b>Positions:</b>					
Permanent Full Time	3	3	3	3	3
Permanent Part Time	1	1	1	1	1
Non Permanent	0	0	0	0	0

Attachment #2

## Violent Crimes Compensation Board



**Component Detail**  
**Department of Administration**  
**Budget Reports for House State Affairs Committee**

Component: Office of Public Advocacy (43)  
 RDU: Legal and Advocacy Services (11)

	FY2004 Governor Amended	FY2005 Governor Amended	FY2006 Governor Amended	FY2007 Governor Amended	FY2008 Governor
71000 Personal Services	3,975.9	4,887.4	6,669.3	9,701.9	11,435.5
72000 Travel	102.2	102.2	102.2	353.2	113.2
73000 Services	9,318.8	7,985.0	6,938.6	7,480.3	6,548.6
74000 Commodities	25.8	25.8	25.8	26.2	38.2
75000 Capital Outlay	16.4	16.4	16.4	16.9	28.9
77000 Grants and Benefits	0.0	0.0	0.0	0.0	0.0
78000 Misc./Debt Service	0.0	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>13,439.1</b>	<b>13,016.8</b>	<b>13,751.3</b>	<b>17,578.5</b>	<b>18,164.4</b>
<b>Funding Sources:</b>					
1002 Fed Rcpts	52.1	52.1	52.1	52.5	52.6
1004 Gen Fund	11,064.2	11,075.6	11,637.6	15,122.2	15,508.4
1005 GF/Prgm	95.1	95.1	130.7	130.8	131.1
1007 I/A Rcpts	566.1	278.0	284.7	511.8	511.8
1037 GF/MH	1,411.6	1,415.4	1,439.7	1,551.7	1,753.5
1092 MHTAAR	150.0	0.0	0.0	0.0	0.0
1108 Stat Desig	100.0	100.0	206.5	206.5	207.0
<b>Positions:</b>					
Permanent Full Time	64	66	80	104	109
Permanent Part Time	1	1	1	2	2
Non Permanent	0	0	0	0	0

Attachment #4

**Component Detail**

**Department of Administration**

**Budget Reports for House State Affairs Committee**

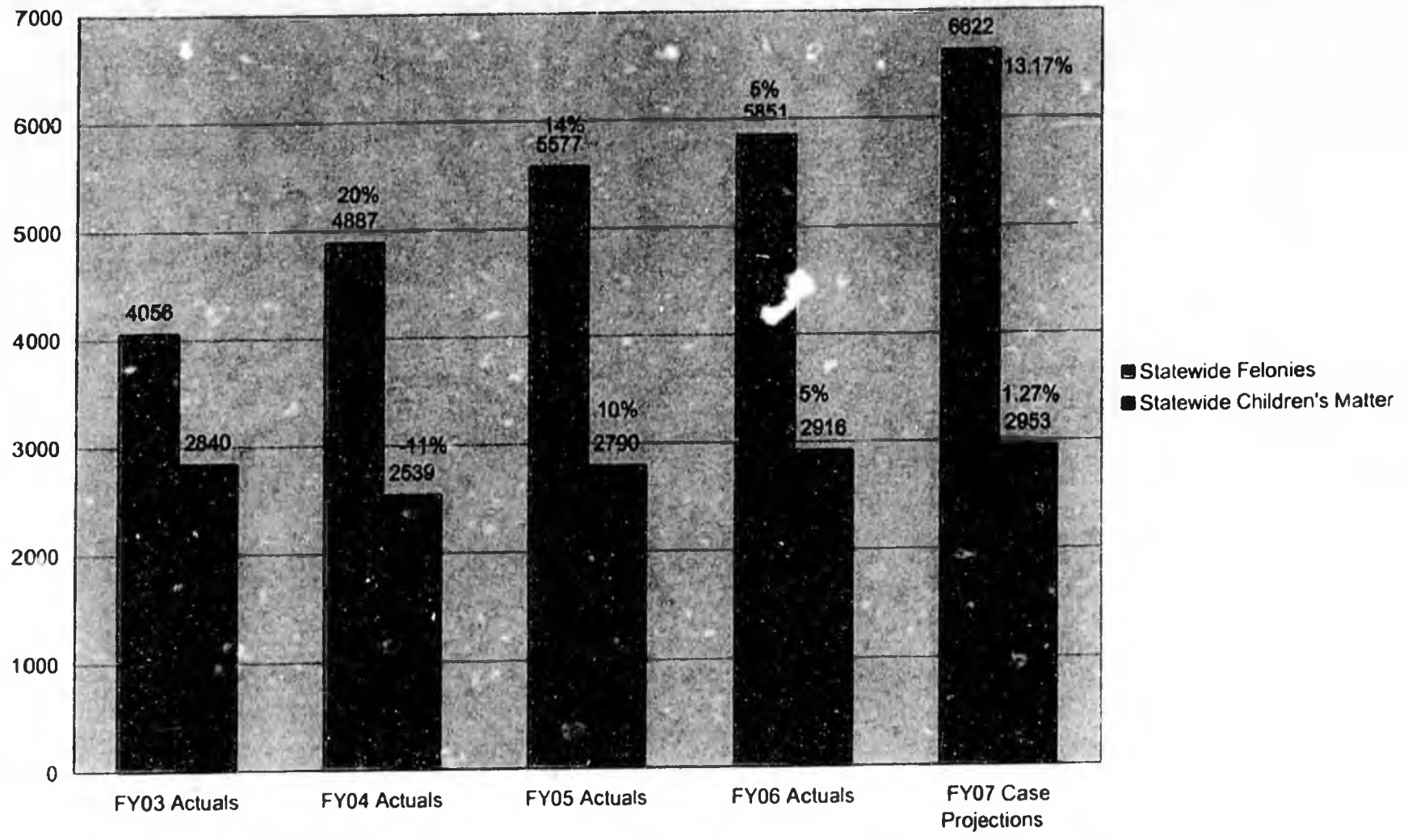
Component: Public Defender Agency (1631)

RDU: Legal and Advocacy Services (11)

	FY2004 Governor Amended	FY2005 Governor Amended	FY2006 Governor Amended	FY2007 Governor Amended	FY2008 Governor
71000 Personal Services	10,462.8	11,012.8	12,820.7	14,648.1	16,304.3
72000 Travel	464.5	486.1	488.2	510.6	396.8
73000 Services	1,080.6	767.6	798.1	1,931.6	1,989.5
74000 Commodities	83.0	95.0	96.0	207.3	201.3
75000 Capital Outlay	58.6	105.5	100.2	130.9	72.9
77000 Grants and Benefits	0.0	0.0	0.0	0.0	0.0
78000 Misc./Debt Service	0.0	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>12,149.5</b>	<b>12,467.0</b>	<b>14,303.2</b>	<b>17,428.5</b>	<b>18,964.8</b>
<b>Funding Sources:</b>					
1004 Gen Fund	11,110.3	11,962.3	13,710.5	16,798.4	18,287.3
1005 GF/Prgm	198.1	198.6	214.4	243.7	275.5
1007 I/A Rcpts	509.3	96.5	99.8	109.7	109.7
1037 GF/MH	131.5	132.2	139.8	150.6	166.2
1092 MHTAAR	200.3	77.4	118.7	106.1	106.1
1108 Stat Desig	0.0	0.0	20.0	20.0	20.0
<b>Positions:</b>					
Permanent Full Time	127	132	134	149	147
Permanent Part Time	6	6	6	5	6
Non Permanent	13	13	13	13	13

Attachment #5

## Statewide Felony & Child Matters

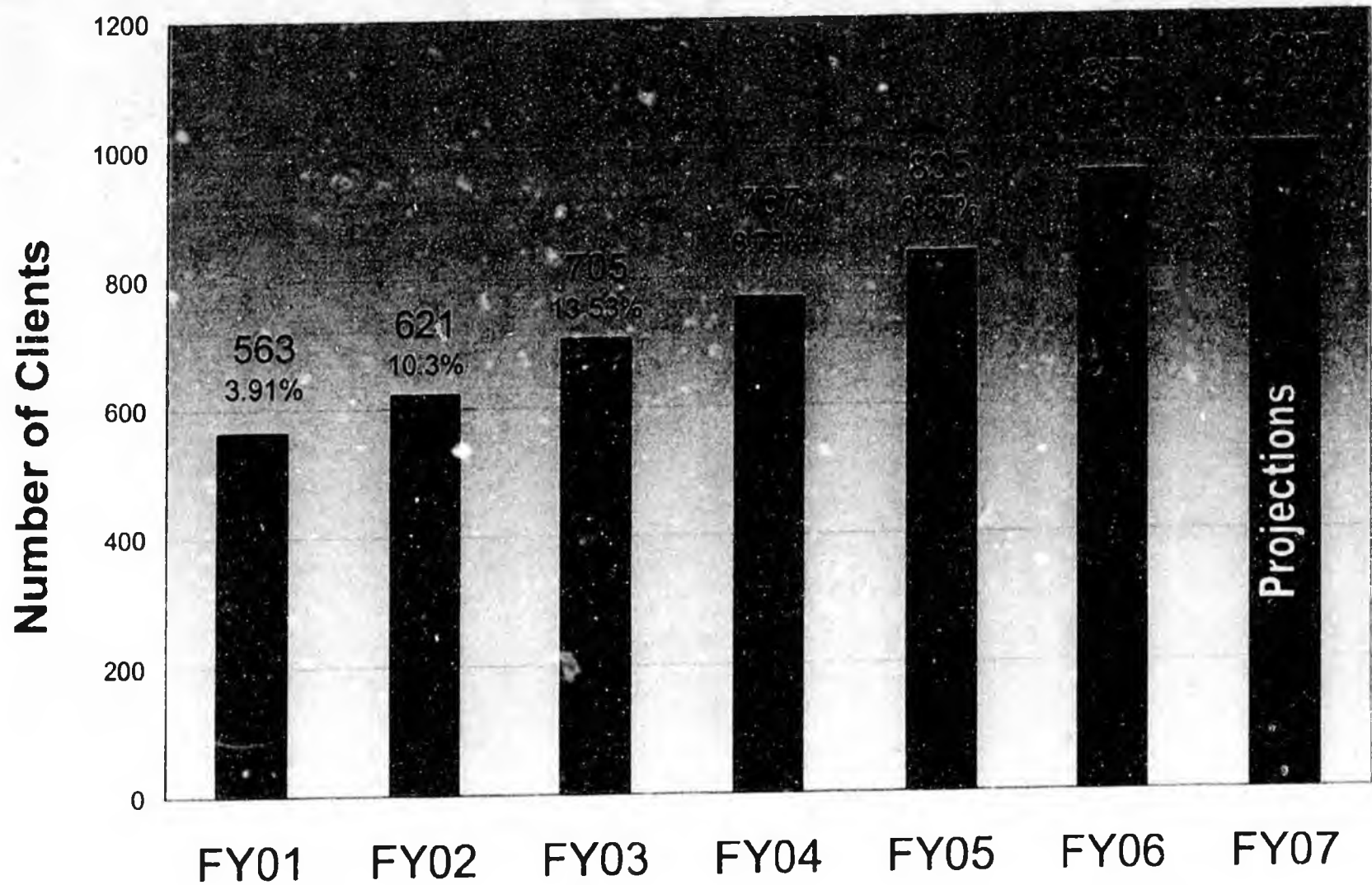


Attachment #6

# Summary of Public Guardian Client Numbers

FY01 through FY07

As of January 22, 2007



## 2007 Negotiations

Bargaining Unit			
	<i>Alaska State Employees Association - Contract Expires June 30, 2007 (Negotiations in Progress)</i>		
	<i>Confidential Employees Association - Contract Expires June 30, 2007 (Negotiations in Progress)</i>		
	<i>Inlandboatman's Union - Contract Expires June 30, 2007 - (Dispute on Health Insurance Article)</i>		
	<i>Labor, Trades &amp; Craft - Contract Expired December 31, 2006 (Negotiations in Progress)</i>		
	<i>Marine Engineer's Beneficial Association - Contract Expires June 30, 2007 (Negotiations in Progress)</i>		
	<i>International Organization of Masters, Mates and Pilots- Contract Expires June 30, 2007 (Negotiations in Progress)</i>		
	<i>Supervisory Unit - Contract Expires June 30, 2007 (Negotiations in Progress)</i>		
	<i>Teachers' Education Association of Mt. Edgecumbe - Contract Expires June 30, 2006 (Negotiations in progress)</i>		
	<i>Alaska Correctional Officer Association - Contract Expires June 30, 2009 (Negotiation NOT in progress)</i>		
	<i>Public Safety Employees Association - Contract Expires June 30, 2008 (Negotiations NOT in progress)</i>		
	<i>Alaska Vocational Technical Center Teacher's Unit - Contract Expires June 30, 2008 (Negotiations NOT In progress)</i>		

**MERCER**

Human Resource Consulting

July 15 & 16, 2004

Presentation to the Tier Committees of PERS/TRS Boards

**State of Alaska**

**PERS & TRS**

**Tier Redesign Study**

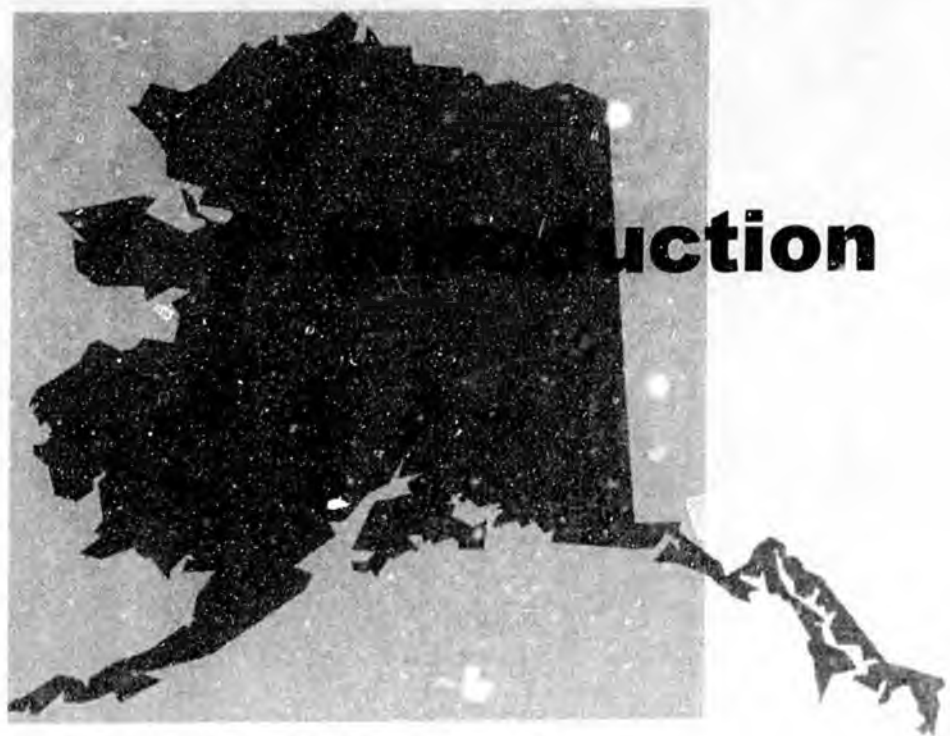


Marsh & McLennan Companies



# Proposed Agenda

- Introduction
- Medical Program – Refinement of Assumptions
- Medical Alternative 1 – Cost Reduction and Sharing
- Medical Alternative 2 – Defined Dollar Approach
- Non-participation in Social Security
- Non-medical Alternative 1 – Defined Benefit Plan
- Non-medical Alternative 2 – Defined Contribution Plan
- Next Steps



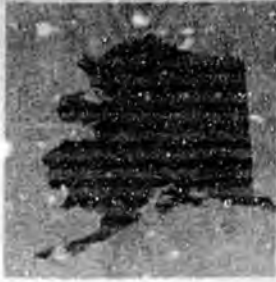
**Production**



## **Introduction**

### **Meeting Objectives**

- Review alternatives to the current System medical and retirement plans
- Draft future directions for the retirement systems



## **Introduction**

### **System Objectives and Constraints**

Based on information gathered and stakeholder feedback, we have drafted the following objectives

- The System should provide medical benefits to retirees
  - Members should bear a greater share of the cost
  - Members should have to retire from the System to be eligible
- Benefits should favor longer-service members
- Employer contributions should be predictable and stable
- Investment risk should not be borne solely by employers
- Healthcare inflation risk should not be borne solely by employers



## **Introduction**

### **System Objectives and Constraints**

Based on information gathered and stakeholder feedback, we have drafted the following constraints

- Non-medical benefits must be sufficient to satisfy minimum requirements for employers who do not participate in Social Security
- Benefit changes must take the form of new “tiers”
- Annual cost of benefits should not exceed the current Systems’ normal cost rates



# Introduction

## Current Financial Context

- The actuarially calculated contribution rate is equal to the employer normal cost rate, plus the past service rate.

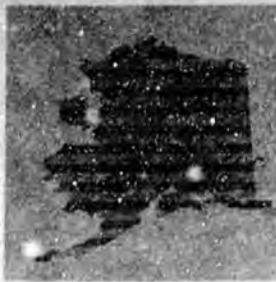
	<u>FY06 Rates</u>	
	<u>TRS</u>	<u>PERS</u>
Employer normal cost rate	14.28%	13.24%
Past service rate	24.57%	12.39%
Actuarial contribution rate	38.85%	25.63%



## **Introduction**

### **Current Financial Context**

- The normal cost rate is the portion of the rate that is attributable to benefits expected to be earned by active members in the upcoming year
- The past service rate is the amount required to pay off the unfunded accrued liability over 25 years
- Changing to a new tier will affect the normal cost rate over time
- If assumptions are realized, the past service rate will remain in effect for 25 years



# Introduction

## Current Financial Context

- The employer normal cost rate is equal to the total normal cost rate, minus the member contribution rate.

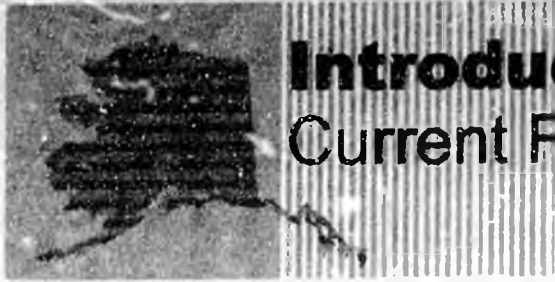
	<b>FY06 Normal Cost Rates</b>	
	<b>TRS</b>	<b>PERS</b>
Normal cost rate		
Non-medical benefits	13.90%	11.37%
Medical benefits	9.07%	8.68%
Total	22.97%	20.05%
Average member contribution rate	8.69%	6.81%
Employer normal cost rate	14.28%	13.24%



## Introduction

### Current Financial Context

- The following charts show projected actuarial contribution rates assuming
  - No benefits are accrued by new members to the Systems
  - New members also do not contribute to the Systems
- This is not presented as a tier alternative
- It is shown for context, to show the long-term, gradual effect of new tier changes on employer contribution rates
- Projections for the current Systems assuming no changes are shown for comparative purposes
- Key assumptions:
  - Adopted rates are equal to actuarial contribution rates
  - Other assumptions as follows



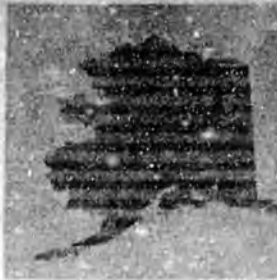
## **Introduction**

### **Current Financial Context**

- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports

#### Other key assumptions

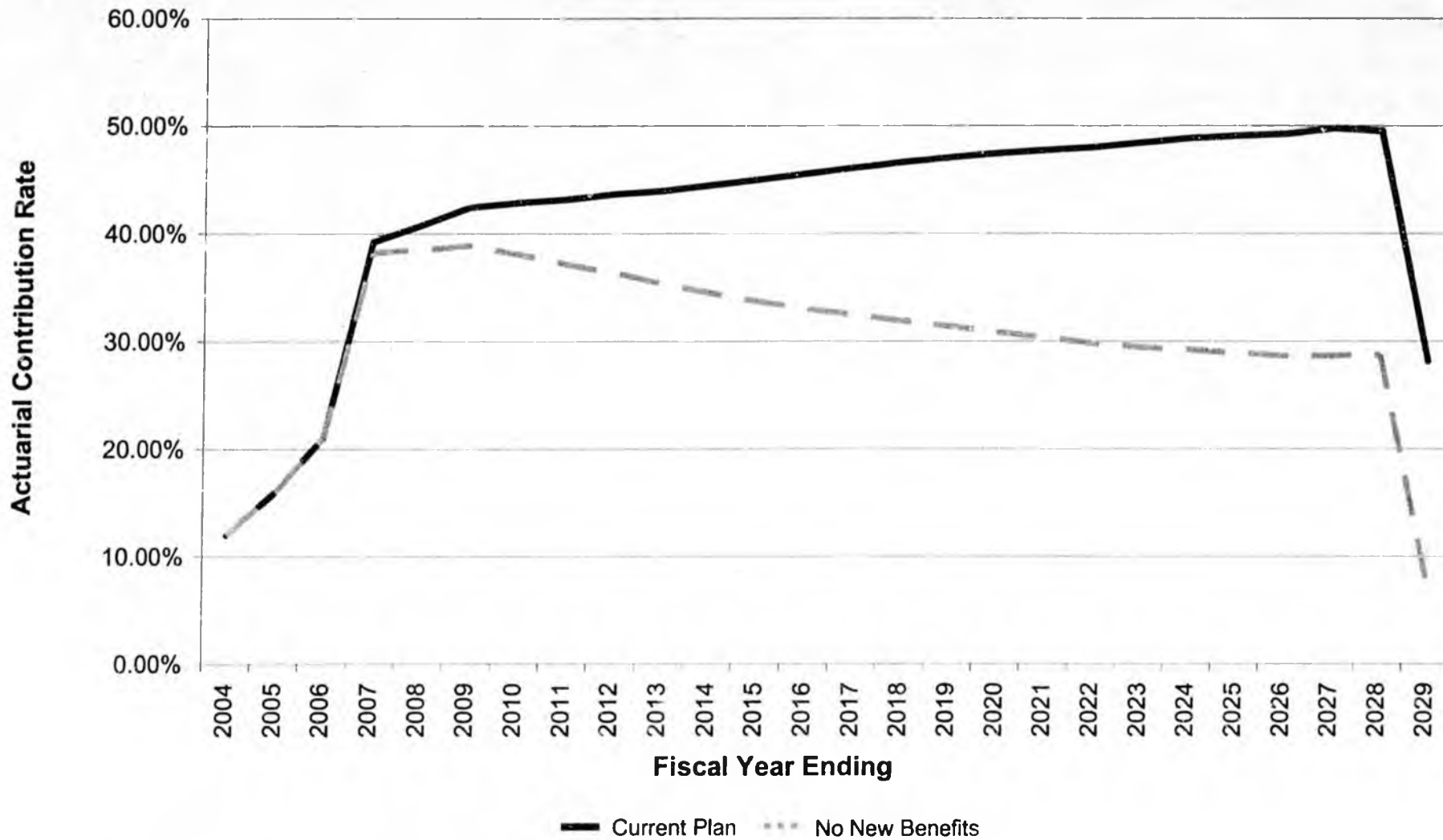
- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04



# Introduction

## Current Financial Context

Contribution Comparison – TRS

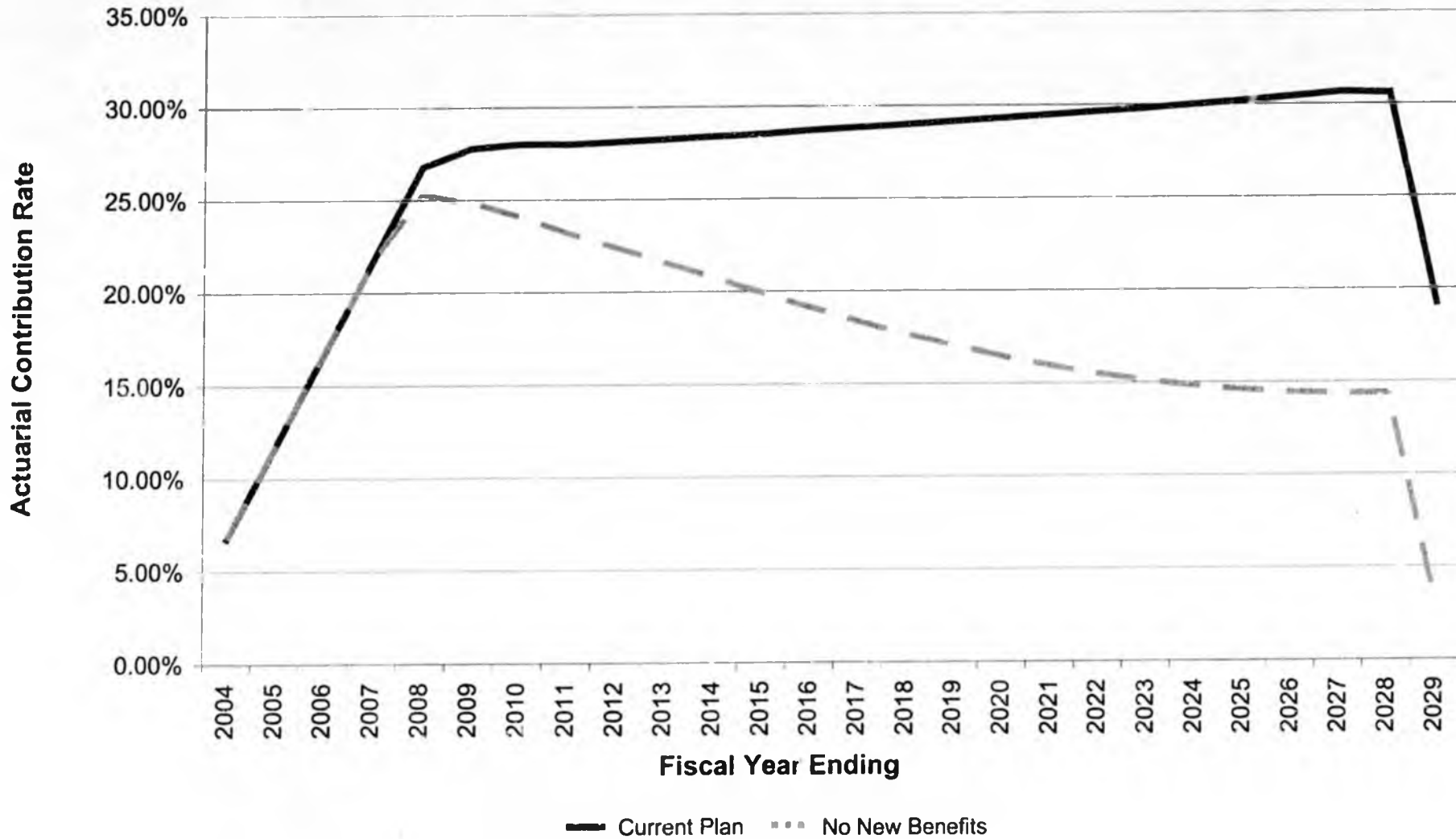


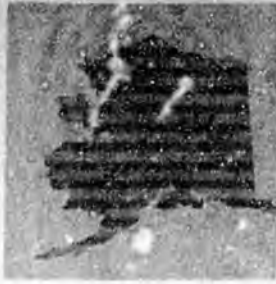


# Introduction

## Current Financial Context

Contribution Comparison – PERS

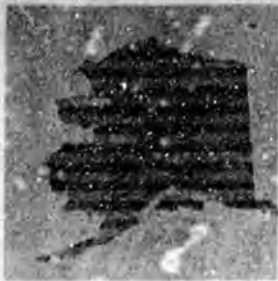




## **Introduction**

### **Proposed Pension (Non-medical) Alternatives**

- **Alternative 1**
  - Defined benefit only plan
  - Design based on Social Security minimum benefit requirements
- **Alternative 2**
  - Defined contribution only plan
  - Contributions equal 7.5% of compensation per year
- **Under each alternative, we have assumed members continue to contribute at their current rate**



# **Introduction**

## **Proposed Medical Alternatives**

- **Alternative 1**
  - Design similar to current program with provision changes designed to reduce and share costs
  - Only members retiring from System are eligible for coverage
  
- **Alternative 2**
  - At retirement members are eligible to a defined dollar subsidy towards medical premium costs each year
  - Annual medical expenses in excess of this dollar amount must be covered by the member
  - Defined subsidy dollar varies according to service and retirement and is reduced when a member is eligible for Medicare
  - Only members retiring from the System are eligible for coverage





# **Current Medical Program – Prescription Refinements**



# Assumption Refinements

## Objectives

- Independent review of claims development methodology
  - Potential refinement on going forward basis
- Update claims basis used in the valuation with more recent experience.
  - Update for experience through May 2004
  - Valuation claims were based on experience through August 2003
- Refinement of current valuation assumptions in advance of next formal assumption review
  - Current assumptions were last reviewed in 2000
  - Based on access to and detailed analysis of claims data



# **Assumption Refinements**

## **Primary Changes**

- We are recommending changes to the following elements:
  - Claims cost methodology
  - Claims costs
  - Medicare offset
  - Aging factors
  - Trend



# Assumption Refinements

## Claims Cost Methodology

- **Current Methodology**
  - Total rate for all retirees equals current premium rate
  - Pre-65 cost and (lower) post 65 claim cost per retiree are determined
  - Pre and post 65 costs increased with appropriate trend
  
- **Proposed Methodology**
  - Analysis of claims is completed based on claims information from Aetna and enrollment information from the State
  - Paid claims for June 2001 – May 2004 are tabulated and an average annual claim amount is determined. Next, four adjustments are applied.
    - Participation adjustment to account for differences in exposures between the experience period and current census.
    - Trend factor to trend historical claims from the midpoint of the experience period to the midpoint of the valuation period.



# Assumption Refinements

## Claims Cost Methodology

- Proposed methodology (*continued*)
  - Incurred claims adjustment to restate paid claims on an incurred basis. This assumes claims are paid on average three months after the incurred date.
  - Adjustments to paid claims to account for changes in the plan
  - Administrative costs are added to arrive at total projected costs for the valuation period
  - Distribution of per capita claims cost is developed by allocating total projected costs to the population census used in the valuation. The allocation is separate for medical and prescription drug costs.



# **Assumption Refinements**

## **Chart of Claims Development**

Chart revised. See September presentation page 28.



## **Assumption Refinements**

### **Claims Cost**

Chart revised. See September presentation page 29.

\*Note: Age 65 costs represent pre- and post-Medicare medical and prescription drug costs for an age 65 participant

- Current claims cost are on a Per Subscriber (Retiree) Per Month (PSPM) basis
- Revised claims cost are on a Per Member Per Month basis (PMPM)
- Revised pre-65 costs are less, post-65 costs are greater

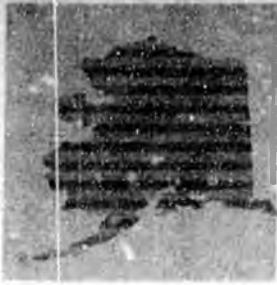


## **Assumption Refinements**

### **Claims Cost**

- The following table shows age 65 expected medical claims per covered individual for fiscal year 2004:

Chart revised. See September presentation.



## **Assumption Refinements**

### **Medicare Offset**

- Revised offset of 85%
- Based on experience study of pre- and post-65 members
- Currently no explicit Medicare offset assumed



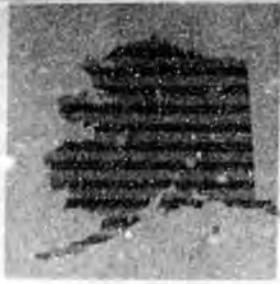
# Assumption Refinements

## Aging Factors

- Aging factors represent the expected incremental increase in claims cost as an individual ages 1 year
- The following table shows proposed aging factors:

<b>Age</b>	<b>Medical</b>	<b>Rx</b>
00-44	2.0%	4.5%
45-54	2.5%	3.5%
55-64	3.5%	3.0%
65-74	4.0%	1.5%
75-84	1.5%	0.5%
85+	0.5%	0.0%

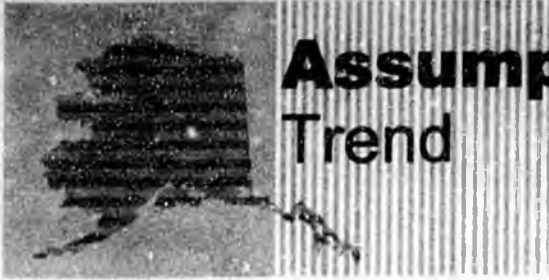
- For example, this means we expect medical claims to be 3.5 percent higher for a member age 57 compared to a member age 56
- Currently no explicit aging factors assumed



# **Assumption Refinements**

## **Chart of Claims Costs by Age**

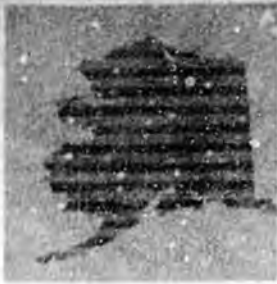
Chart revised. See September presentation page 32.



# Assumption Refinements

## Trend

- Factors used to determine current and ultimate trend levels include:
  - Most recent 36 months of claims experience by claims cost category
    - Examined rolling 12 month averages and multiple regression models
  - Mercer's Actuarial and Financial Steering Committee retiree medical trend guidelines by claims cost category
  - Medicare trend forecasts
  - Current market observations

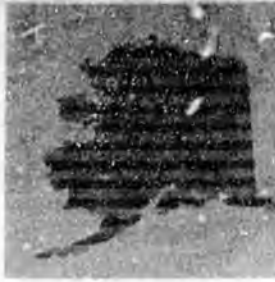


# Assumption Refinements

## Trend

The following table shows our proposed changes to assumed health care cost increases

<b>Year</b>	<b>Current Medical/Rx</b>	<b>Proposed Medical</b>	<b>Proposed Rx</b>
FY04	12.0%	10.0%	15%
FY05	12.0%	9.5%	14%
FY06	11.5%	9.0%	13%
FY07	11.0%	8.5%	12%
FY08	10.5%	8.0%	11%
FY09	10.0%	7.5%	10%
FY10	9.5%	7.0%	9%
FY11	9.0%	6.5%	8%
FY12	8.5%	6.0%	7%
FY13	8.0%	5.5%	6%
FY14	7.5%	5.0%	5%
FY15	7.0%	5.0%	5%
FY16	6.0%	5.0%	5%
FY17 and later	5.0%	5.0%	5%

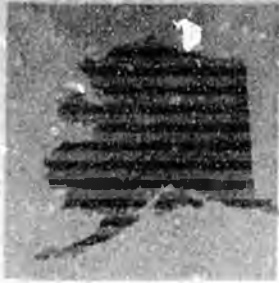


# Assumption Refinements

## Valuation Results

- The proposed assumption changes produce the following percentage changes in medical liabilities:

	<u>Percentage Change</u>
Accrued Liability (medical only)	revised
Normal Cost (medical only)	revised

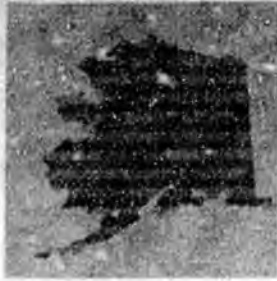


# **Assumption Refinements**

## **Cost Projections**

The following pages show the effect the proposed medical assumption changes would be expected to have over time on actuarial calculated contribution rates

- For purposes of isolating the effect of the proposed medical assumption changes, non-medical benefits have been kept unchanged from the current program
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions described previously in this section



## **Assumption Refinements**

### **Cost Projections**

#### Other key assumptions

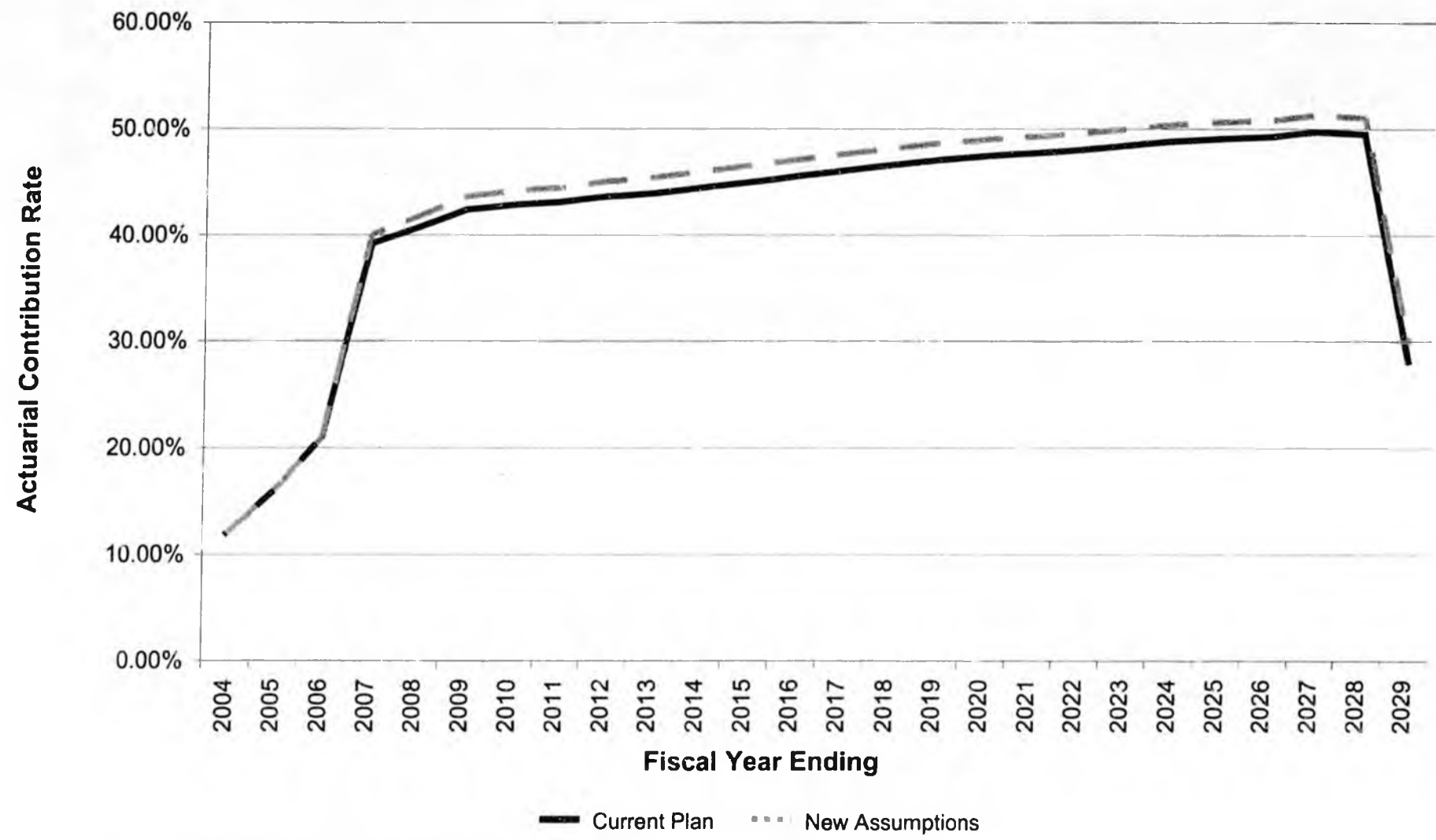
- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.



# Assumption Refinements

## Cost Projections - TRS

Contribution Comparison – TRS

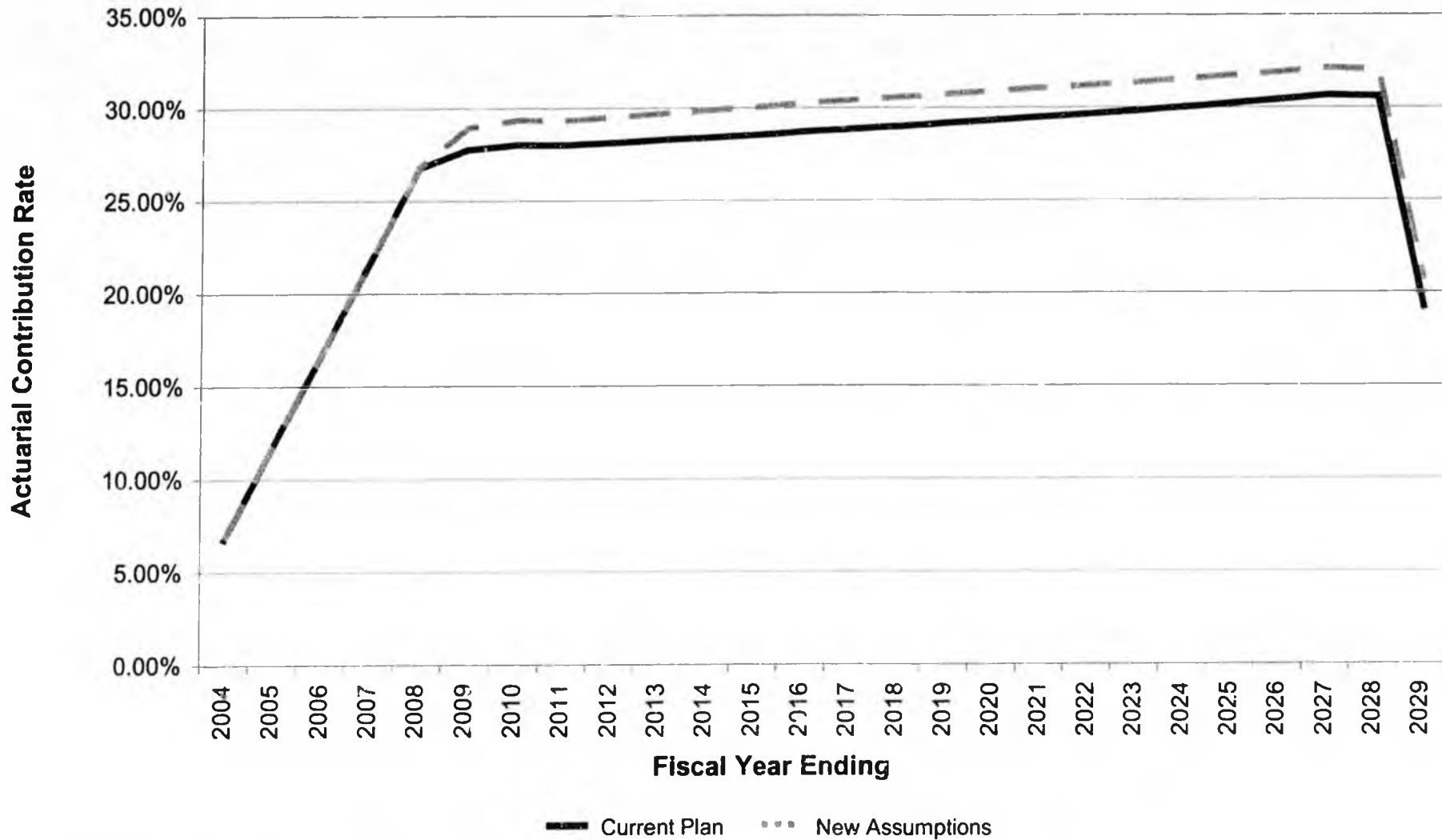


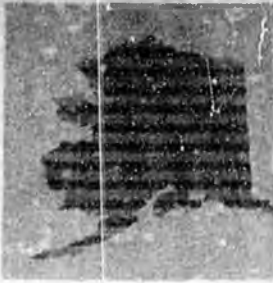


# Assumption Refinements

## Cost Projections - PERS

Contribution Comparison – PERS



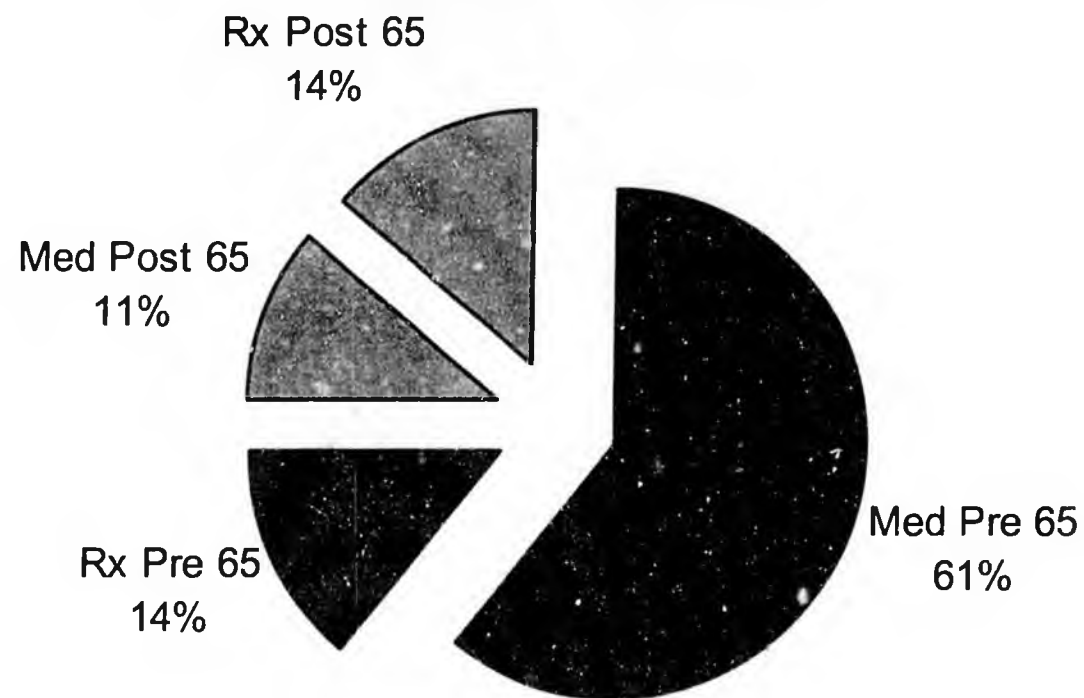


# Assumption Refinements

## Medicare Reform Impact

- Total Projected Claims Cost for Fiscal Year 2004 - \$211,662,953

### Baseline Health Costs





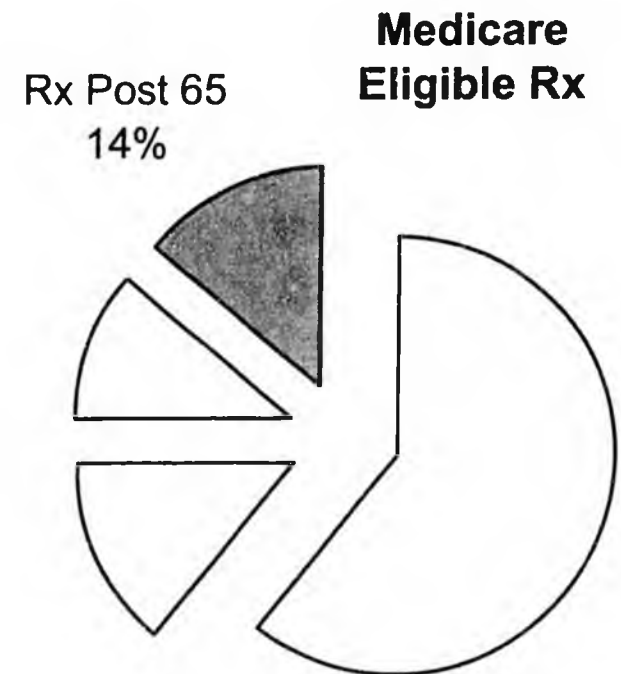
# Assumption Refinements

## Medicare Reform Impact

- Beginning in 2006, the federal government will provide a cash incentive payment to plan sponsors that maintain Rx plans which are at least actuarially equivalent to Medicare Part D
- Plan sponsor gets 28% subsidy for covered drug costs from \$250 to \$500 (indexed) per eligible participant

Medicare Eligible Rx Total Cost	\$29.6 M
Estimated Subsidy	23.3%
Estimated Savings*	\$6.9 M

\*Represents savings in 2004 dollars.  
Actual medicare subsidy will be effective in 2006.

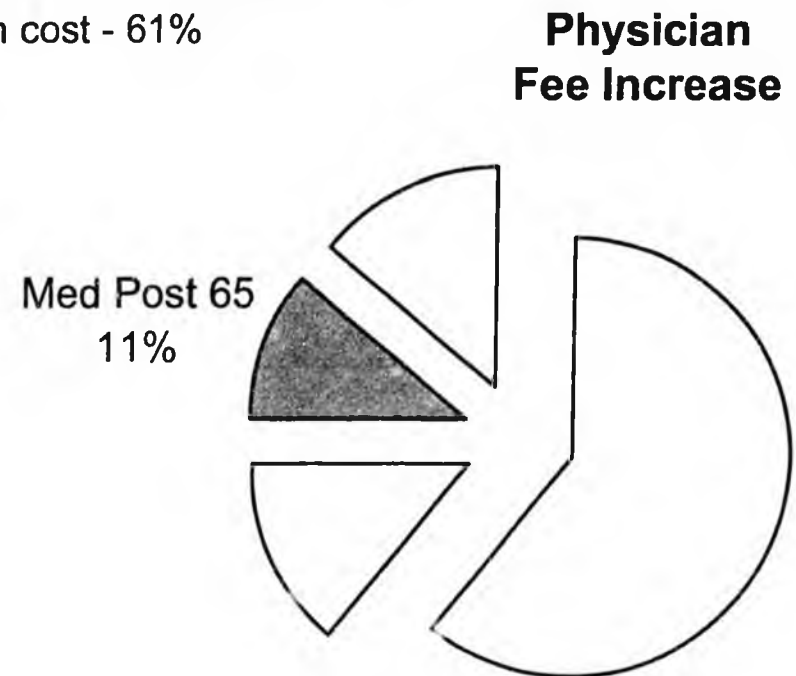


# Assumption Refinements

## Medicare Reform Impact

- As part of the Medicare Prescription Drug Improvement and Modernization Act of 2003, a special provision affecting physicians in Alaska will result in more than a 52% increase in average Physician fee schedule payments for 2004
- Assumptions
  - Portion of physician services performed in State of Alaska - 65%
  - Portion of medical expenses related to physician cost - 61%

Post-65 Physician Reimbursement	\$23.0 M
Estimated Increase	20.6%
Estimated Cost Increase	\$4.7 M

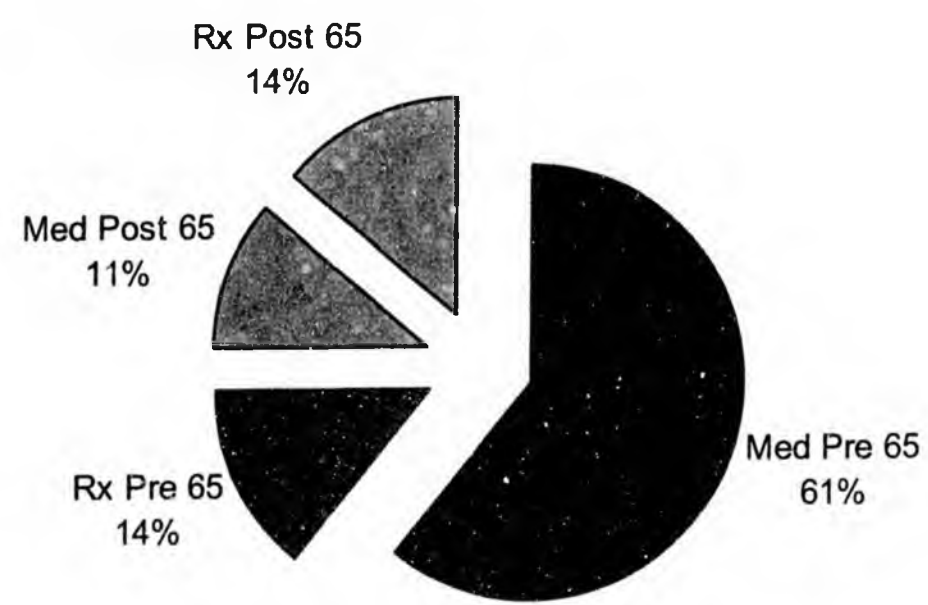




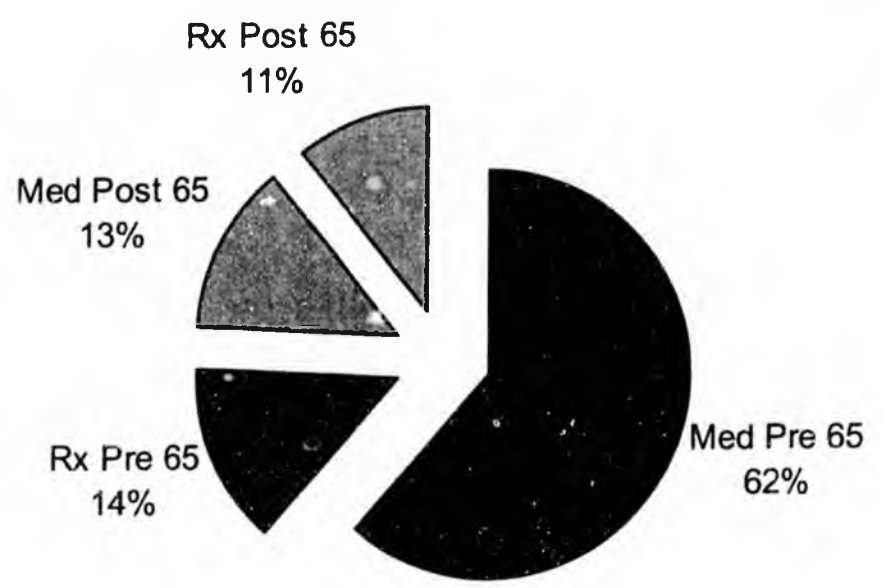
# Assumption Refinements

## Medicare Reform Impact

**Revised Total Projected Claim Cost**  
**\$211.7 M**



**Total Claim Cost after Medicare Reform**  
**\$209.5 M\***



\*Represents savings in 2004 dollars.  
Actual medicare subsidy will be effective in 2006.



# Assumption Refinements

## Medicare Reform Impact

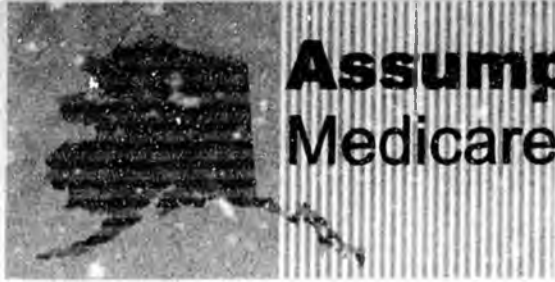
Claims Cost Assumptions – Age 65 Per Member Per Year

(See September presentation page 48 for revised figures.)

	<u>Medical</u>		<u>Prescription Drug</u>	
	<u>Pre-Medicare</u>	<u>Post-Medicare</u>	<u>Pre-Medicare</u>	<u>Post-Medicare</u>
Baseline	\$6,410	\$961	\$1,472	\$1,472
Medicare Reform	\$6,409	\$1,160	\$1,472	\$1,118

\*Represents savings in 2004 dollars.

Actual medicare subsidy will be effective in 2006.



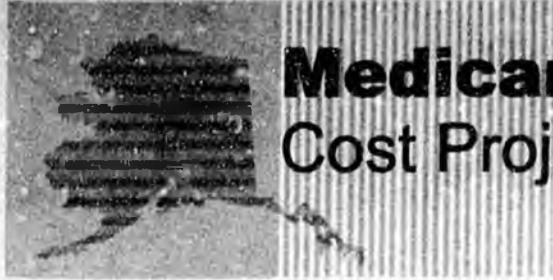
# Assumption Refinements

## Medicare Reform Impact

### Valuation Results

- Incorporation of claims and assumption changes related to Medicare Reform produces the following percentage changes in medical liabilities:

	<u>Percentage Change</u>
Accrued Liability (medical only)	revised
Normal Cost (medical only)	revised

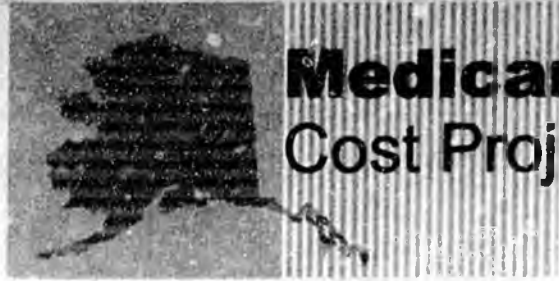


# Medicare Reform Impact

## Cost Projections

The following pages show the effect the changes due to Medicare Reform would be expected to have over time on actuarial calculated contribution rates

- For purposes of isolating the effect of the Medicare Reform changes, non-medical benefits have been kept unchanged from the current program
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions described previously in this section
- Proposed assumption and method changes for valuation of medical liabilities have been incorporated in this analysis



# Medicare Reform Impact Cost Projections

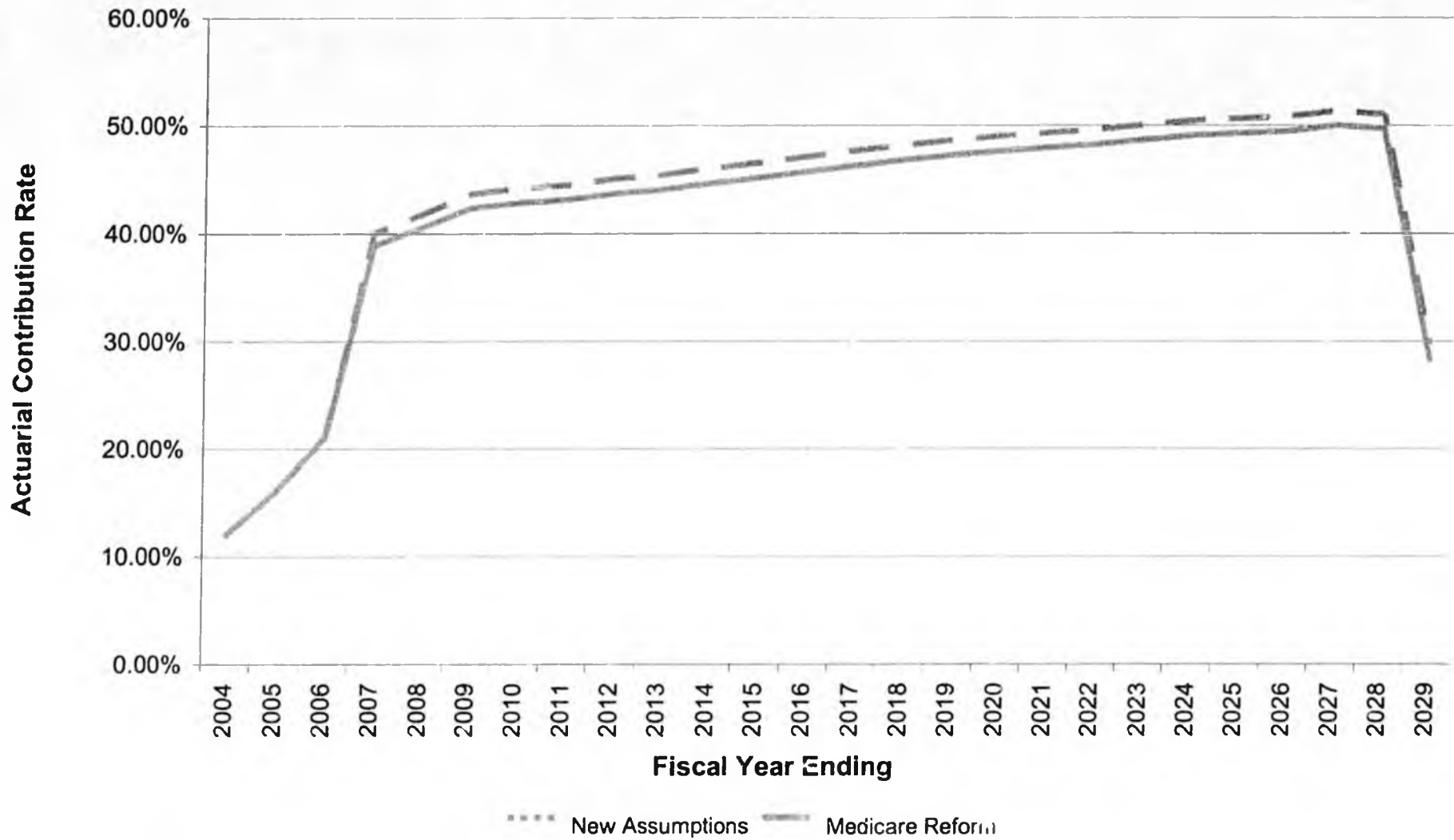
## Other key assumptions

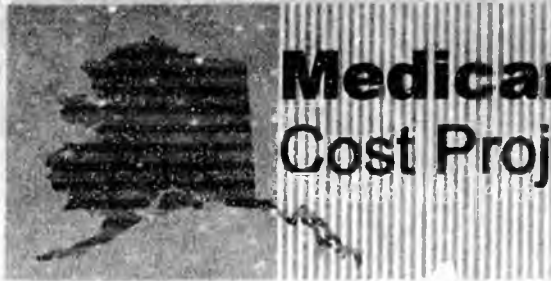
- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.

# Medicare Reform Impact

## Cost Projections - TRS

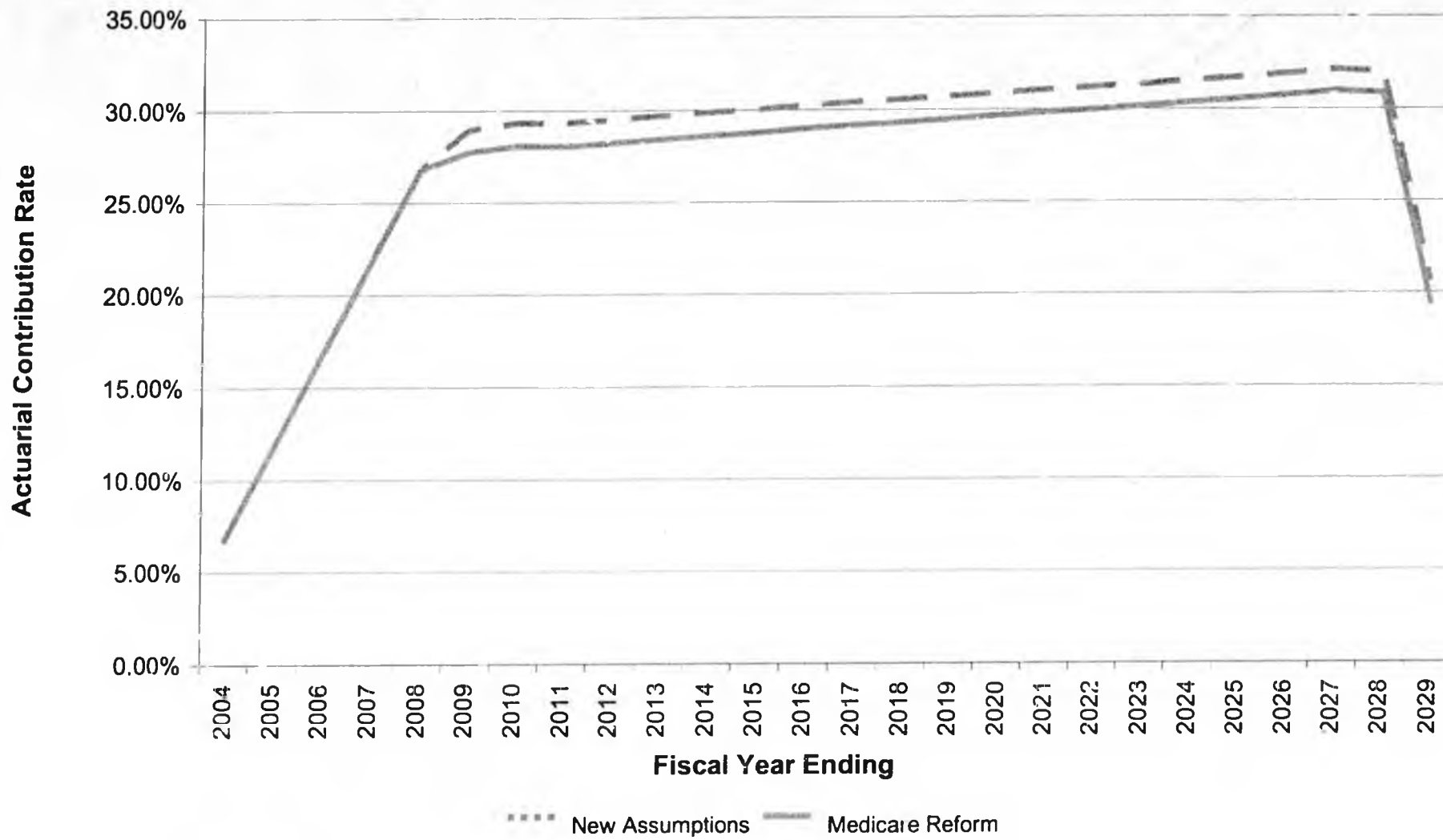
Contribution Comparison - TRS

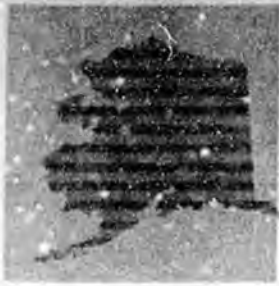




# Medicare Reform Impact Cost Projections - PERS

Contribution Comparison – PERS

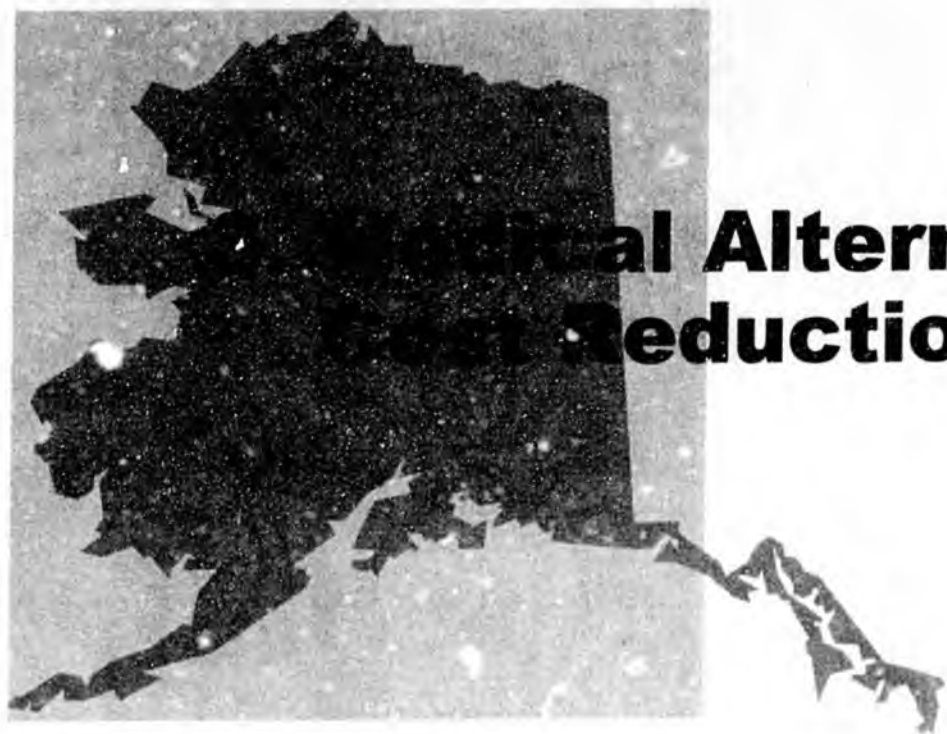




# Assumption Refinements & Medicare Reform

## Key Observations

- Net cost effect of new assumptions and Medicare reform is almost no effect on total employer actuarial contribution rate
  - 0.2% to 0.3% increase
  - Increase in accrued liability offset by decrease in normal cost for medical liabilities
- Assumption and method improvements over current
  - Separate costs and trend for medical versus Rx
    - More accurate estimation and valuation of benefit changes
  - Explicit recognition of effect of aging on claims
  - Detailed analysis of claims costs by Medicare eligibility status (pre and post 65)
- Opportunity for further method improvements
  - Annual review recommended
  - Dependent coverage data for retiree population



# **Alternative 1 – Reduction and Sharing**

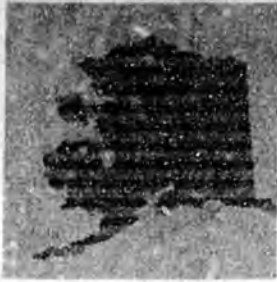


# Medical Alternative 1

## Defined Benefit

- The current medical plan would be replaced by an alternative plan which is designed to share and reduce costs
- Basic plan design elements

	<u>Current Plan</u>	<u>Alternative Plan</u>
<b>Medical</b>		
▪ Coordination with Medicare	Total Allowable	Maintenance of Benefits
▪ Deductible	\$150/person, \$450/family	\$250/person, \$750/family
▪ Out of Pocket	\$800	\$2,500
▪ Outpatient Surgery Coinsurance	100%	80%
<b>Prescription Drug</b>		
▪ Retail	90 day supply	30 day supply
- Generic	\$4	\$5
- Brand Formulary	\$8	\$15
- Brand Non-Formulary	\$8	\$30
▪ Mail Order	90 day supply	90 day supply
- Generic	\$0	\$5
- Brand Formulary	\$0	\$15
- Brand Non-Formulary	\$0	\$30
<b>Dental, Vision, Audio</b>	No Change	

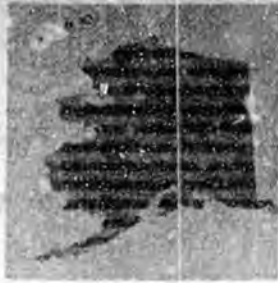


## **Medical Alternative 1**

### **Retiree Contributions**

- Retirees who were previously eligible for 100% subsidy of retiree health plan costs will now participate in the premium cost.
- Apply percentages to the contribution base to arrive at the applicable contribution amount.
- Contributions are on a per member basis
- Contribution Base Annual PMPY for fiscal year 2004:

Pre Medicare	\$5,749
Post Medicare	\$2,667



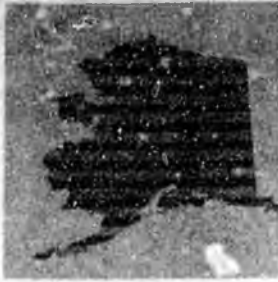
# Medical Alternative 1

## Retiree Contributions

- Contribution Percentage

<u>Service (yrs)</u>	<u>Contribution %</u>
<20	30%
20-29	20%
30+	10%

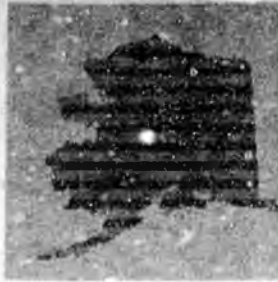
- Retirees who are not eligible for subsidized retiree health plan costs will pay 100% of the base PMPY costs



## **Medical Alternative 1**

### **Eligibility**

- No change to the basic eligibility requirements for members who retire directly from active service.
  - TRS members must be age 60 or older or have at least 25 years of service. Disabled members are also eligible.
  - PERS members must be age 60 or older or have at least 30 years of service (25 years for police officers or firefighters). Disabled members are also eligible.
- Terminated vested members are not eligible. A member must retire directly from active service in order to receive coverage

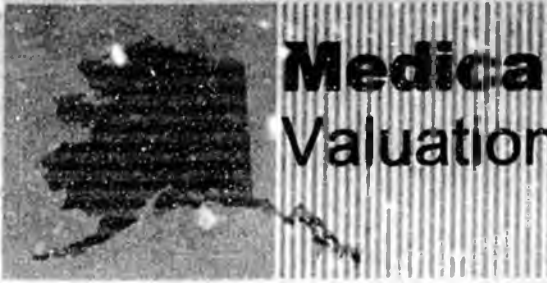


# Medical Alternative 1

## Valuation Results

### Claims Cost Assumptions

	<u>Medical</u>		<u>Prescription Drug</u>	
	<u>Pre-Medicare</u>	<u>Post-Medicare</u>	<u>Pre-Medicare</u>	<u>Post-Medicare</u>
Baseline	\$6,410	\$961	\$1,472	\$1,472
Medicare Reform	\$6,409	\$1,160	\$1,472	\$1,118
Plan Alternative	\$6,034	\$881	\$1,368	\$1,039



# Medical Alternative 1

## Valuation Results

- Incorporation of claims and assumption changes related to medical alternative 1 produces the following percentage changes in medical liabilities:

	<u>Percentage Change</u>
Accrued Liability (medical only)	N/A
Normal Cost (medical only)	-35%

- Long-term reduction in medical liabilities is expected to be 35%
- Little current change since new tier only



# Medical Alternative 1

## Cost Projections

The following pages show the effect that proposed medical alternative 1 would be expected to have over time on actuarial calculated contribution rates

- For purposes of isolating the effect of the medical program changes, non-medical benefits have been kept unchanged from the current program
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions previously described
- Proposed assumption and method changes (including the estimated effect of Medicare Reform) have been incorporated in this analysis

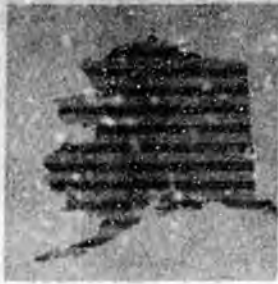


# Medical Alternative 1

## Cost Projections

### Other key assumptions

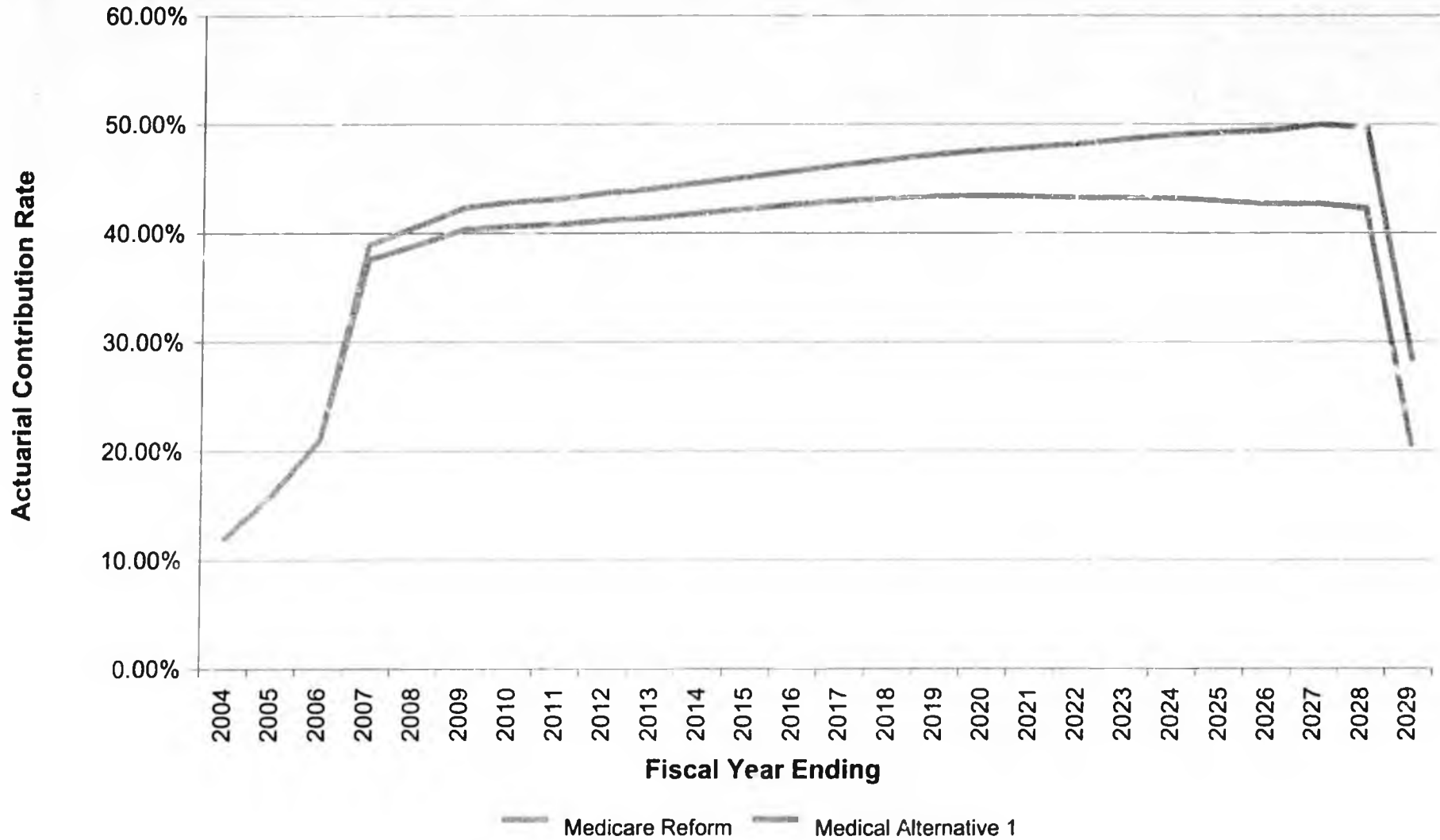
- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.

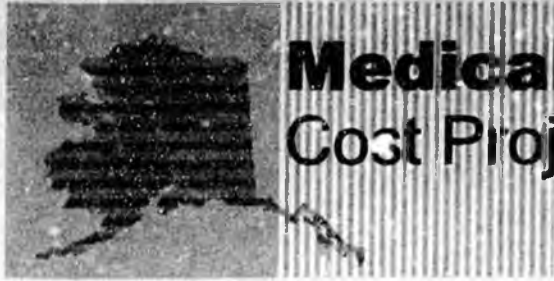


# Medical Alternative 1

## Cost Projections - TRS

Contribution Comparison - TRS

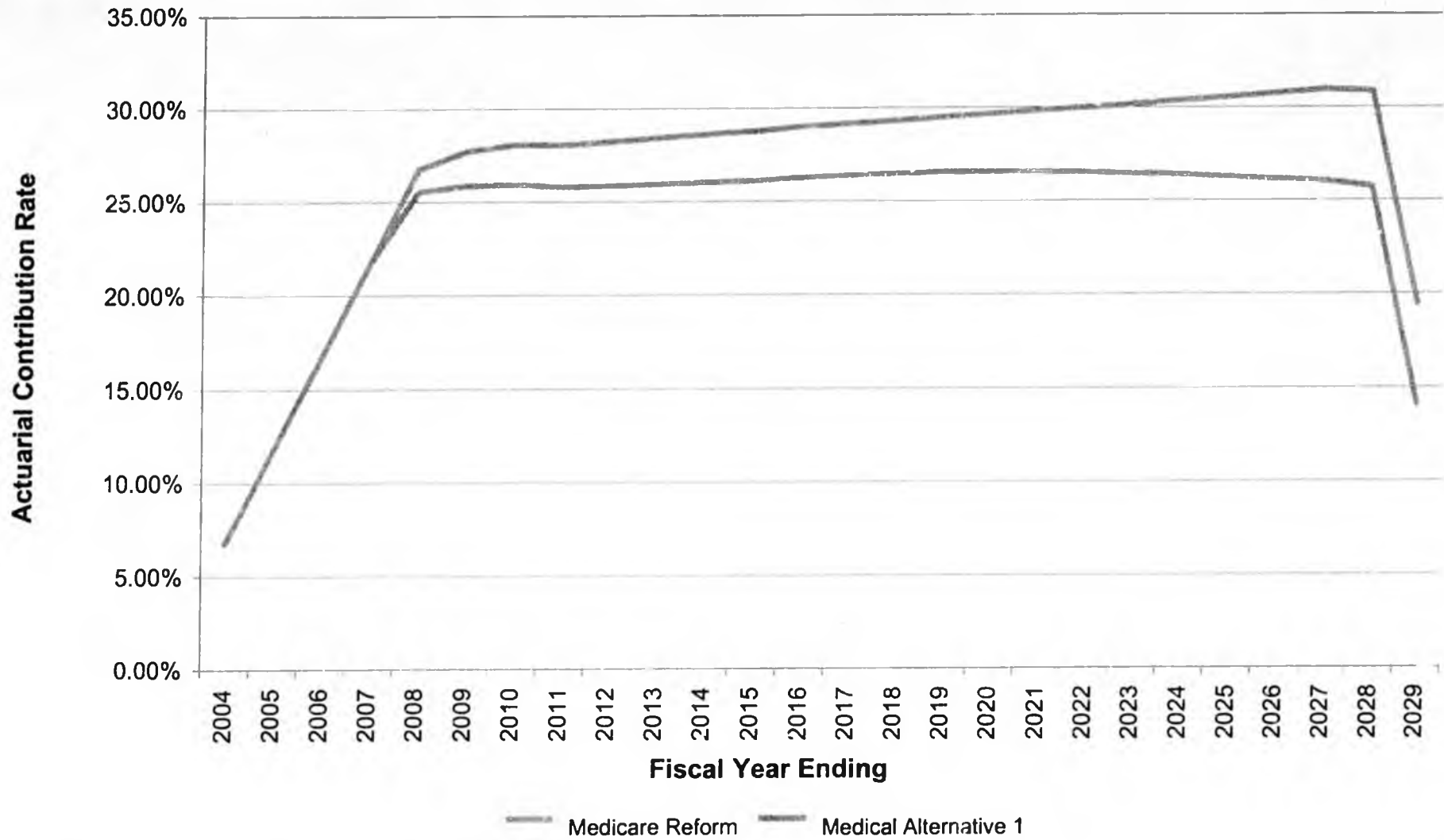


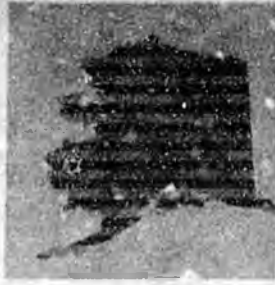


# Medical Alternative 1

## Cost Projections - PERS

Contribution Comparison – PERS



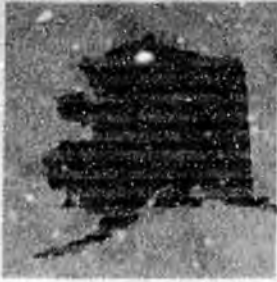


# Medical Alternative 1

## Comparison versus Objectives

Objective	Alternative 1
Members should bear a greater share of the cost of medical benefits.	●
Members should have to retire from the System in order to be eligible for medical benefits.	●
System benefits should favor longer-service members.	◐
Employer contributions should be predictable and stable.	○
Investment risk should not be borne solely by the employers	○
Healthcare inflation risk should not be borne solely by the employers	◐

- Meets objective
- ◐ Partially meets objective
- Does not meet objective

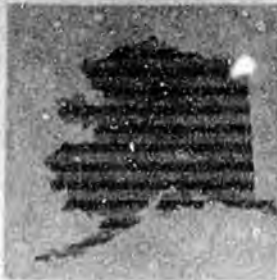


# Medical Alternative 1

## Comparison versus Constraints

Constraint	Alternative 1
Benefit changes must take the form of new "tiers."	<input checked="" type="radio"/>
Annual cost of benefits should not be designed to exceed current Systems' normal cost rates.	<input checked="" type="radio"/>

- Meets constraint
- Partially meets constraint
- Does not meet constraint



## **Medical Alternative 1**

### **Key Observations**

- Alternative 1 reduces overall cost
- Cost is shared between employers and members
- Investment risk is borne by employers
- Healthcare inflation risk is borne by both employers and members



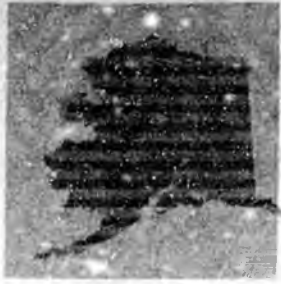
## **Local Alternative 2 - Fixed Dollar Approach**



## **Medical Alternative 2**

### **Defined Dollar Plan**

- The current medical plan would be replaced by an alternative defined dollar plan which is designed to increase predictability and stability of employer retiree medical health care costs
- Defined Dollar Plan
  - Fixed dollar subsidy at retirement for health coverage
  - Subsidy may or may not be tied to an index
  - Employer may or may not sponsor health benefits
  - May structure subsidy to be based on service



## **Medical Alternative 2**

### **Defined Dollar Plan**

- Proposed plan
  - Fixed dollar subsidy at retirement for health coverage
  - Offer access to retiree medical plan as outlined in Alternative 1
  - Subsidy amount is based on Medicare eligibility and length of service
  - Subsidy amount indexed each year by general inflation (CPI)



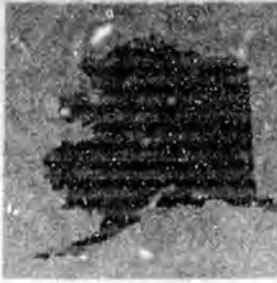
## Medical Alternative 2 Retiree Subsidy Amount

- Retirees who were previously eligible for 100% subsidy of retiree health plan costs will now receive a defined subsidy amount based on Medicare eligibility status and service duration.
- Apply percentages to the applicable subsidy base to arrive at the appropriate subsidy amount.
- Defined Dollar Subsidy Base Annual PMPY for fiscal year 2004:

Pre Medicare	\$5,749
Post Medicare	\$2,667

- Subsidy Percentage

<u>Service (yrs)</u>	<u>Subsidy %</u>
<20	70%
20-29	80%
30+	90%



## Medical Alternative 2

### Retiree Contribution Example

- Retiree contributions are determined by subtracting the annual subsidy amount from the annual claims cost for a given year.
- Assumptions
  - Pre Medicare retiree, average age, 25 years of service
  - Year 1 assumes plan cost and subsidy base are equal
  - Average plan cost increases with blended medical, prescription drug trend of 11%
  - Subsidy base increases at a general inflation rate of 3.5%

#### Year 1

Average Plan Cost	\$5,749
Retiree Subsidy (80% of \$5,749)	\$4,599
Retiree Contribution	\$1,150

#### Year 2

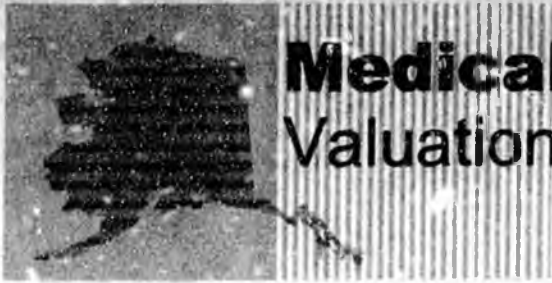
Average Plan Cost	\$6,381
Retiree Subsidy (80% of \$5,950)	\$4,760
Retiree Contribution	\$1,621
Percentage Increase	41%



## **Medical Alternative 2**

### **Eligibility**

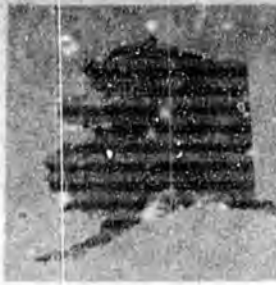
- No change to the basic eligibility requirements for members who retire directly from active service.
  - TRS members must be age 60 or older or have at least 25 years of service. Disabled members are also eligible.
  - PERS members must be age 60 or older or have at least 30 years of service (25 years for police officers or firefighters). Disabled members are also eligible.
- Terminated vested members are not eligible. A member must retire directly from active service in order to receive coverage.



## Medical Alternative 2 Valuation Results

- Incorporation of claims and assumption changes related to medical alternative 1 produces the following percentage decreases in medical liabilities (compared to current program):

	<u>Percentage Change</u>
Accrued Liability (medical only)	N/A
Normal Cost (medical only)	-70%

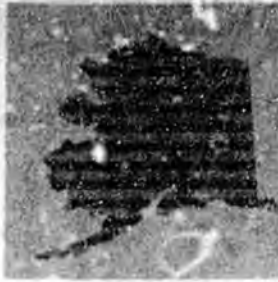


## **Medical Alternative 2**

### **Cost Projections**

The following pages show the effect that proposed medical alternative 1 would be expected to have over time on actuarial calculated contribution rates

- For purposes of isolating the effect of the medical program changes, non-medical benefits have been kept unchanged from the current program
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions previously described
- Proposed assumption and method changes (including the estimated effect of Medicare Reform) have been incorporated in this analysis



## **Medical Alternative 2**

### **Cost Projections**

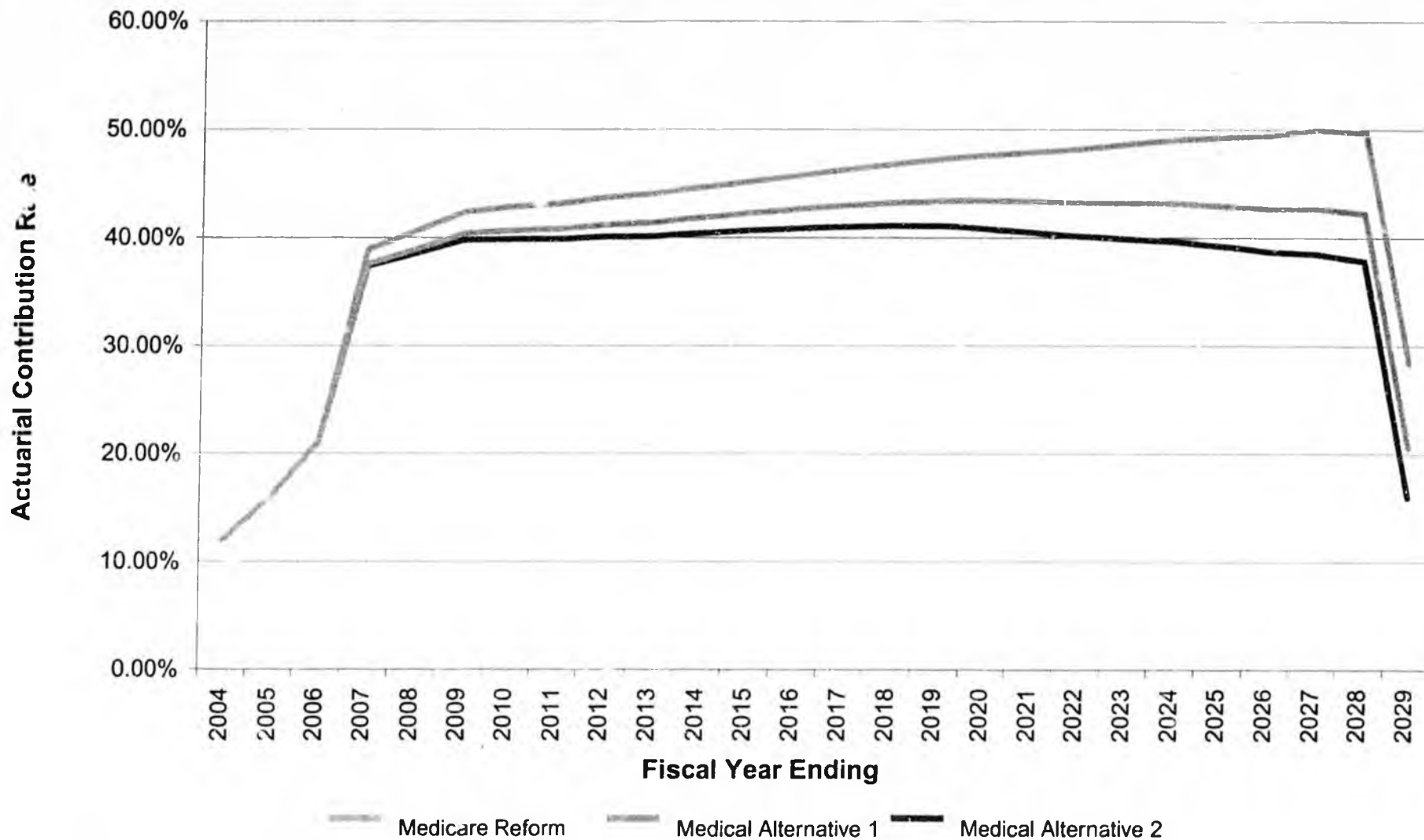
#### Other key assumptions

- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.

# Medical Alternative 2

## Cost Projections - TRS

Contribution Comparison - TRS

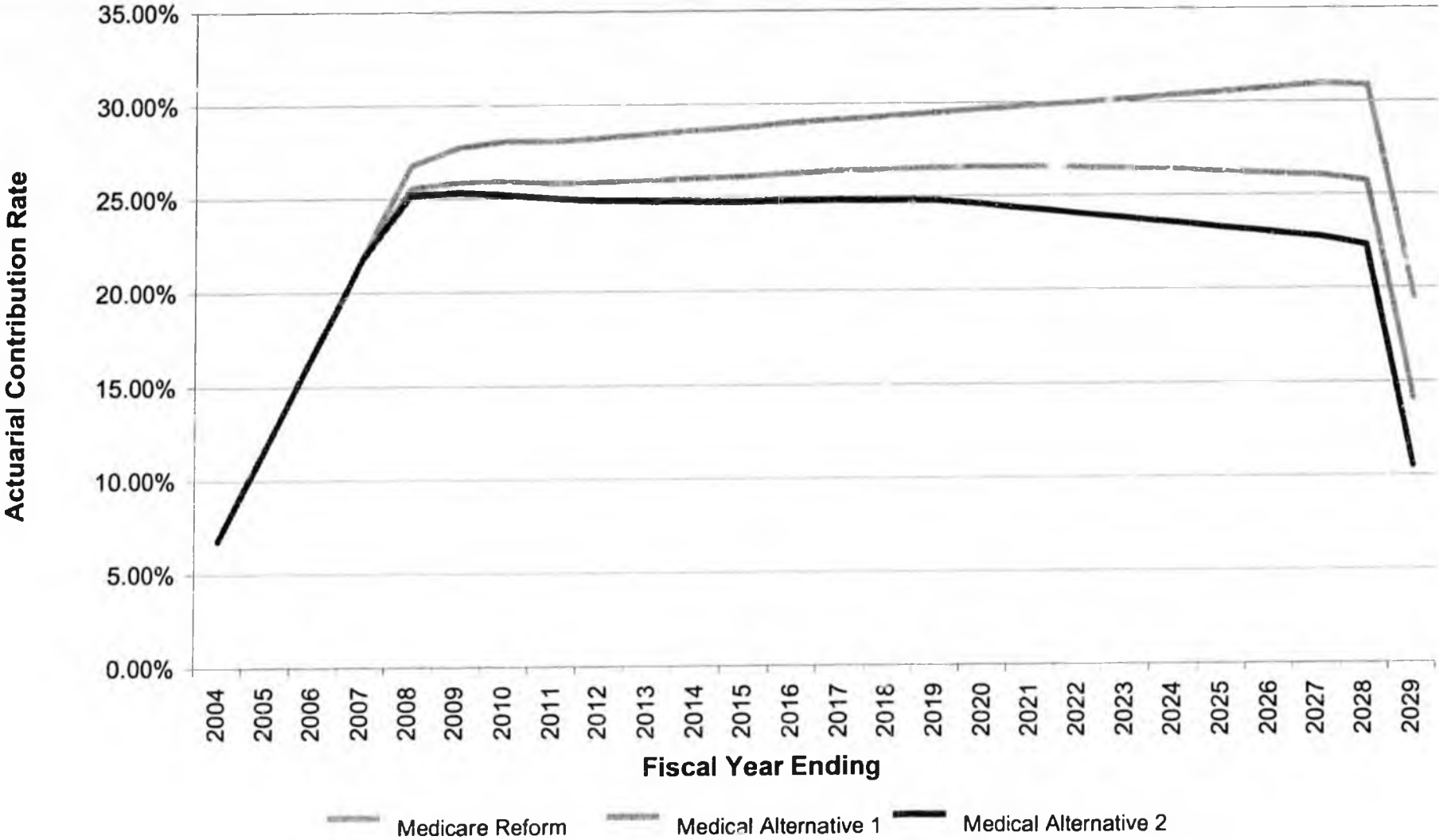




# Medical Alternative 2

## Cost Projections - PERS





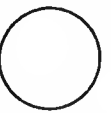

Contribution Comparison – PERS








# Medical Alternative 2

## Comparison versus Objectives

Objective	Alternative 2
Members should bear a greater share of the cost of medical benefits.	
Members should have to retire from the System in order to be eligible for medical benefits.	
System benefits should favor longer-service members.	
Employer contributions should be predictable and stable.	
Investment risk should not be borne solely by the employers	
Healthcare inflation risk should not be borne solely by the employers	

-  Meets objective
-  Partially meets objective
-  Does not meet objective



# Medical Alternative 2

## Comparison versus Constraints

Constraint	Alternative 2
Benefit changes must take the form of new "tiers."	<input checked="" type="radio"/>
Annual cost of benefits should not be designed to exceed current Systems' normal cost rates.	<input checked="" type="radio"/>

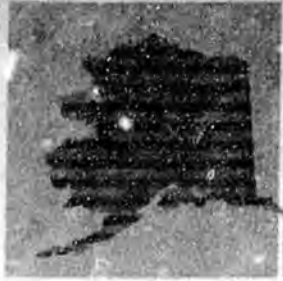
- Meets constraint
- Partially meets constraint
- Does not meet constraint



## **Medical Alternative 2**

### **Key Observations**

- Alternative 2 significantly reduces overall cost
- Cost is shared between employers and retirees
- Employers bear investment risk
- Members bear healthcare inflation risk
  - Can expect to pay greater share over time



# Medical Alternative Summary

## Comparison versus Objectives

- Meets objective
- ◐ Partially meets objective
- Does not meet objective

Objective	Alternative 1	Alternative 2
Members should bear a greater share of the cost of medical benefits.	●	●
Members should have to retire from the System in order to be eligible for medical benefits.	●	●
System benefits should favor longer-service members.	◐	◐
Employer contributions should be predictable and stable.	○	◐
Investment risk should not be borne solely by the employers	○	○
Healthcare inflation risk should not be borne solely by the employers	◐	●

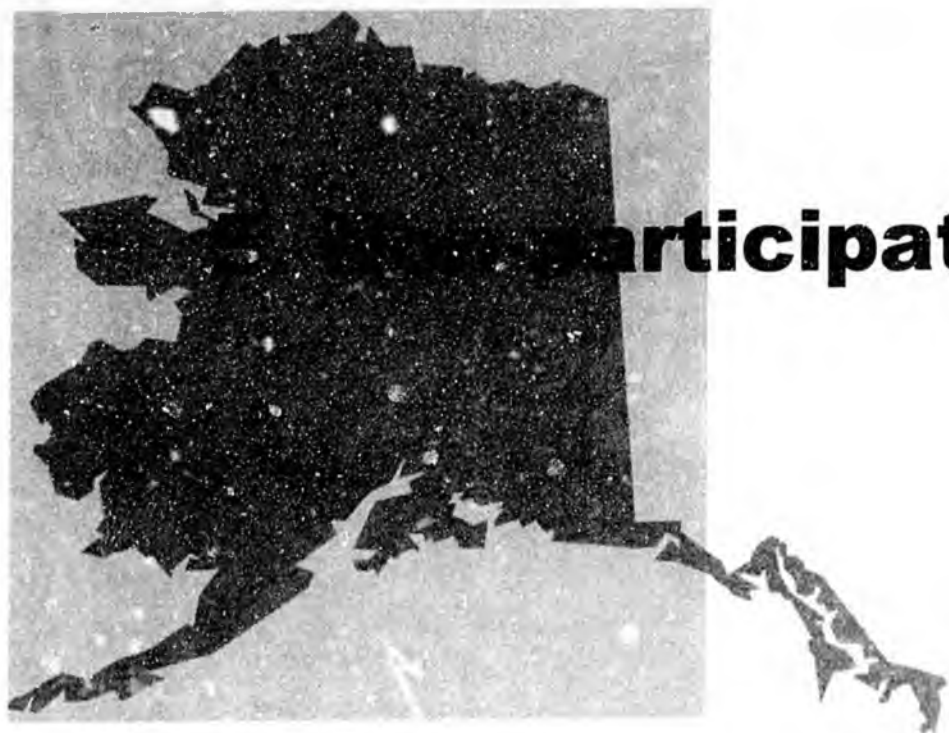


# Medical Alternative Summary

## Comparison versus Constraints

- Meets constraint
- Partially meets constraint
- Does not meet constraint

Constraint	Alternative 1	Alternative 2
Benefit changes must take the form of new "tiers."	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Annual cost of benefits should not be designed to exceed current Systems' normal cost rates.	<input checked="" type="radio"/>	<input checked="" type="radio"/>



# **Participation in Social Security**



# Non-participation in Social Security

## Implications of opting out of Social Security

- Required minimum level of benefits
- Separate requirements for defined benefit versus defined contribution plans
- Described in Federal Insurance Contributions Act
- Further described in Revenue Procedure 91-40



## **Non-participation in Social Security**

Required minimum level of benefits – defined contribution plans

- Allocations must be at least 7.5% of compensation
- Allocation can be any combination of employer and employee contributions
- Employer match may be taken into account
- Definition of compensation must at least include base pay



## Non-participation in Social Security

Required minimum level of benefits – defined benefit plans

- Minimum accrued benefit
- Expressed as annual amount commencing on or before Social Security retirement age
- Must at least equal Primary Insurance Amount (PIA)
- Revenue Procedure 91-40 provides “safe harbor” formulas

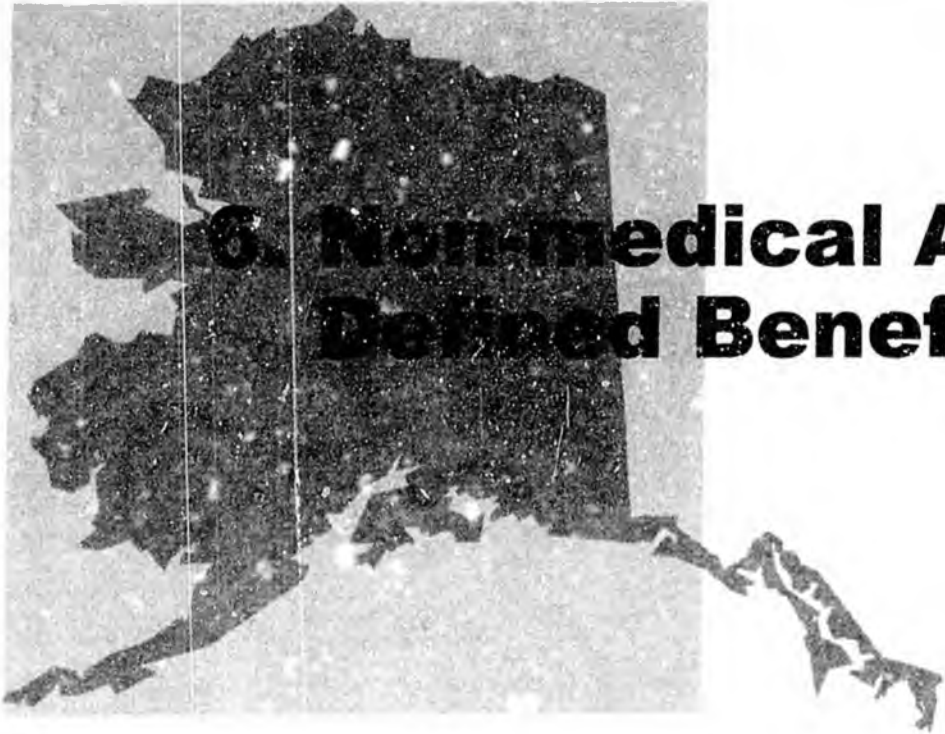


## Non-participation in Social Security

Safe harbor defined benefit plans

- Defined as percentage of final average pay times years of service

<u>Averaging Period (months)</u>	<u>Percentage</u>
36 or less	1.50%
37 to 48	1.55%
49 to 60	1.60%
61 to 120	1.75%
Over 120	2.00%



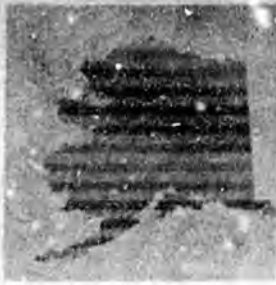
# **6. Non-medical Alternative 1 – Defined Benefit Plan**



## **Non-medical Alternative 1 – Defined Benefit**

The current defined benefit plan would be replaced by a program based on a safe harbor under the Social Security rules

- Plan provisions for new members would be as follows:
  - Normal retirement at age 65
  - Early retirement at age 55 with actuarial reduction
  - Benefit formula: 1.5% of final 3-year average pay per year of service
  - Vesting, disability and death benefits similar to those provided by the current plan
  - Member contributions at same level as current plan
  - PRPA is eliminated
  - 10% Alaska COLA is retained
- Current members would continue to receive benefits at their current tier levels



## **Non-medical Alternative 1 – Defined Benefit**

The following pages show the effect such a new tier would be expected to have over time on actuarial calculated contribution rates

- Costs are based on a defined benefit new tier as previously described
- Current members continue under the current System structure
- For purposes of evaluating the effect of the defined benefit change, medical benefits have been kept unchanged from the current program
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports



## Non-medical Alternative 1 – Defined Benefit

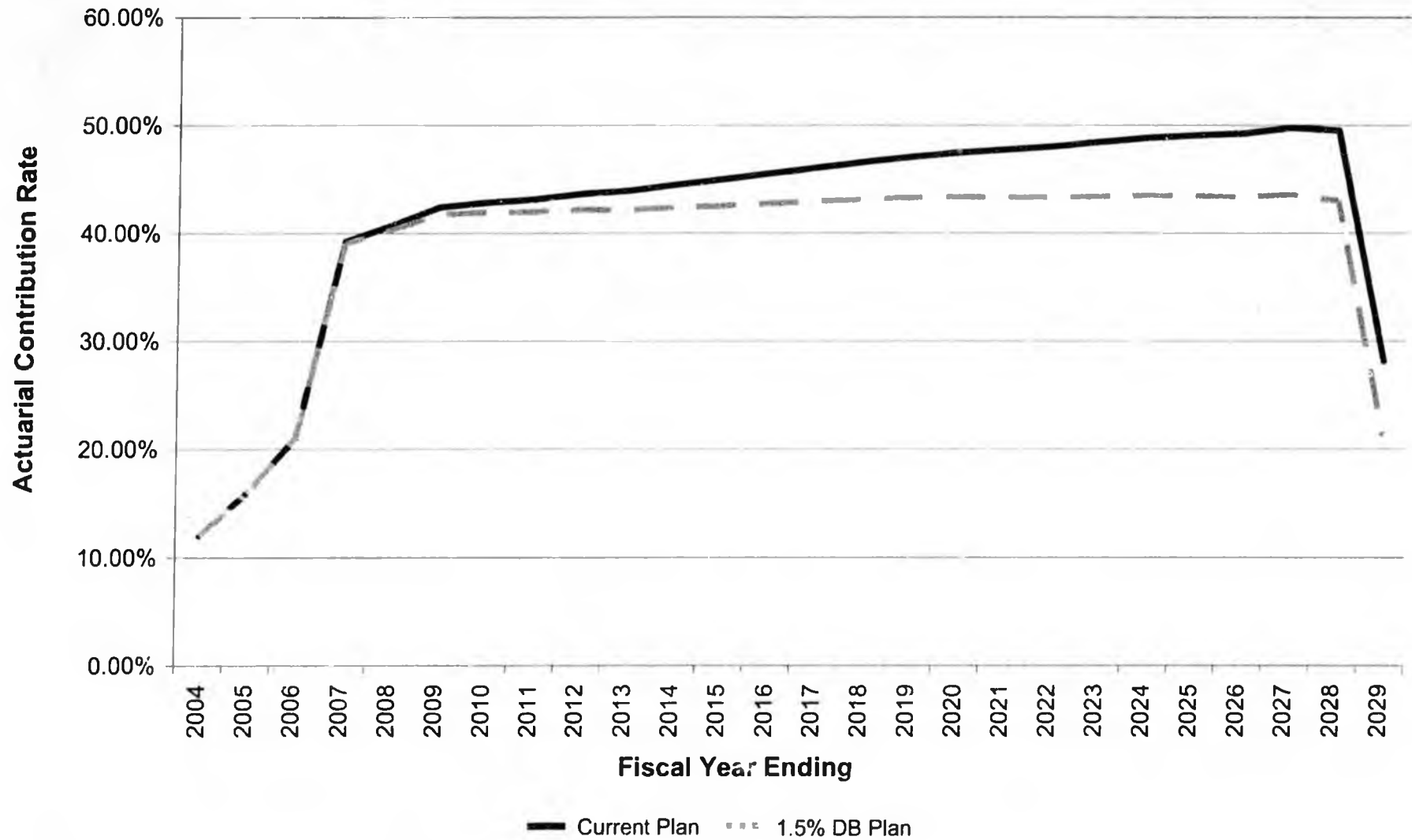
### Other key assumptions

- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.



# Non-medical Alternative 1 – Defined Benefit

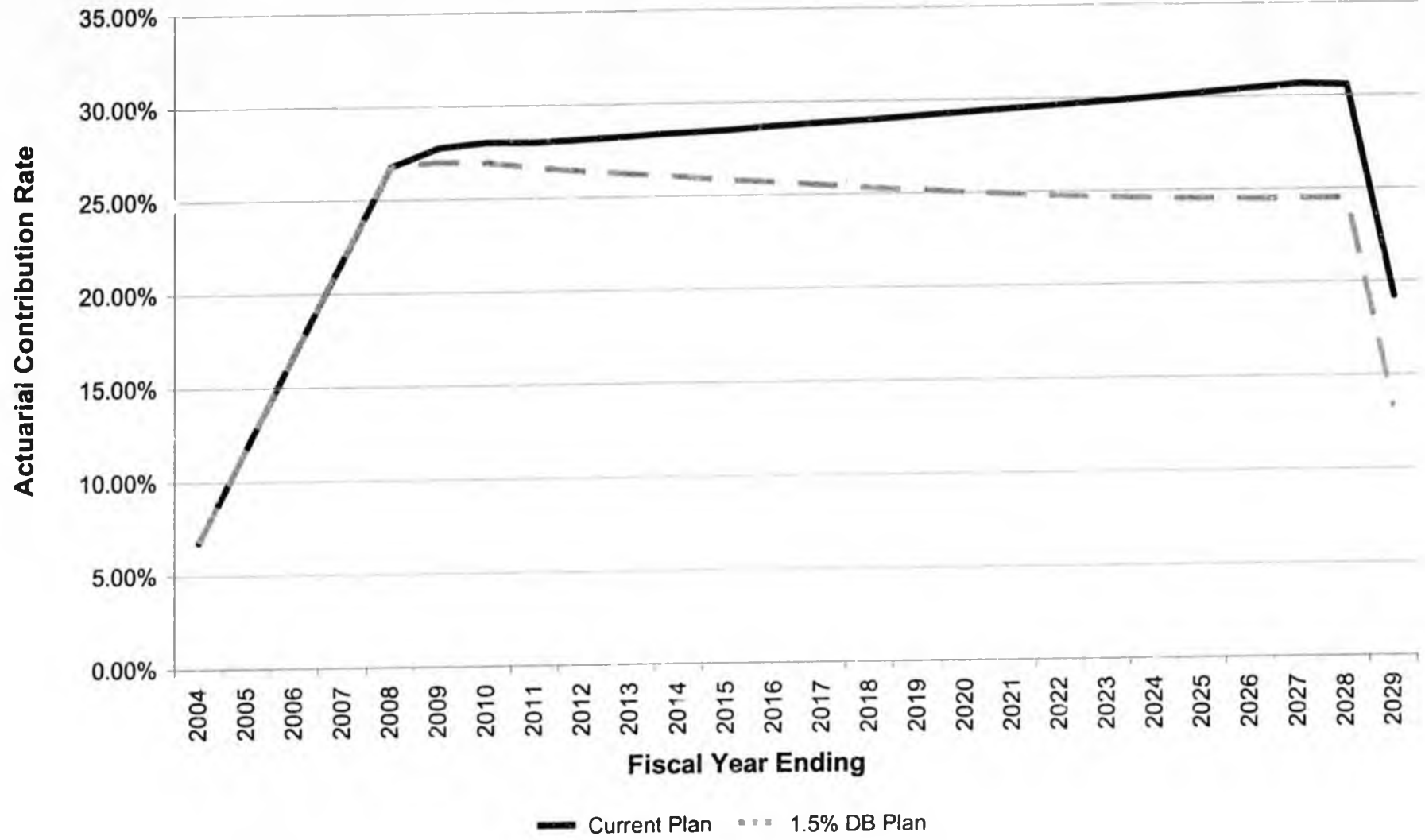
## Contribution Comparison – TRS





# Non-medical Alternative 1 - Defined Benefit

### Contribution Comparison - PERS








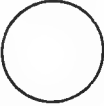
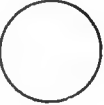
## **Non-medical Alternative 1 – Defined Benefit Projections at Calculated Rate – Observations**




- Calculated rates gradually decrease compared to the current System
- After 25 years, the difference in actuarial contribution rates is
  - About 7 percent for TRS
  - About 6 percent for PERS



# Non-medical Alternative 1 – Defined Benefit

## Comparison versus Objectives

Objective	Alternative 1
System benefits should favor longer-service members.	
Employer contributions should be predictable and stable.	
Investment risk should not be borne solely by the employers	

-  Meets objective
-  Partially meets objective
-  Does not meet objective

# Non-medical Alternative 1 – Defined Benefit

## Comparison versus Constraints

Constraint	Alternative 1
Non-medical benefits must be sufficient to satisfy minimum requirements for employers who do not participate in Social Security	●
Benefit changes must take the form of new “tiers.”	●
Annual cost of benefits should not be designed to exceed current Systems’ normal cost rates.	●

- Meets constraint
- ◐ Partially meets constraint
- Does not meet constraint



## **Non-medical Alternative 1 – Defined Benefit**

### **Other Observations**

- From member's perspective, this alternative provides some level of life-time retirement security
- While overall cost is expected to be lower than the current System, employers still bear longevity and investment risk



## **7. Non-medical Alternative 2 – Defined Contribution Plan**



## **Non-medical Alternative 2 – Defined Contribution**

The current defined benefit plan would be replaced by a defined contribution program based on minimum requirements for employers who do not participate in Social Security

- Plan provisions for new members would be as follows:
  - Each member would have an individual account
  - Each year 7.5% of member pay would be contributed to the account
  - Account balances would be fully vested at all times
- Current members would continue to receive benefits at their current tier levels



## **Non-medical Alternative 2 – Defined Contribution**

The following pages show the effect such a new tier would be expected to have over time on actuarial calculated contribution rates

- Costs are based on a defined contribution new tier as previously described
- Current members continue under the current System structure
- For purposes of evaluating the effect of the defined contribution change, medical benefits have been kept unchanged from the current program
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports



## Non-medical Alternative 2 – Defined Contribution

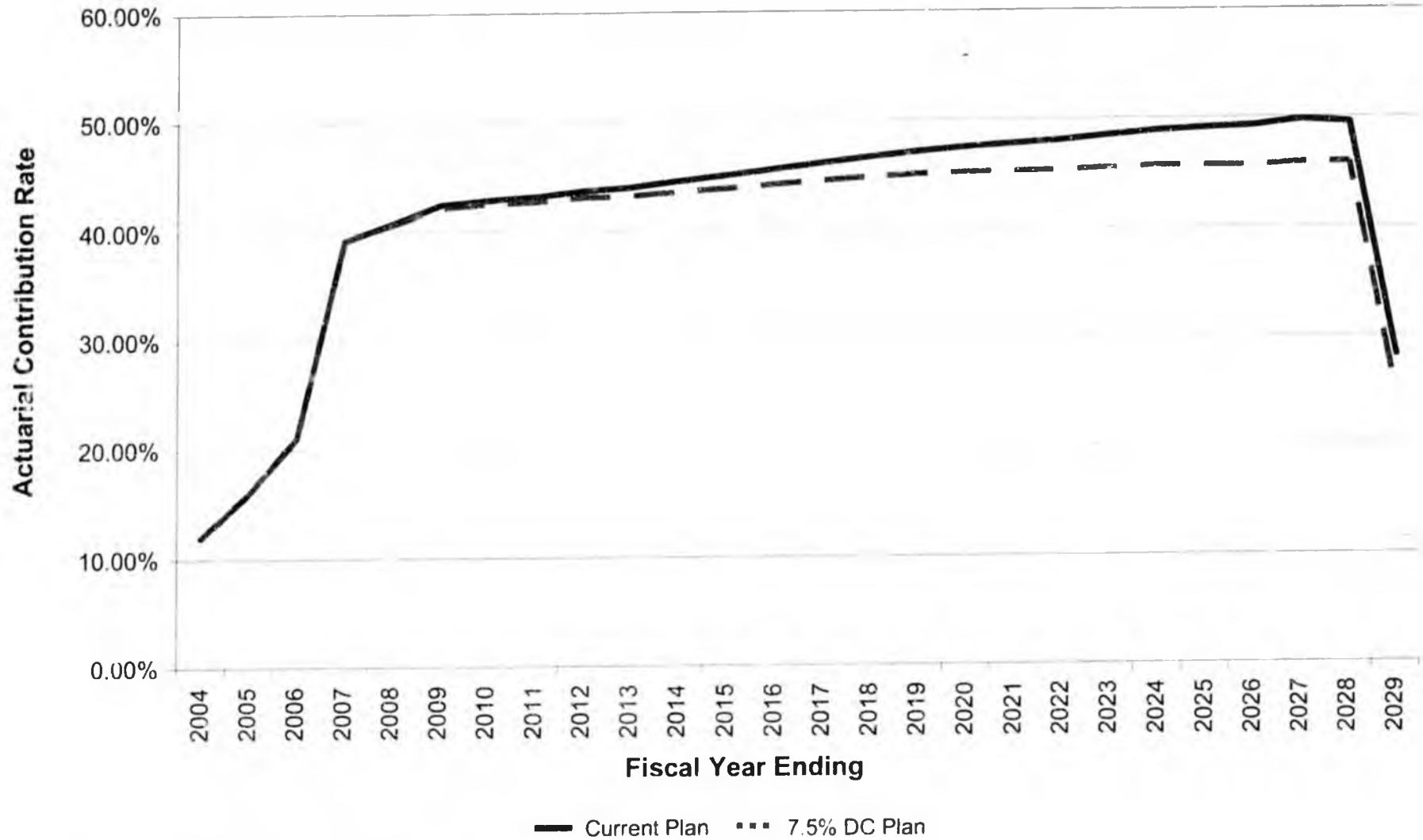
### Other key assumptions

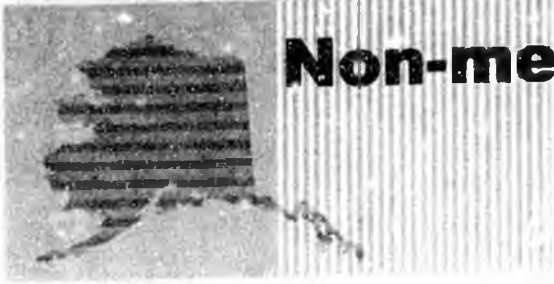
- Active population scenario: 1% growth
- New entrants brought in to replace members assumed to die, terminate, retire, or become disabled
- New entrant profiles based on average new entrant profiles from the prior 3 years
- Future liabilities and asset returns are calculated at 8.25%, except:
  - 17% investment return for FY04
- Adopted contribution rate is equal to the actuarially calculated rate for all future years.



# Non-medical Alternative 2 – Defined Contribution

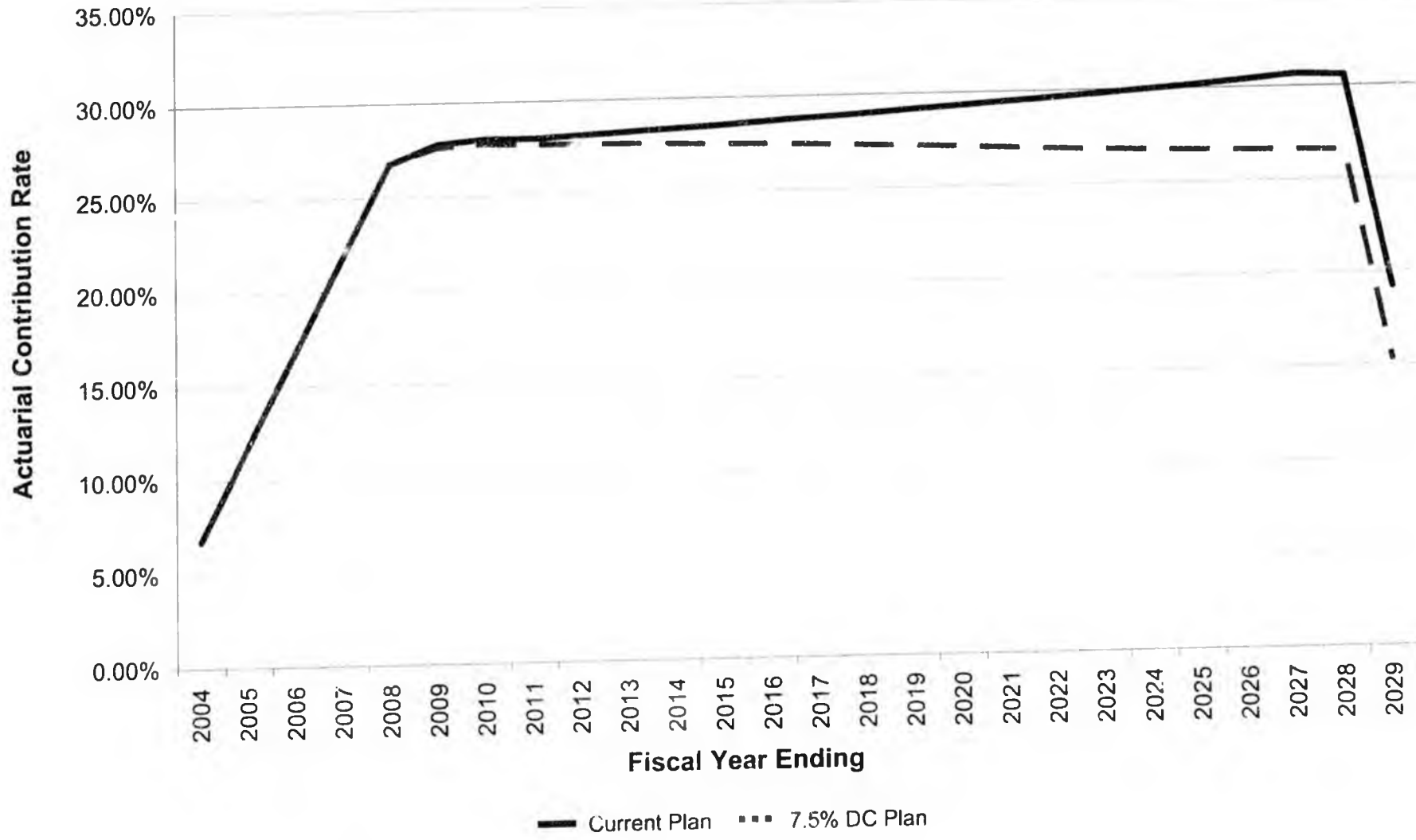
Contribution Comparison – TRS





# Non-medical Alternative 2 - Defined Contribution

### Contribution Comparison - PERS





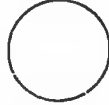


## **Non-medical Alternative 2 – Defined Contribution** Projections at Calculated Rate – Observations




- Calculated rates gradually decrease compared to the current System
- After 25 years, the difference in actuarial contribution rates is
  - About 3.5 percent for TRS
  - About 4 percent for PERS



# Non-medical Alternative 2 – Defined Contribution

## Comparison versus Objectives

Objective	Alternative 2
System benefits should favor longer-service members.	
Employer contributions should be predictable and stable.	
Investment risk should not be borne solely by the employers	

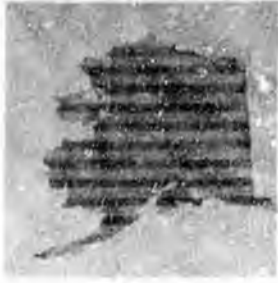
-  Meets objective
-  Partially meets objective
-  Does not meet objective

# Non-medical Alternative 2 – Defined Contribution

## Comparison versus Constraints

- Meets constraint
- Partially meets constraint
- Does not meet constraint

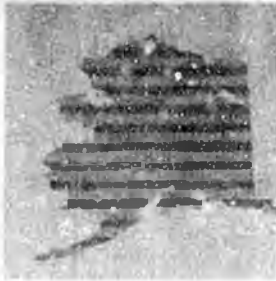
Constraint	Alternative 2
Non-medical benefits must be sufficient to satisfy minimum requirements for employers who do not participate in Social Security	<input checked="" type="radio"/>
Benefit changes must take the form of new “tiers.”	<input checked="" type="radio"/>
Annual cost of benefits should not be designed to exceed current Systems’ normal cost rates.	<input checked="" type="radio"/>



## **Non-medical Alternative 2 – Defined Contribution**

### Other Observations

- From member's perspective, this alternative provides opportunity for wealth accumulation, but does not provide life-time retirement security
- Employers no longer bear longevity and investment risk



# Non-medical Alternative Summary

## Comparison versus Objectives

- Meets objective
- ◐ Partially meets objective
- Does not meet objective

Objective	Alternative 1 Defined Benefit	Alternative 2 Defined Contribution
System benefits should favor longer-service members.	●	○
Employer contributions should be predictable and stable.	○	●
Investment risk should not be borne solely by the employers	○	●

# Non-medical Alternative Summary

## Comparison versus Constraints

- Meets constraint
- ◐ Partially meets constraint
- Does not meet constraint

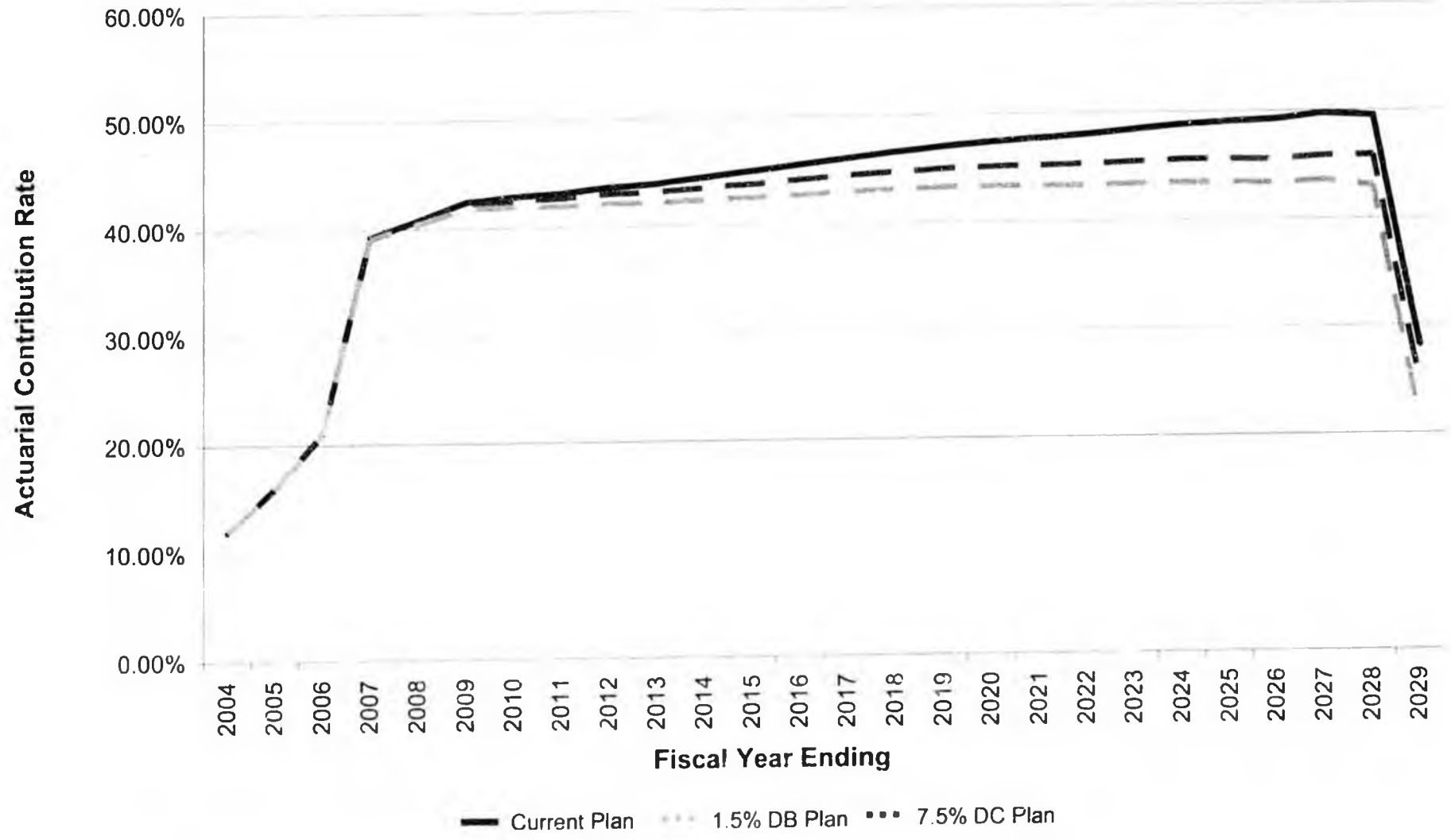
Constraint	Alternative 1 Defined Benefit	Alternative 2 Defined Contribution
Non-medical benefits must be sufficient to satisfy minimum requirements for employers who do not participate in Social Security	●	●
Benefit changes must take the form of new "tiers."	●	●
Annual cost of benefits should not be designed to exceed current Systems' normal cost rates.	●	●



# Non-medical Alternative Summary

## Cost Projections - TRS

Contribution Comparison – TRS

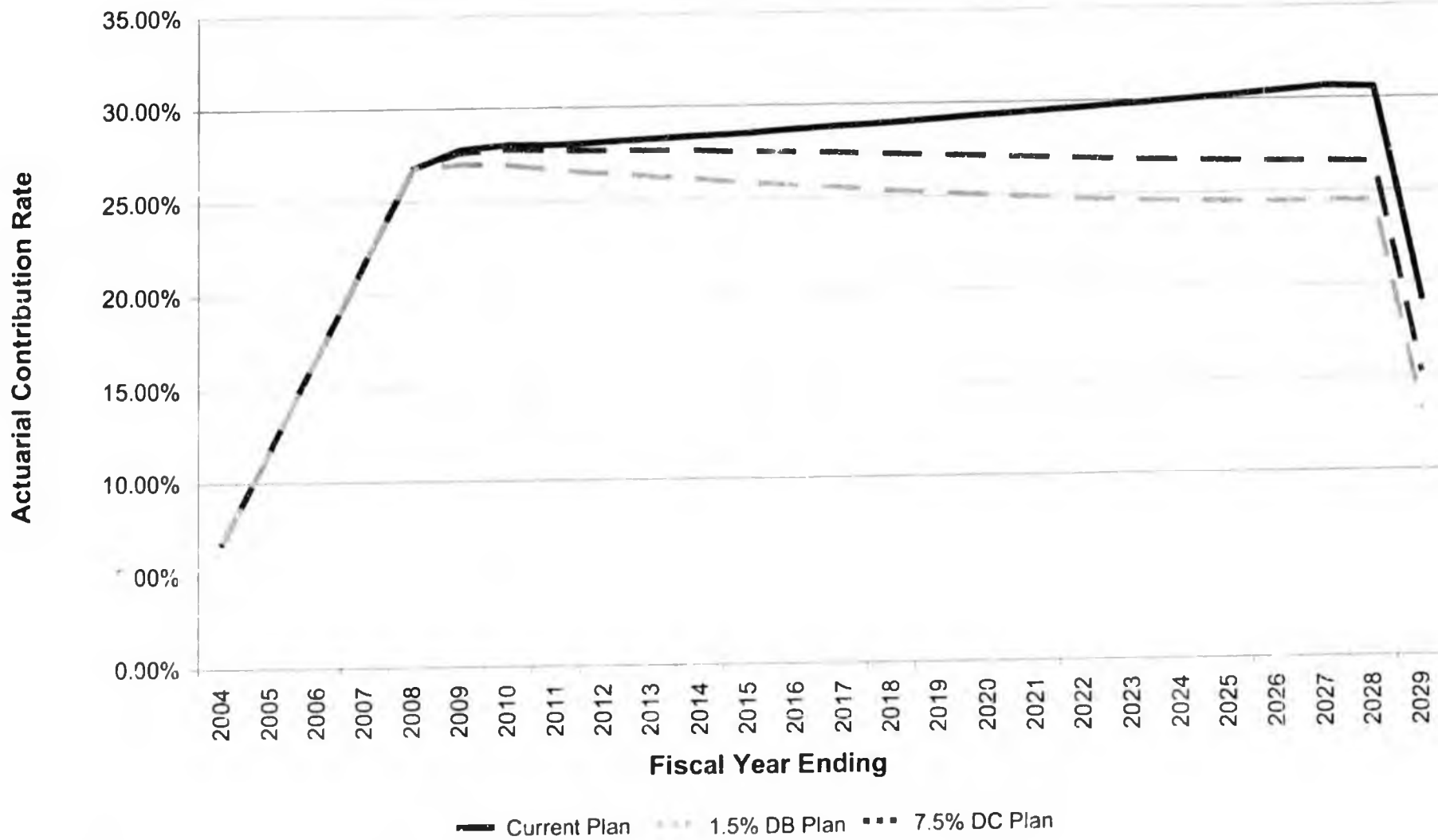




# Non-medical Alternative Summary

## Cost Projections - PERS

Contribution Comparison – PERS





## **Summary – Combined Program Cost Projections**

The following pages show the effect that a combination of proposed non-medical and medical alternatives together would be expected to have over time on actuarial calculated contribution rates

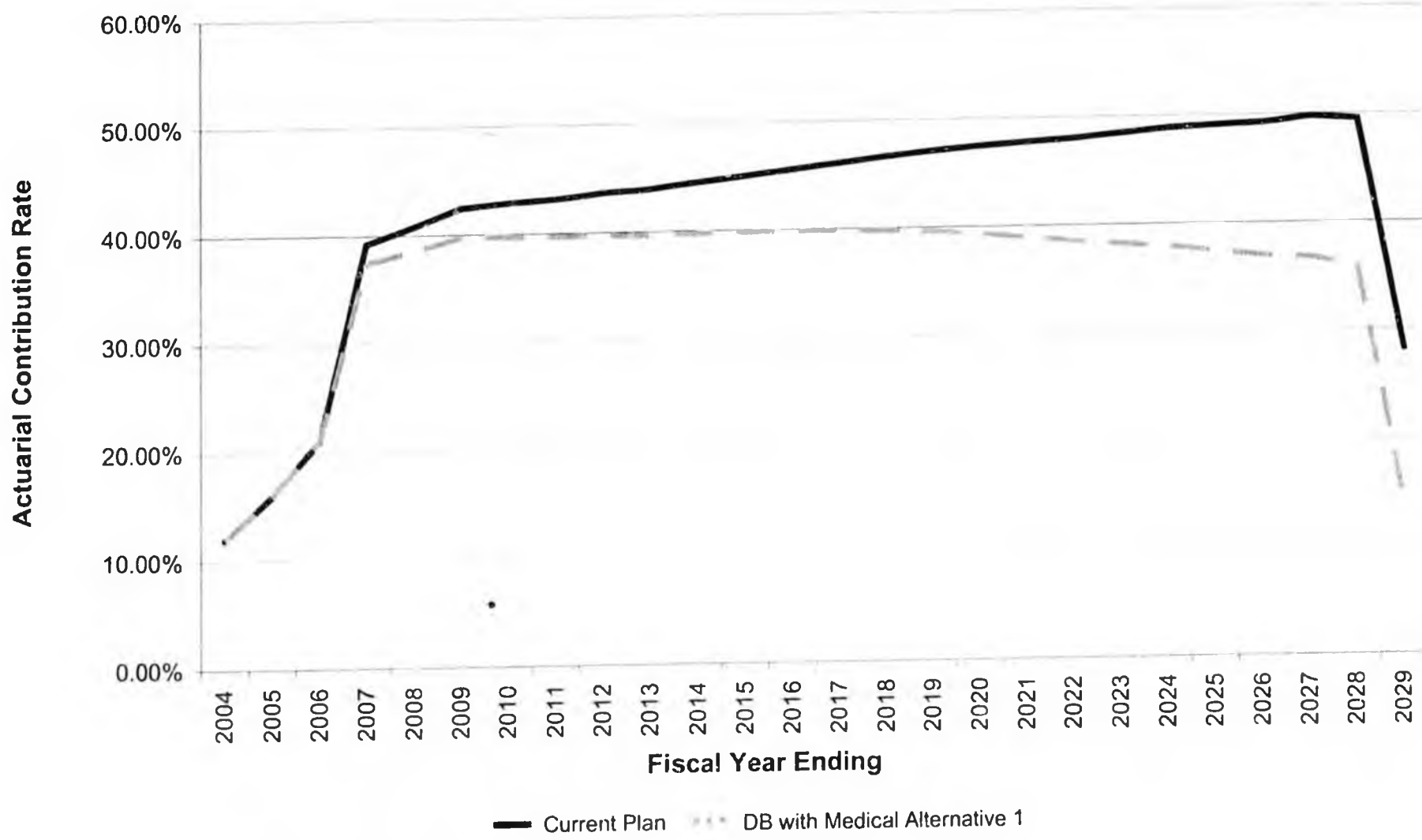
- Non-medical alternative 1 – defined benefit
- Medical alternative 1
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions previously described
- Proposed assumption and method changes (including the estimated effect of Medicare Reform) have been incorporated in this analysis

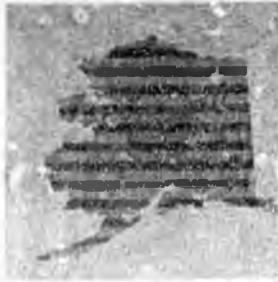


# Summary - Combined Program

## Cost Projections - TRS

### Contribution Comparison - TRS

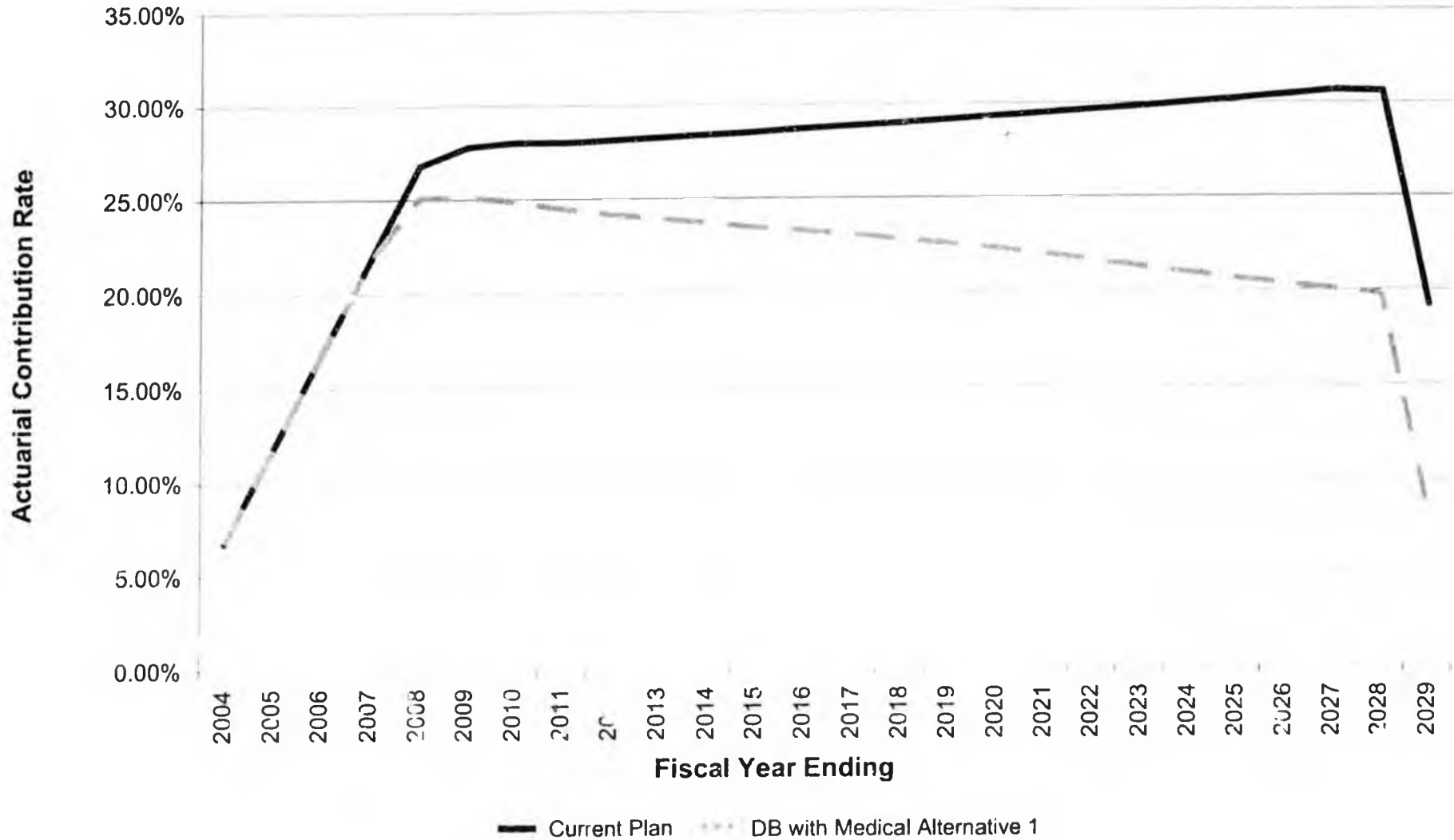




# Summary - Combined Program

## Cost Projections - PERS

Contribution Comparison - PERS





## **Summary – Combined Program Cost Projections**

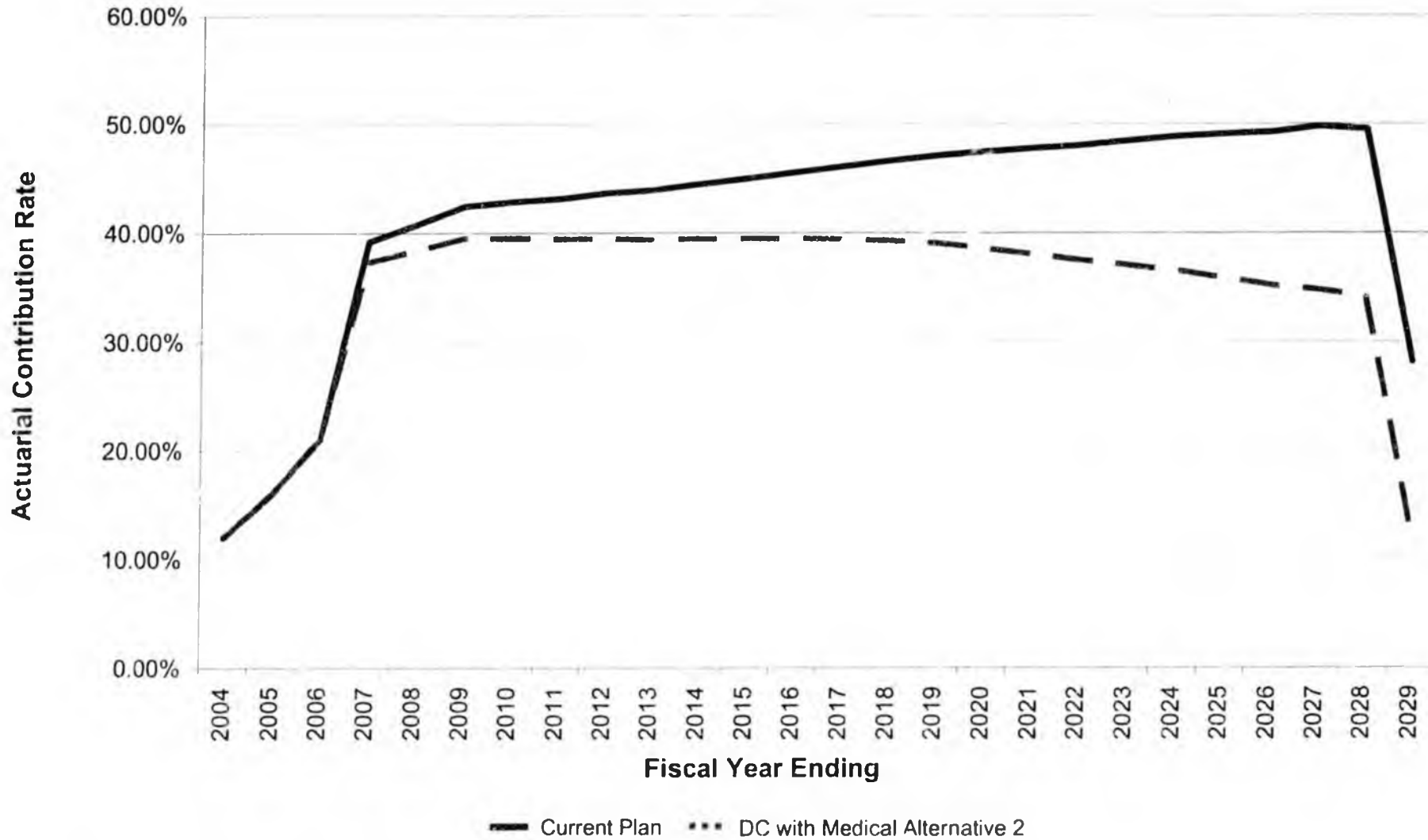
The following pages show the effect that a combination of proposed non-medical and medical alternatives together would be expected to have over time on actuarial calculated contribution rates

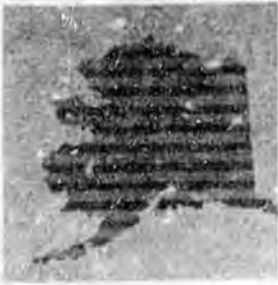
- Non-medical alternative 2 – defined contribution
- Medical alternative 2
- Members are assumed to contribute at their current contribution rate
- Member data, assumptions and methods are as described in the June 30, 2003 actuarial valuation reports, except for revisions to the medical assumptions previously described
- Proposed assumption and method changes (including the estimated effect of Medicare Reform) have been incorporated in this analysis

# Summary - Combined Program

## Cost Projections - TRS

Contribution Comparison - TRS

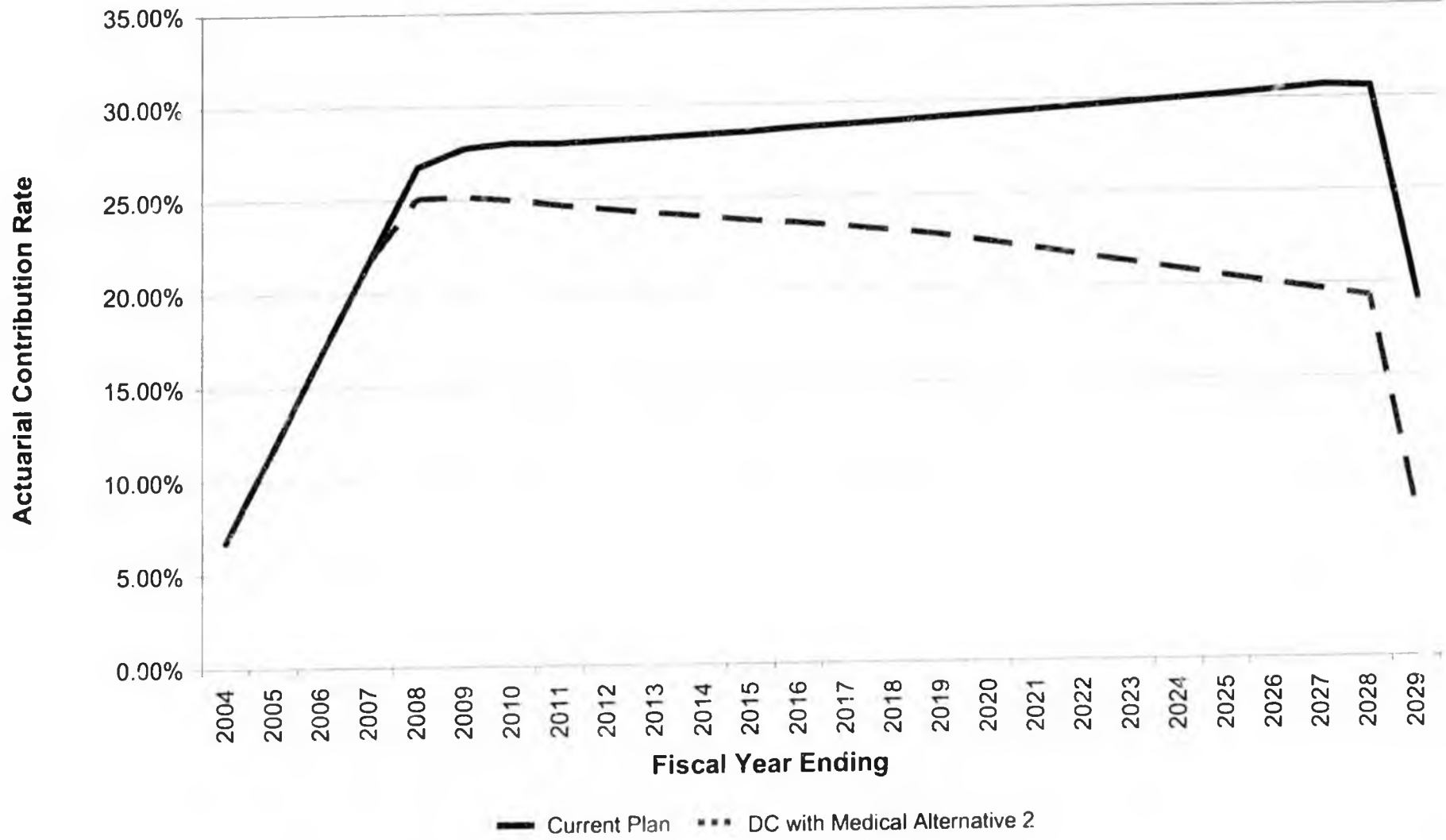




# Summary – Combined Program

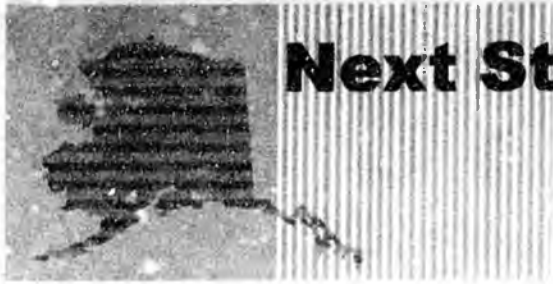
## Cost Projections - PERS

Contribution Comparison – PERS





## **8. Next Steps**



## Next Steps

- Agree on most desirable alternative
  - Is further refinement needed?
- Documentation needs
- Further cost analysis



Official Business

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## MEMORANDUM

Date: January 31, 2008  
To: Representative Lynn, Chair  
State Affairs Committee  
From: Suzi Lowell *sl/ll*  
Chief Clerk  
Subject: Governor's Appointment(s)

The Speaker referred the following Governor's appointment(s) to the State Affairs Committee:

### State Commission for Human Rights

Mr. Mark S. Fish - Anchorage  
Appointed: 6/11/2007 Term Expires: 3/1/2012

Ms. Grace Merkes - Sterling  
Appointed: 2/19/2003 Reappointed: 1/28/2008  
Term Expires: 3/1/2013

Mr. Robert B. Sawyer, Jr. - Fairbanks  
Appointed: 2/19/2003 Reappointed: 1/29/2008  
Term Expires: 3/1/2013

### Personnel Board

Ms. Debra E. English - Anchorage  
Appointed: 1/8/2004 Reappointed: 1/29/2008  
Term Expires: 3/1/2014

### Alaska Public Offices Commission (APOC)

Ms. Kathleen Frederick - Juneau  
Appointed: 1/29/2008 Term Expires: 3/1/2013

The Referral for Confirmation page(s), resume(s), and signature page(s) are attached for your use.

Attachments as noted



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
P.O. Box 110001  
Juneau, AK 99811-0001

BOARDS AND COMMISSIONS APPLICATION/RESUME FORM

INSTRUCTIONS

A separate application is required for each position for which you apply. Complete and specific answers will aid in rapid and accurate processing of your resumé. Please type or print legibly in ink. Forward to the above address. Be sure your answers are true. A willfully false answer may result in your disqualification or removal from office if you are appointed.

Board or Commission for which I am applying: ~~Board of Game~~

Human Rights Commission

Please list any other State Boards or Commissions on which you currently or previously have served:

none

Name: Mark Steven Fish

Mailing Address: 1911 Alder Drive

Residence Address: 1911 Alder Drive

City, State and Zip Code: Anchorage, Alaska 99508

Home Telephone: (907) 561-5327

Business or Message Telephone: (907) 561-5327

Fax Number:

Cell Phone: (907) 360-9135

Email address: fishes2@gci.net

AS 39.05.100 requires that a person appointed to a state board or commission be a registered voter prior to the last general election:

Are you a registered voter? YES x NO

Voter Registration Number (Optional): 01139567

Social Security Number (Optional): [REDACTED]

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?

YES NO x If "YES", explain the circumstances on a separate sheet of paper and attach it to this application. A conviction is not necessarily grounds for disqualification. The number of convictions, nature, recentness, and relationship to the board position applied for will be evaluated and a determination will be made after a review of all relevant facts.

CONFLICTS OF INTEREST: Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?

YES x NO

Could you or any member of your family be affected financially by decisions to be made by the board or commission for

which you have applied? YES NO

"ES", explain:

**TRAINING AND EXPERIENCE: (If resumé attached, it is not necessary to complete Items A-D)**

A. List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:

B. List both formal and informal education and training experiences: (Use additional paper if necessary)

C. List any community service, municipal government, and state positions held, and any awards received. Include both compensated and uncompensated positions (such as president of a service organization or a mayor). Include length of time served.

D. Employment work history - paid, unpaid or voluntary: (Use additional paper if necessary)

The Office of the Governor and the State of Alaska have an Affirmative Action Equal Employment Opportunity Program. To assist in the program, you are asked to voluntarily answer the following questions to provide the information necessary for reporting purposes. Under State and Federal law, the information you provide will not be used to illegally discriminate against you.

DATE OF BIRTH: November 14, 1957

SEX: Male  Female

ETHNICITY: Alaska Native American Indian Asian or Pacific Islander Black  
Hispanic White

MILITARY SERVICE (if applicable, give dates): February 1984-August 2003 Alaska Army National Guard.  
Current status Staff Sergeant, Inactive retired reserve.

CERTIFICATION: I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Signature:  
21, 2006

*Mark A. Fish*

Date: November

**Mark S Fish**

1911 Alder Drive

Anchorage, Alaska 99508

(907) 561-5327 cell (907) 360-9135

[fishes2@eci.net](mailto:fishes2@eci.net)

**Profile:**

I have the ability to work as part of a diverse team of individuals or as an independent agent. I am reliable, trustworthy and intellectually curious. I require few benefits. I am seeking to supplement my income while participating in an engaging workplace environment. I prefer part time employment and I am flexible on scheduling.

• **Major Achievements:**

- λ Implemented Alaska Army National Guard (AKARNG) Aviation's first official Non Rated Crew member training program. This resulted in a deployable, night vision goggle trained, UH60 helicopter unit.
- λ Supervised components of AKARNG Aviation in their first ever out of state deployment in support of Joint Task Force 6 (California border detail). This deployment resulted in the 1/207<sup>th</sup> Aviation Regiment being awarded Alaska's Distinguished Unit Citation.
- λ Twenty years of service in the Alaska Army National Guard. Resulting in many Awards culminating with The Alaska Distinguished Service Medal.

**Experience:**

1984 - 2003 **Alaska Army National Guard 1/207<sup>th</sup> Aviation Regiment**

1984 - 1987 **Utility Helicopter Repairman**

- Performed all aspect of helicopter maintenance and repair. Ensured Aircraft availability and airworthiness.

1988 - 1993 **Tactical Transport Helicopter (Black hawk) Crew Chief**

- Operated as part of a coordinated flight crew during a multitude of mission profiles.
- Performed duties as flight instructor and unit trainer for other non- rated crew members.

1993-2003 **Aircraft technical Inspector**

- Ensured all safety of flight maintenance was performed to established standards and was properly documented using computer based flight logs.
- Assessed maintenance trends and implemented control measures to minimize risk and provide a safe operating

environment.

**1987- 2003 Army Aviation Support Facility AKARNG**

**1987- 1991 Aircraft Mechanic (WG 5-10)**

- Responsible for performing operational and phase maintenance on assigned aircraft.
- Performed assigned duty as bench stock supply parts manager

**1991 -2003 Aircraft Mechanic (WG11)**

- Supervised a team of up to five mechanics in the inspection and reconstruction of assigned aircraft.
- Initiated parts request, prioritized and tracked parts throughout the procurement process. Coordinated the performance of specialized work orders with allied shops.
- Provided daily status reports and projected Phase completion dates to assist unit commanders in assessing unit needs and readiness.

**Aug 2006-Nov 2006 Volunteer Coordinator, Palin for Governor**

- Directed volunteers to scheduled and unscheduled tasks.
- Provided material support and a point of contact for statewide volunteers

**2003-2006 Public Service**

- Currently serving as President of Airport Heights Community Council and the Federation of Community Councils executive board.
- Served as a non-voting member of a Anchorage School District, Boundary Task Force.
- Served on nominating committee for the Federation of Community Councils

**Training:**

- Completed many Military resident courses including but not limited to Aviation Maintenance Management and Leadership Development.

**Qualifications :**

- Life long Alaskan hunter and fisher with an intimate knowledge of customary and traditional use of game resources. Traveled extensively across Alaska very familiar with rural and urban Alaskan lifestyles.

**Personal Details:**

I pursue many different interests including hunting, fishing, building blackpowder rifles, history and current events

*Reference*

▲ Jim Dittlinger Chugiak [wings180@mtaonline.net](mailto:wings180@mtaonline.net) 688-5140

▲ Tracy Hartless Muldoon [tlh@alaska.net](mailto:tlh@alaska.net) 337-4871

▲ Terry Haase Anchorage [shaase@gci.net](mailto:shaase@gci.net) 770-7951

(email addresses are for reference only please do not add to mailing list.)

APP/ Ho  
P. 12/1/81

MERKES  
E

Grace Merkes  
PO Box 8  
Sterling, AK 99672

Murkowski Administration Transition  
Governor's Mailroom  
PO Box 110001  
Juneau, AK 99811-0001

Attn: James Clark,

Mr. Clark, please pass on my congratulations to Governor-Elect, Senator Murkowski, on becoming our new Governor. I am sure that through his and his team's leadership, our state will become a better state for our citizens to live in. We can all look forward to a state that will provide high paying jobs, an education that will provide our young people an opportunity for both a college as well as a vocational education, social services that are family based, and a transportation system that will open up our state to our citizens for both employment and recreational opportunities. These are some of the issues I have heard Governor Murkowski speak about and they are the same hopes I have for this great state and all our citizens.

I am writing to request consideration from the Governor and your Transition Team, to be appointed either on the Transition Team or to be considered for some commission or Board in regard to our youth, education or community services. My past experience and involvement in our local and state government as a member of the Borough Assembly and a candidate for State House of Representatives, my volunteer service to humanitarian services, my work in starting the Head Start program in Sterling/Soldotna and my job experience working for the Division of Youth and Family Services, help qualify me for serving the Governor in any of these areas.

I am enclosing my resume along with the application form that Paulette Simpson requested. I want to thank you in advance for your consideration of an appointment. I will be looking forward to hearing from your office.

Sincerely,

*Grace Merkes*

Grace Merkes  
Cc: Paulette Simpson

## GRACE MERKES

PO BOX 8, STERLING, AK. 99672

(907) 261-4811

merkes@optialaska.net

### OBJECTIVE

To work with Governor Murkowski's Transition Team, in a position of either working on the Transition Team or as a member of a Board or Committee, to offer my services to the state and communities. My personal strengths are leadership, ability to make decisions, dependability, established in the business, local and state government communities, have grass roots support, familiar with non-profit agencies and I have experience working with volunteer and state agencies. Because of my personal strengths, job and volunteer experience, I feel qualified for a position as a member of the Transition Team or being appointed to a Board or commission.

### WORK HISTORY

ST. OF AK., DEPT. OF FAMILY & YOUTH SERVICES

10/15/90 RESIGNED 06/01/95

Administrative Clerk II; Duties included support of a staff of seven social workers with computer work including letters, court documents, reports, case plans, licensing work, and input in State PROBET system. Front office receptionist included; monthly statistical reports, screened community representative to participate in 4-E Reviews, process Permanent Fund and Medicaid applications, interview and assign Job Service volunteers to work in the office, oversee family visits and working with Foster Parents. While working for the Division, I had the opportunity to observe all functions of the Social Service system without having to make the decisions in the case.

VECO

05/01/90 RESIGNED 10/14/90

Payroll and Accounts Payable Clerk; this job included inputting data from time sheets for payroll. Solving problems, if there was a mistake on the workers check. Inputting receipts from purchases of materials and assigning them to the appropriate job site.

**IRV CARLISLIE, ACCOUNTING**

**01/01/90 RESIGNED 04/15/90**

Tax Preparer; Interviewed clients for information needed to prepare and complete their Income Tax Return. Did individual, partnerships and corporation returns. Worked on Financial Statements.

**MOOSE RIVER REALTY AND TAX SERVICE**

**1981 SOLD BUSINESS 1986**

Broker/Owner of Moose River Realty & Tax Service; Interviewed clients to establish their eligibility for financing and requirements for purchasing land, homes or business. Completed Income Tax Returns. During this time, also had a Securities License to sell interests in Limited partnerships.

**PENINSULA REALTY, INC.**

**1974 THROUGH 1981**

Salesperson for Peninsula Realty & in two years became an Associate Broker; Interviewed and sold homes, land and businesses to clients. Listed and established prices on inventory.

**EDUCATION**

Frontier Vocational Training Center, 1989

Certificates for Clerical, Accounting, Computers, and Business English

Kenai Peninsula Community College, 1960 through 1970

Various Business credits in Clerical, Income Tax Preparation, Accounting, Real Estate, Computers etc.

Graduate of Edgar High School, 1952-1956

**COMMUNITY SERVICE**

I am currently, an elected Assembly Member of the Kenai Peninsula Borough. My first term started in 1991. I was appointed to the Planning Commission from 1977 through 1984. I am a member of the Sterling Community Club; Soldotna Chamber of Commerce, Kenai Peninsula and National Republican Party, liaison person from the community to the Sterling Elementary in 1998; member of the Legislative Committee for Health & Social Services, Education Committee, and Local Government for Alaska Municipal League, Member of Sterling Seniors and a member of Bid Committee for the Arctic Winter Games.

**GRACE MERKES**

Page 2



STATE OF ALASKA  
 OFFICE OF THE GOVERNOR  
 P.O. Box 110001, Juneau, AK 99811-0001  
 Phone: (907) 465-3500 Fax: (907) 465-3532

BOARDS AND COMMISSIONS APPLICATION/RESUME FORM

INSTRUCTIONS

A separate application is required for each position for which you apply. Complete and specific answers will aid in rapid and accurate processing of your resumé. Please type or print legibly in ink. Forward to the above address. Be sure your answers are true. A willfully false answer may result in your disqualification or removal from office if you are appointed.

Board or Commission for which I am applying: Humanities Forum

Please list any other State Boards or Commissions on which you currently or previously have served:

Name: Grace E. Merkes

Mailing Address: P.O. Box 8

Residence Address: Mile 8 1/2 (33210) Sterling Hwy.

City, State and Zip Code: Sterling, AK 99672

Home Telephone: 907-262-9811 Business or Message Telephone: 907-262-9811

Fax Number: 907-262-6764 Cell Phone: 398-6754

Email address: merkes@ptialaska.net

AS 39.05.100 requires that a person appointed to a state board or commission be a registered voter prior to the last general election:

Are you a registered voter? YES  NO

Voter Registration Number (Optional): 00414612 Social Security Number (Optional): 390-34-9718

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?

YES  NO  If "YES", explain the circumstances on a separate sheet of paper and attach it to this application. A conviction is not necessarily grounds for disqualification. The number of convictions, nature, recentness, and relationship to the board position applied for will be evaluated and a determination will be made after a review of all relevant facts.

CONFLICTS OF INTEREST: Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?

YES  NO

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you have applied? YES  NO

If "YES", explain:

TRAINING AND EXPERIENCE: (If resumé attached, it is not necessary to complete items A-D) See attached resumé

A. List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:

B. List both formal and informal education and training experiences: (Use additional paper if necessary)

C. List any community service, municipal government, and state positions held, and any awards received. Include both compensated and uncompensated positions (such as president of a service organization or a mayor). Include length of time served.

D. Employment work history - paid, unpaid or voluntary: (Use additional paper if necessary)

The Office of the Governor and the State of Alaska have an Affirmative Action Equal Employment Opportunity Program. To assist in the program, you are asked to voluntarily answer the following questions to provide the information necessary for reporting purposes. Under State and Federal law, the information you provide will not be used to illegally discriminate against you.

DATE OF BIRTH: 9-27-38

SEX: Male \_\_\_\_\_ Female

ETHNICITY: Alaska Native \_\_\_\_\_ American Indian \_\_\_\_\_ Asian or Pacific Islander \_\_\_\_\_ Black \_\_\_\_\_ Hispanic \_\_\_\_\_ White

MILITARY SERVICE (if applicable, give dates): none

CERTIFICATION: I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Signature (in ink): Grace Markes Date: 11/26/07

## Robert B. Sawyer, Jr.

123 Steelhead Road  
Fairbanks, Alaska 99709-3040 vincente@gci.net

(907) 479-7323, Alaska

### Goals and Objectives

To obtain employment as a Program Manager or Executive Director with an opportunity to use my extensive experience in leadership, training, management, supervision and interpersonal skills.

### Summary of Qualification

Demonstrated performance in leading a large number of personnel demonstrated skills in resource management, counseling, training and employment.

### Community Activities

**Boards of Director:** Ft. Wainwright, AK; and Copperas Cove, TX; Federal Credit Union, Family Centered Service of Alaska; Fairbanks Counseling and Adoption; Literacy Council of Alaska, Crisis Line, Interior Neighborhood Health Clinic, Greater Fairbanks Chamber of Commerce, and FNSB School District Board of Education.

**Committees:** Alaska Court System Consumer User/Sub-Committee, Alaska National Guard advisor, School District Board Ethnic Committee, School to Work Program and Junior Achievement Program.

**President/Chairman:** Past Chairman, Tanana Valley chapter of the American Red Cross; Past President, Fairbanks Homeless Coalition; Past President, Polar Bear chapter of the Association of the U.S. Army, and Past President, Family Centered Services of Alaska.

### Education

- Ph.D. Candidate, Community Development UAF (2004).
- Master of Public Administration, University of LaVerne, LaVerne, CA. 1991.
- BS, Business Administration, Wayland Baptist University, Plainsview, TX. 1988.
- Senior Leadership Academy (Sergeants Major Academy) Ft. Bliss, TX. 1978.

### Teaching Experience

- **Substitute Teacher:** Fairbanks North Star Borough School District, Fairbanks, Alaska. Subjects taught: Mathematics, Physical Education and Social Studies. Enforced classroom management and discipline.
- **College Instructor:** Wayland Baptist University and Texas Central College. Subjects taught: Financial Management, Economics, Ethics and Business Management.

### Work Experience

#### Executive Director, Fairbanks Crisis Clinic Foundation 1999-2001

- Eliminated the Crisis Clinic \$50,000 debt in a three month period after assuming the position of Executive Director.
- Managed the operation of the Crisis Clinic with no staff for one year.
- Performed all budgeting functions, grant writing, and fiscal reports with assistance from a Board Member.
- Represented the organization in public in public settings and public campaigns.
- Executed a Crisis Intervention program that was instrumental in reducing suicides through crisis intervention.

#### Community Development Specialist with Work Force Development 1998-1999

- Assisted hundreds of clients through training and employment to attain quality jobs.
- Performed assessments to determine aptitudes, interest and abilities for vocational and educational training.
- Provided outreach for clients to take advantage of state and local training programs.

**Robert B. Sawyer, Jr.**

Page 2

**Program Manger, (STEP) Fairbanks Private Industry Council 1990-1998**

- Reduced unemployment recipients by 50 percent, the result of excellent program management.
- Named outstanding employee during my first year of employment.
- Assisted nontraditional students explore options for major and degree progression.
- Wrote and issued Request for Proposals for local business and unions.

**Senior Enlisted Leader (Command Sergeant Major) U.S. Army 1980-1990**

**Command Sergeant Major Ft. Wainwright:**

- Supervised 5000 soldiers and provided counseling, safety, training, discipline and personal welfare. Improved the installation by implementing a mayoral program through out Ft. Wainwright, with the assistance of a military sponsor program.
- Participated in multi-million dollar capital improvement plans that lead to the construction of housing for enlisted and officers, expansion of the golf course, bike paths, and a vehicle storage facility.
- Provided quality of life programs for family members to include monitoring the child care center and the youth center.

**Command Sergeant Major, 1<sup>st</sup> Battalion 21<sup>st</sup> Field Artillery, Ft. Hood, Texas:**

- Provided leadership, training management and counseling for 500 soldiers.
- Assisted the Artillery battalion to be designated as the best-trained unit in Division Artillery. By passing grade of 100 percent on the nuclear readiness test.
- Provided a system for college programs to be taught in the unit to encourage soldiers to expand their education.

**Command Sergeant Major, 4<sup>th</sup> Battalion 9<sup>th</sup> Infantry:**

- Taught infantry tactics to enlisted and officers.
- Directed unit promotion and disciplinary boards.
- Motivated soldiers through individual and group counseling and quality training.
- Consulted the commander on issues pertaining to enlisted soldiers and family members.

**Sergeant Major, Camp James E. Rudder, Florida Ranger Training Phase:**

- Implemented a training doctrine that distinguished Camp Rudder as one of the army's best training units.
- Developed administrative procedures that saved the army thousands of dollars by eliminating a 500 mile round trip to Ft. Benning, GA. For administrative matters.
- Established a Youth Activity Center for the camps' youth.
- Established an outstanding safety record in spite of the extremely hazardous ranger training.
- Prepared Ranger Instructors for an occupational skilled test with a 100 percent pass rate, with an average score of 97.5 percent. The best performance in the Infantry School.

**Computer Skills:**

- WordPerfect, Microsoft Word
- Microsoft Excel
- Internet, e-mail

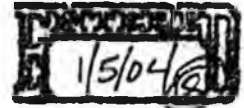
References are available upon request

077

ENGLISH

Debra E. English, S.P.H.R

2830 Kempton Hills Drive  
Anchorage, Alaska 99516  
(907) 345-8490 (home)  
(907) 345-5333 (fax)  
[tatausch@gci.net](mailto:tatausch@gci.net)



## **EMPLOYMENT EXPERIENCE**

### **LABOR CONSULTANT**

Municipality of Anchorage, Employee Relations Department (10/03 to Present)

Advise management on labor negotiation strategy; draft contract language and calculate costs of the contract; serve as a bargaining team member for contract negotiations; meet with Municipal union representatives to resolve labor contract issues; and perform other related duties as requested by the Employee Relations Director.

### **MUNICIPAL PERSONNEL DIRECTOR/LABOR RELATIONS MANAGER**

Municipality of Anchorage, Employee Relations Department (9/2000 to 6/30/2003)

In addition to the duties listed for the MPD below, I was the labor negotiator for the Municipality. I negotiated new collective bargaining agreements with Teamsters-Local 959, Public Employees-Local 71, Plumbers and Pipefitters-Local 367, Operating Engineers-Local 302, Machinists-Local 1690, Carpenters-Local 1281, JCC (Anchorage Joint Crafts Council), and IAFF-Local-1264. I established bargaining teams; developed contract strategy; drafted and negotiated contract language; calculated the cost of contract provisions; prepared assembly documents and testified before the Municipal Assembly recommending approval or rejection of contracts; participated in contract mediation; prepared and/or reviewed/edited exhibits for fact-finding and interest arbitration; prepared and presented contract workshops for each contract ratified; drafted and filed ULP's (Unfair Labor Practice) charges; prepared responses to ULP's; presented the Municipality's position at hearings, boards, and commissions; testified before the Employee Relations Board, at hearings, and arbitrations on employer actions; and served on the Municipal bargaining team for the AMEA (administrative) bargaining unit.

### **ACTING DIRECTOR, DEPARTMENT OF EMPLOYEE RELATIONS**

Municipality of Anchorage, Employee Relations Department (5/2000 to 9/2000)

Appointed as Acting Director with overall responsibility and policy direction for the Department of Employee Relations, which included: Management Services, Office of Equal Employment Opportunity, Records and Benefits, and Resource Development.

Debra E. English, S.P.H.R

**MUNICIPAL PERSONNEL DIRECTOR (MPD)**

Municipality of Anchorage, Employee Relations Department (3/97 to 5/2000)

Overall responsibility for leadership, management, and policy direction for the Management Services Division, which included: human resources, employee and labor relations, disability and compliance management, recruitment and selection, substance abuse testing, position classification and compensation, and contract negotiation and administration; drafted union contract language and Municipal Code; negotiated grievance resolutions; prepared responses to ULP's and testified in defense of the Municipality's position before the Employee Relations Board and other related boards; interpreted and administered ten (10) separate Municipal collective bargaining agreements, Anchorage Municipal Code, Municipal policies and procedures, and relevant labor and employment laws and regulations; reviewed, analyzed, edited, and approved or disapproved all Municipal employee disciplinary actions above a written warning; advised management regarding employee issues and mediated employee and employer disputes; directed investigations and independently conducted complex or politically sensitive investigations; conducted pre-disciplinary interviews with employees and union officials; mediated disputes between supervisors and employees; negotiated resolutions, where appropriate, with unions and employees, contract interpretation, amendments or modifications to contracts, side agreements, etc; and testified for the Municipality at hearings and arbitrations; assisted managers with dispute resolution; insured compliance with state and federal laws, rules, regulations.

**HUMAN RESOURCES MANAGER II**

State of Alaska, Department of Commerce & Economic Development and  
Department of Community & Regional Affairs (10/87 to 3/97)

From 4/96 to 3/97 served as the Human Resources Manager for C&ED and C&RA. I had overall responsibility for management of a comprehensive human resources program for approximately 600 employees to include: human resources policy development and implementation; supervision of staff responsible for payroll, leave, employee benefits, and files maintenance; advisor to management on all HR issues; liaison and advocate for departments with other state departments and regulatory agencies, in arbitrations, hearings, and in court; reviewed and evaluated proposed re-organizations; performed position classification analysis and issued findings; investigated complaints, where appropriate mediated issues and/or issued findings on formal and informal complaints (EEO, ADA, denial of pay increases, grievances, etc.); investigated grievances and drafted grievance responses for top management; interpreted and implemented state, federal, and contractual laws, rules, statutes, and regulations; prepared departmental responses and records for arbitrations and court proceedings; developed, implemented, and monitored departmental ADA self-evaluation plans; member or chair on various State human resources committees; and evaluated and approved/disapproved requests for ADA accommodation.

**Debra E. English, S.P.H.R**

**PERSONNEL OFFICER II**

State of Alaska, Community & Regional Affairs (7/76 to 10/87)

I administered the human resources office for approximately 250 employees. In addition to the duties listed above I drafted the department Affirmative Action Plan and monitored the department's progress toward program goals; developed and implemented an on-line reporting system of employee and position information; evaluated potential applicants for department unique job classes; served on State EEO Committee.

**PERSONNEL TECHNICIAN**

State of Alaska, Department of Health and Social Services, Division of Administrative Services (11/74 to 7/76)

Supervised the personnel activities for the Southeast region. Reviewed all job descriptions; insured all hires complied with state and union requires; draft and placed advertisements for professional positions; counseled employees; advisor to management dealing with employee problems; interpreted and administered union contracts.

**CONSULTING:**

2003 HR/Labor Law Consulting

1990 to 1997 Catholic Community Services, Inc. (CCS) (member of Personnel Board & contractor for 5 years); Gastineau Human Services (project basis); Shattuck and Grunnett Insurance Company (project basis)

**TRAINING:** Employment Law, EEO and ADA Workshops, American Arbitration Association, Leadership and Supervision, Sexual Harassment, and other similar courses.

**EDUCATION**

2004 Alaska Pacific University (currently enrolled in Organizational Development Degree Program)  
1979 University of Alaska, Southeast (accounting, organizational theory)  
1971 Graduate of Juneau, Douglas High School

**CERTIFICATIONS**

6/2001 Certified as Senior Professional in Human Resources

**PROFESSIONAL MEMBERSHIPS**

SHRM (Society for Human Resources Management)  
IRRA (Industrial Relations Research Association)



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
P.O. Box 110001, Juneau, AK 99811-0001  
Phone: (907) 465-3500 Fax: (907) 465-3532

**BOARDS AND COMMISSIONS APPLICATION FORM**

**INSTRUCTIONS**

A separate application is required for each position for which you apply. Complete and specific answers will aid in rapid and accurate processing of your resume. Please type or print legibly in ink. Forward to the above address. Be sure your answers are true. A willfully false answer may result in your disqualification or removal from office if you are appointed.

Board or Commission and seat for which I am applying: Alaska Public Offices Commission  
(For example, Board of Agriculture, public seat)

Please list any other State Boards or Commissions on which you currently or previously have served:  
Alaska Public Broadcasting Commission

Name: Kathleen A. Frederick

Mailing Address: Winter! P.O. Box 879759 Was. 11c AK 99687

Residence Address: 3479 Meander Way, Juneau

City, State and Zip Code: Juneau, AK 99801

Home or Message Telephone: 907 357-0089 Business Telephone: (907) 789-3166

Fax Number: same as phone Cell Phone: 907 321-1256

Email address: outdoorsclass@aol.com

AS 39-05-100 requires that a person appointed to a state board or commission be a registered voter prior to the last general election:

Are you a registered voter: YES  NO  Voter Registration Number (Optional): \_\_\_\_\_

Social Security Number (Optional, required if appointed for travel reimbursement etc.): ~~\_\_\_\_\_~~

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?

YES  NO  If "YES", explain the circumstances on a separate sheet of paper and attach it to this application. A conviction is not necessarily grounds for disqualification. The number of convictions, nature, recency, and relationship to the board position applied for, will be evaluated and a determination will be made after a review of all relevant facts.

CONFLICTS OF INTEREST: Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?  
YES  NO

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you have applied? YES  NO

If "YES", explain:

TRAINING AND EXPERIENCE: (if resume attached, it is not necessary to complete items A-D) *see attached resu*

- A. List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:
  
- B. List both formal and informal education and training experiences: (Use additional paper if necessary).
  
- C. List any community service, municipal government, and state positions held, and any awards received. Include both compensated and uncompensated positions (such as president of a service organization or a mayor). Include length of time serviced.
  
- D. Employment work history - paid, unpaid or voluntary: (Use additional paper of necessary).

The Office of the Governor and the State of Alaska have an Affirmative Action Equal Employment Opportunity Program. To assist in the program, you are asked to voluntarily answer the following questions to provide the information necessary for reporting purposes. Under State and Federal law, the information you provide will not be used to illegally discriminate against you.

DATE OF BIRTH: 7/27/51      SEX: FEMALE  MALE

ETHNICITY:  
 Alaska Native  American Indian  Asian or Pacific Islander  Black  Hispanic  White

MILITARY SERVICE (if applicable, give dates): \_\_\_\_\_

CERTIFICATION: I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain an additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Signature (in ink): *Karen A. Joder*      Date: 1/28/06

Please attach a current resume with your application.

If appointed, a press release will be issued announcing your appointment pending the completion of the appointment process with the Governor's office. Please supply our office with the following information that will be included in the press release.

(Name): Kathleen French (Age): 56 of (Hometown): Juneau Alaska  
is (Job title/Place of employment): Banker Bruce & Sullivan

(Name) holds (Listing of earned degrees like bachelor's, master's, ect.): J.D. from Villanova University, M.S. from

(Or list relevant experience to the position you are being appointed to) Drexel University

B.A. from Gettysburg College

Examples:

John A. Doe, 38 of Soldotna, is Director of T-Shirts & Co. Doe holds a bachelor's degree in business administration from X University and a master's degree in communications from X University.

John A. Doe, 38 of Palmer, is the owner and operator of Doe and Associates, Inc. Doe previously served as division manager at X, Inc. Doe is a certified personnel consultant.

**KATHLEEN A. FREDERICK**

**P.O. Box 879759  
Wasilla, AK 99687  
(907) 357-0089**

**Profile**

Experienced professional who has served in various leadership positions. Excellent research, writing, public relations, marketing, and negotiating skills. Proven ability to develop and maintain positive consumer/customer/client relationships. Significant experience in human resources and employment law matters.

**Significant  
Experience*****MANAGEMENT***

- Managed professional and support staff, including recruitment
- Directed staff development and training
- Supervised human resource functions
- Prepared budgets
- Worked closely with the Board of Directors of various non-profit organizations
- Wrote and administered government and private grants
- Negotiated contracts
- Handled labor union negotiations

***HUMAN RESOURCES***

- Responsible for preparing office policies and procedures
- Supervised hiring, evaluation, and disciplinary matters
- Handled unemployment compensation claims, discrimination and and wrongful termination claims, and employee grievances
- Handled wage and hour claims
- Developed employee evaluation forms
- Experienced in mediation
- Author of articles on human resources topics
- Frequent presenter of seminars on human resources topics

***PUBLIC RELATIONS AND MARKETING***

- Radio and television commentator
- Prepared press releases
- Directed target marketing campaign
- Planned and participated in programs and seminars designed to attract new customers/clients

***LEGAL***

- Founder and managing partner of boutique law firm

- Author of articles on employment law topics
- Television and radio commentator on legal topics
- Developed employment law practice for general practice firm
- AV-rated by Martindale-Hubbell
- Experienced negotiator, drafter, and advocate
- Handled civil litigation, business, real estate, and employment law matters
- Frequent presenter of seminars on legal topics
- Experienced in mediation
- Trained/mentored associates

**LIBRARY SCIENCE**

- Head Librarian at suburban (Philadelphia, PA) library, managing a staff of thirteen
- Wrote and administered grants obtained for the library
- Responsible for library's programming and exhibits
- Assistant Librarian at an archives, rare books, museum, and research facility
- Member, Law Library Committee (Schnader Harrison Segal & Lewis)

**Work History**

2002 – present	<b>Baxter Bruce &amp; Sullivan</b> , Juneau, Alaska. Attorney.
1993 – 2002	<b>Frederick &amp; Associates</b> , Plymouth Meeting, PA. Managing Partner.
1992	<b>Baldwin Renner Bragg &amp; Adler</b> , Wayne, PA. Attorney. (firm dissolved at the end of 1992).
1990-1991	<b>Contract Attorney</b> for Travelers' Mortgage Services, Inc., Cherry Hill, N.J. and for Liebert Short & Hirschland, Philadelphia, PA (firm dissolved in 1991)
1987-1990	<b>Reed Smith Shaw &amp; McClay</b> , Philadelphia, PA. Attorney.
1984-1987	<b>Schnader Harrison Segal &amp; Lewis</b> , Philadelphia, PA. Attorney.
Summer 1983	<b>Research Assistant for Professor Leonard Levin</b> , Villanova University School of Law, Villanova, PA.
Summer 1982	<b>Schnader Harrison Segal &amp; Lewis</b> , Philadelphia, PA. Summer Associate.

- Summer 1981      **Law Clerk for the Honorable James T. Giles, U.S. District Court, Eastern District of Pennsylvania..**
- 1978-1980      **Easttown Township Public Library, Berwyn, PA. Head Librarian supervising a staff of 13 employees.**
- 1976-1978      **Chester County Historical Society, West Chester, PA. Assistant Librarian.**
- 1974-1976      **Academy of Notre Dame de Namur, Villanova, PA. Teacher.**

### Education

**Villanova University School of Law, Villanova, PA. Juris Doctor, *cum laude* (December 1983). Honors: Research/Projects Editor, Villanova Law Review.**

**Drexel University, Philadelphia, PA. Master of Science (Library Science, 1976), *cum laude*.**

**Gettysburg College, Gettysburg, PA. Bachelor of Arts, *magna cum laude* (History and Psychology majors, 1973). Honors: Phi Beta Kappa, Phi Alpha Theta (History), Psi Chi (Psychology), Sigma Alpha Iota (Music).**

### Bar and

### Admissions

- U.S. District Court, Alaska (2002)
- Ninth Circuit Court of Appeals (2002)
- Alaska (1999)
- U.S. Third Circuit Court of Appeals (1997)
- U.S. District Court of the Eastern District of Pennsylvania (1984)
- Pennsylvania (1984)

### Awards

**1992 Mother of the Year, Main Line Chamber of Commerce (Pennsylvania))**

**AV-rated by Martindale Hubbell**

### Recent Professional Activities

#### **Alaska Bar Association**

- Executive Committee, Employment Law Section
- Member, Fee Dispute Resolution Committee
- Member, Disciplinary Committee (First District)

#### **Juneau Bar Association**

- Secretary, 2006
- Vice President, 2007

**SHRM, Member (Juneau Chapter)**

**Recent  
Community  
Activities**

**United Way of Southeast Alaska**

- Vice President, 2003-2004
- Chair of the Board, 2005-2006
- Member, Board of Directors, 2002 to present

**Juneau (Alaska) Chamber of Commerce, Board of Directors (2006 to present)**

**Juneau (Alaska) Rotary Club (2002 to present)**

**Letnikof Home Owners' Association, Haines, AK (Vice President, 20003-2006)**

**Publications  
and Seminars  
Presented**

A list of publications and seminar presentations is available upon request.

**Other Interests**

Hiking, backpacking, cross-country skiing, snowshoeing, dog mushing, travel, kayaking, music (cello and voice), and antiques.

**References**

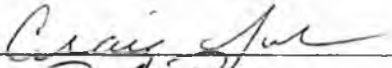
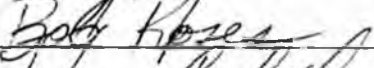

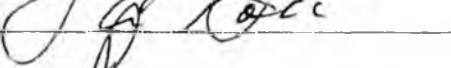

References are available upon request.

## CONFIRMATION COMMITTEE REPORT

Action date: 2-12-08

The State Affairs Committee has reviewed the qualifications of the following Governor's appointee(s) as shown on the attached Referral for Confirmation form(s) and recommends that the name(s) be forwarded to a joint session for consideration:

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	Johnson
	Roses
	Coghill
	Rose
Chair: 	LYNN

Please attach appointee Referral for Confirmation form(s) and return to the Chief Clerk's office.



Official Business

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## REFERRAL FOR CONFIRMATION

Date Referred: January 31, 2008

Committee: State Affairs

### State Commission for Human Rights

Ms. Grace Merkes - Sterling

Appointed: 2/19/2003

Reappointed: 1/28/2008

Term Expires: 3/1/2013

Action Date: 2-12-08  
(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**



Official Business

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216

Juneau, AK 99801-1182

Phone: (907) 465-3725

Fax: (907) 465-5334

## REFERRAL FOR CONFIRMATION

Date Referred: January 31, 2008

Committee: State Affairs

**State Commission for Human Rights**

Mr. Mark S. Fish - Anchorage

Appointed: 6/11/2007

Term Expires: 3/1/2012

Action Date: 3-12-08  
(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**



*Official Business*

# Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216  
Juneau, AK 99801-1182  
Phone: (907) 465-3725  
Fax: (907) 465-5334

## REFERRAL FOR CONFIRMATION

Date Referred: January 31, 2008

Committee: State Affairs

### State Commission for Human Rights

Mr. Robert B. Sawyer, Jr. - Fairbanks

Appointed: 2/19/2003 Reappointed: 1/29/2003

Term Expires: 3/1/2013

Action Date: 2-12-08  
(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**



Official Business

# Alaska State Legislature

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## REFERRAL FOR CONFIRMATION

Date Referred: January 31, 2008

Committee: State Affairs

### Personnel Board

Ms. Debra E. English - Anchorage

Appointed: 1/8/2004

Reappointed: 1/29/2008

Term Expires: 3/1/2014

Action Date: 2-12-08  
(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**



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## REFERRAL FOR CONFIRMATION

Date Referred: January 31, 2008

Committee: State Affairs

### Alaska Public Offices Commission (APOC)

Ms. Kathleen Frederick - Juneau

Appointed: 1/29/2008

Term Expires: 3/1/2013

Action Date: 2-12-08  
(Same date as on the accompanying signature page)

**Note: Attach to a signature page and return to the Chief Clerk's office.**