

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD

Addressing Support for Proposal from Governor Parnell

RESOLUTION 2013-19

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

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

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

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

WHEREAS, Governor Parnell has proposed a one-time \$3 billion appropriation from the Constitutional Budget Reserve into the retirement trust funds during the FY2015 budget cycle, enabling the annual state pension contribution to drop to \$500 million per year and increasing the funded status of the Public Employees' and Teachers' Retirement Systems by 10%; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Alaska Retirement Management Board expresses its strong support for the proposal set forth by Governor Parnell to request a \$3 billion appropriation in FY2015 from the Constitutional Budget Reserve Fund to the state retirement systems, and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Alaska Retirement Management Board respectfully requests the Legislature to support this proposal and appropriate \$3 billion from the Constitutional Budget Reserve to the state retirement systems in FY2015.

DATED at Anchorage, Alaska this 6th day of December, 2013.

Gail Schubert, Chair

ATTEST:

Gayle Harbo, Secretary