

State of Alaska  
ALASKA RETIREMENT MANAGEMENT BOARD  
Relating to the Teachers Retirement System Defined Benefit Plan Contribution  
Rate  
Resolution 2007-05

WHEREAS, the Alaska Retirement Management Board ("Board") was established by law to serve as fiduciary of the funds of the Teachers' Retirement System ("TRS");

WHEREAS, the Board is charged with setting the employer's contribution rate for employers participating in the TRS Defined Benefit Plan, after consideration of data and assumptions presented to the Board;

WHEREAS, at its October 2006 meeting, the Board, after consideration of reports by actuaries regarding the funding status of the TRS Defined Benefit Plan, determined that the TRS Defined Benefit Plan employer contribution rate for FY 2008 needed to be set at 54.03%, notwithstanding the significant cost impact this would have on the participating employers;

WHEREAS, the Governor has recommended that significant appropriations be enacted by the legislature which appropriates, among other things, the increase in cost imposed by the increased employer contribution rate set for FY 2008, with payments of such appropriations flowing directly from the treasury of the State of Alaska to the TRS Defined Benefit Plan;

WHEREAS, the legislature is favorably considering enactment of such appropriations;

WHEREAS, under a scenario where appropriations as described above are made directly to the TRS Defined Benefit Plan, the calculated employer contribution rate set by the Board which is otherwise payable pursuant to law would not need to be assigned in full to participating employers, because the aforementioned appropriations would supply a known portion of the obligation created by the Board-established rate;

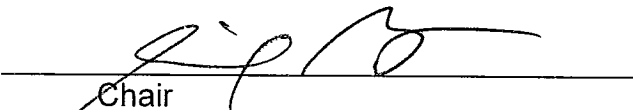
NOW THEREFORE BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD that:

1. The Board supports appropriations to pay funds directly from the treasury of the State of Alaska into the TRS Defined Benefit Plan for identified portions of the obligations imposed as TRS Defined Benefit Plan employer contributions;
2. Because the TRS Defined Benefit Plan employer contribution obligations imposed by the Board would be offset by appropriations paid directly


into the TRS Defined Benefit Plan, the rate therefore assigned to individual employers under the TRS Defined Benefit Plan will be offset in the amount reflecting those appropriations;

3. The Board encourages any and all other measures, including legislation amending the TRS Defined Benefit Plan, which may be necessary to implement the goals of this resolution and which could both reduce the impact on participating TRS Defined Benefit Plan employers while preserving the integrity and viability of the TRS Defined Benefit Plan without diminution of the TRS Defined Benefit Plan funded status.

DATED at Anchorage, Alaska this 9<sup>th</sup> day of February, 2007.

  
Chair

ATTEST:

  
Secretary