

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD
Relating to the Employer Contribution Rate
For the Teachers' Retirement System

Resolution 2007-35

WHEREAS, the Alaska Retirement Management Board (Board) was established by law to serve as trustee to the assets of the State's retirement systems; and

WHEREAS, under AS 37.10.210-220, the Board is to establish and determine the investment objectives and policy for the funds of the Public Employees' Retirement System, Teachers' Retirement System, Judicial Retirement System, and Alaska National Guard and Naval Militia Retirement System; and

WHEREAS, AS 37.10.071 and AS 37.10.210-220 require the Board to apply the prudent investor rule and exercise the fiduciary duty in the sole financial best interest of the funds entrusted to it and treat beneficiaries thereof with impartiality; and

WHEREAS, AS 37.10.220(a)(8) requires the Board to coordinate with the retirement system administrator to conduct an annual actuarial valuation of each retirement system to determine system assets, accrued liabilities and funding ratios, and to certify to the appropriate budgetary authority of each employer in the system an appropriate contribution rate for normal costs and an appropriate contribution rate for liquidating any past service liability; and

WHEREAS, the Board passed Resolution 2007-19 which supported adoption of Senate Bill 125, a bill that would set employer contribution rates at 12.56 percent to cover both employer 'defined benefit' and 'defined contribution' contributions, and require the State of Alaska to fund the remaining balance of the contribution rate established by the Board; and

WHEREAS, the Teachers' Retirement System is a cost-share plan in which all participating employers pay the same employer contribution rate, and

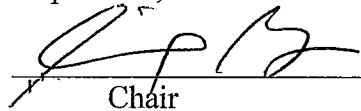
WHEREAS, the Teachers' Retirement System Actuarial Valuation Report as of June 30, 2006 prepared by Buck Consultants has determined that the required employer contribution rate for Fiscal Year 2009 using the level percentage of pay method is 44.17 percent, which is composed of 20.57 percent for pension costs and 23.60 percent for post-employment healthcare costs;

NOW THEREFORE, BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that the employer contribution rate for Fiscal Year 2009 for employers participating in the Teachers' Retirement System is set at 44.17 percent; and

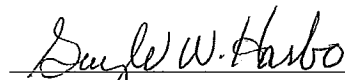
BE IT FURTHER RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD that the employer contribution rate shall be adjusted for the amount of any direct funding to the system provided by the State of Alaska that is intended to reduce or cap the rate that employers are required to pay in Fiscal Year 2009; and

BE IT FURTHER RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that should such funding be made available the retirement system administrator is directed to notify employers of the rate adjustment.

DATED at Fairbanks, Alaska this 27th day of September, 2007.


Chair

ATTEST:


Secretary