



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Administration

DIVISION OF RETIREMENT AND BENEFITS

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June 01, 2020

BRANDI R HARBAUGH, FINANCE DIRECTOR  
KENAI PENINSULA BOROUGH  
144 N BINKLEY ST  
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*Sent via email to: BHARBAUGH@BOROUGH.KENAI.AK.US*

RE: FY2020 Employer On-Behalf Funding - PERS ER 180

During the 2019 legislative session, House Bill HB39 (HB39) passed providing on-behalf funding for PERS employer contributions for Fiscal Year 2020 (FY2020). HB39, Section 35 reads as follows:

*(b) The sum of **\$159,055,000** is appropriated from the general fund to the Department of Administration for deposit in the defined benefit plan account in the **public employees' retirement system** as an additional state Contribution under AS 39.35.280 for the fiscal year ending June 30, 2020.*

HB39 at <http://www.akleg.gov/PDF/31/Bills/HB0039Z.PDF> (Section 35, page 83).

The Alaska Retirement Management Board approved the actuarially determined rate of 28.62% for FY2020, with HB39 providing an on-behalf rate of 6.62% for each FY2020 employer payroll. On-behalf funding is applied with the processing of each employer payroll with payroll end dates between July 1, 2019 and June 30, 2020 and fully received by the Division by July 15, 2020. A fully received and processable payroll must include payment, an employer summary, and any other required documentation (WIRE and ACH payments must have a corresponding Memo). Once all such payrolls have been processed we will true-up your account and make an adjusting entry, then send a final statement via email in early August 2020.

Included is a report detailing the Employer On-Behalf Funding allocated for fiscal year 2020 payrolls. Please work with your accountant or auditor to determine where to show this funding on your financial statements. Feel free to contact me via telephone at (907) 465-2279 or email at [tamara.criddle@alaska.gov](mailto:tamara.criddle@alaska.gov) if you have questions or need additional information regarding HB39.

Sincerely,

A handwritten signature in blue ink that reads "Tamara Criddle".

Tamara Criddle, Accountant III