

# Council Agenda Statement



**Meeting Date:** February 17, 2026  
**To:** City Council  
**Through:** Jackie Wilde, City Manager  
**From:** Kris Erchinger, Finance Director  
**Agenda Item:** State of Alaska PERS On-Behalf Payments of \$105,824.78 for CY2025

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**BACKGROUND. JUSTIFICATION & INTENT:**

The State of Alaska Public Employees Retirement System appropriated \$37,855.95 directly to PERS on behalf of the City of Whittier to help offset retirement liability costs to local taxpayers for the period January 1 through June 30, 2025, and appropriated \$67,968.83 for the period July 1 through December 31, 2025, for a combined total appropriation for 2025 of \$105,824.78. Although the funds did not come directly through the City from the State, we are required to account for the State’s contribution as both revenue and expense/expenditure on the City’s financial statements.

In 2008, the Alaska State Legislature passed Senate Bill 125, setting a 22% contribution rate cap on employers, with the State of Alaska contributing to the retirement system on behalf of non-State employers, the annually required contribution rate as established by the Alaska Retirement Management Board. This payment by the State of Alaska reflects the amount of contributions needed to cover the City’s PERS contribution rate above 22%. If the City had been required to pay the entire actuarially required contribution rate of 26.76% for the first-half of CY2025 and 28.33% for the second-half of CY2025, the City would have been required to pay an additional \$105,824.78 to cover PERS contributions in 2025.

**CONSISTENCY CHECKLIST:**

	Yes	No	N/A
Legislative Priorities: <i>list the legislative priority</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Comprehensive Plan: <i>list action item number (see Consistency Checklist Reference Material)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Whittier Code: <i>list chapter</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: <i>2024 State Legislature House Bill 268; 2023 State Legislature House Bill 39</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FISCAL NOTE:**

The State’s contribution on-behalf of the City of Whittier is considered a state grant and is recorded as grant revenue in the City’s financial statements, with an offsetting expense/expenditure allocated to each department’s operating budget on the basis of each department’s annual salaries.

**ATTORNEY REVIEW:** Yes \_\_\_ No n/a

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**RECOMMENDATION:** Council approve this resolution retroactively amending the 2025 Operating Budget by appropriating and allocating \$105,824.78 from state grant revenues to the General, Harbor, Delong, and Water/Wastewater Funds’ retirement expense accounts based on their pro-rata share of annual salary expenses.