



Legislation Text

File #: 19-062, **Version:** 1

TO: Mayor Bien-Willner and Town Council Members

FROM: Brian Dalke, Interim Town Manager
Douglas W. Allen, CPA

DATE: February 14, 2019

DEPARTMENT: Finance

AGENDA TITLE:

Discussion on PSPRS funding policy and strategy for the Budget year 2020

Town Value(s):

- Primarily one-acre, residential community
- Limited government
- Creating a sense of community
- Partnerships with existing schools and resorts to enhance recreational opportunities
- Improving aesthetics/creating a brand
- Preserving natural open space

Council Goals or Statutory Requirements:

- State Law requires the Adoption of a PSPRS funding policy for FY2020
- Council Resolution Number 2016-19 Declaring the expedient resolution of the PSPRS unfunded liability a priority

SUMMARY STATEMENT:

State law requires the adoption of a PSPRS funding policy for the next fiscal year. The Arizona League of Cities and Towns has provided a template.

Staff will provide information for a general understanding of:

- 1) some of the mechanics, factors, risks and benefits when designing strategies to pay down the PSPRS "Unfunded Actuarial Liability"; and
- 2) factors the Town can control and acknowledgment of what is not within the Town's control in the balance of the Total Pension Actuarial Liability.

Staff will conclude with discussion and asking for Council's feedback on formulating the state required funding policy and budget 2020.

BUDGETARY IMPACT:

Reducing the Town's Unfunded Liability in PSPRS

ATTACHMENT(S):

- 1) Presentation
- 2) PSPRS Funding Policy template from the Arizona League of Cities and Towns
- 3) Resolution Number 2016-19 Declaring the expedient resolution of the PSPRS unfunded liability a priority.