

RESOLUTION NO. 1326-24

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, REQUESTING PARTICIPATION IN THE ARIZONA EMPLOYERS' PENSION PREFUNDING PLAN; AUTHORIZING THE ADOPTION OF THE PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES; APPOINTING PLAN ADMINISTRATOR.

WHEREAS, the Arizona Employers' Pension Prefunding Plan ("AEPPP") was established and is governed by Arizona Revised Statutes (A.R.S.) § 38-931 through § 38-940 ("Governing Statutes"); and

WHEREAS, any governmental employer that participates in one or more of the state of Arizona's tax-qualified defined benefit pension plans for public safety employees—namely, the Public Safety Personnel Retirement System ("PSPRS"), the Elected Officials' Retirement Plan ("EORP"), or the Corrections Officer Retirement Plan or ("CORP")—may participate in the AEPPP; and

WHEREAS, the AEPPP is administered by the Public Safety Personnel Retirement System Board of Trustees ("PSPRS Board") in accordance with the Governing Statutes and enables participating employers to prefund their contributions to the PSPRS, EORP, CORP, or any combination of these plans; and

WHEREAS, the PSPRS Board engaged a third-party administrator, Public Agency Retirement Services ("PARS"), to provide trust administration services, including an IRS-approved Section 115 trust, trust documents, and other services necessary to facilitate the implementation, ongoing operation, and management of the AEPPP; and

WHEREAS, participating employers must adopt the PARS Public Agencies Post-Employment Benefits Trust ("Trust"), which is the tax exempt, Internal Revenue Code ("IRC") Section 115 trust vehicle utilized by the AEPPP for the purposes of prefunding PSPRS, EORP, CORP contributions, or any combination of these plans; and

WHEREAS, in accordance with these governing instruments, each participating employer's contributions to the Trust, and any investment earnings thereon, will be dedicated to funding the participating employer's contributions to the PSPRS, EORP, or CORP (as applicable) and the reasonable administrative expenses associated with the AEPPP, and may not be used for any other purpose; and

WHEREAS, the terms of the Trust and the Governing Statutes will govern the operation of the AEPPP; and

WHEREAS, the City of Page ("City") is eligible to participate in the AEPPP and the Trust; and

WHEREAS, the City's participation in the AEPPP and the adoption of the Trust have no effect on any current or former employee's entitlement to retirement benefits under PSPRS, EORP, CORP, or any other City-sponsored retirement plan or program; and

WHEREAS, the City's funding of the Trust does not, and is not intended to, create any new vested right to any benefit or strengthen any existing vested right; and

WHEREAS, the City reserves the right to make contributions, if any, to the Trust.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, AS FOLLOWS:

SECTION 1. The Mayor and City Council (together, the "City Council") hereby requests to participate in the AEPPP pursuant to A.R.S. § 38-934.

SECTION 2. The City Council hereby adopts the PARS Public Agencies Post-Employment Benefits Trust, effective December 1, 2024.

SECTION 3. The City Council hereby appoints the Finance Director, or his/her successor or designee, as the City's Plan Administrator for the Trust.

SECTION 4. The City's Plan Administrator is hereby authorized and directed to execute the PSPRS and PARS legal and administrative documents on behalf of the City, to take whatever additional actions are necessary to maintain the City's participation in the Trust and to maintain compliance of any relevant regulation issued or as may be issued, to execute all documents and take all steps necessary to administer the City's Trust and carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 13th day of November 2024, by the following votes:

Ayes	<u>7</u>
Nays	<u>0</u>
Abstentions	<u>0</u>
Absent	<u>0</u>

CITY OF PAGE

William R. Diak
William R. Diak, Mayor

ATTEST:

Cindy Scott
Cindy Scott, City Clerk

APPROVED AS TO FORM:

Joshua Smith
Joshua Smith, City Attorney

