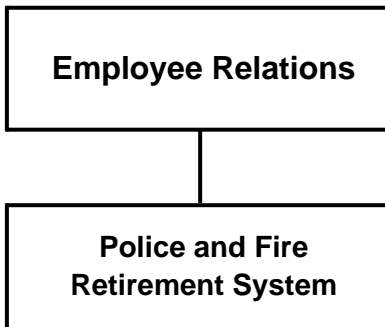


Appendix O

Police and Fire Retirement System



Police and Fire Retirement System

Purpose

Carry out administration of retirement benefits for current and future retirees and beneficiaries of the Police and Fire Retirement System, in accordance with provisions contained in AMC 3.85 for the exclusive benefit of the members by prudently managing and investing Plan assets.

Description of System

Police and Fire Retirement System is comprised of three retirement plans, all of which were created for the purpose of encouraging qualified personnel to enter and remain in the service of the Municipality of Anchorage as police officers and firefighters through the establishment of a system of retirement, disability and death benefits for members, participants and their beneficiaries. This system is intended to be a contractual relationship in accordance with the provisions of Article XII, Section 7, of the Constitution of Alaska.

The members are separated into three plans:

- Plan I for members employed on or before June 30, 1977
- Plan II for members employed on or after July 1, 1977, and before April 17, 1984
- Plan III for members employed on or after April 17, 1984 and prior to May 25, 1994

No other person is eligible to participate in the system. Re-employed or rehired members shall, at the time of employment, be required to participate in the State of Alaska Pension Plan (PERS) and are not eligible to again participate in the retirement system.

The system was set up to operate on the investment earnings of the Trust fund but, because of losses incurred due to market conditions in 2008, the Municipality has been making annual contributions from the Police and Fire departments to bring the fund back to fully funded/self-sustaining.

The Trust is administered by a nine-person board of trustees.

The management of the Trust Fund and payment of retirement benefits are reported in Contractual/Other Services but are not budgeted or appropriated. The operating budget for the administration of the System is appropriated as a section with the GGOB.

Police and Fire Retirement System Department Summary

	2013 Actuals	2014 Revised	2015 Approved	15 v 14 % Chg
Direct Cost by Division				
Police and Fire Retirement System Administration	32,657,947	902,120	920,813	2.07%
Direct Cost Total	32,657,947	902,120	920,813	2.07%
Intragovernmental Charges				
Charges by/to Other Departments	59,279	58,763	59,141	0.64%
Function Cost Total	32,717,226	960,883	979,954	1.98%
Program Generated Revenue	(65,602,530)	(9,062,072)	(6,115,011)	<32.52%>
Net Cost Total	(32,885,304)	(8,101,189)	(5,135,057)	<36.61%>
<hr/>				
Direct Cost by Category				
Salaries and Benefits	430,114	487,709	499,562	2.43%
Supplies	1,452	2,600	2,600	-
Travel	2,196	40,000	34,000	<15.00%>
Contractual/Other Services	32,220,626	357,311	370,151	3.59%
Debt Service	-	-	-	-
Depreciation/Amortization	2,920	4,500	4,500	-
Equipment, Furnishings	639	10,000	10,000	-
Direct Cost Total	32,657,947	902,120	920,813	2.07%
<hr/>				
Position Summary as Budgeted				
Full-Time	3	3	3	
Part-Time	1	1	1	
Position Total	4	4	4	

Police and Fire Retirement System
Division Summary
Police and Fire Retirement System Administration
(Fund Center # 172300, 172200, 171000, 172100)

	2013 Actuals	2014 Revised	2015 Approved	15 v 14 % Chg
Direct Cost by Category				
Salaries and Benefits	430,114	487,709	499,562	2.43%
Supplies	1,452	2,600	2,600	-
Travel	2,196	40,000	34,000	<15.00%>
Contractual/Other Services	32,220,626	357,311	370,151	3.59%
Equipment, Furnishings	639	10,000	10,000	-
Manageable Direct Cost Total	32,655,027	897,620	916,313	2.08%
Debt Service	-	-	-	-
Depreciation/Amortization	2,920	4,500	4,500	-
Direct Cost Total	32,657,947	902,120	920,813	2.07%
Revenue by Fund				
Fund 715000 - Police/Fire Retirement Trust	65,602,530	9,062,072	6,115,011	<32.52%>
Revenue Total	65,602,530	9,062,072	6,115,011	<32.52%>

Positions as Budgeted

	2013 Revised		2014 Revised		2015 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Director	1	-	1	-	1	-
Retirement Specialist I	1	-	1	-	1	-
Retirement Specialist IV	1	1	1	1	1	1
Positions as Budgeted Total	3	1	3	1	3	1

Police and Fire Retirement System

Division Detail

Police and Fire Retirement System Administration

(Fund Center # 172300, 172200, 171000, 172100)

	2013 Actuals	2014 Revised	2015 Approved	15 v 14 % Chg
Direct Cost by Category				
Salaries and Benefits	430,114	487,709	499,562	2.43%
Supplies	1,452	2,600	2,600	-
Travel	2,196	40,000	34,000	<15.00%>
Contractual/Other Services	32,220,626	357,311	370,151	3.59%
Equipment, Furnishings	639	10,000	10,000	-
Manageable Direct Cost Total	32,655,027	897,620	916,313	2.08%
Debt Service	-	-	-	-
Depreciation/Amortization	2,920	4,500	4,500	-
Direct Cost Total	32,657,947	902,120	920,813	2.07%
Intra-Governmental Charges				
Charges by/to Other Departments	59,279	58,763	59,141	0.64%
Program Generated Revenue				
408380 - Prior Yr Exp Recov	1,914	-	-	-
408580 - Miscellaneous Revenues	29,185	-	-	-
430040 - Employee CntribToPFRS	357,248	293,000	224,090	<23.52%>
440010 - GCP CshPool ST-Int	(368)	-	-	-
440050 - Other Int Income	2,937,052	-	-	-
440070 - Dividend Income	2,594,173	-	-	-
440080 - UnRlzd Gns&Lss Invs	34,826,035	-	-	-
440090 - RlzdGns&LsOnSleofInv	15,242,242	-	-	-
450010 - Contr Other Funds	9,615,050	8,769,072	5,890,921	<32.82%>
Program Generated Revenue Total	65,602,530	9,062,072	6,115,011	<32.52%>
Net Cost				
Manageable Direct Cost	32,655,027	897,620	916,313	2.08%
Debt Service	-	-	-	-
Depreciation/Amortization	2,920	4,500	4,500	-
Charges by/to Other Departments	59,279	58,763	59,141	0.64%
Program Generated Revenue	(65,602,530)	(9,062,072)	(6,115,011)	<32.52%>
Net Cost Total	(32,885,304)	(8,101,189)	(5,135,057)	<36.61%>