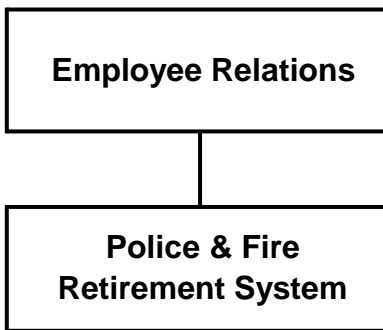


Appendix P

Police & 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 & Fire Retirement System Department Summary

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost by Division				
Police & Fire Retirement System Administration	34,341,594	943,217	835,916	(11.38%)
Direct Cost Total	34,341,594	943,217	835,916	(11.38%)
Intragovernmental Charges				
Charges by/to Other Departments	59,115	57,910	57,394	(0.89%)
Function Cost Total	34,400,710	1,001,127	893,310	(10.77%)
Program Generated Revenue	(9,453,622)	(7,249,700)	(10,527,704)	45.22%
Net Cost Total	24,947,088	(6,248,573)	(9,634,394)	54.19%
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Direct Cost by Category				
Salaries and Benefits	409,500	502,658	413,349	(17.77%)
Supplies	1,689	2,600	2,599	(0.04%)
Travel	-	34,000	34,000	-
Contractual/Other Services	33,928,837	392,759	374,768	(4.58%)
Debt Service	-	-	-	-
Depreciation/Amortization	665	1,200	1,200	-
Equipment, Furnishings	903	10,000	10,000	-
Direct Cost Total	34,341,594	943,217	835,916	(11.38%)
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Position Summary as Budgeted				
Full-Time	3	4	3	(25.00%)
Part-Time	1	-	-	-
Position Total	4	4	3	(25.00%)

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

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	409,500	502,658	413,349	(17.77%)
Supplies	1,689	2,600	2,599	(0.04%)
Travel	-	34,000	34,000	-
Contractual/Other Services	33,928,837	392,759	374,768	(4.58%)
Equipment, Furnishings	903	10,000	10,000	-
Manageable Direct Cost Total	34,340,929	942,017	834,716	(11.39%)
Debt Service	-	-	-	-
Depreciation/Amortization	665	1,200	1,200	-
Non-Manageable Direct Cost Total	665	1,200	1,200	-
Direct Cost Total	34,341,594	943,217	835,916	-
Intragovernmental Charges				
Charges by/to Other Departments	59,115	57,910	57,394	(0.89%)
Function Cost Total	34,400,710	1,001,127	893,310	(10.77%)
Program Generated Revenue by Fund				
Fund 715000 - Police/Fire Retirement Trust	9,453,622	7,249,700	10,527,704	45.22%
Program Generated Revenue Total	9,453,622	7,249,700	10,527,704	45.22%
Net Cost Total	24,947,088	(6,248,573)	(9,634,394)	54.19%
Position Summary as Budgeted				
Full-Time	3	4	3	(25.00%)
Part-Time	1	-	-	-
Position Total	4	4	3	(25.00%)

Police & Fire Retirement System Division Detail

Police & Fire Retirement System Administration

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

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	409,500	502,658	413,349	(17.77%)
Supplies	1,689	2,600	2,599	(0.04%)
Travel	-	34,000	34,000	-
Contractual/Other Services	33,928,837	392,759	374,768	(4.58%)
Equipment, Furnishings	903	10,000	10,000	-
Manageable Direct Cost Total	34,340,929	942,017	834,716	(11.39%)
Debt Service	-	-	-	-
Depreciation/Amortization	665	1,200	1,200	-
Non-Manageable Direct Cost Total	665	1,200	1,200	-
Direct Cost Total	34,341,594	943,217	835,916	(11.38%)
Intragovernmental Charges				
Charges by/to Other Departments	59,115	57,910	57,394	(0.89%)
Program Generated Revenue				
408580 - Miscellaneous Revenues	45,625	-	-	-
430040 - Employee Contribution to PFRS	190,060	155,180	135,000	(13.00%)
440010 - GCP CshPool ST-Int(MOA/ML&P)	796	-	-	-
440050 - Other Int Income	3,534,030	-	-	-
440070 - Dividend Income	2,266,257	-	-	-
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	(10,099,463)	-	-	-
440090 - RlzdGns&LsOnSleofInv	7,625,396	-	-	-
450010 - Contributions from Other Funds	5,890,921	7,094,520	10,392,704	46.49%
Program Generated Revenue Total	9,453,622	7,249,700	10,527,704	45.22%
Net Cost				
Direct Cost Total	34,341,594	943,217	835,916	(11.38%)
Charges by/to Other Departments Total	59,115	57,910	57,394	(0.89%)
Program Generated Revenue Total	(9,453,622)	(7,249,700)	(10,527,704)	45.22%
Net Cost Total	24,947,088	(6,248,573)	(9,634,394)	54.19%

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Director	1	-	1	-	1	-
Retirement Specialist I	1	-	1	-	-	-
Retirement Specialist II	-	-	1	-	1	-
Retirement Specialist IV	1	1	1	-	1	-
Position Detail as Budgeted Total	3	1	4	-	3	-