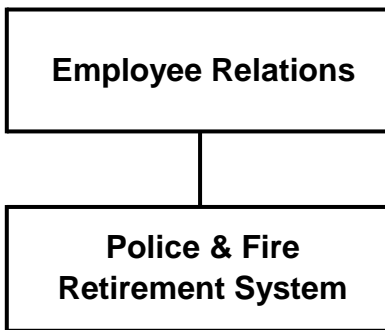


Appendix P

Police & Fire Retirement System



Police & Fire Retirement System

Purpose

Carry out administration of retirement benefits for current and future retirees and beneficiaries of the Police & 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 & 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 accounting for the Trust Fund is in 715000; 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

| | 2016 Actuals | 2017 Revised | 2018 Approved | 18 v 17 % Chg |
|--|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Division | | | | |
| Police & Fire Retirement System Administration | 34,894,431 | 835,916 | 845,196 | 1.11% |
| Direct Cost Total | 34,894,431 | 835,916 | 845,196 | 1.11% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 57,728 | 61,295 | 61,308 | 0.02% |
| Function Cost Total | 34,952,159 | 897,211 | 906,504 | 1.04% |
| Program Generated Revenue | (33,406,030) | (10,527,704) | (10,527,704) | - |
| Net Cost Total | 1,546,129 | (9,630,493) | (9,621,200) | (0.10%) |
| Direct Cost by Category | | | | |
| Salaries and Benefits | 415,034 | 413,349 | 422,629 | 2.25% |
| Supplies | 1,460 | 2,599 | 2,599 | - |
| Travel | - | 34,000 | 34,000 | - |
| Contractual/Other Services | 34,477,936 | 374,768 | 374,768 | - |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | - | 1,200 | 1,200 | - |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Direct Cost Total | 34,894,431 | 835,916 | 845,196 | 1.11% |
| Position Summary as Budgeted | | | | |
| Full-Time | 4 | 3 | 3 | - |
| Part-Time | - | - | - | - |
| Position Total | 4 | 3 | 3 | - |

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

| | 2016 Actuals | 2017 Revised | 2018 Approved | 18 v 17 % Chg |
|--|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 415,034 | 413,349 | 422,629 | 2.25% |
| Supplies | 1,460 | 2,599 | 2,599 | - |
| Travel | - | 34,000 | 34,000 | - |
| Contractual/Other Services | 34,477,936 | 374,768 | 374,768 | - |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Manageable Direct Cost Total | 34,894,431 | 834,716 | 843,996 | 1.11% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | - | 1,200 | 1,200 | - |
| Non-Manageable Direct Cost Total | - | 1,200 | 1,200 | - |
| Direct Cost Total | 34,894,431 | 835,916 | 845,196 | - |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 57,728 | 61,295 | 61,308 | 0.02% |
| Function Cost Total | 34,952,159 | 897,211 | 906,504 | 1.04% |
| Program Generated Revenue by Fund | | | | |
| Fund 715000 - Police/Fire Retirement Trust | 33,406,030 | 10,527,704 | 10,527,704 | - |
| Program Generated Revenue Total | 33,406,030 | 10,527,704 | 10,527,704 | - |
| Net Cost Total | 1,546,129 | (9,630,493) | (9,621,200) | (0.10%) |

Position Summary as Budgeted

| | | | | |
|-----------------------|----------|----------|----------|----------|
| Full-Time | 4 | 3 | 3 | - |
| Position Total | 4 | 3 | 3 | - |

Police & Fire Retirement System Division Detail

Police & Fire Retirement System Administration

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

| | 2016 Actuals | 2017 Revised | 2018 Approved | 18 v 17 % Chg |
|---|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 415,034 | 413,349 | 422,629 | 2.25% |
| Supplies | 1,460 | 2,599 | 2,599 | - |
| Travel | - | 34,000 | 34,000 | - |
| Contractual/Other Services | 34,477,936 | 374,768 | 374,768 | - |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Manageable Direct Cost Total | 34,894,431 | 834,716 | 843,996 | 1.11% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | - | 1,200 | 1,200 | - |
| Non-Manageable Direct Cost Total | - | 1,200 | 1,200 | - |
| Direct Cost Total | 34,894,431 | 835,916 | 845,196 | 1.11% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 57,728 | 61,295 | 61,308 | 0.02% |
| Program Generated Revenue | | | | |
| 408580 - Miscellaneous Revenues | 37,459 | - | - | - |
| 430040 - Employee Contribution to PFRS | 125,898 | 135,000 | 135,000 | - |
| 440010 - GCP CshPool ST-Int(MOA/ML&P) | 1,433 | - | - | - |
| 440050 - Other Int Income | 3,103,013 | - | - | - |
| 440070 - Dividend Income | 2,496,120 | - | - | - |
| 440080 - UnRlzd Gns&Lss Invs(MOA/AWWU) | 14,807,802 | - | - | - |
| 440090 - RlzdGns&LsOnSleofInv | 5,739,784 | - | - | - |
| 450010 - Contributions from Other Funds | 7,094,520 | 10,392,704 | 10,392,704 | - |
| Program Generated Revenue Total | 33,406,030 | 10,527,704 | 10,527,704 | - |
| Net Cost | | | | |
| Direct Cost Total | 34,894,431 | 835,916 | 845,196 | 1.11% |
| Charges by/to Other Departments Total | 57,728 | 61,295 | 61,308 | 0.02% |
| Program Generated Revenue Total | (33,406,030) | (10,527,704) | (10,527,704) | - |
| Net Cost Total | 1,546,129 | (9,630,493) | (9,621,200) | (0.10%) |

Position Detail as Budgeted

| | 2016 Revised | | 2017 Revised | | 2018 Approved | |
|--|--------------|-----------|--------------|-----------|---------------|-----------|
| | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| Director | 1 | - | 1 | - | 1 | - |
| Retirement Specialist I | 1 | - | - | - | - | - |
| Retirement Specialist II | 1 | - | 1 | - | 1 | - |
| Retirement Specialist IV | 1 | - | 1 | - | 1 | - |
| Position Detail as Budgeted Total | 4 | - | 3 | - | 3 | - |