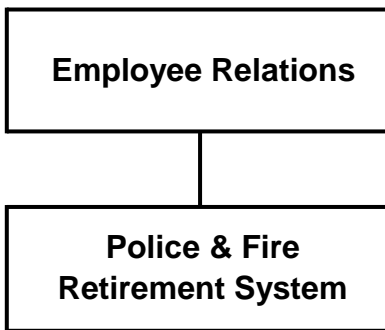


Appendix P

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 Proposed	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 Proposed	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 Proposed	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 Proposed	
	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	-