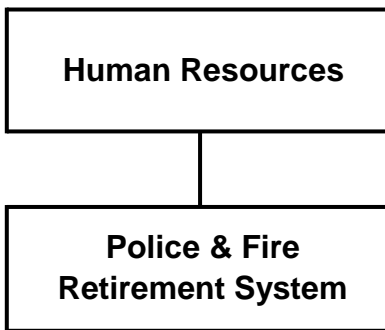


Appendix P

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.

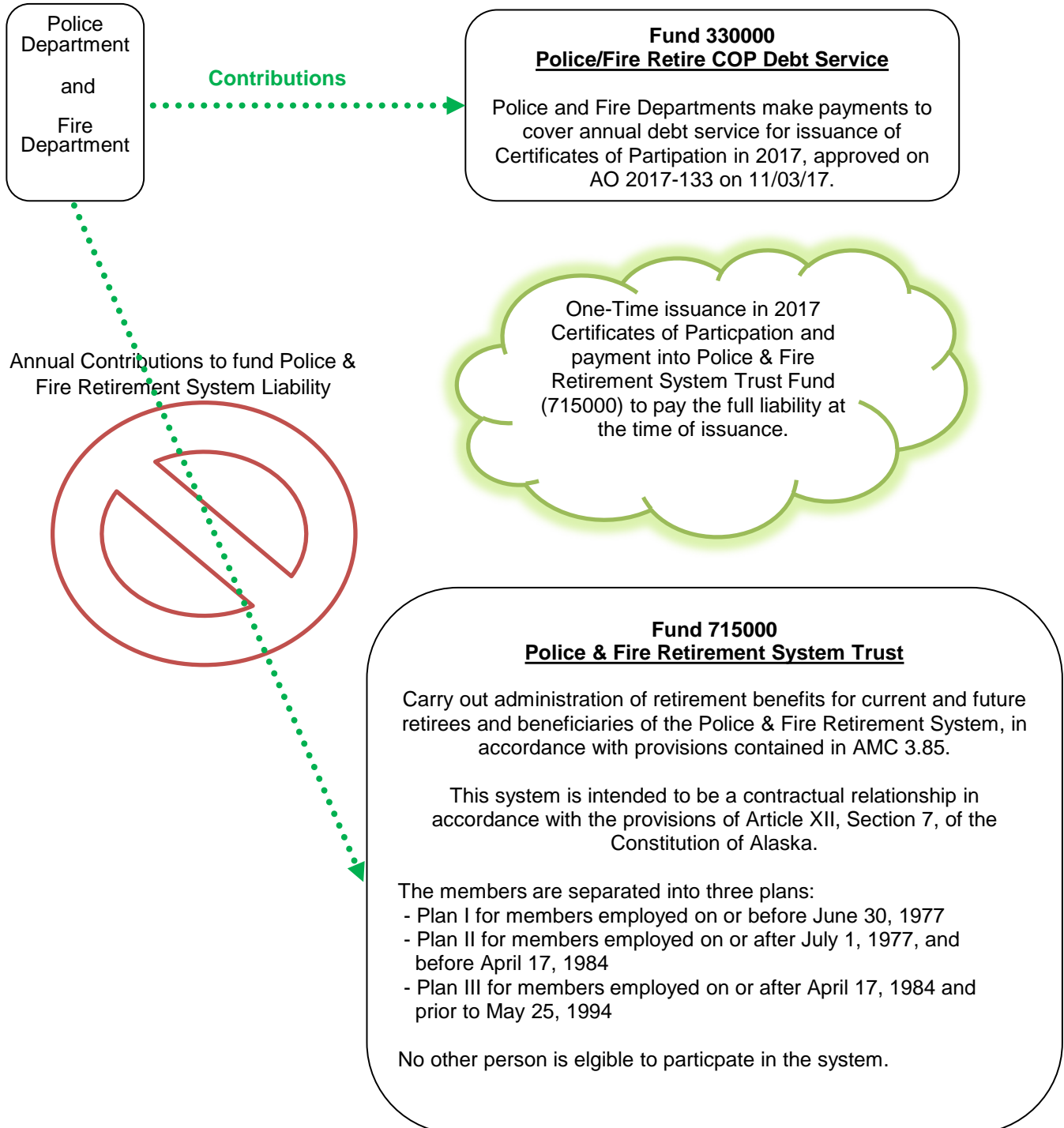
The system was set up to operate on the investment earnings of the Trust fund but, because of losses incurred due to market conditions in 2008, the Municipality has been making annual contributions from the Police and Fire departments to bring the fund back to fully funded/self-sustaining.

In 2017 the Municipality of Anchorage issued Certificates of Participation (COPS) to pay the full liability at the time of issuance to the Police & Fire Retirement Trust. The Municipal Assembly approved ordinance AO 2017-133 on November 03, 2017 accepting and approving the issuance of the COPS and incurring such debt. The Police and Fire departments now make annual contributions to the Certificates of Participation Debt Service Fund (330000).

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 Flow of Funds AMC 3.85



Police & Fire Retirement System Department Summary

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Division				
Police & Fire Retirement System Administration	34,796,318	871,026	894,714	2.72%
Direct Cost Total	34,796,318	871,026	894,714	2.72%
Intragovernmental Charges				
Charges by/to Other Departments	58,182	58,619	58,636	0.03%
Function Cost Total	34,854,500	929,645	953,350	2.55%
Program Generated Revenue	17,407,755	(94,600)	(94,600)	-
Net Cost Total	52,262,256	835,045	858,750	2.84%
Direct Cost by Category				
Salaries and Benefits	426,915	446,036	469,724	5.31%
Supplies	1,403	2,500	2,500	-
Travel	-	34,000	34,000	-
Contractual/Other Services	34,368,001	377,290	377,290	-
Debt Service	-	-	-	-
Equipment, Furnishings	-	11,200	11,200	-
Direct Cost Total	34,796,318	871,026	894,714	2.72%
Position Summary as Budgeted				
Full-Time	3	3	3	-
Part-Time	-	-	-	-
Position Total	3	3	3	-

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

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	426,915	446,036	469,724	5.31%
Supplies	1,403	2,500	2,500	-
Travel	-	34,000	34,000	-
Contractual/Other Services	34,368,001	377,290	377,290	-
Equipment, Furnishings	-	11,200	11,200	-
Manageable Direct Cost Total	34,796,318	871,026	894,714	2.72%
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	34,796,318	871,026	894,714	-
Intragovernmental Charges				
Charges by/to Other Departments	58,182	58,619	58,636	0.03%
Function Cost Total	34,854,500	929,645	953,350	2.55%
Program Generated Revenue by Fund				
Fund 715000 - Police/Fire Retirement Trust	(17,407,755)	94,600	94,600	-
Program Generated Revenue Total	(17,407,755)	94,600	94,600	-
Net Cost Total	52,262,256	835,045	858,750	2.84%
Position Summary as Budgeted				
Full-Time	3	3	3	-
Position Total	3	3	3	-

Police & Fire Retirement System Division Detail

Police & Fire Retirement System Administration

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

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	426,915	446,036	469,724	5.31%
Supplies	1,403	2,500	2,500	-
Travel	-	34,000	34,000	-
Contractual/Other Services	34,368,001	377,290	377,290	-
Equipment, Furnishings	-	11,200	11,200	-
Manageable Direct Cost Total	34,796,318	871,026	894,714	2.72%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	34,796,318	871,026	894,714	2.72%
Intragovernmental Charges				
Charges by/to Other Departments	58,182	58,619	58,636	0.03%
Program Generated Revenue				
408580 - Miscellaneous Revenues	416,664	-	-	-
430040 - Employee Contribution to PFRS	114,147	94,600	94,600	-
440010 - GCP CshPool ST-Int(MOA/ML&P)	728	-	-	-
440050 - Other Int Income	2,699,241	-	-	-
440070 - Dividend Income	2,652,296	-	-	-
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	(36,008,213)	-	-	-
440090 - RlzdGns&LsOnSleofInv	12,717,382	-	-	-
Program Generated Revenue Total	(17,407,755)	94,600	94,600	-
Net Cost				
Direct Cost Total	34,796,318	871,026	894,714	2.72%
Charges by/to Other Departments Total	58,182	58,619	58,636	0.03%
Program Generated Revenue Total	17,407,755	(94,600)	(94,600)	-
Net Cost Total	52,262,256	835,045	858,750	2.84%

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Director	1	-	-	-	-	-
Director Police & Fire Retire	-	-	1	-	1	-
Retirement Specialist II	1	-	-	-	-	-
Retirement Specialist III	-	-	1	-	1	-
Retirement Specialist IV	1	-	1	-	1	-
Position Detail as Budgeted Total	3	-	3	-	3	-

Police & Fire Retirement COP Debt Service Department Summary

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Division				
Police & Fire Retirement COP Debt Service	-	4,410,836	5,433,290	23.18%
Direct Cost Total	-	4,410,836	5,433,290	23.18%
Function Cost Total	-	4,410,836	5,433,290	23.18%
Program Generated Revenue	(1,942,550)	(4,410,836)	(4,389,836)	(0.48%)
Net Cost Total	(1,942,550)	-	1,043,454	100.00%
Direct Cost by Category				
Travel	-	-	-	-
Contractual/OtherServices	-	-	1,250	100.00%
Debt Service	-	4,410,836	5,432,040	23.15%
Direct Cost Total	-	4,410,836	5,433,290	23.18%
Position Summary as Budgeted				
Part-Time	-	-	-	-
Position Total	-	-	-	-

Police & Fire Retirement COP Debt Service Division Summary

Police & Fire Retirement COP Debt Service

(Fund Center # 177000)

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Travel	-	-	-	-
Contractual/Other Services	-	-	1,250	100.00%
Manageable Direct Cost Total	-	-	1,250	100.00%
Debt Service	-	4,410,836	5,432,040	23.15%
Non-Manageable Direct Cost Total	-	4,410,836	5,432,040	23.15%
Direct Cost Total	-	4,410,836	5,433,290	-
Function Cost Total	-	4,410,836	5,433,290	23.18%
Program Generated Revenue by Fund				
Fund 330000 - Police & Fire Retirement COP Debt Serv	1,942,550	4,410,836	4,389,836	(0.48%)
Program Generated Revenue Total	1,942,550	4,410,836	4,389,836	(0.48%)
Net Cost Total	(1,942,550)	-	1,043,454	100.00%

Position Summary as Budgeted

Position Total	-
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Police & Fire Retirement COP Debt Service

Division Detail

Police & Fire Retirement COP Debt Service

(Fund Center # 177000)

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Travel	-	-	-	-
Contractual/Other Services	-	-	1,250	100.00%
Manageable Direct Cost Total	-	-	1,250	100.00%
Debt Service	-	4,410,836	5,432,040	23.15%
Non-Manageable Direct Cost Total	-	4,410,836	5,432,040	23.15%
Direct Cost Total	-	4,410,836	5,433,290	23.18%
Program Generated Revenue				
439045 - Int Earned RstrFunds	335	-	-	-
440010 - GCP CshPool ST-Int(MOA/ML&P)	-	-	(21,000)	100.00%
450010 - Contributions from Other Funds	1,942,215	4,410,836	4,410,836	-
Program Generated Revenue Total	1,942,550	4,410,836	4,389,836	(0.48%)
Net Cost				
Direct Cost Total	-	4,410,836	5,433,290	23.18%
Program Generated Revenue Total	(1,942,550)	(4,410,836)	(4,389,836)	(0.48%)
Net Cost Total	(1,942,550)	-	1,043,454	100.00%