



February 21, 2008

**VIA EMAIL**

Mr. Pat Shier  
 Director  
 Division of Retirement and Benefits  
 Department of Administration  
 State of Alaska  
 333 Willoughby Avenue  
 6<sup>th</sup> Floor State Office Building  
 Juneau, AK 99811-0208

**Re: Alaska PERS Peace Officer / Firefighter Actuarial Study –  
 Lowering Years of Service Eligibility for Occupational Disability Medical  
 Coverage from 25 to 20**

Dear Pat:

As requested, we are providing an estimate of the cost to the State of Alaska Public Employees' Retirement System (PERS) of allowing any Peace Officer/Firefighter member with an Occupational Disability to receive State paid medical benefits starting at 20 years of service versus 25 years of service as the eligibility rules currently read.

**RESULTS**

The results provided represent employer costs for FY10. The rates were determined using both total system payroll and Peace Officer / Firefighter payroll.

**PERS Peace Officer / Firefighter**

	<b>Occupational Disability Only (in thousands)</b>
Change in Present Value of Future Benefits	\$ 567
Change in Accrued Liability	\$ 419
Change in Required Contribution	\$ 47
Change in Contribution As a Level Percent of Payroll	
– Peace Officer / Firefighter Pay Only	.0225%
– Total PERS Pay*	.0026%

\*This represents the affect on the PERS actuarially required contribution rate.

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#### DATA

No additional data was provided by the State in order to perform this analysis. The data used is summarized below:

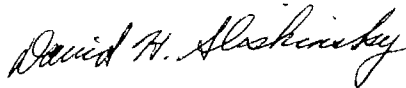
	<b>PERS Peace Officer / Firefighters</b>
Number of Actives	2,687
Average Age	41.48
Average Credited Service	10.05
Average Salary (Projected for FY08)	\$ 78,209

#### ASSUMPTIONS, METHODS AND PROVISIONS

The assumptions, plan provisions and methods used to determine plan costs are those described in the actuarial valuation reports as of June 30, 2007, unless otherwise indicated.

Please let me know if you have any questions or if we can be of further assistance.

Sincerely,



David H. Sliskinsky, ASA  
Principal and Consulting Actuary

/mlp

- c: Mr. Kevin Worley, State of Alaska  
Mr. Joe Cooper, Buck Consultants  
Ms. Monica DeGraff, Buck Consultants  
Ms. Michelle DeLange, Buck Consultants  
Mr. Chris Hulla, Buck Consultants

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bcc: Originator – Dave Slishinsky  
Colin Wein  
Kyla O'Rourke  
Aaron Jurgaitis  
COR  
Client Code: 019732 – 0001 RET04

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