

OVERVIEW
DEPT. OF
ADMIN., DIV. OF
RETIRE. & BEN.
RISK MGMT.,
GEN. SERVICES,
FINANCE,
1/27/05

Purpose

Division of Risk Management

Division Home page

Department
Home page

State Home Page

The Division of Risk Management's objective is to protect the financial assets and operations of the State of Alaska from accidental loss through a comprehensive self-insurance program for normal and expected property and casualty claims of high frequency and low severity, combined with high limit broad form excess insurance protection for catastrophic loss exposures.

Risk Management acts as the insurance carrier for each State agency, funding all sudden and accidental property and casualty claims. The annual premiums allocated by Risk Management are the maximum each agency is called upon to pay. This planning for known and catastrophic losses forestalls the need for the affected agency to seek supplemental appropriation or disrupt vital state services after a major property loss, adverse civil jury award, or significant workers' compensation claim.

Questions or comments about the website or home page? [Mail me!](#) [Admin Webmaster](#)

History

Division of Risk Management

Division Home page

• Department
Home page

State Home Page

The risk management program was first started in 1972, after an independent audit report focused on the state's need for a coordinated and professionally managed insurance program. The Division of Risk Management was established in 1979 as growth created additional and more complicated insurance demands. With a present staff of six - Risk Management operates from the State Office Building in Juneau - serving a statewide constituency that includes all departments of the executive, legislative and judicial branches of state government; all state boards and commissions; their respective employees and members. The risk management program affects those who contract (purchase, professional service and lease agreements) with state agencies and to all Alaskans that claim the state is legally liable for their individual property damage or personal injury.

By effectively managing the state's property and liability exposures through a comprehensive self insurance program Risk Management expends less public funds than would be paid to private insurance companies at the same time providing streamlined claims services utilizing professional adjusting firms located throughout Alaska.

Questions or comments about the website or home page? [Mail me!](#) [Admin Webmaster](#)

Insurance Administration

Division of Risk Management

[Division Home page](#)

[Department Home page](#)

[State Home Page](#)

Property insurance with all risk (including earthquake and flood) coverage is provided on a replacement cost basis for all state owned or leased property; buildings (including contents, incl. museum fine arts), aircraft, watercraft (Alaska Marine Highway System ferries and other agency vessels), large highway bridges and hydroelectric power dams.

Casualty coverages protect each state agency and their personnel from third party civil (tor.) liability claims alleged to have arisen from combined liability - general (premises/operations), automobile, professional (errors and omissions), medical malpractice, aviation (aircraft and airport) or marine (crew and passenger injuries).

Additional specialty coverages - blanket public employee faithful performance and custom bonding, accidental death and disability (including medical expenses) for volunteers, computer fraud and foreign liability, etc.

These insurance programs continually evolve - responding to new activities and special projects undertaken by each State agency.

In FY00 the State completely self-insures all statutory workers' compensation claims, self-insures the first \$5 million per occurrence for general (premises and operations) and professional liability; \$2 million per loss in automobile liability; \$1 million per claim for property and marine risks; and \$250,000 per incident for airport and aviation liability

exposures. Limits of excess insurance vary by risk, reaching up to \$250 million per occurrence for marine and \$500 million for aviation. The following attachment provides a brief overview of the FY00 excess insurance program.

Approximately 50 insurance companies and various Lloyd's of London underwriting syndicates participate in the State of Alaska's excess insurance program. Marketing is provided by independent broker Willis Corroon. The State obtains an annual independent actuarial assessment of the state insurance program as required by Alaska Statute 37.05.287 (b) from Advanced Risk Management Techniques, Inc.

An unconstrained audit of the State of Alaska's overall property and casualty insurance program performed by an independent risk management consultant found the retention levels and excess insurance coverage purchased are appropriate.

Questions or comments about the website or home page? Mail me! [Admin Webmaster](#)

Finance Component

Mission

The mission of the Division of Finance is to provide accounting and payroll services for state government.

Core Services

- General ledger accounting including budgets and vendor payments for all three branches of government.
- Payroll processing and accounting for all three branches of state government.
- Comprehensive Annual Financial Report and other statewide reporting responsibilities.
- Electronic commerce services including electronic vendor payments and the One Card Alaska credit card program.
- User documentation and information technology to support all services.

Performance Measure Detail

A: Result: State payroll processing is accurate and timely.

Target 1: 100% of payroll transactions are processed without penalty pay caused by central processing problems.

Measure 1: Percentage of payroll expenditures processed without penalty pay caused by central processing problems.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of payroll transactions processed without penalty pay caused by central payroll processing problems.

7/1 – 12/31/04: 100% of payroll transactions processed without penalty pay caused by central payroll processing problems.

Target 2: Maintain unscheduled downtime of the statewide payroll system (AKPAY) at less than 0.5%.

Measure 2: Unscheduled down time of AKPAY as a percentage of scheduled availability (currently approximately 4,000 hours per year).

Analysis of results and challenges: Period:

7/1 – 12/31/03: Calendar 2003 unscheduled downtime was 1.3%, a large increase over the .1% calculated for the previous calendar year 2002. Two mainframe upgrades were factors in the increased unscheduled downtime in 2003.

1/1 – 3/31/04: Unscheduled downtime was 0.0% of 998 hours.

3/31 – 6/30/04: Unscheduled downtime was 0.3%, or 3 hours of 994.

7/1 – 9/30/04: Unscheduled downtime was 0.5%, or 5 hours of 1,014.

10/1 – 12/31/04: Unscheduled downtime was 0.3% or 3 hours of 1,006.

A1: Strategy: Increase number of direct deposit recipients.

Target 1: 100% of state payroll distributed using direct deposit.

Measure 1: Percentage of employees receiving payroll via direct deposit.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 89% average direct deposit rate during calendar 2003

1/1 – 3/31/04: 90% average direct deposit rate for reporting period.

3/31 – 6/30/04: 89% average direct deposit rate at end of reporting period.

7/1 – 9/30/04: 85% average direct deposit rate at end of reporting period.

10/1 – 12/31/04: 90% average direct deposit rate at end of reporting period.

A2: Strategy: Maintain the statewide payroll system (AKPAY) in accordance with software maintenance agreement.

Target 1: Install software updates by vendor maintenance due date.

Measure 1: Percentage of time within a year that system is within vendor specified maintenance requirements.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 50% of fiscal year to date within vendor specified maintenance requirements. Out of compliance since October 1, 2003; anticipate being back in compliance by June 30, 2004.

1/1 – 3/31/04: Still out of compliance. Anticipate being back within vendor specified requirement by 10/31/04.

3/31 – 9/30/04: Still out of compliance. Anticipate being back within vendor specified requirement by 11/15/04.

10/1 – 12/31/04: Back in compliance with vendor specified maintenance requirements.

B: Result: Vendors and grantees are paid accurately and timely.

Target 1: 100% of payments to vendors and grantees processed within one business day of certification.

Measure 1: Percent of payments processed within one business day of certification.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of payments processed within one business day of certification.

7/1 – 12/31/04: 100% of payments processed within one business day of certification.

Target 2: Increase number of EDI payments by 5% per year.

Measure 2: Increase in dollars paid via EDI in current year divided by dollars paid in prior year.

Analysis of results and challenges: Period:

7/1/03–6/30/04: 219% increase over FY 2003. Some large dollar transactions (e.g. foundation payments and transfers to the University of Alaska) have been added in the current year resulting in total of \$1.5 billion in EDI payments.

B1: Strategy: Increase number of EDI (electronic data interchange) vendors.

Target 1: 10% increase in the number of EDI (electronic data interchange) vendors.

Measure 1: % increase in the number of EDI vendors.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 31% increase in first half of FY 2004 over FY 2003 year-end number.

1/1 – 3/31/04: 44% increase as of 3/31/04.

3/31 – 6/30/04: 56% increase as of 6/30/04.

C: Result: Improved efficiency of credit card program for state agencies.

Target 1: Increase rebate on credit card program by 20% per year.

Measure 1: Percent increase over prior year credit card rebate.

Analysis of results and challenges: Period:

1/1 – 12/31/03: Received rebate of \$158,712 from credit card vendor for calendar year 2003.

1/1 – 12/31/04: Received rebate of \$188,589 from credit card vendor for calendar year 2004, increase of 19% over 2003.

C1: Strategy: Maintain a professional accounting staff adequate to meet reporting requirements.

Target 1: Maintain adequate structures for accountability.

Measure 1: Funds and appropriations are established per authorizing legislation.

Analysis of results and challenges: Period:

7/1 – 12/31/03: All funds and appropriations established per authorizing legislation.
 1/1 – 3/31/04: Dormant period for this measure; picks up dramatically following legislative session.
 3/31 – 6/30/04: In process as legislation is signed by the Governor. Operating and capital budgets in body of bills complete. Other legislation in progress pending signature of Governor, effective date, etc.
 7/1 – 12/31/04: All funds and appropriations established per authorizing legislation.

D: Result: The state's financial position and results of operations are reported properly to interested parties.

Target 1: 100% of state financial reporting requirements are met.

Measure 1: Reports required under AS 37.05 210.

Analysis of results and challenges: Period:

7/1 – 12/31/03: State Comprehensive Annual Financial report complete by 12/15/03 deadline.
 1/1 – 3/31/04: Compensation and Travel Report of Executive Positions complete by 1/31/04 deadline.
 3/31 – 9/30/04: No reports required for period.
 10/1 – 12/31/04: State Comprehensive Annual Financial report complete by 12/15/04 deadline.

Target 2: 100% of federal and other external financial reporting requirements are met.

Measure 2: Percent of requirements listed under activities and outputs are met.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of federal and other external financial reporting requirements have been met
 7/1 – 12/31/04: 100% of federal and other external financial reporting requirements have been met.

D1: Strategy: Receive GFOA Certificate of Achievement for Excellence in Financial Reporting for first time on audited CAFR.

Target 1: Beginning with FY 2003 CAFR, receive certificate annually.

Measure 1: GFOA certificate

Analysis of results and challenges: Period:

7/1/03–3/31/04: Submitted application for certificate on FY 2003 CAFR by 12/31/03 deadline. Notification of the award is announced in December of the year following CAFR submission.
 3/31 – 9/30/04: Awaiting response from GFOA.
 10/1 – 12/31/04: Received certificate on FY 2003 CAFR.
 Submitted application on FY 2004 CAFR by 12/31/04 deadline.



HOUSE STATE AFFAIRS COMMITTEE

STATE CAPITOL, ROOM 102

465-4963

Testifier List

COMMITTEE MEMBERS

Rep. Paul Seaton,
Chairman
Room 102
465-2639

Rep. Carl Gatto
Vice-Chair
Room 411
465-3743

Rep. Bob Lynn
Room 415
465-4931

Rep. Jim Elkins
Room 416
465-3424

Rep. Jay Ramras
Room 104
465-3004

Rep. Berta Gardner
Room 422
465-4932

Rep. Max Gruenberg
Room 112
465-4940

Overviews

Division of Retirement and Benefits

1. Melanie Millhorn, Director
2. Bob Reynolds, Senior Actuarial Consultant, Mercer Human Resource Consulting

Division of Risk Management

1. Brad Thompson, Director

Division of Finance

1. Kim Garner, Director

Division of General Services

1. Vern Jones, Chief Procurement Officer

Louie Flora

To: melanie Millhorn

Page 21 of packet: Please run a scenario with a 10% actuarial assumption for investment return through 2028. And please update chart on page 22.

How many states prefund their benefits like Alaska does?

What type of smoothing techniques are used to determine the employers contribution rate, and limit volatility from year to year.

How is the future savings of the Tier 3 employees factored into future rate projections.

1/26/2005

Purpose

Division of Risk Management

[Division Home page](#)

[Department
Home page](#)

[State Home Page](#)

The Division of Risk Management's objective is to protect the financial assets and operations of the State of Alaska from accidental loss through a comprehensive self-insurance program for normal and expected property and casualty claims of high frequency and low severity, combined with high limit broad form excess insurance protection for catastrophic loss exposures.

Risk Management acts as the insurance carrier for each State agency, funding all sudden and accidental property and casualty claims. The annual premiums allocated by Risk Management are the maximum each agency is called upon to pay. This planning for known and catastrophic losses forestalls the need for the affected agency to seek supplemental appropriation or disrupt vital state services after a major property loss, adverse civil jury award, or significant workers' compensation claim.

Questions or comments about the website or home page? [Mail me!](#) [Admin Webmaster](#)

History

Division of Risk Management

Division Home page
Department /
Home page

State Home Page

The risk management program was first started in 1972, after an independent audit report focused on the state's need for a coordinated and professionally managed insurance program. The Division of Risk Management was established in 1979 as growth created additional and more complicated insurance demands. With a present staff of six - Risk Management operates from the State Office Building in Juneau - serving a statewide constituency that includes all departments of the executive, legislative and judicial branches of state government; all state boards and commissions; their respective employees and members. The risk management program affects those who contract (purchase, professional service and lease agreements) with state agencies and to all Alaskans that claim the state is legally liable for their individual property damage or personal injury.

By effectively managing the state's property and liability exposures through a comprehensive self insurance program Risk Management expends less public funds than would be paid to private insurance companies at the same time providing streamlined claims services utilizing professional adjusting firms located throughout Alaska.

Questions or comments about the website or home page? [Mail me!](#) [Admin Webmaster](#)

Insurance Administration

Division of Risk Management

Division Home page

Department
Home page

State Home Page

Property insurance with all risk (including earthquake and flood) coverage is provided on a replacement cost basis for all state owned or leased property; buildings (including contents, incl. museum fine arts), aircraft, watercraft (Alaska Marine Highway System ferries and other agency vessels), large highway bridges and hydroelectric power dams.

Casualty coverages protect each state agency and their personnel from third party civil (tort) liability claims alleged to have arisen from combined liability - general (premises/operations), automobile, professional (errors and omissions), medical malpractice, aviation (aircraft and airport) or marine (crew and passenger injuries).

Additional specialty coverages - blanket public employee faithful performance and custom bonding, accidental death and disability (including medical expenses) for volunteers, computer fraud and foreign liability, etc.

These insurance programs continually evolve - responding to new activities and special projects undertaken by each State agency.

In FY00 the State completely self-insures all statutory workers' compensation claims, self-insures the first \$5 million per occurrence for general (premises and operations) and professional liability; \$2 million per loss in automobile liability; \$1 million per claim for property and marine risks; and \$250,000 per incident for airport and aviation liability

exposures. Limits of excess insurance vary by risk, reaching up to \$250 million per occurrence for marine and \$500 million for aviation. The following attachment provides a brief overview of the FY00 excess insurance program.

Approximately 50 insurance companies and various Lloyd's of London underwriting syndicates participate in the State of Alaska's excess insurance program. Marketing is provided by independent broker Willis Corroon. The State obtains an annual independent actuarial assessment of the state insurance program as required by Alaska Statute 37.05.287 (b) from Advanced Risk Management Techniques, Inc.

An unconstrained audit of the State of Alaska's overall property and casualty insurance program performed by an independent risk management consultant found the retention levels and excess insurance coverage purchased are appropriate.

Questions or comments about the website or home page? [Mail me!](#) [Admin Webmaster](#)

Finance Component

Mission

The mission of the Division of Finance is to provide accounting and payroll services for state government.

Core Services

- General ledger accounting including budgets and vendor payments for all three branches of government.
- Payroll processing and accounting for all three branches of state government.
- Comprehensive Annual Financial Report and other statewide reporting responsibilities.
- Electronic commerce services including electronic vendor payments and the One Card Alaska credit card program.
- User documentation and information technology to support all services.

Performance Measure Detail

A: Result: State payroll processing is accurate and timely.

Target 1: 100% of payroll transactions are processed without penalty pay caused by central processing problems.

Measure 1: Percentage of payroll expenditures processed without penalty pay caused by central processing problems.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of payroll transactions processed without penalty pay caused by central payroll processing problems.

7/1 – 12/31/04: 100% of payroll transactions processed without penalty pay caused by central payroll processing problems.

Target 2: Maintain unscheduled downtime of the statewide payroll system (AKPAY) at less than 0.5%.

Measure 2: Unscheduled down time of AKPAY as a percentage of scheduled availability (currently approximately 4,000 hours per year).

Analysis of results and challenges: Period:

7/1 – 12/31/03: Calendar 2003 unscheduled downtime was 1.3%, a large increase over the .1% calculated for the previous calendar year 2002. Two mainframe upgrades were factors in the increased unscheduled downtime in 2003.

1/1 – 3/31/04: Unscheduled downtime was 0.0% of 998 hours.

3/31 – 6/30/04: Unscheduled downtime was 0.3%, or 3 hours of 994.

7/1 – 9/30/04: Unscheduled downtime was 0.5%, or 5 hours of 1,014.

10/1 – 12/31/04: Unscheduled downtime was 0.3% or 3 hours of 1,006.

A1: Strategy: Increase number of direct deposit recipients.

Target 1: 100% of state payroll distributed using direct deposit.

Measure 1: Percentage of employees receiving payroll via direct deposit.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 89% average direct deposit rate during calendar 2003

1/1 – 3/31/04: 90% average direct deposit rate for reporting period.

3/31 – 6/30/04: 89% average direct deposit rate at end of reporting period.

7/1 – 9/30/04: 85% average direct deposit rate at end of reporting period.

10/1 – 12/31/04: 90% average direct deposit rate at end of reporting period.

A2: Strategy: Maintain the statewide payroll system (AKPAY) in accordance with software maintenance agreement.

Target 1: Install software updates by vendor maintenance due date.

Measure 1: Percentage of time within a year that system is within vendor specified maintenance requirements.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 50% of fiscal year to date within vendor specified maintenance requirements. Out of compliance since October 1, 2003; anticipate being back in compliance by June 30, 2004.

1/1 – 3/31/04: Still out of compliance. Anticipate being back within vendor specified requirement by 10/31/04.

3/31 – 9/30/04: Still out of compliance. Anticipate being back within vendor specified requirement by 11/15/04.

10/1 – 12/31/04: Back in compliance with vendor specified maintenance requirements.

B: Result: Vendors and grantees are paid accurately and timely.

Target 1: 100% of payments to vendors and grantees processed within one business day of certification.

Measure 1: Percent of payments processed within one business day of certification.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of payments processed within one business day of certification.

7/1 – 12/31/04: 100% of payments processed within one business day of certification.

Target 2: Increase number of EDI payments by 5% per year.

Measure 2: Increase in dollars paid via EDI in current year divided by dollars paid in prior year.

Analysis of results and challenges: Period:

7/1/03–6/30/04: 219% increase over FY 2003. Some large dollar transactions (e.g. foundation payments and transfers to the University of Alaska) have been added in the current year resulting in total of \$1.5 billion in EDI payments.

B1: Strategy: Increase number of EDI (electronic data interchange) vendors.

Target 1: 10% increase in the number of EDI (electronic data interchange) vendors.

Measure 1: % increase in the number of EDI vendors.

Analysis of results and challenges: Period:

7/1 – 12/31/03: 31% increase in first half of FY 2004 over FY 2003 year-end number.

1/1 – 3/31/04: 44% increase as of 3/31/04.

3/31 – 6/30/04: 56% increase as of 6/30/04.

C: Result: Improved efficiency of credit card program for state agencies.

Target 1: Increase rebate on credit card program by 20% per year.

Measure 1: Percent increase over prior year credit card rebate.

Analysis of results and challenges: Period:

1/1 – 12/31/03: Received rebate of \$158,712 from credit card vendor for calendar year 2003.

1/1 – 12/31/04: Received rebate of \$188,589 from credit card vendor for calendar year 2004, increase of 19% over 2003.

C1: Strategy: Maintain a professional accounting staff adequate to meet reporting requirements.

Target 1: Maintain adequate structures for accountability.

Measure 1: Funds and appropriations are established per authorizing legislation.

Analysis of results and challenges: Period:

7/1 – 12/31/03: All funds and appropriations established per authorizing legislation.
 1/1 – 3/31/04: Dormant period for this measure; picks up dramatically following legislative session.
 3/31 – 6/30/04: In process as legislation is signed by the Governor. Operating and capital budgets in body of bills complete. Other legislation in progress pending signature of Governor, effective date, etc.
 7/1 – 12/31/04: All funds and appropriations established per authorizing legislation.

D: Result: The state's financial position and results of operations are reported properly to interested parties.

Target 1: 100% of state financial reporting requirements are met.

Measure 1: Reports required under AS 37.05.210.

Analysis of results and challenges: Period:

7/1 – 12/31/03: State Comprehensive Annual Financial report complete by 12/15/03 deadline.
 1/1 – 3/31/04: Compensation and Travel Report of Executive Positions complete by 1/31/04 deadline.
 3/31 – 9/30/04: No reports required for period.
 10/1 – 12/31/04: State Comprehensive Annual Financial report complete by 12/15/04 deadline.

Target 2: 100% of federal and other external financial reporting requirements are met.

Measure 2: Percent of requirements listed under activities and outputs are met.

Analysis of results and challenges: Period:

7/1/03 – 6/30/04: 100% of federal and other external financial reporting requirements have been met
 7/1 – 12/31/04: 100% of federal and other external financial reporting requirements have been met.

D1: Strategy: Receive GFOA Certificate of Achievement for Excellence in Financial Reporting for first time on audited CAFR.

Target 1: Beginning with FY 2003 CAFR, receive certificate annually.

Measure 1: GFOA certificate

Analysis of results and challenges: Period:

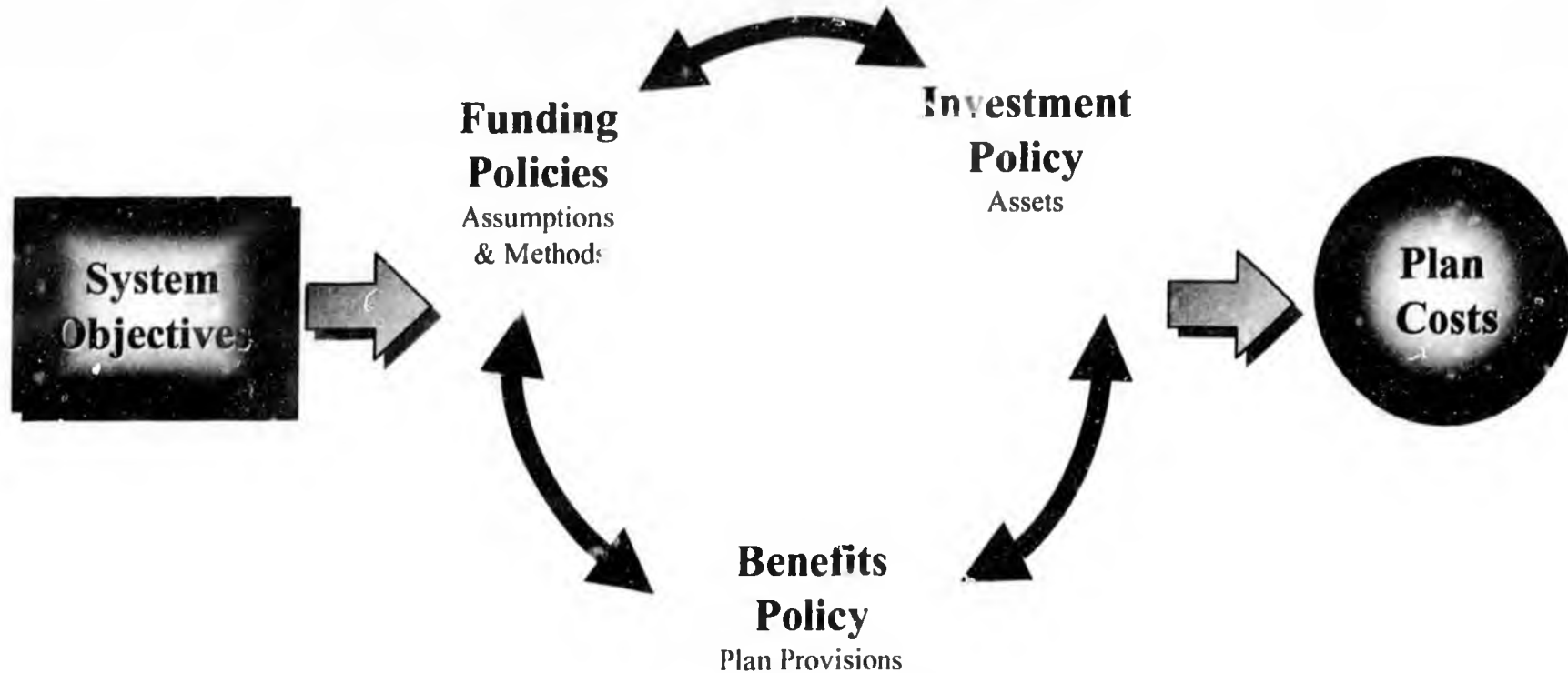
7/1/03–3/31/04: Submitted application for certificate on FY 2003 CAFR by 12/31/03 deadline. Notification of the award is announced in December of the year following CAFR submission.
 3/31 – 9/30/04: Awaiting response from GFOA.
 10/1 – 12/31/04: Received certificate on FY 2003 CAFR.
 Submitted application on FY 2004 CAFR by 12/31/04 deadline.



State
PERSONNEL
Preferential to Legislature

Overview

Retirement Program Financial Management



**Alaska Public Employees' and Teachers' Retirement System
Earnings – Actuarial Rate – Health Cost – Employer Rates – Funding Ratios**

Public Employees' Retirement System

Measurement Year	FY 01	FY 02	FY 03
Employer Rate Year	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>
Actual Investment Return	(5.25%)	(5.48%)	3.67%
<u>Actuarial</u> Investment Return	8.25%	8.25%	8.25%
Cumulative Return Shortfall, rounded	(14%)	(28%)	(34%)
Cumulative Dollar Shortfall, <u>in billions</u> (in billions, market value)	(\$1.2)	(\$2.4)	(\$2.9)
Health Care Cost Inc. Rate Used	7.5%	12.0%	12.0%
Health Care Percent of Total Accrued Liabilities	30.0%	38.0%	40.0%
Average Calculated Rate	6.77%	24.91%	25.63%
Board Adopted Rate	6.77%	11.77%	16.77%
Contribution Increase (All ER)	n/a	\$ 76 mil.	\$ 79 mil. (added to prior year)
Funding Ratio – Assets \ Liabilities			
Non-Medical Benefits only	143.7%	120.9%	121.4%
Total Benefits	100.9%	75.2%	72.8%

Teachers' Retirement System

Measurement Year	FY 01	FY 02	FY 03
Employer Rate Year	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>
Actual Investment Return	(5.35%)	(5.49%)	3.68%
<u>Actuarial</u> Investment Return	8.25%	8.25%	8.25%
Cumulative Return Shortfall	(14%)	(28%)	(34%)
Cumulative Dollar Shortfall, <u>in billions</u> (in billions, market value)	(\$0.6)	(\$1.1)	(\$2.1)
Health Care Cost Inc. Rate Used	7.5%	12.0%	12.0%
Health Care Percent of Total Accrued Liabilities	21.0%	27.0%	28.0%
Average Calculated Rate	14.44%	35.57%	38.85%
Board Adopted Rate	12.00%	16.00%	21.00%
Contribution Increase (All ER)	\$ 5 Mil.	\$ 24 mil.	\$ 29 mil. (added to prior year)
Funding Ratio – Assets \ Liabilities			
Non-Medical Benefits only	119.7%	93.2%	89.5%
Total Benefits	95.0%	68.2%	64.3%

BENEFIT BULLETIN

INFORMATION AND RESOURCES FOR YOUR BENEFIT NEEDS

GallagherBenefitServices, Inc.

November 2, 2004

NEW GASB RULES FOR PUBLIC SECTOR PLANS FINALIZED

Earlier this year, the Government Accounting Standards Board (GASB) released its final statements on the accounting treatment of what it calls "Other Post Employment Benefits" (OPEB). This Technical Bulletin provides an overview of what GASB Statement 45 will require, along with key considerations for public employers.

Under GASB 45, OPEB refers to retirement benefits other than pensions. While retiree medical benefits are the emphasis, other health benefits such as dental, vision and life insurance are also included.

The release of GASB 45 culminates an extended process of consideration and development by GASB. The Statement mandates that employers subject to GASB's rules account for retiree health benefits in much the same way that they account for defined benefit pension plans. Rather than recognizing the expense associated with the retiree benefits when they are paid, employers will have to recognize the expense over the working lifetimes of their employees.

For many governmental organizations, this will cause a significant increase in the expenses and liabilities that public employers will be required to recognize in their financial statements. Specifically, they will be required to report their retiree health expense on an accrual basis, rather than the current cash, or pay-as-you-go basis. Further, public employers will need to establish liabilities on their balance sheets equal to any of the recognized expense that has not been funded.

While GASB 45 does not require plan sponsors to actually fund the measured liabilities, it will highlight the significant obligations of typical retiree health provisions. For governmental entities with significant liabilities, these requirements could negatively affect the entity's bond-rating.

The most obvious liability that GASB addresses is the direct contributions an agency makes on behalf of retirees toward the cost of retiree health care. However, public employers that combine active and retiree claims experience to arrive at a "blended cost", which becomes the cost basis for the retiree's coverage, will also have to recognize the *implicit* subsidy associated with retiree coverage.

The blended cost technique is widely used, and in many states public employers are prohibited by law from charging more than this blended cost. The following chart illustrates this blending of experience, and the corresponding implicit subsidy it creates.



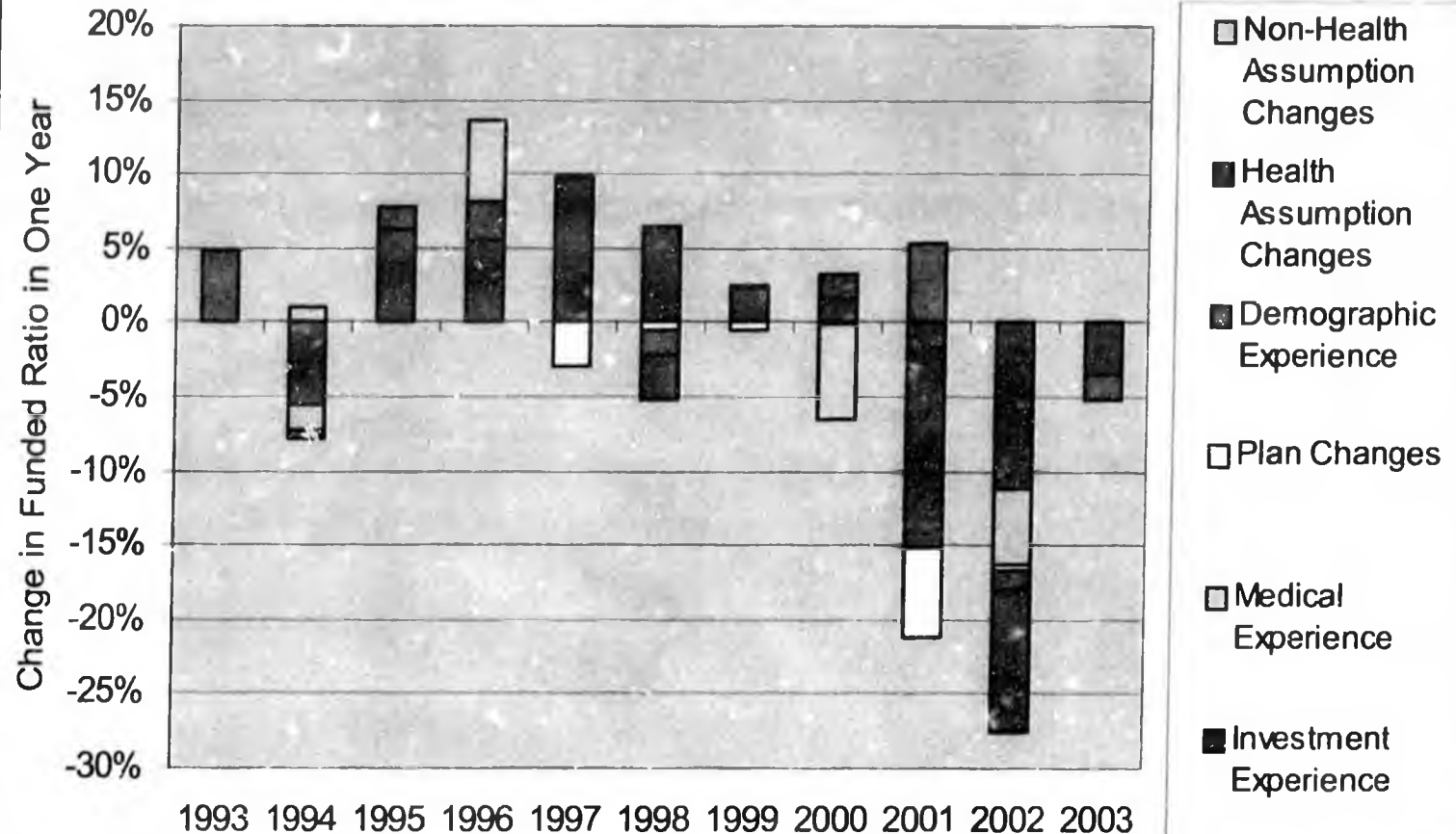
State of Alaska - PERS

Investment Returns and Funded Status

Declines in funding status were caused by (in descending order of magnitude):

1. investment performance,
2. health assumptions
3. plan changes
4. medical experience
5. non-health assumptions
6. demographic experience

PERS: Year-by-Year Change in Funded Status by Source



Year-by-year changes

Mercer Human Resource Consulting

1996
Non-Health Assumption change 25 amortization of unfunded surplus to 5 years

1997
Plan Change lawsuit retro Ad Hoc PRPA

2000
Non-Health assumption change Change mortality table 1984-1994

2001
HB 242 -Medical enhance. 30 years system-paid medical 25 years police/fire

Demographic Exp.
Total turnover rates Disability rates, mortality rates Retirement rates

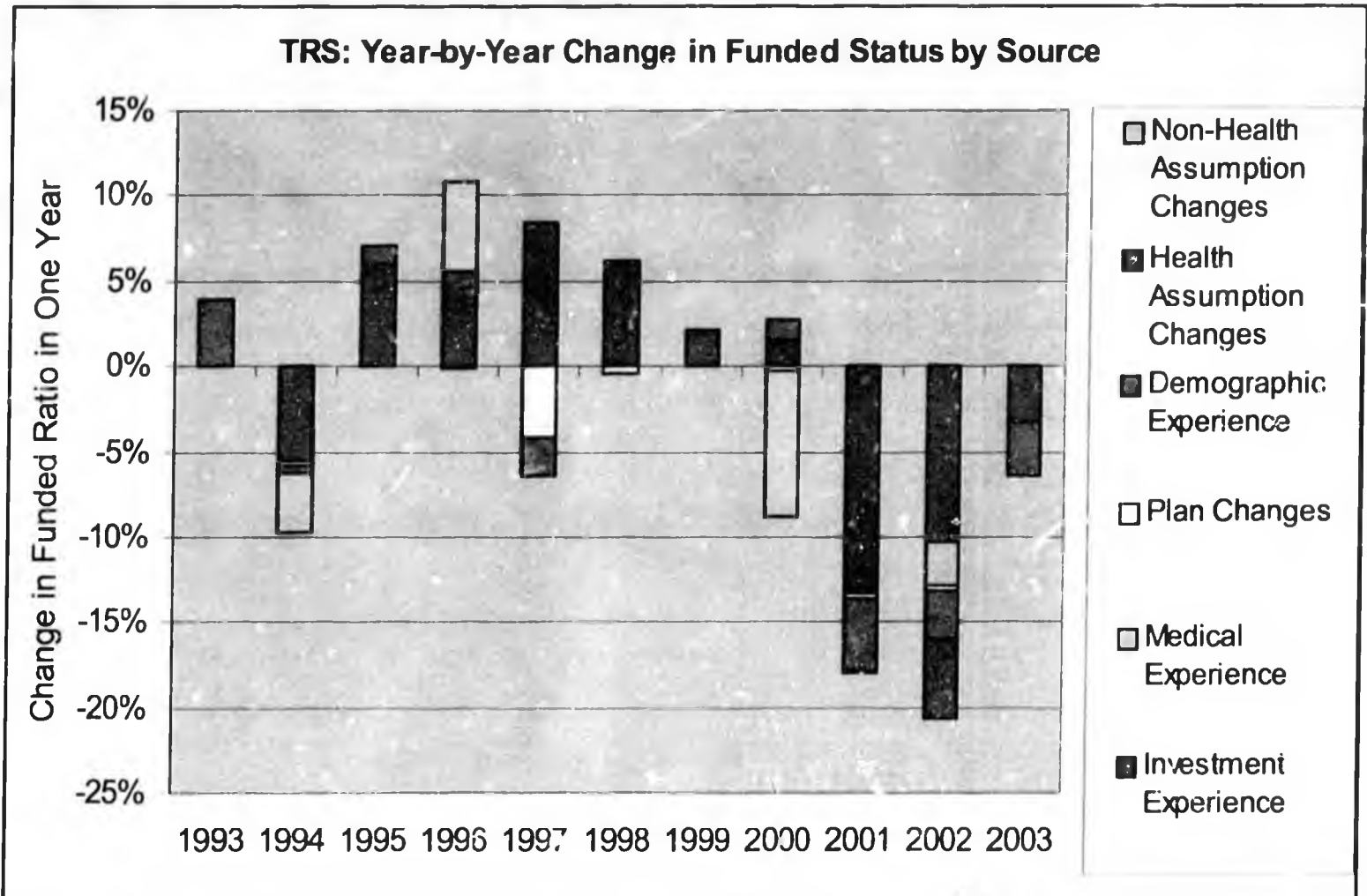


State of Alaska - TRS

Investment Returns and Funded Status

Declines in funding status were caused by (in descending order of magnitude):

1. investment performance,
2. demographic experience
3. non-health assumptions
4. plan changes
5. health assumptions
6. medical experience



Year-by-year changes

Mercer Human Resource Consulting

1997 Plan change lawsuit retro Ad Hoc PRPA	2000 Non-health assumption change Change mortality table 1984-1994	2001 HB 242 Medical enhancements 25 years system-paid medical	Demographic Exp. Total turnover rates Disability rates, Retirement rates Mortality rates
--	---	---	--

MERCER

Human Resource Consulting

One Union Square
600 University Street, Suite 3200
Seattle, WA 98101-3137
206 808 8800 Fax 206 382 0627
www.mercerHR.com

January 3, 2005

Ms. Melanie Millhorn
Director of Retirement and Benefits
State of Alaska
Department of Administration
Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

Subject:

Changes in Funded Status - PERS and TRS

Dear Melanie:

Part of our December 1 presentation to the Alaska State Pension Investment Board (ASPIB) focused on changes in the funded percentages for PERS and TRS. From July 1, 1992 to June 30, 2003, the funded percentage for the PERS declined from 92.3% to 70.0%, based on the market value of assets. The funded percentage for TRS declined from 91.0% to 61.7%. The dollar amount increases in the unfunded accrued liabilities (UAL) were \$3.2 billion for PERS and \$2.2 billion for TRS. We found that the total change in funded status for the PERS and TRS from July 1, 1992 to June 30, 2003 was due to asset and liability sources as follows:

	PERS		TRS	
	Change in Funded Status	Increase in UAL (billions)	Change in Funded Status	Increase in UAL (billions)
Change due to assets	(3.8)%	\$1.1	(2.7)%	\$0.6
Change due to liabilities	(18.5)	2.1	(26.6)	1.6
Total	(22.3)%	\$3.2	(29.3)%	\$2.2

This letter provides further breakdown of the changes in funded status attributable to liabilities. The percentages have been revised slightly from those quoted in the ASPIB meeting based on further research on the effect of the various factors.

	PERS		TRS	
	Change in Funded Status	Increase in UAL (billions)	Change in Funded Status	Increase in UAL (billions)
Health experience	(6.9)%	\$0.6	(3.0)%	\$0.2
Health assumption changes	(12.5)	1.1	(4.7)	0.3
Plan changes	(4.7)	0.3	(5.3)	0.2
Demographic experience	5.4	(0.1)	(6.8)	0.5
Non-health assumption changes	0.2	0.2	(6.8)	0.4
Total change due to liabilities	(18.5)%	\$2.1	(26.6)%	\$1.6

MMC Marsh & McLennan Companies

MERCER

Human Resource Consulting

Page 2

January 3, 2005

Ms. Melanie Millhorn

State of Alaska

Health experience and changes in health assumptions were relatively large contributors to the decline in funded status. Benefit improvements also contributed to the decline. For both Systems, plan changes include benefit improvements enacted by the legislature, as well as ad-hoc Post-Retirement Pension Adjustments (PRPAs).

I hope this information is helpful. Please call or email if you have questions or need additional information.

Sincerely,



Robert M. Reynolds, ASA, MAAA

RMR/DK/ws

Copy:

Anselm Staack

Chris Byrnes

Marcia Chapman

g:\retire\alaska\alaska\corresp\2004\undfnd percentages pers trs mvt_123004_mf.doc

PUBLIC EMPLOYEES' / TEACHERS' RETIREMENT SYSTEM INFORMATION BRIEFING

SUBJECT: PERS / TRS Tier Classification Medical Benefits

DATE: JANUARY 10, 2005

NOTE: AS OF DECEMBER 2004 THERE ARE 27,095 PERS/TRS MEMBERS RECEIVING A RETIREMENT AND MEDICAL BENEFIT. IN ADDITION, THERE ARE 24,947 COVERED DEPENDENTS FOR A TOTAL OF 52,042 MEMBERS AND DEPENDENTS WITH MEDICAL COVERAGE.

PERS	Tier 1	Tier 2	Tier 3	Total
Active	7,916	9,086	16,878	33,880
Deferred Vested	2,864	2,785	393	6,042
Deferred	1,871	3,079	7,188	12,138
Retired	17,352	2,041	101	19,494
Total	30,003	16,991	24,560	71,554
Medical Benefits	<p>System paid medical benefits for all benefit recipients and their eligible dependents.</p> <p>Eligible after vesting and normal retirement age of 55 or early retirement at age 50.</p>	<p>System paid medical benefits for Police / Firefighters after 25 years or "all others" at 30 years of service.</p> <p>Eligible after vesting and age 60. Under 60 must pay premium.</p> <p>Disabilitants, regardless of age receive medical coverage.</p>	<p>System paid medical benefits for Police and Firefighters after 25 years or "all others" at 30 years of service.</p> <p>Eligible at age 60 after vesting; 10 years of credited service to qualify. Under age 60 must pay premium.</p> <p>Disabilitants, regardless of age receive medical coverage.</p>	

TRS	Tier 1	Tier 2	Total
Active	3,204	7,037	10,241
Deferred Vested	404	259	663
Deferred	601	1,947	2,548
Retired	8,462	184	8,646
Total	12,671	9,427	22,098
Medical Benefits	<p>System paid Medical benefits for all benefit recipients and their eligible dependents.</p> <p>Eligible after vesting and normal retirement age of 55 or early retirement at age 50.</p>	<p>System paid medical benefits for teachers after 25 years of service</p> <p>Eligible after vesting and age 60. Under 60 must pay premium.</p> <p>Disabilitants, regardless of age receive medical coverage.</p>	

(Above member counts for both systems are as of October 11, 2004)

Note: Medical benefits account for a significant portion of the Systems liabilities.

PERS: 40% of accrued liability and 28% of accrued liability for TRS.

Retiree Medical Insurance

The following table summarizes the monthly premium per benefit recipient since retiree medical benefits have been provided under PERS and TRS.

Time Period	Monthly Premium Per Retiree For Health Coverage	Annual Percentage Change	Average Compound Annual Increase Since FY78
2/1/76-1/31/77	\$ 34.75	--	--
2/1/77-1/31/78	57.64	66%	--
2/1/78-1/31/79	69.10	20%	20%
2/1/79-1/31/80	64.70	-6%	6%
2/1/80-1/31/81	96.34	49%	19%
2/1/81-1/31/82	96.34	0%	14%
2/1/82-1/31/83	115.61	20%	15%
2/1/83-1/31/84	156.07	35%	18%
2/1/84-1/31/85	191.85	23%	19%
2/1/85-1/31/86	168.25	-12%	14%
2/1/86-1/31/87	165.00	-2%	12%
2/1/87-1/31/88	140.25	-15%	9%
2/1/88-1/31/89	211.22	51%	13%
2/1/89-1/31/90	252.83	20%	13%
2/1/90-1/31/91	243.98	-4%	12%
2/1/91-1/31/92	243.98	0%	11%
2/1/92-1/31/93	226.90	-7%	10%
2/1/93-1/31/94	309.72	37%	11%
2/1/94-1/31/95	336.05	9%	11%
2/1/95-1/31/96	350.50	4%	11%
2/1/96-1/31/97	350.50	0%	10%
2/1/97-1/31/98	368.00	5%	10%
2/1/98-12/31/98	368.00	0%	9%
1/1/99-12/31/99	442.00	20%	10%
1/1/00-12/31/00	530.00	20%	10%
1/1/01-12/31/01	610.00	15%	10%
1/1/02-12/31/02	668.00	10%	10%
1/1/03-12/31/03	720.00	8%	10%
1/1/04-12/31/04	806.00	12%	10%

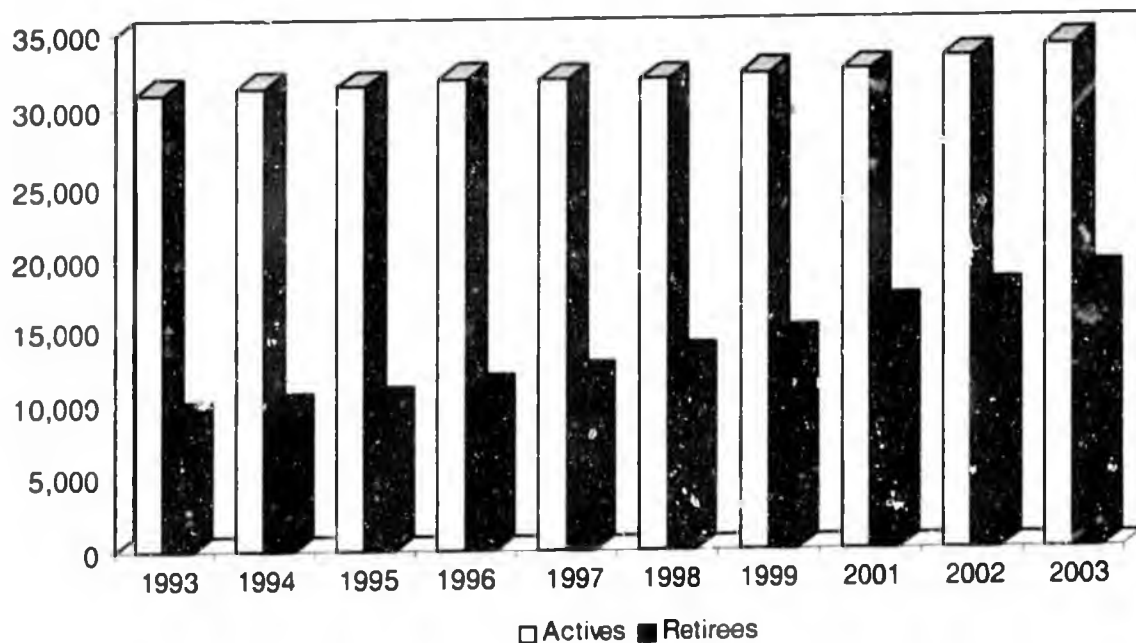
Division of Retirement and Benefits

Mercer Human Resource Consulting--Actuary

Public Employees' Retirement System System Membership by Status					
Year ended June 30	Active	Retirees & Beneficiaries	Vested Terminations	Nonvested Terminations w/Balance	Total
1993	30,972	9,103	3,572	4,721	48,368
1994	31,364	9,643	3,771	4,859	49,637
1995	31,450	10,173	4,144	5,398	51,165
1996	31,960	10,921	4,382	5,847	53,110
1997	31,854	11,802	4,742	6,260	54,658
1998	31,910	13,101	5,143	6,571	56,725
1999	32,214	14,185	5,395	7,500	59,294
2001	32,441	14,274	6,187	11,403	66,305
2002	33,242	17,215	5,702	11,301	67,460
2003	34,065	18,431	5,841	10,798	69,135

Data not available for FY 2000 due to transition to a new computer system.

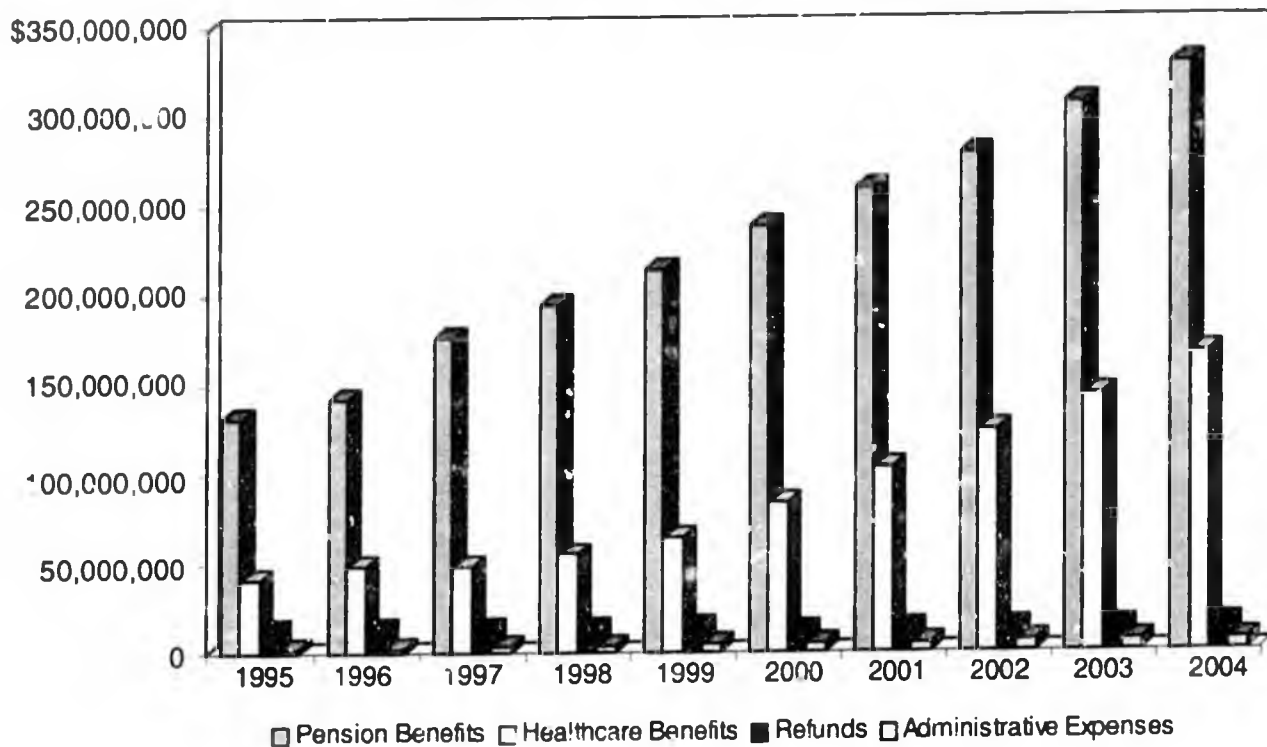
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
10-YEAR COMPARISON OF ACTIVE AND RETIRED MEMBERS**



Data not available for FY 2000 due to transition to a new computer system.

Public Employees' Retirement System Expenses by Type (000's omitted)					
Year ended June 30	Pension Benefits	Healthcare Benefits	Refunds of Contributions	Administrative Expenses	Total
1995	\$131,634	\$ 40,687	\$12,774	\$ 2,253	\$ 187,348
1996	143,039	47,964	13,413	2,522	206,938
1997	177,328	48,361	13,012	2,830	241,531
1998	195,544	55,165	13,557	2,920	267,186
1999	215,170	64,486	14,435	4,148	298,239
2000	239,441	83,794	11,998	4,247	339,480
2001	259,771	103,846	13,134	4,672	381,423
2002	279,731	124,805	12,869	5,283	422,688
2003	307,684	143,331	13,025	5,880	469,920
2004	329,390	167,360	14,723	5,296	516,769

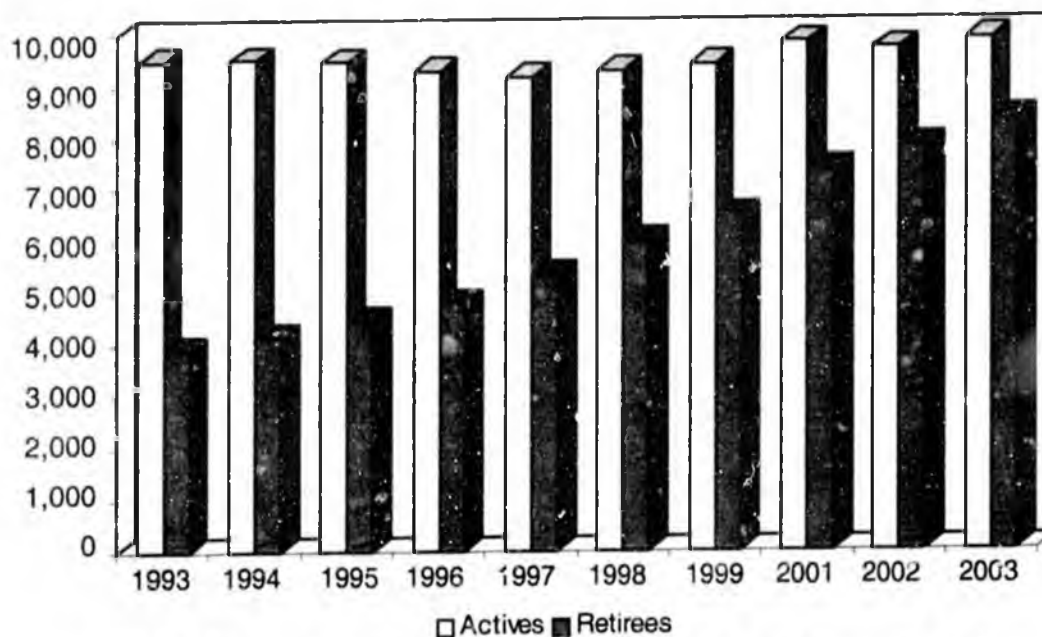
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
10-YEAR COMPARISON OF EXPENSES BY TYPE**



Teachers' Retirement System System Membership by Status					
Year ended June 30	Active	Retirees & Beneficiaries	Vested Terminations	Nonvested Terminations w/Balance	Total
1993	9,459	3,891	823	1,013	15,186
1994	9,489	4,134	930	1,090	15,643
1995	9,452	4,459	859	1,140	15,910
1996	9,259	4,803	1,116	1,195	16,373
1997	9,164	5,343	1,279	1,310	17,096
1998	9,262	5,979	1,064	1,285	17,590
1999	9,396	6,486	1,150	1,297	18,329
2001	9,815	7,333	767	2,207	20,122
2002	9,690	7,804	783	2,447	20,724
2003	9,873	8,312	708	2,327	21,220

Data not available for FY 2000 due to transition to a new computer system.

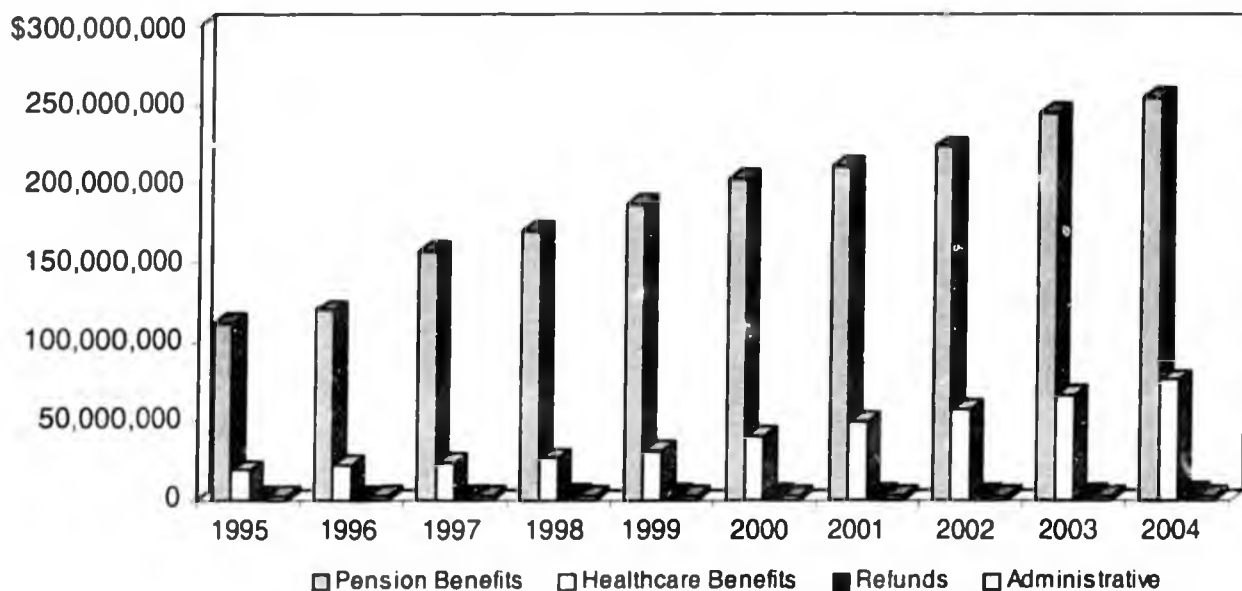
TEACHERS' RETIREMENT SYSTEM 10-YEAR COMPARISON OF ACTIVE AND RETIRED MEMBERS



Data not available for FY 2000 due to transition to a new computer system.

Teachers' Retirement System Expenses by Type (000's omitted)					
Year ended June 30	Pension Benefits	Healthcare Benefits	Refunds of Contributions	Administrative Expenses	Total
1995	\$111,498	\$18,264	\$ 2,819	\$ 1,821	\$134,402
1996	119,949	21,655	2,629	2,055	146,288
1997	157,567	22,653	2,626	2,223	185,069
1998	169,831	26,123	3,489	2,231	201,674
1999	187,085	30,987	3,490	1,722	223,284
2000	202,927	40,183	4,118	1,717	248,945
2001	210,945	48,928	3,742	1,938	265,553
2002	222,897	56,946	3,120	2,095	285,058
2003	244,518	65,898	3,840	2,395	316,651
2004	255,409	75,601	4,189	2,203	337,402

**TEACHERS' RETIREMENT SYSTEM
10-YEAR COMPARISON OF EXPENSES BY TYPE**



Alaska Public Employees' and Teachers' Retirement System
Investment Return / Medical Costs - Assumption v. Actual & Mortality
Employer Actuarial Computed Rates and Board Adopted Rates
Rate Year FY 1990 - FY 2006
Division of Retirement & Benefits

1/21/05

3:10 PM

Data Source: Actuarial Valuation Report prepared by Mercer Human Resources Consulting,
Division prepared audited Comprehensive Annual Financial Report;
Alaska State Pension Investment Board published reports.

Rate Fiscal Year - Rate was determined March / April Prior FY
i.e. 6/30/2003 Financial Year end, used in March 2004 Valuation, determined rate for FY 2006 which begins July 1, 2005

INFO Fiscal Year	RATE Fiscal Year	ACTUAL			Medical Cost Assump.	ACTUAL		Mortality Table	TRS			PERS		
		Invest Return Assump.	Invest Return PERS	Invest Return TRS		Medical Annual Change	Medical Compound Change		Actuarial Computed Rate	TRB Adopted Rate	Diff	Actuarial Computed Rate	PERB Adopted Rate	Diff
1987	1990	9.00%	11.40%	11.40%	9.00%	-15.00%	9.00%	1984, back 1.5 yrs	8.19%	11.64%	3.45%	9.30%	9.30%	0.00%
1988	1991	9.00%	2.30%	2.10%	9.00%	51.00%	13.00%	1984, back 1.5 yrs	12.27%	10.54%	-1.73%	12.00%	12.00%	0.00%
1989	1992	9.00%	14.12%	14.19%	9.00%	20.00%	13.00%	1984, back 1.5 yrs	15.16%	11.87%	-3.29%	14.20%	14.20%	0.00%
1990	1993	8.75%	10.05%	10.15%	12.00%	-4.00%	12.00%	1984, fwd-1yrM, bk-4yrF	19.65%	12.00%	-7.65%	13.58%	13.58%	0.00%
1991	1994	8.75%	7.21%	7.05%	11.50%	0.00%	11.00%	1984, fwd-1yrM, bk-4yrF	15.59%	12.00%	-3.59%	13.72%	13.72%	0.00%
1992	1995	8.75%	11.60%	11.17%	10.50%	-7.00%	10.00%	1984, fwd-1yrM, bk-4yrF	13.36%	12.00%	-1.36%	13.70%	13.70%	0.00%
1993	1996	8.00%	14.25%	14.38%	9.50%	37.00%	11.00%	1984, fwd-1yrM, bk-4yrF	12.48%	12.00%	-0.48%	12.82%	12.82%	0.00%
1994	1997	8.00%	2.71%	2.65%	8.50%	9.00%	11.00%	1984, fwd-1yrM, bk-4yrF	14.96%	12.00%	-2.96%	12.14%	12.14%	0.00%
1995	1998	8.25%	15.56%	15.90%	7.50%	4.00%	11.00%	1984, fwd-1yrM, bk-4yrF	14.94%	12.00%	-2.94%	11.90%	8.00%	-3.90%
1996	1999	8.25%	13.70%	14.35%	6.50%	0.00%	10.00%	1984, fwd-1yrM, bk-4yrF	10.52%	12.00%	1.48%	7.74%	7.74%	0.00%
1997	2000	8.25%	18.18%	18.12%	5.50%	5.00%	10.00%	1984, fwd-1yrM, bk-4yrF	13.00%	12.00%	-1.00%	7.36%	7.74%	0.38%
1998	2001	8.25%	14.73%	14.83%	7.50%	0.00%	9.00%	1984, fwd-1yrM, bk-4yrF	10.55%	12.00%	1.45%	7.03%	7.40%	0.37%
1999	2002	8.25%	10.59%	10.67%	6.50%	20.00%	10.00%	1994, base year	7.09%	11.00%	3.91%	6.56%	6.75%	0.19%
2000	2003	8.25%	10.07%	10.15%	5.50%	20.00%	10.00%	1994, base year	9.29%	11.00%	2.71%	6.12%	6.75%	0.63%
2001	2004	8.25%	-5.25%	-5.35%	5.00%	15.00%	10.00%	1994, base year	14.44%	12.00%	-2.44%	6.77%	6.77%	0.00%
2002	2005	8.25%	-5.48%	-5.49%	12.00%	10.00%	10.00%	1994, base year	35.57%	16.00%	-19.57%	24.91%	11.77%	-13.14%
2003	2006	8.25%	3.67%	3.68%	12.00%	8.00%	10.00%	1994, base year	38.85%	21.00%	-17.85%	25.63%	16.77%	-8.86%
2004	2007	8.25%	15.08%	15.09%	11.50%	12.00%	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Mortality Table: The base mortality table can be set forward "fwd" or backward "bk" so that it increases or decreases mortality versus the base table mortality.
That allows the system to more closely match the system's actual mortality experience without creating a separate table.

Alaska Public Employees' Retirement System - Teachers' Retirement System
 Composite Employer Contribution - Increase Amount and Total Contributions
 FY 06 - 07 - 08 - 09
 (in Millions of Dollars)

Fiscal Year	State of Alaska		University of Alaska		School Districts		Municipalities		Total All Categories	
	Increase	Total	Increase	Total	Increase	Total	Increase	Total	Increase	Total
FY 06	40.0	142.1	7.8	26.3	38.6	151.5	21.7	66.6	108.1	386.5
FY 07	41.5	188.9	8.0	35.2	39.7	195.2	22.5	91.6	111.7	510.9
FY 08	43.0	238.9	8.3	44.8	41.0	242.6	23.3	118.4	115.6	644.7
FY 09	8.9	257.1	3.4	49.8	31.4	282.1	4.7	127.6	48.4	716.6

Notes: Conformed to the 2004 Actuarial Valuation (using June 30, 2003 financial statements), by projection year; 5% a year increase in employer composite rate until required computed total rate is reached. Each subsequent year affected by change in rate, increase in salaries -

V02
 14-Oct-04
 11:01 AM
 Division of Retirement & Benefits

Public Employees' Retirement System (PER5) & Teachers' Retirement System (TRS)

Composite Employer Contribution Rate - Active Employers

ESTIMATED FY 06 - 07 - 08 - Change in Employer Contribution

(in Dollars)

(Based on 2004 Valuation, June 30, 2003 Financials)

10/14/2004 10:47 V02			Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008		Fiscal Year 2009	
Fund	ER Num	Employer	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib
PERS	208	AKUTAN, CITY OF	14,932	42,079	15,192	59,149	16,073	77,440	3,239	83,668
PERS	255	ALASKA GATEWAY SD	74,074	225,829	76,852	310,941	79,734	402,335	16,065	433,931
PERS	152	ALASKA HOUSING FINANCE CORPORATION	798,115	2,576,515	828,044	3,500,971	859,066	4,481,353	173,098	4,837,817
PERS	106	ALASKA MUNICIPAL LEAGUE	16,035	129,848	16,636	151,354	17,260	174,289	3,478	184,494
PERS	101	ALASKA, STATE OF	39,655,236	140,776,087	41,142,307	187,197,498	42,685,144	236,902,548	8,600,561	254,647,547
PERS	267	ALEUTIAN HOUSING AUTHORITY	26,172	100,292	27,134	131,207	28,172	164,300	5,676	176,318
PERS	162	ALEUTIAN REGION SD	0	0	7,898	7,898	8,195	16,389	1,651	18,673
PERS	230	ALEUTIANS EAST BOROUGH	50,537	200,431	52,432	260,379	54,399	324,542	10,961	348,030
PERS	244	ALEUTIANS EAST BOPOUGH SD	60,500	254,705	62,769	327,025	65,122	404,411	13,121	433,142
PERS	245	ALEUTIANS WEST CRSA	2,817	12,148	2,923	15,527	3,033	19,142	611	20,492
PERS	259	ALLAKAKET, CITY OF	2,564	5,127	2,660	7,979	2,759	11,038	556	12,020
PERS	203	ANCHORAGE PARKING AUTHORITY	52,900	150,024	54,884	210,533	56,942	275,370	11,473	297,472
PERS	111	ANCHORAGE SD	3,653,549	14,000,162	3,790,557	18,384,200	3,932,703	23,006,310	792,394	24,686,747
PERS	173	ANCHORAGE, MUNICIPALITY OF	6,615,843	18,061,251	6,863,937	25,602,485	7,121,335	33,683,913	1,434,866	36,418,979
PERS	283	ANDERSON, CITY OF	2,009	2,009	2,084	4,168	2,182	6,486	436	7,172
PERS	289	ANGOON, CITY OF	15,955	49,206	16,553	67,604	17,174	87,314	3,460	94,144
PERS	103	ANNETTE ISLAND SD	83,144	126,289	85,512	196,537	87,969	271,876	13,695	296,065
PERS	243	ATKA, CITY OF	3,708	14,832	3,847	19,235	3,991	23,949	804	25,677
PERS	281	BARANOF ISLAND HA	23,645	72,875	24,532	100,140	25,452	129,347	5,128	139,468
PERS	171	BARROW, CITY OF	53,772	192,072	55,788	255,063	57,880	322,507	11,662	346,618
PERS	219	BARTLETT REGIONAL HOSPITAL	890,282	2,872,049	923,667	3,903,418	958,305	5,008,100	193,087	5,394,500
PERS	104	BERING STRAIT SD	368,736	1,013,658	380,489	1,432,159	394,757	1,880,622	79,539	2,032,753
PERS	232	BERING STRAITS CRSA	3,546	23,248	3,679	27,799	3,817	32,658	769	34,688
PERS	270	BERING STRAITS RMA	55,837	213,298	57,931	279,229	60,101	349,803	12,110	375,415
PERS	136	BETHEL, CITY OF	235,324	644,787	244,148	913,115	253,304	1,200,861	51,038	1,298,044
PERS	144	BRISTOL BAY BOROUGH	70,944	184,313	73,605	264,830	76,365	351,126	15,387	380,066
PERS	184	BRISTOL BAY BOROUGH SD	36,254	123,989	37,614	166,252	39,024	211,511	7,863	227,538
PERS	223	BRISTOL BAY RMA	57,562	203,311	59,721	270,656	61,961	342,766	12,484	368,481
PERS	105	CHATHAM SD	35,721	113,807	37,061	155,136	38,450	199,404	7,747	214,848
PERS	121	CHUGACH SD	12,060	36,687	12,512	50,575	12,982	65,454	2,616	70,596
PERS	262	CHOK INLET HOUSING AUTHORITY	134,066	466,283	139,094	622,862	144,310	750,529	29,077	850,120
PERS	224	COPPER RIVER BASIN RMA	27,798	90,900	28,841	123,150	29,922	157,690	6,029	169,806
PERS	112	COPPER RIVER SD	63,726	232,728	66,116	307,571	68,595	387,700	13,821	416,486
PERS	185	CORDOVA CITY SD	32,539	100,611	33,759	138,143	35,025	178,349	7,057	192,290
PERS	163	CORDOVA COMMUNITY MEDICAL ENTER	131,150	397,121	136,058	548,081	141,170	709,804	28,444	765,647
PERS	148	CORDOVA, CITY OF	98,482	290,917	102,175	404,002	106,007	525,159	21,359	566,789
PERS	204	CRAIG CITY SD	56,375	211,292	58,489	277,704	60,682	348,800	12,227	374,491
PERS	186	CRAIG, CITY OF	94,438	383,983	97,979	496,362	101,653	616,628	20,482	660,912
PERS	282	DELTA JUNCTION, CITY OF	3,419	13,059	3,547	17,095	3,680	21,416	741	22,984
PERS	246	DELTA/GREELY SD	47,576	150,245	49,360	205,240	51,211	264,148	10,318	284,662
PERS	258	DENALI BOROUGH	29,484	200,493	30,590	238,601	31,737	279,286	6,395	296,481
PERS	118	DENALI BOROUGH SD	43,730	162,937	45,370	214,417	47,071	269,529	9,484	289,417
PERS	205	DILLINGHAM CITY SD	63,229	171,097	65,600	243,113	68,060	320,300	13,713	346,366
PERS	178	DILLINGHAM, CITY OF	122,152	395,285	126,733	536,841	131,485	688,458	26,493	741,525
PERS	271	EGEGIK, CITY OF	5,075	14,007	5,265	19,798	5,463	26,003	1,101	28,108
PERS	242	ELIM, CITY OF	9,077	25,980	9,418	36,372	9,771	47,507	1,969	51,310
PERS	116	FAIRBANKS NORTH STAR BOROUGH	867,894	2,765,110	900,440	3,769,241	934,205	4,844,794	188,232	5,220,035
PERS	117	FAIRBANKS NORTH STAR BOROUGH SD	1,234,537	3,928,296	1,280,832	5,356,439	1,328,805	6,886,168	267,750	7,419,725
PERS	129	FAIRBANKS, CITY OF	305,784	1,875,679	317,251	2,263,268	329,148	2,677,288	66,319	2,846,951
PERS	183	FORT YUKON, CITY OF	15,338	30,677	15,914	47,741	16,510	66,041	3,327	71,917
PERS	141	GALENA CITY SD	163,263	576,318	169,385	767,316	175,737	971,827	35,409	1,044,749
PERS	192	GALENA, CITY OF	68,486	138,972	71,054	213,162	73,719	294,875	14,853	321,110
PERS	189	HAINES BOROUGH	105,665	468,518	109,627	595,715	113,738	731,793	22,917	782,957
PERS	240	HAINES BOROUGH SD	51,494	181,672	53,425	241,910	55,429	306,410	11,168	329,406
PERS	215	HOMER, CITY OF	245,743	635,001	254,959	913,772	264,520	1,212,559	53,290	1,312,661
PERS	138	HOONAH CITY SD	26,739	189,099	27,742	223,932	28,782	261,111	5,799	276,989
PERS	198	HOONAH, CITY OF	33,095	104,248	34,338	142,493	35,623	183,460	7,178	197,719
PERS	2	HOOPER BAY, CITY OF	30,735	94,788	31,888	130,230	33,084	168,198	6,666	181,356
PERS	235	HUSLIA, CITY OF	4,785	17,486	4,965	23,106	5,151	29,124	1,038	31,286
PERS	168	HYD/ BURG CITY SD	13,463	26,926	13,968	41,903	14,491	57,966	2,920	63,123
PERS	124	IDITAROD AREA SD	82,335	312,048	85,422	409,172	88,625	513,142	17,857	550,806
PERS	275	ILISAGVIK COLLEGE	206,157	638,263	213,888	876,086	221,909	1,130,848	44,711	1,219,211
PERS	263	INTERIOR RMA	52,437	184,474	54,403	245,795	56,444	311,456	11,373	334,851
PERS	284	INTER-ISLAND FERRY AUTHORITY	6,605	20,582	6,853	28,206	7,110	36,374	1,433	39,211
PERS	108	JUNEAU BOROUGH SD	465,932	1,670,834	483,405	2,216,895	501,533	2,801,561	101,053	3,010,754
PERS	126	JUNEAU, CITY AND BOROUGH OF	1,351,743	4,385,054	1,402,433	5,951,927	1,455,025	7,630,149	293,171	8,217,844
PERS	260	KACHEMAK, CITY OF	3,068	15,569	3,183	19,336	3,303	23,364	665	24,932

Public Employees' Retirement System (PERS) & Teachers' Retirement System (TRS)

Composite Employer Contribution Rate - Active Employers

ESTIMATED FY 06 - 07 - 08 - 09 - Change in Employer Contribution

(In Dollars)

(Based on 2004 Valuation, June 30, 2003 Financials)

10/14/2004 10:47 V02			Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008		Fiscal Year 2009	
Fund	ER Num	Employer	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.
PERS	265	KAKE CITY SD	25,057	95,818	25,997	125,408	26,972	157,083	5,434	168,581
PERS	277	KAKE, CITY OF	15,138	51,438	15,705	69,072	16,294	87,956	3,283	94,634
PERS	237	KALTAG, CITY OF	1,535	5,471	1,535	7,211	1,593	9,074	321	9,745
PERS	211	KASHUNAMIUT SD	61,755	229,112	64,071	301,775	66,474	379,665	13,394	407,610
PERS	180	KENAI PENINSULA BOROUGH	625,569	2,228,278	649,028	2,960,866	673,367	3,745,265	135,676	4,025,508
PERS	190	KENAI PENINSULA BOROUGH SD	244,117	2,165,521	668,271	2,915,000	693,332	3,717,644	139,698	4,000,843
PERS	115	KENAI, CITY OF	278,462	761,316	298,905	1,078,770	299,739	1,418,962	60,394	1,534,128
PERS	122	KETCHIKAN GATEWAY BOROUGH	206,307	639,140	214,044	877,152	222,070	1,132,115	44,745	1,220,560
PERS	177	KETCHIKAN GATEWAY BOROUGH SD	187,852	595,867	194,897	813,109	202,205	1,045,808	40,742	1,126,916
PERS	181	KETCHIKAN, CITY OF	415,937	2,073,029	431,534	2,582,302	447,717	3,126,856	90,210	3,337,762
PERS	151	KING COVE, CITY OF	53,881	157,071	55,694	218,856	57,783	284,638	11,643	307,268
PERS	251	KLAWOCK CITY SD	29,668	121,222	30,780	156,548	31,934	194,353	6,434	208,290
PERS	227	KLAWOCK, CITY OF	42,542	95,210	44,138	142,918	45,793	194,070	9,227	210,788
PERS	174	KODIAK ISLAND BOROUGH	113,667	227,334	117,929	353,788	122,352	489,407	24,652	532,950
PERS	156	KODIAK ISLAND BOROUGH SD	235,674	699,951	244,512	970,711	253,681	1,260,793	51,114	1,360,573
PERS	128	KODIAK, CITY OF	293,700	952,175	304,714	1,292,596	316,140	1,657,208	63,699	1,784,875
PERS	140	KOTZEBUE, CITY OF	162,767	325,534	168,871	506,612	175,203	700,513	35,301	763,165
PERS	287	KOYUK, CITY OF	1,113	3,433	1,155	4,716	1,198	6,091	241	6,568
PERS	125	KUSPUK SD	114,491	341,641	118,785	473,237	123,239	614,223	24,831	682,763
PERS	247	LAKE AND PENINSULA BOROUGH	37,811	150,276	34,042	189,953	35,318	232,395	7,116	248,482
PERS	164	LAKE AND PENINSULA BOROUGH SD	131,433	435,832	136,362	588,538	141,476	752,084	28,506	809,620
PERS	157	LOWER KUSKOKWIM SD	859,238	2,369,779	891,459	3,350,105	924,889	4,400,623	186,354	4,756,841
PERS	153	LOWER YUKON SD	236,407	589,600	243,273	856,983	254,470	1,143,590	51,273	1,239,005
PERS	109	MATANUSKA-SUSITNA BOROUGH	496,101	1,586,530	514,704	2,160,729	534,000	2,775,762	107,596	2,990,502
PERS	110	MATANUSKA-SUSITNA BOROUGH SD	496,633	3,187,234	1,034,007	4,340,762	1,072,782	5,576,323	216,153	6,007,722
PERS	196	NENANA CITY SD	48,549	164,291	50,370	220,822	52,259	281,362	10,530	302,752
PERS	193	NENANA, CITY OF	19,388	75,459	20,115	98,403	20,869	122,962	4,205	131,913
PERS	149	NOME CITY SD	73,463	305,160	76,218	393,133	79,076	486,954	15,933	521,681
PERS	175	NOME JOINT UTILITY SYSTEM	50,792	101,584	52,697	158,090	54,673	218,692	11,016	238,119
PERS	139	NOME, CITY OF	129,462	271,870	134,317	416,382	139,354	571,350	28,078	621,182
PERS	241	NOORVIK, CITY OF	18,250	52,559	18,934	73,465	19,644	95,864	3,958	103,522
PERS	170	NORTH PACIFIC FISHERY MGMT COUNCIL	57,725	208,271	59,489	275,971	62,135	348,455	12,520	374,425
PERS	276	NORTH PACIFIC RIM HA	48,977	162,408	50,815	219,313	52,719	280,256	10,622	301,697
PERS	191	NORTH POLE, CITY OF	107,535	322,604	111,517	446,269	115,751	578,755	23,322	624,418
PERS	145	NORTH SLOPE BOROUGH	2,458,409	6,214,859	2,550,600	9,998,515	2,646,247	11,902,207	533,188	12,977,908
PERS	161	NORTH SLOPE BOROUGH SD	652,578	2,092,166	677,050	2,847,672	702,439	3,658,899	141,533	3,939,589
PERS	220	NORTHWEST ARCTIC BOROUGH	36,340	104,151	37,703	145,760	39,117	190,343	7,882	205,571
PERS	154	NORTHWEST ARCTIC BOROUGH SD	360,719	721,437	374,246	1,122,737	388,280	1,553,119	78,234	1,691,304
PERS	288	NORTHWEST INUPIAT HOUSING AUTHORITY	28,131	86,757	29,186	119,197	30,281	153,947	6,101	165,991
PERS	134	PALMER, CITY OF	132,967	493,041	137,953	649,483	143,126	816,565	28,838	877,338
PERS	257	PELICAN CITY SD	4,047	16,051	4,199	20,852	4,356	25,991	878	27,872
PERS	200	PELICAN, CITY OF	6,559	18,181	6,805	25,668	7,060	33,690	1,423	38,413
PERS	228	PETERSBURG CITY SD	53,938	143,259	55,961	204,592	58,059	270,324	11,698	292,456
PERS	187	PETERSBURG MEDICAL CENTER	149,103	328,027	154,695	495,023	160,496	574,082	32,338	732,439
PERS	143	PETERSBURG, CITY OF	198,490	934,095	205,934	1,175,058	213,656	1,432,778	43,049	1,531,133
PERS	156	PRIBILOF SD	33,091	130,371	34,332	175,298	35,610	217,491	7,177	230,063
PERS	266	QUINHAGAK, CITY OF	1,552	5,380	1,610	7,192	1,671	9,133	337	9,822
PERS	216	RUBY, CITY OF	6,153	22,153	6,384	29,368	6,624	37,092	1,335	39,859
PERS	256	SAINT GEORGE, CITY OF	18,988	52,530	19,700	73,992	20,438	97,205	4,118	105,075
PERS	221	SAINT MARY'S SD	21,240	42,481	22,037	66,111	22,863	91,453	4,607	99,590
PERS	214	SAINT MARY'S, CITY OF	15,895	64,341	16,491	83,245	17,109	103,476	3,447	110,917
PERS	172	SAINT PAUL, CITY OF	70,881	175,077	73,539	255,182	76,297	341,048	15,373	369,586
PERS	176	SAND POINT, CITY OF	39,312	95,214	40,786	139,571	42,316	187,121	8,526	202,870
PERS	278	SAXMAN SEAPORT	1,996	7,639	2,070	9,996	2,148	12,518	433	13,434
PERS	198	SAXMAN, CITY OF	21,534	141,438	22,342	169,094	23,180	198,605	4,670	210,941
PERS	222	SELAWICK, CITY OF	4,016	12,860	4,167	17,509	4,323	22,488	871	24,227
PERS	206	SELDOVIA, CITY OF	4,997	15,411	5,185	21,174	5,379	27,347	1,084	29,486
PERS	182	SEWARD, CITY OF	192,943	530,207	200,178	750,268	207,685	986,087	41,846	1,065,996
PERS	133	SITKA BOROUGH SD	94,373	359,372	97,912	470,761	101,584	599,998	20,468	633,240
PERS	165	SITKA COMMUNITY HOSPITAL	225,166	763,762	233,610	1,026,013	242,370	1,306,859	48,835	1,406,138
PERS	120	SITKA, CITY AND BOROUGH OF	371,607	1,413,551	385,542	1,852,143	400,000	2,321,597	80,595	2,491,806
PERS	225	SKAGWAY CITY SD	18,464	75,111	19,156	97,084	19,875	120,599	4,005	129,259
PERS	132	SKAGWAY, CITY OF	72,524	284,729	75,244	370,650	78,065	462,615	15,729	496,201
PERS	123	SOLDOTNA, CITY OF	139,473	403,357	144,704	563,187	150,130	734,437	30,249	793,035
PERS	155	SOUTHEAST ISLAND SD	50,437	207,296	52,328	267,398	54,291	331,718	10,939	355,457
PERS	167	SOUTHEAST REGIONAL RESOURCE CENTER	86,812	265,298	90,068	365,315	93,445	472,459	18,828	509,525
PERS	102	SOUTHWEST REGION SCHOOL DISTRICT (SD)	143,618	439,471	149,304	604,955	154,591	782,232	31,148	843,575

Public Employees' Retirement System (PERS) & Teachers' Retirement System (TRS)

Composite Employer Contribution Rate - Active Employers

ESTIMATED FY 06 - 07 - 08 - 09 - Change in Employer Contribution

(In Dollars)

(Based on 2004 Valuation; June 30, 2003 Financials)

10/14/2004 10:47 V02			Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008		Fiscal Year 2009	
Fund	ER Num	Employer	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib	AVE Increase	TOTAL Contrib
PERS	218	SPECIAL EDUCATION SERVICE AGENCY	25,409	79,632	26,362	108,980	27,350	140,417	5,511	151,348
PERS	166	TANANA SD	8,091	47,414	8,395	57,587	8,709	58,456	1,755	72,853
PERS	169	TANANA, CITY OF	11,285	46,608	11,708	60,064	12,147	74,464	2,448	79,785
PERS	206	THORNE BAY, CITY OF	14,513	43,830	15,057	60,531	15,422	78,422	3,148	84,597
PERS	279	TLINGIT-HAIDA RHA	100,793	413,654	104,573	533,739	108,494	682,248	21,860	709,671
PERS	280	TOKSOOK BAY, CITY OF	881	2,644	914	3,657	949	4,743	191	5,117
PERS	249	UNALAKLEET, CITY OF	13,698	40,738	14,212	58,478	14,745	73,340	2,971	79,142
PERS	209	UNALASKA CITY SD	47,987	170,257	49,786	226,428	51,853	286,573	10,408	308,042
PERS	179	UNALASKA, CITY OF	493,130	1,685,517	511,622	2,260,346	530,804	2,875,917	106,952	3,093,879
PERS	113	UNIVERSITY OF ALASKA	5,816,153	18,123,132	6,034,258	24,837,007	6,260,543	32,028,938	1,261,427	34,526,682
PERS	137	VALDEZ CITY SD	86,400	178,848	89,640	275,195	93,002	378,517	18,739	411,866
PERS	107	VALDEZ, CITY OF	255,619	711,133	265,205	1,003,005	275,150	1,315,768	55,440	1,421,996
PERS	131	WASILLA, CITY OF	173,593	570,773	180,103	772,280	186,856	988,097	37,649	1,063,887
PERS	202	WHITTIER, CITY OF	48,977	97,954	50,814	152,441	52,719	210,877	10,622	229,639
PERS	146	WRANGELL PUBLIC SD	42,618	127,514	44,217	176,513	45,875	229,007	9,243	247,090
PERS	135	WRANGELL, CITY OF	125,854	420,855	130,573	567,211	135,470	723,951	27,296	779,191
PERS	284	YAKUTAT SD	19,499	70,041	20,230	92,898	20,989	117,371	4,229	126,130
PERS	248	YAKUTAT, CITY AND BOROUGH OF	22,773	85,535	23,627	112,370	24,513	141,096	4,939	151,482
PERS	160	YUKON / KOYUKUK SD	109,970	219,941	114,094	342,283	118,373	473,492	23,851	515,619
PERS	159	YUKON FLATS SD	65,909	131,818	68,381	205,142	70,945	283,779	14,295	309,028
PERS	195	YUPIIT SD	109,492	297,150	113,598	421,902	117,858	555,560	23,747	600,773
		TOTAL PERS	79,372,137	266,032,812	82,356,484	358,365,527	85,444,852	457,249,086	17,216,147	492,115,048
TRS	737	ALASKA DEPARTMENT OF EDUCATION	311,338	1,307,821	318,499	1,656,196	328,373	2,035,910	338,718	2,438,758
TRS	766	ALASKA GATEWAY SD	122,059	512,843	124,865	649,299	128,736	798,164	132,791	956,097
TRS	758	ALEUTIAN REGION SD	18,112	76,097	18,535	96,382	19,110	118,479	19,711	141,923
TRS	780	ALEUTIANS EAST BOROUGH SD	119,964	503,849	122,723	636,160	126,528	784,471	130,513	939,695
TRS	701	ANCHORAGE SD	8,945,912	37,572,829	9,151,668	47,588,871	9,435,369	58,499,289	9,732,583	70,074,600
TRS	770	ANNETTE ISLAND SD	81,357	341,701	83,229	432,788	85,809	532,014	18,512	637,284
TRS	752	BERING STRAIT SD	556,156	2,335,857	568,948	2,958,530	586,585	3,636,830	805,063	4,356,453
TRS	742	BRISTOL BAY BOROUGH SD	66,251	278,254	67,775	352,429	69,876	433,230	72,077	518,954
TRS	768	CHATHAM SD	65,684	275,875	67,195	349,415	69,275	429,525	71,461	514,316
TRS	771	CHUGACH SD	47,326	195,768	48,414	251,754	49,913	309,473	5,497	370,709
TRS	767	COPPER RIVER SD	144,588	607,270	147,914	769,151	152,496	945,454	157,303	1,132,580
TRS	704	CORDOVA CITY SD	104,904	440,595	107,316	558,045	110,643	685,988	114,128	821,725
TRS	705	CRAIG CITY SD	117,364	492,928	120,063	624,329	123,785	767,468	127,684	919,328
TRS	785	DELTA/GREELY SD	151,336	637,712	155,328	807,707	160,144	952,890	165,186	1,189,354
TRS	764	DENALI BOROUGH SD	84,509	355,315	86,545	450,032	89,227	553,210	92,038	682,675
TRS	744	DILLINGHAM CITY SD	145,270	610,133	148,611	772,777	153,216	949,951	156,044	1,137,919
TRS	706	FAIRBANKS NORTH STAR BOROUGH SD	2,945,480	12,371,017	3,013,226	15,668,777	3,106,638	19,261,146	3,204,495	23,072,367
TRS	735	GALENA CITY SD	227,943	957,362	233,186	1,212,568	240,415	1,400,572	247,988	1,785,513
TRS	707	HAINES BOROUGH SD	93,831	394,089	95,989	499,142	98,965	613,580	102,082	734,990
TRS	708	HOONAH CITY SD	79,670	334,615	81,503	423,813	84,029	520,981	88,676	624,067
TRS	709	HYDABURG CITY SD	35,628	149,638	36,448	189,528	37,578	232,981	38,761	279,081
TRS	761	IDITAROD AREA SD	129,851	545,375	132,838	690,756	136,956	849,125	141,270	1,017,142
TRS	710	JUNEAU BOROUGH SD	1,021,263	4,289,365	1,044,752	5,432,711	1,077,139	6,678,264	1,111,079	7,999,698
TRS	712	KAKE CITY SD	39,935	167,728	40,854	212,440	42,120	261,145	43,447	312,818
TRS	777	KASHUNAMIUT SD	73,716	309,608	75,412	392,142	77,750	482,048	80,199	577,432
TRS	746	KENAI PENINSULA BOROUGH SD	1,918,041	8,055,774	1,962,156	10,203,213	2,022,983	12,542,496	2,086,707	15,024,292
TRS	714	KETCHIKAN GATEWAY BOROUGH SD	466,036	1,957,560	476,806	2,479,389	491,587	3,047,837	507,072	3,650,915
TRS	717	KLAWOCK CITY SD	58,819	246,199	59,967	311,829	61,826	383,322	63,774	459,170
TRS	718	KODIAK ISLAND BOROUGH SD	632,619	2,657,001	647,169	3,365,281	667,232	4,130,837	688,250	4,955,397
TRS	755	KUSPUK SD	140,344	589,445	143,572	746,574	148,027	917,740	152,685	1,099,334
TRS	757	LAKE AND PENINSULA BOROUGH SD	163,178	685,346	166,931	868,040	172,106	1,067,055	177,527	1,278,194
TRS	754	LOWER KUSKOKWIM SD	946,224	3,974,141	967,987	5,033,533	997,995	6,187,567	1,029,432	7,411,907
TRS	753	LOWER YUKON SD	457,613	1,921,973	469,136	2,434,316	482,650	2,992,430	497,853	3,584,545
TRS	722	MATANUSKA-SUSITNA BOROUGH SD	2,589,746	10,876,933	2,649,310	13,776,413	2,721,439	16,934,921	2,817,479	20,285,850
TRS	719	NENANA CITY SD	107,508	451,325	109,381	571,901	113,390	703,020	116,962	842,128
TRS	720	NOME CITY SD	158,350	665,372	161,983	842,361	167,014	1,035,489	172,275	1,240,382
TRS	736	NORTH SLOPE BOROUGH SD	726,766	3,059,572	745,322	3,875,680	768,428	4,764,254	792,654	5,706,962
TRS	751	NORTHWEST ARCTIC BOROUGH SD	631,148	2,650,921	645,674	3,357,454	665,680	4,127,215	686,649	4,943,871
TRS	723	PELICAN CITY SD	7,422	31,173	7,593	39,483	7,828	48,535	8,075	58,139
TRS	724	PETERSBURG CITY SD	147,167	618,100	150,552	782,868	155,219	962,355	160,108	1,152,778

Public Employees' Retirement System (PERS) & Teachers' Retirement System (TRS)

Composite Employer Contribution Rate - Active Employers

ESTIMATED FY 06 - 07 - 08 - 09 - Change in Employer Contribution

(In Dollars)

(Based on 2004 Valuation; June 30, 2003 Financials)

10/14/2004 10:47 V02			Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008		Fiscal Year 2009	
Fund	ER Num	Employer	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.	AVE Increase	TOTAL Contrib.
TRS	759	PRIBILOF SD	34,771	146,040	35,571	184,970	36,674	227,378	37,829	272,369
TRS	748	SAINT MARY'S SD	43,938	184,541	44,949	233,735	46,342	287,323	47,802	344,176
TRS	727	SITKA BOROUGH SD	345,793	1,452,330	353,746	1,839,480	364,712	2,261,216	3,8201	2,708,645
TRS	728	SKAGWAY CITY SD	35,750	150,151	36,572	190,177	37,706	233,779	38,894	280,037
TRS	789	SOUTHEAST ISLAND SD	68,398	287,273	69,971	363,852	72,141	447,272	74,413	535,774
TRS	743	SOUTHEAST REGIONAL RESOURCE CENTER	50,057	210,240	51,208	266,284	52,796	327,335	54,459	392,105
TRS	756	SOUTHWEST REGION SD	256,747	1,078,339	262,653	1,365,793	270,795	1,678,927	279,325	2,011,138
TRS	779	SPECIAL EDUCATION SERVICE AGENCY	58,874	247,270	60,228	313,185	62,095	384,988	64,051	461,167
TRS	775	TANANA SD	14,438	60,640	14,770	76,805	15,228	94,414	15,708	113,096
TRS	729	UNALASKA CITY SD	108,771	456,838	111,273	578,618	114,722	711,277	119,336	852,019
TRS	733	UNIVERSITY OF ALASKA	1,953,277	8,203,76	1,998,202	10,390,650	2,060,146	12,772,908	2,125,041	15,300,293
TRS	730	VAL DEZ CITY SD	236,952	995,200	242,402	1,260,492	249,917	1,549,483	257,789	1,856,081
TRS	731	WRANCELL PUBLIC SD	105,026	445,311	108,465	564,018	111,827	693,330	115,350	830,520
TRS	732	YAKUTAT SD	46,921	197,070	48,001	249,603	49,438	306,830	51,048	367,542
TRS	762	YUKON / KOYUKUK SD	193,646	813,312	198,099	1,030,117	204,241	1,266,291	210,674	1,516,854
TRS	763	YUKON FLATS SD	120,969	508,070	123,751	643,507	127,588	791,043	131,607	947,568
TRS	778	YUPIIT SD	112,500	472,499	115,087	598,453	119,655	735,660	122,392	881,226
		TOTAL TRS	28,670,505	120,416,120	29,329,926	152,515,617	30,239,154	187,482,755	31,191,687	224,580,150
		TOTAL BOTH PERS AND TRS	108,042,636	386,448,932	111,686,411	510,881,144	115,684,006	644,731,842	48,407,834	716,695,197

1.5(c) Actuarial Projections – Effect of Economic Scenarios

Key Assumptions

- All assumptions and methods are the same as Section 1.5(a) except

Results are shown only under the 1% population growth scenario

The actuarially calculated contribution rate is adopted in each year beginning in FY06, but rate cannot increase by more than 5% per year.

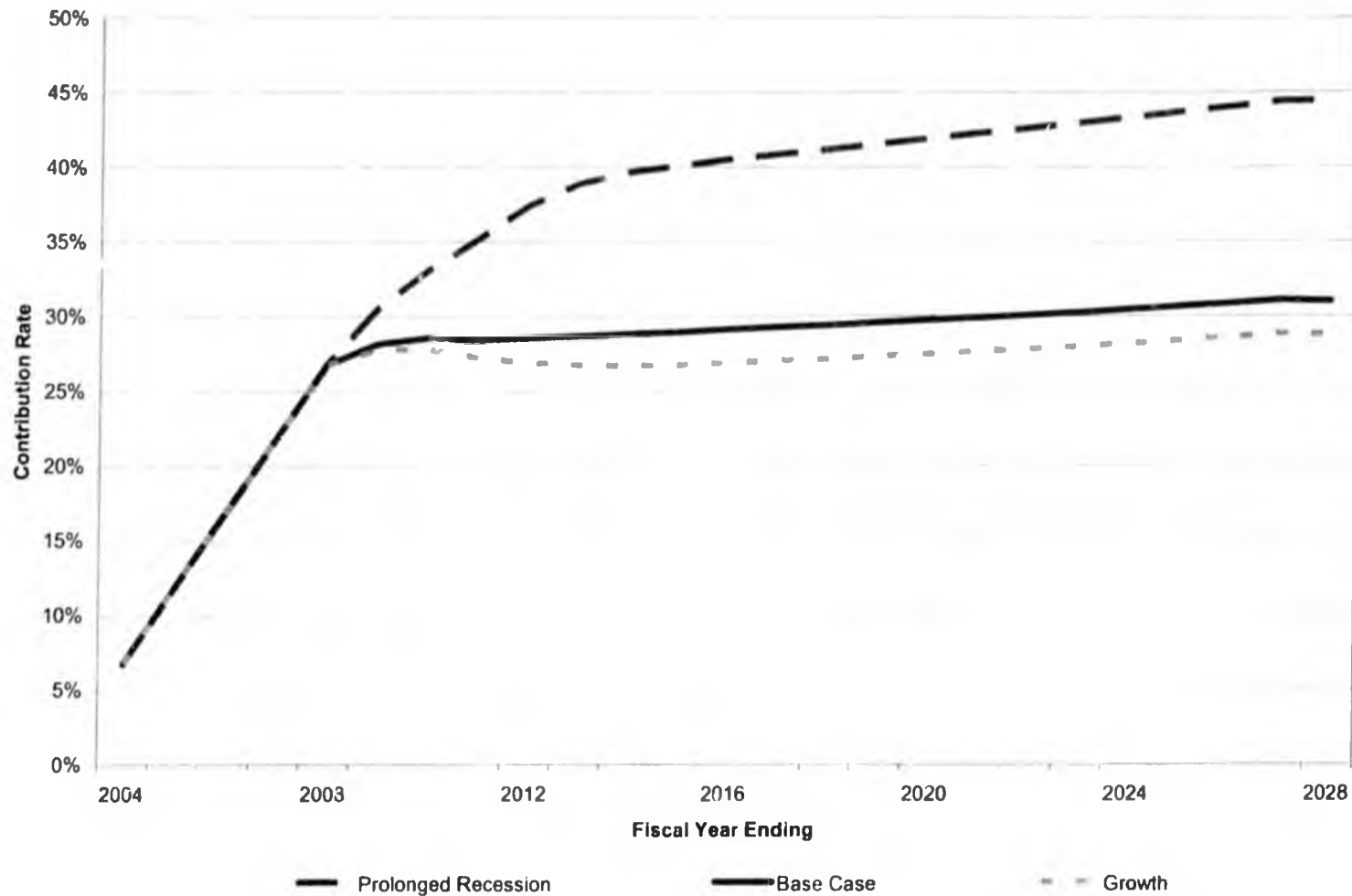
Investment returns are assumed as follows:

Total Portfolio Investment Return Under Each Scenario

Year Ending June 30	Base Case	Growth	Prolonged Recession
2004	15.08%	15.08%	15.08%
2005	8.25%	10.00%	-3.50%
2006	8.25%	10.00%	-3.50%
2007	8.25%	9.50%	2.10%
2008	8.25%	9.00%	7.75%
2009	8.25%	8.25%	7.75%
2010	8.25%	8.25%	7.75%
2011	8.25%	8.25%	7.75%
2012	8.25%	8.25%	7.75%
2013	8.25%	8.25%	7.75%
2014	8.25%	8.25%	7.75%
2015	8.25%	8.25%	7.75%
2016	8.25%	8.25%	7.75%
2017	8.25%	8.25%	7.75%
2018	8.25%	8.25%	7.75%
2019	8.25%	8.25%	7.75%
2020	8.25%	8.25%	7.75%
2021	8.25%	8.25%	7.75%
2022	8.25%	8.25%	7.75%
2023	8.25%	8.25%	7.75%
2024	8.25%	8.25%	7.75%
2025	8.25%	8.25%	7.75%
2026	8.25%	8.25%	7.75%
2027	8.25%	8.25%	7.75%
2028	8.25%	8.25%	7.75%

1.5(c) Actuarial Projections – Effect of Economic Scenarios (continued)

Contribution Rate



1.5(c) Actuarial Projections – Effect of Economic Scenarios

Key Assumptions

- All assumptions and methods are the same as Section 1.5(a) except:

Results are shown only under the 1% population growth scenario

The actuarially calculated contribution rate is adopted in each year beginning in FY06, but rate cannot increase by more than 5% per year.

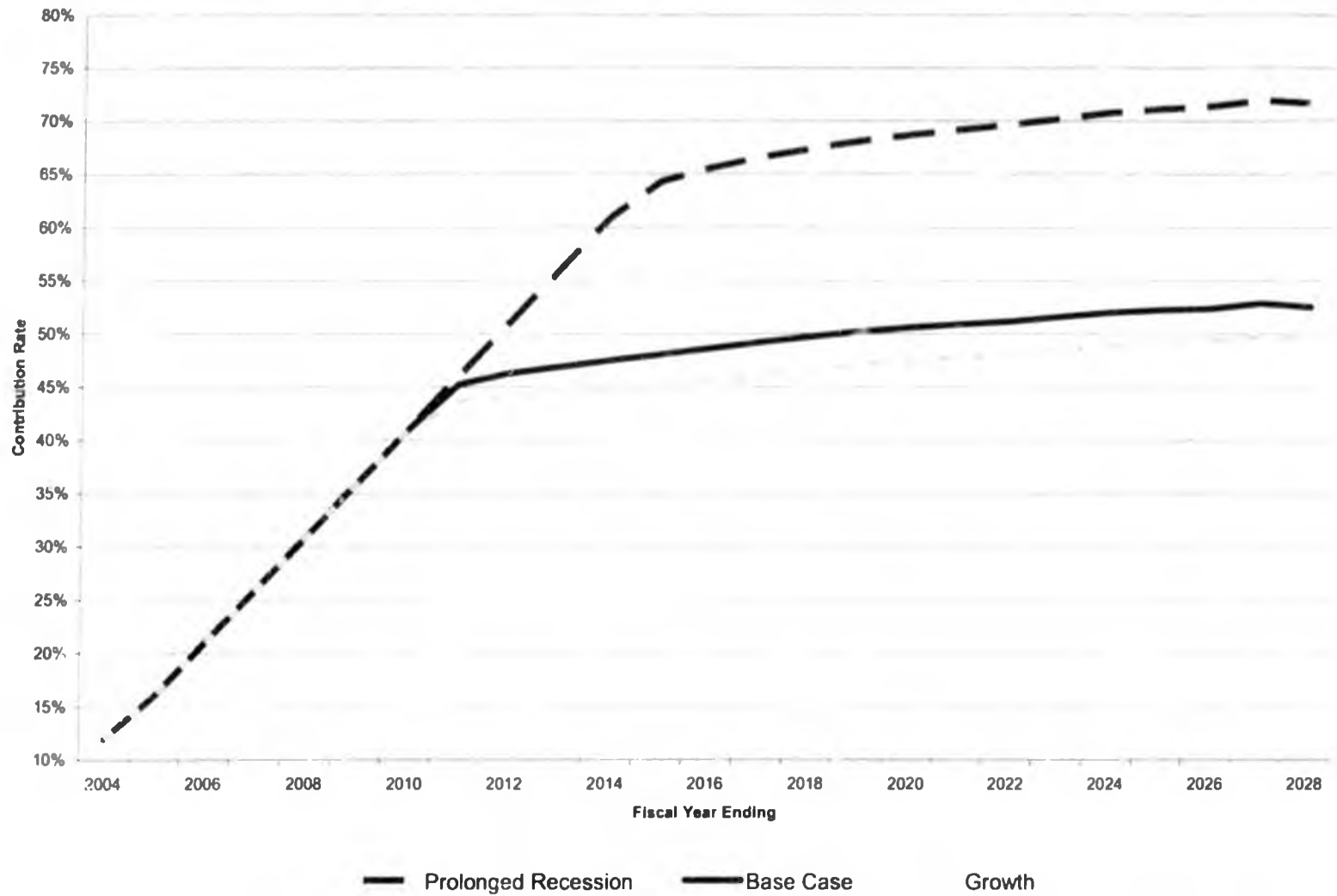
Investment returns are assumed as follows:

Total Portfolio Investment Return Under Each Scenario

Year Ending June 30	Base Case	Growth	Prolonged Recession
2004	15.08%	15.08%	15.08%
2005	8.25%	10.00%	-3.50%
2006	8.25%	10.00%	-3.50%
2007	8.25%	9.50%	2.10%
2008	8.25%	9.00%	7.75%
2009	8.25%	8.25%	7.75%
2010	8.25%	8.25%	7.75%
2011	8.25%	8.25%	7.75%
2012	8.25%	8.25%	7.75%
2013	8.25%	8.25%	7.75%
2014	8.25%	8.25%	7.75%
2015	8.25%	8.25%	7.75%
2016	8.25%	8.25%	7.75%
2017	8.25%	8.25%	7.75%
2018	8.25%	8.25%	7.75%
2019	8.25%	8.25%	7.75%
2020	8.25%	8.25%	7.75%
2021	8.25%	8.25%	7.75%
2022	8.25%	8.25%	7.75%
2023	8.25%	8.25%	7.75%
2024	8.25%	8.25%	7.75%
2025	8.25%	8.25%	7.75%
2026	8.25%	8.25%	7.75%
2027	8.25%	8.25%	7.75%
2028	8.25%	8.25%	7.75%

1.5(c) Actuarial Projections – Effect of Economic Scenarios (continued)

Contribution Rate

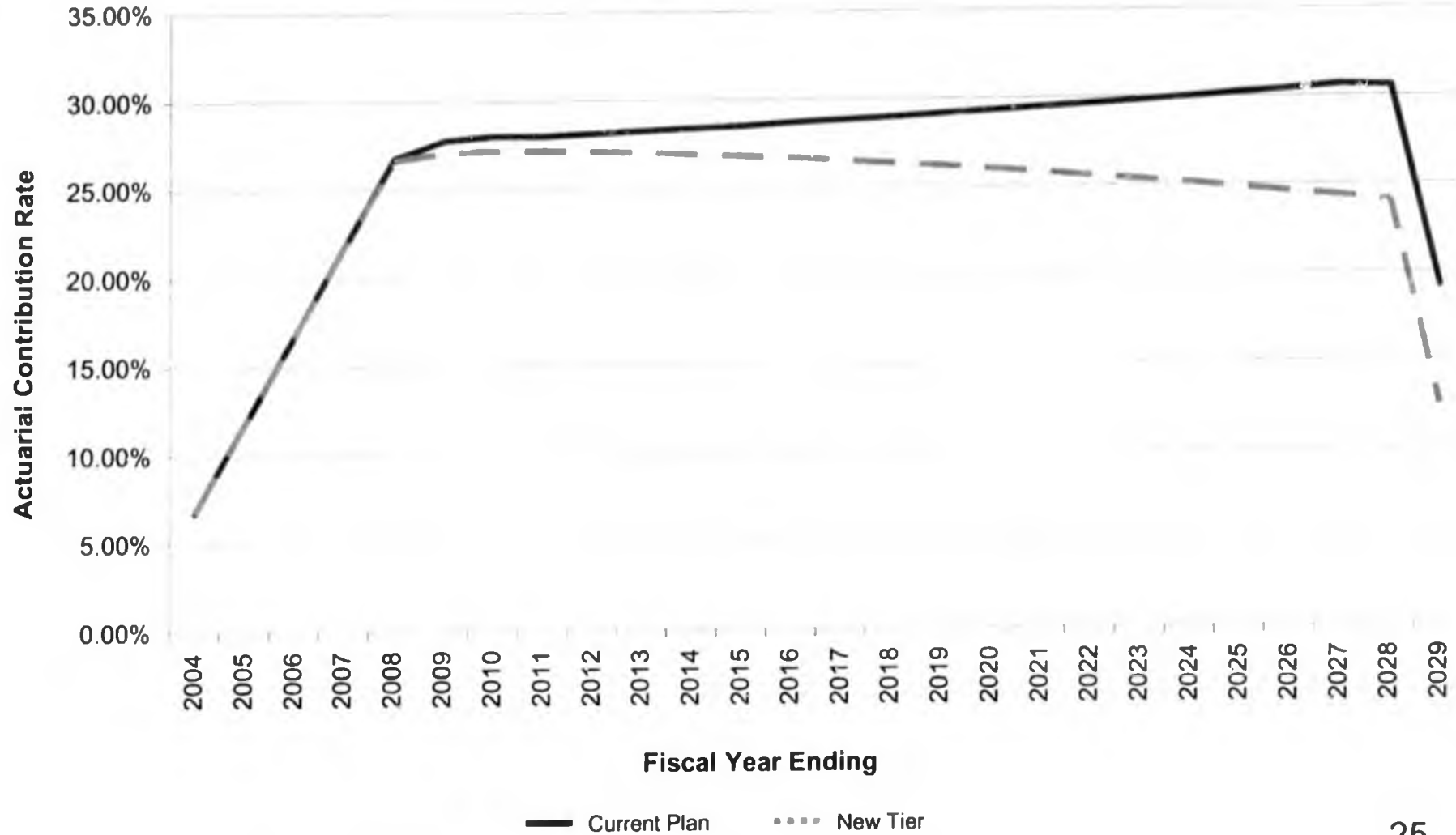




State of Alaska

Tier Design Project – Program Alternatives

Contribution Comparison – PERS

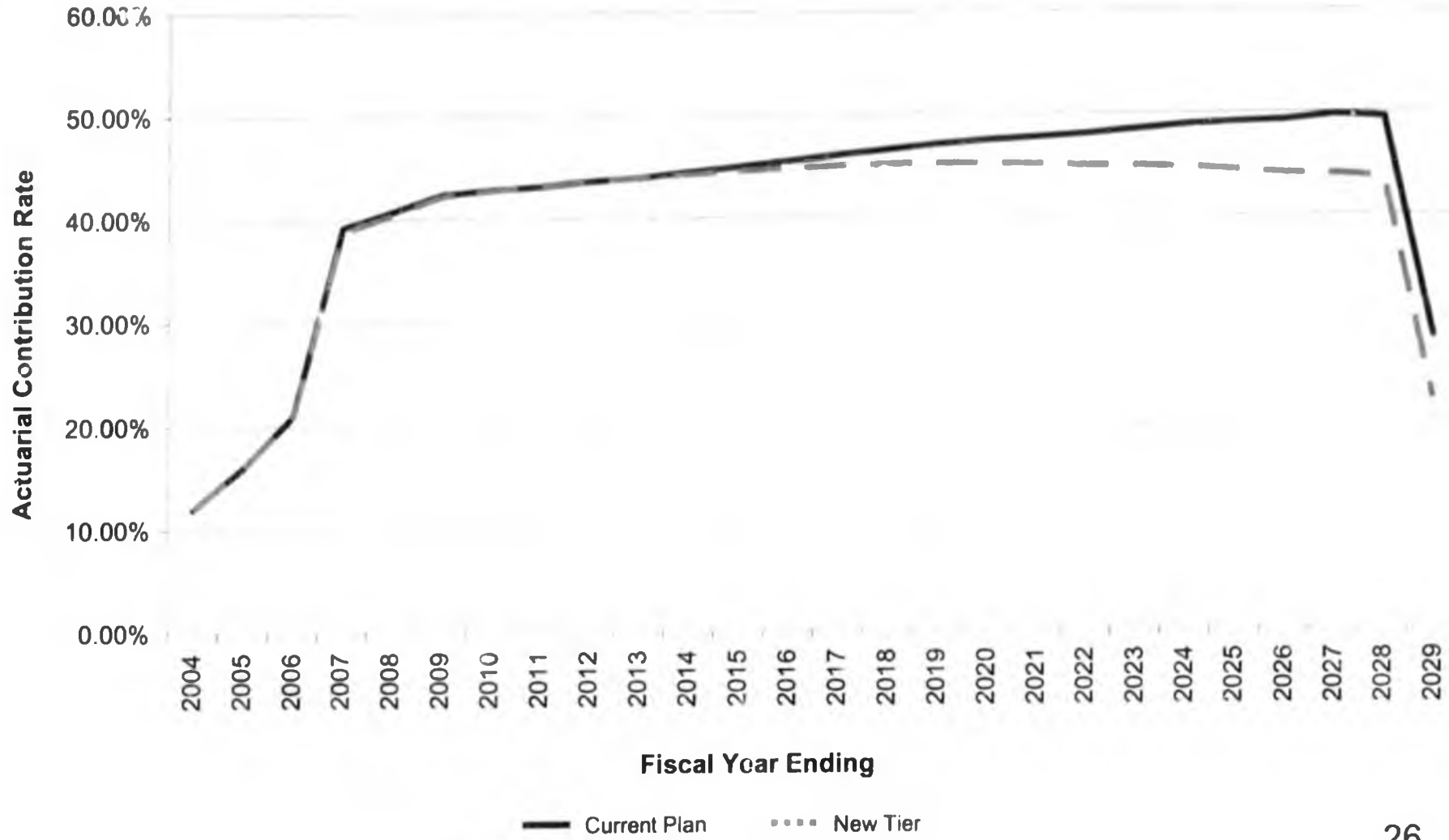




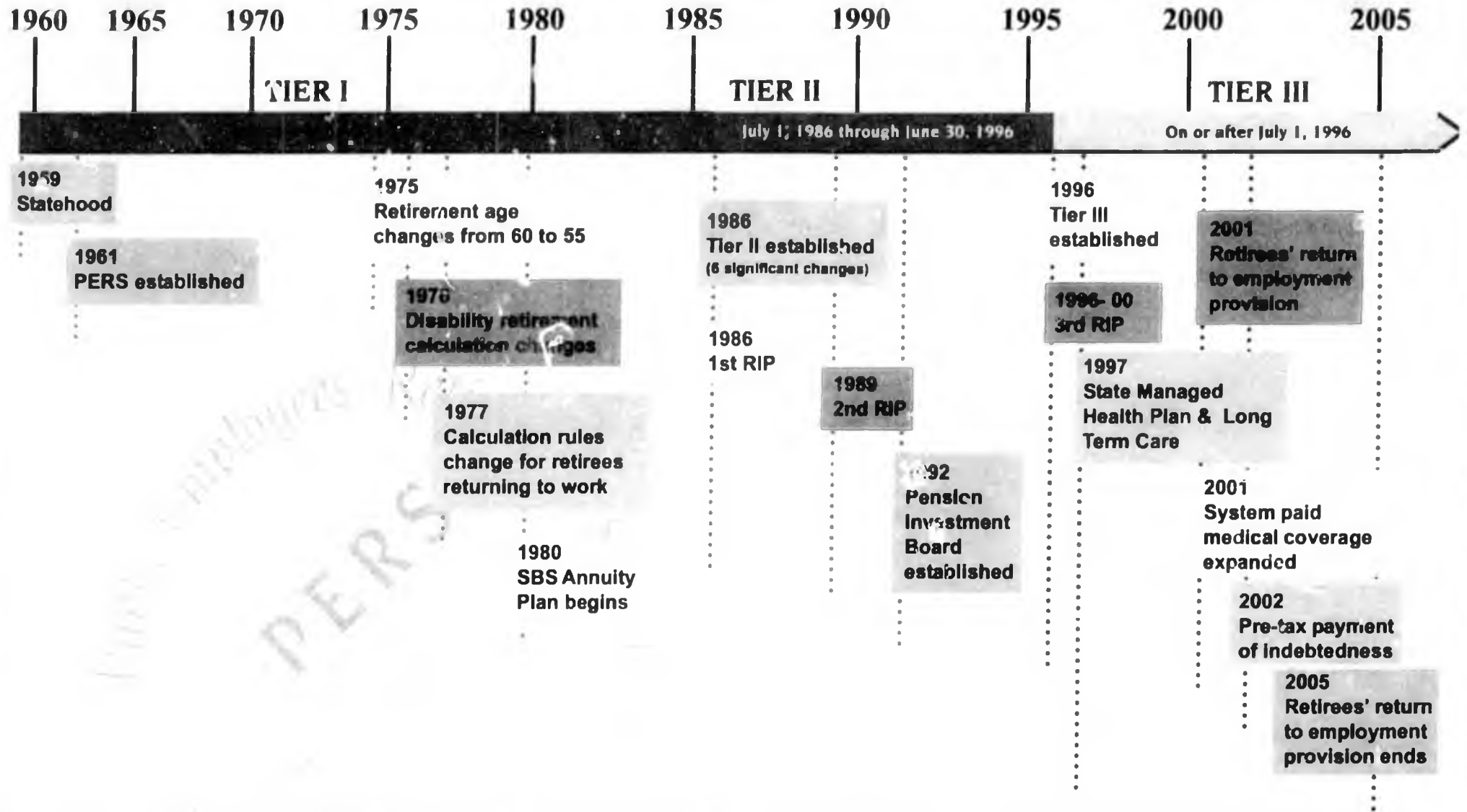
State of Alaska

Tier Design Project – Program Alternatives

Contribution Comparison – TRS

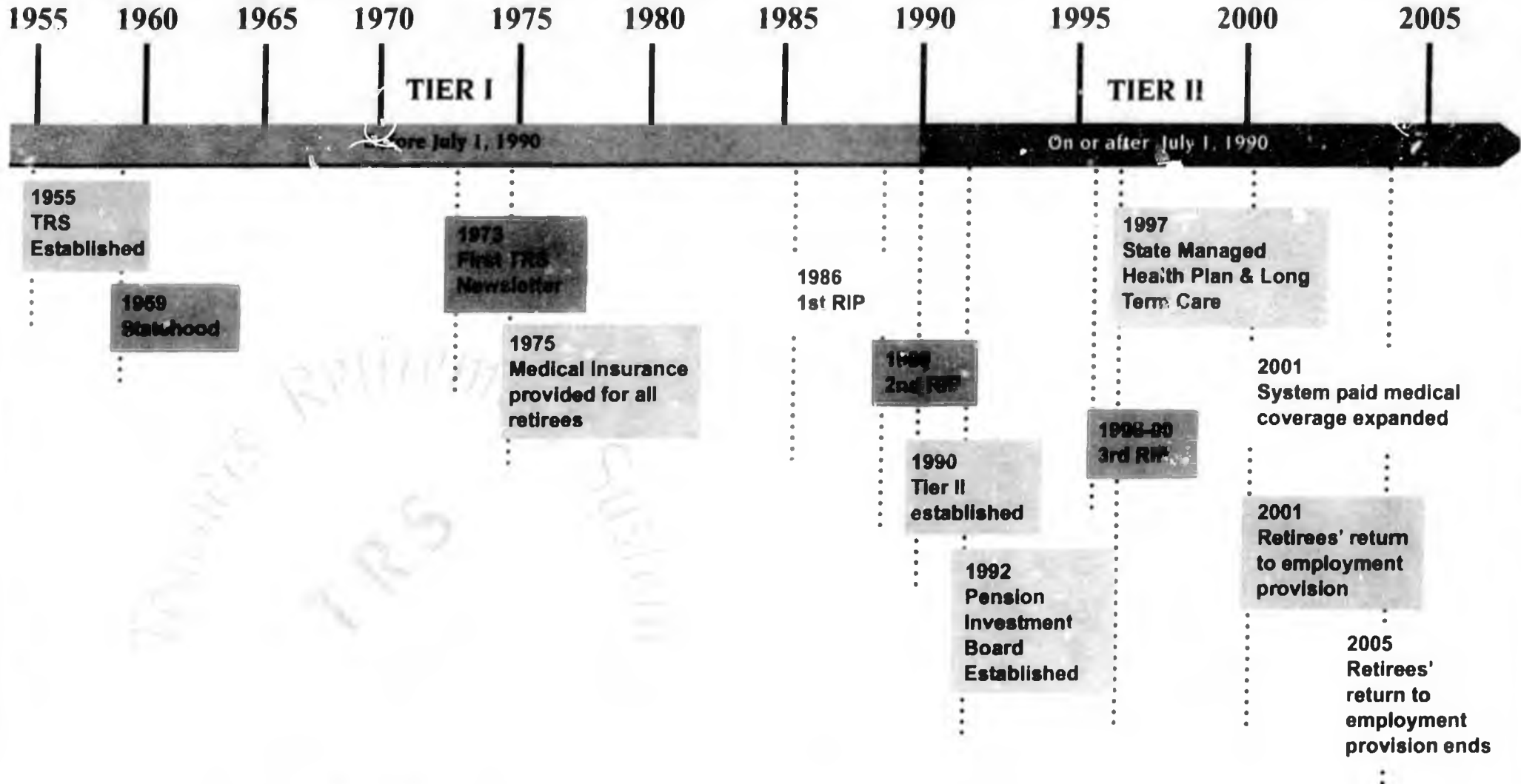


ALASKA PERS TIMELINE



The information on this timeline is not intended to replace the Alaska Statutes, the Alaska Administrative Code or Federal law. Language contained in the Alaska Statutes and the Alaska Administrative Code govern the plans. Rev. 7/23/04

ALASKA TRS TIMELINE



The information on this timeline is not intended to replace the Alaska Statutes, the Alaska Administrative Code or Federal law. Language contained in the Alaska Statutes and the Alaska Administrative Code govern the plans. Rev 7/23/04