

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL VALUATION REPORT  
AS OF JUNE 30, 1988

Prepared by  
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INCORPORATED

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HIGHLIGHTS

This report has been prepared by William M. Mercer Meidinger Hansen, Incorporated to:

- (1) present the results of a valuation of the Alaska Public Employees' Retirement System as of June 30, 1988;
- (2) review experience under the plan for the year ended June 30, 1988;
- (3) determine the contribution rates for the State and for each political subdivision in the system;
- (4) provide reporting and disclosure information for financial statements, governmental agencies, and other interested parties.

The report is divided into two sections. Section 1 describes the basis of the valuation. It summarizes the plan provisions, provides information relating to the plan participants, and describes the funding methods and actuarial assumptions used in determining liabilities and costs.

Section 2 contains the results of the valuation. It includes the experience of the plan during the 1987-88 plan year, the current annual costs, and reporting and disclosure information.

The principle results are as follows:

	<u>1987</u>	<u>1988</u>
Funding Status as of June 30:		
(a) Valuation Assets*	\$1,898,253	\$2,088,428
(b) Accrued Liability*	1,905,005	2,246,583
(c) Funding Ratio, (a) / (b)	99.6%	93.0%
Contributions for Fiscal Year:	<u>1990</u>	<u>1991</u>
(a) Consolidated Rate	9.23%	10.37%
(b) Average Past Service Rate	.07%	1.63%
(c) Average Total Contribution Rate	9.30%	12.00%

\* In thousands.

In preparing this valuation, we have employed generally accepted actuarial methods and assumptions, in conjunction with employee data provided to us by the plan sponsor and financial information provided by Peat, Marwick, Main & Company, to determine a sound value for the plan liabilities. We believe that this value and the method suggested for funding it are in full compliance with the Governmental Accounting Standards Board, the Internal Revenue Code, and all applicable regulations.

Respectfully submitted,



Robert F. Richardson, ASA  
Principal



Brian R. McGee, FSA  
Principal

RFR/BRM/js

March 30, 1989

ANALYSIS OF THE VALUATION

The results of this year's actuarial valuation for the PERS show a decrease in the funding ratio, and a very large increase in the average employer contribution rate. These changes can be explained by the four major deviations of actual experience in FY88 from our actuarial assumptions. Overall, there was an actuarial loss during the year of \$178,121,000, or 7.9% of the accrued liability.

Retiree Medical Insurance

Last year there was an actuarial loss of \$118,947,000 due to the large increase in retiree medical premiums. More importantly, from a cost point of view, this increase resulted in a 5.66% increase in the employer contribution rate.

An analysis of retiree medical claims for the past two years shows a decrease in hospital admissions and hospital days per retiree per year, for both under and over age 65. However, total hospital expenses per retiree during these two years increased 18% for retirees over age 65, and 36% for those under age 65.

For many years, we have commented on the substantial increases in retiree medical insurance premiums. The following table summarizes the monthly premium, per benefit recipient, since retiree medical became a benefit of the PERS.

<u>Fiscal Year</u>	<u>Monthly Premium Per Retiree For Health Coverage</u>	<u>Annual Percentage Increase</u>	<u>Average Annual Increase Since 1978</u>
1977	\$ 34.75	--	--
1978	57.64	66%	--
1979	69.10	20%	20%
1980	64.70	- 6%	6%
1981	96.34	49%	19%
1982	96.34	0%	14%
1983	115.61	20%	15%
1984	156.07	35%	18%
1985	191.85	24%	19%
1986	168.25	-12%	14%
1987	165.00	- 2%	12%
1988	140.25	-15%	9%
1989	211.22	51%	13%
1990	252.83	20%	13%

In FY86, the upward spiral of retiree health insurance premiums reversed. At the time it was felt that some of this decrease was due to the cost containment measures which were established and some was due to a correction from the prior year's increase. This downward trend continued in 1987 and 1988. Unfortunately, medical premiums for retirees have once again reversed with an 80% increase in the last two years.

Certainly some of this increase is due to the influx of retirees from the Retirement Incentive Program. While the initial cost of medical care for employees retiring under the RIP is being paid by employers, the 80% increase in premiums was not anticipated in the cost figures. The difference between current medical premiums and those used in the RIP cost figures increased the System's liabilities by \$30,740,000.

Also, many of the new retirees are under age 65 with correspondingly higher medical costs. This is because Medicare offsets much of the medical cost after a retiree reaches age 65. During the next few years, the percentage of retirees over age 65 should increase, relieving some of the upward pressure on retiree medical premiums.

The chart on page 5 shows medical claims for pre-65 retirees increasing faster than claims for post-65 retirees. This may reflect the impact of DRG reimbursement holding down claims for retirees over age 65 and eligible for Medicare, and a "cost shift" toward retirees under age 65 and not eligible for Medicare.

#### Investment Performance

The effect of "Black Monday" on stock market prices was still felt by the equity portion of the PERS portfolio by the end of the fiscal year. Based upon the fund's market value, the investment return during the year was only 2.04%. Valuation assets are based upon a three-year smoothing of actuarial values. Nevertheless, investment return based upon valuation assets was only 6.12% during the year. The net result was an actuarial loss from investment sources of \$55,684,000.

#### Retirement Incentive Program

Primarily due to the Retirement Incentive Program, the number of retirees in the Public Employees' Retirement System increased more than 44% during the last two years. Almost 7% of all active employees took advantage of the RIP and retired earlier with larger benefits.

The cost of the RIP is being paid by employers based on the actuarial value of the extra benefits, calculated individually for each employee who elected to retire under the Program. This cost is being paid over a three-year period. Based on historical averages, it was assumed in the RIP cost calculations that 69% of all retirees would reside in Alaska and receive the 10% C.O.L.A. In the first few years of retirement, a much higher percentage of retirees reside in Alaska. This means high liabilities for recent retirees, which decrease over time as retirees leave the State. This phenomenon resulted in additional liabilities this year associated with the RIP of approximately \$3.3 million. This liability is expected to decrease as these RIP retirees leave the state. If the original assumptions are met, the total cost to the System is projected to equal the actuarial value paid by employers for the RIP.

### Salary Increases

Somewhat offsetting the above-mentioned actuarial losses was an actuarial gain from salary increases which were less than anticipated. The actuarial gain from these less-than-anticipated salary increases was \$18,488,000.

### Additional Exhibits

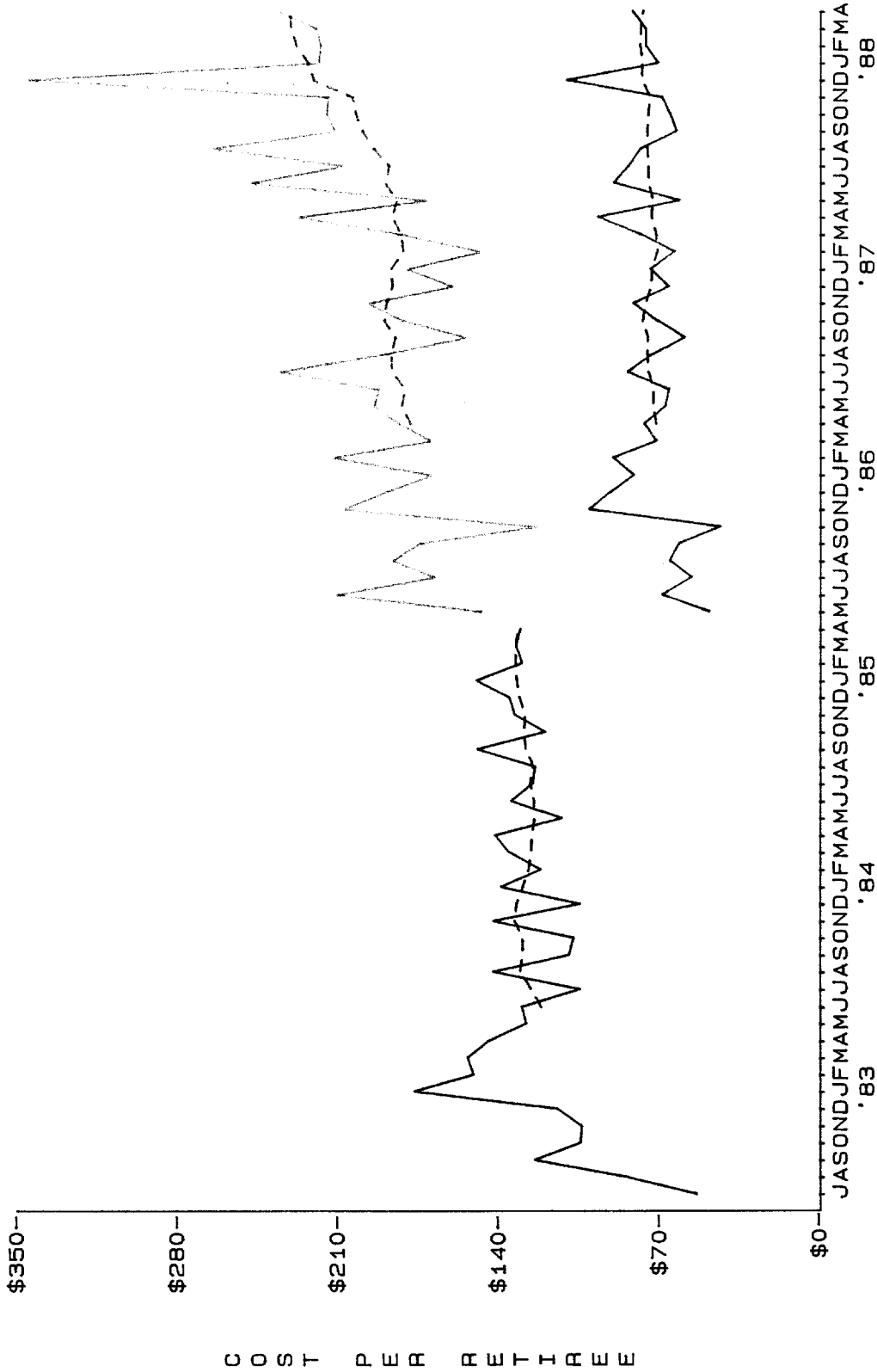
In this year's actuarial valuation report we have included several new graphs and exhibits. These exhibits will be regular features of our reports in the coming years.

### Summary

With a net actuarial loss of over \$178,000,000 and a substantial increase in retiree medical insurance premiums, FY88 was not a good year financially for the PERS. The funding ratio decreased and most employer contribution rates showed a large increase. Nevertheless, the Plan is very well funded by all standards, as indicated by the 93.0% funding ratio.



STATE OF ALASKA  
 RETIREE MEDICAL COVERAGE  
 PLOT OF COST PER RETIREE EXPERIENCE



\_\_\_\_\_ INDIVIDUAL MONTH COSTS PER RETIREE UNDER AGE 65 AND AGE 65 AND OVER  
 - - - - - ROLLING 12-MONTH AVERAGE COSTS PER RETIREE UNDER AGE 65 AND AGE 65 AND OVER  
 ..... INDIVIDUAL MONTH COSTS PER RETIREE UNDER AGE 65  
 - . - . - ROLLING 12-MONTH AVERAGE COSTS PER RETIREE UNDER AGE 65  
 \_\_\_\_\_ INDIVIDUAL MONTHS COSTS PER RETIREE AGE 65 AND OVER  
 - - - - - ROLLING 12-MONTH AVERAGE COSTS PER RETIREE AGE 65 AND OVER

Section 1  
BASIS OF VALUATION

In this section, the basis of the valuation is presented and described. This information--the provisions of the plan and the census of participants--is the foundation of the valuation, since these are the present facts upon which benefit payments will depend.

A summary of plan provisions is provided in Section 1.1 and participant census information is shown in Sections 1.2 to 1.5.

The valuation is based upon the premise that the plan will continue in existence, so that future events must also be considered. These future events are assumed to occur in accordance with the actuarial assumptions and concern such events as the earnings of the fund, the number of participants who will retire, die, terminate their services, their ages at such termination and their expected benefits.

The actuarial assumptions and the actuarial cost method, or funding method, which have been adopted to guide the sponsor in funding the plan in a reasonable and acceptable manner, are described in Section 1.6.

Section 1.1  
SUMMARY OF PLAN PROVISIONS

(1) Effective Date

January 1, 1961, with amendments through June 30, 1988. The Hammond vs. Hoffbeck Supreme Court decision, rendered in 1981, may have an effect on certain benefits for police/fire members hired before July 1, 1976. HB 252 may have a significant effect on certain benefits for members first hired prior to July 1, 1986.

(2) Administration of Plan

The Commissioner of Administration is responsible for administration of the System, the Public Employees' Retirement Board adopts rules and regulations to carry out provisions of the Act, and the Commissioner of Revenue invests the Fund. The Attorney General is the attorney for the System and represents it in legal proceedings.

(3) Employers Included

State of Alaska, and any political subdivision, and/or public organization who so elects to join the system.

(4) Employees Included

All permanent full-time or part-time employees of the State and participating political subdivisions, exclusive of those covered by the Alaska Teachers' Retirement System, the Alaska Judicial Retirement System, or any employee on whose behalf the State is making contributions to another retirement system. Elected officials may elect to participate at their option if they do not participate in the Elected Public Officers Retirement System.

(5) Service Considered

Future:

The later of hire, January 1, 1961, or date of employer's participation in the System, to date of termination, death, or retirement.

Up to five years of military service may be recognized if claimed, verified, and appropriate employee contribution paid.

Permanent part-time employees receive service credit on a pro-rata basis.

Past:

Service credit for employment with the State and Territory prior to January 1, 1961, if the employee completes three years of State employment after January 1, 1961, and is employed before January 1, 1980.

Service credit for employment as an elected official prior to January 1, 1981, if the elected official makes the required contributions.

Service credit for employment with the Alaska Bureau of Indian Affairs if the employee is not eligible for a benefit from the Civil Service Retirement System, makes the required contributions, and meets eligibility requirements under the law.

Service credit for temporary employment if the employee is vested. The cost for claiming temporary service is the full actuarial amount.

(6) Average Monthly Compensation

Total compensation during three consecutive payroll years of credited service which yield the highest average monthly compensation (total compensation during period divided by number of months included; a member must have a minimum of 115 days of credited service in the last of the three payroll years).

(7) Employer Contributions

Separate contribution rate for each employer equal to the sum of:

(a) Consolidated Rate

A uniform rate for all participating employers sufficient to amortize all future service liabilities (less value of employee contributions) over the future working lifetimes of the covered group.

(b) Past Service Rate

A rate determined separately for each employer sufficient to amortize such employer's unfunded past service liability with level payments over 25 years. Any funding surplus is amortized over five years.

(8) Employee Contributions

Mandatory Employee Contributions: Police & Fire - 7.50%  
Other - 6.75%

Note: Prior to January 1, 1987, rates were 5.00% and 4.25%.

Interest Credited: 4.5% compounded semiannually on June 30 and December 31.

Refund at Termination (no vesting): Return of voluntary and mandatory contributions with interest and any indebtedness principal and interest payments.

Refund at Death: If no survivor's pension payable, return of voluntary and mandatory contributions with interest.

(9) Normal Retirement Benefit

Eligibility:

The first of the month following the earlier of: age 60 (age 55 for members who participated before July 1, 1986) with five or more years of fully-paid credited service; or 20 years of fully-paid credited service - Police & Fire, or 30 years of fully-paid credited service - Other.

Type:

Life only, level income, or optional joint and survivor benefit (actuarially reduced).

Amount:

Others

2% of Average Monthly Compensation for the first ten years of service, 2.25% for the next ten years, and 2.5% for all remaining years. Service before July 1, 1986 is credited at 2%.

Police & Fire

2% of Average Monthly Compensation for the first ten years of service plus 2.5% for years of service in excess of ten.

Minimum Benefit - \$25.00 per month for each year of credited service.

(10) Early Retirement Benefit

Eligibility:

Age 55 (age 50 for members who participated before July 1, 1986) and five or more years of fully-paid credited service - all employees.

Type:

Life only, level income, or optional joint and survivor benefit (actuarially reduced).

Amount:

Actuarial equivalent of Normal Retirement Benefit based on service and compensation to Early Retirement Date.

(11) Deferred Vested Benefit

Eligibility:

Five or more years of credited service, withdrawal of employee contributions voids vested rights.

Type:

Life only, level income, or joint and survivor benefit (actuarially reduced).

Amount:

Monthly benefit begins on employee's Normal Retirement Date. Amount determined the same as Normal Retirement Benefit taking into account compensation and service prior to termination.

(12) Disability Benefit

Occupational Disability:

Eligibility:

No age or service requirements.

Type:

Monthly benefit payable until death, recovery, or normal retirement.

Amount:

40% of gross monthly compensation (66-2/3% for police/fire members who participated before July 1, 1976, offset by any workers compensation) at date of disability. The benefit terminates upon attaining Normal Retirement eligibility, with Normal Retirement Benefits commencing at that time. The period of time on occupational disability is time credited toward Normal Retirement Benefits.

Non-Occupational Disability:

Eligibility:

Five or more years of credited service.

Type:

Monthly benefit payable until death, recovery, or normal retirement.

Amount:

Same formula used for Normal Retirement Benefits. The benefit terminates upon attaining Normal Retirement eligibility, with Normal Retirement Benefits commencing at that time. The period of time on non-occupational disability is not credited toward Normal Retirement Benefits.

(13) Death Benefit Before Retirement

Occupational:

No age or service requirements.

Benefit:

40% (66-2/3% for police/fire members who participated before July 1, 1976) of gross monthly compensation at date of death or disability, if earlier. At the member's Normal Retirement Date, the benefit converts to a Normal Retirement benefit based on pay at date of disability or death and credited service, including period from date of disability or death to Normal Retirement Date.

**Non-Occupational:**

With less than one year of credited service, the death benefit is the participant's contributions with interest. With more than one but less than five years of credited service, the death benefit is a lump-sum of \$1,000 plus \$100 for each completed year of credited service and the participant's contributions with interest. Alternatively, a retirement benefit to the spouse is available at death of the member after five years of credited service, based on a 50% Joint and Survivor equivalent of the accrued Normal Retirement Benefit.

**(14) Death Benefits After Retirement**

The employee's beneficiary receives a lump sum equal to the excess of his contribution account immediately prior to retirement over the sum of the pension payments previously received by the employee. However, if the employee elected one of the joint and survivor options (50%, 66-2/3% or 75%) at retirement, an eligible spouse would receive a continuing monthly benefit for the rest of his or her life.

**(15) Post-Retirement Pension Adjustment**

Post-Retirement pension Adjustment will be made each year based upon the increase in CPI for the prior year. The increase in the total current benefit, excluding the Cost-of-Living Allowance (COLA), will be:

- (1) 75% of the CPI increase (not to exceed 9%) for recipients who are at least age 65 or on PERS disability; or
- (2) 50% of the CPI increase (not to exceed 6%) for recipients who are at least age 60 but under 65, and for recipients who have been receiving benefits for at least five years but are under age 60.

(There are ad hoc PRPA's up to 4% for those hired before July 1, 1986).

**(16) Cost-of-Living Allowance**

Starting at age 65, a retired employee who remains in Alaska is eligible for an additional allowance, equal to 10% of the base retirement benefit, or \$50 per month, whichever is greater (COLA for those hired before July 1, 1986, regardless of age).

**(17) Optional Employee Savings Account**

An employee can voluntarily contribute up to 5% of his compensation. This amount is recorded in a separate account and is payable:



- (a) In the event of termination before retirement for any reason other than death, as a lump sum to the employee,
- (b) In the event of termination on account of death, as a lump sum to the employee's beneficiary,
- (c) On retirement, as a lump sum, life annuity on cash refund basis or installments over limited period.

Section 1.2  
PARTICIPANT CENSUS INFORMATION - TOTAL PERS AS OF JUNE 30

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
<u>Active Members</u>					
(1) Number	25,803	27,183	27,643	26,762	26,676
(2) Average Age	38.39	38.65	39.21	39.53	39.67
(3) Average Credited Service	5.31	5.51	5.96	6.32	6.45
(4) Average Annual Salary	\$30,317	\$30,555	\$32,200	\$33,305	\$34,052

Retirees and Beneficiaries

(1) Number	3,859	4,317	4,657	5,651	6,702
(2) Average Age	63.80	63.82	64.05	60.39	62.82
(3) Average Monthly Benefit					
Base	\$ 625	\$ 656	\$ 674	\$ 753	\$ 791
C.O.L.A.	51	54	55	62	64
P.R.P.A.	74	126	110	110	90
TOTAL	750	836	839	925	945

Vested Terminations

(1) Number	1,333	1,525	1,766	1,921	1,898
(2) Average Age	45.74	45.85	45.50	45.33	42.77
(3) Average Monthly Benefit	\$ 368	\$ 397	\$ 419	\$ 425	\$ 504

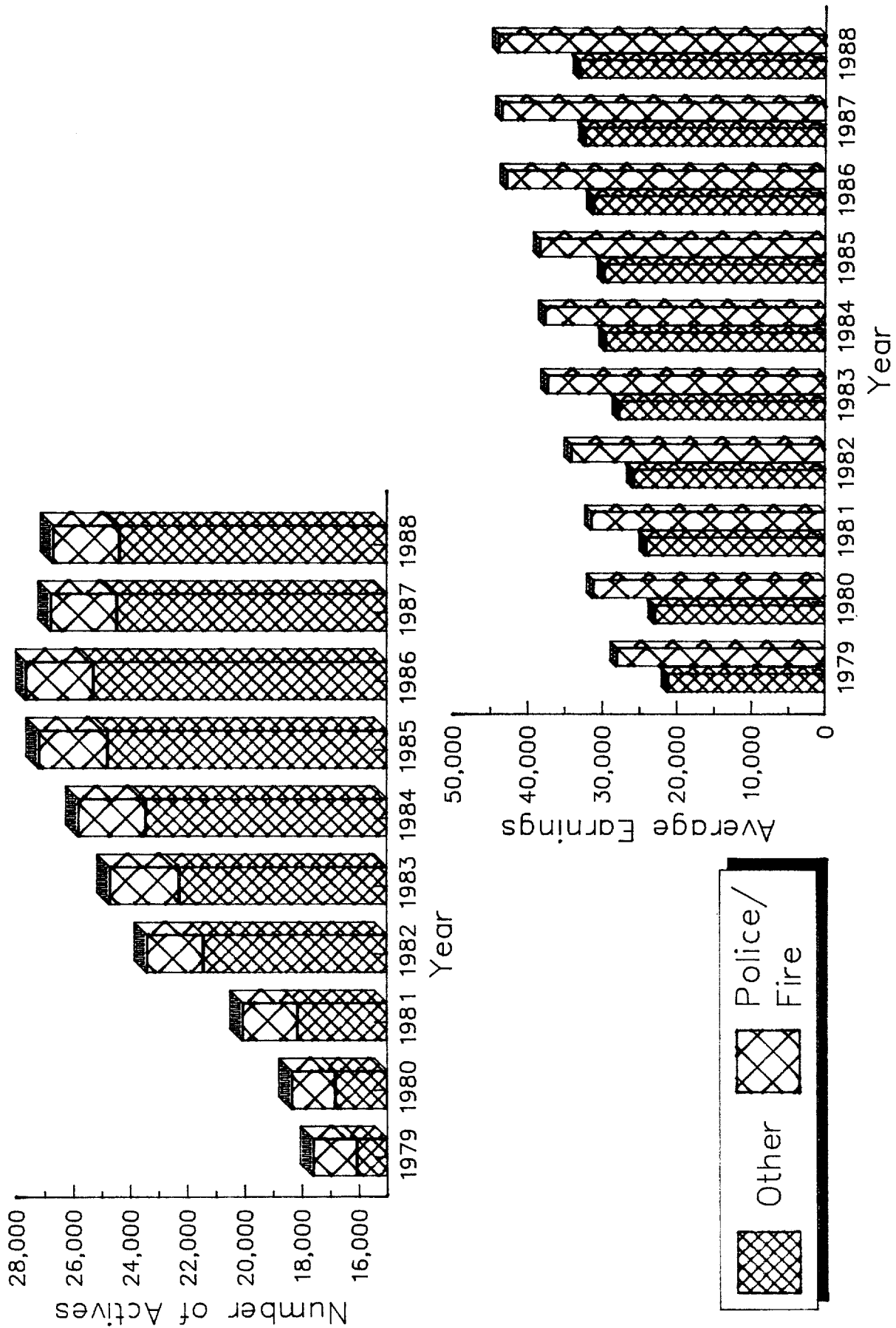
Non-Vested Terminations With Account Balances

(1) Number	7,849	7,945	8,155	3,965	3,101
(2) Average Account Balance	\$ 426	\$ 471	\$ 544	\$ 1,114	\$ 2,100

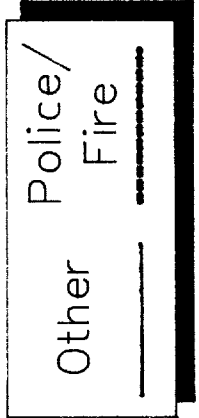
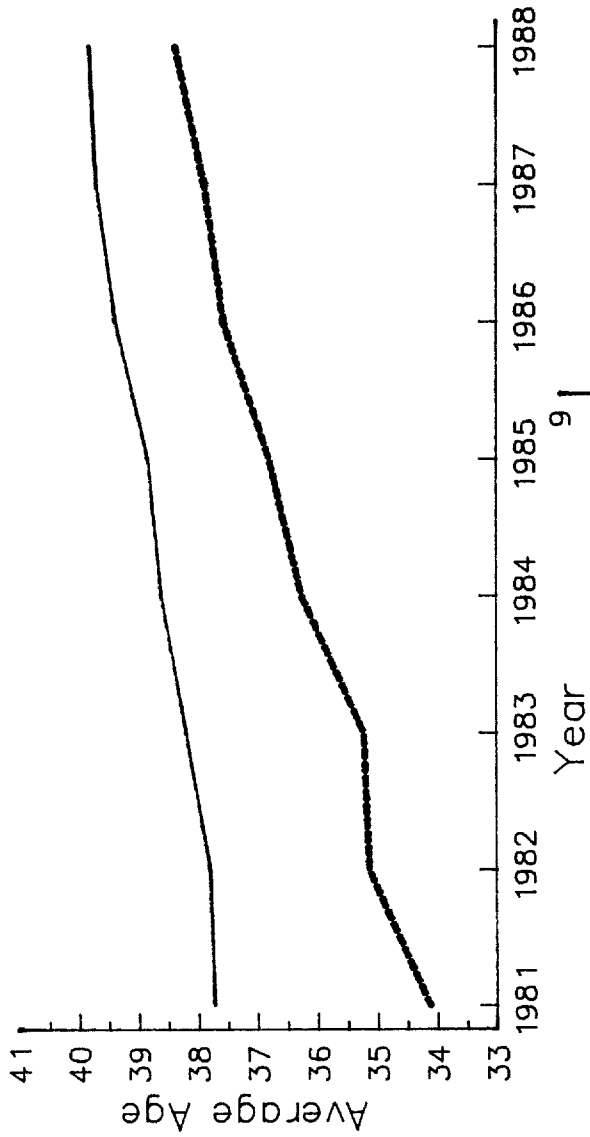
Section 1.3  
 ADDITIONAL INFORMATION -  
ACTIVE MEMBERS BY TYPE OF STATUS AS OF JUNE 30

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
<u>Active Police &amp; Fire</u>					
(1) Number	2,366	2,407	2,371	2,319	2,327
(2) Average Age	36.24	36.78	37.54	37.86	38.35
(3) Average Credited Service	6.79	7.19	7.88	8.05	8.16
(4) Average Annual Salary	\$37,666	\$38,380	\$42,825	\$43,484	43,947
(5) Number Vested	1,206	1,260	1,359	1,433	1,505
(6) Percent Who Are Vested	51.0%	52.3%	57.3%	61.8%	64.7%
<u>Active "Other" Members</u>					
(1) Number	23,437	24,776	25,272	24,443	24,349
(2) Average Age	38.61	38.83	39.37	39.69	39.80
(3) Average Credited Service	5.16	5.35	5.78	6.16	6.29
(4) Average Annual Salary	\$29,575	\$29,795	\$31,203	\$32,339	\$33,106
(5) Number Vested	9,770	10,822	10,964	11,664	12,191
(6) Percent Who Are Vested	41.7%	43.7%	43.4%	47.7%	50.1%

# STATE OF ALASKA - PERS ACTIVES



# STATE OF ALASKA - PERS ACTIVES



Section 1.4(a)  
 STATISTICS ON NEW RETIREES  
POLICE AND FIRE MEMBERS AS OF JUNE 30

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
<u>Service</u>					
Number	12	25	25	91	64
Average Age at Retirement	53.06	51.48	52.11	47.93	49.39
Average Monthly Benefit	\$1,966	\$2,245	\$2,440	\$2,423	\$2,467
<u>Disability</u>					
Number	3	0	6	4	7
Average Age at Retirement	46.75	N/A	41.09	42.01	40.30
Average Monthly Benefit	\$1,047	N/A	\$1,817	\$1,543	\$1,147
<u>Widow/Survivor</u>					
Number	1	3	1	1	1
Average Age at Retirement	36.28	42.25	30.06	49.17	50.91
Average Monthly Benefit	\$1,709	\$1,561	\$ 340	\$ 231	\$ 181
<u>Total</u>					
Number	16	28	32	96	72
Average Age at Retirement	50.83	50.49	48.95	47.70	48.53
Average Monthly Benefit	\$1,777	\$2,172	\$2,258	\$2,364	\$2,307

Section 1.4(b)  
 STATISTICS ON NEW RETIREES  
"OTHER" MEMBERS AS OF JUNE 30

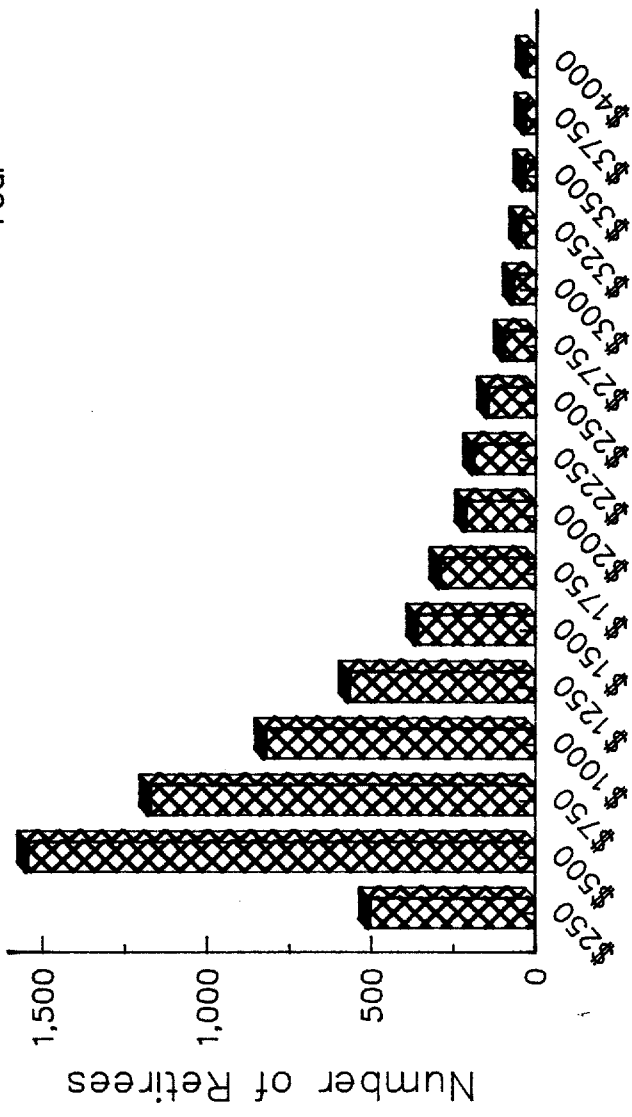
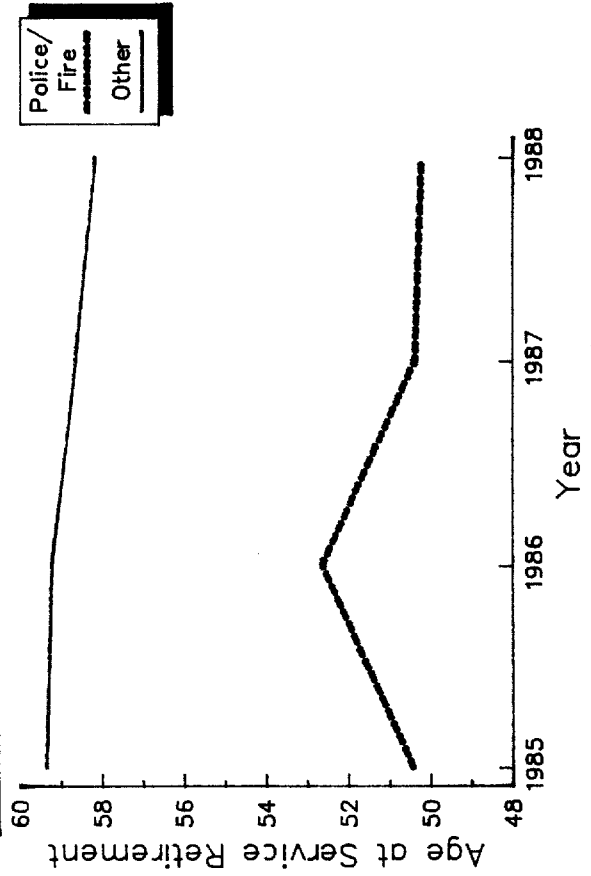
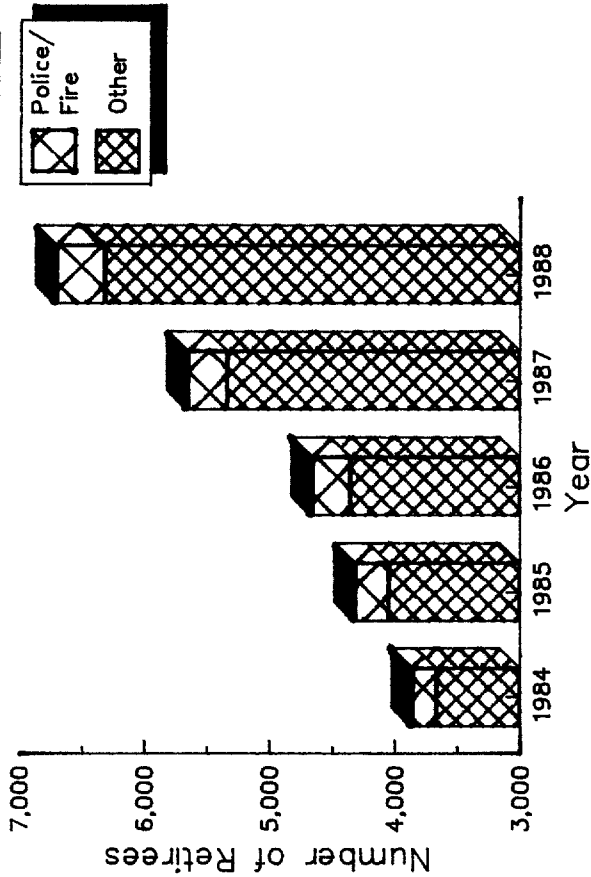
	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
<u>Service</u>					
Number	345	455	392	924	972
Average Age at Retirement	59.29	58.81	58.31	57.08	56.53
Average Monthly Benefit	\$ 909	\$ 928	\$ 877	\$1,094	\$ 982
<u>Disability</u>					
Number	6	10	10	14	22
Average Age at Retirement	50.08	46.00	46.66	45.66	46.53
Average Monthly Benefit	\$ 852	\$1,046	\$ 941	\$ 945	\$1,073
<u>Widow/Survivor</u>					
Number	14	19	14	11	20
Average Age at Retirement	51.46	50.42	52.88	48.89	46.02
Average Monthly Benefit	\$ 433	\$ 480	\$ 481	\$ 545	\$ 515
<u>Total</u>					
Number	365	484	416	949	1,014
Average Age at Retirement	58.84	58.21	57.85	56.82	56.11
Average Monthly Benefit	\$ 890	\$ 913	\$ 865	\$1,085	\$ 975

Section 1.4(c)  
STATISTICS ON ALL RETIREES AS OF JUNE 30, 1988

	<u>Police &amp; Fire</u>	<u>"Other"</u>
<u>Normal Retirement</u>		
Number, June 30, 1987	264	4,952
Net Change During FY88	64	892
Number, June 30, 1988	328	5,844
Average Age At Retirement	50.17	58.14
Average Age Now	54.87	63.90
Average Monthly Benefit	\$2,174.25	\$ 893.92
 <u>Surviving Spouse's Benefits</u>		
Number, June 30, 1987	11	280
Net Change During FY88	0	62
Number, June 30, 1988	11	342
Average Age At Retirement	47.05	52.33
Average Age Now	54.50	60.33
Average Monthly Benefit	\$ 801.25	\$ 498.58
 <u>Survivor's Benefits</u>		
Number, June 30, 1987	14	21
Net Change During FY88	0	0
Number, June 30, 1988	14	21
Average Age At Retirement	27.93	42.30
Average Age Now	38.62	56.39
Average Monthly Benefit	\$1,596.00	\$ 839.33
 <u>Disabilities</u>		
Number, June 30, 1987	26	83
Net Change During FY88	8	25
Number, June 30, 1988	34	108
Average Age At Retirement	39.52	43.30
Average Age Now	44.78	47.23
Average Monthly Benefit	\$1,734.25	\$1,034.25
 <u>Total Number of Retirees</u>	 387	 6,315

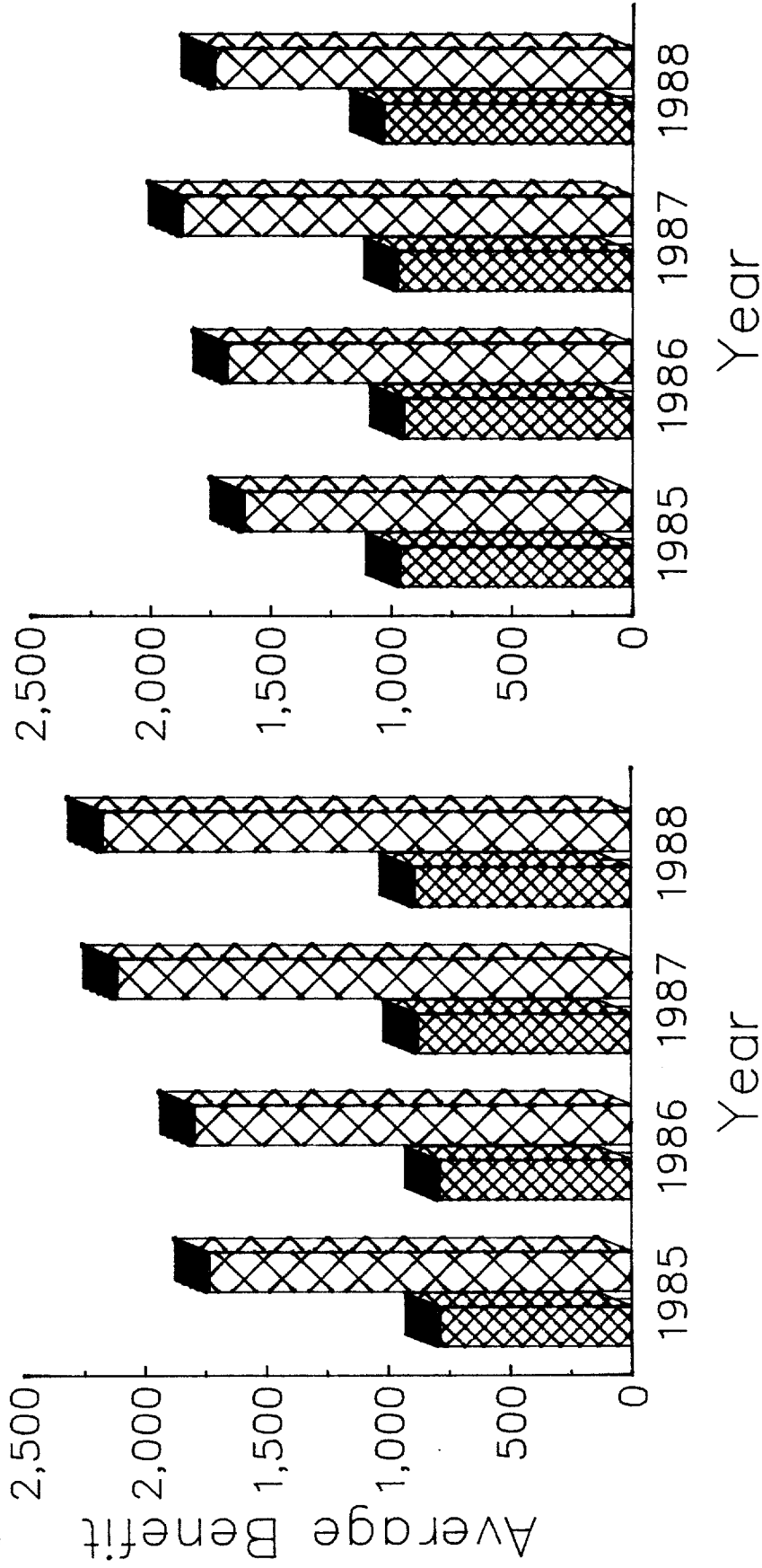


# STATE OF ALASKA — PERS RETIREES



Average Monthly Benefit for Normal Retirement

# STATE OF ALASKA - PERS RETIREES



Normal

Disability

Other

Police/  
Fire

**Section 1.5(a)**  
**DISTRIBUTIONS OF ACTIVE POLICE AND FIRE PARTICIPANTS**

STATE OF ALASKA - PERS - POLICE/FIRE ACTIVE MEMBERS

VALUATION DATE 6/30/1988

----- ANNUAL EARNINGS BY AGE -----				---- ANNUAL EARNINGS BY SERVICE ----			
AGE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS	AVERAGE ANNUAL EARNINGS	SERVICE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS	AVERAGE ANNUAL EARNINGS
0-19	0	0.	0.	0	161	5895166.	36616.
20-24	42	1459024.	34739.	1	123	4087547.	33232.
25-29	231	8590234.	37187.	2	157	5460019.	34777.
30-34	523	21476038.	41063.	3	204	7486351.	36698.
35-39	597	27037814.	45289.	4	177	6678978.	37734.
40-44	525	24736488.	47117.	0- 4	822	29608052.	36020.
45-49	285	13509153.	47401.	5- 9	710	30464396.	42908.
50-54	87	3868860.	44470.	10-14	477	24475356.	51311.
55-59	26	1120432.	43094.	15-19	249	13794631.	55400.
60-64	11	467407.	42492.	20-24	66	3752149.	56851.
65-69	0	0.	0.	25-29	3	170845.	56948.
70-74	0	0.	0.	30-34	0	0.	0.
75-79	0	0.	0.	35-39	0	0.	0.
80+	0	0.	0.	40+	0	0.	0.
TOTAL	2327	102265456.	43947.	TOTAL	2327	102265440.	43947.

SERVICE GROUPS BY AGE GROUPS

AGE	S E R V I C E G R O U P									
	0- 4	5- 9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL
0-19	0	0	0	0	0	0	0	0	0	0
20-24	40	2	0	0	0	0	0	0	0	42
25-29	168	60	3	0	0	0	0	0	0	231
30-34	211	229	78	5	0	0	0	0	0	523
35-39	158	210	177	51	1	0	0	0	0	597
40-44	133	116	121	125	30	0	0	0	0	525
45-49	80	58	72	46	27	2	0	0	0	285
50-54	25	24	17	16	5	0	0	0	0	87
55-59	4	8	6	5	2	1	0	0	0	26
60-64	3	3	3	1	1	0	0	0	0	11
65-69	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0
80+	0	0	0	0	0	0	0	0	0	0
TOTAL	822	710	477	249	66	3	0	0	0	2327

**Section 1.5(b)**  
**DISTRIBUTION OF ACTIVE "OTHER" PARTICIPANTS**

STATE OF ALASKA - PERS - "OTHER" ACTIVE MEMBERS

VALUATION DATE 6/30/1988

----- ANNUAL EARNINGS BY AGE-----				---- ANNUAL EARNINGS BY SERVICE----			
AGE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS	AVERAGE ANNUAL EARNINGS	SERVICE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS	AVERAGE ANNUAL EARNINGS
0-19	81	2306235.	28472.	0	3176	85603408.	26953.
20-24	856	21960054.	25654.	1	1977	51760272.	26181.
25-29	2600	71345064.	27440.	2	2298	64890968.	28238.
30-34	4495	139982272.	31142.	3	2358	71139304.	30169.
35-39	5301	181001376.	34145.	4	2348	75608000.	32201.
40-44	4282	150626752.	35177.	0- 4	12157	349004960.	28708.
45-49	3130	112936368.	36082.	5- 9	7151	245300512.	34303.
50-54	1907	68380752.	35858.	10-14	3364	134429616.	39961.
55-59	1048	35990332.	34342.	15-19	1182	52531948.	44443.
60-64	504	16876766.	33486.	20-24	368	18188724.	49426.
65-69	114	3690662.	32374.	25-29	115	6046068.	52575.
70-74	19	657185.	34589.	30-34	8	392128.	49016.
75-79	11	339100.	30827.	35-39	3	184291.	61430.
80+	1	5750.	5750.	40+	1	23815.	23815.
TOTAL	24349	806098688.	33106.	TOTAL	24349	806102144.	33106.

SERVICE GROUPS BY AGE GROUPS

AGE	S E R V I C E G R O U P									
	0- 4	5- 9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL
0-19	81	0	0	0	0	0	0	0	0	81
20-24	828	28	0	0	0	0	0	0	0	856
25-29	1986	592	22	0	0	0	0	0	0	2600
30-34	2597	1497	393	8	0	0	0	0	0	4495
35-39	2398	1792	903	206	2	0	0	0	0	5301
40-44	1784	1310	738	345	102	3	0	0	0	4282
45-49	1109	941	594	301	144	40	0	0	1	3130
50-54	673	535	408	169	69	51	2	0	0	1907
55-59	407	285	197	106	34	13	5	1	0	1048
60-64	227	136	89	35	12	4	1	0	0	504
65-69	54	26	15	10	5	2	0	2	0	114
70-74	6	8	2	2	0	1	0	0	0	19
75-79	7	0	3	0	0	1	0	0	0	11
80+	0	1	0	0	0	0	0	0	0	1
TOTAL	12157	7151	3364	1182	368	115	8	3	1	24349

Section 1.5(c)  
DISTRIBUTIONS OF ANNUAL BENEFITS OF  
POLICE AND FIRE BENEFIT RECIPIENTS

STATE OF ALASKA - PERS - POLICE/FIRE RETIREES

VALUATION DATE 6/30/1988

ANNUAL BENEFIT BY AGE				ANNUAL BENEFIT BY SERVICE			
AGE GROUP	ANNUAL NUMBER OF PEOPLE	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT	SERVICE GROUP	ANNUAL NUMBER OF PEOPLE	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT
0-19	1	7281.	7281.	0	1	4758.	4758.
20-24	1	7281.	7281.	1	3	88985.	29662.
25-29	0	0.	0.	2	2	47000.	23500.
30-34	3	46716.	15572.	3	1	12983.	12983.
35-39	7	150329.	21476.	4	1	19770.	19770.
40-44	52	1396901.	26863.	0- 4	8	173497.	21687.
45-49	74	2327003.	31446.	5- 9	20	313997.	15700.
50-54	92	2392154.	26002.	10-14	29	419155.	14454.
55-59	67	1653936.	24686.	15-19	50	1036522.	20730.
60-64	53	1108660.	20918.	20-24	111	2865132.	25812.
65-69	24	371735.	15489.	25-29	107	3131386.	29265.
70-74	9	143478.	15942.	30-34	45	1272801.	28284.
75-79	3	26323.	8774.	35-39	13	358975.	27613.
80+	1	7412.	7412.	40+	4	67744.	16936.
TOTAL	387	9639209.	24908.	TOTAL	387	9639209.	24908.

SERVICE GROUPS BY AGE GROUPS

AGE	S E R V I C E G R O U P									TOTAL
	0- 4	5- 9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
0-19	0	0	1	0	0	0	0	0	0	1
20-24	0	0	1	0	0	0	0	0	0	1
25-29	0	0	0	0	0	0	0	0	0	0
30-34	1	2	0	0	0	0	0	0	0	3
35-39	1	2	3	0	1	0	0	0	0	7
40-44	4	5	7	10	26	0	0	0	0	52
45-49	1	3	2	10	29	28	1	0	0	74
50-54	1	2	9	17	20	32	11	0	0	92
55-59	0	3	3	7	17	18	18	1	0	67
60-64	0	3	1	5	13	16	9	6	0	53
65-69	0	0	2	0	3	9	4	5	1	24
70-74	0	0	0	1	0	4	1	0	3	9
75-79	0	0	0	0	2	0	0	1	0	3
80+	0	0	0	0	0	0	1	0	0	1
TOTAL	8	20	29	50	111	107	45	13	4	387

**Section 1.5(d)**  
**DISTRIBUTIONS OF ANNUAL BENEFITS OF**  
**"OTHER" BENEFIT RECIPIENTS**

STATE OF ALASKA - PERS - "OTHER" RETIREES

VALUATION DATE 6/30/1988

ANNUAL BENEFIT BY AGE				ANNUAL BENEFIT BY SERVICE			
AGE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT	SERVICE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT
0-19	1	10382.	10382.	0	37	331346.	8955.
20-24	0	0.	0.	1	32	283598.	8862.
25-29	3	21893.	7298.	2	27	240336.	8901.
30-34	9	110145.	12238.	3	36	277398.	7706.
35-39	27	211262.	7825.	4	82	392542.	4787.
40-44	41	532208.	12981.	0- 4	214	1525220.	7127.
45-49	193	1871365.	9696.	5- 9	818	4700027.	5746.
50-54	724	8361022.	11548.	10-14	1208	8624812.	7140.
55-59	1299	16195875.	12468.	15-19	1425	12964352.	9098.
60-64	1412	15931251.	11283.	20-24	1210	13724479.	11343.
65-69	1243	11657991.	9379.	25-29	814	12418220.	15256.
70-74	769	6961759.	9053.	30-34	368	6956288.	18903.
75-79	392	3008230.	7674.	35-39	174	3526834.	20269.
80+	202	1413996.	7000.	40+	84	1847134.	21990.
TOTAL	6315	66287384.	10497.	TOTAL	6315	66287364.	10497.

SERVICE GROUPS BY AGE GROUPS

AGE	S E R V I C E G R O U P									TOTAL
	0- 4	5- 9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
0-19	0	0	0	1	0	0	0	0	0	1
20-24	0	0	0	0	0	0	0	0	0	0
25-29	1	2	0	0	0	0	0	0	0	3
30-34	3	5	1	0	0	0	0	0	0	9
35-39	10	11	5	1	0	0	0	0	0	27
40-44	9	9	10	8	4	1	0	0	0	41
45-49	15	52	56	34	20	16	0	0	0	193
50-54	34	155	193	155	83	78	25	1	0	724
55-59	47	199	295	318	234	128	64	14	0	1299
60-64	45	196	289	351	267	168	58	26	12	1412
65-69	31	140	230	289	265	149	78	45	16	1243
70-74	13	36	89	168	187	131	84	39	22	769
75-79	5	11	27	72	112	87	33	26	19	392
80+	1	2	13	28	38	56	26	23	15	202
TOTAL	214	818	1208	1425	1210	814	368	174	84	6315

Section 1.6  
ACTUARIAL BASIS

Valuation of Liabilities

- A. Actuarial Method - Projected Unit Credit. Liabilities and contributions shown in the report are computed using the Projected Unit Credit method of funding. The unfunded accrued benefit liability is amortized over 25 years. Actuarial funding surpluses are amortized over five years.

The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, each participant's total pension projected to retirement with salary scale is broken down into units, each associated with a year of past or future service. The principle underlying the method is that each unit is funded in the year for which it is credited. Typically, when the method is introduced there will be an initial liability for benefits credited for service prior to that date, and to the extent that this liability is not covered by Assets of the Plan there is an Unfunded Liability to be funded over a chosen period in accordance with an amortization schedule.

An Accrued Liability is calculated at the valuation date as the present value of benefits credited with respect to service to that date.

The Unfunded Liability at the valuation date is the excess of the Accrued Liability over the Assets of the Plan. The level annual payment to be made over a stipulated number of years to amortize the Unfunded Liability is the Past Service Cost.

The Normal Cost is the present value of those benefits which are expected to be credited with respect to service during the year beginning on the valuation date.

Under this method, differences between the actual experience and that assumed in the determination of costs and liabilities will emerge as adjustments in the Unfunded Liability, subject to amortization.

B. Actuarial Assumptions -

- |                          |  |
|--------------------------|--|
| 1. Interest              | 9% per year, compounded annually, net of expenses.                                 |
| 2. Salary Scale          | 6.5% per year for the first five years of employment and 5.5% per year thereafter. |
| 3. Health Cost Inflation | 9% per year.   |
| 4. Mortality             | 1984 Unisex Pension Mortality Table set back 1-1/2 years.                          |

- |                         |  |
|-------------------------|--|
| 5. Turnover             | Based upon the 1981-85 actual total turnover experience. (See Table 1).  |
| 6. Disability           | Incidence rates in accordance with Table 2. Post-disability mortality in accordance with rates published by the Pension Benefit Guaranty Corporation to reflect mortality of those receiving disability benefits under Social Security. Disabilities are assumed to be occupational 85% of the time for Police/Fire, 35% for "Others". |
| 7. Retirement Age       | Retirement rates based on actual experience in accordance with Table 3.  |
| 8. Spouse's Age         | Wives are assumed to be four years younger than husbands.  |
| 9. Contribution Refunds | 100% of those terminating after age 35 with five or more years of service will leave their contributions in the fund and thereby retain their deferred vested benefit. All others who terminate are assumed to have their contributions refunded.  |
| 10. C.O.L.A.            | 69% of those receiving retirement benefits at an age which is eligible for C.O.L.A., will receive C.O.L.A.   |
| 11. Expenses            | Expenses are covered in the interest assumption.   |

#### Valuation of Assets

Based upon the three-year average ratio between market and book values of the System's assets, except that fixed income investments are carried at book value. Assets are accounted for on an accrued basis. Valuation assets cannot be outside the range of book and actuarial values.

#### Valuation of Medical Benefits

Medical benefits for retirees are provided by the payment of premiums from the fund. A pre-65 cost and lower post-65 cost (due to Medicare) were assumed such that the total rate for all retirees equals the present premium rate. These medical premiums are then increased with the health inflation assumption. The actuarial cost method used for funding retirement benefits is also used to fund health benefits.

For FY89, the pre-65 monthly premium is \$267.43 and the post-65 premium is \$76.37, based on a total blended premium of \$211.22.



TABLE 1  
ALASKA PERS  
TOTAL TURNOVER ASSUMPTIONS

Select Rates of Turnover  
During the First 10 Years  
of Employment

Ultimate Rates of Turnover  
After the First 10 Years  
of Employment

Police and Fire:

<u>Year of Employment</u>	<u>Age at Hire</u>			<u>Age</u>	<u>Rate</u>
	<u>20-29</u>	<u>30-39</u>	<u>40+</u>		
1	.39	.28	.22	20-29	.03
2	.18	.19	.16	30-45	.02
3	.12	.14	.13	46+	.01
4	.11	.13	.12		
5	.07	.09	.11		
6	.06	.09	.08		
7	.05	.09	.08		
8	.05	.06	.08		
9	.04	.04	.04		
10	.04	.03	.03		

Others:

<u>Year of Employment</u>	<u>Age at Hire</u>			<u>Age</u>	<u>Rate</u>
	<u>20-29</u>	<u>30-39</u>	<u>40+</u>		
1	.34	.26	.20	20-45	.065
2	.26	.21	.15	46+	.05
3	.21	.17	.13		
4	.18	.14	.10		
5	.16	.13	.09		
6	.15	.13	.09		
7	.12	.10	.09		
8	.12	.09	.09		
9	.12	.08	.08		
10	.09	.07	.06		

TABLE 2  
ALASKA PERS -  
DISABILITY RATES  
ANNUAL RATES PER 1,000 EMPLOYEES

<u>Age</u>	<u>Police &amp; Fire Rate</u>	<u>"Other" Member Rate</u>
20	.88	.28
21	.89	.28
22	.90	.29
23	.91	.29
24	.93	.30
25	.94	.30
26	.95	.30
27	.98	.31
28	1.00	.32
29	1.03	.33
30	1.05	.34
31	1.08	.34
32	1.10	.35
33	1.13	.36
34	1.16	.37
35	1.20	.38
36	1.24	.40
37	1.29	.41
38	1.34	.43
39	1.39	.44
40	1.44	.46
41	1.50	.48
42	1.59	.51
43	1.70	.54
44	1.85	.59
45	2.03	.65
46	2.20	.70
47	2.39	.76
48	2.59	.83
49	2.79	.89
50	3.00	.96
51	3.25	1.04
52	3.58	1.14
53	3.98	1.27
54	4.44	1.42
55	5.00	1.60
56	5.74	1.84
57	6.68	2.14
58	7.63	2.44
59	9.00	2.88
60	10.54	3.37
61	12.19	3.90
62	14.13	4.52
63	16.31	5.22
64	18.63	5.96

TABLE 3  
ALASKA PERS  
RETIREMENT RATES

<u>Age</u>	<u>Police &amp; Fire Rate</u>	<u>"Other" Member Rate</u>
50	.17	.06
51	.11	.04
52	.11	.04
53	.12	.04
54	.12	.05
55	.30	.17
56	.21	.15
57	.21	.12
58	.12	.13
59	.12	.16
60	.21	.26
61	.21	.25
62	.25	.43
63	.33	.63
64 & Up	1.00	1.00

For ages less than 50, employees are assumed to retire two years after the earliest age they are eligible to retire.

Section 2  
VALUATION RESULTS

This section sets forth the results of the actuarial valuation.

Section 2.1(a) shows the distribution of net assets as of June 30, 1988.

Section 2.1(b) shows the transactions of the plan's fund during FY88.

Section 2.1(c) develops the valuation assets as of June 30, 1988.

Section 2.2(a) shows the actuarial present values for Police and Fire members as of June 30, 1988.

Section 2.2(b) shows the actuarial present values for "Other" members as of June 30, 1988.

Section 2.3(a) develops the average employer contribution rate for Police and Fire members - FY91.

Section 2.3(b) develops the average employer contribution rate for "Other" members - FY91.

Section 2.3(c) develops the average employer contribution rate for all members - FY91.

Section 2.4(a) calculates the actuarial gain or loss for FY88.

Section 2.4(b) shows the individual sources of gain and loss.

Section 2.5 shows the contribution rates for the Fiscal Year 1991.

Section 2.6 compares the contribution rates between FY90 and FY91.

Section 2.7 shows the adjustment to the Retiree Reserve.

Section 2.8 shows financial projections.

Section 2.1(a)  
STATEMENT OF NET ASSETS AS OF JUNE 30, 1988 (in thousands)

	<u>Book Value</u>	<u>Actuarial Value*</u>
Cash	\$ 1,710	\$ 1,710
Short Term Interest Issues	23,432	23,432
United States Government Bonds	836,644	836,644
Corporate Bonds	228,916	228,916
Common Stock	537,368	556,880
Foreign Equities	77,847	138,421
Financial Futures	0	0
Real Estate Equities	131,681	140,802
Mortgages (Net of Reserves)	114,934	114,934
Accrued Receivables	<u>46,689</u>	<u>46,689</u>
Total Assets	\$1,999,221	\$2,088,428

\* The actuarial value of assets is the fair market value of equities and the book value of fixed income investments, as provided in the audited financial statements.

Section 2.1(b)

CHANGES IN NET ASSETS DURING FISCAL YEAR 1988 (in thousands)

(1) Net Assets, June 30, 1987 (market value)		\$2,010,196
(2) Receipts:		
Employee Contributions	\$ 66,732	
Employer Contributions	108,767	
Interest Income	132,381	
Dividend Income	23,381	
Unrealized Gain (Loss) on Investments	<u>(114,049)</u>	217,212
(3) Disbursements:		
Medical Benefits	\$ 11,376	
Retirement Benefits	73,964	
Refunds of Contributions	11,409	
Administrative Expenses	<u>6,964</u>	103,713
(4) Net Assets, June 30, 1988 (market value)		\$2,123,695

Approximate Investment Return  
Rate During the Year:

Based on Market Values	2.04%
Based on Valuation Assets	6.12%

Section 2.1(c)

DEVELOPMENT OF VALUATION ASSETS AS OF JUNE 30, 1988 (in thousands)

	<u>Actuarial Value</u>	<u>Book Value</u>	<u>Ratio (A/B)</u>
(1) June 30, 1988	\$2,088,428	\$1,999,221	1.0446
(2) June 30, 1987	1,961,836	1,774,732	1.1054
(3) June 30, 1986	1,650,342	1,532,579	1.0768
(4) Average Ratio			1.0756
(5) Book Value at June 30, 1988		\$1,999,221	
(6) Valuation Assets at June 30, 1988, (4) x (5) but not outside the range of book and actuarial values		\$2,088,428	

Section 2.2(a)  
 ACTUARIAL PRESENT VALUES AS OF JUNE 30, 1988  
 POLICE AND FIRE MEMBERS  
TOTAL SYSTEM (in thousands)

	<u>Normal Cost</u>	<u>Accrued Liability</u>
<u>Active Members</u>		
Retirement Benefits	\$12,364	\$131,345
Termination Benefits	923	8,004
Disability Benefits	262	5,978
Death Benefits	343	7,289
Return of Contributions	370	1,991
Medical Benefits	6,083	48,844
Indebtedness	0	(4,503)
Retiree Incentive Program Indebtedness	<u>0</u>	<u>(852)</u>
Subtotal	\$20,345	\$198,096
 <u>Inactive Members</u>		
Not Vested		\$ 357
Vested Terminations - Medical Benefits		2,751
- Retirement Benefits		2,820
Retirees & Beneficiaries - Medical Benefits		18,506
- Retirement Benefits		<u>102,104</u>
Subtotal		\$126,538
 <u>Totals</u>		 \$324,634



Section 2.2(b)  
 ACTUARIAL PRESENT VALUES AS OF JUNE 30, 1988  
 "OTHER" MEMBERS  
TOTAL SYSTEM (in thousands)

	<u>Normal Cost</u>	<u>Accrued Liability</u>
<u>Active Members</u>		
Retirement Benefits	\$40,079	\$ 387,634
Termination Benefits	12,836	107,937
Disability Benefits	883	9,677
Death Benefits	3,735	41,131
Return of Contributions	5,585	23,562
Medical Benefits	72,774	476,131
Indebtedness	0	(20,915)
Retiree Incentive Program Indebtedness	<u>0</u>	<u>(6,718)</u>
Subtotal	\$135,892	\$1,018,439
 <u>Inactive Members</u>		
Not Vested		\$ 6,154
Vested Terminations - Medical Benefits		59,937
- Retirement Benefits		49,323
Retirees & Beneficiaries - Medical Benefits		157,670
- Retirement Benefits		<u>630,426</u>
Subtotal		\$ 903,510
 <u>Totals</u>		 \$1,921,949

Section 2.3(a)  
DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY91  
FOR POLICE AND FIRE MEMBERS  
TOTAL SYSTEM (in thousands)

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Consolidated Rate

(1) Total Normal Cost	\$ 20,345
(2) Total Salaries	102,265
(3) Normal Cost Rate for Police & Fire Member, (1) / (2)	19.89%
(4) Member Contribution Rate (Police & Fire)	7.50%
(5) Consolidated Employer Contribution Rate For Police & Fire Members, (3) - (4)	12.39%

Past Service Rate

(1) Accrued Liability	\$324,634
(2) Valuation Assets	301,780
(3) Total Unfunded Liability, (1) - (2)	22,854
(4) Amortization Factor (25 years)	10.706612
(5) Past Service Cost, (3) / (4)	\$ 2,135
(6) Total Salaries	102,265
(7) Past Service Rate, (5) / (6)	2.09%

Total Employer Contribution Rate 14.48%

Section 2.3(b)  
 DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY91  
 FOR "OTHER" MEMBERS  
TOTAL SYSTEM (in thousands)

Consolidated Rate

(1) Total Normal Cost	\$135,892
(2) Total Salaries	806,098
(3) Normal Cost Rate for "Other" Members, (1) / (2)	16.86%
(4) Member Contribution Rate ("Others")	6.75%
(5) Consolidated Rate For Other Members, (3) - (4)	10.11%

Past Service Rate

(1) Accrued Liability	\$1,921,949
(2) Valuation Assets	1,786,648
(3) Total Unfunded Liability, (1) - (2)	135,301
(4) Amortization Factor (25 years)	10.706612
(5) Past Service Cost, (3) / (4)	\$ 12,637
(6) Total Salaries	\$ 806,098
(7) Past Service Rate, (5) / (6)	1.57%

Total Employer Contribution Rate

11.68%

Section 2.3(c)  
DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY91  
ALL MEMBERS  
TOTAL SYSTEM (in thousands)

Consolidated Rate

(1) Total Normal Cost	\$ 156,237
(2) Total Salaries	908,363
(3) Normal Cost Rate for All Members, (1) / (2)	17.20%
(4) Average Member Contribution Rate	6.83%
(5) Consolidated Rate, (3) - (4)	10.37%

Past Service Rate

(1) Accrued Liability	\$2,246,583
(2) Valuation Assets	2,088,428
(3) Total Unfunded Liability, (1) - (2)	158,155
(4) 25-Year Amortization Factor	10.706612
(5) Past Service Cost, (3) / (4)	\$ 14,772
(6) Total Salaries	908,363
(7) Past Service Rate, (5) / (6)	1.63%

Total Employer Contribution Rate 12.00%

Section 2.4(a)  
DEVELOPMENT OF ACTUARIAL GAIN/(LOSS) FOR FY88 (in thousands)

(1) Unfunded Liability, June 30, 1987	\$ 6,752
(2) Normal Cost for FY88	143,184
(3) Interest on (1) and (2) at 9%	13,494
(4) Employee Contributions for FY88	66,732
(5) Employer Contributions for FY88	108,767
(6) Interest on (4) and (5) at 9% for one-half year	7,897
(7) Expected Unfunded Liability, June 30, 1988, (1) + (2) + (3) - (4) - (5) - (6)	(19,966)
(8) Actual Unfunded Liability, June 30, 1988	158,155
(9) Actuarial Gain/(Loss) for the Year, (7) - (8)	\$(178,121)

Section 2.4(b)  
SOURCES OF ACTUARIAL GAIN/(LOSS) FOR FY88 (in thousands)

	<u>Police/Fire</u>	<u>Other</u>	<u>Total</u>
<u>Actuarial Gains</u>			
Salary Increases	\$ (68)	\$ 18,556	\$ 18,488
Miscellaneous	<u>3,113</u>	<u>5,237</u>	<u>8,350</u>
Total Actuarial Gains	\$ 3,045	\$ 23,793	\$ 26,838
 <u>Actuarial Losses</u>			
Investment	\$ 9,737	\$ 45,947	\$ 55,684
Retiree Medical Insurance	10,221	108,726	118,947
New Entrants	2,368	9,518	11,886
Mortality and Disability	302	14,734	15,036
Miscellaneous, including the RIP	<u>2,016</u>	<u>1,390</u>	<u>3,406</u>
Total Actuarial Losses	\$24,644	\$180,315	\$204,959
 Net Actuarial Gain/(Loss) for FY88	 \$(21,599)	 \$(156,522)	 \$(178,121)

Section 2.5  
 PERS CONTRIBUTION RATES FOR FISCAL YEAR 1991

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
 FOR FISCAL YEAR 1991

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
1 STATE OF ALASKA	753833292	590991544	162841748	479071276	10.37	3.17	13.54	
2 SOUTH WEST REGION SCHOOL DISTRICT	1671819	2091165	-419346	1827045	10.37	-5.41	4.96	
3 ANNETTE ISLAND SCHOOL DISTRICT	925498	846441	79057	529184	10.37	1.40	11.77	
4 BERING STRAITS SCHOOL DISTRICT	4447834	4247634	200200	4008491	10.37	0.47	10.84	
5 CHATHAM SCHOOL DISTRICT	623747	581348	42399	480697	10.37	0.82	11.19	
6 ALASKA MUNICIPAL LEAGUE	135563	420886	-285323	113152	10.37	-10.37	0.00	
7 VALDEZ, CITY OF	5192750	5606817	-414067	3657619	10.37	-2.67	7.70	
8 JUNEAU BOROUGH SCHOOL DISTRICT	4751989	4308136	443853	4033024	10.37	1.03	11.40	
9 MATANUSKA-SUSITNA BOROUGH	5019025	7957136	-2938111	3956077	10.37	0.16	10.53	1
10 MATANUSKA-SUSITNA SCHOOL	10753773	7609632	3144141	8444489	10.37	0.16	10.53	1
11 ANCHORAGE BOROUGH SCHOOL	60653589	50533759	10119830	40106371	10.37	2.36	12.73	
12 COPPER RIVER SCHOOL DISTRICT	942737	1085890	-143153	668883	10.37	-5.05	5.32	
13 UNIVERSITY OF ALASKA	80676957	91500699	-10823742	55451493	10.37	-3.87	6.50	3
14 HAINES, CITY OF	655002	1028659	-373657	684824	10.37	-10.37	0.00	
15 KENAI, CITY OF	6207449	7131430	-923981	3265224	10.37	-6.67	3.70	
16 NORTH STAR BOROUGH	11664855	17243308	-5578453	9229172	10.37	-7.82	2.55	4
17 NORTH STAR BOROUGH SCHOOL DISTRICT	19388405	21893809	-2505404	15141113	10.37	-7.82	2.55	4
18 RAILBELT SCHOOL DISTRICT	788440	1002025	-213585	621422	10.37	-8.11	2.26	
19 UNIVERSITY OF ALASKA - GEO.	4699322	3408873	1290449	2721649	10.37	-3.87	6.50	3
20 CITY AND BOROUGH OF SITKA	6065341	4526880	1538461	3631348	10.37	3.96	14.33	
21 CHUGACH REGIONAL SCHOOL DISTRICT	146829	213796	-66967	204629	10.37	-7.72	2.65	
22 GATEWAY BOROUGH	2473770	2454498	19272	1461748	10.37	0.12	10.49	
23 SOLDOTNA, CITY OF	2421133	1506869	914264	1474168	10.37	5.79	16.16	
24 IDITAROD AREA SCHOOL DISTRICT	2089611	2102279	-12668	1897457	10.37	-0.16	10.21	
25 KUSPUK SCHOOL DISTRICT	1665302	1874986	-209684	1143537	10.37	-4.32	6.05	

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEAR 1991

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
26 CITY AND BOROUGH OF JUNEAU	24695814	24994650	-298836	14859498	10.37	-0.47	9.90	
27 ALASKA STATE HOUSING AUTHORITY	3939973	2903265	1036708	3847189	10.37	2.52	12.89	
28 KODIAK, CITY OF	6708137	5933088	775049	3772340	10.37	1.92	12.29	
29 FAIRBANKS, CITY OF	22511151	8684686	13826465	9038167	10.37	4.93	15.30	5
30 FAIRBANKS PUBLIC UTILITIES	9439362	15102934	-5663572	6417078	10.37	4.93	15.30	5
31 WASILLA, CITY OF	570396	595563	-25167	564747	10.37	-1.05	9.32	
32 SKAGWAY, CITY OF	458288	615570	-157282	391734	10.37	-9.47	0.90	
33 SITKA, BOROUGH SCHOOLS	1593374	2010276	-416902	1166092	10.37	-8.43	1.94	
34 PALMER, CITY OF	2040732	1342163	698569	1628376	10.37	4.01	14.38	
35 WRANGELL, CITY OF	2723314	2414360	308954	1744106	10.37	1.65	12.02	
36 BETHEL, CITY OF	660811	958265	-297454	373227	10.37	-10.37	0.00	
37 VALDEZ CITY SCHOOLS	2037481	1916384	121097	1535347	10.37	0.74	11.11	
38 HOONAH CITY SCHOOLS	572169	318260	253909	317825	10.37	7.46	17.83	
39 NOME, CITY OF	2434913	2581420	-146507	1425638	10.37	-2.42	7.95	
40 KOTZEBUE, CITY OF	1463856	2624451	-1160595	2036949	10.37	-10.37	0.00	
41 GALENA CITY SCHOOLS	491635	709363	-217728	305254	10.37	-10.37	0.00	
42 KING COVE CITY SCHOOL DISTRICT	390001	427090	-37089	333665	10.37	-2.62	7.75	
43 PETERSBURG, CITY OF	3583549	2082527	1501022	2007659	10.37	3.25	13.62	6
44 BRISTOL BAY BOROUGH	961531	778524	183007	887275	10.37	1.93	12.30	
45 NORTH SLOPE BOROUGH	25866833	37533353	-11666520	33340654	10.37	-8.25	2.12	
46 WRANGELL SCHOOLS	581526	455696	125830	436514	10.37	2.69	13.06	
48 CORDOVA, CITY OF	2219771	1768353	451418	1294052	10.37	3.26	13.63	
49 NOME CITY SCHOOLS	1475609	1466558	9051	1041666	10.37	0.08	10.45	
51 KING COVE, CITY OF	404136	490411	-86275	439962	10.37	-4.63	5.74	
52 ALASKA HOUSING FINANCE CORPORATION	1452245	2083591	-631346	2302682	10.37	-6.47	3.90	



STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEAR 1991

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
53 LOWER YUKON SCHOOL DISTRICT	4870772	4511061	359711	4251021	10.37	0.79	11.16	
54 NORTHWEST ARCTIC SCHOOL DISTRICT	4710661	8191139	-3480478	5386319	10.37	-10.37	0.00	
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	723916	771960	-48044	382086	10.37	-2.97	7.40	
56 PRIBILOF REGION SCHOOL DISTRICT	544871	552892	-8021	356363	10.37	-0.53	9.84	
57 LOWER KUSKOKWIM SCHOOL DISTRICT	10511953	11285119	-773166	11643053	10.37	-1.57	8.80	
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	3994987	4628764	-633777	2913540	10.37	-5.13	5.24	
59 YUKON FLATS SCHOOL DISTRICT	894793	1678937	-784144	1266529	10.37	-10.37	0.00	
60 YUKON-KOYUKOK SCHOOL DISTRICT	1700107	2656901	-956794	1622183	10.37	-10.37	0.00	
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	6321893	6654390	-332497	6891287	10.37	-1.14	9.23	
62 ALEUTIAN REGION SCHOOL DISTRICT	380192	730502	-350310	358839	10.37	-10.37	0.00	
63 CORDOVA COMMUNITY HOSPITAL	1000772	1135593	-134821	925716	10.37	-3.44	6.93	
64 LAKE AND PENINSULA SCHOOL DISTRICT	1064862	1312163	-247301	1318785	10.37	-4.42	5.95	
65 SITKA COMMUNITY HOSPITAL	2002669	2517715	-515046	1828373	10.37	-6.64	3.73	
66 TANANA CITY SCHOOL DISTRICT	228809	182972	45837	198936	10.37	2.15	12.52	
67 SOUTH EAST REGIONAL RESOURCE CENTER	436916	670569	-233653	484447	10.37	-10.37	0.00	
68 HYDABURG CITY SCHOOLS	160188	152788	7400	225601	10.37	0.31	10.68	
69 TANANA, CITY OF	210048	309027	-98979	343026	10.37	-6.81	3.56	
70 NO. PACIFIC FISHERY MANAGEMENT COUNCIL	499614	711703	-212089	478648	10.37	-10.37	0.00	
71 BARROW, CITY OF	353691	450765	-97074	472350	10.37	-4.85	5.52	
72 ST. PAUL, CITY OF	636312	702691	-66379	1283222	10.37	-1.22	9.15	
73 ANCHORAGE, MUNICIPALITY OF	136734243	132672465	4061778	81164588	10.37	0.47	10.84	
74 KODIAK ISLAND BOROUGH	1999330	2215529	-216199	1810525	10.37	-2.82	7.55	
75 NOME JOINT UTILITIES	593787	1191795	-598008	489484	10.37	-10.37	0.00	
76 SAND POINT, CITY OF	267813	336293	-68480	473311	10.37	-3.41	6.96	
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	2252253	836853	1415400	2054593	10.37	6.43	16.80	

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEAR 1991

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
78 DILLINGHAM, CITY OF	836423	1161752	-325329	1280951	10.37	-5.99	4.38	
79 UNALASKA, CITY OF	1633621	3025931	-1392310	2310202	10.37	-10.37	0.00	
80 KENAI PENINSULA BOROUGH	7202989	6282077	920912	6261247	10.37	1.37	11.74	
81 KETCHIKAN, CITY OF	6522926	3376777	3146149	4437945	10.37	6.62	16.99	
82 SEWARD, CITY OF	3029641	3242928	-213287	2217533	10.37	-2.27	8.10	
83 FORT YUKON, CITY OF	152125	287030	-134905	86298	10.37	-10.37	0.00	
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	804885	618349	186536	420360	10.37	4.14	14.51	
85 CORDOVA PUBLIC SCHOOLS	775723	488567	287156	475320	10.37	5.64	16.01	
86 CRAIG, CITY OF	723204	500837	222367	575096	10.37	3.61	13.98	
87 PETERSBURG GENERAL HOSPITAL	911359	1236353	-324994	803206	10.37	3.25	13.62	6
88 SAND POINT CITY SCHOOL DISTRICT	79731	166050	-86319	97083	10.37	-10.37	0.00	
90 KENAI PENINSULA SCHOOL DISTRICT	10208255	6535027	3673228	7653863	10.37	4.48	14.85	
91 NORTH POLE, CITY OF	1195427	1342970	-147543	963000	10.37	-3.61	6.76	
92 GALENA, CITY OF	743963	874760	-130797	839897	10.37	-3.67	6.70	
93 NENANA, CITY OF	308832	420926	-112094	251039	10.37	-10.37	0.00	
94 HAINES BOROUGH	92729	90005	2724	85503	10.37	0.30	10.67	
96 NENANA CITY PUBLIC SCHOOLS	322986	317799	5187	207983	10.37	0.23	10.60	
A0 UNALAKLEET, CITY OF	89237	177428	-88191	42534	10.37	-10.37	0.00	
A1 SAXMAN, CITY OF	102422	77979	24443	56230	10.37	4.06	14.43	
A2 HOONAH, CITY OF	334752	403800	-69048	671339	10.37	-2.43	7.94	
A3 PELICAN, CITY OF	95091	60061	35030	91688	10.37	3.57	13.94	
A4 KAKE, CITY OF	0	233999	-233999	0	10.37	-10.37	0.00	
A5 WHITTIER, CITY OF	358928	341528	17400	476403	10.37	0.34	10.71	
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	202151	232063	-29912	532937	10.37	-1.32	9.05	
A7 CRAIG CITY SCHOOL DISTRICT	101592	48373	53219	72155	10.37	6.89	17.26	

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEAR 1991

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
A8 DILLINGHAM SCHOOL DISTRICT	941788	321984	619804	803344	10.37	7.21	17.58	
A9 THORNE BAY, CITY OF	78642	102005	-23363	269270	10.37	-2.05	8.32	
AB AKUTAN, CITY OF	72645	80940	-8295	132264	10.37	-1.48	8.89	
AC UNALASKA CITY SCHOOL DISTRICT	84971	127736	-42765	160100	10.37	-6.30	4.07	
AE KASHUNAMIUT SCHOOL DISTRICT	238522	195137	43385	433336	10.37	0.94	11.31	
AF SEWARD GENERAL HOSPITAL	1002382	640667	361715	849982	10.37	3.97	14.34	
B0 WAINWRIGHT, CITY OF	136846	55501	81345	154468	10.37	4.92	15.29	
B1 ST. MARY'S, CITY OF	127814	84681	43133	194040	10.37	2.08	12.45	
B2 HOMER, CITY OF	3325581	2607122	718459	2312904	10.37	2.90	13.27	
B3 RUBY, CITY OF	133347	42048	91299	95904	10.37	8.89	19.26	
B4 EMMONAK, CITY OF	291592	103336	188256	387438	10.37	4.54	14.91	
B5 SPECIAL EDUCATION SERVICE AGENCY	49211	39686	9525	166311	10.37	0.53	10.90	
B6 BARTLETT MEMORIAL HOSPITAL	2543294	2067379	475915	5202167	10.37	0.85	11.22	
B7 NORTHWEST ARTIC BOROUGH	116676	128211	-11535	333118	10.37	-0.82	9.55	
B8 ST. MARY'S SCHOOL DISTRICT	188629	283136	-94507	571715	10.37	-3.90	6.47	
B9 SELAWIK CITY COUNCIL	6135	148307	-142172	17730	10.37	-10.37	0.00	
BB BRISTOL BAY HOUSING AUTHORITY	103819	74501	29318	180519	10.37	1.52	11.89	
BC COPPER RIVER BASIN HOUSING AUTHORITY	62498	28347	34151	88172	10.37	3.62	13.99	
BD SKAGWAY CITY SCHOOL DISTRICT	145448	23751	121697	42758	10.37	26.58	36.95	
BE HOOPER BAY, CITY OF	24083	12390	11693	230042	10.37	0.47	10.84	
BF Klawock, CITY OF	191513	28283	163230	56965	10.37	26.76	37.13	
C0 PETERSBURG PUBLIC SCHOOLS	113445	125183	-11738	532760	10.37	3.25	13.62	6
C4 BRISTOL BAY COSTAL RESOURCE SERVICE AREA	12342	16763	-4421	32937	10.37	-3.17	7.20	
C5 ALEUTIANS EAST BOROUGH	0	30966	-30966	0	10.37	-10.37	0.00	
TERMINATED EMPLOYERS	790691	790691	0	0	0.00	0.00	0.00	
STATE & POLITICAL SUBDIVISION TOTALS	1337877000	1179722000	158155000	908112669	10.37	1.63	12.00	

Section 2.6

PERS CONTRIBUTION RATES FOR FISCAL YEARS 1990 & 1991

STATE OF ALASKA - F.E.R.S. UNIKIKIUM RATES  
FOR FISCAL YEARS 1990 & 1991

	FY90		FY91		CHANGE IN TOTAL RATE	
	CONSO RATE	PAST SRV RATE	CONSO RATE	PAST SRV RATE	TOTAL RATE	
1 STATE OF ALASKA	9.23	1.19	10.37	3.17	13.54	+ 3.12
2 SOUTH WEST REGION SCHOOL DISTRICT	9.23	-5.77	10.37	-5.41	4.96	+ 1.50
3 ANNETTE ISLAND SCHOOL DISTRICT	9.23	-0.19	10.37	1.40	11.77	+ 2.73
4 BERING STRAITS SCHOOL DISTRICT	9.23	-0.33	10.37	0.47	10.84	+ 1.94
5 CHATHAM SCHOOL DISTRICT	9.23	-5.83	10.37	0.82	11.19	+ 7.79
6 ALASKA MUNICIPAL LEAGUE	9.23	-9.23	10.37	-10.37	0.00	+ 0.00
7 VALDEZ, CITY OF	9.23	-3.82	10.37	-2.67	7.70	+ 2.29
8 JUNEAU BOROUGH SCHOOL DISTRICT	9.23	-2.27	10.37	1.03	11.40	+ 4.44
9 MATANUSKA-SUSITNA BOROUGH	9.23	-1.70	10.37	0.16	10.53	+ 3.00
10 MATANUSKA-SUSITNA SCHOOL	9.23	-1.70	10.37	0.16	10.53	+ 3.00
11 ANCHORAGE BOROUGH SCHOOL	9.23	0.44	10.37	2.36	12.73	+ 3.06
12 COPPER RIVER SCHOOL DISTRICT	9.23	-6.89	10.37	-5.05	5.32	+ 2.93
13 UNIVERSITY OF ALASKA	9.23	-6.07	10.37	-3.87	6.50	+ 3.34
14 HAINES, CITY OF	9.23	-8.03	10.37	-10.37	0.00	- 1.20
15 KENAI, CITY OF	9.23	-9.23	10.37	-6.67	3.70	+ 3.70
16 NORTH STAR BOROUGH	9.23	-8.72	10.37	-7.82	2.55	+ 2.04
17 NORTH STAR BOROUGH SCHOOL DISTRICT	9.23	-8.72	10.37	-7.82	2.55	+ 2.04
18 RAILBELT SCHOOL DISTRICT	9.23	-7.39	10.37	-8.11	2.26	+ 0.42
19 UNIVERSITY OF ALASKA - GEO.	9.23	-6.07	10.37	-3.87	6.50	+ 3.34
20 CITY AND BOROUGH OF SITKA	9.23	4.15	10.37	3.96	14.33	+ 0.95
21 CHUGACH REGIONAL SCHOOL DISTRICT	9.23	-3.83	10.37	-7.72	2.65	- 2.75
22 GATEWAY BOROUGH	9.23	0.26	10.37	0.12	10.49	+ 1.00
23 SOLDOTNA, CITY OF	9.23	5.70	10.37	5.79	16.16	+ 1.23
24 IDITAROD AREA SCHOOL DISTRICT	9.23	-4.06	10.37	-0.16	10.21	+ 5.04
25 KUSPUK SCHOOL DISTRICT	9.23	-4.58	10.37	-4.32	6.05	+ 1.40

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEARS 1990 & 1991

	FY90		FY91		CHANGE IN TOTAL RATE	
	CONSO RATE	PAST SRV RATE	CONSO RATE	PAST SRV RATE	TOTAL RATE	
	TOTAL RATE	TOTAL RATE	TOTAL RATE	TOTAL RATE		
26 CITY AND BOROUGH OF JUNEAU	9.23	-2.26	10.37	-0.47	9.90	+ 2.93
27 ALASKA STATE HOUSING AUTHORITY	9.23	2.92	10.37	2.52	12.89	+ 0.74
28 KODIAK, CITY OF	9.23	2.48	10.37	1.92	12.29	+ 0.58
29 FAIRBANKS, CITY OF	9.23	3.29	10.37	4.93	15.30	+ 2.78
30 FAIRBANKS PUBLIC UTILITIES	9.23	3.29	10.37	4.93	15.30	+ 2.78
31 WASILLA, CITY OF	9.23	-1.45	10.37	-1.05	9.32	+ 1.54
32 SKAGWAY, CITY OF	9.23	-7.97	10.37	-9.47	0.90	- 0.36
33 SITKA, BOROUGH SCHOOLS	9.23	-2.40	10.37	-8.43	1.94	- 4.89
34 PALMER, CITY OF	9.23	3.65	10.37	4.01	14.38	+ 1.50
35 WRANGELL, CITY OF	9.23	0.48	10.37	1.65	12.02	+ 2.31
36 BETHEL, CITY OF	9.23	-9.23	10.37	-10.37	0.00	+ 0.00
37 VALDEZ CITY SCHOOLS	9.23	-7.13	10.37	0.74	11.11	+ 9.01
38 HOONAH CITY SCHOOLS	9.23	9.51	10.37	7.46	17.83	- 0.91
39 NOME, CITY OF	9.23	0.10	10.37	-2.42	7.95	- 1.38
40 KOTZEBUE, CITY OF	9.23	-9.23	10.37	-10.37	0.00	+ 0.00
41 GALENA CITY SCHOOLS	9.23	-5.53	10.37	-10.37	0.00	- 3.70
42 KING COVE CITY SCHOOL DISTRICT	9.23	-6.36	10.37	-2.62	7.75	+ 4.88
43 PETERSBURG, CITY OF	9.23	4.33	10.37	3.25	13.62	+ 0.06
44 BRISTOL BAY BOROUGH	9.23	2.16	10.37	1.93	12.30	+ 0.91
45 NORTH SLOPE BOROUGH	9.23	-8.64	10.37	-8.25	2.12	+ 1.53
46 WRANGELL SCHOOLS	9.23	0.90	10.37	2.69	13.06	+ 2.93
48 CORDOVA, CITY OF	9.23	3.33	10.37	3.26	13.63	+ 1.07
49 NOME CITY SCHOOLS	9.23	0.13	10.37	0.08	10.45	+ 1.09
51 KING COVE, CITY OF	9.23	-8.35	10.37	-4.63	5.74	+ 4.86
52 ALASKA HOUSING FINANCE CORPORATION	9.23	-9.23	10.37	-6.47	3.90	+ 3.90

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES  
FOR FISCAL YEARS 1990 & 1991

	FY90		FY91		CHANGE IN TOTAL RATE	
	CONSO RATE	PAST SRV RATE	CONSO RATE	PAST SRV RATE	TOTAL RATE	
53 LOWER YUKON SCHOOL DISTRICT	9.23	0.78	10.01	0.79	11.16	+ 1.15
54 NORTHWEST ARCTIC SCHOOL DISTRICT	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	9.23	-2.83	6.40	-2.97	7.40	+ 1.00
56 PRIBILOF REGION SCHOOL DISTRICT	9.23	-9.23	0.00	-0.53	9.84	+ 9.84
57 LOWER KUSKOKWIM SCHOOL DISTRICT	9.23	-4.84	4.39	-1.57	8.80	+ 4.41
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	9.23	-4.96	4.27	-5.13	5.24	+ 0.97
59 YUKON FLATS SCHOOL DISTRICT	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
60 YUKON-KOYUKOK SCHOOL DISTRICT	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	9.23	-3.83	5.40	-1.14	9.23	+ 3.83
62 ALEUTIAN REGION SCHOOL DISTRICT	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
63 CORDOVA COMMUNITY HOSPITAL	9.23	-5.06	4.17	-3.44	6.93	+ 2.76
64 LAKE AND PENINSULA SCHOOL DISTRICT	9.23	-3.83	5.40	-4.42	5.95	+ 0.55
65 SITKA COMMUNITY HOSPITAL	9.23	-9.23	0.00	-6.64	3.73	+ 3.73
66 TANANA CITY SCHOOL DISTRICT	9.23	0.60	9.83	2.15	12.52	+ 2.69
67 SOUTH EAST REGIONAL RESOURCE CENTER	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
68 HYDABURG CITY SCHOOLS	9.23	-5.04	4.19	0.31	10.68	+ 6.49
69 TANANA, CITY OF	9.23	-9.23	0.00	-6.81	3.56	+ 3.56
70 NO. PACIFIC FISHERY MANAGEMENT COUNCIL	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
71 BARROW, CITY OF	9.23	-5.51	3.72	-4.85	5.52	+ 1.80
72 ST. PAUL, CITY OF	9.23	-2.19	7.04	-1.22	9.15	+ 2.11
73 ANCHORAGE, MUNICIPALITY OF	9.23	0.36	9.59	0.47	10.84	+ 1.25
74 KODIAK ISLAND BOROUGH	9.23	-3.89	5.34	-2.82	7.55	+ 2.21
75 NOME JOINT UTILITIES	9.23	-9.23	0.00	-10.37	0.00	+ 0.00
76 SAND POINT, CITY OF	9.23	-8.00	1.23	-3.41	6.96	+ 5.73
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	9.23	5.90	15.13	6.43	16.80	+ 1.67

STATE OF ALASKA - F.E.R.S. DISTRIBUTION RATES  
FOR FISCAL YEARS 1990 & 1991

	FY90		FY91		CHANGE IN TOTAL RATE	
	CONSO RATE	PAST SRV RATE	TOTAL RATE	CONSO RATE	PAST SRV RATE	TOTAL RATE
78 DILLINGHAM, CITY OF	9.23	-7.00	2.23	10.37	-5.99	4.38
79 UNALASKA, CITY OF	9.23	-9.23	0.00	10.37	-10.37	0.00
80 KENAI PENINSULA BOROUGH	9.23	0.41	9.64	10.37	1.37	11.74
81 KETCHIKAN, CITY OF	9.23	4.73	13.96	10.37	6.62	16.99
82 SEWARD, CITY OF	9.23	-6.09	3.14	10.37	-2.27	8.10
83 FORT YUKON, CITY OF	9.23	-9.23	0.00	10.37	-10.37	0.00
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	9.23	4.83	14.06	10.37	4.14	14.51
85 CORDOVA PUBLIC SCHOOLS	9.23	4.49	13.72	10.37	5.64	16.01
86 CRAIG, CITY OF	9.23	-4.31	4.92	10.37	3.61	13.98
87 PETERSBURG GENERAL HOSPITAL	9.23	4.33	13.56	10.37	3.25	13.62
88 SAND POINT CITY SCHOOL DISTRICT	9.23	-7.13	2.10	10.37	-10.37	0.00
90 KENAI PENINSULA SCHOOL DISTRICT	9.23	3.92	13.15	10.37	4.48	14.85
91 NORTH POLE, CITY OF	9.23	0.65	9.88	10.37	-3.61	6.76
92 GALENA, CITY OF	9.23	-3.27	5.96	10.37	-3.67	6.70
93 NENANA, CITY OF	9.23	-9.23	0.00	10.37	-10.37	0.00
94 HAINES BOROUGH	9.23	0.33	9.56	10.37	0.30	10.67
96 NENANA CITY PUBLIC SCHOOLS	9.23	-1.94	7.29	10.37	0.23	10.60
A0 UNALAKLEET, CITY OF	9.23	-2.04	7.19	10.37	-10.37	0.00
A1 SAXMAN, CITY OF	9.23	1.58	10.81	10.37	4.06	14.43
A2 HOONAH, CITY OF	9.23	-3.12	6.11	10.37	-2.43	7.94
A3 FELICAN, CITY OF	9.23	1.77	11.00	10.37	3.57	13.94
A4 KAKE, CITY OF	9.23	-9.23	0.00	10.37	-10.37	0.00
A5 WHITTIER, CITY OF	9.23	-1.60	7.63	10.37	0.34	10.71
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	9.23	-2.65	6.58	10.37	-1.32	9.05
A7 CRAIG CITY SCHOOL DISTRICT	9.23	8.60	17.83	10.37	6.89	17.26

STATE OF ALASKA - F.E.R.S. DISTRIBUTION ARTICLES  
FOR FISCAL YEARS 1990 & 1991

	FY90		FY91		CHANGE IN TOTAL RATE	
	CONSO RATE	PAST SRV RATE	CONSO RATE	PAST SRV RATE	TOTAL RATE	
AB DILLINGHAM SCHOOL DISTRICT	9.23	7.51	10.37	7.21	17.58	+ 0.84
AP THORNE BAY, CITY OF	9.23	-2.29	10.37	-2.05	8.32	+ 1.38
AB AKUTAN, CITY OF	9.23	-6.86	10.37	-1.48	8.89	+ 6.52
AC UNALASKA CITY SCHOOL DISTRICT	9.23	-6.21	10.37	-6.30	4.07	+ 1.05
AE KASHUNAMIUT SCHOOL DISTRICT	9.23	-0.38	10.37	0.94	11.31	+ 2.46
AF SEWARD GENERAL HOSPITAL	9.23	11.36	10.37	3.97	14.34	- 6.25
B0 WAINWRIGHT, CITY OF	9.23	1.30	10.37	4.92	15.29	+ 4.76
B1 ST. MARY'S, CITY OF	9.23	6.76	10.37	2.08	12.45	- 3.54
B2 HOMER, CITY OF	9.23	0.94	10.37	2.90	13.27	+ 3.10
B3 RUBY, CITY OF	9.23	9.48	10.37	8.89	19.26	+ 0.55
B4 EMMONAK, CITY OF	9.23	10.80	10.37	4.54	14.91	- 5.12
B5 SPECIAL EDUCATION SERVICE AGENCY	9.23	0.43	10.37	0.53	10.90	+ 1.24
B6 BARTLETT MEMORIAL HOSPITAL	9.23	-6.09	10.37	0.85	11.22	+ 8.08
B7 NORTHWEST ARTIC BOROUGH	9.23	-3.49	10.37	-0.82	9.55	+ 3.81
B8 ST. MARY'S SCHOOL DISTRICT	9.23	-3.24	10.37	-3.90	6.47	+ 0.48
B9 SELAWIK CITY COUNCIL	9.23	-0.11	10.37	-10.37	0.00	- 9.12
BB BRISTOL BAY HOUSING AUTHORITY	9.23	2.40	10.37	1.52	11.89	+ 0.26
BC COPPER RIVER BASIN HOUSING AUTHORITY	9.23	4.81	10.37	3.62	13.99	- 0.05
BD SKAGWAY CITY SCHOOL DISTRICT	9.23	8.05	10.37	26.58	36.95	+19.67
BE HOOPER BAY, CITY OF	9.23	-9.23	10.37	0.47	10.84	+10.84
BF KLAWOCK, CITY OF	9.23	8.70	10.37	26.76	37.13	+19.20
C0 PETERSBURG PUBLIC SCHOOLS	9.23	4.33	10.37	3.25	13.62	+ 0.06
C4 BRISTOL BAY COSTAL RESOURCE SERVICE AREA	9.23	2.38	10.37	-3.17	7.20	- 4.41
C5 ALEUTIANS EAST BOROUGH	9.23	-9.23	10.37	-10.37	0.00	0.00
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STATE & POLITICAL SUBDIVISION TOTALS	9.23	0.31	10.37	1.63	12.00	+ 2.46



Section 2.7  
ADJUSTMENT TO RETIREE RESERVE AS OF JUNE 30, 1988

S T A T E O F A L A S K A - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
1 STATE OF ALASKA	462497946.	134695854.	-35495238.	561698562.
2 SOUTH WEST REGION SCHOOL DISTRICT	278397.	375331.	-38855.	614873.
3 ANNETTE ISLAND SCHOOL DISTRICT	125355.	-32307.	-5530.	87518.
4 BERING STRAITS SCHOOL DISTRICT	387682.	272343.	-39230.	620795.
5 CHATHAM SCHOOL DISTRICT	0.	87058.	-5174.	81884.
6 ALASKA MUNICIPAL LEAGUE	390477.	12877.	-23974.	379380.
7 VALDEZ, CITY OF	1348801.	704336.	-122032.	1931105.
8 JUNEAU BOROUGH SCHOOL DISTRICT	3043742.	1946545.	-296606.	4693681.
9 MATANUSKA-SUSITNA BOROUGH	1915400.	1398467.	-196965.	3116902.
10 MATANUSKA-SUSITNA SCHOOL	3173336.	1942430.	-304064.	4811702.
11 ANCHORAGE BOROUGH SCHOOL	42100411.	17816531.	-3561266.	56355676.
12 COPPER RIVER SCHOOL DISTRICT	186451.	181302.	-21858.	345895.
13 UNIVERSITY OF ALASKA	27124109.	14869164.	-2495942.	39497331.
14 HAINES, CITY OF	201052.	354990.	-33049.	522993.
15 KENAI, CITY OF	772753.	100609.	-51910.	821452.
16 NORTH STAR BOROUGH	2863791.	473226.	-198341.	3138676.
17 NORTH STAR BOROUGH SCHOOL DISTRICT	6116823.	4076525.	-605859.	9587489.
18 RAILBELT SCHOOL DISTRICT	163300.	8924.	-10236.	161988.
19 UNIVERSITY OF ALASKA - GEO.	3194869.	1832000.	-298781.	4728088.
20 CITY AND BOROUGH OF SITKA	4154833.	463909.	-274523.	4344219.
21 CHUGACH REGIONAL SCHOOL DISTRICT	12839.	-2609.	-608.	9622.
22 GATEWAY BOROUGH	807926.	291885.	-65369.	1034442.
23 SOLDOTNA, CITY OF	297318.	469728.	-45591.	721455.
24 IDITAROD AREA SCHOOL DISTRICT	0.	39488.	-2347.	37141.

S T A T E O F A L A S K A - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
25 KUSFUK SCHOOL DISTRICT	33023.	-3043.	-1782.	28198.
26 CITY AND BOROUGH OF JUNEAU	14164669.	4028510.	-1081343.	17111836.
27 ALASKA STATE HOUSING AUTHORITY	1154523.	1607841.	-164186.	2598178.
28 KODIAK, CITY OF	4012178.	417728.	-263299.	4166607.
29 FAIRBANKS, CITY OF	15646907.	9650510.	-1503595.	23793822.
30 FAIRBANKS PUBLIC UTILITIES	6457739.	592720.	-419056.	6631403.
31 WASILLA, CITY OF	0.	0.	0.	0.
32 SKAGWAY, CITY OF	253771.	116491.	-22007.	348255.
33 SITKA, BOROUGH SCHOOLS	937728.	1556678.	-148259.	2346147.
34 PALMER, CITY OF	702254.	648654.	-80294.	1270614.
35 WRANGELL, CITY OF	848888.	466716.	-78195.	1237409.
36 BETHEL, CITY OF	0.	20093.	-1194.	18899.
37 VALDEZ CITY SCHOOLS	782743.	17850.	-47585.	753008.
38 HOONAH CITY SCHOOLS	717519.	137321.	-50809.	804031.
39 NOME, CITY OF	585872.	-90153.	-29464.	466255.
40 KOTZEBUE, CITY OF	113488.	60761.	-10357.	163892.
41 GALENA CITY SCHOOLS	0.	189200.	-11245.	177955.
42 KING COVE CITY SCHOOL DISTRICT	13655.	1417.	-896.	14176.
43 PETERSBURG, CITY OF	2046117.	666660.	-161239.	2551538.
44 BRISTOL BAY BOROUGH	271350.	188056.	-27306.	432100.
45 NORTH SLOPE BOROUGH	2615124.	3429031.	-359245.	5684910.
46 WRANGELL SCHOOLS	223478.	29519.	-15037.	237960.
48 CORDOVA, CITY OF	1147515.	-103451.	-62056.	982008.
49 NOME CITY SCHOOLS	632715.	-6955.	-37193.	588567.

S T A T E O F A L A S K A - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
51 KING COVE, CITY OF	75083.	22161.	-5780.	91464.
52 ALASKA HOUSING FINANCE CORPORATION	192026.	13261.	-12202.	193085.
53 LOWER YUKON SCHOOL DISTRICT	695519.	417213.	-66137.	1046595.
54 NORTHWEST ARCTIC SCHOOL DISTRICT	432050.	1349772.	-105906.	1675916.
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	940.	19520.	-1216.	19244.
56 PRIBILOF REGION SCHOOL DISTRICT	62310.	18287.	-4790.	75807.
57 LOWER KUSKOKWIM SCHOOL DISTRICT	433177.	1391735.	-108467.	1716445.
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	1033239.	1606034.	-156870.	2482403.
59 YUKON FLATS SCHOOL DISTRICT	143826.	-1811.	-8441.	133574.
60 YUKON-KOYUKOK SCHOOL DISTRICT	0.	89051.	-5293.	83758.
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	1557121.	1643299.	-190222.	3010198.
62 ALEUTIAN REGION SCHOOL DISTRICT	0.	28266.	-1680.	26586.
63 CORDOVA COMMUNITY HOSPITAL	290884.	4994.	-17586.	278292.
64 LAKE AND PENINSULA SCHOOL DISTRICT	226493.	152985.	-22555.	356923.
65 SITKA COMMUNITY HOSPITAL	224075.	203055.	-25387.	401743.
66 TANANA CITY SCHOOL DISTRICT	0.	0.	0.	0.
67 SOUTH EAST REGIONAL RESOURCE CENTER	7305.	211041.	-12978.	205368.
68 HYDABURG CITY SCHOOLS	0.	0.	0.	0.
69 TANANA, CITY OF	0.	0.	0.	0.
70 NO. PACIFIC FISHERY MANAGEMENT COUNCIL	0.	253038.	-15040.	237998.
71 BARROW, CITY OF	0.	0.	0.	0.
72 ST. PAUL, CITY OF	0.	0.	0.	0.
73 ANCHORAGE, MUNICIPALITY OF	64177529.	17456535.	-4852061.	76782003.
74 KODIAK ISLAND BOROUGH	380985.	342428.	-42997.	680416.

STATE OF ALASKA - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
75 NOME JOINT UTILITIES	175614.	-1573.	-10344.	163697.
76 SAND POINT, CITY OF	125246.	1561.	-7537.	119270.
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	513430.	268133.	-46454.	735109.
78 DILLINGHAM, CITY OF	217806.	44171.	-15571.	246406.
79 UNALASKA, CITY OF	177642.	3853.	-10787.	170708.
80 KENAI PENINSULA BOROUGH	2814013.	3153701.	-354701.	5613013.
81 KETCHIKAN, CITY OF	5606205.	2526533.	-483383.	7649355.
82 SEWARD, CITY OF	635614.	712413.	-80122.	1267905.
83 FORT YUKON, CITY OF	0.	0.	0.	0.
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	161385.	175659.	-20033.	317011.
85 CORDOVA PUBLIC SCHOOLS	211879.	393668.	-35992.	569555.
86 CRAIG, CITY OF	0.	43267.	-2572.	40695.
87 PETERSBURG GENERAL HOSPITAL	204639.	16285.	-13131.	207793.
88 SAND FOINT CITY SCHOOL DISTRICT	0.	170238.	-10118.	160120.
90 KENAI PENINSULA SCHOOL DISTRICT	3265658.	1698303.	-295042.	4668919.
91 NORTH POLE, CITY OF	42814.	43186.	-5112.	80888.
92 GALENA, CITY OF	6338.	966.	-434.	6870.
93 NENANA, CITY OF	0.	0.	0.	0.
94 HAINES BOROUGH	16920.	1148.	-1074.	16994.
96 NENANA CITY PUBLIC SCHOOLS	0.	80721.	-4798.	75923.
A0 UNALAKLEET, CITY OF	42295.	7047.	-2933.	46409.
A1 SAXMAN, CITY OF	0.	0.	0.	0.
A2 HOONAH, CITY OF	0.	0.	0.	0.
A3 PELICAN, CITY OF	0.	0.	0.	0.

STATE OF ALASKA - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
A4 KAKE, CITY OF	146168.	-146168.	0.	0.
A5 WHITTIER, CITY OF	37787.	10977.	-2898.	45866.
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	0.	0.	0.	0.
A7 CRAIG CITY SCHOOL DISTRICT	0.	0.	0.	0.
A8 DILLINGHAM SCHOOL DISTRICT	159584.	22377.	-10815.	171146.
A9 THORNE BAY, CITY OF	0.	0.	0.	0.
AB AKUTAN, CITY OF	0.	0.	0.	0.
AC UNALASKA CITY SCHOOL DISTRICT	0.	0.	0.	0.
AE KASHUNAMIUT SCHOOL DISTRICT	0.	0.	0.	0.
AF SEWARD GENERAL HOSPITAL	141694.	1003329.	-68056.	1076967.
B0 WAINWRIGHT, CITY OF	0.	0.	0.	0.
B1 ST. MARY'S, CITY OF	0.	0.	0.	0.
B2 HOMER, CITY OF	0.	0.	0.	0.
B3 RUBY, CITY OF	0.	0.	0.	0.
B4 EMMONAK, CITY OF	0.	0.	0.	0.
B5 SPECIAL EDUCATION SERVICE AGENCY	0.	0.	0.	0.
B6 BARTLETT MEMORIAL HOSPITAL	0.	307338.	-18267.	289071.
B7 NORTHWEST ARTIC BOROUGH	0.	0.	0.	0.
B8 ST. MARY'S SCHOOL DISTRICT	0.	54222.	-3223.	50999.
B9 SELAWIK CITY COUNCIL	0.	0.	0.	0.
BB BRISTOL BAY HOUSING AUTHORITY	0.	0.	0.	0.
BC COPPER RIVER BASIN HOUSING AUTHORITY	0.	0.	0.	0.
BD SKAGWAY CITY SCHOOL DISTRICT	0.	0.	0.	0.
BE HOOPER BAY, CITY OF	0.	0.	0.	0.

STATE OF ALASKA - P. E. R. S.

ADJUSTMENT TO RETIREE RESERVE  
AS OF JUNE 30, 1988

	RETIREE RESERVE 6-30-87	NET CHANGE IN RESERVE BY 6-30-88	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-88
BF KLAWOCK, CITY OF	0.	0.	0.	0.
C0 PETERSBURG PUBLIC SCHOOLS	0.	0.	0.	0.
C4 BRISTOL BAY COSTAL RESOURCE SERVICE AREA	0.	0.	0.	0.
C5 ALEUTIANS EAST BOROUGH	0.	62.	-4.	58.
UNALLOCATED RESERVES	579300.	23087493.	0.	23666773.
STATE & POLITICAL SUBDIVISION TOTALS	699733460.	264900534.	-55927999.	908705995.

Section 2.8  
FINANCIAL PROJECTIONS

State of Alaska PERS  
Financial Projections ('000 omitted)

As of June 30	Investment Return		9.00%	Accrued Surplus*		Flow Amounts During Following		12 Months		Ending Asset Valuation
	Assets	Liability		Salaries	Employer Contribs	Total Contribs	Benefit Payments	Net Contribs	Investment Earnings	
1988	2,088,428	2,246,583	(158,155)	945,136	128,539	64,553	193,092	97,859	95,233	2,384,364
1989	2,384,364	2,511,963	(127,599)	1,002,222	126,601	68,452	195,053	106,870	88,183	2,700,764
1990	2,700,764	2,801,804	(101,039)	1,062,756	123,924	72,586	196,510	116,504	80,006	3,038,378
1991	3,038,378	3,118,259	(79,881)	1,126,946	122,858	76,970	199,829	125,883	73,946	3,401,411
1992	3,401,411	3,464,631	(63,221)	1,195,014	125,211	81,619	206,831	135,955	70,875	3,795,378
1993	3,795,378	3,843,567	(48,189)	1,267,193	128,328	86,549	214,877	148,046	66,832	4,222,172
1994	4,222,172	4,256,607	(34,435)	1,343,731	132,148	91,777	223,925	160,809	63,116	4,685,224
1995	4,685,224	4,706,881	(21,658)	1,424,893	136,626	97,320	233,946	175,544	58,402	5,186,899
1996	5,186,899	5,196,490	(9,591)	1,510,956	141,724	103,198	244,922	191,787	53,135	5,730,253
1997	5,730,253	5,728,256	1,997	1,602,218	147,698	109,431	257,130	209,342	47,788	6,319,122
1998	6,319,122	6,305,512	13,610	1,698,992	155,546	116,041	271,587	228,844	42,743	6,958,102
1999	6,958,102	6,931,281	26,820	1,801,611	163,784	123,050	286,834	247,363	39,471	7,653,758
2000	7,653,758	7,611,981	41,776	1,910,428	172,431	130,482	302,913	269,379	33,534	8,408,636
2001	8,408,636	8,349,986	58,650	2,025,818	181,505	138,363	319,869	293,243	26,625	9,227,292
2002	9,227,292	9,149,673	77,619	2,148,178	191,027	146,721	337,748	318,446	19,302	10,115,290
2003	10,115,290	10,016,415	98,874	2,277,928	201,018	155,582	356,601	344,013	12,587	11,079,787

\* Surpluses reduce employer contributions over 5 years  
\* Deficits increase employer contributions over 25 years

PERCENTAGE RATIO RELATIONSHIPS OF ABOVE DATA

As of June 30	Funding Ratio		As % of Salaries		As % of Assets	
	Assets	Liability	Employer Contribs	Employee Contribs	Total Contribs	Net Contribs
1988	93.0	93.0	13.60%	6.83%	20.43%	4.27%
1989	94.9	94.9	12.63%	6.83%	19.46%	3.48%
1990	96.4	96.4	11.66%	6.83%	18.49%	2.80%
1991	97.4	97.4	10.90%	6.83%	17.73%	2.30%
1992	98.2	98.2	10.48%	6.83%	17.31%	1.97%
1993	98.7	98.7	10.13%	6.83%	16.96%	1.67%
1994	99.2	99.2	9.83%	6.83%	16.66%	1.42%
1995	99.5	99.5	9.59%	6.83%	16.42%	1.19%
1996	99.8	99.8	9.38%	6.83%	16.21%	0.98%
1997	100.0	100.0	9.22%	6.83%	16.05%	0.79%
1998	100.2	100.2	9.16%	6.83%	15.99%	0.55%
1999	100.4	100.4	9.09%	6.83%	15.92%	0.30%
2000	100.5	100.5	9.03%	6.83%	15.86%	0.00%
2001	100.7	100.7	8.96%	6.83%	15.79%	0.00%
2002	100.8	100.8	8.89%	6.83%	15.72%	0.00%

State of Alaska PERS  
Financial Projections ('000 omitted)

As of June 30	Investment Return		10.00%		Salary Increases		6.04% (6.5/5.5 assumed)		Ending Asset Valuation	
	Assets	Liability	Accrued Surplus*	Surplus* (Deficit)	Total Contribs	During Following Benefit Payments	12 Months Net Contribs	Investment Earnings		
1988	2,088,428	2,246,583	(158,155)	945,136	128,539	64,553	193,092	97,859	224,047	2,407,708
1989	2,407,708	2,511,963	(104,255)	1,002,222	121,095	68,452	189,547	106,870	256,943	2,747,328
1990	2,747,328	2,801,804	(54,475)	1,062,756	112,941	72,586	185,527	116,504	291,921	3,108,273
1991	3,108,273	3,118,259	(9,987)	1,126,946	106,373	76,970	183,343	125,883	329,242	3,494,974
1992	3,494,974	3,464,631	30,343	1,195,014	107,466	81,619	189,085	135,955	369,629	3,917,733
1993	3,917,733	3,883,567	74,166	1,267,193	110,035	86,549	196,584	148,046	48,539	4,380,060
1994	4,380,060	4,256,607	123,453	1,343,731	112,496	91,777	204,273	160,809	43,464	4,885,604
1995	4,885,604	4,706,881	178,722	1,424,893	114,826	97,320	212,146	175,544	36,602	5,437,024
1996	5,437,024	5,196,490	240,533	1,510,956	116,996	103,198	220,195	191,787	28,408	6,037,739
1997	6,037,739	5,728,256	309,483	1,602,218	118,980	109,431	228,411	209,342	19,070	6,691,725
1998	6,691,725	6,305,512	386,213	1,698,992	120,746	116,041	236,787	228,844	7,943	7,402,696
1999	7,402,696	6,931,281	471,415	1,801,611	122,260	123,050	245,310	247,363	(2,053)	8,177,824
2000	8,177,824	7,611,981	565,842	1,910,428	123,485	130,482	253,967	269,379	(15,412)	9,020,312
2001	9,020,312	8,349,986	670,326	2,025,818	124,377	138,363	262,740	293,243	(30,503)	9,935,417
2002	9,935,417	9,149,673	785,743	2,148,178	124,891	146,721	271,611	318,446	(46,834)	10,929,459
2003	10,929,459	10,016,415	913,044	2,277,928	124,977	155,582	280,560	344,013	(63,454)	12,010,426

\* Surpluses reduce employer contributions over 5 years  
\* Deficits increase employer contributions over 25 years

PERCENTAGE RATIO RELATIONSHIPS OF ABOVE DATA

As of June 30	Funding Ratio		As % of Salaries		As % of Assets	
	Assets	Liability	Employer Contribs	Employee Contribs	Total Contribs	Net Contribs
1988	93.0	95.8	13.60%	6.83%	20.43%	4.25%
1989	95.8	98.1	12.08%	6.83%	18.91%	3.22%
1990	98.1	99.7	10.63%	6.83%	17.46%	2.36%
1991	99.7	100.9	9.44%	6.83%	16.27%	1.75%
1992	100.9	101.9	8.99%	6.83%	15.82%	1.44%
1993	101.9	102.9	8.68%	6.83%	15.51%	1.17%
1994	102.9	103.8	8.37%	6.83%	15.20%	0.94%
1995	103.8	104.6	8.06%	6.83%	14.89%	0.71%
1996	104.6	105.4	7.74%	6.83%	14.57%	0.50%
1997	105.4	106.1	7.43%	6.83%	14.26%	0.30%
1998	106.1	106.8	7.11%	6.83%	13.94%	0.11%
1999	106.8	107.4	6.79%	6.83%	13.62%	-0.03%
2000	107.4	108.0	6.46%	6.83%	13.29%	-0.18%
2001	108.0	108.6	6.14%	6.83%	12.97%	-0.32%
2002	108.6		5.81%	6.83%	12.64%	-0.45%



State of Alaska PERS  
Financial Projections ('000 omitted)

As of June 30	Investment Return		9.00%		Salary Increases		5.04% (5.5/4.5 assumed)		Ending Asset Valuation			
	Assets	Liability	Accrued Surplus*	(Deficit)	Total Salaries	Employer Contribs	During Total Contribs	Following Benefit Payments				
1988	2,088,428	2,246,583	(158,155)		936,223	127,717	63,944	191,661	97,502	94,159	200,654	2,383,240
1989	2,383,240	2,497,668	(114,428)		983,408	121,758	67,167	188,925	106,061	82,864	227,873	2,693,977
1990	2,693,977	2,770,007	(76,030)		1,032,972	115,276	70,552	185,828	115,134	70,694	256,550	3,021,221
1991	3,021,221	3,065,357	(44,136)		1,085,034	110,559	74,108	184,666	123,829	60,837	286,884	3,368,942
1992	3,368,942	3,386,586	(17,645)		1,139,719	109,358	77,843	187,201	133,080	54,121	319,284	3,742,347
1993	3,742,347	3,735,867	6,480		1,197,161	109,893	81,766	191,659	144,194	47,465	354,104	4,143,915
1994	4,143,915	4,114,220	29,696		1,257,498	113,294	85,887	199,181	155,808	43,373	391,687	4,578,975
1995	4,578,975	4,524,205	54,770		1,320,876	116,802	90,216	207,017	169,199	37,818	432,354	5,049,148
1996	5,049,148	4,967,303	81,845		1,387,448	120,417	94,763	215,180	183,882	31,298	476,281	5,556,726
1997	5,556,726	5,445,658	111,069		1,457,376	124,142	99,539	232,681	199,637	24,044	523,692	6,104,462
1998	6,104,462	5,961,862	142,600		1,530,827	127,977	104,556	232,532	217,073	15,460	574,820	6,694,743
1999	6,694,743	6,518,135	176,608		1,607,981	131,922	109,825	241,747	233,228	8,519	630,024	7,333,285
2000	7,333,285	7,120,015	213,270		1,689,023	135,978	115,360	251,338	252,553	(1,214)	689,641	8,021,712
2001	8,021,712	7,768,923	252,789		1,774,150	140,144	121,174	261,319	273,361	(23,406)	753,900	8,763,570
2002	8,763,570	8,468,197	295,372		1,863,567	144,420	127,282	271,702	295,108	(34,274)	823,160	9,563,325
2003	9,563,325	9,222,083	341,242		1,957,491	148,806	133,697	282,502	316,776		897,888	10,426,939

\* Surpluses reduce employer contributions over 5 years  
\* Deficits increase employer contributions over 25 years

PERCENTAGE RATIO RELATIONSHIPS OF ABOVE DATA

As of June 30	Funding Ratio		As % of Salaries		Total Benefit Payments		As % of Assets	
	Ratio		Employer Contribs	Employee Contribs	Contribs	Payments	Net Contribs	Investment Earnings
1988	93.0		13.64%	6.83%	20.47%	10.41%	4.22%	9.00%
1989	95.4		12.38%	6.83%	19.21%	10.79%	3.27%	9.00%
1990	97.3		11.16%	6.83%	17.99%	11.15%	2.48%	9.00%
1991	98.6		10.19%	6.83%	17.02%	11.41%	1.91%	9.00%
1992	99.5		9.60%	6.83%	16.43%	11.68%	1.53%	9.00%
1993	100.2		9.18%	6.83%	16.01%	12.04%	1.21%	9.00%
1994	100.7		9.01%	6.83%	15.84%	12.39%	1.00%	9.00%
1995	101.2		8.84%	6.83%	15.67%	12.81%	0.79%	9.00%
1996	101.6		8.68%	6.83%	15.51%	13.25%	0.59%	9.00%
1997	102.0		8.52%	6.83%	15.35%	13.70%	0.41%	9.00%
1998	102.4		8.36%	6.83%	15.19%	14.18%	0.24%	9.00%
1999	102.7		8.20%	6.83%	15.03%	14.50%	0.12%	9.00%
2000	103.0		8.05%	6.83%	14.88%	14.95%	-0.02%	9.00%
2001	103.3		7.90%	6.83%	14.73%	15.41%	-0.14%	9.00%
2002	103.5		7.75%	6.83%	14.58%	15.84%	-0.26%	9.00%

State of Alaska PERS  
Financial Projections ('000 omitted)

As of June 30	Investment Return		10.00%		Salary Increases		5.04% (5.5/4.5 assumed)		Ending Asset Valuation			
	Assets	Liability	Accrued Liability	Surplus* (Deficit)	Total Salaries	Employer Contribs	Following Total Benefit Payments	12 Months Net Contribs		Investment Earnings		
1988	2,088,428	2,246,583	(158,155)		936,223	127,717	63,944	191,661	97,502	94,159	223,993	2,406,579
1989	2,406,579	2,497,668	(91,089)		983,408	116,253	67,167	183,420	106,061	77,359	256,559	2,740,497
1990	2,740,497	2,770,007	(29,509)		1,032,972	104,304	70,552	174,856	115,134	59,722	290,738	3,090,957
1991	3,090,957	3,065,357	25,601		1,085,034	97,758	74,108	171,865	123,829	48,036	326,952	3,465,946
1992	3,465,946	3,386,586	79,360		1,139,719	97,784	77,843	175,627	133,080	42,547	366,052	3,874,544
1993	3,874,544	3,735,867	138,678		1,197,161	97,546	81,766	179,312	144,194	35,118	408,583	4,318,246
1994	4,318,246	4,114,220	204,026		1,257,498	97,012	85,887	182,899	155,808	27,091	454,770	4,800,107
1995	4,800,107	4,524,205	275,902		1,320,876	96,149	90,216	186,364	169,199	17,165	504,869	5,322,142
1996	5,322,142	4,967,303	354,838		1,387,448	94,921	94,763	189,683	183,882	5,801	559,115	5,887,058
1997	5,887,058	5,445,658	441,400		1,457,376	93,290	99,539	192,829	199,637	(6,808)	617,801	6,498,050
1998	6,498,050	5,961,862	536,188		1,530,827	91,217	104,556	195,773	217,073	(21,300)	681,230	7,157,981
1999	7,157,981	6,518,135	639,846		1,607,981	88,657	109,825	198,482	233,238	(34,746)	749,851	7,873,085
2000	7,873,085	7,120,015	753,070		1,689,023	85,562	115,360	200,923	252,553	(51,630)	824,092	8,645,548
2001	8,645,548	7,768,923	876,625		1,774,150	81,880	121,174	203,055	273,361	(70,307)	904,267	9,479,508
2002	9,479,508	8,468,197	1,011,311		1,863,567	77,554	127,282	204,836	295,108	(90,272)	990,835	10,380,071
2003	10,380,071	9,222,083	1,157,988		1,957,491	72,524	133,697	206,221	316,776	(110,556)	1,084,380	11,353,895

\* Surpluses reduce employer contributions over 5 years  
\* Deficits increase employer contributions over 25 years

PERCENTAGE RATIO RELATIONSHIPS OF ABOVE DATA

As of June 30	Funding Ratio		As % of Salaries		Total Benefit Payments		As % of Assets	
	Ratio	Ratio	Employer Contribs	Employee Contribs	Total Contribs	Benefit Payments	Net Contribs	Investment Earnings
1988	93.0		13.64%	6.83%	20.47%	10.41%	4.20%	10.00%
1989	96.4		11.82%	6.83%	18.65%	10.79%	3.02%	10.00%
1990	98.9		10.10%	6.83%	16.93%	11.15%	2.05%	10.00%
1991	100.8		9.01%	6.83%	15.84%	11.41%	1.47%	10.00%
1992	102.3		8.58%	6.83%	15.41%	11.68%	1.16%	10.00%
1993	103.7		8.15%	6.83%	14.98%	12.04%	0.86%	10.00%
1994	105.0		7.71%	6.83%	14.54%	12.39%	0.60%	10.00%
1995	106.1		7.28%	6.83%	14.11%	12.81%	0.34%	10.00%
1996	107.1		6.84%	6.83%	13.67%	13.25%	0.10%	10.00%
1997	108.1		6.40%	6.83%	13.23%	13.70%	-0.11%	10.00%
1998	109.0		5.96%	6.83%	12.79%	14.18%	-0.31%	10.00%
1999	109.8		5.51%	6.83%	12.34%	14.50%	-0.46%	10.00%
2000	110.6		5.07%	6.83%	11.90%	14.95%	-0.63%	10.00%
2001	111.3		4.62%	6.83%	11.45%	15.41%	-0.78%	10.00%
2002	111.9		4.16%	6.83%	10.99%	15.84%	-0.91%	10.00%