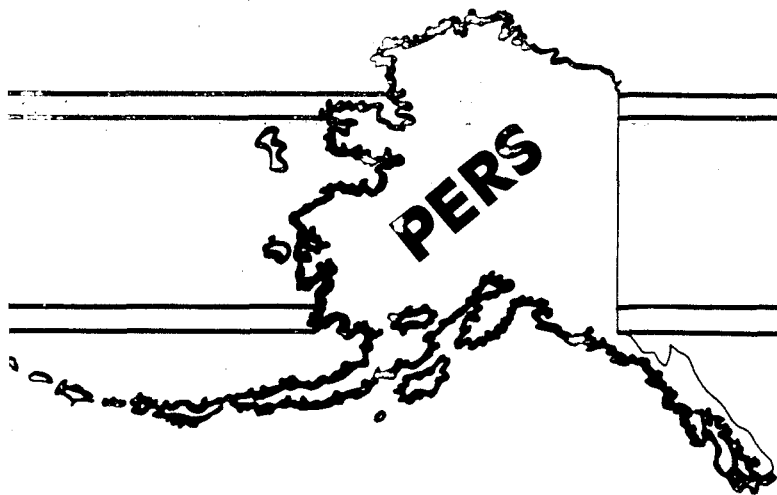




STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL VALUATION REPORT
AS OF JUNE 30, 1986

Prepared by
William M. Mercer-Meidinger, Incorporated
3200 One Union Square
Seattle, Washington 98101

WILLIAM M.
MERCER - *Meidinger*
INCORPORATED

CONTENTS OF REPORT

	<u>Page</u>
HIGHLIGHTS	1
ANALYSIS OF THE VALUATION.	3
Section 1 - BASIS OF VALUATION	5
Section 1.1 - SUMMARY OF PLAN PROVISIONS	6
Section 1.2 - MISCELLANEOUS INFORMATION -	
TOTAL PERS AS OF JUNE 30.	11
Section 1.3 - ADDITIONAL INFORMATION - ACTIVE	
MEMBERS BY TYPE OF STATUS AS OF JUNE 30 . .	12
Section 1.4(a) - STATISTICS ON NEW RETIREES - POLICE AND	
FIRE MEMBERS AS OF JUNE 30.	13
Section 1.4(b) - STATISTICS ON NEW RETIREES - "OTHER"	
MEMBERS AS OF JUNE 30	14
Section 1.4(c) - STATISTICS ON ALL RETIREES AS OF	
JUNE 30, 1986	15
Section 1.5(a) - DISTRIBUTIONS OF ACTIVE POLICE AND FIRE	
PARTICIPANTS.	16
Section 1.5(b) - DISTRIBUTIONS OF ACTIVE "OTHER"	
PARTICIPANTS.	17
Section 1.5(c) - DISTRIBUTIONS OF ANNUAL BENEFITS OF POLICE	
AND FIRE BENEFIT RECIPIENTS	18
Section 1.5(d) - DISTRIBUTIONS OF ANNUAL BENEFITS OF	
"OTHER" BENEFIT RECIPIENTS.	19
Section 1.6 - ACTUARIAL BASIS.	20
TABLE 1 - EMPLOYEE TURNOVER ASSUMPTIONS. . .	22
TABLE 2 - DISABILITY RATES	23
TABLE 3 - RETIREMENT RATES	24
Section 2 - VALUATION RESULTS.	25
Section 2.1(a) - STATEMENT OF NET ASSETS AS OF JUNE 30, 1986	
(in thousands).	26
Section 2.1(b) - CHANGES IN NET ASSETS DURING FISCAL YEAR	
1986 (in thousands)	27
Section 2.1(c) - DEVELOPMENT OF VALUATION ASSETS AS OF JUNE	
30, 1986 (in thousands)	28
Section 2.2(a) - BREAKDOWN OF PRESENT VALUE OF BENEFITS FOR	
POLICE AND FIRE MEMBERS - TOTAL SYSTEM. . .	29
Section 2.2(b) - BREAKDOWN OF PRESENT VALUE OF BENEFITS FOR	
"OTHER" MEMBERS - TOTAL SYSTEM.	30
Section 2.3(a) - DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION	
RATE - FY88 & FY89 FOR POLICE AND FIRE	
MEMBERS - TOTAL SYSTEM.	31
Section 2.3(b) - DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION	
RATE - FY88 & FY89 FOR "OTHER" MEMBERS -	
TOTAL SYSTEM.	32
Section 2.3(c) - DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION	
RATE - FY88 & FY89 ALL MEMBERS - TOTAL	
SYSTEM.	33

	<u>Page</u>
Section 2.4 - PERS CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989	34
Section 2.5 - PERS CONTRIBUTION RATES FOR FISCAL YEARS 1987, 1988 & 1989	39
Section 2.6 - ADJUSTMENT TO RETIREE RESERVE AS OF JUNE 30, 1986	44
Section 2.7 - DISCLOSURE FOR F.A.S.B. STATEMENT NOS. 35 AND 36 AS OF JUNE 30, 1986.	49

HIGHLIGHTS

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

- (1) present the results of a valuation of the Alaska Public Employees' Retirement System as of June 30, 1986;
- (2) review experience under the plan for the year ended June 30, 1986;
- (3) determine the contribution rates for the State and for each political subdivision of the State;
- (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 1985-86 plan year, the current annual costs, and reporting and disclosure information.

The principle results are as follows:

	<u>1985**</u>	<u>1986</u>
Funding Status as of June 30:		
(a) Valuation Assets*	\$1,248,146	\$1,587,599
(b) Present Value of Accrued Benefits*	1,328,964	1,556,610
(c) Accrued Benefit Funding Ratio (a) / (b)	93.9%	102.0%
Contributions for Fiscal Year	<u>1987</u>	<u>1988-89</u>
(a) Consolidated Rate	10.02%	10.37%
(b) Average Past Service Rate	.60%	(.82%)
(c) Average Total Contribution Rate	10.67%	9.55%

* In thousands.

** After change in assumptions.

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, Mitchell & 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,

A handwritten signature in cursive script that reads "Robert F. Richardson".

Robert F. Richardson, ASA
Principal

RFR/jam

January 6, 1987

ANALYSIS OF THE VALUATION

Actuarial Method and Assumptions

This actuarial report utilizes the same actuarial method as last year. However, actuarial funding surpluses are amortized over five years rather than 25 in last year's report. An experience analysis was completed in 1986 which led to revisions in the actuarial assumptions. The assumed rate of interest was increased from 8% to 9% per year. The salary scale assumption was lowered to 6.5% per year for the first five years of employment and 5.5% per year thereafter, down from 8% and 7% respectively. We also assumed that health care costs would increase at 9% per year rather than 8% per year. Mortality is now based on a unisex mortality table. In past years we had used sex-based mortality tables for funding purposes only. Based on actual experience in 1981-1985, we revised the turnover disability assumptions as well as calculated retirement rates. We now assume 69% of those receiving retirement benefits will be eligible for C.O.L.A., up from 60%. Bonds are now valued at book value in computing the actuarial value of assets.

Investment Performance

During the 1986 fiscal year, the investment return rate, based upon market values, was more than 25% . . . even higher than last year's record rate of 22%. Based upon the three-year smoothing approach used to determine valuation assets, the return rate during fiscal year 1986 was 17.95%.

This excellent investment performance was a major factor behind the increase in accrued benefit funding ratio from 93.9% to 102%.

Salary Increases

Another important factor affecting costs and liabilities under PERS is the impact of inflation on salary increases. For the third straight year, salary increases on an average were less than the actuarial assumption. As of June 30, 1986, the average annual salary was \$30,200 . . . an increase of 5.3% over the prior year. Accordingly, there were small actuarial gains from less-than-anticipated salary increases which contributed, along with the excellent investment performance, to lower employer contribution rates and the increase in the funding ratio.

Membership Statistics

For the third year in a row, there was a large increase in the average age of the active PERS members. In the last year, however, average age has increased at .56 per year. This phenomenon continues to put upward pressure on costs and liabilities . . . thus dampening the beneficial affects of actuarial gains from investment and salary increases.

Retiree Statistics

There was a large increase in the number of new retirees during FY86, with 448 new benefit recipients added to the pension rolls. Average age at retirement showed a drop of almost half a year. This statistic continues to be volatile, with the average age for service retirements vacillating between 57 1/2 and 59 1/2 for the last several years.

Conclusions

Primarily due to the excellent investment performance during FY86 and the change in actuarial assumptions, employer contribution rates decreased for most political subdivisions. Cost containment measures in the retiree health program, as well as a general slowing of medical inflation, both contributed to actuarial gains from health inflation.

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 Section 1.2 to Section 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, 1986. 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.

(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 employers' 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.

Employment with a political subdivision prior to its participation in the System is included at the option of the political subdivision.

(6) Average Monthly Compensation

Total compensation during three consecutive calendar years of credited service which yield the highest average monthly compensation (total compensation during period divided by number of months included).

(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.

(8) Employee Contributions

Mandatory Employee Contributions: Police & Fire - 5.00%
Other - 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.

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 55 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:

2% of Average Monthly Compensation for each year of service
- Other.

2% of Average Monthly Compensation for the first 10 years of
service plus 2.5% for years of service in excess of 10 -
Police & Fire.

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

(10) Early Retirement Benefit

Eligibility:

Age 50 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 at date of disability for members first hired on or after July 1, 1976. 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% of gross monthly compensation at date of death or disability, if earlier, for members first hired on or after July 1, 1976. 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.

(15) Post-Retirement Pension Adjustment

When the administrator determines that the cost of living has increased and that the financial condition of the retirement fund permits, all retirement benefits may be increased. The amount of the increase shall be not more than 4% compounded for each year of retirement, or the cost of living increase since the date of retirement, reduced by prior Post-Retirement Pension Adjustments.

(16) Cost-of-Living Allowance

An eligible 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.

(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

MISCELLANEOUS INFORMATION - TOTAL PERS AS OF JUNE 30

Active Members

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
(1) Number	24,703	25,803	27,183	27,643
(2) Average Age	37.90	38.39	38.65	39.21
(3) Average Credited Service	5.13	5.31	5.51	5.96
(4) Average Annual Salary	\$28,734	\$30,317	\$30,555	\$32,200

Retirees and Beneficiaries

(1) Number	3,525	3,859	4,317	4,657
(2) Average Age	63.49	63.80	63.82	64.05
(3) Average Monthly Benefit				
Base	\$ 598	\$ 625	\$ 656	\$ 674
COLA	49	51	54	55
PRPA	83	74	126	110
TOTAL	729	750	836	839

Vested Terminations

(1) Number	926	1,333	1,525	1,766
(2) Average Age	44.22	45.74	45.85	45.50
(3) Average Monthly Benefit	\$ 446	\$ 368	\$ 397	\$ 419

Non-Vested Terminations With Account Balances

(1) Number	4,249	7,849	7,945	8,155
(2) Average Account Balance	\$ 582	\$ 426	\$ 471	\$ 544

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

Active Police & Fire

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
(1) Number	2,437	2,366	2,407	2,371
(2) Average Age	35.21	36.24	36.78	37.54
(3) Average Credited Service	6.01	6.79	7.19	7.88
(4) Average Annual Salary	\$37,343	\$37,666	\$38,380	\$42,825
(5) Number Vested	1,139	1,206	1,260	1,359
(6) Percent Who Are Vested	46.7%	51.0%	52.3%	57.3%

Active "Other" Members

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
(1) Number	22,266	23,437	24,776	25,272
(2) Average Age	38.19	38.61	38.83	39.37
(3) Average Credited Service	5.03	5.16	5.35	5.78
(4) Average Annual Salary	\$27,792	\$29,575	\$29,795	\$31,203
(5) Number Vested	8,979	9,770	10,822	10,964
(6) Percent Who Are Vested	40.3%	41.7%	43.7%	43.4%

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

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>Normal:</u>				
Number	25	12	25	25
Average Age at Retirement	53.22	53.06	51.48	52.11
Average Monthly Benefit	\$1,815	\$1,966	\$2,245	\$2,440
<u>Disability:</u>				
Number	6	3	0	6
Average Age at Retirement	36.00	46.75	N/A	41.09
Average Monthly Benefit	\$1,264	\$1,047	N/A	\$1,817
<u>Widow/Survivor:</u>				
Number	3	1	3	1
Average Age at Retirement	31.38	36.28	42.25	30.06
Average Monthly Benefit	\$1,625	\$1,709	\$1,561	\$ 340
<u>Total:</u>				
Number	34	16	28	32
Average Age at Retirement	48.25	50.83	50.49	48.95
Average Monthly Benefit	\$1,701	\$1,777	\$2,172	\$2,258

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

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>Normal:</u>				
Number	452	345	455	392
Average Age at Retirement	58.41	59.29	58.81	58.31
Average Monthly Benefit	\$ 900	\$ 909	\$ 928	\$ 877
<u>Disability:</u>				
Number	10	6	10	10
Average Age at Retirement	48.68	50.08	46.00	46.66
Average Monthly Benefit	\$ 720	\$ 852	\$1,046	\$ 941
<u>Widow/Survivor:</u>				
Number	2	14	19	14
Average Age at Retirement	52.11	51.46	50.42	52.88
Average Monthly Benefit	\$1,253	\$ 433	\$ 480	\$ 481
<u>Total:</u>				
Number	464	365	484	416
Average Age at Retirement	58.17	58.84	58.21	57.85
Average Monthly Benefit	\$ 898	\$ 890	\$ 913	\$ 865

Section 1.4(c)
STATISTICS ON ALL RETIREES AS OF JUNE 30, 1986

	<u>Police & Fire</u>	<u>"Other"</u>
<u>Normal Retirement</u>		
Number, June 30, 1985	224	3,754
Net Change During FY86	28	263
Number, June 30, 1986	252	4,017
Average Age At Retirement	52.59	59.21
Average Age Now	57.80	65.30
Average Monthly Benefit	\$1,796.67	\$793.00
<u>Surviving Spouse's Benefits</u>		
Number, June 30, 1985	8	217
Net Change During FY86	2	32
Number, June 30, 1986	10	249
Average Age At Retirement	46.49	52.58
Average Age Now	52.64	59.23
Average Monthly Benefit	\$ 976.50	\$461.00
<u>Survivor's Benefits</u>		
Number, June 30, 1985	14	14
Net Change During FY86	0	2
Number, June 30, 1986	14	16
Average Age At Retirement	27.93	47.03
Average Age Now	36.62	57.26
Average Monthly Benefit	\$1,541.67	\$704.00
<u>Disabilities</u>		
Number, June 30, 1985	21	65
Net Change During FY86	4	9
Number, June 30, 1986	25	74
Average Age At Retirement	39.28	43.78
Average Age Now	45.12	47.93
Average Monthly Benefit	\$1,681.75	\$951.00
<u>Total Number of Retirees</u>	301	4,356

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

William M. Mercer-Meindinger, Incorporated

STATE OF ALASKA - PERS - ACTIVE POLICE & FIRE VALUATION DATE 6/30/1986

----- ANNUAL EARNINGS BY AGE-----			---- ANNUAL EARNINGS BY SERVICE----		
AGE	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS	SERVICE GROUP	NUMBER OF PEOPLE	TOTAL ANNUAL EARNINGS
0-19	1	30000.	0	118	3438039.
20-24	47	1422225.	1	205	6213201.
25-29	326	11069260.	2	210	7051395.
30-34	588	23335178.	3	243	8303676.
35-39	613	27789776.	4	236	9251911.
40-44	417	20026946.	0-4	1012	34258224.
45-49	238	11373414.	5-9	689	31126548.
50-54	96	4462840.	10-14	405	21058452.
55-59	37	1750669.	15-19	205	11650315.
60-64	7	257016.	20-24	45	2741727.
65-69	1	20159.	25-29	10	633239.
70-74	0	0.	30-34	1	68972.
75-79	0	0.	35-39	0	0.
80+	0	0.	40+	0	0.
TOTAL	2371	101537488.	TOTAL	2371	101537480.
		42825.			42825.

SERVICE GROUPS BY AGE GROUPS

AGE	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL
0-19	1	0	0	0	0	0	0	0	0	1
20-24	45	2	0	0	0	0	0	0	0	47
25-29	256	70	0	0	0	0	0	0	0	326
30-34	280	251	56	1	0	0	0	0	0	588
35-39	208	192	175	38	0	0	0	0	0	613
40-44	118	91	105	92	10	1	0	0	0	417
45-49	70	50	37	51	27	3	0	0	0	238
50-54	25	19	22	19	7	3	1	0	0	96
55-59	7	11	9	3	4	3	0	0	0	37
60-64	2	2	1	1	1	0	0	0	0	7
65-69	0	1	0	0	0	0	0	0	0	1
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	1012	689	405	205	49	10	1	0	0	2371

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

William M. Mercer-Meidinger, Incorporated

VALUATION DATE 6/30/1986

STATE OF ALASKA PERS - ACTIVE "OTHERS"

----- ANNUAL EARNINGS BY AGE-----			----- ANNUAL EARNINGS BY SERVICE-----		
AGE	NUMBER	TOTAL	SERVICE	NUMBER	TOTAL
GROUP	OF	ANNUAL	GROUP	OF	ANNUAL
	PEOPLE	EARNINGS		PEOPLE	EARNINGS
0-19	80	1771483.	0	3097	72244736.
20-24	1216	26895260.	1	3266	77349752.
25-29	3303	87969928.	2	3138	88313656.
30-34	4913	145939488.	3	2588	75058184.
35-39	5241	170337104.	4	2216	68561096.
40-44	3689	123691720.	0- 4	14305	381527872.
45-49	2739	93632104.	5- 9	6835	233895680.
50-54	1975	68011112.	10-14	2800	111696240.
55-59	1221	40968364.	15-19	887	39277588.
60-64	656	21527752.	20-24	326	16073574.
65-69	173	6206641.	25-29	107	5629921.
70-74	51	1215038.	30-34	10	437479.
75-79	12	308005.	35-39	0	0.
80+	3	80727.	40+	2	66836.
TOTAL	25272	788554816.	TOTAL	25272	788555264.
					31203.

SERVICE GROUPS BY AGE GROUPS

S F R V T C F G R C U P										
AGE	0- 4	5- 9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL
0-19	80	0	0	0	0	0	0	0	0	80
20-24	1181	35	0	0	0	0	0	0	0	1216
25-29	2599	667	37	0	0	0	0	0	0	3303
30-34	3222	1368	317	6	0	0	0	0	0	4913
35-39	2769	1645	706	117	4	0	0	0	0	5241
40-44	1765	1070	567	228	59	0	0	0	0	3689
45-49	1155	815	439	199	100	31	0	0	0	2739
50-54	705	616	355	167	88	41	3	0	0	1975
55-59	479	358	214	95	48	23	4	0	0	1221
60-64	257	189	122	62	16	6	1	0	1	656
65-69	59	56	36	12	6	3	0	0	1	173
70-74	29	10	6	1	4	1	0	0	0	51
75-79	4	4	1	0	1	0	2	0	0	12
80+	1	2	0	0	0	0	0	0	0	3
TOTAL	14305	6835	2800	887	326	107	10	0	2	25272

Section 1.5(c)
DISTRIBUTIONS OF ANNUAL BENEFITS
POLICE AND FIRE BENEFIT RECIPIENTS
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - PERS - POLICE & FIRE BENEFIT RECIPIENTS VALUATION DATE 6/30/1986

AGE GROUP	ANNUAL BENEFIT		BY AGE		ANNUAL BENEFIT		RECEIVING BENEFIT		BY YEARS		AVERAGE	
	NUMBER OF PEOPLE	TOTAL ANNUAL BENEFIT	NUMBER	AGE	NUMBER	TOTAL ANNUAL BENEFIT	YRS	ANNUAL BENEFIT	NUMBER	TOTAL ANNUAL BENEFIT	ANNUAL BENEFIT	ANNUAL BENEFIT
0-19	2	13953.				6977.	0	32		867026.	27095.	
20-24	0	0.				0.	1	30		788673.	26289.	
25-29	0	0.				0.	2	31		623580.	20115.	
30-34	6	107072.				17845.	3	33		740215.	22431.	
35-39	9	196057.				21784.	4	21		504249.	24012.	
40-44	14	331878.				23706.	0-4	147		3523742.	23971.	
45-49	35	955164.				27290.	5-9	116		2170999.	18716.	
50-54	60	1471836.				24531.	10-14	34		570033.	16766.	
55-59	85	1753961.				20635.	15-19	4		48991.	12248.	
60-64	51	955354.				18732.	20-24	0		0.	0.	
65-69	26	410319.				15782.	25-29	0		0.	0.	
70-74	10	80041.				8904.	30-34	0		0.	0.	
75-79	3	20128.				9709.	35-39	0		0.	0.	
80+	0	0.				0.	40+	0		0.	0.	
TOTAL	301	6313763.				20976.	TOTAL	301		6313764.	20976.	

NUMBER OF YEARS RECEIVING BENEFITS

AGE	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL
0-19	0	0	2	0	0	0	0	0	0	2
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0
30-34	4	0	2	0	0	0	0	0	0	6
35-39	4	3	2	0	0	0	0	0	0	9
40-44	9	1	4	0	0	0	0	0	0	14
45-49	21	11	3	0	0	0	0	0	0	35
50-54	41	18	1	0	0	0	0	0	0	60
55-59	44	35	6	0	0	0	0	0	0	85
60-64	16	29	5	1	0	0	0	0	0	51
65-69	7	11	8	0	0	0	0	0	0	26
70-74	1	8	0	1	0	0	0	0	0	10
75-79	0	0	1	2	0	0	0	0	0	3
80+	0	0	0	0	0	0	0	0	0	0
TOTAL	147	116	34	4	0	0	0	0	0	301

Section 1.5(d)
DISTRIBUTIONS OF ANNUAL BENEFITS
"OTHER" BENEFIT RECIPIENTS
William M. Mercer-Meidinger, Incorporated

VALUATION DATE 6/30/1986

STATE OF ALASKA - PERS - "OTHER" BENEFIT RECIPIENTS

AGE GROUP	-----ANNUAL BENEFIT NUMBER OF PEOPLE	BY AGE----- TOTAL ANNUAL BENEFIT	-----ANNUAL BENEFIT YEARS RECEIVING BENEFIT	BY TOTAL ANNUAL BENEFIT	----- YEARS AVERAGE ANNUAL BENEFIT
0-19	0	0.	0	4319650.	10384.
20-24	0	0.	1	4676121.	10628.
25-29	2	6244.	2	4764525.	10707.
30-34	4	20633.	3	4490191.	10820.
35-39	21	163403.	4	2578392.	8770.
40-44	27	209336.	0- 4	20828876.	10363.
45-49	50	413340.	5- 9	13978555.	8926.
50-54	323	2869019.	10-14	5039722.	7368.
55-59	862	9398677.	15-19	512818.	7295.
60-64	1038	10717955.	20-24	99545.	9955.
65-69	945	8447334.	25-29	24052.	12026.
70-74	601	5028518.	30-34	0.	0.
75-79	337	2295931.	35-39	0.	0.
80+	146	1013190.	40+	0.	0.
TOTAL	4356	40583588.	TOTAL	4356	9317.

NUMBER OF YEARS RECEIVING BENEFITS

AGE	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	0	0	0	0	0	0	0	0	0	0
25-29	2	0	0	0	0	0	0	0	0	2
30-34	4	0	0	0	0	0	0	0	0	4
35-39	14	7	0	0	0	0	0	0	0	21
40-44	14	11	1	1	0	0	0	0	0	27
45-49	24	18	8	0	0	0	0	0	0	50
50-54	292	22	7	1	1	0	0	0	0	323
55-59	656	199	7	0	0	0	0	0	0	862
60-64	532	464	41	1	0	0	0	0	0	1038
65-69	342	448	154	1	0	0	0	0	0	945
70-74	100	295	203	3	0	0	0	0	0	601
75-79	24	85	207	21	0	0	0	0	0	337
80+	6	17	56	56	9	2	0	0	0	146
TOTAL	2010	1566	684	84	10	2	0	0	0	4356

Section 1.6
ACTUARIAL BASIS

Valuation of Liabilities

- A. Actuarial Method - Projected Unit Credit. The unfunded accrued benefit liability is amortized over 25 years. Actuarial funding surpluses are amortized over five years.
- B. Method For Accumulated Plan Benefit Values - The actuarial present value of accumulated plan benefits (the term used for Financial Accounting Standards Board purposes) and present value of vested accumulated benefits are a measure of plan benefits which have been earned to date. These are not only a valuation of retirement benefits, but also of deferred vested, death benefits, and other ancillary benefits. Earnings and service for benefit purposes which are expected to be earned after the valuation date are excluded from these values.

The actuarial assumptions used to determine these values are identical to those used for the funding purposes.

In estimating accumulated benefits, final average compensation is based on compensation data in the possession of the actuary.

C. Actuarial Assumptions -

- | | |
|--------------------------|--|
| 1. Interest | 9% per year, compounded annually, net of investment 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 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 will be eligible for C.O.L.A. |
| 11. Expenses | No loading for expenses. |

Valuation of Assets

Based upon the three-year average ratio between market and book values of the System's assets, except that bonds are carried at book value. Assets are accounted for on an accrued basis.

Valuation of Medical Benefits

Medical benefits for retirees are provided by the payment of premiums from the trust 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.

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 -
William M. Mercer-Meidinger, Incorporated
DISABILITY RATES
ANNUAL RATES PER 1,000 EMPLOYEES

<u>Age</u>	<u>Police & 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 & 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, 1986.

Section 2.1(b) shows the transactions of the plan's fund during FY86.

Section 2.1(c) develops the valuation assets as of June 30, 1986.

Section 2.2(a) shows the actuarial present values for Police and Fire members as of June 30, 1986.

Section 2.2(b) shows the actuarial present values for "Other" members as of June 30, 1986.

Section 2.3(a) develops the average employer contribution rate for Police and Fire members - FY88 & FY89.

Section 2.3(b) develops the average employer contribution rate for "Other" members - FY88 & FY89.

Section 2.3(c) develops the average employer contribution rate for all members - FY88 & FY89.

Section 2.4 shows the contribution rates for the Fiscal Years 1987, 1988, and 1989.

Section 2.5 compares the contribution rates between FY87 and FY89.

Section 2.6 shows the adjustment to the Retiree Reserve.

Section 2.7 shows the disclosure for F.A.S.B. Statement Nos. 35 and 36 as of June 30, 1986.

Section 2.1(a)
STATEMENT OF NET ASSETS AS OF JUNE 30, 1986 (in thousands)

	<u>Book Value</u>	<u>Actuarial Value</u>
Cash	\$ 11,942	\$ 11,942
Short Term Interest Issues	34,900	34,900
United States Government Bonds	501,258	501,258
Other Bonds	192,841	192,841
Common Stock	356,681	439,869
Foreign Equities	82,557	110,223
Financial Futures	1	1
Real Estate Equities	91,085	97,994
Mortgages	237,782	237,782
Accrued Receivables	<u>23,532</u>	<u>23,532</u>
Total Assets	\$1,532,579	\$1,650,342

Section 2.1(b)

CHANGES IN NET ASSETS DURING FISCAL YEAR 1986 (in thousands)

1) Net Assets, June 30, 1985 (market value)	\$1,295,536
--	-------------

2) Receipts:

Employee Contributions	\$ 42,626	
Employer Contributions	127,727	
Interest Income	171,192	
Dividend Income	10,948	
Unrealized Gain (Loss) on Investments	<u>159,873</u>	512,366

3) Disbursements:

Medical Benefits	\$ 9,411	
Retirement Benefits	45,916	
Refunds of Contributions	9,165	
Administrative Expenses	<u>3,567</u>	68,059

4) Net Assets, June 30, 1986 (market value)	\$1,739,843
--	-------------

Approximate Investment Return
Rate During the Year:

Based on Market Values	25.40%
Based on Book Values	14.02%
Based on Valuation Assets	17.95%

Section 2.1(c)

DEVELOPMENT OF VALUATION ASSETS AS OF JUNE 30, 1986 (in thousands)

	<u>Actuarial Value</u>	<u>Book Value</u>	<u>Ratio (A/B)</u>
(1) June 30, 1986	\$1,650,342	\$1,532,579	1.0768
(2) June 30, 1985	1,282,734	1,248,146	1.0277
(3) June 30, 1984	1,038,459	1,035,043	1.0033
(4) Average Ratio			1.0359
(5) Book Value at June 30, 1986			\$1,532,579
(6) Valuation Assets at June 30, 1986 (4) x (5) but not outside the range of book and market values			\$1,587,599

Section 2.2(a)
ACTUARIAL PRESENT VALUES AS OF JUNE 30, 1986
POLICE AND FIRE MEMBERS
TOTAL SYSTEM (in thousands)

	<u>Normal Cost</u>	<u>Present Value of Accrued Benefits</u>
<u>Active Members</u>		
Retirement Benefits	\$ 10,654	\$ 122,858
Termination Benefits	789	6,284
Disability Benefits	155	3,717
Death Benefits	296	7,289
Return of Contributions	292	1,652
Health Benefits	6,323	45,451
Indebtedness	<u>0</u>	<u>(3,946)</u>
Subtotal	\$ 18,509	\$ 183,305
 <u>Inactive Members</u>		
Not Vested		\$ 389
Vested Terminations		4,011
Retirees & Beneficiaries		<u>61,968</u>
Subtotal		\$ 66,368
 <u>Totals</u>		\$ 249,673

William M. Mercer-Meidinger, Incorporated

Section 2.2(b)
ACTUARIAL PRESENT VALUES AS OF JUNE 30, 1986
"OTHER" MEMBERS
TOTAL SYSTEM (in thousands)

	<u>Normal Cost</u>	<u>Present Value of Accrued Benefits</u>
<u>Active Members</u>		
Retirement Benefits	\$ 39,268	\$ 396,660
Termination Benefits	12,680	89,845
Disability Benefits	374	5,364
Death Benefits	1,813	31,329
Return of Contributions	3,963	18,681
Health Benefits	54,022	358,258
Indebtedness	<u>0</u>	<u>(20,556)</u>
Subtotal	\$112,120	\$ 879,581
 <u>Inactive Members</u>		
Not Vested		\$ 4,050
Vested Terminations		70,158
Retirees & Beneficiaries		<u>353,148</u>
Subtotal		\$ 427,356
 <u>Totals</u>		 \$1,306,937

Section 2.3(a)
DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY88 & FY89
FOR POLICE AND FIRE MEMBERS
TOTAL SYSTEM (in thousands)

Consolidated Rate

(1) Total Normal Cost	\$ 18,509
(2) Total Salaries	101,537
(3) Normal Cost Rate for Police & Fire Member, (1) / (2)	18.23%
(4) Member Contribution Rate (Police & Fire)	5.00%
(5) Consolidated Employer Contribution Rate For Police & Fire Members, (3) - (4)	13.23%

Past Service Rate

(1) Present Value of Accrued Benefits	\$249,673
(2) Valuation Assets	254,643
(3) Total Unfunded Liability, (1) - (2)	(4,970)
(4) Amortization Factor	4.239720
(5) Past Service Payment, (3) / (4)	\$ (1,172)
(6) Total Salaries	101,537
(7) Past Service Rate, (5) / (6)	(1.15%)

<u>Total Employer Contribution Rate</u>	12.08%
---	--------

Section 2.3(b)
DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY88 & FY89
FOR "OTHER" MEMBERS
TOTAL SYSTEM (in thousands)

Consolidated Rate

(1) Total Normal Cost	\$ 112,120
(2) Total Salaries	788,554
(3) Normal Cost Rate for "Other" Members, (1) / (2)	14.22%
(4) Member Contribution Rate ("Others")	4.25%
(5) Consolidated Rate For Other Members, (3) - (4)	9.97%

Past Service Rate

(1) Present Value of Accrued Benefits	\$1,306,937
(2) Valuation Assets	1,332,956
(3) Total Unfunded Liability, (1) - (2)	126,019
(4) Amortization Factor	4.239720
(5) Past Service Payment, (3) / (4)	\$ (6,137)
(6) Total Salaries	788,554
(7) Past Service Rate, (5) / (6)	(.78%)

Total Employer Contribution Rate 9.19%

Section 2.3(c)
DEVELOPMENT OF AVERAGE EMPLOYER CONTRIBUTION RATE - FY88 & FY89
ALL MEMBERS
TOTAL SYSTEM (in thousands)

Consolidated Rate

(1) Total Normal Cost	\$ 130,629
(2) Total Salaries	890,091
(3) Normal Cost Rate for All Members, (1) / (2)	14.68%
(4) Average Member Contribution Rate	4.31%
(5) Consolidated Rate, (3) - (4)	10.37%

Past Service Rate

(1) Present Value of Accrued Benefits	\$1,556,610
(2) Valuation Assets	1,587,599
(3) Total Unfunded Liability, (1) - (2)	(30,989)
(4) 25-Year Amortization Factor	4.239720
(5) Past Service Payment, (3) / (4)	\$ (7,309)
(6) Total Salaries	890,091
(7) Past Service Rate, (5) / (6)	(.82%)

Total Employer Contribution Rate 9.55%

Section 2.4
PERS CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.F.P.S. CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989							PAST SRV RATE	TOTAL RATE	RATE GROUP
ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSO. RATE					
1 STATE OF ALASKA	663287911.	663416757.	-128846.	474767930.	10.37	-0.01	10.36		
2 SOUTH WEST REGION SCHOOL DISTRICT	1495651.	2092173.	-596482.	1265843.	10.37	-10.37	0.00		
3 ANNETTE ISLAND SCHOOL DISTRICT	567105.	569511.	-2406.	465063.	10.37	-0.12	10.25		
4 BERING STRAITS SCHOOL DISTRICT	2505325.	2832525.	-327200.	3527174.	10.37	-2.19	8.18		
5 CHATHAM SCHOOL DISTRICT	415732.	472534.	-56802.	343354.	10.37	-3.90	6.47		
6 ALASKA MUNICIPAL LEAGUE	77458.	82252.	-4794.	106300.	10.37	-1.06	9.31		
7 VALDEZ, CITY OF	4421878.	5326006.	-304128.	3707523.	10.37	-5.75	4.62		
8 JUNEAU BOROUGH SCHOOL DISTRICT	4131663.	4006825.	124838.	3440697.	10.37	0.34	10.71		
9 MATANUSKA-SUSITNA BOROUGH	4650404.	7171117.	-2520713.	4781370.	10.37	-2.08	8.29	1	
10 MATANUSKA-SUSITNA SCHOOL	7290349.	5913156.	1377193.	8189268.	10.37	-2.08	8.29	1	
11 ANCHORAGE BOROUGH SCHOOL	52195245.	47976258.	4218987.	37269261.	10.37	1.06	11.43		
12 COPPER RIVER SCHOOL DISTRICT	663523.	1014608.	-351085.	634417.	10.37	-10.37	0.00		
13 UNIVERSITY OF ALASKA	70878526.	85320447.	-14441921.	59128058.	10.37	-5.65	4.72	3	
14 HAINES, CITY OF	772974.	1003323.	-230349.	660565.	10.37	-8.22	2.15		
15 KENAI, CITY OF	4589899.	5239945.	-650046.	3194612.	10.37	-4.80	5.57		
16 NORTH STAR BOROUGH	9123782.	13921569.	-4797787.	9647116.	10.37	-8.74	1.63	4	
17 NORTH STAR BOROUGH SCHOOL DISTRICT	15554110.	19734908.	-4180798.	14595438.	10.37	-8.74	1.63	4	
18 RAILBELT SCHOOL DISTRICT	569215.	732001.	-162786.	563951.	10.37	-6.81	3.56		
19 UNIVERSITY OF ALASKA - GEO.	5258797.	5620743.	-361946.	2706215.	10.37	-5.65	4.72	3	
20 CITY AND BOROUGH OF SITKA	4774558.	3151891.	1622667.	3134691.	10.37	4.83	15.20		
21 CHUGACH REGIONAL SCHOOL DISTRICT	105893.	171782.	-65889.	88200.	10.37	-10.37	0.00		
22 GATEWAY BOROUGH	2001096.	2239776.	-238680.	1460347.	10.37	-3.85	6.52		
23 SOLDOTNA, CITY OF	1702182.	903947.	798235.	1237523.	10.37	6.02	16.39		
24 IDITAROD AREA SCHOOL DISTRICT	1235194.	1495367.	-260173.	1292432.	10.37	-4.75	5.62		
25 KUSPUK SCHOOL DISTRICT	1125772.	1412557.	-286785.	1155856.	10.37	-5.85	4.52		

STATE OF ALASKA - P.E.P.S. CONTRIBUTION RATES
 FOR FISCAL YEARS 1988 & 1989

	ACCRUED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOI. RATE	PAST SRV RATE	TOTAL RATE	PATE GROUP
26 CITY AND BOROUGH OF JUNEAU	23448163.	24760790.	-1312627.	20126245.	10.37	-1.54	8.83	
27 ALASKA STATE HOUSING AUTHORITY	3717057.	3014587.	702470.	3662144.	10.37	1.79	12.16	
28 KODIAK, CITY OF	5213777.	4198140.	1015637.	3418133.	10.37	2.78	13.15	
29 FAIRBANKS, CITY OF	24276945.	13852393.	10424552.	11704607.	10.37	3.47	13.84	5
30 FAIRBANKS PUBLIC UTILITIES	7454853.	10936653.	-3481800.	6994279.	10.37	3.47	13.84	5
31 WASILLA, CITY OF	343761.	406365.	-62604.	475319.	10.37	-3.11	7.26	
32 SKAGWAY, CITY OF	408076.	406299.	1777.	361450.	10.37	0.05	10.42	
33 SITKA, BOROUGH SCHOOLS	2142549.	2450152.	-307603.	1522753.	10.37	-4.76	5.61	
34 PALMER, CITY OF	1640293.	1165210.	475083.	1644337.	10.37	2.70	13.07	
35 WRANGELL, CITY OF	1987111.	2007004.	-19893.	1360819.	10.37	-0.34	10.03	
36 BETHEL, CITY OF	610734.	607829.	2905.	334389.	10.37	0.08	10.45	
37 VALDEZ CITY SCHOOLS	1783605.	2059265.	-275660.	1698447.	10.37	-3.83	6.54	
38 HOONAH CITY SCHOOLS	659144.	543796.	115348.	396522.	10.37	2.72	13.09	
39 NOME, CITY OF	1812394.	1863075.	-50681.	1602177.	10.37	-0.75	9.62	
40 KOTzebue, CITY OF	1270570.	2183174.	-912604.	2227547.	10.37	-9.66	0.71	
41 GALENA CITY SCHOOLS	434621.	526131.	-91510.	310610.	10.37	-6.95	3.42	
42 KING COVE CITY SCHOOL DISTRICT	222862.	289750.	-66888.	189755.	10.37	-8.31	2.06	
43 PETERSBURG, CITY OF	3026006.	1437168.	1588838.	2252780.	10.37	4.32	14.69	6
44 BRISTOL BAY BOROUGH	673282.	815608.	-142326.	777362.	10.37	-4.32	6.05	
45 NORTH SLOPE BOROUGH	17178570.	30229137.	-13050567.	28066225.	10.37	-10.37	0.00	
46 WRANGELL SCHOOLS	384023.	374710.	9313.	263949.	10.37	0.33	10.70	
48 CORDOVA, CITY OF	1843197.	1033993.	809204.	1296113.	10.37	5.83	16.20	
49 NOME CITY SCHOOLS	1112658.	890071.	222587.	1079517.	10.37	1.93	12.30	
50 TERMINATED EMPLOYERS	3302875.	3302875.	0.	0.	0.00	0.00	0.00	
51 KING COVE, CITY OF	182749.	424332.	-241583.	446108.	10.37	-10.37	0.00	

Section 2.4
PERS CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.E.R.S. CONTRIBUTION RATES
FOR FISCAL YEARS 1988 & 1989

	ACCUMULATED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	PAYE GROUP
52 ALASKA HOUSING FINANCE CORPORATION	912665.	1554999.	-642334.	1441636.	10.37	-10.37	0.00	
53 LOWER YUKON SCHOOL DISTRICT	3521068.	3561307.	-40219.	3134820.	10.37	-0.30	10.07	
54 NORTHWEST ARCTIC SCHOOL DISTRICT	3628298.	7207340.	-3579092.	4618834.	10.37	-10.37	0.00	
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	482497.	566036.	-83539.	555520.	10.37	-3.55	6.82	
56 PRIPILOF REGION SCHOOL DISTRICT	410174.	537198.	-127024.	273740.	10.37	-10.37	0.00	
57 LOWER KUSKOKWIM SCHOOL DISTRICT	6100280.	8408797.	-2308517.	8105729.	10.37	-6.72	3.65	
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	3492433.	3950099.	-457666.	2725756.	10.37	-3.96	6.41	
59 YUKON FLATS SCHOOL DISTRICT	658009.	1319243.	-661234.	971092.	10.37	-10.37	0.00	
60 YUKON-KOYUKOK SCHOOL DISTRICT	1049693.	2073796.	-1024103.	1223256.	10.37	-10.37	0.00	
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	5231003.	6896224.	-1665221.	6241526.	10.37	-6.29	4.08	
62 ALUTKIAN REGION SCHOOL DISTRICT	302948.	572846.	-269898.	320184.	10.37	-10.37	0.00	
63 CORDOVA COMMUNITY HOSPITAL	948816.	1239634.	-290818.	867470.	10.37	-7.91	2.46	
64 LAKE AND PENINSULA SCHOOL DISTRICT	901191.	1191239.	-290048.	1039897.	10.37	-6.58	3.79	
65 SITKA COMMUNITY HOSPITAL	1456321.	2007795.	-551474.	1421875.	10.37	-9.15	1.22	
66 TANANA CITY SCHOOL DISTRICT	106399.	116891.	-10492.	179227.	10.37	-1.38	8.99	
67 SOUTH EAST REGIONAL RESOURCE CENTER	377672.	618131.	-240459.	471200.	10.37	-10.37	0.00	
68 HYDABURG CITY SCHOOLS	58343.	108760.	-50417.	84872.	10.37	-10.37	0.00	
69 TANANA, CITY OF	79276.	217240.	-137964.	284549.	10.37	-10.37	0.00	
70 NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	473438.	711356.	-237918.	502551.	10.37	-10.37	0.00	
71 BARROW, CITY OF	232877.	293350.	-60473.	463132.	10.37	-3.08	7.29	
72 ST. PAUL, CITY OF	238021.	430968.	-192947.	834481.	10.37	-5.45	4.92	
73 ANCHORAGE, MUNICIPALITY OF	111289696.	107457834.	3931862.	88817566.	10.37	0.40	10.77	
74 KODIAK ISLAND BOROUGH	1488343.	1561304.	-72961.	1718221.	10.37	-1.00	9.37	
75 NOME JOINT UTILITIES	439420.	905900.	-466480.	513711.	10.37	-10.37	0.00	
76 SAND POINT, CITY OF	229000.	426177.	-197177.	483717.	10.37	-9.61	0.76	

Section 2.4
PERS CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.F.P.S. CONTRIBUTION RATES
FOR FISCAL YEARS 1988 & 1989

	ACCUMULATED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOL. RATE	PAST SRV RATE	TOTAL RATE	RATE GROUP
77 KETCHIKAN GATEWAY HORO SCHOOL DISTRICT	1061879.	625149.	436730.	973502.	10.37	4.19	14.56	
78 DILLINGHAM, CITY OF	616125.	954946.	-338821.	1146446.	10.37	-6.96	3.41	
79 UNALASKA, CITY OF	1252696.	2339857.	-1087161.	1835479.	10.37	-10.37	0.00	
80 KENAI PENINSULA BOROUGH	6856404.	6526143.	330261.	6459868.	10.37	0.48	10.85	
81 KETCHIKAN, CITY OF	6318126.	3370652.	2947474.	4775872.	10.37	5.76	16.13	
82 SEWARD, CITY OF	2425629.	2466144.	-40515.	2074939.	10.37	-0.46	9.91	
83 FORT YUKON, CITY OF	113609.	235175.	-121566.	205849.	10.37	-10.37	0.00	
84 HRISTOL BAY BOROUGH SCHOOL DISTRICT	472538.	425723.	46815.	422923.	10.37	1.03	11.40	
85 CORDOVA PUBLIC SCHOOLS	601420.	443894.	157526.	482743.	10.37	3.05	13.42	
86 CRAIG, CITY OF	223539.	318866.	-95327.	424649.	10.37	-5.29	5.08	
87 PETERSBURG GENERAL HOSPITAL	582852.	803481.	-220629.	706494.	10.37	4.32	14.69	6
88 SAND POINT CITY SCHOOL DISTRICT	104523.	173529.	-69006.	118815.	10.37	-10.37	0.00	
89 KENAI PENINSULA SCHOOL DISTRICT	7382460.	4970570.	2411890.	6491231.	10.37	3.47	13.84	
91 NORTH POLE, CITY OF	773080.	817733.	-39653.	864506.	10.37	-1.08	9.29	
92 GALENA, CITY OF	523914.	482399.	41515.	755994.	10.37	0.51	10.88	
93 MENANA, CITY OF	249071.	312111.	-63040.	266166.	10.37	-5.59	4.78	
94 HAINES BOROUGH	67515.	34260.	33255.	86534.	10.37	3.59	13.96	
96 MENANA CITY PUBLIC SCHOOLS	232462.	238713.	-6251.	277909.	10.37	-0.53	9.84	
A0 UNALAKLEET, CITY OF	291020.	76071.	214949.	325918.	10.37	6.16	16.53	
A1 SAXMAN, CITY OF	71676.	58949.	12727.	88977.	10.37	1.34	11.71	
A2 HOONAH, CITY OF	140355.	159008.	-18613.	543444.	10.37	-0.81	9.56	
A3 PELICAN, CITY OF	37983.	16440.	21543.	88738.	10.37	2.27	12.64	
A4 KAKE, CITY OF	183737.	184123.	-386.	153833.	10.37	-0.06	10.31	
A5 WHITTIER, CITY OF	126308.	181459.	-55151.	402594.	10.37	-3.23	7.14	
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	81924.	119169.	-37245.	419421.	10.37	-2.09	8.28	

Section 2.4
 PERS CONTRIBUTION RATES FOR FISCAL YEARS 1988 & 1989
 William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.F.P.S. CONTRIBUTION RATES
 FOR FISCAL YEARS 1988 & 1989

	ACCURED LIABILITY	ADJUSTED ASSETS	UNFUNDED LIABILITY	ANNUAL EARNINGS	CONSOI. RATE	PAST SRV RATE	TOTAL RATE	PAID GROUP
A7 CRAIG CITY SCHOOL DISTRICT	38332.	14295.	24037.	36339.	10.37	6.18	16.55	
A8 DILLINGHAM SCHOOL DISTRICT	696204.	271726.	424478.	660918.	10.37	6.00	16.37	
A9 THORNE RAY, CITY OF	26896.	36895.	-9999.	100587.	10.37	-2.34	8.03	
AB AKUTAN, CITY OF	24311.	36951.	-12640.	93690.	10.37	-3.18	7.19	
AC UNALASKA CITY SCHOOL DISTRICT	42121.	73110.	-30989.	206223.	10.37	-3.54	6.83	
AE KASHUNAMIUT SCHOOL DISTRICT	43553.	54426.	-10873.	370746.	10.37	-0.69	9.68	
AF SEWARD GENERAL HOSPITAL	1145490.	123741.	1021749.	1080000.	10.37	8.84	19.21	
PO WAINWRIGHT, CITY OF	12931.	1359.	11572.	98103.	10.37	1.10	11.47	
B1 ST. MARY'S, CITY OF	126268.	6306.	119962.	180000.	10.37	6.22	16.59	
** STATE & POLITICAL SUBDIVISION TOTALS	1141579046.	1172483372.	-30904326.	890091803.	10.37	-0.82	9.55	

STATE OF ALASKA - P.F.R.S. CONTRIBUTION RATES
FOR FISCAL YEARS 1987, 1988, & 1989

- 39 -

Section 2.5
 PERS CONTRIBUTION RATES FOR FISCAL YEARS 1987, 1988 & 1989
 William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.F.R.S. CONTRIBUTION RATES
 FOR FISCAL YEARS 1987, 1988, & 1989

	-----FY87-----	-----FY88 & FY89-----	CHANGE IN TOTAL RATE
	CONSL RATE	PAST SRV RATE	TOTAL RATE
26 CITY AND BOROUGH OF JUNEAU	10.02	-1.91	8.11
27 ALASKA STATE HOUSING AUTHORITY	10.02	1.65	11.67
28 KODIAK, CITY OF	10.02	3.48	13.50
29 FAIRBANKS, CITY OF	10.02	5.47	15.49
30 FAIRBANKS PUBLIC UTILITIES	10.02	5.47	15.49
31 WASILLA, CITY OF	10.02	-6.48	3.54
32 SKAGWAY, CITY OF	10.02	-3.52	6.50
33 SITKA, BOROUGH SCHOOLS	10.02	2.17	12.19
34 PALMER, CITY OF	10.02	2.84	12.86
35 WRANGELL, CITY OF	10.02	0.54	10.56
36 BETHEL, CITY OF	10.02	1.18	11.20
37 VALDEZ CITY SCHOOLS	10.02	-4.13	5.89
38 HOONAH CITY SCHOOLS	10.02	7.89	17.91
39 NOME, CITY OF	10.02	0.99	11.01
40 KOTZEBUE, CITY OF	10.02	-5.46	4.56
41 GALENA CITY SCHOOLS	10.02	-7.72	2.30
42 KING COVE CITY SCHOOL DISTRICT	10.02	0.21	10.23
43 PETERSBURG, CITY OF	10.02	6.90	16.92
44 BRISTOL BAY BOROUGH	10.02	0.91	10.94
45 NORTH SLOPE BOROUGH	10.02	-10.02	0.00
46 WRANGELL SCHOOLS	10.02	5.26	15.28
48 CORDOVA, CITY OF	10.02	3.51	13.53
49 NOME CITY SCHOOLS	10.02	3.47	13.49
51 KING COVE, CITY OF	10.02	-10.02	0.00
52 ALASKA HOUSING FINANCE CORPORATION	10.02	-9.55	0.47
	10.37	-1.54	8.83
	10.37	1.79	12.16
	10.37	2.78	13.15
	10.37	3.47	13.84
	10.37	3.47	13.84
	10.37	-3.11	7.26
	10.37	0.05	10.42
	10.37	-4.76	5.61
	10.37	2.70	13.07
	10.37	-0.34	10.03
	10.37	0.08	10.45
	10.37	-3.83	6.54
	10.37	2.72	13.09
	10.37	-0.75	9.62
	10.37	-9.66	0.71
	10.37	-6.95	3.42
	10.37	-8.31	2.06
	10.37	4.32	14.69
	10.37	-4.32	6.05
	10.37	-10.37	0.00
	10.37	0.33	10.70
	10.37	5.83	16.20
	10.37	1.93	12.30
	10.37	-10.37	0.00
	10.37	-10.37	0.00

Section 2.5
PERS CONTRIBUTION RATES FOR FISCAL YEARS 1987, 1988 & 1989
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.E.P.S. CONTRIBUTION RATES
FOR FISCAL YEARS 1987, 1988, & 1989

	-----FY87-----	-----FY88 & FY89-----	CHANGE
	CONSOI. PAST SRV RATE	CONSOI. PAST SRV RATE	IN TOTAL RATE
53 LOWER YUKON SCHOOL DISTRICT	10.02 -2.52 7.50	10.37 -0.30 10.07	+ 2.57
54 NORTHWEST ARCTIC SCHOOL DISTRICT	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	10.02 -8.13 1.89	10.37 -3.55 6.82	+ 4.93
56 PRIIBILOF REGION SCHOOL DISTRICT	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
57 LOWER KUSKOKWIM SCHOOL DISTRICT	10.02 -9.83 0.19	10.37 -6.72 3.65	+ 3.46
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	10.02 -2.68 7.34	10.37 -3.96 6.41	- 0.93
59 YUKON FLATS SCHOOL DISTRICT	10.02 -9.93 0.09	10.37 -10.37 0.00	- 0.09
60 YUKON-KOYUKOK SCHOOL DISTRICT	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	10.02 -6.89 3.13	10.37 -6.29 4.08	+ 0.95
62 ALFUTIAN REGION SCHOOL DISTRICT	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
63 CORDOVA COMMUNITY HOSPITAL	10.02 -10.02 0.00	10.37 -7.91 2.46	+ 2.46
64 LAKE AND PENINSULA SCHOOL DISTRICT	10.02 -10.02 0.00	10.37 -6.58 3.79	+ 3.79
65 SITKA COMMUNITY HOSPITAL	10.02 -10.02 0.00	10.37 -9.15 1.22	+ 1.22
66 TANANA CITY SCHOOL DISTRICT	10.02 -6.77 3.25	10.37 -1.38 8.99	+ 5.74
67 SOUTH EAST REGIONAL RESOURCE CENTER	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
68 HYDABURG CITY SCHOOLS	10.02 -6.03 3.99	10.37 -10.37 0.00	- 3.99
69 TANANA, CITY OF	10.02 -8.87 1.15	10.37 -10.37 0.00	- 1.15
70 NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
71 HARROW, CITY OF	10.02 -7.06 2.96	10.37 -3.08 7.29	+ 4.33
72 ST. PAUL, CITY OF	10.02 -10.02 0.00	10.37 -5.45 4.92	+ 4.92
73 ANCHORAGE, MUNICIPALITY OF	10.02 2.03 12.05	10.37 0.40 10.77	- 1.28
74 KODIAK ISLAND BOROUGH	10.02 -5.70 4.32	10.37 -1.00 9.37	+ 5.05
75 NOME JOINT UTILITIES	10.02 -10.02 0.00	10.37 -10.37 0.00	+ 0.00
76 SAND POINT, CITY OF	10.02 -10.02 0.00	10.37 -9.61 0.76	+ 0.76
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	10.02 1.80 11.92	10.37 4.19 14.56	+ 2.74

STATE OF ALASKA - F.F.B.S. CONTRIBUTION RATES
FOR FISCAL YEARS 1987, 1988, & 1989

	-----FY87-----			-----FY88 & FY89-----			CHANGE
	CONSOL RATE	PAST SRV RATE	TOTAL RATE	CONSOL RATE	PAST SRV RATE	TOTAL RATE	IN TOTAL RATE
78 DILLINGHAM, CITY OF	10.02	-4.45	5.57	10.37	-6.96	3.41	- 2.16
79 UNALASKA, CITY OF	10.02	-10.02	0.00	10.37	-10.37	0.00	+ 0.00
80 KENAI PENINSULA BOROUGH	10.02	0.85	10.87	10.37	0.48	10.85	- 0.02
81 KETCHIKAN, CITY OF	10.02	8.67	18.69	10.37	5.76	16.13	- 2.56
82 SEWARD, CITY OF	10.02	0.69	10.71	10.37	-0.46	9.91	- 0.80
83 FORT YUKON, CITY OF	10.02	-10.02	0.00	10.37	-10.37	0.00	+ 0.00
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	10.02	3.48	13.50	10.37	1.03	11.40	- 2.10
85 CORDOVA PUBLIC SCHOOLS	10.02	7.85	17.87	10.37	3.05	13.42	- 4.45
86 CRAIG, CITY OF	10.02	-9.00	1.02	10.37	-5.29	5.08	+ 4.06
87 PETERSBURG GENERAL HOSPITAL	10.02	6.90	16.92	10.37	4.32	14.69	- 2.23
88 SAND POINT CITY SCHOOL DISTRICT	10.02	-6.02	4.00	10.37	-10.37	0.00	- 4.00
90 KENAI PENINSULA SCHOOL DISTRICT	10.02	3.05	13.07	10.37	3.47	13.84	+ 0.77
91 NORTH POLE, CITY OF	10.02	-4.03	5.99	10.37	-1.08	9.29	+ 3.30
92 GALENA, CITY OF	10.02	-1.65	8.37	10.37	0.51	10.88	+ 2.51
93 NENANA, CITY OF	10.02	-10.02	0.00	10.37	-5.59	4.78	+ 4.78
94 HAINES BOROUGH	10.02	-10.02	0.00	10.37	3.59	13.96	+13.96
96 NENANA CITY PUBLIC SCHOOLS	10.02	2.88	12.90	10.37	-0.53	9.84	- 3.06
A0 UNALAKLEET, CITY OF	10.02	-9.42	0.60	10.37	6.16	16.53	+15.93
A1 SAXMAN, CITY OF	10.02	-1.59	8.43	10.37	1.34	11.71	+ 3.28
A2 HOONAH, CITY OF	10.02	-0.86	9.16	10.37	-0.81	9.56	+ 0.40
A3 PELICAN, CITY OF	10.02	2.06	12.08	10.37	2.27	12.64	+ 0.56
A4 KAKE, CITY OF	10.02	5.17	15.19	10.37	-0.06	10.31	- 4.88
A5 WHITTIER, CITY OF	10.02	-2.15	7.87	10.37	-3.23	7.14	- 0.73
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	10.02	-6.84	3.18	10.37	-2.09	8.28	+ 5.10
A7 CRAIG CITY SCHOOL DISTRICT	10.02	1.89	11.91	10.37	6.18	16.55	+ 4.64

Section 2.5
PERS CONTRIBUTION RATES FOR FISCAL YEARS 1987, 1988 & 1989
William M. Mercer-Meidinger, Incorporated

STATE OF ALASKA - P.E.P.S. CONTRIBUTION RATES
 FOR FISCAL YEARS 1987, 1988, & 1989

	-----FY87-----		-----FY88 & FY89-----		CHANGE IN TOTAL RATE
	CONSO. RATE	PAST SRV RATE	CONSO. RATE	PAST SRV RATE	TOTAL RATE
AR DILLINGHAM SCHOOL DISTRICT	10.02	-0.90	10.37	6.00	16.37 + 7.25
A9 THORNE BAY, CITY OF	10.02	-1.85	10.37	-2.34	8.03 - 0.14
AR AKUTAN, CITY OF	10.02	-0.16	10.37	-3.18	7.19 - 2.67
AC UNALASKA CITY SCHOOL DISTRICT	10.02	-0.40	10.37	-3.54	6.83 - 2.79
AE KASHUNAMIUT SCHOOL DISTRICT	10.02	-0.05	10.37	-0.69	9.68 - 0.29
AF SFWARD GENERAL HOSPITAL	10.02	6.48	10.37	8.84	19.21 + 2.71
BO WAINWRIGHT, CITY OF	10.02	-0.05	10.37	1.10	11.47 + 1.50
B1 ST. MARY'S, CITY OF	10.02	4.93	10.37	6.22	16.59 + 1.64
	=====	=====	=====	=====	=====
** STATE & POLITICAL SUBDIVISION TOTALS	10.02	0.65	10.37	-0.82	9.55 - 1.12

Section 2.6
ADJUSTMENT TO RETIREE RESERVE
William M. Mercer-Meidinger, Incorporated

ADJUSTMENT TO RETIREE RESERVE
AS OF JUNE 30, 1986

	RETIREE RESERVE 6-30-85	NET CHANGE IN RESERVE FY 6-30-86	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-86
1 STATE OF ALASKA	279019686.	55884307.	-72217674.	262686318.
2 SOUTH WEST REGION SCHOOL DISTRICT	40754.	8163.	49744.	98660.
3 ANNETTE ISLAND SCHOOL DISTRICT	106557.	21342.	-26762.	101137.
4 BERING STRAITS SCHOOL DISTRICT	229505.	45967.	-27040.	248433.
5 CHATHAM SCHOOL DISTRICT	0.	0.	0.	0.
6 ALASKA MUNICIPAL LEAGUE	139837.	28008.	144379.	312223.
7 VALDEZ, CITY OF	586837.	117536.	-77379.	626994.
8 JUNEAU BOROUGH SCHOOL DISTRICT	2660652.	532897.	-872533.	2321016.
9 MATANUSKA-SUSITNA BOROUGH	1417053.	283819.	-597907.	1102965.
10 MATANUSKA-SUSITNA SCHOOL	2350606.	470798.	-414153.	2407251.
11 ANCHORAGE BOROUGH SCHOOL	32587260.	6526839.	-9189003.	29925095.
12 COPPER RIVER SCHOOL DISTRICT	60547.	12127.	28547.	101221.
13 UNIVERSITY OF ALASKA	16534481.	3311659.	-4174390.	15671749.
14 FAIRBANKS, CITY OF	134394.	26918.	-17750.	143561.
15 KENAI, CITY OF	523236.	104798.	-104227.	523807.
16 NORTH STAR BOROUGH	1900174.	380582.	-305097.	1975660.
17 NORTH STAR BOROUGH SCHOOL DISTRICT	4087808.	818739.	-845385.	4061162.
18 RAIFORD SCHOOL DISTRICT	158943.	31834.	-52180.	138598.
19 UNIVERSITY OF ALASKA - GEN.	1105888.	221496.	262560.	1589944.
20 CITY AND BOROUGH OF SITKA	3648564.	730764.	-1786689.	3092639.
21 CHUGACH REGIONAL SCHOOL DISTRICT	0.	0.	0.	0.
22 GATEWAY BOROUGH	329234.	65942.	64972.	460148.
23 SOLDOTNA, CITY OF	2011.	403.	711529.	213943.
24 IDITAROD AREA SCHOOL DISTRICT	0.	0.	0.	0.
25 KUSKOKWIM SCHOOL DISTRICT	0.	0.	0.	0.

Section 2.6
ADJUSTMENT TO RETIREE RESERVE
William M. Mercer-Meidinger, Incorporated

ADJUSTMENT TO RETIREE RESERVE
AS OF JUNE 30, 1966

RETIREE
RESERVE
6-30-85

NET CHANGE
IN RESERVE
BY 6-30-86

AMOUNT
TO BE
TRANSFERRED

RETIREE
RESERVE
6-30-86

26 CITY AND BOROUGH OF JUNEAU

8661271. 1734749. -1210548. 9185472.

27 ALASKA STATE HOUSING AUTHORITY

379828. 76075. 17157. 473060.

28 KODIAK, CITY OF

2408538. 482401. -167161. 2723778.

29 FAIRBANKS, CITY OF

10046300. 2012154. -1691328. 10367125.

30 FAIRBANKS PUBLIC UTILITIES

4410540. 883378. -325718. 4958200.

31 WASILLA, CITY OF

0. 0. 0. 0.

32 SKAGWAY, CITY OF

159480. 31942. 25776. 217198.

33 SITKA, BOROUGH SCHOOLS

784557. 157137. -367183. 574511.

34 PALMER, CITY OF

261891. 52454. 30301. 344646.

35 WRANGELL, CITY OF

483874. 96914. -79735. 501054.

36 BETHEL, CITY OF

0. 0. 0. 0.

37 VALDEZ CITY SCHOOLS

211684. 42398. 19219. 273301.

38 HOONAH CITY SCHOOLS

287105. 57504. -95758. 248851.

39 NOME, CITY OF

381688. 76448. -140549. 317587.

40 KOTZERUE, CITY OF

0. 0. 0. 0.

41 GALENA CITY SCHOOLS

0. 0. 0. 0.

42 KING COVE CITY SCHOOL DISTRICT

13984. 2801. -5524. 11760.

43 PETERSBURG, CITY OF

1586600. 317777. -506372. 1398005.

44 BRISTOL BAY BOROUGH

124461. 24928. -123323. 26066.

45 NORTH SLOPE BOROUGH

74985. 150189. 547118. 1442172.

46 WRANGELL SCHOOLS

139169. 27874. -32408. 134635.

48 CORDOVA, CITY OF

588471. 117864. 168841. 875176.

49 NOME CITY SCHOOLS

548066. 109771. -148873. 508964.

50 TERMINATED EMPLOYERS

247902. 49652. -78661. 218892.

51 KING COVE, CITY OF

0. 0. 0. 0.

Section 2.6
ADJUSTMENT TO RETIREE RESERVE
William M. Mercer-Meidinger, Incorporated

ADJUSTMENT TO RETIREE RESERVE
AS OF JUNE 30, 1986

	RETIREE RESERVE 6-30-85	NET CHANGE IN RESERVE PY 6-30-86	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-86
52 ALASKA HOUSING FINANCE CORPORATION	189962.	38047.	-68229.	159780.
53 LOWER YUKON SCHOOL DISTRICT	241822.	48434.	-11126.	279130.
54 NORTHWEST ARCTIC SCHOOL DISTRICT	269100.	53697.	-34345.	287452.
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	0.	0.	0.	0.
56 PRITHI OF REGION SCHOOL DISTRICT	0.	0.	0.	0.
57 LOWER KUSKOKWIM SCHOOL DISTRICT	271910.	54460.	-90248.	236123.
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	770443.	154311.	-148772.	775981.
59 YUKON FLATS SCHOOL DISTRICT	125841.	25044.	-43902.	106183.
60 YUKON-KOYUKOK SCHOOL DISTRICT	0.	0.	0.	0.
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	462203.	92574.	-126459.	428317.
62 ALEUTIAN REGION SCHOOL DISTRICT	0.	0.	0.	0.
63 CORDOVA COMMUNITY HOSPITAL	42420.	8496.	12137.	63053.
64 LAKE AND PENINSULA SCHOOL DISTRICT	81233.	16270.	-4517.	92986.
65 SITKA COMMUNITY HOSPITAL	130412.	25120.	-3744.	152787.
66 TANANA CITY SCHOOL DISTRICT	0.	0.	0.	0.
67 SOUTH EAST REGIONAL RESOURCE CENTER	0.	0.	0.	0.
68 HYDABURG CITY SCHOOLS	0.	0.	0.	0.
69 TANANA, CITY OF	0.	0.	0.	0.
70 NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	0.	0.	0.	0.
71 BARRON, CITY OF	0.	0.	0.	0.
72 ST. PAUL, CITY OF	0.	0.	0.	0.
73 ANCHORAGE, MUNICIPALITY OF	44426421.	8898081.	-11238379.	42086123.
74 KODIAK ISLAND BOROUGH	145740.	29190.	89352.	264287.
75 NOME JOINT UTILITIES	91641.	18355.	36647.	146643.
76 SAND POINT, CITY OF	0.	0.	0.	0.

ADJUSTMENT TO RETIREE RESERVE
AS OF JUNE 30, 1986

	RETIREE RESERVE 6-30-85	NET CHANGE IN RESERVE BY 6-30-86	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-86
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	111519.	22336.	25240.	159095.
78 DILLINGHAM, CITY OF	124426.	24921.	-50405.	98942.
79 UNALASKA, CITY OF	117318.	23497.	-39912.	100903.
80 KENAI PENINSULA BOROUGH	1164628.	233261.	-302848.	1095041.
81 KETCHIKAN, CITY OF	3311782.	663310.	-1075102.	2899990.
82 SEWARD, CITY OF	445779.	89284.	-101545.	433518.
83 FORT YUKON, CITY OF	0.	0.	0.	0.
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	130504.	26138.	-51770.	104872.
85 CORDOVA PUBLIC SCHOOLS	226144.	45294.	-89522.	181916.
86 CRAIG, CITY OF	0.	0.	0.	0.
87 PETERSBURG GENERAL HOSPITAL	68203.	13660.	15435.	97298.
88 SAND POINT CITY SCHOOL DISTRICT	0.	0.	0.	0.
90 KENAI PENINSULA SCHOOL DISTRICT	1794074.	359332.	3068.	2156474.
91 NORTH POLE, CITY OF	0.	0.	33834.	33834.
92 GALENA, CITY OF	0.	0.	5385.	5385.
93 NENANA, CITY OF	0.	0.	0.	0.
94 HAINES BOROUGH	0.	0.	14378.	14378.
96 NENANA CITY PUBLIC SCHOOLS	0.	0.	0.	0.
A0 UNALAKLEET, CITY OF	0.	0.	0.	0.
A1 SAXMAN, CITY OF	0.	0.	0.	0.
A2 HOONAH, CITY OF	0.	0.	0.	0.
A3 PELICAN, CITY OF	0.	0.	0.	0.
A4 KAKE, CITY OF	0.	0.	15458.	15458.
A5 WHITTIER, CITY OF	0.	0.	27208.	27208.
A6 MUNT OF ANCHORAGE PARKING AUTHORITY	0.	0.	0.	0.

Section 2.6
ADJUSTMENT TO RETIREE RESERVE
William M. Mercer-Meidinger, Incorporated

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

ADJUSTMENT TO RETIREE RESERVE
AS OF JUNE 30, 1986

	RETIREE RESERVE 6-30-85	NET CHANGE IN RESERVE BY 6-30-86	AMOUNT TO BE TRANSFERRED	RETIREE RESERVE 6-30-86
A7 CRAIG CITY SCHOOL DISTRICT	0.	0.	0.	0.
A8 DILLINGHAM SCHOOL DISTRICT	0.	0.	0.	0.
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	0.	0.	0.	0.
PO WAINWRIGHT, CITY OF	0.	0.	0.	0.
B1 ST. MARY'S, CITY OF	0.	0.	0.	0.
	-----	-----	-----	-----
** STATE & POLITICAL SUBDIVISION TOTALS	434841026.	87093458.	-106818853.	415115631.

DISCLOSURE FOR F.A.S.B. STATEMENT NO. 87
AS OF JUNE 30, 1986

	ADJUSTED ASSETS	VESTED ACCUMULATED LIABILITY (VESTED AMT)	UNFUNDED VESTED ACCUMULATED LIABILITY	TOTAL ACCUMULATED LIABILITY (AMT)	ACCRUED LIABILITY (PRO)
1 STATE OF ALASKA	663416760.	552400996.	0.	728900876.	664857438.
2 SOUTH WEST REGION SCHOOL DISTRICT	2092173.	1086121.	0.	2308968.	1499231.
3 ANNETTE ISLAND SCHOOL DISTRICT	569511.	473171.	0.	757787.	568447.
4 BERING STRAITS SCHOOL DISTRICT	2832525.	1509777.	0.	4737063.	2511254.
5 CHATHAM SCHOOL DISTRICT	472534.	430079.	0.	658636.	416716.
6 ALASKA MUNICIPAL LEAGUE	82252.	56627.	0.	97482.	77641.
7 VALDEZ, CITY OF	5326006.	3623832.	0.	4630238.	4432340.
8 JUNEAU BOROUGH SCHOOL DISTRICT	4006825.	3372865.	0.	5629699.	4141439.
9 MATANUSKA-SUSITNA BOROUGH	7171117.	3701668.	0.	5557546.	4661408.
10 MATANUSKA-SUSITNA SCHOOL	5913156.	5164455.	0.	11290091.	7307600.
11 ANCHORAGE BOROUGH SCHOOL	47976258.	44957183.	0.	66076987.	52318754.
12 COPPER RIVER SCHOOL DISTRICT	1014608.	451582.	0.	901285.	665093.
13 UNIVERSITY OF ALASKA	85320447.	58993193.	0.	89626768.	71046244.
14 HAINES, CITY OF	1003323.	514981.	0.	1085676.	774804.
15 KENAI, CITY OF	5239945.	3801876.	0.	4906713.	4600760.
16 NORTH STAR BOROUGH	13921569.	7436508.	0.	12824465.	9145372.
17 NORTH STAR BOROUGH SCHOOL DISTRICT	19734908.	13071383.	0.	20659911.	15590916.
18 RAILBELT SCHOOL DISTRICT	732001.	476983.	0.	1046049.	570562.
19 UNIVERSITY OF ALASKA - GEO.	5620743.	4820286.	0.	5247314.	5271241.
20 CITY AND BOROUGH OF SITKA	3151891.	3828289.	676398.	5353208.	4785857.
21 CHUGACH REGIONAL SCHOOL DISTRICT	171782.	66541.	0.	210694.	106144.
22 GATEWAY BOROUGH	2239776.	1475733.	0.	2601469.	2005831.
23 SOLDOTNA, CITY OF	903947.	1294444.	390497.	1955375.	1706210.
24 IDITAROD AREA SCHOOL DISTRICT	1495367.	943560.	0.	2057726.	1238117.
25 KUSPUK SCHOOL DISTRICT	1412557.	841401.	0.	1862776.	1128436.

Section 2.7
DISCLOSURE FOR F.A.S.B. STATEMENTS
NOS. 35 AND 36 AS OF JUNE 30, 1986
William M. Mercer-Meindinger, Incorporated

DISCLOSURE FOR F.A.S.B. STATEMENT NO. 37
AS OF JUNE 30, 1986

	ADJUSTED ASSETS	VESTED ACCUMULATED LIABILITY (VESTED APO)	UNFUNDED VESTED ACCUMULATED LIABILITY	TOTAL ACCUMULATED LIABILITY (APO)	ACCRUED LIABILITY (PBO)
26 CITY AND BOROUGH OF JUNEAU	24760790.	18596474.	0.	29460102.	23503648.
27 ALASKA STATE HOUSING AUTHORITY	3014587.	3309180.	294593.	4820369.	3725852.
28 KODIAK, CITY OF	4198140.	3957636.	0.	5799373.	5226116.
29 FAIRBANKS, CITY OF	13852393.	20056689.	6204296.	22338814.	24334391.
30 FAIRBANKS PUBLIC UTILITIES	10936653.	6073244.	0.	8073238.	7472493.
31 WASILLA, CITY OF	406365.	195611.	0.	495293.	344573.
32 SKAGWAY, CITY OF	406299.	309587.	0.	567957.	409041.
33 SITKA, BOROUGH SCHOOLS	2450152.	1836213.	0.	2734078.	2147618.
34 PALMER, CITY OF	1165210.	1254985.	89775.	2036361.	1644176.
35 WRANGELL, CITY OF	2007004.	1709291.	0.	2183651.	1991814.
36 BETHEL, CITY OF	607829.	485316.	0.	629922.	612179.
37 VALDEZ CITY SCHOOLS	2059265.	1445672.	0.	2317085.	1787825.
38 HOONAH CITY SCHOOLS	543796.	548571.	4775.	756810.	660703.
39 NOME, CITY OF	1863075.	1410859.	0.	2149482.	1816683.
40 KOTZEBUE, CITY OF	2183174.	829271.	0.	2202335.	1273578.
41 GALENA CITY SCHOOLS	526131.	351959.	0.	545771.	435649.
42 KING COVE CITY SCHOOL DISTRICT	289750.	170198.	0.	271595.	223389.
43 PETERSBURG, CITY OF	1437168.	2456972.	1019804.	3423771.	3033166.
44 BRISTOL BAY BOROUGH	815608.	569297.	0.	888694.	674875.
45 NORTH SLOPE BOROUGH	30229137.	12826586.	0.	23106867.	17219220.
46 WRANGELL SCHOOLS	374710.	337085.	0.	535622.	384931.
48 CORDOVA, CITY OF	1033993.	1507107.	473114.	2126776.	1847559.
49 NOME CITY SCHOOLS	890071.	918047.	27976.	1445636.	1115291.
50 TERMINATED EMPLOYERS	3302875.	537338.	0.	728712.	609394.
51 KING COVE, CITY OF	424332.	131745.	0.	337277.	183181.

Section 2.7
DISCLOSURE FOR F.A.S.B. STATEMENTS
NOS. 35 AND 36 AS OF JUNE 30, 1986
William M. Mercer-Meldinger, Incorporated

DISCLOSURE FOR F.A.S.B. STATEMENT NO. 87
AS OF JUNE 30, 1986

	ADJUSTED ASSETS	VESTED ACCUMULATED LIABILITY (VESTED APO)	UNFUNDED VESTED ACCUMULATED LIABILITY	TOTAL ACCUMULATED LIABILITY (APO)	ACCRUED LIABILITY (PRO)
52 ALASKA HOUSING FINANCE CORPORATION	1554999.	692968.	0.	1420120.	914825.
53 LOWER YUKON SCHOOL DISTRICT	3561307.	2913386.	0.	5537466.	3529419.
54 NORTHWEST ARCTIC SCHOOL DISTRICT	7207390.	2847561.	0.	5850596.	3636883.
55 SOUTHEAST ISLANDS SCHOOL DISTRICT	566036.	452933.	0.	645383.	483638.
56 PRIIBILOF REGION SCHOOL DISTRICT	537198.	459369.	0.	524444.	411143.
57 LOWER KUSKOKWIM SCHOOL DISTRICT	8408797.	3212370.	0.	10983494.	6114715.
58 KODIAK ISLAND BOROUGH SCHOOL DISTRICT	3950099.	2951422.	0.	5178700.	3500696.
59 YUKON FLATS SCHOOL DISTRICT	1319243.	423806.	0.	1350310.	659566.
60 YUKON-KCYUKOK SCHOOL DISTRICT	2073796.	657300.	0.	1972777.	1052176.
61 NORTH SLOPE BOROUGH SCHOOL DISTRICT	6896224.	4293970.	0.	7382322.	5243381.
62 ALEUTIAN REGION SCHOOL DISTRICT	572846.	218245.	0.	431881.	303665.
63 CORDOVA COMMUNITY HOSPITAL	1239634.	736299.	0.	1271670.	951061.
64 LAKE AND PENINSULA SCHOOL DISTRICT	1191239.	453627.	0.	1646499.	903324.
65 SITKA COMMUNITY HOSPITAL	2007795.	1179873.	0.	2177864.	1459767.
66 TANANA CITY SCHOOL DISTRICT	116891.	55619.	0.	273565.	106651.
67 SOUTH EAST REGIONAL RESOURCE CENTER	618131.	273451.	0.	648549.	378567.
68 HYDABURG CITY SCHOOLS	108760.	12664.	0.	99714.	58481.
69 TANANA, CITY OF	217240.	27429.	0.	213602.	79464.
70 NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	711356.	478804.	0.	542037.	474559.
71 BARROW, CITY OF	293350.	89658.	0.	430818.	233428.
72 ST. PAUL, CITY OF	430968.	93898.	0.	621853.	238585.
73 ANCHORAGE, MUNICIPALITY OF	107457834.	93127512.	0.	124208714.	111553038.
74 KODIAK ISLAND BOROUGH	1561304.	1125387.	0.	2124751.	1491865.
75 NOME JOINT UTILITIES	905900.	375323.	0.	542071.	440460.
76 SAND POINT, CITY OF	426177.	154427.	0.	396814.	229542.

Section 2.7
DISCLOSURE FOR F.A.S.B. STATEMENTS
NOS. 35 AND 36 AS OF JUNE 30, 1986
William M. Mercer-Meindinger, Incorporated

STATEMENT FOR F.A.S.B. STATEMENT NO. 67
AS OF JUNE 30, 1986

	ADJUSTED ASSETS	VFSTFD ACCUMULATED LIABILITY (VESTED APO)	UNFUNDED VESTED ACCUMULATED LIABILITY	TOTAL ACCUMULATED LIABILITY (APO)	ACCURED LIABILITY (PBO)
77 KETCHIKAN GATEWAY BORO SCHOOL DISTRICT	625149.	717119.	91970.	1837499.	1064393.
78 DILLINGHAM, CITY OF	954946.	357358.	0.	970807.	617583.
79 UNALASKA, CITY OF	2339857.	885582.	0.	1841294.	1255661.
80 KENAI PENINSULA BOROUGH	6526143.	5419590.	0.	8282223.	6872628.
81 KETCHIKAN, CITY OF	3370652.	4878851.	1508199.	6872737.	6333076.
82 SEWARD, CITY OF	2466144.	1893525.	0.	2778970.	2431369.
83 FORT YUKON, CITY OF	235175.	67273.	0.	228131.	113878.
84 BRISTOL BAY BOROUGH SCHOOL DISTRICT	425723.	489143.	63420.	782130.	473657.
85 CORDOVA PUBLIC SCHOOLS	443894.	501383.	57489.	868653.	602844.
86 CRAIG, CITY OF	318866.	125925.	0.	398072.	224068.
87 PETERSBURG GENERAL HOSPITAL	803481.	551403.	0.	782260.	584231.
88 SAND POINT CITY SCHOOL DISTRICT	173529.	63160.	0.	206823.	104770.
90 KENAI PENINSULA SCHOOL DISTRICT	4970570.	5672627.	702057.	11299375.	7399929.
91 NORTH POLE, CITY OF	812733.	581825.	0.	960184.	774909.
92 GALENA, CITY OF	482399.	406344.	0.	785485.	525154.
93 NENANA, CITY OF	312111.	222756.	0.	359977.	249661.
94 HAINES BOROUGH	34260.	9227.	0.	168384.	67675.
96 NENANA CITY PUBLIC SCHOOLS	238713.	190623.	0.	341812.	233012.
A0 UNALAKLEET, CITY OF	76071.	163504.	87433.	439616.	291709.
A1 SAXMAN, CITY OF	58949.	39968.	0.	160442.	71846.
A2 HOONAH, CITY OF	159008.	28982.	0.	429212.	140727.
A3 PELICAN, CITY OF	16440.	7906.	0.	123171.	38073.
A4 KAKE, CITY OF	184123.	137205.	0.	325129.	184171.
A5 WHITTIER, CITY OF	181459.	29966.	0.	296828.	126606.
A6 MUNI OF ANCHORAGE PARKING AUTHORITY	119169.	35941.	0.	266631.	82118.

Section 2.7
DISCLOSURE FOR F.A.S.B. STATEMENTS
NOS. 35 AND 36 AS OF JUNE 30, 1986
William M. Mercer-Meldinger, Incorporated

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

DISCLOSURE FOR F.A.S.B. STATEMENT NO. 87
AS OF JUNE 30, 1986

	ADJUSTED ASSETS	VESTED ACCUMULATED LIABILITY (VESTED AMT)	UNFUNDED VESTED ACCUMULATED LIABILITY	TOTAL ACCUMULATED LIABILITY (AMT)	ACCRUED LIABILITY (PRN)
A7 CRAIG CITY SCHOOL DISTRICT	14295.	2964.	0.	59115.	38423.
A8 DILLINGHAM SCHOOL DISTRICT	271726.	585383.	313657.	1181530.	697851.
A9 THORNE BAY, CITY OF	36895.	5765.	0.	96760.	26960.
AB AKUTAN, CITY OF	36951.	14550.	0.	76121.	24368.
AC UNALASKA CITY SCHOOL DISTRICT	73110.	12997.	0.	144875.	42221.
AE KASHUNAMUT SCHOOL DISTRICT	54426.	13259.	0.	201113.	43656.
AF SEWARD GENERAL HOSPITAL	123741.	871970.	748229.	1491589.	1148201.
BO WAINWRIGHT, CITY OF	1359.	6050.	4691.	56018.	12962.
B1 ST. MARY'S, CITY OF	6306.	94843.	88537.	197428.	126567.
	-----	-----	-----	-----	-----
** STATE & POLITICAL SUBDIVISION TOTALS	1172483338.	939010784.	12846910.	1322746802.	1141579062.

William M. Mercer-Meidinger, Incorporated

VAL2.5/jam