

**State of Alaska**  
**FY2003 Governor's Operating Budget**

**Department of Military and Veterans Affairs**  
**Retirement Benefits**  
**Component Budget Summary**

## **Component: Retirement Benefits**

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### **Component Mission**

To pay into the National Guard Retirement System the actuarial amount required to maintain the fund.

### **Component Services Provided**

Members of the Alaska National Guard are eligible for this retirement program if they have served a total of 20 years in the U.S. Armed Forces with at least five years in the Alaska National Guard or Naval Militia. Instead of receiving a monthly stipend of \$100, members may opt for a lump-sum distribution. The \$100 a month is received for as many months as the participant performed satisfactorily in the Guard or the Militia.

### **Component Goals and Strategies**

To attract and retain members of the Alaska National Guard by providing a retirement system based on the number of years of membership in the Alaska Guard.

Maintain the retirement system for those members who are retired and/or vested.

### **Key Component Issues for FY2002 – 2003**

This year the state's contribution for the Guard Retirement System increased as a result of receiving an updated actuarial study. The key change in the study was the update of the mortality tables from 1984 to 1998.

### **Major Component Accomplishments in 2001**

Paid the required contributions to the State of Alaska, Department of Administration's Division of Retirement and Benefits.

### **Statutory and Regulatory Authority**

AS 26.05.222-229

**Retirement Benefits**  
**Component Financial Summary**

*All dollars in thousands*

<b>Formula Program:</b>	<b>FY2001 Actuals</b>	<b>FY2002 Authorized</b>	<b>FY2003 Governor</b>
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	879.8	879.8	1,322.5
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>879.8</b>	<b>879.8</b>	<b>1,322.5</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	879.8	879.8	1,322.5
<b>Funding Totals</b>	<b>879.8</b>	<b>879.8</b>	<b>1,322.5</b>

**Retirement Benefits****Proposed Changes in Levels of Service for FY2003**

Added \$442.7 in GF for the Retirement Benefits Program to pay for the increased actuary cost as a result of an update in the mortality tables from 1984 to 1998.

**Summary of Component Budget Changes****From FY2002 Authorized to FY2003 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>879.8</b>	<b>0.0</b>	<b>0.0</b>	<b>879.8</b>
<b>Proposed budget increases:</b>				
-Increase in Actuarial Costs to the State National Guard and Naval Militia Retirement System	442.7	0.0	0.0	442.7
<b>FY2003 Governor</b>	<b>1,322.5</b>	<b>0.0</b>	<b>0.0</b>	<b>1,322.5</b>