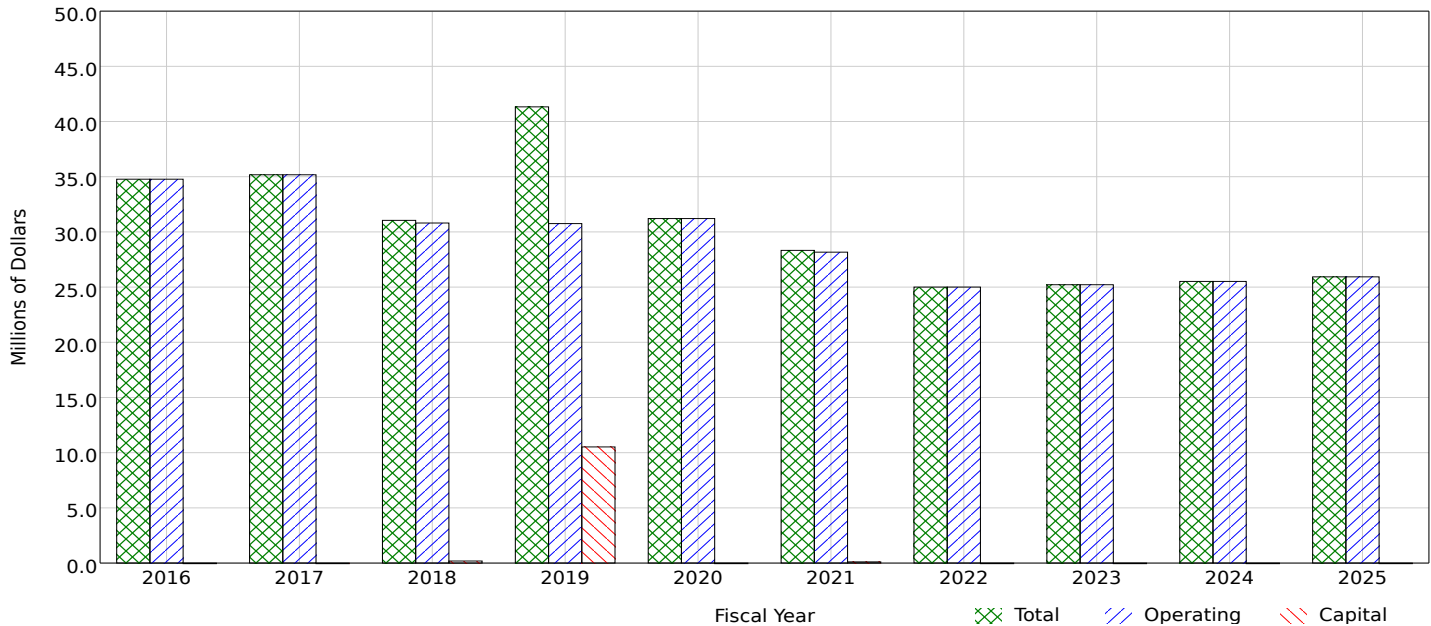


# Fund Source Report

## 1029 PERS Trust Public Employees Retirement Trust Fund

Year Authorized 1949    Year Repealed    Active? Yes    Mental Health? No    Duplicated? No    Fund Group Trust / Fiduciary

### Operating and Capital Appropriations



#### Legal Authority

AS 39.35.020, repealed in 2005

#### Source of Revenue

Consists of employer and employee contributions, interest earned on investments, and legislative appropriations to the fund.

#### Restrictions on Use

The corpus or income of the assets held in trust as required by the plan may not be diverted to or used for other than the exclusive benefit of the members or their beneficiaries. (AS 39.35.011)

#### Description and History

The Territorial Legislature created the Public Employees' Retirement System (PERS) in 1949 (Chapter 41, SLA 49). The system covered territorial employees and the employees of municipalities in the territory if the pertinent municipality elected to participate in the system. Extensive changes to the PERS plan have occurred with the establishment of Tier I (1961), Tier II (1986), Tier III (1996), and Tier IV (2006).

The PERS Trust Fund holds the assets of the PERS. These assets are comprised of investments of various kinds, predominantly stocks, bonds, and real estate. The Fund was created to pay retirement benefits to employees (including elected officials) participating in the formula-driven retirement plan administered under PERS. Tiers I through III of the retirement system provide a defined benefit pension in which benefit levels for each employee are determined by length of employment and highest average salary. Tier IV is a defined contribution (DC) plan in which benefits are derived from the DC account balance plus investment earnings. All tiers involve a joint-contributory plan in which both the employee and employer make continuing contributions, calculated as a percentage of current salary. The system is considered to be perpetual because it applies to future as well as current employees and because the employers are perpetual in nature.

The Public Employees' Retirement System Fund is maintained to account for assets held by the State acting in the capacity as a trustee or agent. This fund is administered by the Department of Administration. The Alaska Retirement Management (ARM) Board established under AS 37.10.210 is the fiduciary of the system funds.

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With the repeal of AS 39.35.020 in 2005, the fund no longer has a specific statutory cite. It remains one of the several separate retirement accounts for which the Alaska Retirement Management Board (AS 37.10.210) serves as trustee.