

State of Alaska
FY2006 Governor's Operating Budget

Department of Military and Veterans Affairs
Retirement Benefits
Component Budget Summary

Component: Retirement Benefits

Contribution to Department's Mission

Provides the department funds to pay the actuarial amount required to maintain the State of Alaska's National Guard and Naval Militia Retirement System.

- 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.

Core Services

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.

Major Activities to Advance Strategies

- Payment into the State of Alaska National Guard and Naval Militia Retirement System

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$2,053,800

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

Obtain the appropriate level of funding in FY 2006 for the annual retirement system funding transfer to the Department of Administration, Division of Retirement and Benefits based on the National Guard Naval Militia Retirement System Actuarial Valuation Report.

Significant Changes in Results to be Delivered in FY2006

A general fund request in the amount of \$58,000 will allow this component to fully fund the National Guard and Naval Militia Retirement System in accordance with statutory requirements.

Major Component Accomplishments in 2004

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

Alaska National Guard and Alaska Naval Militia Retirement System

Contact Information

Contact: John Cramer, Administrative Service Director
Phone: (907) 465-4602
Fax: (907) 465-4605
E-mail: John_Cramer@ak-prepared.com

**Retirement Benefits
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	1,322.5	1,996.8	2,053.8
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,322.5	1,996.8	2,053.8
Funding Sources:			
1004 General Fund Receipts	1,322.5	1,996.8	2,053.8
Funding Totals	1,322.5	1,996.8	2,053.8

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	1,996.8	0.0	0.0	1,996.8
Proposed budget increases:				
-Increase Funding Due to National Guard Retirement System Benefit Shortfall	57.0	0.0	0.0	57.0
FY2006 Governor	2,053.8	0.0	0.0	2,053.8