

**POLICIES AND PROCEDURES APPLICABLE  
TO THE TREASURY DIVISION,  
DEPARTMENT OF REVENUE,  
STATE OF ALASKA**



**APPENDIX BD**

**Executive Life Recovery / Investment Loss Trust Fund (ILTF) Annual Reconciliation from  
Division of Retirement & Benefits**

# MEMORANDUM

## STATE OF ALASKA Department of Administration Division of Retirement & Benefits

To: ILTF Balance Information

Date: 12/24/2012

From: Nicole Evans  
Division of Retirement & Benefits

Phone: 465-4463

Subject: Executive Life Recovery \ Investment Loss Trust Fund (ILTF) Reconciliation @ 10/31/12

Amounts Received, ELIC Conservatorship			
Plus Other Adjustments	\$130,913,080.62	(California Insurance Commissioner)	
Litigation Trust Remainder Settlement	12,535,368.99	(California Insurance Commissioner)	
ALHIGA Settlement Transfer	4,240,821.71	(Alaska Life Health Insurance Guarantee)	
	147,689,271.32		
Earnings on State portion, cumulative	4,713,111.61	(Interest on ILTF until draw down)	
Block Transfer to General fund, 9/94	(37,600,000.00)		
Block Transfer to General fund, 2/96	(75,882,486.97)		
Transfer to Childrens Trust Fund, 7/96	(6,000,000.00)		
Appropriated 1997 Session	(11,498,600.00)	Ch. 100, SLA 97; sec. 71,59,82; Ch. 98, SLA 97; sec. 39	
Appropriated 1998 Session	(1,129,300.00)		
Appropriated 2000 Session	(2,276,000.00)	SB192 -p.63,80,81; Ch. 135&133, SLA00; HB312 (p.42,46)	
Appropriated 2001 Session	(246,800.00)	HB103s1; SB29s1	
Appropriated 2002 Session	(4,278,900.00)	SB 2006 (4,178.9 DOT); HB 403 (100.0 Debt Ret.)	
Appropriated 2003 Session	(2,967,800.00)	Ch. 83, Sec. 1, p23; Sec. 32(q), p.72	
Appropriated 2004 Session	(104,029.00)	Ch. 158, SLA 04, sec. 21	
Appropriated 2005 Session	(77,800.00)	Ch. 4, FSSLA 05, HB67 sec. 20(F)	
Appropriated 2006 Session	(9,212,500.00)	Ch. 33, pages 11,15,26,29,30,33,37,69,70,72 Ch. 82 p88	
Appropriated 2007 Session	(376,500.00)	To debt retirement fund	
Appropriated 2008 Session	(171,900.00)	Ch.27, SLA 08, sec. 22(a)(3); HB 310	
Appropriated 2009 Session	(26,000.00)	Ch.12 SLA 09, sec. 21(a)(5); p77	
Appropriated 2010 Session	-	No FY11 appropriation	
Appropriated 2011 Session	(544,100.00)	SLA 11; HB108 sec. 32(l)	
Appropriated 2012 Session	-	No FY13 appropriation	
	(152,392,715.97)		
<b>TOTAL BALANCE AVAILABLE TO STATE NOT RESERVED FOR OTHER PURPOSES</b>	<b>9,666.96</b>		
Total Appropriations	32,910,229.00		
Draw downs	(32,118,335.25)	791,893.75	Reserved for Approp. Amts.
Cash Amount in ILTF Due State		801,560.71	A
		(Annuitant Reserve)	(Appropriated)
GROSS Cash in Amt. To Remain plus interest	1,927,787.84		
2000 App. HB3001c, p.8 (Ch. 1, TSSLA 00)	(4,055,600.00)	4,055,600.00	
Draw downs to date	4,055,600.00	(4,055,600.00)	
Cash Amount to Remain, Allocated	1,927,787.84	B	- C
Total ILTF Cash Balance	\$2,729,348.55	A+B+C	

In addition, \$17.3 (thousands) was appropriated for FY00, \$17.3 for FY01, \$17.6 for FY02, \$22.4 FY03 (HB 403), \$22.7 for FY04 (ch 83, Sec.1, p.49) - for operating costs. FY05 charges totaled \$2.4. No operating costs have been charged for FY06 through FY12. These amounts have been accounted for in the amount to remain plus interest because they are operating costs that are charged to the "Amount to Remain" portion.

3/06 \$9.2 million & 10/10 \$ .5 million added to "Litigation Trust Remainder Settlement" for California Ins Commissioner law suit recovery from French Consortium which purchased ELIC junk bonds, possible future small amounts could be received from this source. All other known previous litigation has been settled, and the remaining litigation trust settlement received. However, the "Amount to Remain" continues to act as a reserve against potential claims as required by settlement litigation for the payment of aprox \$312,770 annually for 104 active remaining life and survivor monthly annuities.

12/24/2012

J:\Account\AsstComp\Policies and Procedures\Accounting and Investment Policy\blue book\Blue book Manual\Information requests\ILTSUM\_\_103112.docx