

**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

To: ILTF Balance Information Date: 10/16/2014

From: Melanie Helmick-Murphy mh
Accountant IV Phone: 465-4463
Division of Retirement and Benefits

Subject: Executive Life Recovery/Investment Loss Trust Fund (ILTF) Reconciliation @ 9/30/14

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)
	<u>147,689,271.32</u>	
Earnings on State portion, cumulative	4,716,436.57	(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 - 2012 Sessions	(32,910,229.00)	
Appropriated 2013 Session	-	No FY14 appropriation
	<u>(152,392,715.97)</u>	
TOTAL BALANCE AVAILABLE TO STATE NOT RESERVED FOR OTHER PURPOSES	<u>12,991.92</u>	
Total Appropriations	32,910,229.00	
Draw downs	(32,126,364.67)	Reserved for Approp. Amts.
Cash Amount in ILTF Due State	<u>796,856.25</u>	
Cash in Amt. To Remain plus interest	1,935,821.72	
Total ILTF Cash Balance	<u>\$2,732,677.97</u>	

In addition, \$99.7 (thousands) was appropriated for FY00 – FY05 for operating costs. No operating costs have been charged for FY06 through FY13. These costs have been charged and accounted for in the amount to remain plus interest portion.

\$9.2 million (3/06) & \$.5 million (10/10) 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 approximately \$290,000 annually for 98 active remaining life and survivor monthly annuities.