ANCHORAGE, ALASKA
AO NO. 2008–58

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING
ANCHORAGE MUNICIPAL CODE CHAPTER 3.87 PROVIDING FOR A RETIREE
MEDICAL FUNDING PROGRAM FOR POLICE OFFICERS AND FIRE FIGHTERS.

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 3.87.060, Health
Reimbursement Arrangement, is hereby amended to read as follows: (Subsections not
amended are not set out):

3.87.060 Health reimbursement arrangement.

A. Contributions by the municipality.

<table>
<thead>
<tr>
<th>Class</th>
<th>Retirement Age</th>
<th>OR</th>
<th>Service at Retirement</th>
<th>Annual Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>60 or older</td>
<td></td>
<td>25 years</td>
<td>75 percent of medical premium increase</td>
</tr>
<tr>
<td>Class 2</td>
<td>55–59</td>
<td></td>
<td></td>
<td>50 percent of medical premium increase</td>
</tr>
<tr>
<td>Class 3</td>
<td>50–54</td>
<td></td>
<td>20–24 years</td>
<td>50 percent of medical premium increase , with a maximum of 6 percent</td>
</tr>
<tr>
<td>Class 4</td>
<td>Less than 50</td>
<td></td>
<td>0–19 years</td>
<td>25 percent of medical premium increase , with a maximum of 3 percent</td>
</tr>
</tbody>
</table>

"Medical Premium Increase" means the annual percentage change in the municipality medical premium for active municipal employees [COMPONENTS OF THE NATIONAL CONSUMER PRICE INDEX-W AS MEASURED BY THE INDEX RELEASED FOR THE END OF THE THIRD CALENDAR QUARTER BY THE BUREAU OF LABOR STATISTICS].

AM 244-2008
H. Special rule for members disabled in the line of duty.

5. Members retired due to permanent occupational disability as defined by section 3.85.090, shall be entitled to class 1 benefits to remediate the diminution of benefits that member would be entitled to if they had continued in service until normal retirement.

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(AO No. 94-222(S-1), § 1, 12-28-94; Ord. No. 96-158(S), § 2, 1-1-96; AO No. 97-104, § 3, 8-19-97; AO No. 2003-141, § 1, 10-21-03; AO No. 2005-153, § 3, 11-8-05)

Section 2. AMC 3.87.070, Amendment and Termination of the Police and Fire Retiree Medical Funding Program, is hereby amended to read as follows: (Subsections not amended are not set out):

3.87.070 Amendment and termination of the police and fire retiree medical funding program.

A. Every five years the assembly shall adjust the formula contained in AMC 3.87.060(A), as necessary, taking into consideration the recommendations of the Anchorage Police and Fire Retirees Medical Trust Board [FROM JANUARY 1, 1995, THE ASSEMBLY WILL REVIEW THE OPERATION OF THE PROGRAM INCLUDING THE AMOUNT OF THE INITIAL MONTHLY CONTRIBUTION ESTABLISHED IN SECTION 3.87.060 TO BE MADE BY THE MUNICIPALITY].

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Any new contribution amount established by the assembly shall be subject to the annual adjustment described in Section 3.87.060. [THE CONTRIBUTION RATE REDUCTION SET FORTH IN THIS SECTION SHALL NOT BE PREDICATED UPON A MAJOR MATERIAL CHANGE IN THE COVERAGES AVAILABLE FOR ACTIVE EMPLOYEES.]

(AO No. 94-222(S-1), § 1, 12-28-94; AO No. 2003-141, § 1, 10-21-03)

Section 3. Pursuant to AMC 1.05.120, AO NO. 2008-58, Section 1 is retroactive to January 1, 2003, upon passage and approval of the assembly.
PASSED AND APPROVED by the Anchorage Assembly this __ day of
____________________, 2008.

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Chair

ATTEST:

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Municipal Clerk