

# ***Issues Affecting the Economic Well-Being of Alaska Seniors***

**Prepared for:**

**Alaska Commission on Aging**



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**December 2000**

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*Alaska's rapidly growing senior population brings with it both challenges and benefits. The network of services for seniors will need to be strengthened and its capacity significantly expanded. Many of these services will need to be publicly funded, at least in part. However, the new senior population will also create a wide range of economic and business opportunities. An influx of additional retirement and other income, along with medical payments, will create billions of dollars in economic impacts statewide.*

The role of Alaska seniors over the next 25 years is one of the biggest social and economic issues facing the state today. This study reached two overarching conclusions:

- Alaska's seniors are one of the largest single sources of money flowing into the state. Senior retirement income and medical payments have a significant beneficial effect on the state's economy.
- At the same time more than half of Alaska's seniors live precariously on the edge of solvency. For some, financial considerations may determine whether they continue to reside in the state. For many others a combination of financial benefits available from state and municipal governments is critical to their well-being.

### ***Growth of the Senior Population***

- While the population of Alaska is projected to increase by one-third between 2000 and 2025, the number of Alaskans over age 60 will more than triple in that time. Seniors as a percent of the Alaska population will grow from 8% to 20% in the next 25 years.

### **Population of Alaskans 60 and Over**

	<u>1999</u>		<u>2025</u>	
	Population	% of Total	Population	% of Total
Alaska Seniors	50,600	8%	165,000	20%
US Seniors	45 million	17%	83 million	24%

Source: Alaska Department of Labor and Workforce Development, US Bureau of the Census

- The markets for services to seniors will similarly increase. Seniors will need three times or more the current levels of social and recreational opportunities, medical and personal care, appropriate housing, transportation, nutrition and other services.
- Nine of ten seniors (92%) would like to remain in Alaska indefinitely.

### ***Economic Impact of Seniors***

- Alaskans over 60 as a group are one of the state's largest "basic" industries. They generate an influx into the state of at least \$1.2 billion in income and government medical benefits.
- Applying an economic multiplier of 2 to senior income and medical benefits results in an overall economic impact for seniors of approximately \$2.4 billion per year. This is the personal income that would be lost statewide if there were no Alaska senior population. Economic multipliers for Alaska's basic industries range from approximately 1.3 to 2.4. The impact of seniors is greater than that generated by the payroll and purchases (excluding royalties and taxes) of the oil, tourism, mining or seafood industries. The projected growth rate for seniors is greater than that for most industrial sectors.
- In addition to the impact of their income, seniors estimate they provide the equivalent of 2,400 full-time jobs as volunteers, worth approximately \$60 million per year.
- Seniors over 60 estimate they provide unpaid caregiving services that are the equivalent of 6,300 full-time jobs. They also estimate they work the equivalent of as many as 3,600 full-time subsistence jobs.

### ***Economic Well-Being of Seniors***

- In spite of their large collective economic impact, approximately half of senior households live below HUD low-income levels for Alaska (see page 54).
- Survey results indicate that approximately 9,200 senior households live on less than \$2,000 per month, 2,240 on less than \$1,000 per month. Half (52%) of single-person senior households and nearly one-quarter (22%) of senior couples live on \$2,000 or less per month. Four in ten senior households with three or more people live in that income range.
- Income levels for seniors 60 to 64 years of age are substantially higher than those for older seniors. Seniors 85 and over are the poorest group, with approximately 40% living below HUD very-low-income guidelines.

### ***State Financial Programs that Benefit Seniors***

- The Longevity Bonus is the only major state funded program specifically targeting seniors; it has been closed to new applicants since 1997. Property and sales tax exemptions are funded by municipalities.
- State and municipal financial programs, including general entitlements such as the Permanent Fund Dividend, provided approximately \$205 million in supplementary income (non-medical payments) and tax benefits to seniors (over 60) in 1999.
- Of the major state-funded financial programs affecting seniors, only Adult Public Assistance (APA) and General Relief specifically target low and very low income populations. Both programs work with adults of all ages.

- Permanent Fund dividends and Longevity Bonus payments together make up two-thirds of major state non-medical payments to seniors, approximately \$85 million and \$60 million, respectively, in 1999. The senior Property Tax Exemption constitutes the third largest non-federal payment at less than \$27 million. However, it is no longer funded by the state, but rather by local governments.

### ***Impact of State and Municipal Financial Programs on Senior Well-Being***

- For single-person senior households below \$2,000 per month, state and municipal payments and tax exemptions may be equal to 40% or more of household income. For couples below \$2,000, they could be 70% or more of household income.
- Nearly 70% of seniors who take the Property Tax Exemption consider it “very important” to their financial situation, and 40% of those who claim it (approximately 5,500 households) say they would need to sell property or change their living situation if not for the exemption.

### ***Recommendations for Further Research***

#### ***Access to Sample Frames***

Until recently, the list of Longevity Bonus applicants made it possible to draw a reasonably random sample of Alaskans over age 65 for research purposes. With closure of applications in 1997, that list, by itself, is no longer a reliable cross-section. This study found it necessary to draw on three sample sources to obtain a representative sample. Drawing a statistical (i.e., random) sample was not possible within the scope of the study, though our three-sample methodology closely paralleled the senior population.

There is only one potential substitute for the Longevity Bonus list, and that is the list of Permanent Dividend recipients. Unfortunately, statute currently forbids access to sub-groups of Permanent Dividend recipients, such as those over a particular age, by any but specifically designated state agencies such as the Department of Labor and Workforce Development (ADOL).

Lack of access to a suitable sample of Alaska seniors leads researchers to request more and more analysis from ADOL. This is not only a burden on ADOL staff, but is often not closely associated with the mission of the department. ADOL is primarily concerned with employment information, and, therefore, does little analysis in its normal course of business of the over-60 population as a group.

Future research on Alaska seniors would benefit greatly if the Commission on Aging, Division of Senior Services or some other state agency were able to use the Permanent Fund list to draw random samples of senior households for research purposes.

### ***Senior Migration***

ADOL tracks migration into and out of the state, but, for the most part, not by age. This study and others, such as a recent inventory of long-term care facilities by the Division of Senior Services, have highlighted a need to document more thoroughly the patterns, causes and implications of senior migration, both within the state and to/from other states. Where seniors live is often closely tied to the availability of the services they need. Projected growth in the senior population makes it all the more important to understand how migration will affect the level of demand for a wide range of senior services, both publicly and privately provided.

From a research standpoint, tracking senior migration presents challenges. One option is a longitudinal study that follows a sample of seniors over time and records their movements.

### ***Access to Institutional Population***

This study included a major and largely successful effort to obtain personal economic data directly from senior households by means of a mail survey with a high response rate. The nature of the survey, however, resulted in under-representation of individuals living in group settings. The challenges of obtaining research data in institutional settings have been noted at the national level as well. Including seniors who live in institutional and group facilities calls for complex, more expensive methodologies. However, given the rapidly expanding size of the senior population and the predominance of public and private expense associated with institutional care, these additional research efforts seem warranted.

Another option might be meta-analysis of existing records. This technique would provide as aggregated a picture as possible of the institutional senior population using records from a variety of studies and other sources. The approach may be labor intensive, particularly in view of medical privacy concerns.

### ***More Detailed Research on Household Economics***

This study attempts to combine a broad overview of senior economic and demographic issues with some assessment of impacts at the household level. Among the lessons of the study is that understanding in depth the personal financial trade-offs facing seniors would require a much more focused methodology. Further, the topic combines economic and financial issues with personal and cultural ones. Nevertheless, the high projected growth rates for the senior population in Alaska may warrant the resources needed for such a study. Many of the answers to how seniors will respond to the changes in their world over the next 25 to 50 years are bound up in just such complex sets of issues.

# ***Introduction and Acknowledgements***

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## **Introduction**

This report draws on both primary and secondary research to examine some of the economic issues affecting older Alaskans. The research is reported in three ways. The body of this report summarizes the study's overall findings and discusses their major implications. It addresses the questions raised by the Alaska Commission on Aging during the planning phases of the study.

In addition, two major appendices are included. One appendix is an analysis of 838 survey responses from a McDowell Group survey of Alaskans over the age of 60. The survey was fielded expressly for this study. A second appendix presents selected secondary data collected from a variety of sources during the study.

## **Study Team**

The McDowell Group is Alaska's leading full-service, research-based consulting firm. Since 1972, the firm has completed at least 1,000 assignments throughout Alaska and outside the state for more than 200 private and public sector clients. The McDowell Group has 12 professional and 3 support staff in addition to its on-call team of personal intercept and telephone interviewers. The firm has headquarters in Juneau and offices in Anchorage and Washington D.C.

## **Acknowledgements**

A study of this breadth is not possible without the cooperation of a great many people. First among these are the more than 1,000 Alaska seniors who took the time and effort to complete and return our survey. Their willingness to help provided vital information not available from any other source.

Other important assistance came from the many agency representatives and staff who went out of their way to provide us with information. Often the data we needed was not available from standard reports. We thank all those who searched out records or calculated specific statistics for this study.

A study advisory committee helped to guide the design and implementation of the study. The study team thanks committee members Jane Demmert, executive director of the Alaska Commission on Aging; Ella Craig, ACoA Commissioner; and Cristina Klein, administrative services manager of the Department of Administration for their important contributions in this regard.

Finally, the study team is grateful to the members of the Alaska Commission on Aging for the opportunity to contribute to their efforts on behalf of older Alaskans. Once cannot study seniors without being challenged by big, sometimes daunting, questions. "How can we help support those who are leading the way into the future?" and "What will await us when we, ourselves, arrive?"

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# ***Study Purpose and Methodology***

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## **Study Purpose**

This study was designed to accomplish two broad goals:

- To describe and analyze the impact of certain existing economic programs on the well-being of Alaskans 60 years old and older.
- To examine the social and economic impacts that would occur in the event that significant numbers of older Alaskans found it necessary to leave the state due to changes in economic programs that now exist.

These goals involve a broad range of information about the fastest growing segment of Alaska's populations, people 60 years of age and older. Much of the information sought for the study is typically available from the U.S. Bureau of the Census. However, census data is now 10 years old. Although the first new census counts are anticipated to be released in spring of 2001, it will be more than a year before detailed analysis is available. In order to guide current decision-making, more recent information and analysis about Alaska seniors is needed.

The study focuses on the economics of Alaska seniors. Specifically, the study analyzes state and municipal economic programs -- i.e., programs that provide some financial benefit -- that affect seniors. The study also analyzes the role in the state economy of senior income, spending and volunteer services.

## **Study Methodology**

To develop a comprehensive picture of the economic situation of Alaska seniors required data from a wide variety of sources. The study team initially gathered secondary data. Because existing data is incomplete, the study also utilized a mail survey to collect information directly from Alaska seniors, themselves.

### **Secondary Research**

Secondary research was conducted at both the state and national level. Much of the information obtained came from government agencies. Among the federal sources were:

- Bureau of the Census
- Administration on Aging
- Bureau of Labor Statistics
- Bureau of Economic Analysis

- Veterans Administration
- Social Security Administration

State data was obtained from:

- Alaska Department of Labor and Workforce Development
- Alaska Department of Community and Economic Development
- Alaska Department of Administration
- Alaska Department of Health and Social Services
- Permanent Fund Corporation
- Publications and administrators of organizations that address the needs of seniors.

Information was also drawn from local governments and private studies performed by such groups as the American Association of Retired Persons (AARP) and the Older Persons Action Group (OPAG).

### ***Limitations of Secondary Research***

The primary limitation of the secondary research is that most demographic and income data currently available for seniors is out-of-date, since it is based on the 1990 national census. Some census data, for example population, is regularly updated and reasonably accurate. Other data, particularly income data, is more difficult to estimate in this way. Migration of seniors in and out of Alaska is another area where little current information exists.

A second limitation is that many national and state statistics for “seniors” are based on the age group “65 and older.” The Commission on Aging, however, was interested in data for Alaska residents 60 and older. Where possible, special data runs were requested. In some cases it was necessary to interpolate figures for partial age cohorts, for example 55 – 64. When no alternative was available, figures for the 65 and older grouping are used and labeled as such.

### **Primary Research**

To address some of the shortcomings in the secondary data, the study team undertook a mail survey of Alaska seniors. The survey was sent to 2,500 Alaska households where at least one resident was expected to be 60 years of age or older.

#### ***Sample Selection***

To get the most representative sample, names and addresses for the survey were drawn from three separate lists:

- Individuals who have registered for the Alaska Longevity Bonus (68 years of age and older),
- Individuals who have obtained free Alaska fishing/hunting licenses by demonstrating that they are 60 years of age or older, and
- Alaska households where the head of household has been determined to be 60 years of age or older by a national supplier of mailing lists.

Three different lists were used because no one list provides a fully representative sample of Alaskans 60 years old and older. The Alaska Permanent Fund Corporation maintains the most complete list of Alaska residents by age. However, this list was not obtainable. The Fund is prevented from releasing sub-sets of names and addresses of dividend recipients except in a limited number of cases specified by statute.

**Response Rate**

More than 1,000 households responded to the survey. Of these, 838 households provided data that was reasonably complete and consistent. This was a response rate of approximately 33%, higher than the 20% to 25% anticipated by the study team.

The percent of respondents produced by each of the three lists are as follows:

- Longevity Bonus list (68 and over) -- 46% of respondents
- Hunting/fishing license list (60 and over) -- 30% of respondents
- National mailing list (60 and over) -- 24% of respondents

It should be emphasized that all respondents whose ages fall between 60 and 67 (though not necessarily their spouses and family members) came from the hunting/fishing license list or the national mailing list. Nearly all (91%) of respondents from the hunting/fishing list are between 60 and 64. However, the overall effect of combining the three lists was to produce a reasonably representative sample, as described in the following section.

**Representation of Survey Sample**

In general, the sample closely matches the population of Alaska in age and geographic distribution. Exceptions are believed by the study team to be relatively minor. In the judgement of the study team, representation is sufficiently close that attempting to adjust (“weight”) survey results to account for the differences would accomplish little and could inadvertently distort some responses.

The table shows distribution of the survey sample by age as compared to the overall Alaska population. The sample slightly under-represents the age group between 60 and 64. It slightly over-represents the age groups between 65 and 74 and between 75 and 84.

**Age Representation of the Survey Sample**

Age Ranges	60-64	65-74	75-84	>84
Sample %	28%	44%	23%	5%
Population %	33%	42%	20%	4%

Source: Population data from ADOL. Percentages do not total 100 due to rounding.

The next two tables show sample representation by census district compared with ADOL estimates of the 60 and over population. Districts are presented in two groups. The first consists of districts that are mostly rural, the second, districts that are mostly urban. For purposes of verifying the sample, the study team applied a definition of rural/urban that takes into account road and ferry access as well as population.

**Sample and Population Percentages  
for Primarily Rural Census Districts\***

Census Area	Sample	Population (60 and over)
Aleutians East	0.0%	0.3%
Aleutians West	0.0	0.8
Bethel	1.3	2.6
Bristol Bay	0.1	0.2
Denali	0.4	0.3
Dillingham	1.1	0.8
Lake & Peninsula	0.0	0.3
N. Slope	0.6	1.2
Nome	2.3	1.5
NW Arctic	1.1	1.1
Prince of Wales / Outer Ket.	1.0	1.1
Skagway, Hoonah, Angoon	1.3	0.6
Wade Hampton	0.8	1.1
Yakutat	0.4	0.1
Yukon/Kuskokwim	1.4	1.0
<b>TOTAL</b>	<b>11.8%</b>	<b>13.0%</b>

Source: Population percentages are from ADOL

\* The study team applied a definition of "rural" that takes into account road and ferry access as well as community population.

### Sample and Population Percentages for Primarily Urban Census Districts\*

Census Area	Sample	Population (60 and over)
Anchorage Municipality	32.0%	41.7%
Fairbanks North Star	12.0	13.5
Haines	0.8	0.4
Juneau	5.6	4.9
Kenai Peninsula	10.1	7.9
Ketchikan	3.0	2.2
Kodiak	2.6	2.2
Mat-Su Borough	12.8	9.0
Southeast Fairbanks	2.0	1.0
Sitka	2.5	1.4
Valdez/Cordova	3.4	1.7
Wrangell/Petersburg	1.3	1.1
<b>Total</b>	<b>88.1%</b>	<b>87.0%</b>

Source: Population percentages are from ADOL.

\* The study team applied a definition of "urban" that takes into account road and ferry access as well as community population

Although the Anchorage census district is somewhat under-represented, the Kenai Peninsula and Matanuska-Susitna districts are more heavily sampled. To some extent, these effects should balance to provide an accurate economic cross-section of seniors in the greater Anchorage area. If the focus of the survey were *social services* available to seniors, rather than *economics*, the differences noted might be more relevant. The way in which senior services combine in regions and sub-regions of the state is a complex issue not addressed in this study.

#### ***Other Urban/Rural Distinctions***

The urban/rural distinction just described was used to help assure that the survey sample is representative. However, for the most part, survey data was analyzed using a different approach. ADOL reports currently distinguish between urban and rural purely on the basis of population size. Further, the Alaska Commission on Aging recently adopted this same method of distinction. In order to provide data more directly comparable to that developed by ADOL and ACoA, the study team adopted the population standard for urban/rural comparisons of survey data.

Communities with fewer than 2,500 residents are considered “rural.” Those with 2,500 or more are labeled “urban.” Under this definition, 21% of respondents were identified as rural and 79% as urban.

When survey responses are compared, there is little substantive difference in the two analyses. For consistency, distinctions based on the ADOL population method are used unless otherwise indicated.

### ***Limitations of the Primary Research***

While the study team believes survey responses closely represent the population of senior Alaskans as a whole, an important limitation of the survey is that it is not based on a “statistical” sample. A statistical sample is one drawn at random. This means that the probability of selecting any one sample point (in this case, senior household) is equal to the probability of selecting any other point.

It was not possible to obtain a true random sample of seniors without access to a comprehensive list of senior households such as that held by the Permanent Fund Corporation. The three sample groups (or “frames”) — Longevity Bonus recipients, hunting/fishing license applicants, and the national mailing list — were selected to provide as close a representation as possible. However, those lists are not perfectly representative of all Alaska seniors, as described above. As a result, the study team does not attach a specific “margin of error” to individual survey results.

A second limitation results from the fact that seniors who are in poor health and those in group-living situations are likely under-represented. For example, only about 1% of survey respondents said they live in group settings. One percent of the Alaska population over age 60 is approximately 500 people. However, we know that approximately 600 seniors live in the Alaska Pioneer Homes alone and another 700 or so live in nursing homes.

Unfortunately, seniors living in group settings are less accessible to survey techniques than those living at home or with friends and relatives. Special, and costly, methods, such as face-to-face interviews, would be necessary to represent properly this segment of Alaska seniors.

A third limitation is simply the ability of survey recipients to provide the data requested. Because the areas of research interest were very broad, the survey requested a great deal of information. It is well known that the accuracy and completeness of survey research declines with survey length and complexity. This is particularly true when surveying the elderly, who may tire more easily than others. Even seniors in good health could find it difficult to provide accurate answers for all survey questions. Detailed income questions in particular were not fully answered by many survey respondents. The study sought to strike a balance between the scope of information needed and the ability of respondents to provide accurate information.

The reader should note that all primary data presented in this study is in the form of estimates. Small differences in quantities and percentages may not be significant. Reported figures often have been rounded to reflect this inherent imprecision.

The target group for this study is Alaska residents 60 years old or older. Throughout this report, statistics for those 60 and over are used whenever available. When these are not available, statistics for those 65 and over are sometimes given, if the study team believes they provide useful context.

## Population

*Historically, Alaska's seniors have been a smaller portion of the population than seniors in other states. Currently they make up approximately 8% of the population, compared with 17% nationally.*

### Current Population

The Alaska Department of Labor (ADOL) estimates that in July 1999 there were 50,631 persons over age 60 (33,641 over age 65) in Alaska Permanent Fund records confirm this: the dividend office mailed checks to 51,230 persons over age 60 in 1999.

Approximately 30% of the Alaska population lives in communities with a population less than 2,500, according to ADOL. Survey results from this study show 21% of seniors living in communities under 2,500 and 79% in larger communities. This may be an indication that, in spite of ongoing efforts to strengthen community-level support systems, seniors tend to migrate to urban areas.

Regionally, Southeast Alaska has the highest percentage of seniors (10.4%). The Interior and Southwest regions have the lowest, approximately 7%. Overall, regions that are more rural tend to have a smaller proportion of seniors, again implying some urban migration. As noted in the Executive Summary, migration of Alaska seniors is an area about which little information exists.

**Alaska Population 60 and Older  
July 1, 1999 by Region**

Region	60+ Population	Population %	Regional Median Age
Anchorage/Mat-Su	24,762	7.9	33.0
Interior	6,935	7.1	31.1
Gulf Coast	6,810	9.3	35.5
Northern	1,808	7.7	25.9
Southeast	7,596	10.4	36.2
Southwest	2,720	7.1	27.9
<b>Total</b>	<b>50,631</b>	<b>8.3%</b>	<b>32.9</b>

Source: ADOL estimates

In Alaska, women make up 50.5% of the 60 and older population. Nationally, women comprise 57% of the 60 and older population. In 1998 there were 20.2 million women age 65 or older and 14.2 million men of that age, a ratio of 142 women for every 100 men (AoA, 1999). By the time seniors reach age 85, there are 240 women for every 100 men.

The proportion of older Alaskans by race changes slightly as people age. The proportion of Alaska Natives is somewhat lower and whites somewhat higher than average between ages 60 and 64. By ages 85 and over the Native proportion has grown and the white proportion shrunk.

**July 1, 1999 by Age and Race**

Age	Total	Native	%	White	%	Other	%
60-64	16,990	2,543	15%	13,268	78%	1,179	7%
65-69	12,077	2,101	17	8,976	74	1,000	8
70-74	9,426	1,355	14	7,251	77	820	9
75-79	6,571	1,062	16	4,918	75	591	9
80-84	3,448	559	16	2,687	78	202	6
85+	2,119	501	24	1,481	70	137	6
<b>Total</b>	<b>50,631</b>	<b>8,121</b>	<b>16%</b>	<b>38,581</b>	<b>76%</b>	<b>3,929</b>	<b>8%</b>

Source: ADOL estimates

## Population Trends

*The population of Alaska is clearly aging. By 2025, the number of Alaskans over 60 is expected to more than triple. Seniors will make up 20% of the state's population.*

In 1990 there were 34,900 people aged 60 and older, 6.3% of the Alaskan population. Nationally, in 1990 this age group represented 16.7% of the population. The 60 and over Alaska population increased 45% between 1990 and 1999 while the general population of Alaska increased 13.1%. Nationally during the same period the 60 and over age group increased 8%.

### Population of Alaskans 60 and Over 1990, 1999 and 2025

	<u>1990</u>		<u>1999</u>		<u>2025</u>	
	Population	% of Total	Population	% of Total	Population	% of Total
AK Seniors	34,900	6%	50,600	8%	165,000	20%
All Alaska	550,000		622,000		825,000	
US Seniors	42 million	17%	45 million	17%	83 million	24%
All US	247 million		265 million		346 million	

Source: Alaska Department of Labor and Workforce Development, US Bureau of the Census

The trend shows no signs of slowing. In Alaska the 60 and older population is projected to increase to 165,000 by 2025, representing 20% of the total projected population for the state. The number of people aged 60 or older is expected to increase substantially at the national level as well, beginning in 2005 as the baby boomers reach age 60.

The average age of household members by household size -- based on survey responses -- is shown in the table below. Household size for respondents ranged as high as 8 members. For the most part, larger households have more young people and children. The average age for households with five or more members was 33. The number of households is estimated based on the proportion of survey responses in each category.

### Average Age of Household Members by Household Size (Households with at least one member 60 or older.)

	All Households	1 Person	Two Person	Three or More
Average Age	71	74	66	46
Number of Households	27,500	9,300	15,400	2,500

Source: McDowell Group survey

## Residency

*Alaska seniors are longtime residents who intend to stay. Survey respondents have lived in Alaska nearly 40 years, on average. Only 11% have lived here less than 15 years.*

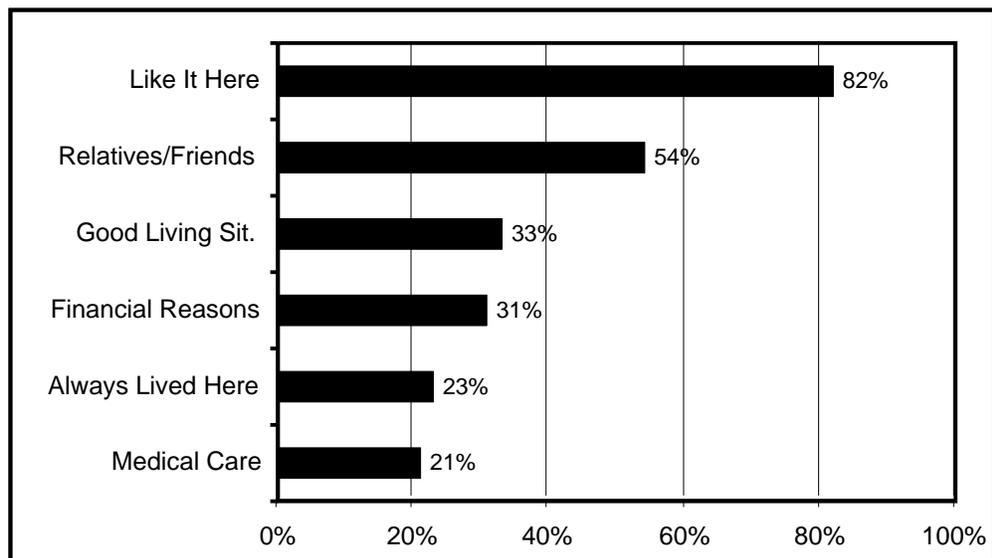
Nearly all older Alaskans (92%) plan to remain in Alaska. Rural and urban seniors are equally likely to say they will stay in Alaska, as are seniors of different income groups. Four percent of respondents expected to leave and 4% were undecided.

### Reasons for Staying in Alaska?

Simply liking it here (82%) is the most common reason given for staying in Alaska. Half (54%) want to stay near relatives and/or friends, and one-third each cite favorable living arrangements and financial reasons. One-fifth (21%) state that the availability of medical care is a reason they are staying.

Urban and higher income seniors are slightly more likely to say they're staying "because they like it here," while rural and low-income seniors are more likely to give the reason "because I've always lived here." Middle-income seniors are more likely to give multiple reasons and to cite "relatives", "living arrangements", and "financial considerations" as reasons.

### Reasons Why Seniors Plan to Stay in Alaska

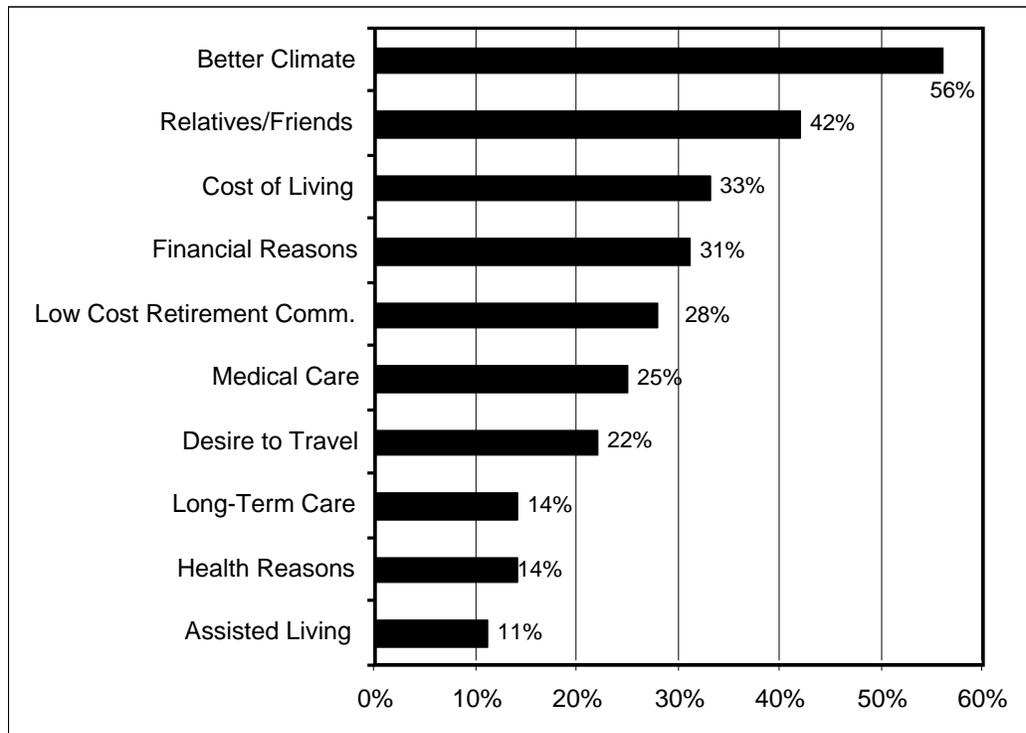


Source: McDowell Group survey

## Reasons for Leaving Alaska

Of the 4% of seniors who plan to leave Alaska, half (56%) are seeking a better climate, and nearly half (42%) want to be near family and/or friends. Financial reasons -- cost of living, financial reasons, and lower cost retirement communities -- are the third, fourth and fifth most important reasons for expecting to leave. Each was cited by approximately one-third of those who said they would leave. Medical care was mentioned by 25 percent.

### Reasons Why Seniors Plan to Leave Alaska



Source: McDowell Group survey

## Life Expectancy and Health

*Longer life expectancy is altering both the size and the characteristics of Alaska's senior population.*

In 1997, life expectancy at birth was 79 years for women and 74 years for men. Increased life expectancy is combining with the aging of the "baby boomers" to create the extraordinary increase in seniors projected over the next 25 years, both nationwide and in Alaska.

In 1998 the leading cause of death of Alaskans over 65 was cancer, accounting for 30.4% of deaths. Heart disease was second at 26% of deaths. Nationally heart disease is the leading cause of death for those 65 and older, while cancer is number two. However, the incidence of heart disease is declining steadily.

Memory impairment is one of the most prevalent conditions among seniors and is a major risk factor for entering a nursing home. Nationally, approximately one quarter of seniors age 80 to 84 have severe memory impairment. In those over 85 the number approaches 40%.

Nationally in 1997, 27% of people age 65 or older assessed their health as fair or poor compared to 9% for all persons, according to the Administration on Aging. In 1996, 36% of persons 65 and older reported that their activities were limited due to chronic conditions. Ten and one-half percent said they were unable to carry on a major activity. In 1994-1995 52.5% of the over 65 age group said they had at least one disability and 33% said they had at least one severe disability. Fourteen percent of the older population (4.4 million people) reported having difficulty carrying out activities of daily living (ADLs). (AoA, 1999)

Senior health care costs are increasing at about the same rate as those for the population overall. However, those 65 and over already pay nearly twice as much as younger Americans. Further, the portion of total personal expenditures represented by health care is three times as high for those over 65 as for those under 65.

Out-of-pocket health care expenditures for older Americans averaged \$2,855 in 1997. This represents a 35% increase since 1990. Those under age 65 averaged \$1,576 in out-of-pocket costs, up 31% since 1990.

The age 65 and older population spends an average of 12% of their total expenditures on health care (AoA, 1999). This is three times the proportion spent by people under age 65. Those health costs incurred by older people on average consisted of: insurance, \$1,523 (53%), drugs, \$637 (22%), medical services, \$564 (19%), and medical supplies, \$130 (5%).

## Housing

*A high percentage of Alaska seniors, more than 80%, are homeowners.*

Eighty-three percent of the McDowell survey respondents indicated that they own their own home. Even at lower income levels, home ownership is the typical form of senior housing. For those people with less than \$12,000 annual income, home ownership is 68%. The \$12,000 to \$24,000 income category has a home ownership rate of 75% and for the \$24,000 to \$36,000 category it is 83%. For those people with incomes above \$36,000 annually, homeownership averages 93%.

### Home Setting of Alaska Seniors

	Percent of Respondents	Average Monthly Cost
Homeowners	83%	\$700
Renters	10%	\$625
Family/Friends	3%	\$420
Group Setting	1%	N/A
Other	3%	N/A

Source: McDowell Group survey

Rural and urban seniors have similar patterns of home ownership and renting. Housing expenses for rural homeowners are less than those of their urban counterparts (\$530/month vs. \$746/month). Housing for renters is more comparable for the two groups, however (\$551 vs. \$646).

Just 1% of the survey sample lives in a group setting. This under-represents the true population of Alaska seniors in this living situation. The total capacity of Alaska's Pioneer Homes is 603. Capacity of nursing homes was estimated in a recent study at 729. In addition, Medicaid records show approximately 560 recipients living in assisted living homes. This implies that there are at least 1,500 seniors in group living situations, approximately three times the number represented in the survey. This under-representation of seniors in group settings is not surprising in view of the limitations of mail survey methods. Adjusting the homeowner percentage to account for this under-representation yields an estimated 81% home ownership rate for senior households.

## Workforce Participation

*Alaska Department of Labor and Workforce Development figures show that approximately 11,000 (22%) Alaskans over age 60 and 5,000 (15%) of those over 65 participated in the workforce for at least one fiscal quarter during 1998.*

Nationally, 11% of people age 65 and over (about 3.7 million seniors) were in the labor force (working or actively seeking work) in 1998 (AoA, 1999). Approximately half worked part time. According to ADOL, only 1.4% of Alaskan workers were 65 years of age or older in 1998, 3.1% of the state workforce. (See table, page 23.)

### Types of Employment

Public administration accounts for 11.5% of jobs for senior workers, more than any other type of job. Elementary and secondary schools employ another 9.2% of senior workers.

Among other jobs that seniors work at are:

- Individual and family services, and religious organizations (5%),
- Record clerks (3.2%),
- Adult education teachers (3%),
- College and postsecondary teachers (1.9%),
- Teacher aides (1.8%),
- Surprisingly 2% of Alaskans over 65 chose the physically demanding jobs in canneries, nearly half of these in the Kodiak Island Borough.

## Components of Alaska Senior Income

*Social Security is the most common source of income for seniors nationwide. Nine out of ten people over age 65 receive Social Security benefits.*

Sixty-three percent of those over age 65 receive income from assets. Forty-one percent receive pensions other than Social Security, including veterans benefits. A total of 21% have earnings. Six percent of older Americans receive public assistance<sup>1</sup>

Alaskans are similar to the national average in most of these categories. In the study survey of Alaskans over 60 years of age, 74% said they received Social Security. Among those over 65, nearly all, 93%, receive Social Security. The survey showed only about half as many Alaskans receiving income from assets as the national average. The survey question was not designed to duplicate the asset category as it is used in the national statistic. Nevertheless, fewer Alaska seniors seem to rely on asset income than seniors in general. The survey indicates that Alaskans are twice as likely as seniors nationally to receive public assistance.

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<sup>1</sup> Income of the Population 55 and Older, 1998 Social Security Administration, March 2000

## Income Sources for Alaska Seniors (% receiving)

Income Sources	National (over 65)	Alaskan Survey (60 - 64)	Alaskan Survey (Over 65)	Comments on Survey Data
Social Security	90%	20%	93%	The Alaska estimate is consistent with the Consolidated Federal Funds Report of the Bureau of the Census for FY 1999.
Income from assets	63%	30%	32%	Survey category is not strictly comparable to national average. Alaska estimate includes property, savings, annuities, investments. Does not include Native corporation dividends.
Pensions and veterans benefits	46%	49%	50%	Alaska estimate includes military benefits.
Earnings	21%	29%	18%	ADOL records for 1998 show 22% of seniors with wages that were reported by an employers, <u>and</u> who also supplied a birth date on their PFD application.
Public Assistance	6%	9%	12%	Alaska estimate is consistent with APA program records for 1997.

Sources: McDowell Group survey; *Income of the Population 55 and Older, 1998* Social Security Administration, March 2000

### Government Retirement Income

Government retirement income includes several different types of retirement benefits, Some are for civilian employees, some for federal and state employees and some for military retirees.

#### ***Social Security Income***

Social Security is the most common and often the largest component of Senior income. The Alaska survey sample indicated that 20% of seniors 60 – 64 and 93% of those 65 and over receive Social Security.

In 1999 the Social Security Administration (SSA) paid \$256 million in retirement income to 31,930 retired workers and spouses in Alaska. The SSA paid another \$160 million in survivors and disability insurance benefits to 18,740 Alaskans. In all, an estimated 36,730 Alaskans over age 60 received SSA benefits in 1999.

#### ***Supplemental Security Income***

According to the Consolidated Federal Funds Report of the Bureau of the Census, in addition to those who received Social Security retirement, 8,156 Alaskans received \$34.6 million in federally administered Supplemental Security Income (SSI) in 1999. The SSI program is for three categories of people: those over age 65 who live in poverty, those who are blind, and those who are disabled. The total number of recipients in the SSI's aged (over 65) category in Alaska was 1,348, the total number

of recipients in the blind category was 124, and the total number of recipients in the disabled category was 6,684.

Nationwide 24% of blind recipients are over age 65 and 13% of disabled recipients are over age 65. If these proportions apply to Alaska, then a total of approximately 2,200 people 65 and older received SSI in Alaska.

Adult Public Assistance (APA) is a state program that works in conjunction with SSI. It provides an average \$328 per month to approximately 5,800 Alaskans 60 and over. APA is described in more detail later in the report.

### ***Federal Civilian Retirement***

The Consolidated Federal Funds Report also shows that 6,390 federal civilian retirees in Alaska received \$138 million in payments in 1999. By far the single largest concentration of federal civilian retirees (50% of the total) is in Anchorage. The Fairbanks North Star Borough and the Matanuska-Susitna Borough have the next largest number of federal civilian retirees, 11.3% and 9.4% of the total respectively. Each of the twenty-seven census areas have some federal civilian retirees, ranging from two in the Aleutians East census area to 3,220 in Anchorage. The amount of federal expenditures for retirement and disability ranges from \$1.5 million annually in the Aleutians West census area to \$355 million annually for the Municipality of Anchorage.

### ***Military Retirement***

There are about 7,100 military retirees living in Alaska and 2,490 are over age 60. Total military retirement pay was approximately \$113 million in 1999. Of this amount, those over age 60 received approximately \$36 million in payments in fiscal year 1999. Veteran benefits including disability payments totaled \$70.6 million for fiscal year 1999; an estimated \$25 million of this went to those 60 and older.

### ***Public Employees Retirement System/Teachers Retirement System***

The State of Alaska administers the Public Employees Retirement System (PERS) and the Teachers Retirement System (TRS). These systems include not only retired state workers, but also many local retirement programs including those from the Municipality of Anchorage, the City and Borough of Juneau, teachers from all school districts throughout the state, and the University Statewide System. There are more than 70 entities participating in the PERS. The total number of PERS retirees living in Alaska in 2000 was 8,916. Of these, 4,680 were retired State of Alaska employees and the rest were retirees from local government entities throughout the state. The average benefit paid to PERS participants in 1999 was \$15,636. PERS also paid approximately \$140 million of retirement funds to retirees living in-state.

There were 3,961 TRS participants living in the state in 1999. The average benefit for these retirees was \$28,656. TRS benefits paid to people living in-state totaled approximately \$113 million.

### **Labor and Corporate Pensions**

Nationally, about half of all workers are eligible for some kind of pension. The way pensions are structured has changed substantially in the past 25 years, from defined-benefit plans -- those with a specified payout -- to defined-contribution plans such

as 401(k) plans. The payout from defined-contribution plans is not guaranteed. It depends on the amount of investment income earned by the retirement fund.

Data on Alaskans receiving pensions from the private sector is incomplete. Based on national averages and information reported in the 1994 Older Persons Action Group study, the study team estimates that Alaska seniors receive approximately \$70 million per year in pensions.

## Wages for Seniors

The table below shows reported wages for Alaska workers 60 and older. Most of the jobs (61%) and the preponderance of wages (73%) are attributable to those between the ages of 60 and 64. Interestingly, average wages per worker begins to increase for the relatively few workers who are in their 80s or older. As discussed further in the section on senior income, below, the components and relative importance of senior household income shift significantly as age increases.

**Employment of Alaskans 60 and Older  
by Age (1998)**

	Workers	Wages (in 000s)	Avg. Wage/Worker
60-64	6,796	\$182,462	\$39,400
65-69	2,662	47,348	17,800
70-74	1,041	13,410	12,900
75-79	387	3,471	9,000
80-84	115	1,231	10,700
85 and Older	77	1,117	14,500
<b>Total</b>	<b>11,078</b>	<b>\$249,037</b>	<b>\$22,500</b>

Source: ADOL. Columns may not add due to rounding.

Alaskan workers over age 65 have relatively low median annual wages (\$8,097). The median wage for Alaskan workers between the ages of 60 and 64 is \$18,000 per year.

Several factors may explain the low median wages of seniors:

- The appeal of part-time or temporary work
- The need to supplement retirement income
- Other motivation to work besides income
- Social Security limits on earned income in effect in 1999.
  - For those under age 65, every two dollars earned above \$9,600 results in a dollar reduction in benefits.

- For those aged 65 to 69, for every three dollars earned over \$15,500 one dollar of benefits is withheld.
- Workers over the age of 70 have no limit on earnings.

As of 2000, penalties for earning income have been relaxed, however some limitations are still in effect.

The following table shows senior wages by region. Average wages are lowest where populations live primarily in rural areas, particularly Southwest Alaska. Alaska Department of Labor and Workforce Development records show total 1998 wages for Alaskans over 60 to be \$249 million.

**Senior Workers and Wages by Region 1998**  
(in thousands)

	Workers	Wages	Average Wage
Anchorage/Mat-Su	5,404	\$128,703	\$23,816
Gulf Coast	960	16,514	17,202
Interior	1,143	21,382	18,707
Northern	722	25,195	34,897
Southeast	1,922	43,776	22,776
Southwest	733	11,090	15,130
Out of State or Unknown	194	2,376	12,247
Totals	11,078	\$249,037	\$22,500

Source: ADOL

Survey respondents with earned income indicated an average wage per worker of \$33,200, 50% higher than ADOL figures. It seems unlikely that seniors earn enough unreported income to account for the difference. It may be that survey respondents over-estimated their wages. However, the survey asked how much income households received from “paid work.” For some households, a portion of household income is contributed by workers under age 60. Respondents may also have included the value of employment benefits such as medical insurance in their estimates. The median income of survey respondent households was \$30,000 per year.

### Asset Income

National studies indicate that asset income -- income from stocks, bonds, business holdings, real estate, etc. -- makes up roughly 15% of senior income. For Alaska survey respondents, the proportion from assets was roughly half as much, 8%. However, the computations for the national and survey categories are not strictly comparable. In the study survey results, 30% of respondents specified amounts for the category that included asset income and income from other personal sources, such as friends and relatives. A second complication is that the survey question that asked for a detailed income breakdown received incomplete responses. As a result,

the estimate of 30% may under-represent the number of Alaskans with this kind of income

A uniquely Alaskan form of asset income is Native corporation dividends. Nine percent of survey respondents reported receiving Native corporation dividends. Rural respondents were more than three times as likely to receive the dividends (19% to 6%). However, urban dividend amounts were higher, an average of \$7,000 per year vs. \$4,500 per year in rural communities.

## **Medical Benefits**

Medical benefits provided by the federal government under Medicare and Medicaid have an economic impact similar to retirement income. Federal payments constitute money that otherwise would not have entered the state. Medical benefits paid under the state retirement systems, PERS and TRS, are similar. Although the money comes from a state source, it circulates through the Alaska economy solely by virtue of the fact that the recipients live here. If they moved elsewhere, the money would follow them. The new state of residence would receive the economic impact lost by Alaska.

- In 1999 federal Medicare payments into the state were an estimated \$230 million for 35,000 participants.
- The federal portion of Medicaid benefits provided to Alaska seniors in 1999 is estimated at \$45 million. This consists of payments to disabled and non-disabled adults over age 60. The total Medicaid benefit is approximately \$75 million, with the federal portion 60%. The federal government pays 100% of Medicaid benefits to eligible tribal members through the Indian Health Service. This amount was not calculated separately. However, it is not large enough to be material for the purposes of this study.
- Health care payments to PERS participants 60 and older living in state are about \$54 million and for TRS about \$20 million.

Benefit payments from privately held insurance are not treated as income for purposes of this study. It is assumed that premium payments and benefit payments balance, with no net gain to the economy.

Survey responses indicate that a much higher percentage of urban seniors have health insurance other than Medicare than do those in rural communities (77% vs. 55%). This would include insurance through a retirement plan as well as private, paid insurance. Approximately one-quarter of respondents said they have long-term care coverage. Slightly more than half did not, and another fifth were not sure. Note that the survey question did not specify what type of long-term care coverage. Some respondents may have been referring to Medicare coverage when they said they had coverage for long-term care.

## **Other Income**

In addition to the various sources described above, senior Alaskans receive income from a variety of state and municipal programs. The most important of these programs are discussed in detail in the following section.

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## ***Alaska Financial Programs Affecting Seniors***

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An important theme throughout the analysis that follows is that, for the most part, Alaska's financial subsidy programs were not, at the time they were formulated, part of an integrated, long-term strategy focusing on the needs of seniors. Although the Sitka Pioneers Home was established before statehood and the Office on Aging became a part of the Department of Health and Social Services in 1967, most of the administrative infrastructure to address the needs of seniors is more recent. The Older Alaskan's Commission (now the Alaska Commission on Aging) was created in 1981 and the Division of Senior Services did not exist until 1993.

State financial subsidy programs were more a reaction to available revenue than a planned social strategy. During the 1970s Alaska foresaw and then began to receive revenues from development of North Slope petroleum fields. Faced with an extensive list of social needs around the new state, leaders conceived many of today's financial programs as ways to obtain quick, broad economic impacts from the new oil revenues.

There was a sense that long-time Alaskans, particularly those from pre-statehood, deserved some financial recognition of their contributions. However, it must also be said that the number of seniors living in the Territory of Alaska year-round was very small compared with today's population.

Length of residency initially served as a basis for participation in the two largest programs: the Permanent Fund Dividend and the Longevity Bonus. When this basis was found unconstitutional by the courts, the effect of the programs changed and the number of participants expanded dramatically.

A key element of the original rationale for the programs -- sharing the wealth with "old time" Alaskans -- had been lost. Further, no far-reaching need-based rationale was developed in its place. As a result the programs began to resemble broad entitlements, rather than efforts to meet specific social needs. Their impact on seniors, particularly low-income seniors, was well documented. However, both programs had become more expensive and less focused on Alaska seniors than originally intended.

These three aspects of Alaska's early financial benefit programs have important implications for seniors today:

- ***Lack of an initial strategy to address the needs of seniors***
- ***Dependence for funding on the oil windfall***
- ***Original focus on length of residency rather than a combination of age and need***

Together they introduce a level of uncertainty into today's state financial supplement programs that might otherwise not exist. The current programs do not provide a clear indication of what the state's commitment in this regard was or is. The fact that the source of funding was temporary, even fleeting, casts additional uncertainty as to the state's original intention. Finally, while care for the elderly was implicit in original length-of-residency requirements, no explicit adjustment was made to ensure that the needs of older Alaskans would be met once length-of-residency was struck down by the courts.

This section of the report discusses the major state financial programs that provide, to varying degrees, supplementary income to seniors. Of course, federal programs such as Social Security, Supplementary Security Income and Medicare are also important influences on the financial situation of older Alaskans. These are discussed, but are not the focus of this study.

## **A Brief History of State Financial Subsidies**

Alaska programs fall into three categories:

- Universal entitlements
- Programs not solely intended for seniors, but for which seniors may qualify, for example, needs-based programs
- Senior-specific programs where age is a primary qualifying factor.

Following is a brief history of Alaska's major financial subsidy programs. When considering the impact of these programs on seniors, it is useful to examine their various origins and objectives. Those programs most relevant to seniors 60 and older are then discussed in more detail.

The history of many of Alaska's financial entitlements and subsidy programs is closely linked to oil. As the state went from pre-pipeline austerity to enormous wealth and subsequent declining revenues, strategies and priorities inevitably changed. In the 1970s, as funding derived from North Slope oil production became a reality, a number of new programs were conceived to assist businesses and individuals. These included:

- Permanent Fund Dividend Program
- Longevity Bonus Program
- Alaska Housing Finance Programs
- Power Cost Equalization Program
- Commerce and Economic Development Loan Programs
- Agricultural Revolving Loan Program
- Student Loan Program
- Tax Exemption Programs

While there were age-driven elements in several of these programs, only the property tax and sales tax exemptions were particularly intended to target the elderly. The rationale for many was to "share the (oil) wealth," among residents. Residency was a key issue. Both the Permanent Fund Dividend and the Longevity Bonus were initially intended to acknowledge a debt to those who had lived in Alaska for many years and had contributed to the growth and maturity of the forty-ninth state. Length of residency, rather than age, was the main program qualification until that approach was struck down by the courts.

### ***Permanent Fund Dividend Program***

The Permanent Fund Dividend Program (PFD) was enacted in 1980, retroactive to January 1, 1979. Its purposes were to share oil wealth directly with the people of the state, reduce population turnover (i.e., encourage permanent residence in Alaska), and create broad support for protection of the Permanent Fund principal in the future.

The PFD is “universal” in that it applied to all Alaskans. The original legislation provided that residents over age 18 would receive a dividend amount proportional to the number of years they had resided in Alaska since statehood. However, two years later the Supreme Court found that basing dividend payments on length of residency was unconstitutional. Thereafter, all those meeting a one-year residency test were declared equally eligible, including children.

The amount of the dividend is determined by a five-year average of Fund proceeds. Proceeds reflect the amount of oil royalties paid to the state and the Permanent Fund's investment returns. The first dividend was \$1,000 in 1982. This amount reflected the three-year delay resulting from the court challenge. The 1983 dividend was \$386, and dividend amounts increased until they exceeded \$900 by 1990. When oil royalties declined and interest rates began to drop, dividend growth slowed. Real per capita dividends declined through most of the 1990s from their 1991 peak of \$1,077. Population growth also diluted dividend value. Not until the bull stock markets of the late 1990s did the dividend again advance significantly. The dividend paid in the fall of Year 2000, \$1964, is 68% higher in real dollars than the 1991 dividend.

#### **Permanent Fund Dividends since 1982**

<b>Year Paid</b>	<b>Dividend</b>
2000	\$1964
1999	1770
1998	1541
1997	1297
1996	1131
1995	990
1994	984
1993	949
1992	916
1991	931
1990	953
1989	873
1988	828
1987	708
1986	556
1985	404
1984	331
1983	386
1982	\$1000

Source: Alaska Permanent Fund Corporation

### ***Longevity Bonus Program***

The Longevity Bonus Program, created January 1, 1973 was also intended to spread the benefits of Alaska's oil wealth. Its purpose was to allow long-time residents 65 and older to remain in the state during their retirement years. The original payment was \$100 per month per participant. Payment amounts were increased by the Legislature until they reached \$250 in 1982. In that year the bonus' real value peaked, reaching \$356 in fiscal year 1995 dollars.

As with the Permanent Fund Dividend, the initial residency requirement -- continuous residency in Alaska for 25 years, beginning on or before statehood (January 3, 1959) -- was overturned by the courts. The legislation was amended in 1984 to a one-year residency requirement. No longer a reward to "old timers," the reincarnated Longevity Bonus was primarily intended to offset Alaska's higher cost of living for the elderly, so they could continue to live here. While the number of applicants during the program's early years had been modest, the amended residency requirement resulted in a 40% increase in program participants in 1984.

After program costs increased substantially in 1984, the Legislature halted any further increases in the bonus amount. Program payments rose from \$6.3 million in 1975 to \$66.6 million in 1993. In 1994 the Legislature began a phase-out of the program. Bonus amounts for new applicants dropped to \$200 in 1994, \$150 in 1995 and \$100 in 1996. No new applications were accepted after 1996. Total pay-out was \$60.5 million in 1999 (nominal dollars).

### ***Alaska Housing Finance Program (AHFC)***

AHFC is a public corporation of the state created in 1971 to use tax-exempt bonds to finance low- and moderate-income housing units in remote, under-developed or blighted areas of the state. Until 1975, AHFC limited its mortgage purchases to those that were federally insured through the Federal Housing Authority or the Veterans Administration. In 1975 the corporation substantially increased its lending by beginning to purchase conventional loans as well. By 1980, AHFC was providing about \$100 million per year in loans, approximately 25% of the Alaska market.

By 1980, oil revenues had boosted unrestricted state revenues to \$3.7 billion from \$760 million three years before. Faced with high mortgage interest rates (more than 18% in October 1981) and the threat of a federal cap on the amount of tax exempt bonds states could issue, the state moved to use AHFC to insulate the entire Alaskan housing market from the federal anti-inflationary policies that were driving up interest rates.

Income restrictions on borrowers were removed; maximum loan amounts were raised. Interest on the first \$90,000 of mortgage principal was set at 10% (9% for veterans). AHFC loan activity exploded, reaching \$1.3 billion in 1984. Most of this portfolio was issued at taxable interest rates. The additional cost, as well as the cash needed to secure the additional mortgages came from state oil money: more than a billion dollars.

The boom economy experienced in Alaska during the first half of the 1980s was due to the leveraging and spending of oil revenues. AHFC was a major contributor to the boom; its lending led to a frenzy of construction. When the bust came in 1985, new home construction plummeted. AHFC's focus turned to existing homes and a variety of refinancing and assistance programs for mortgage holders.

With lower interest rates, declining oil revenues and the lessons of the boom-bust in mind, the Legislature phased out AHFC's statutory subsidies by 1993. About the same time, AHFC purchased \$180 million in low-interest rural mortgages from Department of Community and Regional Affairs.

In 1999, AHFC purchased approximately 4,000 loans worth approximately \$500 million. The Senior Housing Office was originally established within the Department of Community and Regional Affairs in 1990. In 1992 it became part of AHFC. Since its creating the Senior Housing Office has developed at least 25 new senior housing facilities with total development costs of nearly \$85 million. In 1999 AHFC allocated \$7.9 million to senior housing projects in Naknek, Anchorage and Juneau.

### ***Power Cost Equalization***

The Power Cost Equalization Program (PCE) and its predecessor, the Power Production Cost Assistance Program (PCA) begun in 1981, were created to assist rural villages with then skyrocketing costs of power generated almost exclusively by diesel generation. Larger communities tended to use coal, gas or hydropower, which are less susceptible to rising oil prices. Eligible utilities must rely on diesel and have small residential sales.

Initially, there was no limit on the amount of power per customer that could be subsidized. In the second year under PCA residential and community ceilings were imposed. Except for the first year, the program has been structured to pay 95% of the cost per kilowatt hour above some base level and up to a maximum amount. In 1985 the subsidy was expanded by lowering the base and raising the ceiling. In 1995, it was diminished with an opposite adjustment. In real terms, the cost of diesel oil peaked in 1981, the year the program began.

### ***Subsidized Loan Programs***

A number of state lending programs were also created during the years of high state oil revenues. These include the Department of Commerce and Economic Development and programs intended to reduce energy costs, stimulate small business and the state's traditional industries, develop water resources, encourage child care facilities and historic building restoration, and assist veterans. All have had below market interest rates at some time since their inception. In 1981, responsibility for business lending was taken by the **Alaska Industrial Development Authority (AIDA)**.

In 1978, the **Alaska Commercial Fishing and Agriculture Bank (CFAB)** was incorporated. Finally, a technology-focused business development strategy was added through the Alaska Science and Technology Foundation.

Another fund, the **Agricultural Revolving Loan Fund** was formed in 1953 under the Department of Natural Resources. Between then and 1980, a little over \$4 million was appropriated to the fund. Between 1980 and 1986, an additional \$65.8 million nominal dollars was appropriated. Most of this was used to promote production of

Big Delta barley near Fairbanks. The barley was to be exported and also used as feed for a revitalized dairy industry in and around Pt. MacKenzie, outside Anchorage.

The projects were never able to service the debt and were drastically scaled back when oil revenues declined after 1986.

In 1971, Alaska began its student loan program. Program requirements and forgiveness provisions were liberalized in 1977 and 1980. In 1978, the program was refined to provide incentives for Alaska students to attend college within the state. Requirements were further liberalized in 1982 as oil revenues began to peak. When oil prices fell, loan limits were decreased and interest rates raised (1987). The Legislature created the **Alaska Student Loan Corporation** in December 1987 as a mechanism for funding the program less expensively by accessing tax-exempt bond markets. Loan forgiveness was repealed. In 1992 state appropriations ceased to be a source of funds for the program.

### ***Tax Exemptions***

In the 1970s the state established programs that mandated certain exemptions from municipal taxes and reimbursed municipalities accordingly. All but one of the exemptions targeted senior citizens. The exception was an exemption that limited the taxable value of farmland.

The largest dollar exemption was a Property Tax Exemption for the primary residence of persons 65 or older. As with other state programs of the era, the Property Tax Exemption underwent liberalization, then retrenchment as oil revenues flowed and ebbed. An initial \$10,000 limit on income was dropped. In 1985, disabled veterans and surviving spouses age 60 and older were made eligible.

However, in 1987 the drop in oil revenues led the Legislature to limit the exemption to the first \$150,000 of assessed value. Further, the Legislature increasingly underfunded the program, forcing the exemptions to be pro-rated. By 1995, payments were only \$1 million, compared with \$4 million in 1985 (more than \$5 million in 1995 dollars). With the statute still in effect, municipalities shouldered more and more of the exemptions.

Another program was started in 1976 to provide similar benefits to renters. The Renters Rebate was intended to approximate the component of rent represented by property tax on the rental unit. This program saw a similar expansion then contraction of state support. The rebate was left entirely unfunded in FY 2000.

Between 1977 and 1987 a Senior Citizens Special Assessment Deferment Program paid for municipal water and sewer charges for residents over 65. The payments were to be reimbursed if the property was sold, unless sale was to a spouse or minor heir. Also repealed in 1987 was state obligation to reimburse municipalities for waiving the registration tax on motor vehicles owned by seniors. Here, however, the exemption was left in place. The farm-use tax exemption was similarly left unfunded as state revenues declined in the mid-1980s.

## **Senior Subsidy from State Financial Programs**

Currently, senior Alaskans receive approximately \$90 million in state-mandated financial subsidy that specifically targets those 60 or 65 and older. Most of this (\$60.5 million) is in the form of Longevity Bonus payments currently being phased out. Seniors receive another \$28 million in state-mandated -- but for the most part municipally funded -- tax exemptions.

Those who qualify under income guidelines receive roughly \$24 million in Adult Public Assistance and General Relief. Finally, seniors as a group receive approximately \$89 million (1999) in non-age-related payments in the form of Permanent Fund dividends, about 9% of the total dividends paid.

Growing Permanent Fund Dividend checks have replaced some of the losses seniors have experienced to inflation and lack of state funding. The size of Permanent Fund Dividends is projected to remain at approximately the same level for the next few years. However, the size of the dividend is largely dependent on the stock market performance of the Permanent Fund. Further, the Legislature appears more and more willing to consider reducing or eliminating the dividend to provide funds for other state needs.

### **Financial Programs as a Component of Statewide Senior Income**

None of these programs represents a major source of support for Alaska seniors as a whole. All combined, they amount to only about 13% of senior financial means. For approximately 40% percent of seniors households living at or below HUD low income levels, however, declining state support for these programs is a significant financial threat.

In the balance of this section of the report, we will examine the roles of the most important of the state/municipal financial programs as components of senior income. Additional discussion is contained in the section "Impact of Seniors on the Alaska Economy"(page 45).

# Permanent Fund Dividend Program

## Permanent Fund Dividend Recipients

Virtually all older Alaskans receive the Permanent Fund Dividend. Those over 65 received a total of \$55.5 million in 1999. For Alaskans over 60, 1999 dividends totaled approximately \$89 million. Total dividends for all Alaskans in 1999 were \$1,008,152,000.

## Importance of Permanent Fund Dividend (PFD)

The PFD is large enough to play an important financial role for many senior households. For the 50% of single-person senior households living at or below \$2,000 per month, the 1999 PFD represents 7% of household income. Approximately 20% of senior couples also live on \$2,000 per month or less. For them, the double PFD payment is nearly one-seventh of their annual income.

The table below shows the proportion of annual income represented by the 1999 PFD for various types of senior households.

### 1999 Permanent Fund Dividend Checks as a Percentage of Yearly Income by Household Size

Yearly Income	1 Member		2 Member		3+ Member	
	# Senior House- holds	% Income from Dividend	# Senior House- holds	% Income from Dividend	# Senior House- holds	% Income from Dividend
less than \$12K	2,180	15%	780	30%	610	45%+
\$12K-24K	4,750	7%	4,410	14%	2,570	21%+
\$24K-48K	3,960	4%	9,330	8%	2,290	12%+

Source: McDowell Group survey data

## Longevity Bonus Program

The Alaska Longevity Bonus program, administered by the Department of Administration, is the most far-reaching state subsidy currently targeting seniors. It provides a monthly check to Alaskans over 65 who have lived in the state for at least one year. Since January 1, 1997, the program has been closed to new applicants. Applicants in 1994 through 1996 receive scaled back monthly payments as follows:

\$250:	application submitted before January 1, 1994
\$200:	application submitted in 1994
\$150:	application submitted in 1995
\$100:	application submitted in 1996

Thus, the youngest program participants are now 68 years old and receive \$100 per month.

### Longevity Bonus Recipients

According to program records, approximately 21,000 Alaskans receive the Longevity Bonus, 63% of all residents over 65. According to program figures, over 70% of bonus checks mailed in 1999 were for \$250. The average payment was \$224 per month. Results from the study survey show similar distributions.

Rural seniors in the survey sample are slightly more likely to receive the Longevity Bonus than urban seniors (70% vs. 61%), as are low-income seniors compared to high-income seniors (67% vs. 50%). Average payments received by survey respondents do not vary significantly by place of residence or income level. Actual program payments show distribution by census area in proportion to the population over 65 years of age.

### Longevity Bonus Demographics (May 1999)

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Total Alaskans receiving Bonus (in May 1999)	21,300
Percentage of Alaskans 60 and over receiving	63%
Average monthly Bonus check (May 1999)	\$224
Average 1999 Longevity Bonus	\$2,628
Total Bonus payments for 1999	\$60.5 million

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Source: Longevity Bonus Program statistics

According to program records, 75% of Bonus recipients live in the Municipality of Anchorage, the Matanuska-Susitna Borough, the Fairbanks North Star Borough, the Kenai Peninsula Borough, or the Juneau Borough; approximately 75% of the state's population also lives in these five regions.

## Importance of the Longevity Bonus

Depending upon income level, the Longevity Bonus can represent an important percentage of older Alaskans' income. According to survey results, the average monthly income of a Longevity Bonus recipient is approximately \$3,000. Among single-person households earning less than \$3,000 per month, 85% receive the Bonus. Among households with two or more members in the same income range, 65% receive the Bonus. Households with higher incomes are less likely to receive the Bonus, but this is mainly because seniors 60-68 have the highest average incomes and are not eligible for the Bonus.

Overall, 65% of one-person senior households and 45% of two-or-more-person senior households receive the Bonus according to survey results. Among seniors 75 and older, 98% receive the Bonus.

For a one-person household at the median income for that group (\$1,500 per month), the Longevity Bonus represents approximately 15% of total income. For the 8% of bonus recipients who earn less than \$1,000 per month, the importance is proportionally greater: the Bonus represents one-fifth (22%) of their income.

In a 1993 survey of Matanuska-Susitna Borough seniors 65 and older, 65% said they could not get along without the Bonus payments.<sup>2</sup>

## Adult Public Assistance

The Alaska Adult Public Assistance Program, administered by the Division of Public Assistance, augments federal Supplemental Security Income (SSI). However, not all APA recipients receive SSI, because the need standard is higher for APA. Adult Public Assistance for seniors is also referred to as "Old Age Assistance."

Both SSI and APA provide income assistance to the aged, blind, and disabled. Proportionately, APA serves more elderly than the SSI program. Approximately one-sixth of SSI recipients are seniors over the age of 65, while one-third of APA recipients are. The senior caseload average for the Adult Public Assistance program grew 6% per year between 1990 and 1995.

The maximum benefit allowed under SSI is \$512 per month for an individual and \$769 for a couple. The maximum available through APA is \$362 per month. In 1997, the average SSI benefit was \$328.

A third program, **General Relief**, works in conjunction with APA and SSI primarily to ensure that individuals who need assisted living accommodations are able to afford them. Typically, part of the cost of assisted living is provided by APA and the balance from General Relief. While General Relief is a relatively small program by comparison -- approximately 165 clients, 100 of whom are over 60 -- demand has been growing at roughly 20% per year in recent years. The program currently provides approximately \$1.7 million in assistance per year, about half of which goes to clients over 60. The average monthly payments to those over 60 is approximately \$800.

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<sup>2</sup> Survey of Attitudes and Characteristics of the Older (65 and older) Population of the Matanuska-Susitna Borough, Matanuska-Susitna Borough Planning Department, 1993

## APA Recipients

Between July 1999 and June 2000, according to program records, APA served an average of 5,785 older Alaskans per month. The average benefit was \$330 per month. According to the study survey, seniors in communities with less than 2,500 residents are more than twice as likely to receive APA as are seniors from larger communities (17% vs. 7%). This means that, while approximately 80% of Alaskans over 60 live in communities of 2,500 or more, only about 65% of APA recipients do.

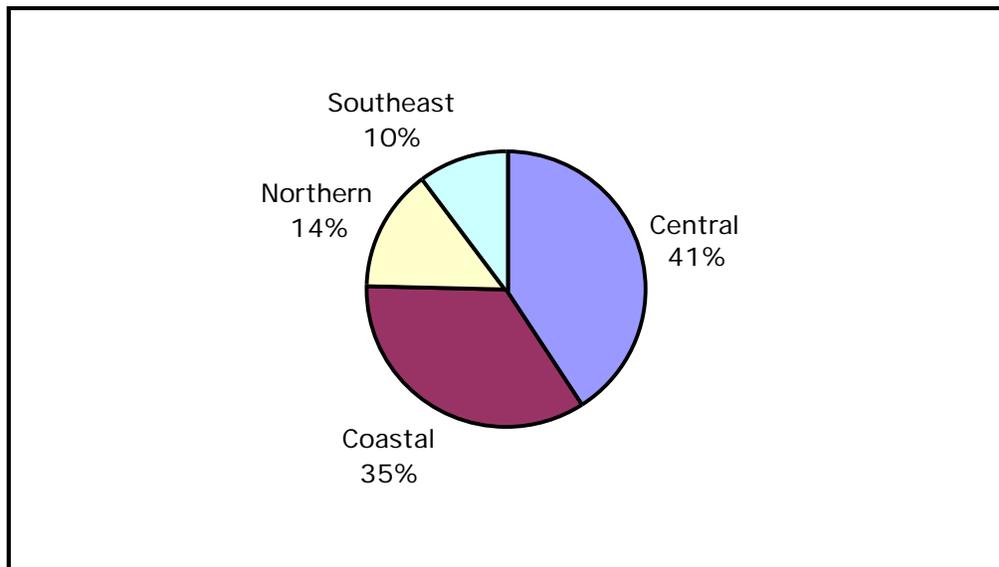
### Adult Public Assistance Recipients over 60 (July 1999 – June 2000)

Total Recipients	5,785
Total Urban (estimate)	4,570
Total Rural (estimate)	1,200
% rural seniors receiving APA	17%
% urban seniors receiving APA	7%

Source: McDowell Group survey

Three quarters of APA recipients live in the Central and Coastal regions of the state.

### Senior APA Recipients by Region



Source: Alaska Division of Public Assistance

Nearly half of all senior APA recipients receive monthly payments of \$360 or less. However, one-fifth receive payments of \$500 or more.

## Importance of APA Relative to Social Insurance Programs

Government poverty programs are divided into two categories: social insurance programs (everyone pays into them and is entitled to them, such as Social Security and unemployment insurance) and means-tested programs, which are only available to the poor (such as food stamps and SSI). The elderly are guarded against poverty far more by social insurance programs rather than means-tested programs. According to a 1998 report by the Center for Budget and Policy Priorities, 73% of the elderly who would have been poor without government programs were moved out of poverty primarily by Social Security.<sup>3</sup>

As the names imply, Supplementary Security Income and Adult Public Assistance are not intended to be primary sources of support. As Laurel Beedon writes in *Supplemental Security Income: Yesterday, Today, and Tomorrow* for the Public Policy Institute of AARP, “The architects of the [SSI] program assumed that SSI recipients would also receive benefits from other programs such as Social Security and Food Stamps. Moreover, they assumed that individual states would provide supplements that, together with the base SSI benefit, would bring the total benefit package up to the poverty threshold. Consequently, the SSI federal base benefit has, at no time in its history, brought recipients up to that threshold.”

## Property Tax Exemption

Alaska law exempts the first \$150,000 in value of real property owned and occupied as a permanent home by a resident, 65 years of age or older, or, by a disabled veteran with a 50% or greater service-connected disability from property tax. As described earlier, although the exemption is mandated by state law, in recent years it has not been fully funded by the Legislature. In 1999, the burden fell entirely on municipalities.

For tax year 1999, 15,836 applications for property tax exemptions were approved, according to records maintained by the Alaska Department of Community and Economic Development (ADCED). Approximately 14,200 of these were for seniors. The remainder were for disabled veterans.

In 1999, the total value of senior property tax exemptions was approximately \$27 million. This is an average benefit of \$1,686 per household.

## Property Tax Exemptions by Community

Although percentages of home ownership are approximately equal in urban and rural communities, urban survey respondents were more likely to take a property tax exemption (55%) than rural respondents (30%). Average individual benefits by community range from \$135 for Whittier to \$1,999 for Anchorage. Anchorage has the greatest number of approved applicants (7,279); Pelican the fewest (5). The table below shows that most property tax exemption applicants live in larger communities.

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<sup>3</sup> Strengths of the Safety Net: How the EITC, Social Security, and Other Government Programs Affect Poverty, The Center for Budget and Policy Priorities, March 9, 1998.

**Property Tax Exemptions, Tax Year 1999**  
(not including disabled veterans)

Municipality	# Applicants	Exempt Value	Taxes Exempt
Municipality of Anchorage	6,326	\$689,400,956	\$12,406,625
Bristol Bay Borough	15	1,181,100	12,106
Fairbanks North Star Borough	1,835	161,760,454	3,127,279
Haines Borough	130	13,812,650	126,919
City & Borough of Juneau	869	112,593,400	1,375,495
Kenai Peninsula Borough	1,574	143,451,913	1,725,921
Ketchikan Gateway Borough	544	60,534,800	724,832
Kodiak Island Borough	251	26,311,616	294,278
Matanuska-Susitna Borough	1,746	175,737,200	2,767,217
North Slope Borough	31	3,032,068	56,066
City & Borough of Sitka	309	36,731,560	221,493
City & Borough of Yakutat	19	1,073,350	9,660
Cordova	67	6,776,369	90,880
Craig	22	1,950,600	11,704
Dillingham	23	2,560,800	20,486
Eagle	0	0	0
Nenana	22	596,020	6,854
Nome	71	5,618,523	67,422
Pelican	5	306,300	1,838
Petersburg	132	15,582,794	155,828
Skagway	43	5,210,557	35,633
Unalaska	6	529,495	6,237
Valdez	55	6,724,243	108,894
Whittier	9	242,850	1,214
Wrangell	108	9,568,908	112,472
<b>Totals</b>	<b>14,212</b>	<b>\$1,481,288,526</b>	<b>\$23,467,355</b>

Source: State Assessor's Office

## Senior Property Tax Exemption Recipients

According to survey results, 30% of seniors in communities under 2,500 and 55% of seniors in larger communities claim the Property Tax Exemption. Of the different income groups, middle-income seniors are the most likely to claim a Property Tax Exemption (61% for multi-member households; 77% for single-member households).

Nearly 70% of survey respondents said the Exemption is very important to their financial situation. Nearly 40% said they would sell property or change their living situation if they were unable to obtain the Exemption. This percentage was similar for those in large and small communities. In a 1993 survey of senior property owners in the Matanuska-Susitna Borough, 69% of respondents said they “could not get by” without the Exemption.

These percentages imply that more than 5,000 senior households could be displaced or seriously affected if the Property Tax Exemption were eliminated.

### Projected Impacts of Loss of Property Tax Exemption

Projected Impact	Estimated # Seniors Affected
Sell property/change living situation	5,200
Maintain current living situation	4,500
Unsure	4,000

Source: McDowell Group survey

## Sales Tax Exemptions

Although not mandated by the state, many communities offer seniors an exemption from local sales tax. Communities manage their senior sales tax exemptions in a variety of ways. Some have no sales tax exemption but offer discounts on utility costs to seniors. In a number of communities that do not have official sales tax exemptions, local stores provide a senior discount.

### Sales Tax Exemption Recipients

In the McDowell Group survey, 19% of older Alaskans said that they take advantage of a community sales tax exemption. An additional 21% were unsure as to whether or not their community offers an exemption. Research by the study team indicates that, overall, 17% of the Alaska population lives in communities offering a senior tax exemption of some kind.

The Alaska Department of Community and Economic Development maintains a list of all Alaska communities that charge sales tax. There are approximately 100. However, no record is kept of those communities offering discounts or exemptions to sales tax. The study team, therefore, conducted a telephone survey of the 100 communities, identifying 44 with either a sales tax exemption, a local retail discount, or a utility discount/waiver for seniors. These are described in the table below. The total 1999 population of these communities was 102,521, according to ADOL reports.

## Communities with Senior Sales Tax Exemption or Utilities Discount

Alakanuk	65+		Kwethluk	60+	
Aniak	65+	Local store offers discount	Larsen Bay	55+	
Bethel	65+	Food, rent, electricity, water, with 2 yr. ID card	Nenana	65+	
Buckland	60+	Local store offers discount	Nightmute	60+	
Chevak	65+		North Pole	65+	Rebate \$60 per year, if reside within city limits
Chefornak	65+		Nunapitchuk	65+	
Cordova	65+	Refund for \$10 per month, submitted annually	Old Harbor	65+	
Craig	60+		Ouzinkie	65+	
Dillingham	65+	Local store offers discount	Petersburg	65+	
Eek	65+	Local store offers discount	Quinhagak	65+	Waiver of 3% tax + 7% discount
Emmonak	65+		Saint Mary's	65+	Utilities only
False Pass	65+	Deduction on utilities	Sand Point	65+	Utilities only
Fort Yukon	60+		Savoonga	65+	Local store offers discount
Gambell	55+		Saxman	65+	
Hoonah	65+		Scammon Bay	65+	
Hooper Bay	62+		Selawik	62+	
Hydaburg	62+		Sheldon Point	65+	
Juneau	65+		Shishmaref	65+	Local store offers discount
Kake	62+		Shungnak	65+	
Ketchikan	65+		Sitka	65+	
Ketchikan Gateway Borough	65+		Skagway	65+	Senior exempt card \$20 annually
Kiana	60+		Thorne Bay	60+	
Kivalina	55+		Toksook Bay	65+	
Klawock	60+	65+ receive a waiver for utilities	Unalakleet	60+	Local store offers discount, \$22/mo off water bill
Kodiak	65+		Unalaska	65+	Local store offers discount
Kotzebue	65+		Wrangell	65+	Repealed senior refund in 2000 due to budget cuts
Koyuk	62+		Yakutat, City & Borough	65+	

Survey respondents who receive a sales tax exemption estimate that they save an average of \$44 per month. Assuming a 5% sales tax, \$44 in savings implies spending of \$880 per month on taxable items.

The tax savings varies by income level, as would be expected, since lower income households spend less. Households with less than \$1,000 per month in income estimate approximately half (\$23) the average savings from sales tax exemptions.

### **Importance of Sales Tax Exemption**

While any extra income is undoubtedly useful, the sales tax exemption does not provide a significant portion of income to most seniors. The average annual savings of \$528 from the sales tax exemption is equivalent to 1.4% of the average annual income for Longevity Bonus recipients, for example. Even for the lowest income bracket, the savings do not seem large, in part because the annual spending of this group is smaller. However, they may be equal to two to three weeks' groceries, according to University of Alaska Cooperative Extension Service estimates. The average annual sales tax savings of \$276 for seniors earning \$12,000 per year is 2.3% of annual income. Food cost for a family of four is approximately \$100 per week in Anchorage, 50% to 75% more in some rural areas.<sup>4</sup>

## **Other Programs and Discounts for Seniors**

A variety of other benefits are available to seniors. Some of these are state-funded, some municipally funded and others offered by private businesses. As noted above, many retail businesses, including Alaska Airlines, offer discounts to seniors. Four benefit programs offered by the State of Alaska are described below.

### **Renters Rebate Program**

The Renters Rebate was conceived as a complement to the Property Tax Exemption. It was designed to offer a similar benefit to disabled veterans and seniors over age 65 who rent, rather than own their homes. The rebate was intended to be equivalent to that portion of the rental payment that goes toward property tax.

Program costs for the Renters Rebate have exceeded funding levels since 1992. As a result, benefits have been pro-rated. In tax year 1999 the Legislature did not fund the program at all, and no benefits were paid. In 1998, approximately 88% of rebate recipients were seniors and 12% were disabled veterans.

The Renters Rebate has affected far fewer seniors than the Property Tax Exemption. Between 1993 and 1998 the average annual number of participants each year was 987. The average annual benefit was \$993, compared with \$1650 per year saved by those taking the Property Tax Exemption.

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<sup>4</sup> Alaska Economic Trends, June 2000

## **Motor Vehicle Waiver**

The Division of Motor Vehicles allows residents 65 and older to waive taxes and registration fees for one vehicle. There are approximately 15,000 senior exemptions currently in effect.

## **Hunting and Fishing Licenses**

The State of Alaska offers a free, Permanent Identification Card for sport fishing, hunting and trapping to residents over the age of 60. The holder is exempt from having to purchase a fishing license, King Salmon Stamp and the State Waterfowl Stamp.

## **Alaska Marine Highway Senior Discounts**

The Alaska Marine Highway System has offered senior discounts during the summer season for a number of years. Passengers age 65 or older traveling on the LeConte, Aurora, Bartlett or Tustumena receive 50% off the passage fare. Approximately 10,000 AMHS passengers (2.9%) took advantage of this discount in 1998. Not all were Alaska residents. The Aurora and LeConte carry approximately 70% residents in summer. The Bartlett and Tustumena carry approximately 30% residents. The average dollar amount of the discount is not available. The Marine Highway System is currently re-evaluating its pricing policies. It is not known whether a senior discount will be retained in the future.

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# ***Impact of Seniors on the Alaska Economy***

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## **Economic Benefits and Costs**

Before embarking on a discussion of senior economic impact, it is important to understand the term “impact” as it is used here. “Impact” is generally used in an economic sense to describe the amount of statewide personal income that is associated with a particular industry. This section of the study treats “seniors” as an industry for this purpose, as described below.

A second important distinction is that the impact estimates that follow are purely a function of income and are not related to costs. This portion of the study examines the impact of senior income on the Alaska economy. There are also many costs associated with seniors or any segment of the population. There are also costs associated with industries. People need roads, schools, utilities and services. Industries need infrastructure as well and often have environmental, regulatory and other impacts that constitute costs to society. However, the impact discussion does not address costs. It is not to be confused with a cost-benefit analysis, which balances costs against benefits and judges the overall “net” effect on society.

## **Overall Economic Impact of Seniors**

Retirees who choose to remain in Alaska have a sizeable economic impact on the state. This is primarily because much of their income comes from outside the state, for example, Social Security and Medicare payments. Because senior income is mainly from outside the state it is similar to money generated by “basic” industries, those that produce goods inside the state and sell them primarily outside the state. Natural resource industries are typical basic industries because they export products and spend much of the money they receive within the state.

Further, studies suggest that the proportion of spending people do locally (within the state) increases as people age. For example, although some seniors migrate seasonally and for medical reasons, as a group they travel less and spend more on local medical care than younger residents.<sup>5</sup> In a survey done by the Older Persons Action Group (OPAG) in 1996, people were asked the percentage of income spent in the state. Ninety-two percent of the respondents (respondents were age 55 and older) said they spent 80% to 100% in-state.

Because it comes primarily from outside the state and tends to be spent mostly in the state, retirement income, can be viewed as a reasonably efficient injection of dollars into the state economy. For this reason, senior income is said to have a high “multiplier effect.” This means that for every dollar of retirement income a senior spends, an estimated \$1 or more of additional economic activity is generated as senior spending is collected and re-spent by other entities in the economy. The multiplier effect is a function of how people spend their money.

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<sup>5</sup> Power, Thomas Michael *Lost Landscapes and Failed Economies: the Search for a Value of Place*, Washington D.S.: Island Press, 1996.

There are other types of senior economic impacts besides retirement income. Senior medical benefits such as Medicare also represent income that flows into the state and is largely re-circulated through the economy. Seniors also engage in valuable volunteer, caregiving and subsistence work. This work, while unpaid, has economic benefits to the state. Alaskans 60 and over also earn some \$250 million annually in wages. However, this study does not attribute the economic impact of those wages to seniors. Rather, the wages are considered to have been generated by the industries that created the jobs associated with the wages.

## **Seniors as a “Basic” Industry**

This study looks at senior economic impact as that portion of economic activity -- as measured by total state payroll -- that would not exist if there were no senior population. This is the equivalent of treating certain senior income -- specifically retirement income and government medical benefits -- as one of Alaska’s “basic” industries. Basic industries -- such as seafood, tourism, oil production, and government -- are those that bring dollars into the state.

Normally, economic analysis does not treat a population segment as an “industry.” Rather, the various sources of income to seniors would be treated as part of the impact of their source industry. For example, government retirement benefits paid to seniors typically are treated as an impact of the “industry” of government.

However, the population of seniors is homogenous in many respects. It tends to be lower income, to have a high percentage of single-person households, to be highly involved in health-related issues, etc. It also tends to have similar sources of income, specifically retirement income and benefits. This means that many seniors are likely to respond in similar ways to economic and social stimuli. For example, changes in medical and social services or in funding structures like Medicare, Social Security and some state programs may be expected to have similar effects on fairly large proportions of seniors.

Because of the special types of income available to seniors, many communities around the nation have pursued economic development strategies based in large part on attracting retirees. Assessing the economic impact of senior personal income on the Alaska economy provides one measure of the economic importance of this, the fastest growing segment of the population.

The 1994 OPAG report estimated that the impact of older Alaskans on the economy was \$2.5 billion annually. Different methodologies were used in the calculations, for example, the OPAG study includes wages. However, this study reached similar estimates.

## **Estimate of Total Senior Economic Impact**

This study estimates that senior income is responsible for at least \$2.4 billion of the total \$17.7 billion in 1999 state personal income. This is obtained by applying an economic multiplier of 2 to the basic portion of senior income, as described below.

According to an economic model developed by the Institute for Social and Economic Research (ISER) in Anchorage, the \$2.4 billion for seniors is more than the estimated impacts of employment created by most of the state’s leading industries. These include the petroleum industry (\$2 billion), the seafood industry (\$1.2 billion), and the tourism, mining and forest products industries combined (\$1.6 billion). Note that

the ISER model that generated the industry estimates is based on analysis of the economy in 1995. Dollar estimates by industry assume that the structure of the economy has not changed significantly since then. Note also that the industry estimates do not include the impacts of royalties and other payments made directly to the state.

The estimate of senior impact is not part of the ISER model. It was developed independently by the study team.

As the Alaska population ages, retirement income is likely to have an even larger economic impact on state personal income. In the next twenty-five years the overall state population is expected to increase 31%, while the growth in those age 60 and older is expected to be more than 200% (from 50,600 to 165,000 according to ADOL). As a percentage of the Alaska population, the 60 and older population is projected to increase from 8% to 20%. The factors affecting the size and distribution of state income are complex. However, it is safe to say that the already significant economic impact of senior Alaskans is likely to increase.

## Sources of Senior Economic Impact

The estimate of senior economic impact starts with overall senior income. The study estimated senior income by two routes: survey data and secondary data. This resulted in estimates ranging from \$1.4 to \$1.6 billion.

Estimates of monthly personal income given by McDowell Group survey respondents indicate that total personal income for Alaskans 60 and over in 1999 was approximately \$1.4 billion. This is derived by first multiplying average income of \$3,100 per month times twelve months (\$37,200) times 27,600 Alaska senior households. The estimate of 27,600 senior households is based on the number of occupants per household reported in the survey. To estimate total economic impact, we then add federal Medicare and Medicaid payments to Alaska seniors and medical benefits to seniors paid by government retirement plans are added.

The reader should note that personal income is one of the more difficult things to establish by mail survey. The survey estimate should be considered approximate. Estimates by the Bureau of the Census for 1998 of national median household income for seniors are similar, however. The Bureau of the Census estimates median household income as follows: age 65 and over, \$19,448; ages 55 - 64, \$39,815. Average income would be expected to be somewhat higher than the median.

To reach the same estimate from secondary sources, we can add the various components of senior income for which we are able to identify statewide totals. These are listed in the table below. Total statewide senior income based on individual estimates of its components comes to \$1.6 billion. Here again there is some imprecision. Since secondary data sources could not always provide the specific aggregation needed, estimation was necessary to develop the table. Some estimates were derived using national averages for seniors over 65.

## Estimated Components of Income and Benefits for Alaskans 60 and Older

Income Source	Estimated Seniors Receiving	Percent of Seniors Receiving	Total Dollars to Seniors (1999) (in millions)	Percent of All Senior Income & Benefits
Permanent Fund Dividend	50,000	95%	\$89	5%
Social Security (OASDI)	36,700	73%	330	20%
Social Security (SSI)	2,300	<1%	8	0%
Longevity Bonus	32,000	63%	61	4%
Property Tax Exemptions**	15,800	30%	24	1%
Sales Tax Exemptions**	10,000	20%	5	0%
Adult Public Assistance	5,800	1%	26	2%
Retirement (not SSA)				
Federal Civilian			120	
PERS and TRS			152	
Military			36	
Veterans			25	
Private pensions			70	
Total Retirement (not SSA)	25,000	50%	403	24%
Paid Work	11,000	25%	249	15%
Native Corporation Dividends	4,500	9%	27	2%
Income from other assets***	18,000	35%	<u>100</u>	<u>6%</u>
<b>Total income and exemptions</b>			<b>1,322</b>	<b>79%</b>
Medical Benefits*				
Medicare	35,000	70%	230	14%
Federal Medicaid Portion	6,700	13%	45	3%
PERS (in-state)	9,200	18%	54	3%
TRS (in-state)	3,500	7%	<u>20</u>	<u>1%</u>
Total income, exemptions and medical	N/A	N/A	\$1,671	100%
<b>Total net of tax exemptions</b>			<b>\$1,642</b>	

Source: McDowell Group estimates based on a combination of secondary data and survey results. Estimates of retirement and medical benefits include only that portion applicable to in-state residents 60 and older.

\*Medical benefits are not normally treated as income. However, certain medical benefits paid to seniors constitute a part of their economic impact on the state.

\*\*Tax exemptions are not normally treated as income. They are included here to show their relative contribution to the financial resources available to seniors. However, they are not counted in estimates of senior income described elsewhere in this report.

\*\*\*Neither secondary material nor survey results provide enough data for a firm estimate of "asset income" received by Alaska seniors. However, a recent study by the Federal Interagency Forum on Aging-Related Statistics estimates that income from assets for seniors (age 65 and over) ranges between 30% for the highest-income group to 1% or less for the lowest income group. The study team allotted 10% of the survey-estimated \$3,100 per month income to assets.

Not all senior income contributes to senior economic impact. If a senior were to leave the state, some personal income would simply cease, for example, Permanent Fund dividends and presumably most wages. The following section describes those portions of senior income used to estimate economic impact.

## Economic Impact of “Basic” Senior Income

The primary component of senior economic impact is retirement income. The study team treats this as basic income because it is money that would not be in the state if there were no retirees. In addition, medical payments from Medicare and those associated with the state retirement systems are also money that would otherwise not be in the state economy.

Although seniors earn \$250 million in annual wages, they are not included in the estimate of economic impact. This is because, for purposes of assessing economic impact, wages are associated with the industry creating the jobs, rather than the workers performing them. So, for example, senior income from jobs in the visitor industry would be credited to the visitor industry. Further, it is assumed that, if seniors were to leave the state, the jobs they performed would remain and be filled by other Alaska workers.

In addition, payments received by seniors from the state are not included, since these payments are not an infusion of new money into the economy. Rather, they are a redistribution of existing dollars.

Other than wages and payments received from the state, however, most senior income may be included in the economic impact computation. The main elements are listed in the following table:

### Estimated Income Components Contributing to Economic Impact

Personal Income	Estimated Amount (in millions)
Social Security Administration retirement payments to Alaskans over age 60	\$330
Supplementary Security Income payments to Alaska seniors	8
Federal civilian retiree benefits (estimated portion of \$138 million total paid to 60 and older)	120
State of Alaska administered PERS and TRS payments to those 60 and older living in Alaska	152
Senior portion of the \$113 million in military retirement benefits paid into the state	36
Veterans benefits to Alaskans 60 and older	25
Labor and corporate pensions (Estimated based on national averages and OPAG study)	70
Income from assets + Native corporation dividends	<u>127</u>
Total senior personal income	\$868
<b>Health Benefit Payments</b>	
Medicare	230
Federal portion of Medicaid	45
PERS medical benefits	54
TRS medical benefits	<u>20</u>
Total senior income contributing to economic impact	\$1,217

Source: McDowell Group analysis

To estimate the economic impact of seniors, the study team applied a multiplier of 2 to the sum of all senior basic income shown in the table. The \$1.2 billion in direct personal income to seniors is therefore estimated to produce a total economic impact on the state of approximately \$2.4 billion. Said another way, the \$1.2 billion in senior income is estimated to be responsible for an additional \$1.2 billion in personal income to others in Alaska as it circulates through the state economy. Multipliers used for Alaska basic industries commonly range between 1.3 and 2.4 . Higher multipliers are associated with industries that have a high proportion of resident employment and high levels of personal income and in-state spending.

## Impacts of Uncompensated Senior Work

### Volunteerism

Senior volunteerism creates both economic and social benefits for Alaska. According to the McDowell Group survey, approximately 40% of Alaskans over age 60 volunteer regularly. They provide an average of 20 hours per month of their time, worth approximately \$60 million per year in personnel services. This is the equivalent of approximately 2,400 full-time jobs.

A recent study of Anchorage seniors by the Anchorage Senior Citizens Advisory Commission found nearly 75% of respondents over 55 were volunteers. However, the sample distribution was not closely representative of the statewide senior population.

According to the McDowell Group survey results, the most popular organizations for senior volunteers are churches (33%), service organizations such as Lions Club (10%), and other nonprofits such as Foster Grandparents (10%).

#### Where Alaska Seniors Volunteer

Organization	Percent of Those Who Volunteer
Church	33%
School	4%
Visitors Bureau	1%
Hospital	3%
Museum	3%
Service Organizations	10%
Community Projects	6%
Nonprofits	10%
Other	12%

Source: McDowell Group survey

No organization tracks total senior volunteer activities and time statewide. The National Senior Services Corp reports 500 volunteers aged 60 or older in 36 Alaska communities. These volunteers represent 210,000 volunteer hours per year. The Senior Services Corp estimates the dollar value of these volunteer hours at \$2.7 million (approximately \$12.85 per hour). Given the cost in wages, payroll taxes and benefits that would be necessary to replace senior volunteers with paid workers, this seems a reasonable estimate of hourly value. Further, seniors often bring a high level of experience to their volunteer work. (See the Appendix section on “Volunteerism” for additional detail on national senior volunteer time and value.)

McDowell Group survey results imply that approximately 20,000 Alaskans over the age of 60 provide an estimated 400,000 hours per month of volunteer time. Using the same hourly value (\$12.85), senior volunteering is worth approximately \$60 million per year to Alaska in donated wages.

## Caregiving

The McDowell survey of older Alaskans indicated that 13% of respondents engaged in “unpaid caregiving on a regular basis, with an average time of 20 days per month. This suggests at least 132,000 person/days are spent in unpaid caregiving by seniors each month. This is the equivalent of 6,300 full-time jobs.

Survey limitations precluded giving a detailed description of what “caregiving” might entail. Eight percent of respondents said they provide care for a child family member. Five percent provide care for an adult family member. The study team believes that this estimate does not capture a significant amount of personal care, particularly that provided by one spouse for another.

More important than the full-time equivalent in jobs is the value of caregiving in allowing seniors to live independently. This not only provides the best environment for the senior, in most cases, but minimizes unnecessary public and private expenditures for institutional living facilities and staff. Anecdotal evidence suggests that a large percentage of seniors are able to live independently as a result of assistance with “activities of daily living” (ADLs) provided by a spouse or loved one. Without this informal assistance, demand for nursing home and assisted living facilities undoubtedly would be much greater.

A study in 1997 estimated that 22% of households nationwide depended to some extent on unpaid caregiving to someone over the age of 50 (Wagner, June 1997). This was nearly triple the percentage in 1987 (7.8%). The growth of caregiving households surpassed the growth in aged people. The population age 65 and older grew 21% during the ten year study period. The average age of caregivers in the national study was 45, and 72% were women. Caregiving was most often provided to a parent, and the average length of care was 5 years.

The national study found some changes had occurred since a similar study ten years before in 1987. One was that just 17% of working caregivers in 1997 shared their residence with the person they were caring for, compared with 32% in 1987. In addition, caregivers in 1997 reported spending less time with the person. In 1997, 52% of caregivers said they spent less than eight hours per week, while only 36% provided this few hours in 1987. More primary caregivers also held a job in 1997 (55%) as compared to 1987 (40%).

## **Subsistence Activities**

More than one-third of survey respondents say they engage in some kind of subsistence activity, with an average of 4 days per month year-round. This suggests that seniors spend as many as 72,000 person/days per month in subsistence activities. However, this should be taken as a rough guide.

The survey touched only briefly on subsistence. As with caregiving, no detailed definition of subsistence was provided. The example, “hunting or fishing for food” was offered in the survey question. Further, 68 respondents said they engage in subsistence more than 20 days per month year-round. This seems unusually high, and it may be that at least some were providing an annual, rather than monthly, estimate.

Seniors in rural communities are more likely than urban seniors to engage in subsistence activities (56% vs. 34%). They also spend more time at subsistence, 7.5 days per month, on average, vs. 3.3 days per month for those in urban census areas.

The likelihood of engaging in subsistence activities was not significantly different for lower and higher income households. This may indicate that those seniors who engage in subsistence do so primarily for lifestyle, rather than economic reasons. However, low-income rural residents often engage in subsistence out of economic necessity. Additional study would be needed to understand in detail the role of subsistence activities in the lives of Alaska seniors.

# ***Economic Wellbeing of Alaska Seniors***

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Approximately 8% of Alaska senior households lives on less than \$1,000 per month in household income according to survey results. Most of these are single person households. The table below shows the estimated number of senior households living at each monthly income level, based on estimates by survey respondents of their total monthly income from all sources. Most of the single person and all of the two-person households living on \$1,000 per month or more are below the federal poverty level for Alaska.

**Household Income by Size of Household  
(Estimated Number of Alaska Senior Households)**

Household Monthly Income	All		Household Size		
	Households	%	1 Person	2 Person	3 or More
Under \$1,000	2,200	8%	1,500	400	200
\$1,001-\$2,000	7,000	25	3,300	2,900	800
\$2,001-\$3,000	5,200	19	1,900	2,900	300
\$3,001-\$4,000	4,100	15	1,000	2,800	300
\$4,001-\$5,000	2,600	10	500	1,900	200
\$5,001-\$6,000	1,900	7	200	1,500	200
More than \$6,000	2,300	8	300	1,700	300
Not Sure	2,200	8	600	1,300	200
<b>Total</b>	<b>27,500</b>	<b>100%</b>	<b>9,300</b>	<b>15,400</b>	<b>2,500</b>

Source: McDowell Group survey of Alaska Seniors. Based on percent of respondent households falling into each category.

In contrast, median household income for Alaska in 1999 ranged from \$2040 per month in the Wade Hampton census district to \$5980 per month in the Bristol Bay Borough, according to the US Department of Housing and Urban Development (HUD). The median household income for Anchorage was \$4,930 per month.

## **Self-Sufficiency Thresholds**

The cost of living in Alaska is higher than in most other parts of the country. The American Chamber of Commerce Researchers Association (ACCRA) includes Anchorage, Fairbanks, Juneau and Kodiak in its analysis of cost of living in 300 American cities. The Alaska cities are all among the ten most costly cities in the United States. Anchorage and Fairbanks are 25% higher than average, Juneau 35% higher. Kodiak is 45% higher than the average city and second only to New York among the cities analyzed. Conversely, Alaska ranked 17<sup>th</sup> in personal income as of 1999 and was among the five states with the slowest income growth, a 2.4% growth rate.

As a result of its cost of living, Alaska has the highest federal poverty guidelines of any state, approximately 25% higher than the contiguous 48 states. The official measure of poverty is based on annual financial income, family size and family composition. People living in poverty are considered to be at risk for lack of basic necessities such as food, housing and health care.

**U.S. Department of Health and Social Services  
Year 2000 Poverty Guidelines**

Size of Family Unit	Alaska Poverty Level
1	\$10,430
2	\$14,060
3	\$17,690
4	\$21,320
5	\$24,950
6	\$28,580
For each additional person, add	\$3,630

Source: Federal Interagency Forum on Aging

Nationally, the number of seniors living in poverty has declined from 35% in 1959 to 11% in 1998, partly due to social programs, in particular Social Security. Further, the proportion of medium and high-income seniors has grown and now accounts for approximately two-thirds of seniors, compared with just half in 1974.<sup>6</sup> In spite of this improvement, 3.8 million seniors continue to live in poverty today.

According to survey results, approximately 8% of all Alaska seniors live close to or below the official poverty line. Poverty is more likely in single-person households. An estimated 15% of single-person households fall below the poverty line, while an estimated 5% of couples are impoverished. These estimates may be low, since the survey under-represents individuals in group-living situations. The oldest seniors are most at risk for poverty. Those over 85 are nearly twice as likely to fall below poverty thresholds than those 65 to 74 (14% compared with 9%). Women seniors over 65 are more likely than men to find themselves impoverished (13% compared with 7%).

Official designations of “low income” are much higher than poverty levels. Low income thresholds are often the point at which eligibility for need-based financial programs begins. Income thresholds established by the US Department of Housing and Urban Development for housing subsidy eligibility are often used as benchmarks for household economic well-being. The 1997 HUD low-income guidelines for Anchorage indicate that a single person is low-income if they have an annual income less than \$30,450 and very low-income if the annual income is less than \$20,500. For a couple the figures are \$34,800 and \$23,450, respectively.

<sup>6</sup> *Older Americans 2000: Key Indicators of Well-Being*, Federal Interagency Forum on Aging-Related Statistics.

According to survey results, approximately 60% of single-person senior households have incomes less than HUD low-income guidelines, and approximately 35% are very-low-income. For couples, approximately 40% are low-income and 20% are very-low-income. As with the national averages, household income among survey respondents decreases with age. Alaska seniors over 85 are approximately twice as likely as those 60 to 65 to be low- or very-low-income.

## Effect of Financial Programs on Senior Households

The combined effect of financial programs on senior household income is potentially large for lower-income households. Further, a substantial number of senior households fall into this category. Based on survey results, an estimated 50% of all single person senior households and 20% of all senior couples live on less than \$2,000 per month. For older groups of seniors the percentages are substantially higher. Overall, approximately one-third of Alaska seniors live on \$2,000 per month or less.

### Potential Monthly Role of Financial Subsidies in Household Income (Households with \$2,000 per month total income)

Financial Program	Single Person	% of Income	Couple	% of Income
PFD (1999)	\$148	7%	\$296	15%
Longevity Bonus	224	11%	448	22%
Adult Public Assistance	350	18%	500	25%
Renters Rebate (prior to 1999)*	82	4%	82	4%
Sales Tax Exemption	22	1%	44	2%
Other Senior Exemptions	10	1%	20	1%
<b>Total</b>	<b>\$836</b>	<b>42%</b>	<b>\$1,390</b>	<b>69%</b>

Source: McDowell Group analysis

\*Due to lack of funding, the Renters Rebate was not available in 1999. Its future is uncertain.

The Property Tax Exemption is not included since the property limitations on APA recipients effectively preclude qualifying for both.

For low-income seniors, social programs are crucial. Nationally, social security accounts for more than 80% of income for approximately 40% of seniors. The one-fifth of seniors at the lowest income levels rely on public assistance for most of the remaining 20% of income.

In Alaska, the combination of Longevity Bonus payments and Permanent Fund dividends is clearly an important income component. For those eligible, the Property Tax Exemption is similar in impact to recent, high PFD checks. For more than 16,000 Alaska seniors living on less than \$2,000 per month, these three programs potentially constitute one-quarter to one-half of all income.

## Financial Stability of Seniors

According to the President of the Long-Term Care Center in Washington D.C., one in three Americans will require long-term care. He estimates that nationally, 10% of seniors and only 5% of all Americans have purchased long-term care insurance.<sup>7</sup>

The financial effects of moving from independent living to long-term care can quickly overwhelm household resources. The Alaska Long-Term Care Task Force places the cost of one year in an Alaska nursing home at \$98,000 for a Medicaid patient, 20% more for private-pay patients.<sup>8</sup> Assisted Living services may be less than half or even a third the cost of a nursing home, but are nevertheless significant.

The prospect of long-term care dramatically illustrates how tenuous is the economic well-being of most older Alaskans. State and municipally funded programs are an important part of the current economic resources of many senior households. However, they by no means constitute a “safety net” for seniors.

Unprecedented growth in the senior population and increases in Alaska’s already high costs of health care, together with the Legislature’s apparently growing reluctance to fund broad benefit programs such as the property tax exemption, highlight the importance of a thoughtful strategy to address the economic needs of seniors.

## Conclusion

This study has sought to document the general economic situation of Alaska seniors. In so doing it identifies both their important economic contributions and some of their unique needs. It points up the dramatic differences in economic well-being among seniors at the upper and lower ends of the economic spectrum. Finally, although the study does not address medical needs, it must be emphasized that the specter of major medical costs hangs over virtually all senior households. Unless this difficult challenge is addressed, many Alaska seniors will find a sense of economic well-being to be out of reach.

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<sup>7</sup> Long-Term Care Task Force Report, January 1999.

<sup>8</sup> Ibid

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# **APPENDIX 1**

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**ISSUES AFFECTING THE ECONOMIC WELL-BEING  
OF  
ALASKA SENIORS  
HOUSEHOLD SURVEY**

**DECEMBER, 2000**

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## **Appendix 1: Introduction**

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As part of its *Study on Issues Affecting the Economic Well-Being of Alaska Seniors* for the *Alaska Commission on Aging (AcoA)*, the McDowell Group conducted a survey of Alaska households with at least one member over the age of 60.

The survey was one of three research techniques used to present as complete a picture of this important population group as possible. Executive interviews with representatives of key programs and agencies for the elderly and secondary research of federal, state and other data on the elderly were also conducted.

Because some of the secondary information is either incomplete or out-dated, this large-sample mail survey was necessary to gather specific information on the income, housing, health care, and residency plans of Alaska's seniors. Information was also gathered on key senior activities that impact Alaska (volunteering, unpaid child/adult care, and subsistence).

In addition to providing insight into the economic situation of Alaska seniors in general, the survey also highlights differences in the lives of rural and urban Alaska seniors, and also seniors from low-, middle-, and upper-income groups. Finally, because the survey was open to Alaskans age 60 and older, the research team was able to learn something of the transition years as Alaska seniors prepare for retirement.

This survey report was prepared as an appendix to the AcoA study. It includes an executive summary followed by analysis of the survey results and an appendix of demographics and "topline" survey results in tabular format.

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## **Appendix 1: Methodology**

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The McDowell Group mailed 2,500 surveys in July of 2000 to Alaskan households where at least one member was expected to be age 60 or older. More than 1,000 were returned. Of these, approximately 175 were either incomplete or not timely. 838 surveys were analyzed. Respondents were screened by age so that all respondents to the survey were age 60 or older. (Ineligible returned surveys were disregarded.)

Households were drawn from three lists:

- Alaska Longevity Bonus recipients (age 68 and older)
- Recipients of free Alaska hunting/fishing licenses (age 60 and older)
- A national mailing sample developed by Survey Sampling, Inc. of Connecticut (age 60 and older).

A combination of lists was used because, with the exception of the Permanent Fund Dividend list, there is no single source from which to draw a random sample of Alaska seniors. Unfortunately for research purposes, the Permanent Fund Corporation is prevented by statute from releasing the names and addresses of sub-groups of dividend recipients.

As a result, the survey is not a true random sample of the population of Alaskan's over age 60. This means that it is not possible to calculate a statistical margin of error for survey results. However, comparison of the survey respondents with geographic and age distributions of the Alaska population indicates that the sample is closely representative of Alaska seniors as a whole.

The nature of the survey sample and its implications are discussed in more detail in the main body of the study report.

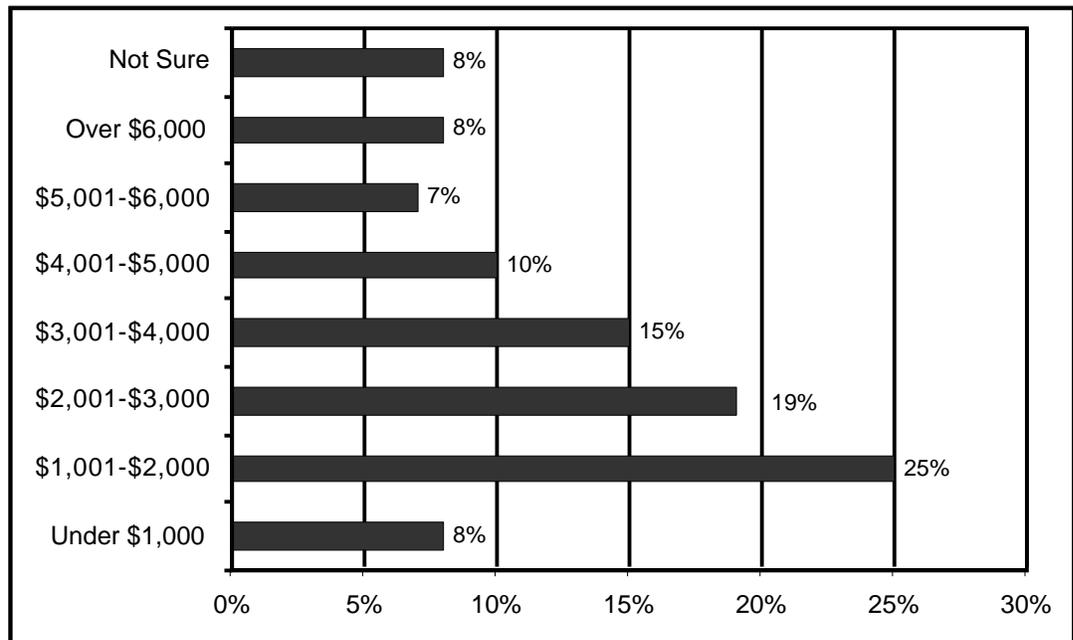
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# Appendix 1: Income and Housing

## Income

- One-third of survey respondents earn less than \$2,000 per month, and one-third earn between \$2,000 and \$4,000 per month. One-quarter earn more than \$4,000 per month, and 8% were unsure of their monthly income.

**What category is closest to your household's total monthly income from all sources?**

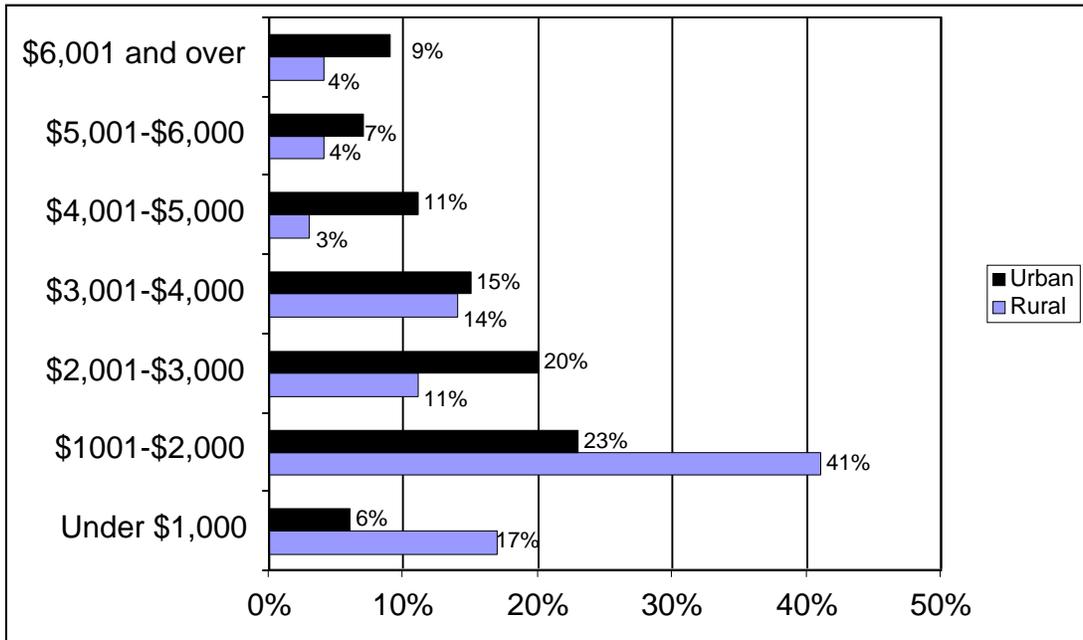


Survey analysis of urban/rural differences are done on the basis of the Alaska Department of Labor distinction. This identifies communities with populations of less than 2,500 as rural. ACoA recently adopted this definition for its use as well.

- The income breakdowns for rural and urban seniors differ markedly. While less than one-third (29%) of urban seniors have monthly incomes of \$2,000 or less, half (50%) of rural seniors do.
- Similarly, over one-quarter (29%) of urban seniors have incomes of \$4,000 a month or more; only 11% of rural seniors do.

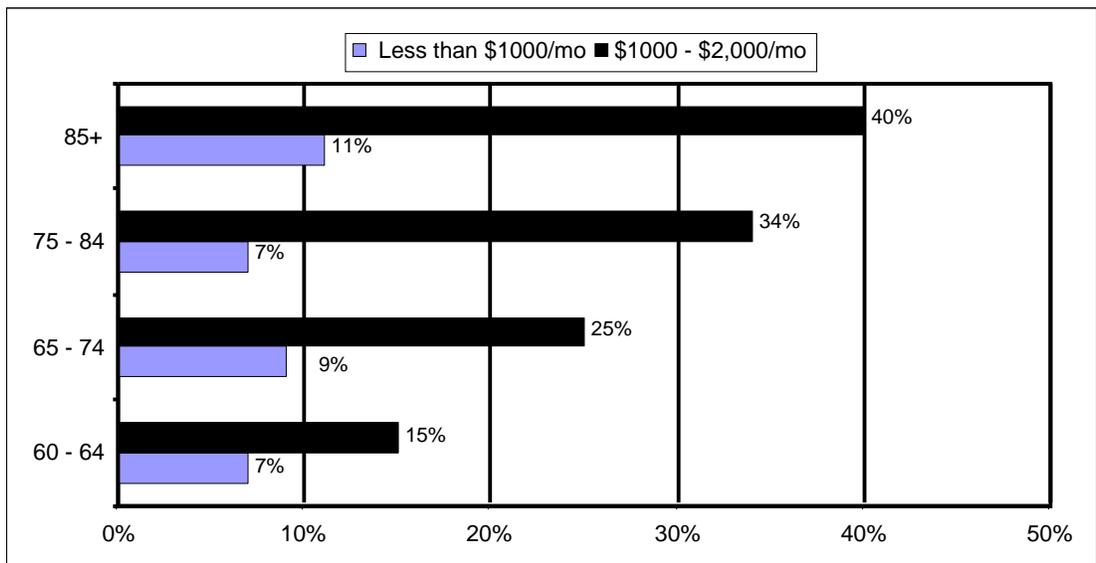
The Alaska Housing Finance Corporation uses an alternative definition. It defines "rural" as "a community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks and is at least 50 statute miles outside Anchorage or 25 statute miles outside of Fairbanks."

**Monthly Household Income of Alaska seniors  
Rural vs. Urban**



- Over half (51%) of Alaskans 85 and older earn less than \$2,000 per month.

**Percentage with Monthly Household Incomes  
Less than \$2,000 per Month  
(by age group)**



The table below shows how senior income is distributed by household size. Respondent households consisted of 34% single households, 56% two-person households and 10% households with 3 or more members.

**Respondent Household Income by Size of Household  
(Percent of All Respondents in Each Category)**

Household Monthly Income	All Households	Household Size		
		1 Person	2 Person	3 or More
Under \$1,000	8%	5%	2%	1%
\$1,001-\$2,000	25	12	10	3
\$2,001-\$3,000	19	7	11	1
\$3,001-\$4,000	15	4	10	1
\$4,001-\$5,000	10	2	7	1
\$5,001-\$6,000	7	1	6	1
More than \$6,000	8	1	6	1
Not Sure	8	2	5	1
<b>Total</b>	<b>100%</b>	<b>34%</b>	<b>56%</b>	<b>10%</b>
<b>Number of Respondents</b>	<b>828*</b>	<b>280</b>	<b>463</b>	<b>80</b>

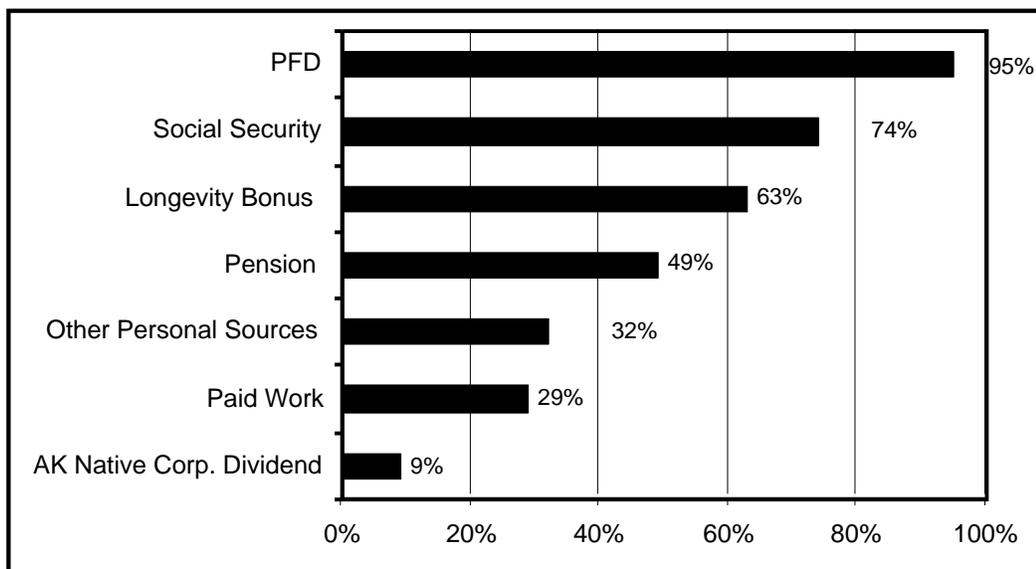
Total survey sample was 838. Not all respondents provided income data.

## Income Sources by Percentage

*Note: Some respondents had difficulty providing a detailed breakdown of their income or declined to do so. Responses for this question were not complete. Also, some responses were not consistent with estimates of monthly income overall.*

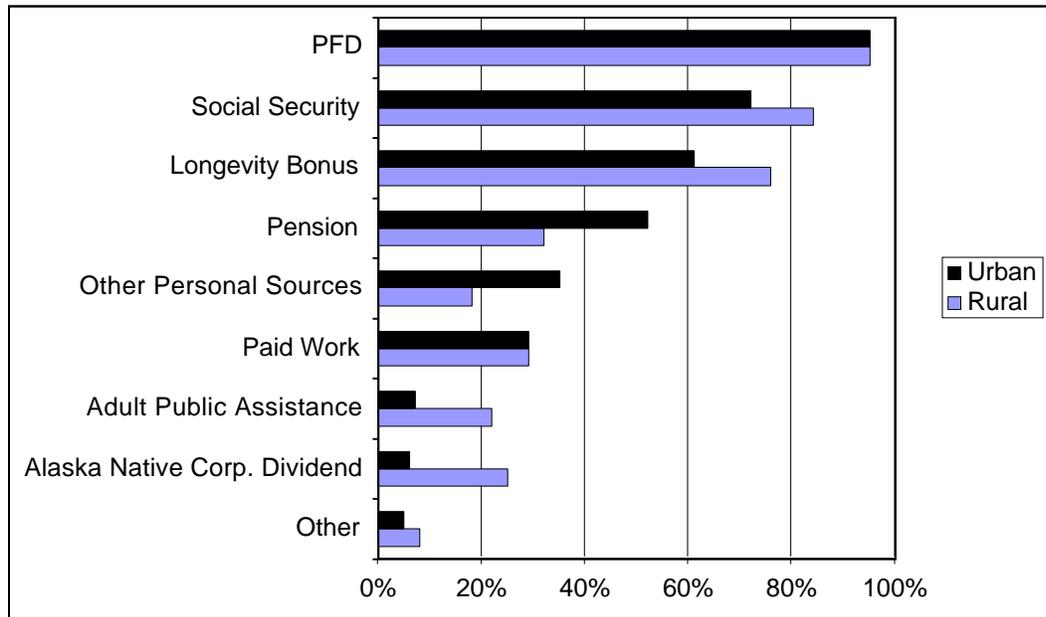
- Not surprisingly, the Permanent Fund dividend is the most common income source (95%), followed by Social Security (74%) and pensions (49%). One-third (32%) obtain income from other personal sources, and 29% receive income from paid work. Ten percent receive public assistance, and 10% receive Alaska Native Corporation dividends.

**In 1999, did you receive personal income from....**



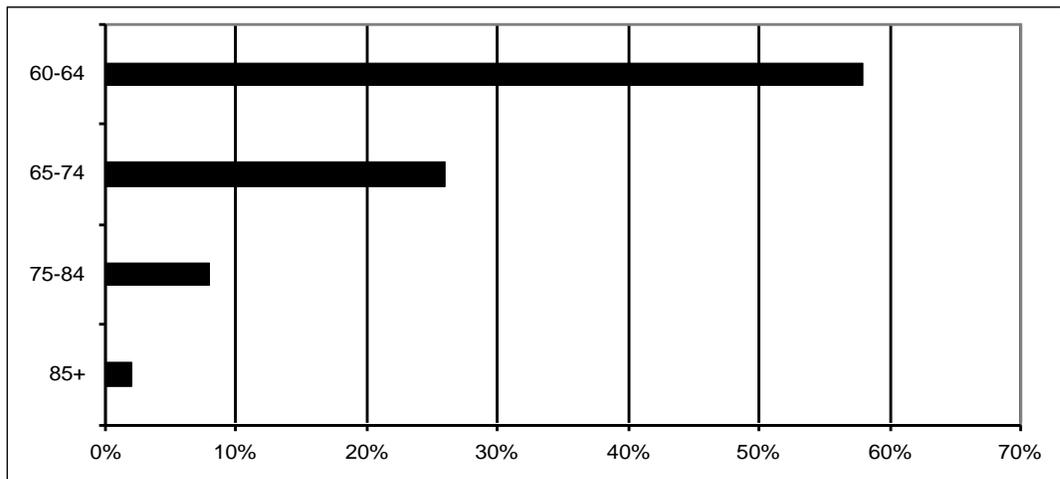
- Urban seniors are more likely to have pensions and other personal income sources (savings, investments, IRAs, etc.) while rural seniors are more likely to have Adult Public Assistance and Alaska Native Corporation dividends. Both groups are equally likely to have paid work as an income source.

### Income Sources by Percentage Urban vs. Rural



- Similar to the comparison between urban and rural seniors, high-income seniors are more likely than low-income seniors to have pensions and other sources of personal income. However, in this case, high-income seniors are far more likely than low-income seniors to have paid work as a source of income (53% vs. 18%).
- The percentage of seniors in the workforce clearly drops off at age 65. Over half (58%) in the 60-64 age group have income from paid work.
- Conversely, only 20% of seniors age 60-64 receive household income from Social Security, compared to 91-95% for the other age groups.

### Percentage of Seniors Receiving Income from Paid Work (by age group)



## Income Sources by Dollar Amount

- For survey respondents, the average income from paid work is the highest, followed by pensions and other personal sources.

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Income Source	Avg. per year for those receiving	Avg. per year for all seniors
Paid Work	\$33,200	\$8,100
Pension	\$24,000	\$10,000
Other Personal Sources	\$16,200	\$4,600
Social Security	\$10,200	\$6,500
Alaska Native Corp. Dividends	\$5,900	\$400
Adult Public Assistance	\$5,300	\$400

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## Alaska Longevity Bonus

- Three-quarters (79%) of Alaskans age 65-74 receive the Longevity Bonus, and 98% of seniors in the remaining older age groups receive the bonus. On average, eligible seniors receive \$219 per month. Seventy percent receive \$250 per month. (The youngest eligible recipients, before the program was suspended, are now 68 years old.)
- Rural seniors are slightly more likely to receive the Longevity Bonus than urban seniors (70% vs. 61%), as are low-income seniors compared to high-income seniors (67% vs. 50%). The average bonus checks are similar, however.

## Alaska Permanent Fund Dividend

- Nearly all Alaska seniors (95%) receive an Alaska Permanent Fund Dividend.

## Senior Contributions to Household Income

- On average, 88% of older Alaskan household income is provided by household members age 60 and older. Eighty-four percent of survey respondents attribute 75%-100% of their total household income to contributions by senior household members. One-third (35%) are unsure.

## Housing

- Eighty-three percent of the Alaska seniors who responded to the survey own their own homes; 10% are renters.
- Homeowners spend on average \$703 per month on housing, and renters average \$627 per month. Those living with family and friends or in other housing arrangements (such as group settings) had the lowest costs (\$421 and \$471, respectively). RV owners responding to the survey average \$767 per month; however their sample size is very small.

### Average Senior Monthly Housing Costs

Income Source	Dollar Amount Per Year
RV*	\$767
Own Home	\$703
Rent Home	\$627
Live with Family/Friends	\$421
Other	\$471

\* Small sample size

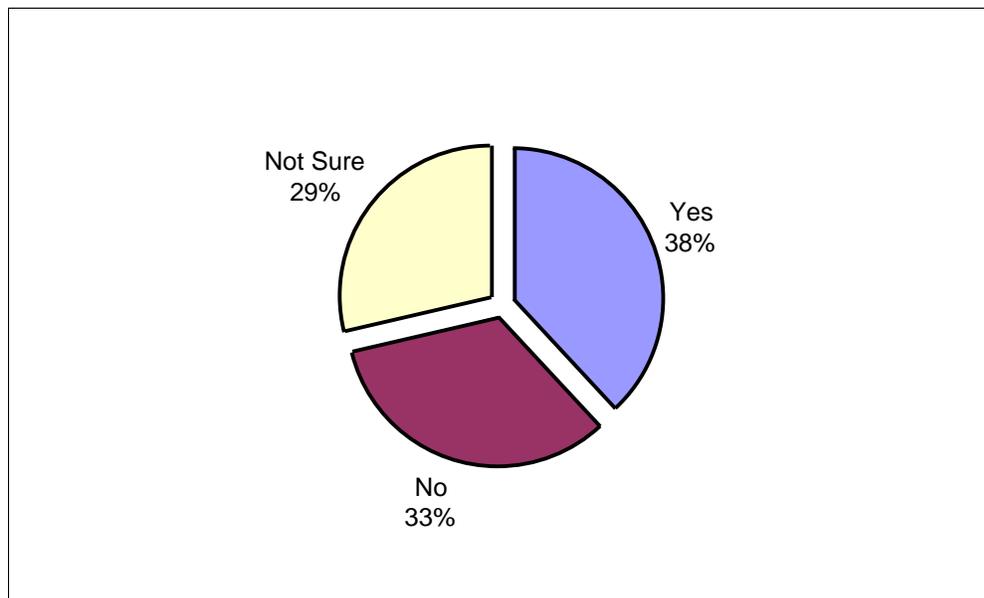
- Urban homeowners spend considerably more than rural homeowners (\$746 per month vs. \$530 per month). However, both groups spend similar amounts on renting.
- Seniors age 60-64 spend significantly more for housing (\$925) than 65-74 year olds (\$641) or the other older age groups. Rents are more comparable among the different age groups, however.

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## Property Tax Exemptions

- Half of all Alaska seniors responding to the survey claimed a property tax exemption in 1999. Urban seniors are far more likely to claim a property tax exemption than rural seniors (55% vs. 30%). Of the different income groups, middle-income seniors are the most likely to claim a property tax exemption (61% for multi-member households; 77% for single-member households).
- Sixty-nine percent believe the exemption to be very important to their financial situation, and 24% rate it important.
- Survey respondents are somewhat evenly divided in forecasting the impact of canceling the property tax exemption on their living situation. Thirty-eight percent feel that they would have to sell their property or change their living situation; 33% foresee no impact, and 29% are unsure.
- Not surprisingly, lower income respondents predicted they would experience the most dislocation if the exemption were eliminated. Half of low income seniors using the exemption said they would need to sell property or change their living situation.
- Among the different age groups, the property tax exemption is most important to the 65-84 year old group (72% rating it as very important, compared to approximately half for younger and older seniors). They are also the most likely to say they would need to change their living situation (40% vs. 25% for older and younger seniors).

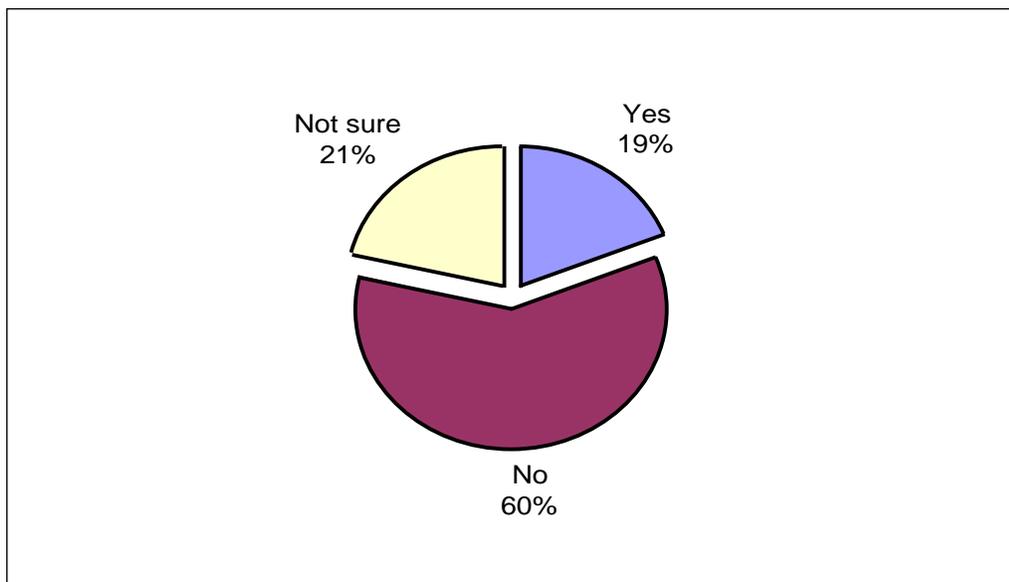
**If your property tax exemption were cancelled, would you need to sell property or change your living situation?**



## Sales Tax Exemption

- Nineteen percent of Alaska seniors responding to the survey state that they live in a community that offers a sales tax exemption. This is similar to the percent of the population living in communities that offer an exemption.
- Twenty-one percent are unsure as to whether or not their community offers an exemption.
- Of seniors using the sales tax exemption, one-third (32%) save \$11 - \$30, and 26% save \$31 - \$50 per month.

### Does your community have a sales tax exemption for older citizens?



## Appendix 1: Residency Plans

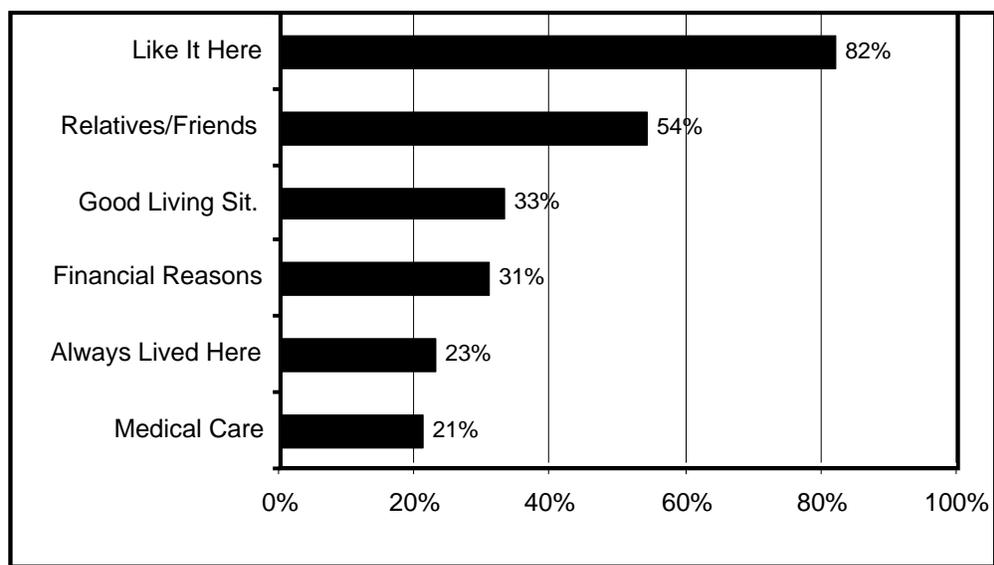
### Plans to Stay in or Leave Alaska

- Nearly all survey respondents (92%) plan to remain in Alaska. By the time seniors reach the age of 65 or so, they're less likely to move. Younger seniors in the 60-64 age group are least likely to say that they will stay (86%). Rural and urban seniors are equally likely to intend to stay in Alaska, as are seniors of different income groups, for the most part.
- High-income seniors of multi-member households are less likely to plan on staying (85%), and lower income seniors in multi-member households are slightly more likely to be uncertain of their intention to stay (8% vs. 4% for seniors overall).

### Reasons for Staying in Alaska

- Liking it here (82%) is the most common reason given for staying in Alaska. Half (54%) want to stay with relatives and/or friends, and one-third each cite favorable living arrangements and financial reasons. One-fifth (21%) state that the availability of medical care is a reason they are staying.
- Urban and higher income seniors are more likely to say they're staying "because they like it here", while rural and low-income seniors are more likely to give the reason "because I've always lived here." Middle-income seniors are more likely to give multiple reasons and to cite "relatives", "living arrangements", and "financial considerations" as reasons.

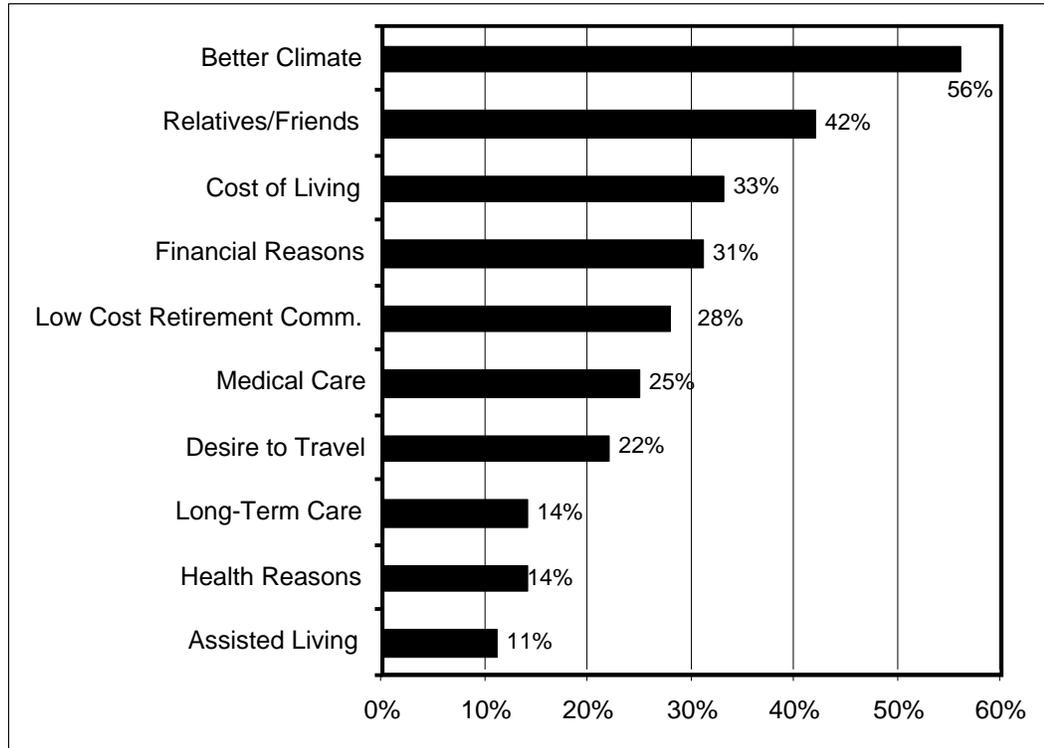
Why do you plan to stay in Alaska?



## Reasons for Leaving Alaska

- Of those who plan to leave Alaska, half (56%) are seeking a better climate, and nearly half (42%) want to be with family and/or friends. Cost of living, financial reasons, and lower cost retirement communities were each cited by one-third of survey respondents; and medical care is mentioned by 25%.

### Why do you plan to leave Alaska?

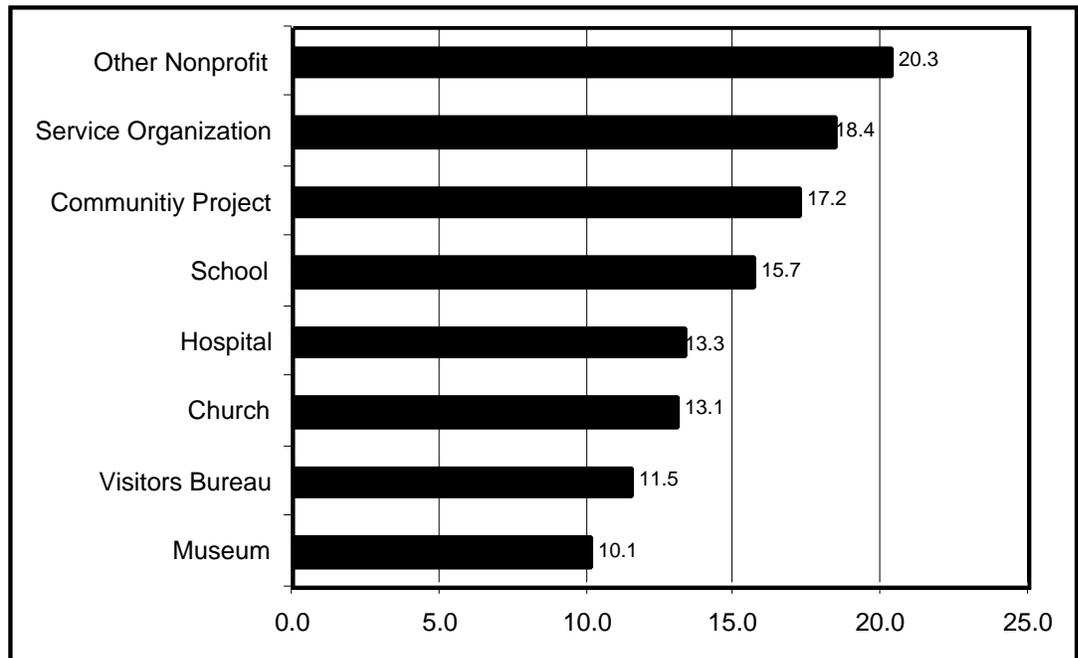


# Appendix 1: Senior Activities Impacting Alaska

## Volunteering

- Forty percent of all survey respondents have volunteered within the past year. Twenty-one percent spend time volunteering in their religious communities. Nine percent volunteer through service organizations. Seniors also volunteer in other areas, including schools, hospitals, and museums and for community projects.
- The overall average time spent by volunteers is 20 hours per month, including individuals who volunteer at more than one type of organization. The amount of time spent volunteering at specific activities ranges from an average of 10 hours per month for museum volunteers to an average of 20 hours per month for volunteers at “other nonprofit organizations.”
- Rural and urban seniors volunteer in equal numbers.
- Higher-income respondents are the most likely to volunteer (71%); however middle-income residents average the most volunteer hours.

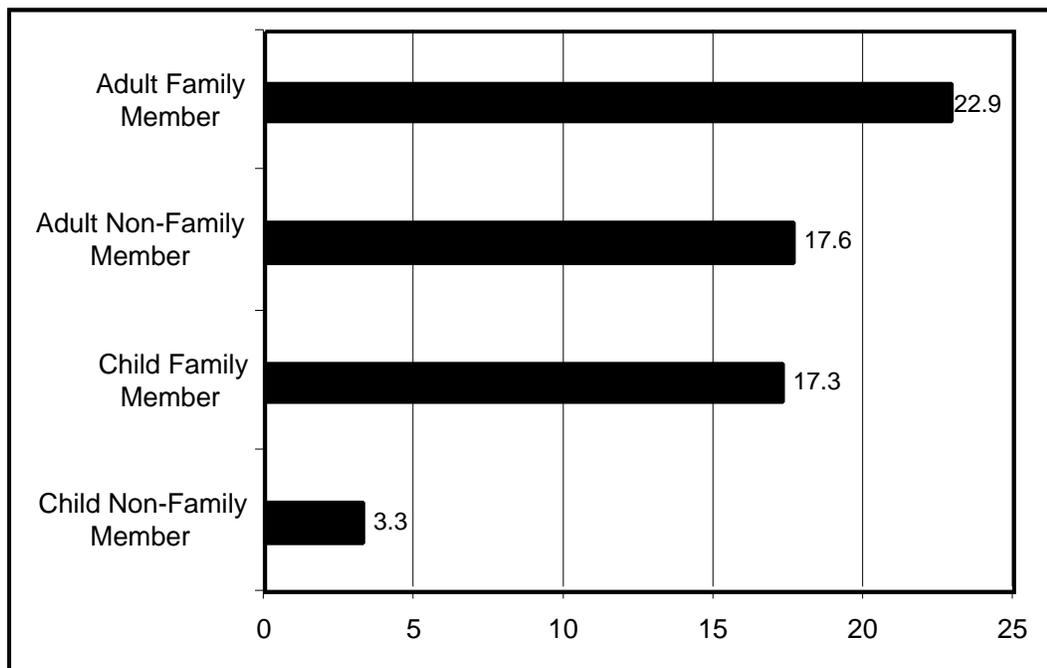
**Average Number of Hours per Month Volunteering**



## Unpaid Care

- One-tenth of survey respondents (13%) provide unpaid care to an adult or child; nearly all of those provide care to a family member.
- Eight percent provide childcare for a family member; and 5% provide care for an adult family member.
- Only 3% of all survey respondents provide care for an adult or child outside of their family.
- Survey respondents spend similar amounts of time caring for adult family members as adult non-family members (23 and 18 days per month, respectively). However, care for a child non-family member appears to be done only intermittently (3.3 days per month) compared to care of a child family member (17 days per month).
- Rural and urban seniors are equally likely to provide care for a child/adult. They generally provide comparable amounts of care.
- Lower-income seniors are more likely to be caregivers (22%) than the general population of seniors (13%).

**Average Number of Days per Month Providing Unpaid Care**

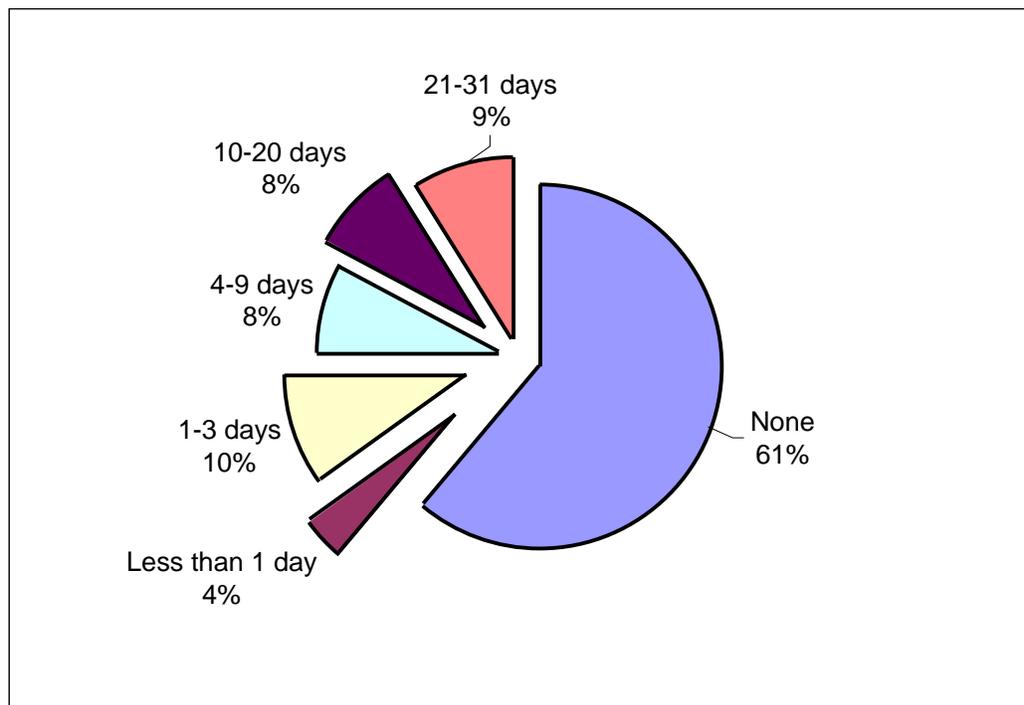


## Subsistence

Respondents were asked a general question about subsistence activities. No definition of “subsistence” was given. However, the example “hunting or fishing for food” was offered.

- Slightly more than one-third (39%) of all survey respondents engaged in subsistence activities within the past year. Younger seniors (age 60-64) are significantly more likely to engage in subsistence (60%) compared to older seniors (37% down to 13% for the oldest seniors).
- An average of four days per month was spent in subsistence activities. However, note that 68 respondents (9%) estimated they spent more than 21 days per month at subsistence activities on a year-round basis. This seems inordinately high. It may be that some respondents believed they were making an annual, rather than monthly, estimate.
- Not surprisingly, rural seniors are more likely than their urban counterparts to engage in subsistence activities (56% vs. 44%). On average, they spend 7.5 days per month on subsistence, compared to 3.3 days for urban seniors.
- Survey respondents from multi-member households are more likely to engage in subsistence, particularly those with middle-incomes (57%). They also spend more time on subsistence (6.8 days per month).

**During the past 12 months, about how many days per month did you spend in subsistence activities?**



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### **Do you currently have health insurance other than Medicare? If so, does it include long-term care coverage?**

- Seventy-two percent of all survey respondents have health insurance other than Medicare. The oldest seniors (age 85+) are the least likely to have other insurance (61%).
- Of those who have other health insurance, only 25% have insurance that includes long-term care coverage.
- Urban seniors are far more likely to have outside health insurance (77%) than rural seniors (55%). They are equally likely to have long-term care coverage, however.
- Similarly, high-income seniors are far more likely to have health insurance (95%) and long-term care coverage (27%) than low-income seniors (43%, health insurance; 13% long-term care coverage).

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## Appendix 1: Demographics

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- Two-thirds (62%) of all respondents are male, due to the fact that surveys for multi-person households tended to be filled out by male “heads of household.” The majority of Alaskans 60 and older are women.
- The average age of the survey respondents is 70.9 years. Most of the respondents are in the 65-74 age range (41%) with one-quarter each in the 60-64 and 75-84 age range. Only 6% are 85 or older.
- Seventy-five percent of all respondents are retired, followed by 14% employed full-time. Only 8% are employed part-time, and only 1% is seeking employment.
- Respondents have lived on average 39 years in Alaska. Two-thirds of them (65%) have lived in Alaska over 20 years, and 25% 15-30 years.
- Half of the respondents are married (56%) and one-quarter are widowed; and 10% each are divorced or single.
- Half of all respondents live with a spouse. Sixteen percent live in households that include other family members.
- Eighty-seven percent consider themselves the head of the household, and 12% consider their spouse to be the head of the household.
- In describing the cumulative totals of all household members, 5% of household members listed are under the age of 18, and 17% are age 18-59. Three-quarters (78%) are age 60 and above.

### Respondent Demographics

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Male	62%
Average Age	71 years
Retired	75%
Ave. Length of Residence in Alaska	39 years
Married	56%
Urban	85%

---

Of the 838 households that responded to the survey, 27 (3%) had at least one member under age 18. All told, there were 71 children under age 18 in the sample households. Nearly all the households with 5 or more members had children. This accounts for the young average age for larger households in the table below.

---

The Alaska Housing Finance Corporation defines "rural" as "a community with a population of 6500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1600 or less that is connected by road or rail to Anchorage or Fairbanks and is at least 50 statute miles outside Anchorage or 25 statute miles outside of Fairbanks."

Twenty-six households had at least one member 60 or over who was not either the head of household or a spouse. Altogether there were 29 seniors living in the sample households who were neither the respondent nor the respondent's spouse.

### Average Age of Household Members by Household Size

	Number in Household								
	All Households	1	2	3	4	5	6	7	8
Average Age	71	74	67	58	49	38	33	31	28
Number of Households	829	287	406	87	25	13	6	3	2

N = 829; nine respondents had incomplete information on household composition.

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## Appendix 1: Survey Tables

**Table 1: Intention to Remain in Alaska**

Yes	92%
No	4%
Not sure	4%

**Table 2: Reasons for Staying in Alaska**

I like it here	82%
To Be with relatives/friends	54%
Good living arrangement	33%
Financial reasons	31%
Always lived here	23%
Availability of medical care	21%
Other	4%
Not sure	2%

**Table 3: Reasons for Leaving Alaska**

For better climate	56%
To be with relatives/friends	42%
Cost of living in Alaska	33%
Financial reasons	31%
Lower cost retirement communities	28%
Availability of medical care	25%
Desire to travel	22%
Health reasons	14%
Long-term care options	14%
Assisted living options	11%
New opportunities	8%
Not sure	8%

**Table 4: Volunteer Activity**

Activity	% Volunteering	Ave. Hours/Mo.
Has not volunteered	60%	N/A
Church	21%	13.1
Service organization	9%	18.4
Community projects	6%	17.2
School	5%	15.7
Hospital	2%	13.3
Museum	2%	10.1
Visitors bureau	1%	11.5
Other nonprofit organization	9%	20.3
Other	10%	21.4

**Table 5: Unpaid Care**

Activity	% Providing Unpaid Care	Ave. Hours/Mo.
Not providing unpaid care	87%	N/A
Care for child family member	8%	17.3
Care for adult family member	5%	22.9
Care for adult non-family member	2%	17.6
Care for child non-family member	1%	3.3

**Table 6: Subsistence Activity**

Days per month	
None	61%
Less than 1 day	4%
1-3 days	10%
4-9 days	8%
10-20 days	8%
21-31 days	9%

**Table 7: Housing**

Housing Type	Percent	Ave. Cost/Month
Own home	83%	\$703
Rent home	10%	\$627
Live with family/friends	3%	\$421
Other/RV	2%	---

**Table 8: Monthly Income**

Under \$1,000	8%
\$1,001-\$2,000	25%
\$2,001-\$3,000	19%
\$3,001-\$4,000	15%
\$4,001-\$5,000	10%
\$5,001-\$6,000	7%
Over \$6,000	8%
Not sure	8%

**Table 9: Percent Income Provided by People Age 60 or Older**

0-24%	6%
25%-49%	3%
50%-74%	7%
75%-100%	84%
Not Sure	35%

**Table 10: Permanent Fund Dividend**

Yes	95%
No	3%
Not sure	2%

**Table 11: Longevity Bonus**

Receives Bonus (age 65+)	87%	\$219 (ave.)
Receives \$250/mo.	70%	(of those now rec'ing Bonus)
Receives \$200/mo.	8%	
Receives \$150/mo.	10%	
Receives \$100/mo.	11%	

**Table 12: Income Sources**

Income Source	% Receiving	Ave. Amt./Year
PFD	95%	\$1,770
Social Security	74%	\$10,227
Longevity Bonus	63%	\$219
Govt. or Company Pension	49%	\$24,036
Other Personal Sources	32%	\$16,193
Paid Work	29%	\$32,895
Adult Public Assistance	9%	\$5,223
AK Native Corp. Dividends	9%	\$5,817
Other	5%	\$17,290

**Table 13: Property Tax Exemption**

Claimed property tax Exemption	50% Yes	45% No	5% Not sure	
Prop. tax exempt. and financial situation	Very Important 69%	Important 24%	Not Important 24%	Not sure 3%
Would need to sell property if exemption cancelled	38% Yes	33% No	29% Not sure	

**Table 14: Sales Tax Exemption**

Lives in community with sales tax exempt.	19%
Does not live in comm. w/sales tax exempt.	60%
Not sure	21%
(Of those who live in community with sales tax exemption)	
Saves under \$10/mo.	12%
Saves \$11-\$30/mo.	32%
Saves \$31-\$50	26%
Saves \$51-\$70	10%
Saves over \$70/mo.	21%

**Table 15: Health Insurance**

	Yes	No
Has health insurance other than Medicare	72%	25%
(Of those who have other health insurance)		
Has long-term care coverage	25%	56%

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# Appendix 1: Survey Instrument



Commissioners: Jonathan Sherwood, Robert Gregovich, Alison Elgee, Dan Karmun, Sr. Bernice Joseph, Banarsi Lal, Peggy Burgin, Jesse L. Gardner, Ella H. Craig, Doris E. Bacus, Marjorie J. Hays

**We need your help.** Your answers to this survey will assist the Alaska Commission on Aging to address many important issues affecting Alaska's older population. The Commission and others will consider information from this survey as they work to develop programs and benefits for older Alaskans. We sincerely thank you for your assistance in these efforts.

**PLEASE NOTE: This survey should be completed only by Alaskans who are 60 years of age or older. If there is no one in your household who is 60 or older, please disregard the survey. This survey is not the same as the U.S. Census. It's a scientific sample designed to represent all older Alaskans.**

<p style="text-align: center;"><i>Conducted by:</i></p>  <p>Contact: Mindy Gross, Survey Manager          McDowell Group, Inc. (907) 586-6126          P.O. Box 21009, Juneau, Alaska 99802          FAX (907) 586-2673          TOLL FREE 1-888-860-6126          e-mail <a href="mailto:mindy.gross@mcdowellgroup.net">mindy.gross@mcdowellgroup.net</a></p>	<p>To maintain <u>confidentiality</u> a control number has been assigned to this survey – your name will never appear with your responses. All information will be reported as group totals only.</p> <p>We urge you to return your completed survey as soon as possible in the envelope provided. If you need assistance, please call our toll-free number: 1-888-860-6126 and ask for Mindy. In the event we don't receive your response by July 24, 2000 a McDowell Group interviewer may contact you by telephone to assist you with responding.</p> <p style="text-align: center;">* * * Thank you, Your Opinions Count * * *</p>
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**1. Please fill in the age for every person that lives in your household for at least 9 months out of the year.**

	AGE		AGE
1 <input type="checkbox"/> <b>Your Age</b>	_____	5 <input type="checkbox"/> Other Household Member	_____
2 <input type="checkbox"/> Spouses Age	_____	6 <input type="checkbox"/> Other Household Member	_____
3 <input type="checkbox"/> Other Household Member	_____	7 <input type="checkbox"/> Other Household Member	_____
4 <input type="checkbox"/> Other Household Member	_____	8 <input type="checkbox"/> Other Household Member	_____

**2. How long have you lived in Alaska?**

1 <input type="checkbox"/> Less than one year	3 <input type="checkbox"/> 5 – 14 years	5 <input type="checkbox"/> Over 30 years (Please specify # _____)
2 <input type="checkbox"/> 1 – 4 years	4 <input type="checkbox"/> 15 – 30 years	

**3. Do you plan to remain in Alaska?**

Yes → **3a Why do you plan to stay in Alaska? (Please check all that apply to you)**

- 01  I like it here
- 02  Financial reasons
- 03  Always lived here
- 04  To be with relatives/friends
- 05  Good living arrangement
- 06  Availability of medical care
- 97  Other, please specify: \_\_\_\_\_
- 98  Not Sure

No → **3b Why do you plan to leave Alaska? (Please check all that apply to you)**

- 01  Health reasons
- 02  Financial reasons
- 03  New opportunities
- 04  For better climate
- 05  Desire to travel
- 06  Cost of living in Alaska
- 07  Long-term care options
- 08  Assisted living options
- 09  To be with relatives/friends
- 10  Availability of medical care
- 11  Lower cost retirement communities
- 97  Other, please specify: \_\_\_\_\_
- 98  Not Sure

Not sure **(Continue to Question #4)**

**4. If you volunteered in the last 12 months please indicate where you volunteered and the average number of hours you volunteered each month.**

Places you Volunteered	Average # of hours volunteered each month
01 <input type="checkbox"/> Church	
02 <input type="checkbox"/> School	
03 <input type="checkbox"/> Visitors Bureau	
04 <input type="checkbox"/> Hospital	
05 <input type="checkbox"/> Museum	
06 <input type="checkbox"/> Service organization (Rotary, Lions, etc.)	
07 <input type="checkbox"/> Community projects (Including AK Native organizations/other ethnic community groups)	
08 <input type="checkbox"/> Other nonprofit organizations (For example: Foster Grandparents, Retired Senior Volunteer Program [RSVP])	
97 <input type="checkbox"/> Other, please specify:	

**5. Currently do you provide unpaid care to other adults or children (under 18) on a regular basis and if so, how many days per month? (OK to check more than one box)**

**# of days per month you provide care**

- 1  Yes (care for adult family member) \_\_\_\_\_ days per month
- 2  Yes (care for adult **NON**-family member) \_\_\_\_\_ days per month
- 3  Yes (care for child family member) \_\_\_\_\_ days per month
- 4  Yes (care for child **NON**-family member) \_\_\_\_\_ days per month
- 5  No

**Continue to Question #6**

6. During the past 12 months, about how many days per month did you spend in subsistence activities? (Example: hunting, fishing for food, etc.)

- |  |   |
|--|---|
| <input type="checkbox"/> 1 None            | <input type="checkbox"/> 4 4 – 9 days   |
| <input type="checkbox"/> 2 less than 1 day | <input type="checkbox"/> 5 10 – 20 days |
| <input type="checkbox"/> 3 1 – 3 days      | <input type="checkbox"/> 6 21 – 31 days |

7. Please check the type of housing you live in and write in the average amount you pay per month for housing expenses. (Rent or mortgage plus utilities)

<i>Type of Housing</i>	Amount you pay each MONTH for rent/mortgage + utilities
<input type="checkbox"/> 1 Rent home	\$ _____
<input type="checkbox"/> 2 Own home	\$ _____
<input type="checkbox"/> 3 Live with family or friend(s)	\$ _____
<input type="checkbox"/> 4 Live in a group setting (for example, a nursing home, assisted living home, pioneer home, etc.)	<b>If you checked group setting please skip to Question #10</b>
<input type="checkbox"/> 7 Other, please specify: _____	\$ _____

*We appreciate that the following questions are sensitive, however, this vital information is needed to understand the situation of older Alaskans. **We stress that all answers will be reported as group totals.***

8. What category is closest to your household's total monthly income from all sources?

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> 1 Under \$1000 per month      | <input type="checkbox"/> 4 \$3,001 - \$4,000 per month | <input type="checkbox"/> 7 Over \$6,000 per month |
| <input type="checkbox"/> 2 \$1,001 - \$2,000 per month | <input type="checkbox"/> 5 \$4,001 - \$5,000 per month | <input type="checkbox"/> 8 Not Sure               |
| <input type="checkbox"/> 3 \$2,001 - \$3,000 per month | <input type="checkbox"/> 6 \$5,001 - \$6,000 per month |   |

9. During the last 12 months, what percent of your household's total income was provided by people age 60 or older, including yourself?

\_\_\_\_\_ %                       8 Not Sure

10. In 1999 did you receive an Alaska Permanent Fund dividend?

- 1 Yes             2 No             8 Not Sure

11. Do you currently receive the Alaska Longevity Bonus?

- Yes             $\longrightarrow$
- No
- Not sure

**11a If yes, what amount per month?**

1 \$250     2 \$200     3 \$150     4 \$100

**12. In 1999, how much personal income did you receive from each of the following:**

	<b>Dollar Amount (Best Estimate)</b>
<input type="checkbox"/> <sub>01</sub> Paid work (salary, hourly, tips, etc.)	\$ _____
<input type="checkbox"/> <sub>02</sub> Social Security	\$ _____
<input type="checkbox"/> <sub>03</sub> Adult Public Assistance	\$ _____
<input type="checkbox"/> <sub>04</sub> Alaska Native Corporation dividends	\$ _____
<input type="checkbox"/> <sub>06</sub> Local, state or federal retirement, military retirement, 401K or other company retirement, union or railroad pension	\$ _____
<input type="checkbox"/> <sub>07</sub> Other personal sources: property rentals, investments, interest, IRA, annuity and/or private savings, assistance from relatives or friends	\$ _____
<input type="checkbox"/> <sub>97</sub> Other, please specify: _____	\$ _____

**13. In 1999 did you claim a property tax exemption?**

<sub>1</sub> Yes ↓                      <sub>2</sub> No → **Continue to Question #14**                      <sub>8</sub> Not sure

**13a. How important is claiming a property tax exemption to your financial situation?**

<sub>3</sub> Very Important      <sub>2</sub> Important      <sub>1</sub> Not Important      <sub>8</sub> Not Sure

**13b. If your property tax exemption were cancelled would you need to sell property or change your living situation?**

<sub>1</sub> Yes                      <sub>2</sub> No                      <sub>8</sub> Not sure

**14. Does your community have a sales tax exemption for older citizens?**

Yes →

No  
Not sure

**14a Approximately how much money do you save each month from the sales tax exemption?**

<sub>1</sub> under \$10      <sub>3</sub> \$31 - \$50      <sub>5</sub> Over \$70 per month  
<sub>2</sub> \$11 - \$30      <sub>4</sub> \$51 - \$70

**15. Do you currently have health insurance other than Medicare? (For example, private, "medigap" insurance)**

<sub>1</sub> Yes                      <sub>2</sub> No                      <sub>8</sub> Not Sure

**15a. If you have insurance, does it include long-term care coverage?**

<sub>1</sub> Yes                      <sub>2</sub> No                      <sub>8</sub> Not Sure

*These last few questions are just to help us divide the surveys into groups.*

**16. What is your gender?**

<sub>1</sub> Male                      <sub>2</sub> Female

**17. Who is the “head of household” in your household?**

- 1  Myself                      3  My partner  
2  My spouse                4  Another family member                7  Other \_\_\_\_\_

**18. What is your employment status?**

- 1  Employed full-time  
2  Employed part-time  
3  Unemployed and seeking employment  
4  Unemployed and **not** seeking employment  
5  Retired

**19. What is your marital status?**

- 1  Married                      3  Widowed  
2  Divorced                      4  Single

**Thank you very much for answering our questions.  
Please return the survey using the enclosed self-addressed envelope.**

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## **APPENDIX 2**

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**Issues Affecting the Economic Well-Being  
of  
Alaska Seniors**

**Selected Tables**

**DECEMBER, 2000**

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## Appendix 2: Alaska Population

**Table 1: Alaska's Population by Male/Female and Selected Age Categories, 1999 and 1990, ADOL Estimates, May-00**

State Total						
Age	July 1, 1999			April 1, 1990		
	Male	Female	Total	Male	Female	Total
0-59	298,608	272,761	571,369	272,637	242,498	515,135
60-64	9,110	7,880	16,990	6,813	6,000	12,813
65-69	6,056	6,021	12,077	4,704	4,795	9,499
70-74	4,669	4,757	9,426	2,818	3,074	5,892
75-79	3,004	3,567	6,571	1,682	1,908	3,590
80-84	1,418	2,030	3,448	758	1,156	1,914
85+	<u>822</u>	<u>1,297</u>	<u>2,119</u>	<u>456</u>	<u>744</u>	<u>1,200</u>
Total	323,687	298,313	622,000	289,868	260,175	550,043
60+	25,079	25,552	50,631	17,231	17,677	34,908
65+			33,641			
60+ as a percentage of total	7.75%	8.57%	8.14%	5.94%	6.79%	6.35%

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 2: Total U.S. Population by Male/Female and Selected Age Categories, 1999 and 1990, ADOL Estimates**

U.S. Total						
Age	July 1, 1999			April 1, 1990		
	Male	Female	Total	Male	Female	Total
0-59	114,000,000	113,640,000	227,640,000	103,842,000	103,238,000	207,080,000
60-64	4,968,000	5,546,000	10,514,000	4,947,000	5,679,000	10,626,000
65-69	4,337,000	5,111,000	9,448,000	4,508,000	5,559,000	10,067,000
70-74	3,862,000	4,909,000	8,771,000	3,400,000	4,581,000	7,981,000
75-79	3,057,000	4,272,000	7,329,000	2,389,000	3,714,000	6,103,000
80-84	1,814,000	3,003,000	4,817,000	1,356,000	2,554,000	3,910,000
85+	<u>1,241,000</u>	<u>2,936,000</u>	<u>4,177,000</u>	<u>842,000</u>	<u>2,180,000</u>	<u>3,022,000</u>
Total	133,279,000	139,417,000	272,696,000	121,284,000	127,505,000	248,789,000
60+	19,279,000	25,777,000	45,056,000	17,442,000	24,267,000	41,709,000
65+			34,542,000			
60+ as a percentage of total	14.47%	18.49%	16.52%	14.38%	19.03%	16.76%

Source: Population Estimates Program, Population Division, U.S. Bureau of Census, June 2000

	Alaska 1999	U.S. 1999	Alaska 1990	U.S. 1990
65+ as a percentage of total	5.41%	12.67%	4.02%	12.49%

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**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups, 1999, ADOL  
Estimates, May-00**

<b>Municipality of Anchorage</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	123,640	115,732	239,372	110,186	102,890	213,076
60-64	3,539	3,332	6,871	2,610	2,499	5,109
65-69	2,256	2,490	4,746	1,747	2,031	3,778
70-74	1,748	1,966	3,714	990	1,156	2,146
75-79	1,134	1,462	2,596	515	704	1,219
80-84	513	793	1,306	221	430	651
85+	<u>266</u>	<u>520</u>	<u>786</u>	<u>98</u>	<u>261</u>	<u>359</u>
Total	133,096	126,295	259,391	116,367	109,971	226,338
60+	9,456	10,563	20,019	6,181	7,081	13,262
65+			13,148			
60+ as a percentage of total	7.10%	8.36%	7.72%	5.31%	6.44%	5.86%
percentage of state population 65+			39.08%			

<b>Matanuska-Susitna Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	26,626	24,325	50,951	19,088	17,681	36,769
60-64	860	721	1,581	596	475	1,071
65-69	623	604	1,227	416	391	807
70-74	481	425	906	264	230	494
75-79	267	294	561	139	152	291
80-84	136	168	304	73	80	153
85+	57	107	164	42	56	98
Total	29,050	26,644	55,694	20,618	19,065	39,683
60+	2,424	2,319	4,743	1,530	1,384	2,914
65+			3,162			
60+ as a percentage of total	8.34%	8.70%	8.52%	7.42%	7.26%	7.34%
percentage of state population 65+			9.40%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Fairbanks North Star Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	41,314	36,933	78,247	39,499	34,222	73,721
60-64	1,029	829	1,858	808	686	1,494
65-69	689	663	1,352	531	552	1,083
70-74	537	492	1,029	328	353	681
75-79	295	376	671	204	196	400
80-84	164	232	396	79	125	204
85+	<u>92</u>	<u>128</u>	<u>220</u>	<u>52</u>	<u>85</u>	<u>137</u>
Total	44,120	39,653	83,773	41,501	36,219	77,720
60+	2,806	2,720	5,526	2,002	1,997	3,999
65+			3,668			
60+ as a percentage of total	6.36%	6.86%	6.60%	4.82%	5.51%	5.15%
percentage of state population 65+			10.90%			

<b>Southeast Fairbanks Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	2,959	2,695	5,654	2,989	2,572	5,561
60-64	144	121	265	79	53	132
65-69	75	58	133	58	39	97
70-74	58	46	104	28	27	55
75-79	34	37	71	15	21	36
80-84	14	21	35	6	7	13
85+	<u>8</u>	<u>13</u>	<u>21</u>	<u>10</u>	<u>9</u>	<u>19</u>
Total	3,292	2,991	6,283	3,185	2,728	5,913
60+	333	296	629	196	156	352
65+			364			
60+ as a percentage of total	10.12%	9.90%	10.01%	6.15%	5.72%	5.95%
percentage of state population 65+			1.08%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Denali Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	985	775	1,760	980	728	1,708
60-64	32	21	53	20	7	27
65-69	19	8	27	9	4	13
70-74	9	5	14	6	3	9
75-79	4	6	10	2	3	5
80-84	1	3	4	2	0	2
85+	<u>3</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,053	818	1,871	1,019	745	1,764
60+	68	43	111	39	17	56
65+			58			
60+ as a percentage of total	6.46%	5.26%	5.93%	3.83%	2.28%	3.17%
percentage of state population 65+			0.17%			

<b>Yukon-Koyukuk Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,107	2,596	5,703	3,453	2,708	6,161
60-64	128	77	205	108	79	187
65-69	71	87	158	78	48	126
70-74	84	57	141	50	46	96
75-79	46	33	79	42	34	76
80-84	24	23	47	24	23	47
85+	<u>20</u>	<u>19</u>	<u>39</u>	<u>12</u>	<u>9</u>	<u>21</u>
Total	3,480	2,892	6,372	3,767	2,947	6,714
60+	373	296	669	314	239	553
65+			464			
60+ as a percentage of total	10.72%	10.24%	10.50%	8.34%	8.11%	8.24%
percentage of state population 65+			1.38%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Kenai Peninsula Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	23,043	21,006	44,049	19,985	17,666	37,651
60-64	825	723	1,548	619	545	1,164
65-69	636	564	1,200	475	425	900
70-74	491	482	973	296	293	589
75-79	327	356	683	140	120	260
80-84	137	188	325	73	86	159
85+	<u>67</u>	<u>107</u>	<u>174</u>	<u>25</u>	<u>54</u>	<u>79</u>
Total	25,526	23,426	48,952	21,613	19,189	40,802
60+	2,483	2,420	4,903	1,628	1,523	3,151
65+			3,355			
60+ as a percentage of total	9.73%	10.33%	10.02%	7.53%	7.94%	7.72%
percentage of state population 65+			9.97%			

<b>Kodiak Island Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	7,082	5,955	13,037	7,034	5,593	12,627
60-64	186	149	335	147	105	252
65-69	128	106	234	91	81	172
70-74	79	88	167	69	53	122
75-79	68	52	120	23	48	71
80-84	25	37	62	17	20	37
85+	<u>20</u>	<u>14</u>	<u>34</u>	<u>7</u>	<u>21</u>	<u>28</u>
Total	7,588	6,401	13,989	7,388	5,921	13,309
60+	506	446	952	354	328	682
65+			617			
60+ as a percentage of total	6.67%	6.97%	6.81%	4.79%	5.54%	5.12%
percentage of state population 65+			1.83%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Valdez-Cordova Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	5,010	4,368	9,378	5,049	4,161	9,210
60-64	191	147	338	168	118	286
65-69	127	88	215	107	87	194
70-74	92	81	173	56	58	114
75-79	62	64	126	54	35	89
80-84	26	29	55	14	20	34
85+	<u>28</u>	<u>20</u>	<u>48</u>	<u>15</u>	<u>10</u>	<u>25</u>
Total	5,536	4,797	10,333	5,463	4,489	9,952
60+	526	429	955	414	328	742
65+			617			
60+ as a percentage of total	9.50%	8.94%	9.24%	7.58%	7.31%	7.46%
percentage of state population 65+			1.83%			

<b>Nome Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	4,493	4,030	8,523	4,173	3,502	7,675
60-64	144	112	256	99	99	198
65-69	98	86	184	80	63	143
70-74	72	72	144	51	46	97
75-79	55	46	101	45	60	105
80-84	21	31	52	15	30	45
85+	<u>20</u>	<u>31</u>	<u>51</u>	<u>13</u>	<u>12</u>	<u>25</u>
Total	4,903	4,408	9,311	4,476	3,812	8,288
60+	410	378	788	303	310	613
65+			532			
60+ as a percentage of total	8.36%	8.58%	8.46%	6.77%	8.13%	7.40%
percentage of state population 65+			1.58%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>North Slope Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,651	3,263	6,914	3,096	2,570	5,666
60-64	97	88	185	72	51	123
65-69	70	59	129	39	38	77
70-74	33	39	72	21	24	45
75-79	27	34	61	14	27	41
80-84	12	17	29	10	10	20
85+	<u>5</u>	<u>18</u>	<u>23</u>	<u>3</u>	<u>4</u>	<u>7</u>
Total	3,895	3,518	7,413	3,255	2,724	5,979
60+	244	255	499	159	154	313
65+			314			
60+ as a percentage of total	6.26%	7.25%	6.73%	4.88%	5.65%	5.23%
percentage of state population 65+			0.93%			

<b>Northwest Arctic Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,284	3,068	6,352	3,018	2,665	5,683
60-64	87	70	157	88	69	157
65-69	63	76	139	39	52	91
70-74	49	57	106	34	28	62
75-79	29	40	69	26	31	57
80-84	15	11	26	10	21	31
85+	<u>10</u>	<u>14</u>	<u>24</u>	<u>14</u>	<u>18</u>	<u>32</u>
Total	3,537	3,336	6,873	3,229	2,884	6,113
60+	253	268	521	211	219	430
65+			364			
60+ as a percentage of total	7.15%	8.03%	7.58%	6.53%	7.59%	7.03%
percentage of state population 65+			1.08%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Haines Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	1,102	1,015	2,117	997	870	1,867
60-64	46	38	84	40	30	70
65-69	42	48	90	39	31	70
70-74	39	25	64	27	33	60
75-79	30	28	58	20	16	36
80-84	14	26	40	1	9	10
85+	<u>11</u>	<u>11</u>	<u>22</u>	<u>2</u>	<u>2</u>	<u>4</u>
Total	1,284	1,191	2,475	1,126	991	2,117
60+	182	176	358	129	121	250
65+			274			
60+ as a percentage of total	14.17%	14.78%	14.46%	11.46%	12.21%	11.81%
percentage of state population 65+			0.81%			

<b>Juneau Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	14,182	13,409	27,591	12,677	12,070	24,747
60-64	452	395	847	316	333	649
65-69	269	267	536	221	266	487
70-74	227	266	493	160	236	396
75-79	145	210	355	112	123	235
80-84	87	140	227	55	89	144
85+	<u>55</u>	<u>85</u>	<u>140</u>	<u>38</u>	<u>55</u>	<u>93</u>
Total	15,417	14,772	30,189	13,579	13,172	26,751
60+	1,235	1,363	2,598	902	1,102	2,004
65+			1,751			
60+ as a percentage of total	8.01%	9.23%	8.61%	6.64%	8.37%	7.49%
percentage of state population 65+			5.20%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Ketchikan Gateway Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	6,446	5,922	12,368	6,578	5,922	12,500
60-64	272	218	490	227	193	420
65-69	180	164	344	168	159	327
70-74	153	156	309	111	140	251
75-79	101	133	234	80	80	160
80-84	53	79	132	36	54	90
85+	<u>36</u>	<u>48</u>	<u>84</u>	<u>32</u>	<u>48</u>	<u>80</u>
Total	7,241	6,720	13,961	7,232	6,596	13,828
60+	795	798	1,593	654	674	1,328
65+			1,103			
60+ as a percentage of total	10.98%	11.88%	11.41%	9.04%	10.22%	9.60%
percentage of state population 65+			3.28%			

<b>Prince of Wales-Outer Ketchikan Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,239	2,727	5,966	3,333	2,582	5,915
60-64	161	90	251	94	56	150
65-69	84	65	149	57	44	101
70-74	64	41	105	26	17	43
75-79	38	35	73	15	12	27
80-84	11	16	27	12	16	28
85+	<u>8</u>	<u>10</u>	<u>18</u>	<u>8</u>	<u>6</u>	<u>14</u>
Total	3,605	2,984	6,589	3,545	2,733	6,278
60+	366	257	623	212	151	363
65+			372			
60+ as a percentage of total	10.15%	8.61%	9.46%	5.98%	5.53%	5.78%
percentage of state population 65+			1.11%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Sitka Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,947	3,667	7,614	4,173	3,694	7,867
60-64	183	184	367	125	114	239
65-69	116	131	247	84	98	182
70-74	75	105	180	51	56	107
75-79	65	78	143	39	42	81
80-84	26	47	73	25	36	61
85+	<u>20</u>	<u>37</u>	<u>57</u>	<u>12</u>	<u>39</u>	<u>51</u>
Total	4,432	4,249	8,681	4,509	4,079	8,588
60+	485	582	1,067	336	385	721
65+			700			
60+ as a percentage of total	10.94%	13.70%	12.29%	7.45%	9.44%	8.40%
percentage of state population 65+			2.08%			

<b>Skagway-Hoonah-Angoon</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	1,706	1,452	3,158	1,878	1,508	3,386
60-64	85	53	138	53	46	99
65-69	49	35	84	48	38	86
70-74	35	29	64	17	30	47
75-79	26	30	56	18	17	35
80-84	6	15	21	5	12	17
85+	<u>8</u>	<u>12</u>	<u>20</u>	<u>7</u>	<u>3</u>	<u>10</u>
Total	1,915	1,626	3,541	2,026	1,654	3,680
60+	209	174	383	148	146	294
65+			245			
60+ as a percentage of total	10.91%	10.70%	10.82%	7.31%	8.83%	7.99%
percentage of state population 65+			0.73%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Yakutat Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	371	295	666	353	293	646
60-64	15	10	25	14	11	25
65-69	7	6	13	13	5	18
70-74	13	8	21	2	3	5
75-79	1	2	3	3	4	7
80-84	0	0	0	0	3	3
85+	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>
Total	408	321	729	385	320	705
60+	37	26	63	32	27	59
65+			38			
60+ as a percentage of total	9.07%	8.10%	8.64%	8.31%	8.44%	8.37%
percentage of state population 65+			0.11%			

<b>Wrangell-Petersburg Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,324	2,902	6,226	3,405	2,912	6,317
60-64	156	107	263	107	114	221
65-69	108	87	195	110	83	193
70-74	72	90	162	65	61	126
75-79	73	70	143	50	56	106
80-84	36	47	83	16	27	43
85+	<u>24</u>	<u>41</u>	<u>65</u>	<u>16</u>	<u>20</u>	<u>36</u>
Total	3,793	3,344	7,137	3,769	3,273	7,042
60+	469	442	911	364	361	725
65+			648			
60+ as a percentage of total	12.36%	13.22%	12.76%	9.66%	11.03%	10.30%
percentage of state population 65+			1.93%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Aleutians East Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	1,081	916	1,997	1,517	845	2,362
60-64	47	30	77	33	16	49
65-69	21	6	27	22	11	33
70-74	13	8	21	8	6	14
75-79	12	8	20	0	4	4
80-84	9	0	9	0	1	1
85+	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
Total	1,183	968	2,151	1,581	883	2,464
60+	102	52	154	64	38	102
65+			77			
60+ as a percentage of total	8.62%	5.37%	7.16%	4.05%	4.30%	4.14%
percentage of state population 65+			0.23%			

<b>Aleutians West Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,024	2,045	5,069	6,138	3,170	9,308
60-64	54	48	102	60	28	88
65-69	25	28	53	23	17	40
70-74	17	12	29	8	8	16
75-79	8	11	19	8	8	16
80-84	3	4	7	3	4	7
85+	<u>4</u>	<u>2</u>	<u>6</u>	<u>3</u>	<u>0</u>	<u>3</u>
Total	3,135	2,150	5,285	6,243	3,235	9,478
60+	111	105	216	105	65	170
65+			114			
60+ as a percentage of total	3.54%	4.88%	4.09%	1.68%	2.01%	1.79%
percentage of state population 65+			0.34%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Bethel Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	7,835	7,127	14,962	6,660	6,058	12,718
60-64	175	158	333	171	132	303
65-69	152	154	306	118	108	226
70-74	122	100	222	82	103	185
75-79	77	83	160	65	63	128
80-84	52	71	123	31	20	51
85+	<u>32</u>	<u>29</u>	<u>61</u>	<u>27</u>	<u>18</u>	<u>45</u>
Total	8,445	7,722	16,167	7,154	6,502	13,656
60+	610	595	1,205	494	444	938
65+			872			
60+ as a percentage of total	7.22%	7.71%	7.45%	6.91%	6.83%	6.87%
percentage of state population 65+			2.59%			

<b>Bristol Bay Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	619	553	1,172	810	537	1,347
60-64	15	16	31	16	10	26
65-69	16	7	23	6	8	14
70-74	10	5	15	6	6	12
75-79	5	4	9	3	3	6
80-84	4	0	4	0	3	3
85+	<u>1</u>	<u>3</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>2</u>
Total	670	588	1,258	842	568	1,410
60+	51	35	86	32	31	63
65+			55			
60+ as a percentage of total	7.61%	5.95%	6.84%	3.80%	5.46%	4.47%
percentage of state population 65+			0.16%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Dillingham Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	2,274	2,089	4,363	1,933	1,780	3,713
60-64	64	54	118	49	49	98
65-69	51	42	93	36	44	80
70-74	31	38	69	18	24	42
75-79	21	22	43	19	17	36
80-84	10	13	23	13	14	27
85+	<u>12</u>	<u>10</u>	<u>22</u>	<u>8</u>	<u>8</u>	<u>16</u>
Total	2,463	2,268	4,731	2,076	1,936	4,012
60+	189	179	368	143	156	299
65+			250			
60+ as a percentage of total	7.67%	7.89%	7.78%	6.89%	8.06%	7.45%
percentage of state population 65+			0.74%			

<b>Lake and Peninsula Borough</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	853	778	1,631	834	696	1,530
60-64	37	18	55	30	21	51
65-69	20	15	35	22	17	39
70-74	19	11	30	12	10	22
75-79	10	11	21	7	8	15
80-84	5	7	12	5	4	9
85+	<u>4</u>	<u>3</u>	<u>7</u>	<u>1</u>	<u>1</u>	<u>2</u>
Total	948	843	1,791	911	757	1,668
60+	95	65	160	77	61	138
65+			105			
60+ as a percentage of total	10.02%	7.71%	8.93%	8.45%	8.06%	8.27%
percentage of state population 65+			0.31%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

**Table 3:  
Population by Census Area for Male/Female and Selected Age Groups,  
1999--con.**

<b>Wade Hampton Census Area</b>						
<b>Age</b>	<b>July 1, 1999</b>			<b>April 1, 1990</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
0-59	3,411	3,118	6,529	2,801	2,603	5,404
60-64	86	71	157	64	61	125
65-69	61	77	138	67	55	122
70-74	46	53	99	32	24	56
75-79	44	42	86	24	24	48
80-84	14	12	26	12	12	24
85+	<u>10</u>	<u>15</u>	<u>25</u>	<u>9</u>	<u>3</u>	<u>12</u>
Total	3,672	3,388	7,060	3,009	2,782	5,791
60+	261	270	531	208	179	387
65+			374			
60+ as a percentage of total	7.11%	7.97%	7.52%	6.91%	6.43%	6.68%
percentage of state population 65+			1.11%			

Source: Alaska Population Overview, Alaska Department of Labor, May 2000

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## Appendix 2: Adult Public Assistance

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**Table 1:  
Adult Public Assistance**

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**Eligibility:**

Disabled or Blind individuals at least age 18; elderly individuals at least age 65. Income of less than \$929 per month, and assets of no more than \$2000 for an individual, \$3000 for a couple

**Benefit:**

The maximum benefit for most individuals is \$362 per month; average payment is \$316.  
Combined with social security benefits, an individual's maximum monthly income is \$874 per month.

**Number of Recipients**

Total	13,188
Elderly	4,616

**Age of Recipients (age 56 and over)**

56-65	1,991
66-75	2,769
76-85	1,424
86-95	343
96+	26
Total	6,553
Total 65+	4,562

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Source: State of Alaska, Department of Health and Social Services, Division of Public Assistance, 1/00

**Table 2A:  
Cases in Adult Public Assistance Program: June 2000**

Adult Public Assistance	12,446		
Interim Assistance	<u>1,200</u>		
Total	13,646		
<b>Cases by Program Subtype</b>	<b>Adult Public Assistance</b>	<b>Interim Assistance</b>	<b>Total</b>
Aid to the Blind	89		89
Aid to the Disabled	7,700	1,195	8,895
Old Age Assistance	4,657	5	4,662
Total	12,446	1,200	13,646
Cases Receiving SSI and APA	7,334		7,334
Cases Receiving APA and not SSI	5,115	1,197	6,312
Total	12,449	1,197	13,646
<b>Cases by Program Subtype</b>	<b>APA with SSI</b>	<b>APA/not SSI</b>	<b>Total</b>
Aid to the Blind	65	24	89
Aid to the Disabled	5,408	3,487	8,895
Old Age Assistance	<u>1,861</u>	<u>2,801</u>	<u>4,662</u>
Total	7,334	6,312	13,646
<b>Cases by Household Type</b>	<b>Number</b>		
Individual, living independently	11,153		
Couple, both eligible, living independently	1,403		
Couple, one eligible, living independently	623		
Individual, living in another's household	385		
Couple, both eligible, in another's household	12		
Couple, one eligible, in another's household	4		
Nursing Home, personal needs	<u>66</u>		
Total	13,646		

Source: State of Alaska, Department of Health and Social Services, Division of Public Assistance

**Table 2B:  
Adult Public Assistance Cases by DPA Service/Census Area: June 2000**

<b>DPA SERVICE AREA</b>	<b>CENSUS AREA</b>	<b>CASES</b>
NOME	Nome Census Area	304
BETHEL	Bethel Census Area	739
	Wade Hampton Census Area	310
KENAI	Kenai Peninsula Borough	1,120
KOTZEBUE	Northwest Arctic Borough	181
KODIAK	Kodiak Island Borough	200
ALEUTIANS	Aleutians East Borough	17
	Aleutians West Census Area	34
BRISTOL BAY	Bristol Bay Borough	11
	Dillingham Census Area	181
	Lake & Peninsula Borough	55
PWS/COPPER	Valdez-Cordova Census Area	156
INTER-SOUTHEAST	Haines Borough	63
	Skagway-Hoonah-Angoon Census Area	61
	Wrangell-Petersburg Census Area	129
	Yakutat Borough	13
JUNEAU	Juneau Borough	557
SITKA	Sitka Borough	158
KETCHIKAN	Ketchikan Gateway Borough	342
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	102
	Metlakatla Indian Community Census Subarea	37
NORTHERN	Denali Borough	22
	North Slope Borough	72
	Southeast Fairbanks Census Area	172
	Yukon-Koyukuk Census Area	310
FAIRBANKS	Fairbanks North Star Borough	1,361
ANCHORAGE	Municipality of Anchorage	5,643
MAT-SU	Matanuska-Susitna Borough	1,296
	<b>TOTAL</b>	<b>13,646</b>

**Table 3A:  
Cases in Adult Public Assistance Program: May 2000**

Adult Public Assistance	12410		
Interim Assistance	<u>1224</u>		
Total	13634		
<b>Cases by Program Subtype</b>	<b>Adult Public Assistance</b>	<b>Interim Assistance</b>	<b>Total</b>
Aid to the Blind	89		89
Aid to the Disabled	7672	1219	8891
Old Age Assistance	4649	5	4654
Total	12410	1224	13634
Cases Receiving SSI and APA	7307		7307
Cases Receiving APA and not SSI	5103	1224	6327
Total	12410	1224	13634
<b>Cases by Program Subtype</b>	<b>APA with SSI</b>	<b>APA/ not SSI</b>	<b>Total</b>
Aid to the Blind	65	24	89
Aid to the Disabled	5399	3492	8891
Old Age Assistance	<u>1843</u>	<u>2811</u>	<u>4654</u>
Total	7307	6327	13634
<b>Cases by Household Type</b>	<b>Number</b>		
Individual, living independently	11120		
Couple, both eligible, living independently	1414		
Couple, one eligible, living independently	629		
Individual, living in another's household	390		
Couple, both eligible, in another's household	10		
Couple, one eligible, in another's household	5		
Nursing Home, personal needs	<u>66</u>		
Total	13634		

**Table 3B:  
Adult Public Assistance Cases by DPA Service/Census Area: May 2000**

<b>DPA SERVICE AREA</b>	<b>CENSUS AREA</b>	<b>CASES</b>
NOME	Nome Census Area	298
BETHEL	Bethel Census Area	734
	Wade Hampton Census Area	311
KENAI	Kenai Peninsula Borough	1,116
KOTZEBUE	Northwest Arctic Borough	181
KODIAK	Kodiak Island Borough	198
ALEUTIANS	Aleutians East Borough	19
	Aleutians West Census Area	35
BRISTOL BAY	Bristol Bay Borough	11
	Dillingham Census Area	181
	Lake & Peninsula Borough	54
PWS/COPPER	Valdez-Cordova Census Area	165
INTER-SOUTHEAST	Haines Borough	61
	Skagway-Hoonah-Angoon Census Area	65
	Wrangell-Petersburg Census Area	130
	Yakutat Borough	13
JUNEAU	Juneau Borough	567
SITKA	Sitka Borough	156
KETCHIKAN	Ketchikan Gateway Borough	350
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	101
METLAKATLA	Metlakatla Indian Community Census Subarea	33
NORTHERN	Denali Borough	23
	North Slope Borough	74
	Southeast Fairbanks Census Area	169
	Yukon-Koyukuk Census Area	319
FAIRBANKS	Fairbanks North Star Borough	1,345
ANCHORAGE	Municipality of Anchorage	5,653
MAT-SU	Matanuska-Susitna Borough	1,272
	<b>TOTAL</b>	<b>13,634</b>

**Table 4A:  
Cases in Adult Public Assistance Program: April 2000**

Adult Public Assistance	12368		
Interim Assistance	<u>1202</u>		
Total	13570		
<b>Cases by Program Subtype</b>	<b>Adult Public Assistance</b>	<b>Interim Assistance</b>	<b>Total</b>
Aid to the Blind	93		93
Aid to the Disabled	7652	1200	8852
Old Age Assistance	4623	2	4625
Total	12368	1202	13570
Cases Receiving SSI and APA	7280		7280
Cases Receiving APA and not SSI	5088	1202	6290
Total	12368	1202	13570
<b>Cases by Program Subtype</b>	<b>APA with SSI</b>	<b>APA/not SSI</b>	<b>Total</b>
Aid to the Blind	67	26	93
Aid to the Disabled	5391	3461	8852
Old Age Assistance	<u>1822</u>	<u>2803</u>	<u>4625</u>
Total	7280	6290	13570
<b>Cases by Household Type</b>	<b>Number</b>		
Individual, living independently	11086		
Couple, both eligible, living independently	1397		
Couple, one eligible, living independently	627		
Individual, living in another's household	382		
Couple, both eligible, in another's household	12		
Couple, one eligible, in another's household	5		
Nursing Home, personal needs	<u>61</u>		
Total	13570		

**Table 4B:  
Adult Public Assistance Cases by DPA Service/Census Area: April 2000**

<b>DPA SERVICE AREA</b>	<b>CENSUS AREA</b>	<b>CASES</b>
NOME	Nome Census Area	304
BETHEL	Bethel Census Area	728
	Wade Hampton Census Area	304
KENAI	Kenai Peninsula Borough	1,114
KOTZEBUE	Northwest Arctic Borough	182
KODIAK	Kodiak Island Borough	194
ALEUTIANS	Aleutians East Borough	18
	Aleutians West Census Area	35
BRISTOL BAY	Bristol Bay Borough	11
	Dillingham Census Area	180
	Lake & Peninsula Borough	52
PWS/COPPER	Valdez-Cordova Census Area	168
INTER-SOUTHEAST	Haines Borough	59
	Skagway-Hoonah-Angoon Census Area	63
	Wrangell-Petersburg Census Area	130
	Yakutat Borough	13
JUNEAU	Juneau Borough	554
SITKA	Sitka Borough	156
KETCHIKAN	Ketchikan Gateway Borough	347
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	98
METLAKATLA	Metlakatla Indian Community Census Subarea	32
NORTHERN	Denali Borough	23
	North Slope Borough	69
	Southeast Fairbanks Census Area	171
	Yukon-Koyukuk Census Area	311
FAIRBANKS	Fairbanks North Star Borough	1,334
ANCHORAGE	Municipality of Anchorage	5,641
MAT-SU	Matanuska-Susitna Borough	1,279
	<b>TOTAL</b>	<b>13,570</b>

**Table 5A:  
Cases in Adult Public Assistance Program: March 2000**

Adult Public Assistance	12274		
Interim Assistance	<u>1181</u>		
Total	13455		
<b>Cases by Program Subtype</b>	<b>Adult Public Assistance</b>	<b>Interim Assistance</b>	<b>Total</b>
Aid to the Blind	96		96
Aid to the Disabled	7568	1178	8746
Old Age Assistance	4610	3	4613
Total	12274	1181	13455
Cases Receiving SSI and APA	7233		7233
Cases Receiving APA and not SSI	5041	1181	6222
Total	12274	1181	13455
<b>Cases by Program Subtype</b>	<b>APA with SSI</b>	<b>APA/not SSI</b>	<b>Total</b>
Aid to the Blind	68	28	96
Aid to the Disabled	5335	3411	8746
Old Age Assistance	<u>1830</u>	<u>2783</u>	<u>4613</u>
Total	7233	6222	13455
<b>Cases by Household Type</b>	<b>Number</b>		
Individual, living independently	10979		
Couple, both eligible, living independently	1400		
Couple, one eligible, living independently	613		
Individual, living in another's household	383		
Couple, both eligible, in another's household	11		
Couple, one eligible, in another's household	5		
Nursing Home, personal needs	<u>64</u>		
Total	13455		

**Table 5B:  
Adult Public Assistance Cases by DPA Service/Census Area: March 2000**

<b>DPA SERVICE AREA</b>	<b>CENSUS AREA</b>	<b>CASES</b>
NOME	Nome Census Area	300
BETHEL	Bethel Census Area	732
	Wade Hampton Census Area	306
KENAI	Kenai Peninsula Borough	1,091
KOTZEBUE	Northwest Arctic Borough	190
KODIAK	Kodiak Island Borough	189
ALEUTIANS	Aleutians East Borough	16
	Aleutians West Census Area	35
BRISTOL BAY	Bristol Bay Borough	11
	Dillingham Census Area	173
	Lake & Peninsula Borough	53
PWS/COPPER	Valdez-Cordova Census Area	165
INTER-SOUTHEAST	Haines Borough	59
	Skagway-Hoonah-Angoon Census Area	63
	Wrangell-Petersburg Census Area	127
	Yakutat Borough	13
JUNEAU	Juneau Borough	545
SITKA	Sitka Borough	155
KETCHIKAN	Ketchikan Gateway Borough	355
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	99
METLAKATLA	Metlakatla Indian Community Census Subarea	34
NORTHERN	Denali Borough	23
	North Slope Borough	68
	Southeast Fairbanks Census Area	166
	Yukon-Koyukuk Census Area	311
FAIRBANKS	Fairbanks North Star Borough	1,325
ANCHORAGE	Municipality of Anchorage	5,589
MAT-SU	Matanuska-Susitna Borough	1,262
	<b>TOTAL</b>	<b>13,455</b>

**Table 6A:  
Cases in Adult Public Assistance Program: February 2000**

Adult Public Assistance	12184		
Interim Assistance	<u>1116</u>		
Total	13300		
<b>Cases by Program Subtype</b>	<b>Adult Public Assistance</b>	<b>Interim Assistance</b>	<b>Total</b>
Aid to the Blind	97		97
Aid to the Disabled	7514	1115	8629
Old Age Assistance	4573	1	4574
Total	12184	1116	13300
Cases Receiving SSI and APA	7206		7206
Cases Receiving APA and not SSI	4978	1116	6094
Total	12184	1116	13300
<b>Cases by Program Subtype</b>	<b>APA with SSI</b>	<b>APA/not SSI</b>	<b>Total</b>
Aid to the Blind	68	29	97
Aid to the Disabled	5316	3313	8629
Old Age Assistance	<u>1822</u>	<u>2752</u>	<u>4574</u>
Total	7206	6094	13300
<b>Cases by Household Type</b>	<b>Number</b>		
Individual, living independently	10857		
Couple, both eligible, living independently	1390		
Couple, one eligible, living independently	586		
Individual, living in another's household	390		
Couple, both eligible, in another's household	8		
Couple, one eligible, in another's household	4		
Nursing Home, personal needs	<u>65</u>		
Total	13300		

**Table 6B:  
Adult Public Assistance Cases by DPA Service/Census Area: February 2000**

<b>DPA SERVICE AREA</b>	<b>CENSUS AREA</b>	<b>CASES</b>
NOME	Nome Census Area	295
BETHEL	Bethel Census Area	729
	Wade Hampton Census Area	313
KENAI	Kenai Peninsula Borough	1,077
KOTZEBUE	Northwest Arctic Borough	188
KODIAK	Kodiak Island Borough	176
ALEUTIANS	Aleutians East Borough	17
	Aleutians West Census Area	36
BRISTOL BAY	Bristol Bay Borough	11
	Dillingham Census Area	170
	Lake & Peninsula Borough	53
PWS/COPPER	Valdez-Cordova Census Area	159
INTER-SOUTHEAST	Haines Borough	55
	Skagway-Hoonah-Angoon Census Area	63
	Wrangell-Petersburg Census Area	12
	Yakutat Borough	126
JUNEAU	Juneau Borough	536
SITKA	Sitka Borough	155
KETCHIKAN	Ketchikan Gateway Borough	341
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	97
METLAKATLA	Metlakatla Indian Community Census Subarea	35
NORTHERN	Denali Borough	23
	North Slope Borough	64
	Southeast Fairbanks Census Area	305
	Yukon-Koyukuk Census Area	167
FAIRBANKS	Fairbanks North Star Borough	1,315
ANCHORAGE	Municipality of Anchorage	5,544
MAT-SU	Matanuska-Susitna Borough	1,238
	<b>TOTAL</b>	<b>13,300</b>

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## Appendix 2: Retirement

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**Table 1:**  
**Total Federal Expenditures for Retirement and Disability: Alaska Fiscal Year 1999**  
**(in thousand dollars)**

<b>Total</b>	\$786,916
<b>Social Security Payments</b>	
Retirement Insurance Payments	256,228
Survivors Insurance Payments	91,330
Disability Insurance Payments	73,480
Supplemental Insurance Payments	32,040
<b>Federal Retirement and Disability Benefits</b>	
Civilian	138,089
Military	112,960
<b>Veterans Benefits</b>	
Payments For Service Connected Disability	62,991
Other Benefit Payments	7,595
<b>Other</b>	122

Source: Consolidated Federal Funds Report for Fiscal Year 1999

**Table 2:  
Total Federal Expenditures for Retirement and Disability by  
Census Area: Alaska Fiscal Year 1999  
(in thousand dollars)**

	<b>Expenditures</b>
Municipality of Anchorage	\$355,243
Matanuska-Susitna Borough	71,239
Fairbanks North Star Borough	100,097
Southeast Fairbanks Census Area	9,154
Denali Borough	879
Yukon-Koyukuk Census Area	9,158
Kenai Peninsula Borough	66,896
Kodiak Island Borough	7,444
Valdez-Cordova Census Area	9,953
Nome Census Area	7,651
North Slope Borough	5,353
Northwest Arctic Borough	4,961
Haines Borough	4,146
Juneau Borough	42,483
Ketchikan Gateway Borough	17,561
Prince of Wales-Outer Ketchikan Census Area	5,130
Sitka Borough	12,583
Skagway-Hoonah-Angoon	5,013
Yakutat Borough	0
Wrangell-Petersburg Census Area	10,032
Aleutians East Borough	3,797
Aleutians West Census Area	1,561
Bethel Census Area	9,115
Bristol Bay Borough	3,051
Dillingham Census Area	6,709
Lake and Peninsula Borough	1,846
Wade Hampton Census Area	4,508
State Undistributed	11,352
<b>Total</b>	<b>\$786,915</b>

Source: Consolidated Federal Funds Report for Fiscal Year 1999

**Table 3:  
Federal Civilian Retirees by Census Area**

Municipality of Anchorage	3,220
Matanuska-Susitna Borough	600
Fairbanks North Star Borough	723
Southeast Fairbanks Census Area	90
Denali Borough	27
Yukon-Koyukuk Census Area	61
Kenai Peninsula Borough	407
Kodiak Island Borough	68
Valdez-Cordova Census Area	46
Nome Census Area	
North Slope Borough	53
Northwest Arctic Borough	22
Haines Borough	36
Juneau Borough	22
Ketchikan Gateway Borough	396
Prince of Wales-Outer Ketchikan Census Area	101
Sitka Borough	25
Skagway-Hoonah-Angoon	169
Yakutat Borough	26
Wrangell-Petersburg Census Area	7
Aleutians East Borough	76
Aleutians West Census Area	2
Bethel Census Area	66
Bristol Bay Borough	90
Dillingham Census Area	12
Lake and Peninsula Borough	18
Wade Hampton Census Area	11
Total	16
Total Federal Civilian	6,390
Retirement and Disability Benefits	\$138,089,000
Average Federal Benefit	\$21,610

Source: U.S. Office of Personnel Management, 2000 and CFFR, 2000

**Table 4:  
State of Alaska, Public Employees Retirement System June 30, 1999**

<b>Total Participants</b>	<b>14,185</b>
Aged 60 and Older:	
60-64	2,846
65-69	2,433
70-74	1,814
75+	2,143
Total 60 and Older	9,236
<b>Average Annual Benefit</b>	<b>\$15,636</b>

Source: State of Alaska, Division of Retirement and Benefits, 2000

**Table 5:  
State of Alaska, Teachers Retirement System June 30, 1999**

<b>Total Participants</b>	<b>6,486</b>
Aged 60 and Older:	
60-64	1,217
65-69	871
70-74	601
75+	820
Total 60 and Older	3,509
<b>Average Annual Benefit</b>	<b>\$28,656</b>

Source: State of Alaska, Division of Retirement and Benefits, 2000

**Table 6:  
Participants in State Administered Retirement Programs September 1, 2000**

	<b>PERS</b>	<b>TRS</b>
Retired State Employees living in State	4,680	70
Retired State Employees on Disability living in State	156	-
Total retirees in State	8,916	3,961
Total retirees on disability in State	287	42
Total Retirees	13,830	6,608
Total Retirees on disability	393	68

Source: State of Alaska, Division of Retirement and Benefits, 2000

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## Appendix 2: Longevity Bonus

**Table 1:  
Longevity Bonus Recipients, Warrants, and Value for 11/99 Through 5/00**

Issue Date on Check	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Totals
Bonus Month	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	
Number of Recipients	21,777	21,504	21,197	21,294	21,277	21,467	21,312	149,828
Number of Warrants	22,141	21,823	21,509	21,729	21,604	21,905	21,613	152,324
Total Dollars	\$4,897,300	\$4,825,450	\$4,760,200	\$4,803,850	\$4,776,450	\$4,843,900	\$4,776,800	\$33,683,950

State of Alaska, Department of Administration, Alaska Longevity Programs, August 2000

**Table 2:  
Summary of Benefits for Calendar Year 1999**

Benefit Month	<u>Benefit Rate</u>						Total
	<u>\$100</u>	<u>\$150</u>	<u>\$200</u>	<u>\$250</u>	<u>\$500</u>	<u>\$1,000</u>	
Jan-99	2,123	2,316	2,105	16,621	0	0	23,165
Feb-99	2,145	2,310	2,105	16,576	0	0	23,136
Mar-99	2,155	2,335	2,115	16,696	0	0	23,301
Apr-99	2,170	2,330	2,128	16,696	0	0	23,324
May-99	2,170	2,329	2,120	16,646	1	0	23,266
Jun-99	2,159	2,325	2,116	16,543	0	0	23,143
Jul-99	2,152	2,311	2,105	16,460	1	1	23,030
Aug-99	2,133	2,286	2,086	16,289	0	0	22,794
Sep-99	2,101	2,248	2,062	16,046	0	0	22,457
Oct-99	2,083	2,215	2,035	15,825	0	0	22,158
Nov-99	2,071	2,205	2,026	15,698	0	0	22,000
Dec-99	<u>2,026</u>	<u>2,161</u>	<u>1,989</u>	<u>15,316</u>	<u>0</u>	<u>0</u>	<u>21,492</u>
Total	25,488	27,371	24,992	195,412	2	1	273,266

State of Alaska, Department of Administration, Alaska Longevity Programs, August 2000

**Table 3:  
Benefits By Age and Amount, December 1999**

Age	Benefit Rate				Total
	100	150	200	250	
64*	0	0	0	1	1
65	0	0	0	1	1
66	0	0	0	0	0
67	48	1	1	0	50
68	1,611	51	0	0	1,662
69	98	1,743	54	0	1,895
70	40	102	1,578	57	1,777
71	25	45	105	1,485	1,660
72	31	33	41	1,513	1,618
73	12	20	37	1,406	1,475
74	17	17	29	1,332	1,395
75	21	13	18	1,221	1,273
76	11	21	15	1,192	1,239
77	11	15	18	1,095	1,139
78	14	15	10	903	942
79	16	14	20	834	884
80	11	9	12	678	710
81	8	12	5	600	625
82	10	4	10	539	563
83	8	3	9	431	451
84	6	6	3	415	430
85	6	4	4	334	348
86	3	5	1	262	271
87	5	2	9	209	225
88	4	6	2	183	195
89	2	1	2	156	161
90	3	5	1	122	131
91	1	2	0	92	95
92	1	1	1	73	76
93	1	2	1	57	61
94	2	3	1	34	40
95	0	2	0	27	29
96	0	3	1	23	27
97	0	0	0	17	17
98	0	0	0	7	7
99	0	1	0	9	10
100	0	0	1	4	5
101	0	0	0	2	2
104	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>
<b>Total</b>	<b>2,026</b>	<b>2,161</b>	<b>1,989</b>	<b>15,316</b>	<b>21,492</b>

\* In special cases the underage spouse of an incapacitated recipient may be designated as the recipient.

**Table 4:  
Longevity Bonus By Recipient's Census Area February 12, 1999**

Municipality of Anchorage	9,275
Matanuska-Susitna Borough	2,163
Fairbanks North Star Borough	2,557
Southeast Fairbanks Census Area	282
Denali Borough	32
Yukon-Koyukuk Census Area	364
Kenai Peninsula Borough	2,237
Kodiak Island Borough	412
Valdez-Cordova Census Area	399
Wrangell-Petersburg Census Area	453
North Slope Borough	213
Northwest Arctic Borough	255
Haines Borough	187
Juneau Borough	1,338
Ketchikan Gateway Borough	829
Prince of Wales-Outer Ketchikan Census Area	213
Sitka Borough	479
Skagway-Hoonah-Angoon	150
Yakutat Borough	25
Aleutians East Borough	38
Aleutians West Census Area	62
Bethel Census Area	620
Bristol Bay Borough	40
Dillingham Census Area	177
Lake and Peninsula Borough	76
Wade Hampton Census Area	271
Nome Census Area	377
Other	<u>5</u>
<b>Total</b>	<b>23,529</b>

State of Alaska, Department of Administration, Alaska Longevity Programs, August 2000

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## Appendix 2: Tax Exemptions

**Table 1:  
Senior Citizen Property Tax Exemption**

Municipality	Senior Citizens # Applicants	Senior Citizens Exempt Value	Senior Per Capita Value	Senior Citizens Taxes Exempt
Municipality of Anchorage	6,326	\$6,894,010	\$1,090	\$12,406,625
Bristol Bay Borough	15	\$11,811	\$787	\$12,106
Fairbanks North Star Borough	1,835	\$161,760,454	\$88,153	\$3,127,279
Haines Borough	130	\$13,812,650	\$106,251	\$126,919
City & Borough of Juneau	869	\$112,593,400	\$129,567	\$1,375,495
Kenai Peninsula Borough	1,574	\$143,451,913	\$91,138	\$1,725,921
Ketchikan Gateway Borough	544	\$60,534,800	\$111,277	\$724,832
Kodiak Island Borough	251	\$26,311,616	\$104,827	\$294,278
Matanuska-Susitna Borough	1,746	\$175,737,200	\$100,651	\$2,767,217
North Slope Borough	31	\$3,032,068	\$97,809	\$56,066
City & Borough of Sitka	309	\$36,731,560	\$118,872	\$221,493
City & Borough of Yakutat	19	\$1,073,350	\$56,492	\$9,660
Cordova	67	\$6,776,369	\$101,140	\$90,880
Craig	22	\$1,950,600	\$88,664	\$11,704
Dillingham	23	\$2,560,800	\$111,339	\$20,486
Nenana	22	\$596,020	\$27,092	\$6,854
Nome	71	\$5,618,523	\$79,134	\$67,422
Pelican	5	\$306,300	\$61,260	\$1,838
Petersburg	132	\$15,582,794	\$118,051	\$155,828
Skagway	43	\$5,210,557	\$121,176	\$35,633
Unalaska	6	\$529,495	\$88,249	\$6,237
Valdez	55	\$6,724,243	\$122,259	\$108,894
Whittier	9	\$242,850	\$26,983	\$1,214
Wrangell	<u>108</u>	<u>\$9,568,908</u>	<u>\$88,601</u>	<u>\$112,472</u>
<b>Totals</b>	<b>14,212</b>	<b>\$797,612,291</b>	<b>\$56,122</b>	<b>\$23,467,355</b>

Source: Alaska Department of Community and Economic Development

**Table 2:  
Senior and Disabled Veteran Property Tax Exemption**

<b>Fiscal Year</b>	<b>Approved Applications</b>	<b>Average \$ Value</b>
1991	9,246	\$1,037
1992	9,986	\$1,131
1993	10,719	\$1,275
1994	11,594	\$1,280
1995	12,199	\$1,385
1996	12,919	\$1,443
1997	13,692	\$1,488
1998	14,643	\$1,524
1999	15,143	\$1,628
2000	15,836	\$1,686

<b>Fiscal Year 2000</b>			
<b>Municipality</b>	<b>Approved Applications</b>	<b>Average \$ Value</b>	<b>Average \$Value/Community</b>
Anchorage	7,279	\$1,999	\$14,550,721
Bristol Bay B.	15	\$807	\$12,105
Fairbanks N.S.B.	2,106	\$1,727	\$3,637,062
Haines B.	134	\$961	\$128,774
Juneau C.&B.	901	\$1,589	\$1,431,689
Kenai Pen. B.	1,666	\$1,088	\$1,812,608
Ketchikan Gate. B.	550	\$1,334	\$733,700
Kodiak Island B.	261	\$1,186	\$309,546
Mat-Su B.	1,989	\$1,587	\$3,156,543
North Slope B.	32	\$1,833	\$58,656
Sitka C.&B.	311	\$715	\$222,365
Yakutat C.&B.	19	\$508	\$9,652
Cordova	67	\$1,356	\$90,852
Craig	23	\$527	\$12,121
Dillingham	23	\$891	\$20,493
Nenana	23	\$312	\$7,176
Nome	72	\$958	\$68,976
Pelican	6	\$328	\$1,968
Petersburg	134	\$1,185	\$158,790
Skagway	43	\$829	\$35,647
Unalaska	6	\$1,040	\$6,240
Valdez	57	\$1,951	\$111,207
Whittier	9	\$135	\$1,215
Wrangell	110	\$1,042	\$114,620
<b>Totals</b>	<b>15,836</b>		<b>\$1,686</b>

Source: Alaska Taxable 1999, Vol. XXXIX, ADCED, January 2000.

**Table 3:  
Senior Renter's Rebate Program (Six Year Average: 1993-1998)**

<b>Tax Jurisdiction</b>	<b>Average Annual Number of Seniors Filing</b>	<b>Average Eligible Rebate</b>	<b>Individual Average \$ Value/Community</b>
Anchorage	562.8	\$1,121	\$630,899
Bristol Bay	1	\$683	\$683
Cordova	2	\$646	\$1,292
Craig	0.2	\$0	\$0
Fairbanks N.S.B.	4.4	\$853	\$3,753
Fairbanks	101.5	\$1,150	\$116,725
North Pole	1.3	\$1,282	\$1,667
Haines B.	8.8	\$611	\$5,377
Juneau C.&B.	94	\$881	\$82,814
Kenai Pen. B.	9.2	\$580	\$5,336
Homer	12.8	\$752	\$9,626
Kenai	15.3	\$539	\$8,247
Seward	6.2	\$649	\$4,024
Soldotna	48.7	\$594	\$28,928
Ketchikan Gate. B.	21.8	\$888	\$19,358
Kodiak Is. B.	32.3	\$518	\$16,731
Mat-Su B.	1	\$941	\$941
Palmer	10.3	\$823	\$8,477
Wasilla	27.2	\$886	\$24,099
Nenana	1.8	\$494	\$889
Nome	0.2	\$1,301	\$260
Pelican	0.8	\$139	\$111
Petersburg	2.3	\$463	\$1,065
Sitka C.&B.	10.2	\$302	\$3,080
Skagway	0.8	\$244	\$195
Wrangell	9.7	\$481	\$4,666
<b>Total six year average</b>	<b>986.6</b>		<b>\$993</b>

Source: Alaska Taxable 1999, Vol. XXXIX, ADCED, January 2000.

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## Appendix 2: Volunteerism

**Table 1:  
Retired and Senior Volunteer Program, Anchorage and  
Matanuska-Susitna Areas**

Total Participants Aged 55 and Older	350
Most Frequently Occurring Age of Volunteers	80-85
Average Age of Volunteers	75

Source: RSVP, June 2000

**Table 2:  
National Senior Services Corp , Statewide**

(Foster Grandparents and Senior Companions)	
Total Volunteers Aged 60 and Older	500
Number of Communities Participating	36
Total Volunteer Hours	210,000

Source: Senior Services Corp, June 2000

**Table 3:  
Senior Volunteers Nationwide**

	Age 55 and Older	Age 55 to 64	Age 65 to 74	Age 75 and Older
Senior Volunteers (% of senior Population)	43.5%	47.9%	44.7%	33.7%
Total Number of Senior Volunteers	24 million	10.2 million	8.3 million	5.1 million
Average Weekly Hours Per Volunteer	4.4 hours	4.8 hours	4.1 hours	4.4 hours
Total Annual Hours Volunteered	5.5 billion	2.5 billion	1.8 billion	1.2 billion
Total Dollar Value of Volunteer Time	\$70.5 billion	\$32.7 billion	\$22.7 billion	\$15.0 billion

Source: *Giving and Volunteering in the United States*, Independent Sector, Washington D.C., 1996

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**Table 1:  
Permanent Fund Dividend Recipients Over Age 60**

Age	Applicants
60-64	16,891
65-69	12,271
70-74	9,449
75-79	6,595
80-84	3,561
85-89	1,662
90-99	775
100+	26
Total	51,230
Total 65+	34,339

Source: Alaska Department of Revenue, PFD 1999 Annual Report

**Table 2:  
Alaska Voter Registration by Age (As of July 3, 2000)**

	<b>Party Affiliation</b>												
	Male	Female	Unknown	Total	D	R	AI	G	NP	RM	U	L	O
60-64	10,125	8,522	88	18,735	3,870	5,014	618	61	4,538	63	4,276	90	205
65-74	11,901	11,022	101	23,024	5,517	6,141	793	42	5,502	73	4,568	109	279
75+	<u>5,593</u>	<u>6,828</u>	<u>52</u>	<u>12,473</u>	<u>3,224</u>	<u>3,247</u>	<u>424</u>	<u>35</u>	<u>3,067</u>	<u>48</u>	<u>2,242</u>	<u>43</u>	<u>143</u>
Total	27,619	26,372	241	54,232	12,611	14,402	1,835	138	13,107	184	11,086	242	627

Note: 4,629 registered voters did not provide their age.

Source: Alaska Division of Elections

**Key to Party Abbreviations**

AI=AK Independence

D=Democrat

G=Green

L=Libertarian

NP=NonPartisan

O=Othe(belongs to a group not recognized by the State of Alaska)

R=Republican

RM=Republican Moderate

U=Undeclared