



Employers' Edge

Updates from the
Division of Retirement & Benefits
State of Alaska

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The **Employers' Edge** is published monthly by the Alaska Division of Retirement & Benefits.

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Contacting the Division

When contacting the Division, please address your request to the appropriate section or unit.
[Accounting Section](#) (907) 465-1444

User's Guide to the Legislative Session

The **Second Session** of the **25th** Alaska State Legislature convened **January 15**, 2008. Below are some links you may find useful:

- The 2008 [calendar](#).
- [Getting started](#) - a guide to the interactive and informational features of the legislature's website.
- [Media Center](#) - live video and audio feeds and other interactive options
- House & Senate Committee/Floor session [schedules](#).
- Legislator [contact](#) list.
- [Committees and members](#).
- How to address a [letter](#) to a legislator.
- Where to [search for a bill](#).
- [Track bills](#) - get email alerts or RSS feeds.
- How to read a [bill](#).
- How to read a bill [history](#).
- Layman's [guide](#) to the budget process.
- Legislative [process](#) in Alaska.

2007 Comprehensive Annual Financial Reports (CAFR) for PERS and TRS Available

The **2007 Comprehensive Annual Financial Reports** (CAFR) for the PERS and TRS are now available on the Division of Retirement and Benefits website or by mail by request. The **PERS CAFR** can be found at this [link](#) and the **TRS CAFR** can be found by clicking [here](#). To request a hard copy of the PERS or TRS CAFR, please send an [email](#) to Christina Maiquis.

Alaska Retirement Management Board to Meet

The next regular meeting of the Alaska Retirement Management Board (ARMB) will be at Centennial Hall in Juneau on **February 14-15**, 2008. All meetings are open to the public. Minutes for past meetings can be found at this [link](#) on the Department of Revenue, Division of Treasury's website. For questions regarding the ARMB, please contact the ARMB liaison, [Judy Hall](#), in the Treasury Division. You may reach her by phone at (907) 465-3749.

[Benefits Section](#) (907) 465-8600
[Death Benefits Unit](#) (907) 465-5697
[Deferred Compensation Plan](#) (907) 465-4433
[Dependent Care Assistance Plan](#) (907) 465-4464
[Disability/Appeals Unit](#) (907) 465-1153
[Divorce/Dissolution Unit](#) (907) 465-3233
[Pension Adjustments Unit](#) (907) 465-1400
[Pre-Retirement Services Unit](#) (907) 465-5700
[Retiree Payroll Section](#) (907) 465-1447
[Retirement Processing Unit](#) (907) 465-1477
[Supplemental Annuity Plan](#) (907) 465-1600

The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act. This employer newsletter is available in alternative communication formats upon request. To make necessary arrangements, contact the ADA Coordinator for the Division of Retirement and Benefits toll-free at (800) 821-2251 or in Juneau at (907) 465-4460 or the TDD for the hearing impaired at (907) 465-2805.

Photograph: © Alaska Division of Tourism

2008 Legislative Session--A Preview of Retirement-related Bills

The Second Session of the 25th Alaska Legislature convened January 15, 2008. This is the first session mandated to last just 90 days under legislation passed by voters in 2006 reducing legislative sessions from 120 days to 90 days. The bills listed below were introduced in the 1st Session and carry over to the 2nd Session.

Bill	Status	Summary
HB 12 - Full funding of PERS/TRS in seven years	In House (H.) State Affairs since January 2007.	Requires payoff in seven years of all TRS liability and state's share of PERS liability.
HB 13 - Pension Obligation Bonds	Passed House on April 26, 2007, and referred to Senate Finance.	Authorizes government employers to issue pension obligation bonds to help reduce unfunded liability.
HB 48 - Purchase of transferable PPT tax credits	Passed House on March 29, 2007, and referred to Senate Finance.	Authorizes ARMB to purchase transferable tax credit certificates at 92% of face value and sell them to Dept. of Revenue for full value, using proceeds to reduce PERS/TRS unfunded liability.
HB 97/SB 52 - State aid to PERS/TRS school district employers	In House Finance since Feb. 22, 2007, and Senate Finance since January 19, 2007.	Appropriates funds to reduce PERS & TRS school district employer costs due to increased employer contribution rates.
HB 129 - Past service cost offset account	In House State Affairs since mid-February 2007.	Establishes an account to aid PERS employers, other than the state, pay for annual past service contributions.
HB 139/SB 83 - Supplemental appropriations for tax consulting/potential litigation	In House and Senate Finance since mid-February 2007.	Appropriates funds to the division for tax consulting services and an investigation relating to potential litigation on behalf of the PERS &

		TRS.
HB 179 - Cost share plan to eliminate unfunded liability	Referred to H. Finance on April 4, 2007.	Obligates the state to pay 80% of unfunded liability, other employers 20%, and raises contribution rates for active employees by 5% above current levels.
SB 125 - PERS cost-share	Passed Senate on May 4, 2007, and House on May 12, 2007. Transmitted to Senate as amended.	Creates cost-share plan for PERS (like TRS) that has same contribution rate for all participating employers.
SB 183 - Repeal Defined Contribution Retirement Plan	Referred to S. Labor & Commerce on May 16, 2007.	Repeals the defined contribution retirement plan for teachers and public employees

Reminder - FY07 HRA True-up Process; Electronic Payments

Electronic Payments

For employers using the eReporting electronic payment or Other ACH payment options, please remember that it takes two business days for the payment to settle with the employer's financial institution and to be considered received by the Division once your payroll is submitted. If payment is submitted after 2 p.m., the settlement process will begin the next business day.

FY07 HRA True-up

The Division has created an audit process to review each Defined Contribution Retirement (DCR) employee's account to ensure the correct Health Reimbursement Arrangement (HRA) contributions have been made for prior fiscal years. The results of the audit process are available to employers in the form of a new report added to the end of the employer turnaround reports. Or, an updated excel spreadsheet can be requested from your PERS or TRS payroll processing contact.

The report identifies employees with an HRA account out-of-balance for FY07. This allows the employer to make the necessary HRA contribution adjustments prior to the posting of the member's HRA interest. **HOWEVER**, all PERS **part-time** member HRA balances must be verified with Division staff prior to adjusting. Please contact your PERS or TRS payroll processing contact with a list of your part-time FY07 DCR members to receive the correct expected HRA.

HRA adjustments should have been received **prior to the end of December 2007** to ensure that members do not lose any interest that may have

adjustments, please contact your PERS or TRS payroll processing contact as soon as possible.

In order to process the HRA true-up adjustments, you can do one of two things: (1) Create a payroll for HRA adjustments by using a pay period end date that is not or will not be part of your normal payrolls. The issue date selected on this payroll can be the same as the pay period end date as these transactions will be adjustments only; or (2) Add the adjustments to your next normal payroll.

Each individual adjustment record must have a pay period end date of 6/30/07, or if the employee termed employment prior to 6/30/07, the adjustment date used should be the last pay period end date that was submitted for that individual. For example: if the employee terminated employment on 2/12/07 and the last payroll reported to PERS was pay period end date 2/15/07, that would be the adjustment date used on the HRA true up record, not 6/30/07.

There should be no HRA adjustments for FY08 listed. HRA and DBUL adjustment notification will be provided to all employers closer to the end of FY08. If you believe you must submit an FY08 HRA adjustment, please note that the DBUL must also be corrected to ensure that the employer effective rate is met.

For more information on how to report these adjustments, or any other questions regarding eReporting, please call the Division toll free at 1-800-821-2251 (465-4460 in Juneau) and ask for Accounting or call your PERS or TRS payroll processing contact directly.

accrued on their account balance. If you have not yet submitted your

Updated Forms and Brochures

The following forms and brochures have been updated since the last newsletter. Please be sure to throw away all your old ones and use only these updated ones. Printing from the Division [website](#) will assure you always have the most current form.

Form No.	Description
	No forms or brochures have been updated since the December 2007 newsletter.

Dear Employers:

We hope you find this employer newsletter helpful. If you have any questions or suggestions please feel free to contact us. Any feedback from you will be greatly appreciated. For a printer friendly copy of this issue, please click [here](#); for all past issues, click [here](#). Email your comments to [Barbara Kelly](#).