PERS newsbreak
Alaska Public Employees' Retirement System
December 2015 Number 113

# Retirees in Touch: Mary Jane Sutliff

## Retiree Rediscovers Her Roots in California

Since retiring from the State of Alaska, Mary Jane Sutliff has spent her time rediscovering her roots in California. As Mary put it, "I do some of my best thinking while pulling weeds. Retirement in California has taken me back to my first love—farming."

Mary Jane retired from the Alaska Department of Transportation as a Planner for Southwest Alaska. She had also previously served as a State of Alaska Assistant District Attorney. She ended up in Alaska when she was sent to the state to hire an attorney to handle some cases for her employer. She found and hired an Alaskan attorney and later ended up moving to Alaska. After a year, she married that same attorney.

After retirement, Mary Jane left Alaska to return to her home state of California. "Our agreement was to move to California

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# Report from the Field

## Meet Dawn Bonnett

Dawn Bonnett has been a dedicated member of the Division of Retirement and Benefits for the past fourteen years. A life-long Alaskan, she was born and raised in Juneau. Her family ended up in the capital city in 1970 after her father took a graphic arts and photography teaching job at Juneau Douglas High School, a job from which he retired after 25 years.

Before working for the Division, Dawn thought she would enjoy working as an accountant. After taking some classes and working in the accounting field, she had a change of heart: "I realized that I really missed working one on one with people, so I redirected my career to becoming a counselor."

Prior to becoming a Regional Counselor, Dawn gained experience through positions in various sections within the Division. She started working for the Division in 2001 in the Insurance Benefits Section, and then worked in the Disability Unit, the SBS Annuity/Deferred Compensation Section, and the Retiree Payroll Section.

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# Legislation Regarding Alaska Retirement Plans

## Legislation Passed

On May 26, 2015, the Governor signed House Bill 135, passed by the Legislature during the first half of the 29th Legislature, into law. The Alaska Deferred Compensation Plan (DCP) Roth 457 option, Chapter 29 SLA 15, became effective on July 1, 2015. This option allows PERS and TRS members who are also members of the DCP plan to direct contributions to a Roth 457 option, paying the taxes on the contributions now in order to accrue tax free investment earnings in the future. For more information on the Roth 457 option, please visit to our web site at ***Alaska.gov/drb/headlines/roth457billfaqs.html***.

## Legislation for 2016 Session

The legislature will be taking up the following proposed legislation during the second half of the 29th Legislature. As bills are filed during the upcoming session, they will be listed on our website at ***Alaska.gov/drb/legislation***.

| Bill | Short Title | Prime Sponsors | Current Status |
|---|---|---|---|
| **HOUSE** | | | |
| HB 47 | **PERS CONTRIBUTIONS BY MUNICIPALITIES**<br>Provides contribution relief to municipalities who have had a decrease of more than 25% between 2000 and 2010. | REP FOSTER | HOUSE FINANCE |
| HB 90 | **PEACE OFFICER/FIREFIGHTER RETIREMENT**<br>Creating a Protective Occupation Retirement Council within the PERS to oversee benefits provided to peace officers and firefighters and their administrative staff and to make investment recommendations to the Alaska Retirement Management Board. | REP MILLETT | HOUSE LABOR & COMMERCE |
| HB 113 | **PERS CREDIT/WORKERS COMP. POLICE & FIRE**<br>Requiring the State to provide service credit without charge to a defined benefit plan member and to make certain contributions under the defined contribution plan for a peace officer or firefighter who is unable to work and is receiving workers' compensation benefits. | REP JOSEPHSON | HOUSE LABOR & COMMERCE |
| HB 211 | **RIP FOR PUBLIC EMPLOYEES/TEACHERS**<br>Providing a retirement incentive program for eligible PERS and TRS member to encourage early retirement. | REP KAWASAKI | HOUSE STATE AFFAIRS |
| **SENATE** | | | |
| SB 83 | **PEACE OFFICER/FIREFIGHTER RETIREMENT**<br>Creating a Protective Occupation Retirement Council within the PERS to oversee benefits provided to peace officers and firefighters and their administrative staff and to make investment recommendations to the Alaska Retirement Management Board. | SEN MCGUIRE | SENATE STATE AFFAIRS |
| SB 88 | **TEACHERS & PUBLIC EMPLOYEE RETIREMENT PLANS**<br>Reopens the defined benefit plans and provides new PERS or TRS employees a choice between participating in the defined benefit or the defined contribution. | SEN EGAN | SENATE COMMUNITY & REGIONAL AFFAIRS |

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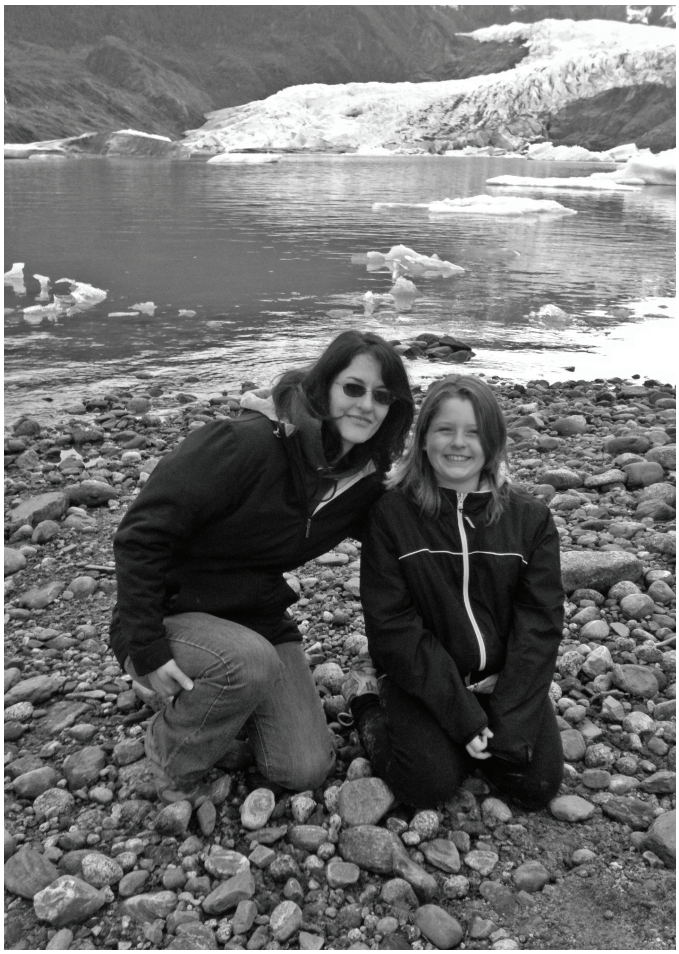
# Report from the Field: Meet Dawn Bonnett

Dawn began retirement counseling as the Northwest Regional Counselor, which gave her the opportunity to travel around Alaska as far north as Nome. "So far I believe Kodiak to be the most interesting place in Alaska due to the rolling mountains, windmills, and different colors. I have been really surprised by how different the scenery is throughout Alaska. Every community I've visited has been like traveling to a new region," she said. Dawn currently focuses on working with members in Southeast as the Southeast Regional Counselor.

For Dawn, it's important that a counselor takes the time to listen to and understand the questions members have about their retirement. "Ninety percent of the time a person knows what they want, they just aren't sure of the terminology," she explained. She values educating members about their options by being thorough in covering all of the different aspects of a person's retirement choices. "Once a member is familiar with an option, they then become interested in learning more about it," she said. That's what she enjoys most about her job, she said: "being able to provide comfort with knowledge. Sometimes a person will walk in to the counseling room with a look of apprehension and even dread. Their perspective completely changes once they understand their choices and they have a plan in place to make important decisions. You can almost instantly see the stress melt away."

If Dawn would like members to know one thing about preparing for retirement, it would be this: "It's good to have an overall realistic picture of your needs. Ask yourself the important questions: Will you have your house paid off? How much will you need to travel each year in retirement? Will you be making any big purchases after retirement like a boat or motorhome? Planning successfully begins with knowing expectations going into it."



*Dawn and her daughter, Kayla, at the Mendenhall Glacier*

Although Dawn has been able to travel throughout Alaska to help members with retirement planning, she also enjoys exploring the state during her time off. "I enjoy exploring Alaska, photographing the beautiful scenery, and portraying those into landscape paintings," she explained. Dawn also loves to spend her time entertaining her family and friends. "I've met some amazing people in my travels and hope to continue for many years," she said.

## Alaska Retirement Systems Market Value: September 30, 2015

Public Employees' Retirement System
$15,368,656,474

Teachers' Retirement System
$7,589,502,770

Judicial Retirement System
$160,125,002

National Guard/Naval Militia Retirement System
$34,779,361

Alaska Supplemental Annuity Plan
$3,249,291,058

Alaska Deferred Compensation Plan
$766,840,098

# PERS Performance in Fiscal Year 2015

The Division of Retirement and Benefits (Division) prepares a Comprehensive Annual Financial Report (CAFR), which is available online at ***Alaska.gov/drb/pers/employee/resources/cafr.html.*** The Public Employees Retirement System (PERS) CAFR provides comprehensive financial, investment, actuarial, and statistical data.

The Division also posts the results of the annual actuarial valuation online at ***Alaska.gov/drb/pers/employee/resources/actuarialValuationReports.html.*** This report contains the funding status of the PERS, as well as the data, assumptions, and methods used to develop contribution rate recommendations. As of June 30, 2014, the date of the latest actuarial valuation, the Defined Benefit Unfunded Accrued Liability was $6,252,774,000.

Tiers I, II & III include a Defined Benefit Pension Plan and the Alaska Retiree Healthcare Trust. Tier IV includes a Defined Contribution Pension Plan, Occupational Death and Disability Plans for peace officers and firefighters and for all other employees, as well as a Healthcare Reimbursement Arrangement and a Retiree Medical Plan.

A summary of the PERS Financial Statements as of June 30, 2015 is reported below.

## Summary of Fiscal Year 2015

- There were 158 PERS employers.
- At June 30, 2015 there were 19,297 PERS Defined Benefit (Tier I-III) employees and 15,800 PERS Defined Contribution (Tier IV) employees.
- PERS employers paid 22% of each employee's gross salary in addition to the contributions paid by the covered employees. The State paid an additional $1Billion. Total contributions exceeded the actuarially determined contribution rate of 44.03%.
- Based on the June 30, 2014 actuarial valuation, there were 31,099 people who received monthly PERS pension benefits, an increase of 4.1% over the prior year. PERS retirees and beneficiaries received an average annual pension benefit of $22,074.

### Changes in PERS Assets During Fiscal Year 2015

| | Defined Benefit | Defined Contribution |
|---|---|---|
| **Fiduciary Net Position on June 30, 2014** | **$14,644,598,000** | **$696,700,000** |
| **Additions** | | |
| Employer Contributions | $397,164,000 | $86,717,000 |
| Plan Member Contributions | 100,692,000 | 70,476,000 |
| State of Alaska Contributions | 1,000,000,000 | - |
| Net Investment Income | 460,024,000 | 19,592,000 |
| Other | 47,019,000 | 1,000 |
| **Total Additions** | **$2,004,899,000** | **$176,786,000** |
| **Deductions** | | |
| Pension Benefits Paid | $686,493,000 | $363,000 |
| Healthcare Benefits Paid | 361,930,000 | - |
| Refunds to Members | 10,049,000 | 24,067,000 |
| Administrative Expenses | 22,200,000 | 2,538,000 |
| **Total Deductions** | **$1,080,672,000** | **$26,968,000** |
| **Fiduciary Net Position on June 30, 2015** | **$15,568,825,000** | **$846,518,000** |

### Statement of PERS Assets as of June 30, 2015

| | | |
|---|---|---|
| **Assets** | | |
| Short-Term Investments | $312,940,000 | $25,393,000 |
| Empower Account | | 5,965,000 |
| Other Receivables | 38,955,000 | 8,220,000 |
| Investments, at Fair Value | 15,285,748,000 | 829,708,000 |
| Other Assets | 2,110,000 | - |
| **Total Assets** | **$15,639,753,000** | **$869,286,000** |
| **Liabilities** | | |
| Accrued Expenses and Other Liabilities | 70,928,000 | 22,768,000 |
| **Total Liabilities** | **$70,928,000** | **$22,768,000** |
| **Fiduciary Net Position on June 30, 2015** | **$15,568,825,000** | **$846,518,000** |

*Continued from page 1*

# Retirees in Touch: Mary Jane Sutliff

upon retirement," she explained. After purchasing one third of an acre in Sacramento County, she took a home farming course, joined the Arden Park Garden Club, and recently graduated from the University of California Master Gardening Program. She is also the Director of the Sacramento River Valley District of the California Garden Clubs.

Mary Jane is in the process of turning her third of an acre into a demonstration garden. She has a twenty by fifty foot vegetable garden, water-wise plantings, a small fruit orchard (eight fruit trees pruned to remain dwarf) and a seven-vine grape vineyard. "The abundance of the garden brings birds, bees and butterflies daily. Come visit for coffee in the garden when you are in Sacramento," she offered.

Mary Jane described what she loves most about retirement in California: "the song birds, teddy bear bees, fresh luscious vegetables and fruit, wineries, the art, the architecture, the politics, the universities and colleges in and around Sacramento, the beaches along the coast, my grade school, high school, and college friends, and my family."

Besides spending her time maintaining her garden, Mary has spent some of her retirement traveling. One of her trips included walking one hundred miles of the Camino de Santiago in Northern Spain with ten high school girl friends. They also spent a week at a friend's house in Italy. Mary claims that her time in Alaska came in handy because, "I was the only one who could start a fire!" Mary also visits Alaska frequently to visit her son and friends who still live here. "Of course, friends have visited me in California. I love it when they do," she said.

Mary is able to enjoy her retirement because of her Alaska retirement and smart financial decisions she made earlier in life. She explained, "Before retirement, I saved using Deferred Comp and I am so pleased I did. It is the account that has the highest yearly interest. I have always been a saver. In the 1990s, while raising my son and caring for family, I became an investor. I was very fortunate to turn my accounts into bonds before the crash. This experience made me comfortable managing money during retirement."

While her own retirement planning has worked out well, Mary gave this advice: "The one thing I highly recommend to all State of Alaska employees is to educate yourself about managing money while you are employed. I waited until I was forty to do it. I did quite well but if I had started sooner I would probably be able to buy that house I stayed at in Italy!"

## We Want to Share Your Retirement Story

We want to share your retirement story with your fellow members. Are you volunteering, traveling, involved in the community or just enjoying life? Let us know where you are living now, what you are involved in, where you were employed, and how your State of Alaska retirement has allowed you to enjoy new adventures in retirement.Submit your stories on our website at *Alaska.gov/drb/retirement/retireesInTouch.html*, email your stories to *doa.drb@alaska.gov*, or mail your stories and photos to the address on this newsletter, Attention: Newsbreak Editor.

## Retiree Benefit Mailing Dates

Retiree benefits will be mailed on the following dates in 2016:

- January 25
- February 25
- March 25
- April 25
- May 25
- June 24
- July 25
- August 25
- September 23
- October 25
- November 23
- December 23

The mailing date is also the date that funds are available from your financial institution. If you would like to have your benefit directly deposited, complete the Electronic Direct Deposit Authorization for Retirees form and return it to the Alaska Division of Retirement and Benefits. You can find the form at Alaska.gov/drb/checkDates/.

# Have You Updated Your Beneficiaries Lately?

We all experience changes in our lives as we go forward in time. When changes such as marriage, divorce, birth of a child, grandchildren, or inevitably death occur, it is important for you to update your beneficiary designations.

Even if you haven't experienced any such events, if you haven't updated your beneficiary designations in years, you should do so. It is important for the Division to have updated addresses and contact information for your beneficiaries in the event of your death. It is our desire to disburse any benefits available to your family or friends according to your current wishes.

To assist you, we have developed a new, easy to use form that can be found here: ***Alaska.gov/drb/forms***. In a few months, this form will also be available to you electronically from our Member Services website. You can update your beneficiary designation by submitting a new beneficiary form at any time. If you have questions about updating your beneficiary designation, contact the Division of Retirement and Benefits.

**Have questions about your retirement and benefits?**

**Visit *Alaska.gov/drb.***

# Where Are You?

## Review This List of Members Who May Be Eligible for Benefits

The Division of Retirement and Benefits would like to locate people who no longer have a correct address in our system. Please review the list of names below. You can find the rest of this list at ***Alaska.gov/drb/headlines/2015/09/25/deferred-vested-eligible-benefit/index.html.*** If you have a current address or any other information for anyone listed, please contact Lyn Fiehler in the Accounting Section toll-free at (800) 821-2251, ext. 5713 or (907) 465-5713. **Please note:** People may have the same name as you or they may have a new last name due to marriage, divorce, or name change. Any information you can provide is appreciated.

Acevedo, Maricela R
Acomb, Sandra M
Adams, Farrell S
Adams, Marla L
Adamson, Debora K
Adamson, Helena
Adamson, Jean F
Agloinga, William M
Agnasagga, George T
Ahkiviana, Carolyn I
Ahmaogak, Arnold
Ahsuak, Eunice M
Albertson, Robert P
Alcantra, Dianna C
Alderdice, Charles D
Aldrich, Cynthia L
Alexie, Carole F
Alford, Constance R
Allagonez, Alicia A
Allen Iii, William H
Allis, Carol A
Aloralrea, Gregory
Alstrom, Ragnar O
Alstrom, Ronald B
Ames, Monica
Amundson, Deanna F
Anderson, John L
Anderson, Jonathan
Andrew, Gayle S
Anelon, Lorene A
Araki, Kevin R
Arce, Robert V
Ard, Kelley D
Arnold, Bonnie L
Ashwell, Michael
Asnin, Morced
Augustine, Leonard
Avery, Margaret E
Avugiak, John
Avugiak, Margaret
Ayres, Rosemary
Babcock, Tuckerman
Backhouse, Joy A
Bacon, Katherine L
Bailey, Ann Marie
Baker, Margaret A
Baldwin, Barbara
Baldwin, David J
Ballew, Joanne M
Ballot, Norma A
Baloaloa, Linda V
Barger, Robert R
Barker, Jocelyn M
Barnes, Nancy C
Barnett, Edwina L
Barnett, Michelle
Barrett, Bridgett L
Basler, Judy A
Bay, Mona J
Beans, Elmer T
Beans, Vincent
Beatus, Almira
Beckham, Marianne
Belcher, John A
Belgarde, Loyd
Bellman, John I
Bergman, Vincent
Bergren, Sharon E
Bernstein, Gary A
Bernth, Gail A
Bettano Everts, Paula J
Bettine, Cindy L
Bey, Kirsten J
Biberman, Anne
Bigley, Kathleen O
Blaisdell, Alan S
Blankenship, Lois A
Blas, Diane H
Blue, Sybil F
Boddy, Karen A
Bodfish Sr, Paul

## Alaska Retirement Management Board Meeting

**December 3 through 4**
**Marriott Hotel, 820 West 7th Avenue, Anchorage**

Alaska Retirement Management Board (ARMB) meetings are open to the public. You can find details about future meetings, minutes of past meetings, and meeting agendas at Alaska.gov/drb/boards. If you have questions, contact Judy Hall, ARMB liaison, at (907) 465-3749.

**PERS**newsbreak
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Friday

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**Alaska.gov/drb**

The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). The PERS Newsbreak is available in alternative communication formats upon request. DRB ADA Coordinator: (800) 821-2251; in Juneau: (907) 465-4460, or contact the TDD for the hearing impaired at (907) 465-2805.

**Note:** The Division of Retirement and Benefits is unable to unsubscribe members from our mailing list at this time. The Division has a fiduciary duty to provide both its active and retired members with information regarding their health and retirement benefits, including—but not limited to—benefit education, plan enrollment, and any changes in the plans. While we acknowledge that it can be frustrating to receive a high volume of communication from the Division, it is necessary to keep our members up to date on current information and educational opportunities concerning their health and retirement benefits. We apologize for any inconvenience this may cause you.

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