



Employers' Edge

Employer news from the
Alaska Division of
Retirement and Benefits

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Division Welcomes New Deputy Director

The Division has brought a deputy director on board in Juneau. Jim Puckett, who has called Fairbanks home for the past 39 years, began his new job in early April. He noticed right away the difference between an interior town, like Fairbanks, and one based by the sea, like Juneau. "Everyone said 'welcome aboard' when I first arrived on the job. I felt like I was on a ship."



Puckett has 17 years experience as a teacher and administrator and has also been in the business of building residential log homes and commercial log buildings.

Puckett sees his role as being one of “Servant Leadership,” the modern concept of which was coined and defined in recent times by Robert Greenleaf. He will take on projects the division director assigns to him, and work with the division’s section managers to help them solve problems and deal with matters where his knowledge and expertise can come into play.

Puckett says learning the ropes as fast as possible is his biggest challenge. He thanks everyone for the warm welcome he has received.

Alaska Retirement Management Board to Meet April 24-25 in Anchorage

The next regular meeting of the **Alaska Retirement Management Board** (ARMB) will be held in Anchorage on April 24-25, 2008, at the Anchorage Marriott Downtown Hotel, Juneau/Haines Room, 820 W. 7th Avenue. The meetings will begin at 9:00 a.m. on both days.

The meeting will include the following: a review with the state actuary regarding the draft FY2007 actuarial valuation of the pension funds, reports on fund financial, investment manager reports, investment actions, setting asset allocations for pension and other trust funds, and other business to properly come before the trustees. The public is invited to attend and will be given the opportunity for public comment and participation. Teleconference lines will be available by calling 1-800-315-6338, the pass code is 2762#. For a detailed agenda, click [here](#).

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.

Legislature Ends Early-- Two Retirement-related Bills Pass



The 2nd Session of the 25th Alaska Legislature ended several hours early on Sunday, April 13th. Three retirement-related bills saw movement during the 2nd Session. [House Bill \(HB\) 13](#) (Pension Obligation Bonds) and [Senate Bill \(SB\) 125](#) (PERS cost-share) were passed by the legislature, and [SB 183](#) (Repeal Defined Contribution Retirement Plans) moved through several committees, ending the session in Senate Finance. The table below lists **HB 13** and **SB 125** with their latest status and a summary:

Bill	Status	Summary
HB 13 - Pension Obligation Bonds	Passed House on April 26, 2007 and Senate on April 3, 2008. Awaiting transmittal to Governor.	Authorizes government employers to issue pension obligation bonds to help reduce unfunded liability.
SB 125 - PERS cost-share	Passed Senate on May 4, 2007, and House on May 12, 2007. Signed into law April 8, 2008.	Creates cost-share plan for PERS (like TRS) that has same contribution rate for all participating employers.

Poli-sub Insurance Plan Put Out to Bid

The state-sponsored **Political Subdivision Group Health and Life Insurance Plan** has been put out to bid. The deadline for receipt of proposals was April 15, 2008. The Proposal Evaluation Committee is scheduled to complete its evaluation by April 22, 2008. The Notice of Intent to Award the contract will be issued the following day, on April 23, 2008. The State of Alaska plans to issue the contract on May 6, 2008, and the contract will begin on July 1, 2008.

The [Alaska Municipal League-Joint Insurance Association](#) (AML-JIA) markets this insurance plan and Aetna is the current carrier.

TRS Benefit May Affect Social Security Benefit

Many factors go into determining Social

Security eligibility and benefits. The information in this article comes from Social Security publications explaining how a retirement benefit received from the TRS may reduce Social Security benefits for which your employees may be qualified.

While TRS members in the State of Alaska do not earn Social Security benefits your employees might have earned Social Security credit with other employment.

Government Pension Offset

Members of TRS do not pay Social Security taxes in Alaska. The pension they receive from TRS may reduce any Social Security benefits for which they are qualified. Their benefit can be reduced in one of two ways. One is called the “government pension offset,” and applies only if they receive a government pension and are eligible for Social Security benefits as a spouse or widow(er). For more information on the offset, see the fact sheet, *Government Pension Offset* (Publication No. 05-10007), available on the Social Security Administration website at www.ssa.gov/pubs/10007.html.

Windfall Elimination Provision

The other way their benefit can be reduced is by the “windfall elimination provision.” This provision affects how their retirement or disability benefits are calculated if they receive a pension from work not

covered by Social Security. The formula used to figure their benefit amount is modified, giving them a lower Social Security benefit. The Social Security fact sheet, *Windfall Elimination Provision* (Publication No. 05-10045), explains this. It is also available online at www.ssa.gov/pubs/10045.html.



For More Information

You may refer employees to recorded information 24 hours a day, including weekends and holidays, at Social Security’s toll-free number, (800) 772-1213. They can speak to a service representative between the hours of 7 A.M. and 7 P.M. on business days. The lines are busiest early in the week and early in the month, so, if they can wait, it’s best to call at other times. Whenever they call, they should have their Social Security number handy.

People who are hearing impaired may call the toll-free “TTY” number, (800) 325-0778, between 7 A.M. and 7 P.M. on business days.

For further information on this and other topics, visit the Social Security website at www.ssa.gov.

Workers with relatively low pensions are protected. The reduction in the Social Security benefit under the modified formula cannot be more than one-half of that part of the pension attributable to earnings after 1956 not covered by Social Security.



PERS and TRS Publications Available Online

The following publications for the PERS and TRS are available on the Division of Retirement and Benefits website:

- **Financial Statements**
- **Actuarial Valuations Reports**
- **Supplements to the Actuarial Valuations**
- **Comprehensive Annual Financial Reports**

PERS Publications are located here: <http://www.state.ak.us/drb/pers/perspublications.shtml>

[PERS Comprehensive Annual Financial Report--2007](#)

[Actuarial Valuation Reports and Supplemental to the Valuation Reports](#)

[Financial Statements](#)

TRS Publications are located here: <http://www.state.ak.us/drb/trs/trspublications.shtml>

[TRS Comprehensive Annual Financial Report--2007](#)

[Actuarial Valuation Reports](#)

[Financial Statements](#)

To navigate to these reports in the future, follow these steps:

1. Go to the Division's website at www.state.ak.us/drb
2. Click on Publications in the Quick Links column to the right
3. Click on the appropriate Fund.
4. Select the report you want to view.

If you prefer a hard copy of these reports, please contact the Division of Retirement and Benefits at (907) 465-5711.

Updated Forms and Brochures

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

Form No.	Description
dcp002	Alaska Deferred Compensation Plan Financial and Beneficiary Changes
02-1806b	Lump Sum Death Benefit Application (Survivor)
02-1806a	Lump Sum Death Benefit Application
02-210 (abe)	Alaska Supplemental Annuity Plan Benefit Payment Election
dcp008	Periodic Payment Change
dcp003	Enrollment Form
gen008	Refund Election Form

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](#).

Contacting the Division

When contacting the Division, please address your request to the appropriate section or unit.

Accounting Section (907) 465-1444	Divorce/Dissolution Unit (907) 465-3233
Audit Section (907) 465-5707	Pension Adjustments Unit (907) 465-1400
Benefits Section (907) 465-8600	Pre-Retirement Services Unit (907) 465-5700
Death Benefits Unit (907) 465-5697	Retiree Payroll Section (907) 465-1447
Deferred Compensation Plan (907) 465-4433	Retirement Processing Unit (907) 465-1477
Dependent Care Assistance Plan (907) 465-4464	Supplemental Annuity Plan (907) 465-1600
Disability/Appeals Unit (907) 465-1153	

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