



## *Employers' Edge*

Employer news from the  
Alaska Division of  
Retirement and Benefits

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## Using PERS and TRS Employer Relief Funding for Fiscal Year 2009

**Funding for PERS and TRS employer relief for Fiscal Year 2009 (FY09) rates was provided by [House Bill \(HB\) 310](#) - Chapter 27 SLA 08 (Capital Budget - **Section 13**) passed during the 2008 legislative session. The legislation provided a set amount of funding intended to effectively reduce the PERS Employer Effective Rate to 22 percent and the TRS Employer Effective Rate to 12.56 percent for FY09.**

This funding is applied with the processing of each employer payroll. *Employer Relief* funding statements will be sent out via email to payroll and finance contacts. For PERS relief funding questions or statement copies, please contact Kathleen Huse at (907) 465-2279 or via email at [Kathleen.Huse@alaska.gov](mailto:Kathleen.Huse@alaska.gov) or for TRS relief funding questions or statement copies please contact Agnes Elizarde at (907) 465-5711 or via email at [Agnes.Elizarde@alaska.gov](mailto:Agnes.Elizarde@alaska.gov).



For PERS and TRS employer relief provided in HB310, the Division of Retirement and Benefits will apply payments for payrolls through pay period end date June 30, 2009. Fiscal year 2009 (July 1, 2008 to June 30, 2009) payrolls must be received in our office by July 31, 2009, to be processed with HB310 relief funding.

For questions please contact Christina Maiquis at (907) 465-1845 or via email at [Christina.Maiquis@alaska.gov](mailto:Christina.Maiquis@alaska.gov).

## Update and Correction to Fiscal Year 2010 Employer Rates

The notification of Fiscal Year 2010 employer rates contained a mistake regarding rehired retirees. Rates provided for Rehired Retirees, Occupation Codes "W" and "Y," should not have been included. The Rehired Retiree program is no longer available. This program ended as of July 1, 2009. If you have any questions, please contact Michele Michaud at (907) 465-5697 or via e-mail at [Michele.Michaud@alaska.gov](mailto:Michele.Michaud@alaska.gov).

## FY 2009 Contribution True-up Begins in August

**The FY09 contribution true-up is expected to begin in August, once the Division has received and posted** the majority of the end of the fiscal year payrolls. Like last year, the FY09 true-up will include the following Defined Benefit (DB) and Defined Contribution Retirement (DCR) Plan contribution types:

- DB and DCR Employer match (ER)
- DB Employee mandatory contributions (EE)
- DB TRS Supplemental contributions (Sup)
- DCR Occupational Death & Disability (ODD)
- DCR Retiree Medical Plan (RMP)
- DCR Health Reimbursement Arrangement (HRA)
- Defined Benefits Unfunded Liability (DBUL)

Once this process is complete, the Division will provide employers with true-up information for any account

with an overage or shortage in any of the contribution types via **eReporting**. The Division will contact employers directly with more detailed information on how to make the proper adjustments.

**Note:** If you have not completed your FY08 true-up, now is the time. Please contact your [R&B Payroll Technician](#) for details.

## Do You Understand Conditional Benefits?

If you have employees who have been a member of both the PERS and TRS, they may qualify for a conditional service benefit. A conditional service benefit is a benefit that is **in addition** to a person's regular PERS or TRS retirement benefit, based on service in either the PERS or TRS.

Here are the conditions under which a PERS member may be eligible for a conditional service benefit from the **TRS**:

- the person is vested in the PERS
- the person is eligible for a PERS retirement benefit, **and**
- the person has at least two paid-up years of TRS membership service

And here are the conditions under which a TRS member may be eligible for a conditional service benefit from the **PERS**:

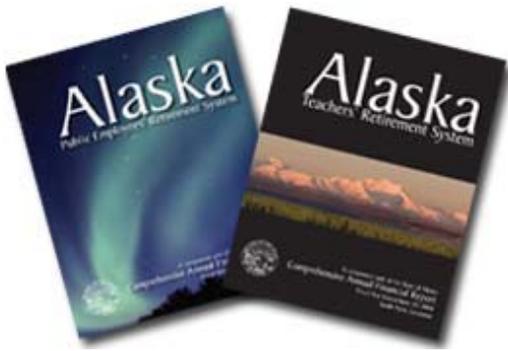
- the person is vested in the TRS
- the person is eligible for a TRS retirement benefit, **and**
- the person has at least two paid-up years of PERS membership service

Active members who may be eligible for a conditional service benefit and who have refunded service in either the PERS or TRS that they want to reinstate need to establish a reinstatement indebtedness **prior to July 1, 2010**. A member is not required to pay off the indebtedness before July 1, 2010, and a member does not need to reemploy in the system from which he/she refunded the service. But to be eligible for a conditional service benefit, a member must have paid in full any indebtedness incurred through a refund of service.

Once a person establishes a reinstatement indebtedness, there are three options for how the indebtedness may be repaid:

- pre-tax transfer (**this option is repealed and will no longer be available as of July 1, 2010**)
- payroll deductions (set up by the employer)
- write a check for full amount
- write a check for a partial amount on a schedule of the member's choosing

If you have any questions about establishing the conditional benefit indebtedness, please contact your [R&B Payroll Technician](#). Questions regarding benefit eligibility and application for benefits should be referred to the [Regional Counselor](#) for your area.



## PERS and TRS Publications Available Online

The following PERS and TRS publications are available at the "[Publications](#)" link on the [Division of Retirement and Benefits website](#):

### PERS Publications:

[PERS Comprehensive Annual Financial Report](#)  
[Actuarial Valuation Reports and Supplemental to the Valuation Reports](#)  
[Financial Statements](#)

### TRS Publications:

[TRS Comprehensive Annual Financial Report](#)  
[Actuarial Valuation Reports](#)  
[Financial Statements](#)

**To navigate to any division reports, follow these steps:**

1. Go to the division's website at [www.state.ak.us/drb](http://www.state.ak.us/drb)
2. In the "Quick Links" column on the right, click on "[Publications](#)"
3. Click on the appropriate system, plan or 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 use only the updated forms. Printing from the [division website](#) will assure you always have the most current version.

Form No.	Description
<a href="#">trs027</a>	TRS Guidelines to Apply for Retirement
<a href="#">pers041</a>	PERS Guidelines to Apply for Retirement
<a href="#">pers050</a>	PERS Voluntary Employee Savings Plan Enrollment, Change, Discontinuation or Withdrawal
<a href="#">pers051</a>	PERS Voluntary Employee Savings Plan Beneficiary Designation

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. Click here for all [past issues](#). Email your comments to the editor, [Barbara Kelly](#).

<a href="#">Accounting Section</a> (907) 465-1444	<a href="#">Pension Adjustments Unit</a> (907) 465-1400
<a href="#">Audit Section</a> (907) 465-5707	<a href="#">Pre-Retirement Services Unit</a> (907) 465-5700
<a href="#">Deferred Compensation Plan</a> (907) 465-5700	<a href="#">Retiree Payroll Section</a> (907) 465-1447
<a href="#">Dependent Care Assistance Plan</a> (907) 465-4464	<a href="#">Retirement Processing Unit</a> (907) 465-1477
<a href="#">Disability Unit</a> (907) 465-1153	<a href="#">Supplemental Annuity Plan</a> (907) 465-1600
<a href="#">Divorce/Dissolution Unit</a> (907) 465-5699	<a href="#">Survivor Benefits Unit</a> (907) 465-5695 or (907) 465-3369
<a href="#">Insurance Benefits Section</a> (907) 465-8600	

***Employers' Edge*** is published monthly by the

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