



# PERS newsbreak

Alaska Public Employees' Retirement System

Winter 2023

Number 129

## PERS Performance in Fiscal Year 2023

The Division of Retirement and Benefits (Division) prepares an Annual Comprehensive Financial Report (ACFR) which is available online at [drb.alaska.gov/docs/reports/#pers](http://drb.alaska.gov/docs/reports/#pers). The Public Employees' Retirement System (PERS) ACFR provides comprehensive financial, investment, actuarial, and statistical data.

The Division also posts the annual actuarial valuation results online at [drb.alaska.gov/docs/valuations/PERSDBvaluation\\_2022.pdf](http://drb.alaska.gov/docs/valuations/PERSDBvaluation_2022.pdf). 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, 2022, the date of the latest actuarial valuation report, the Defined Benefit unfunded accrued liability was \$2,809,307,000.

The PERS Defined Benefit plan (DB) includes a defined benefit pension plan and the Alaska Retiree Healthcare Trust plan. PERS Defined Contribution Retirement plan (DCR) includes a defined contribution retirement plan, two occupational death and disability plans for peace officers and firefighters, and all other employees, a healthcare reimbursement arrangement, and a retiree medical plan.

*Continued on the next page*

## Retirement Dates Always Effective the 1st of the Month


Some employers are telling employees who are terminating that they must work on the 1st of the month to have health insurance coverage, *even if they are planning to retire that month. This is not correct!*

If you are an employee who is *retiring*, your retirement *effective date* is the 1st of the month. If you work on the first day of any given month, you must then delay your retirement effective date until the 1st of the following month. For example, if you want to retire May 1, you must terminate no later than April 30. The division has had some employees who have had to wait an extra month to retire because their employers told them they must work on the 1st of the month.

If you are eligible for **AlaskaCare** system-paid medical when you retire, you have health insurance coverage immediately. If you are not eligible for system-paid medical when you retire, because of age or insufficient years of credited service, you can opt to purchase health insurance coverage immediately upon retirement or during an annual open enrollment period.

If you are terminating your position but *not* retiring, health insurance coverage continues through the *end of the month*

in which you terminate. This is also the case for most, but not all, political subdivision employees. (Check with your employer.) So, for example, if you are a state employee and you terminate on the 1st, 2nd, or 3rd, etc. day of a month, your health insurance coverage continues to the end of that month.

**Bottom line**—if you *want to retire* on the 1st of a given month, you *must not work* the 1st of that month. 

## IN THIS ISSUE

PERS Performance in Fiscal Year 2023.....	1
Retirement Dates: Always Effective the 1st of the Month.....	1
Retirees In Touch: Hilary Matthews.....	2
Walk-in or Scheduled Appointment.....	4
Alaska Cost-of-Living Allowance (COLA).....	5
Friendly Reminder: Update Your Beneficiary Forms.....	6
2024 Benefit Mailing Dates.....	8

# Retirees In Touch: Hilary Matthews

## From London to Alaska

“You’re going to live...*where?*”

Hilary Matthews was asked this question many times by friends and family upon her leaving London in 1980. She was a newlywed and her husband had recently decided to become a commercial fisherman in Alaska. Moving from a flat in a major metropolitan city to a small trailer in Kasilof, Alaska, Hilary was on her way to becoming a full-fledged Alaskan—and her digging a well was her initiation to this new life.

Hilary had been a teacher in London for nine years before heading out on her new adventurous stage in life. She began substitute teaching in the Kenai Peninsula Borough School District (KPBSD). She had a steep learning curve as she navigated her way through new educational terminology and different ways of doing things, but found that at its core, teaching was very much the same as it had been in England. In 1984, Hilary began teaching Language Arts as a full-time teacher at Soldotna High School, later moving to Skyview High School when it opened in 1990.

Alongside learning the ways of the American teaching style, Hilary also learned how to be a deckhand on a drift gillnet boat in the Cook Inlet, assisting her husband from time to time. In 1984, she and her husband moved into



the new home they had built together with friends in true Alaskan fashion. Eventually, Hilary persuaded her husband to find another deckhand, freeing her up to return to London every summer to visit family and friends.

In 1999, Hilary retired from the KPBSD and together with her husband, moved back to London, selling their home and purchasing a small cabin to return to every summer. She continued to teach in London at a junior college until retiring in 2011. Her husband continued to fish until poor health forced him to retire in 2010. Sadly, he passed away in 2019, but Hilary still has their cabin in Kasilof in Alaska and will continue to travel back as long as she is able.

In the 20 years Hilary spent in Alaska, she forged some very important and rock-solid friendships with fellow teachers and fisher folk. Her State of Alaska retirement has helped her be able to return to Alaska every summer and to travel worldwide—many countries in Europe, Vietnam, Cambodia, Jordan, Iran, Namibia, Uganda, Kenya, and hopefully many more. 🐟

Have a story you’d like to share? Visit [drb.alaska.gov/retiree/intouch/submit.html](http://drb.alaska.gov/retiree/intouch/submit.html) to learn how!

## PERS Performance in Fiscal Year 2023

*Continued from the previous page*

### Summary of Fiscal Year 2023

- There were 151 PERS employers.
- At June 30, 2023, there were 8,557 PERS DB plan employees and 26,261 PERS DCR plan employees.
- PERS employers paid 22% of each employee’s gross salary in addition to the contributions paid by the covered employees. The State of Alaska as an employer paid 24.79% of each employee’s gross salary in addition to the contributions paid by the covered employees. The State of Alaska paid an additional \$33,933,000, on-behalf of all other employers, to meet the actuarially determined contribution rate of 24.79%.
- Based on the June 30, 2022 actuarial valuation report, there were 38,243 people who received monthly PERS DB pension benefits, an increase of 1.4% over the prior year. PERS DB Pension retirees and beneficiaries received an average annual pension of \$26,481.

*Continued on the next page*

# PERS Performance in Fiscal Year 2023

Continued from the previous page

## Changes in PERS Assets During Fiscal Year 2023

	DB Plan		DCR Plan	
Fiduciary Net Position at June 30, 2022	\$	19,685,274,000	\$	2,767,416,000
<b>Additions</b>				
Employer Contributions	\$	438,566,000	\$	154,740,000
Plan Member Contributions		79,968,000		137,925,000
State of Alaska Contributions		33,933,000		-
Net Investment Income		1,458,869,000		309,171,000
Other		119,634,000		408,000
<b>Total Additions</b>	\$	2,130,970,000	\$	602,244,000
<b>Deductions</b>				
Pension Benefits Paid	\$	1,012,696,000	\$	-
Healthcare Benefits Paid		551,353,000		1,868,000
Member Refunds and Disbursements		10,099,000		104,981,000
Administrative Expenses		28,385,000		6,232,000
<b>Total Deductions</b>	\$	1,602,533,000	\$	113,081,000
Fiduciary Net Position at June 30, 2023	\$	20,213,711,000	\$	3,256,579,000

## Statement of PERS Assets as of June 30, 2023

	DB Plan		DCR Plan	
<b>Assets</b>				
Short-Term Investments	\$	195,949,000	\$	14,674,000
Securities Lending Collateral		22,586,000		1,225,000
Empower Account		-		1,051,000
Other Receivables		37,538,000		12,951,000
Investments, at Fair Value		20,036,878,000		3,228,949,000
Other Assets		981,000		-
<b>Total Assets</b>	\$	20,293,932,000	\$	3,258,850,000
<b>Liabilities</b>				
Securities Lending Collateral Payable	\$	22,586,000	\$	1,225,000
Accrued Expenses and Other Liabilities		57,635,000		1,046,000
<b>Total Liabilities</b>		\$80,221,000		\$2,271,000
Fiduciary Net Position at June 30, 2023	\$	20,213,711,000	\$	3,256,579,000

# Walk-in or Scheduled Appointment

The value of time can be immeasurable, and we want to make sure we maximize the time we have with you. The Division of Retirement and Benefits offers you the choice of either a walk-in or scheduled appointment. We want to help you get the most out of your interactions with the Division, so if you are wondering which option would be better for you and your situation, please read the following guidelines.

## Walk-in Appointments

Walk-in appointments should be limited to business that can be accomplished within 10-15 minutes. This includes dropping off forms, submitting your retirement application, a quick review of your documents, and notarization of relevant Division documents.

### Juneau Reception Hours

333 Willoughby Avenue  
State Office Building, 6th Floor  
Juneau, Alaska, 99801

*Monday - Friday:* 8 a.m. - 5 p.m.

### Anchorage Reception Hours

550 W. 7th Avenue., Robert B. Atwood Building,  
Suite 1200  
Anchorage, Alaska, 99501

*Monday - Wednesday:* 8 a.m. - 4:30 p.m.

*Thursday - Friday:* 8 a.m. - 3 p.m.

*Walk-In:* Monday - Friday: 12 - 1 p.m.

**Please note:** We are unable to notarize non-Division related documents.

Many documents may be submitted to the Division electronically, but some are required to be received by mail or in-person. General questions and requests for information can be handled by our Member Education Center, staffed by our team of professional representatives, toll-free at (800) 821-2251 or in Juneau at (907) 465-4460 during regular business hours.

Although our staff enjoys our personal one-on-one meetings, phone calls and online submissions will save you driving time and the stress of finding parking.

## Scheduled Appointments—Three Options

- **Option 1:** In Juneau, forms and document review and Division notary services are 10-to-15-minute appointment(s) that ensure you will be able to review, discuss, or meet with a Division representative. In Anchorage, these in-person services are conducted by the Division receptionist.


This service provides an in-person touch and gives you peace of mind that your documents were submitted and completed correctly.

- **Option 2:** Review and submission of your retirement application. This 30-minute in-person, telephonic, or online appointment is a convenient way to ensure you have properly completed and submitted your Division retirement application.
- **Option 3:** Scheduling an appointment. These one-hour appointments are available in person in Juneau and Anchorage, or by phone, regardless of where you live. Phone appointments are ideal for those who are unable to travel to our offices or find a phone call a more convenient way to interact with us. Appointments can be scheduled online at [drb.alaska.gov/contact/counseling.html](http://drb.alaska.gov/contact/counseling.html) or by calling our Member Education Center toll-free at (800) 821-2251 during regular business hours.

Scheduling an appointment with a senior benefits counselor may be the best solution to review complex questions and concerns. Including retirement projections, in-depth questions about service and retirement eligibility, coordination between the State-administered plans in which you participate, and other retirement and benefit-related questions that require additional time and review.

To book an appointment, please visit our Counseling Services webpage, [drb.alaska.gov/contact/counseling.html](http://drb.alaska.gov/contact/counseling.html).



Your time is very important to us. If you have comments or recommendations, please email Roberto Aceveda at [Roberto.Aceveda@alaska.gov](mailto:Roberto.Aceveda@alaska.gov). 



# Alaska Cost-of-Living Allowance (COLA)

## A Refresher

The Alaska Cost-of-Living Allowance (COLA) was established in 1966 to assist retirees who elect to remain in state to defray the higher cost of living in Alaska. If you are eligible, you may receive the COLA in addition to your monthly benefit. The amount of COLA a PERS member receives is 10% of their base retirement benefit (or a minimum of \$50 per month, whichever is larger).

### Who is Eligible to Receive COLA?

If you reside in Alaska after you retire, you may receive COLA in addition to your regular monthly benefit. PERS Tier I retirees and their survivors are eligible upon retirement, regardless of age. All other PERS Defined Benefit Plan retirees and their survivors are eligible at age 65. All members receiving disability benefits are eligible, regardless of age or date of hire.

“Residing in Alaska” means domiciled and physically present in Alaska. A domicile is that place where you have your true, fixed, and permanent home and principal establishment and to which, whenever you are absent, you intend to return. An absence, which exceeds 90 days, constitutes a break in residency for COLA purposes.

If you become a resident out of state and later return to Alaska and become a resident again, you are eligible to receive COLA if you complete and submit the necessary forms. You will not lose COLA permanently; you can stop and start it.

### If I leave Alaska on a trip, will I be entitled to COLA while I am away?

Yes, you are entitled to COLA during the time you are gone if you return to Alaska in less than 91 days. Please note that a period of 90 consecutive days does not start over with a new calendar year. You may be asked to provide copies of your travel documentation, which shows your departure and return dates.

You are NOT eligible for COLA and you are required to notify the Division in writing (use form 02-824a or your own written notice, [drb.alaska.gov/docs/forms/02-824a.pdf](http://drb.alaska.gov/docs/forms/02-824a.pdf)) if:

- You intend to be gone from Alaska continuously for more than 90 days;
- Your current absence exceeds 90 consecutive days (COLA entitlement ends retroactively to the end of the month of your departure from Alaska); or



- Your principal domicile is no longer in Alaska.

### Am I entitled to COLA if I am gone from Alaska for more than 90 days due to illness?

You may continue to receive COLA for up to 6 months if:

1. You are out of Alaska because of illness, and
2. Your physician certifies your absence is necessary on a form (gen023) provided by the Division, [drb.alaska.gov/docs/forms/gen023.pdf](http://drb.alaska.gov/docs/forms/gen023.pdf).

If your absence exceeds six months, COLA will stop on the first day of the seventh month following the date you left. If your illness began before leaving Alaska, you must make every effort to notify the Division before departing Alaska.

### When does COLA stop and start?

COLA will stop on the first of the month following your departure from Alaska. If you receive COLA to which you are not entitled, you are required to repay it to the PERS. The Division will notify you of your options for repaying an overpayment. COLA will start again on the first of the month AFTER:

- You return to Alaska; and
- Your notification (form 02-1896a) is received by the Division, [drb.alaska.gov/docs/forms/02-1896.pdf](http://drb.alaska.gov/docs/forms/02-1896.pdf).

If your notification is received or postmarked after the first of the month, COLA will not start again until the following month, regardless of your return date to Alaska. To avoid missing out on COLA benefits, you should submit your notification as soon as you return to

Continued on page 7

# Friendly Reminder: Update Your Beneficiary Forms



One of the most important things you can do for your retirement benefits is keep your beneficiary forms up-to-date. It is one aspect that is constantly overlooked. When is the last time you updated yours?

## Important Reasons to Update your Beneficiary Form

- A change in marital status
- Birth or adoption of a child
- Death of a loved one
- Beneficiary move
- Beneficiary name change

In the event of your passing, we must be able to locate your beneficiaries in order to pay them your death benefits. Correct and updated information on file can ensure this process is done in a timely manner and sent to the correct person. Without the up-to-date information on file, this may cause unwanted hardship and a delay in the processing of your benefits.

A trust or will does not take the place of a designated beneficiary form. If you update your will, you must update your beneficiary forms as well. Please note, you can name a trust as a beneficiary, but not a will. Please submit a copy of the trust along with the beneficiary form if you do decide to name a trust as a beneficiary. Any changes made to the trust after it has been accepted will not be valid unless you submit a new copy and a new beneficiary form.

Keeping up-to-date beneficiary information on all your accounts is easy to do and only takes a few minutes. Most importantly, you can feel confident that your loved ones will receive the assets you intend for them without delay.

Depending on your employer, your date of hire, and the plans in which you have elected to participate, you may be enrolled in numerous plans administered by the Division of Retirement and Benefits (Division) which may require beneficiary updates.

## Update Beneficiary Forms On All Your Accounts

### Where to update your beneficiaries:

Updates for the PERS Defined Benefit plan (Tiers I, II, III) and PERS Voluntary Savings plan (Tiers I, II, III) are made by paper form, which can be found on the Division's website at [drb.alaska.gov/docs](http://drb.alaska.gov/docs).

State of Alaska employees, do not forget to update your *Designation of Beneficiary for Unpaid Compensation* form, [doa.alaska.gov/doff/forms/resource/desig.pdf](http://doa.alaska.gov/doff/forms/resource/desig.pdf).

*Return this completed form to your Payroll Services Section, Agency HR Office, or send it directly to:*

*Department of Administration  
Division of Finance, Payroll Section,  
P.O. Box 110204,  
Juneau AK 99811-0204.*

### BenefitFocus (Voluntary Benefits)

- Active Members Basic/Select Life Insurance
- Voluntary Supplemental Life Insurance
- Accidental Death and Dismemberment

The previously listed plans must designate and update their beneficiaries on the BenefitFocus website at [secure3-enroll.com/go/soa](http://secure3-enroll.com/go/soa).

After logging in, you can update your beneficiaries by clicking on the "Benefits" section. For assistance, please call BenefitFocus at (844) 939-0543.

### Empower Retirement

New State and Political Subdivision employees need to designate beneficiaries with Empower Retirement a week after their first payroll.

To review or update your beneficiaries for the plans above, please log in to your account at [akdrb.com](http://akdrb.com). Click "Account", choose the applicable plan, click "Account Overview", and then click "Beneficiaries". For assistance, please call Empower Retirement at (800) 232-0859.

*Continued on the next page*

# Alaska Cost-of-Living Allowance (COLA)

*Continued from page 5*

Alaska. You may hand-deliver or mail your notification form to the Division. Mailed notifications must be postmarked in Alaska. Private meter postmarks will not be accepted. If a postmark date is illegible, your notification is presumed to have been mailed five working days before the date the notification is received.


## Are there different rules if I am an alternate payee?

A QDRO can award a portion of this allowance to the alternate payee in the same proportion as the regular benefit. Although it is highly recommended the order specifically address this allowance, in those orders that do not and where the alternate payee is not receiving a flat dollar amount of the regular benefit, we will assume COLA is also a shared entitlement. Eligibility to receive

COLA is based on where the member resides. No alternate payee may receive a portion of the COLA if the member lives outside Alaska.

**PERS Alaska Statute 39.35.670**—A person who knowingly makes a false statement, or falsifies or permits to be falsified a record of this system, in an attempt to defraud the system, is guilty of a Class A Misdemeanor and upon conviction is punishable by a fine of not more than \$500 or by imprisonment for not more than 12 months, or by both.

## Still have questions?

Please contact the Division to speak with a representative. You can find more COLA information and all of the associated forms on our Forms & Documents webpage, [drb.alaska.gov/docs](http://drb.alaska.gov/docs). 

# Friendly Reminder: Update Your Beneficiary Forms

*Continued from the previous page*

## Have You Recently Added a Dependent or Did You Lose a Dependent?

### Active Members

In the event of a marital status change or the birth or adoption of a child:

- Notify Human Resources of your status change.
- Update your health plan dependents.
- Update health and/or voluntary benefit elections.
- If you experience a divorce or dissolution, submit divorce documents to the Division and notify your employer to change your marital status.
- Update all beneficiary forms as needed.

### In the event of a deceased dependent:

- Notify Human Resources of your status change.
- Update your health plan dependents.
- Update your health, and/or voluntary benefit elections.
- Notify the Division and submit death certificate.
- Update all beneficiary forms as needed.

### Retired Members

In the event of a marital status change or the birth or adoption of a child:

- Notify the Division of your status change, [drb.alaska.gov/docs/forms/02-1854r.pdf](http://drb.alaska.gov/docs/forms/02-1854r.pdf).

- Update your health plan dependents.
- Update health, dental-vision-audio, and/or long-term care benefit elections.
- If you experience a divorce or dissolution, submit divorce documents to the Division.
- Update all beneficiary forms as needed.


### In the event of a deceased dependent:

- Notify the Division and submit death certificate, [drb.alaska.gov/retiree/survivor.html#death](http://drb.alaska.gov/retiree/survivor.html#death).
- Update your health plan dependents.
- Update your health, life, dental-vision-audio, and/or long-term care benefit elections, [drb.alaska.gov/docs/forms/02-1854r.pdf](http://drb.alaska.gov/docs/forms/02-1854r.pdf).
- Update all beneficiary forms as needed.

As a friendly reminder—when updating beneficiaries, keep in mind other accounts in your estate, such as life insurance plans, IRAs, bank, and brokerage accounts.

## Questions?

If you have questions or need assistance, please contact the Division of Retirement and Benefits Member Education Center toll-free at (800) 821-2251, in Juneau at (907) 465-4460. 8:30 a.m. to 4 p.m. Monday-Thursday and 8:30 a.m. to 3 p.m. Friday Alaska Time.

You may also contact customer service representatives by email at [doa.drb.mscc@alaska.gov](mailto:doa.drb.mscc@alaska.gov). 

Published by  
**State of Alaska Division of  
Retirement and Benefits**

State Office Building  
333 Willoughby Avenue  
6th Floor  
P.O. Box 110203  
Juneau, AK 99811-0203

**Member Education Center**

8:30 a.m. – 4 p.m.  
Monday – Thursday

8:30 a.m. – 3 p.m.  
Friday

(907) 465-4460  
(800) 821-2251  
TDD: (907) 465-2805  
Fax: (907) 465-3086

[doa.drb.mscc@alaska.gov](mailto:doa.drb.mscc@alaska.gov)

[drb.alaska.gov](http://drb.alaska.gov)

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.

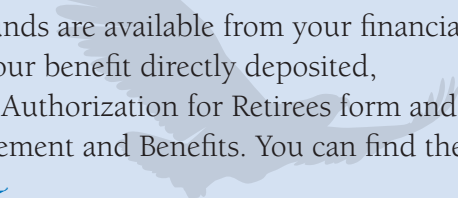
**Note:** The Division of Retirement and Benefits is unable to unsubscribe members from our mailing list at this time. The Division has a fiduciary duty to provide both its active and retired members with information regarding their health and retirement benefits, including—but not limited to—benefit 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.

State of Alaska Division of Retirement and Benefits  
P.O. Box 110203  
Juneau, AK 99811-0203

## 2024 Benefit Mailing Dates

Retiree benefits will be mailed on the following dates in 2024:

- January 25
- February 23
- March 21
- April 25
- May 23
- June 25
- July 25
- August 22
- September 25
- October 24
- November 25
- 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 [drb.alaska.gov/docs/payroll](http://drb.alaska.gov/docs/payroll). 



Stay up to date on upcoming seminars, events, and tips for your retirement.  
Join us at:

[Facebook.com/AlaskaDRB](https://Facebook.com/AlaskaDRB)  
[Twitter.com/AlaskaDRB](https://Twitter.com/AlaskaDRB)