



# TRS

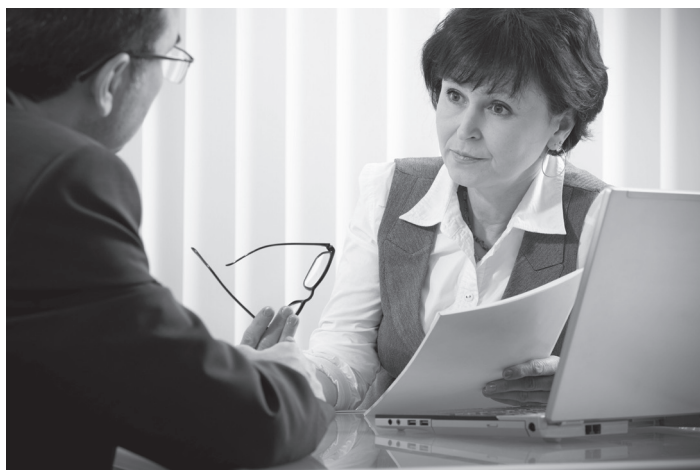
# newsbreak

Alaska Teachers' Retirement System

March 2013

Number 108

## Counselor Corner Choosing a Survivor Benefit



Before a member retires, it's important to select a survivor benefit. This decision is crucial because once the survivor benefit is finalized, it cannot be changed. Members often struggle with selecting a survivor option at the time of retirement because they understand the importance of this decision. However, counselors are sometimes asked for statistical data concerning the most popular choice to assist in making a decision.

Although in many circumstances statistical data can be very important, in this case it's essential to look at your unique circumstances and make a decision based on your situation. Do you want to make one of the single most important retirement decisions, a decision you can't change in the future, based on what is best for you and your family? Or, do you want to make this decision based on advice from colleagues and friends?

To better understand the options available to you, plan to meet with a counselor at least three months prior to your anticipated retirement date. A counselor can explain each survivor option and the impacts of each selection. Ask questions if you do

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## Report from the Field Meet Mike Doss



Mike has worked with the Division of Retirement and Benefits since May 2010. He began in the call center, moved to the disability unit, and now serves as a regional counselor for Southeast Alaska.

He graduated from Western State College in Gunnison, Colorado with a degree in Business Administration and a minor in Economics. After graduation, his parents invited him to Juneau for a visit and he fell in love with the state. Alaska continued to be good to him, as this is where he met his wife, Phyllis. And after a few years in Juneau, they moved to Anchorage where their daughter, Brianna, was born.

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# Alaska Retirement Management Board Meeting

## April 18 to 19

### Centennial Hall, Juneau

Alaska Retirement Management Board (ARMB) meetings are open to the public. Minutes of past meetings and meeting agendas can be found at [alaska.gov/drb/boards/](http://alaska.gov/drb/boards/). If you have questions, contact Judy Hall, ARMB liaison, at (907) 465-3749. ♦

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## Counselor Corner: Choosing a Survivor Benefit



not fully understand the information. Find out how it will impact your monthly benefit or your spouse's access to health insurance.

Your unique financial portfolio, life circumstance, and anticipated retirement needs should govern your decisions.

You should weigh your total savings, assets and liabilities, and standard of living for retirement. Consider the income available if either you or your spouse or qualified same-sex partner were to die. Look at your net income(s) after tax and insurance deductions. It's important to consider other plans including the Supplemental Benefit System – Annuity Plan, Deferred Compensation Plan, or a traditional or a Roth IRA.

Calculate the available income for retirement based on two people, and compare it to retirement income based on one. Be sure to take into account your mortgage and/or rent, tuition expenses or rental income. Consider your retirement savings, retirement needs, and anticipated lifestyle. Once you've gathered all of the information you need and you've become familiar with the options available, it's time to choose the survivor benefit that is right for you and your family.

If you have retirement questions, make an appointment with a retirement counselor by calling toll-free (800) 821-2251 or in Juneau (907) 465-4460 or email us at [doa.drb.retireme@alaska.gov](mailto:doa.drb.retireme@alaska.gov). Stay tuned for Counselor Corner in the next Newsbreak. ♦

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## Report from the Field: Meet Mike Doss

Several of Mike's previous positions required traveling and presenting to a variety of clientele. He worked for Alaska Airlines where he was able to travel throughout Alaska. During this time he was based in Juneau, Anchorage, San Diego and Seattle. Mike also worked in the marketing department with Tyco Electronics where he met with clients to review corporate programs and employee benefits. He gained valuable insurance and benefit experience working for the Metropolitan Life Insurance Company. He worked with mutual funds and other investment options offering a solid complement to the retirement portfolios of his clients.

Mike loves being outdoors in winter and summer. If you watch closely, you may spot him running or hiking on a

variety of trails in the Juneau area.

He looks forward to getting out on the road and meeting with retirement plan members. In the coming months, Mike will travel to Cordova, Ketchikan, Prince of Wales Island, Yakutat and Hoonah. He likes being able to educate plan members regarding the choices available and retirement options. As a counselor, he can't recommend an election or investment option. But, by making you aware of the options available and where to locate additional resources, you will be able to make informed decisions. Mike enjoys the variety of personalities and retirement scenarios he routinely encounters. He finds it gratifying to know he is helping members better prepare for their financial future. ♦

# TRS Performance in Fiscal Year 2012

The Division of Retirement and Benefits (Division) prepares a Comprehensive Annual Financial Report (CAFR) which is available online at [alaska.gov/drb/trs/trscafr.html](http://alaska.gov/drb/trs/trscafr.html). The Teachers' Retirement System (TRS) 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/trs/actuarial-valuation.html](http://alaska.gov/drb/trs/actuarial-valuation.html). This report contains the funding status of the TRS, as well as the data, assumptions, and methods used to develop contribution rate recommendations. As of June 30, 2011, the date of the latest actuarial valuation, the Defined Benefit Unfunded Accrued Liability was \$4,190,858,000.

A summary of the TRS Financial Statements as of June 30, 2012 is reported below.

## Summary of Fiscal Year (FY) 2012

- There were 58 TRS employers.
- Based on the June 30, 2011 actuarial valuation, there were 7,303 TRS DB employees. There were 3,128 TRS DCR employees as of June 30, 2012.
- \$37 million in interest was credited to TRS employees' accounts.
- TRS employers paid 12.56% of each employee's gross salary in addition to the contributions paid by the covered employees. The state paid an extra 32.99% to meet the actuarially determined contribution rate of 45.55%.
- Based on the June 30, 2011 actuarial valuation, there were 11,016 people received monthly TRS pension benefits, an increase of 3.9% over the prior year. TRS retirees and beneficiaries received an average annual pension benefit of \$32,789.



### Changes in TRS Assets During Fiscal Year 2012

	Defined Benefit	Defined Contribution
<b>Additions and Deductions</b>		
Net Assets on June 30, 2011 .....	\$4,732,860,000	\$110,043,000
<b>Additions</b>		
Employer Contributions .....	74,470,000	21,239,000
Plan Member Contributions.....	52,203,000	16,095,000
State of Alaska Contributions.....	234,517,000	-
Net investment income .....	13,655,000	246,000
Other .....	12,552,000	-
<b>Total Additions .....</b>	<b>387,397,000</b>	<b>37,580,000</b>
<b>Deductions</b>		
Pension Benefits Paid .....	361,202,000	-
Healthcare Benefits Paid.....	110,632,000	-
Refunds to Members.....	2,637,000	2,791,000
Administrative Expenses.....	6,098,000	583,000
<b>Total Deductions .....</b>	<b>480,569,000</b>	<b>3,374,000</b>
<b>Net Assets on June 30, 2012.....</b>	<b>\$4,639,688,000</b>	<b>\$144,249,000</b>

### Statement of TRS Assets as of June 30, 2012

<b>Assets</b>		
Short-Term Investments.....	\$88,548,000	\$4,572,000
Great-West Account.....		863,000
Other Receivables .....	6,651,000	2,630,000
Investments, at Fair Value .....	4,561,367,000	136,965,000
Other Assets.....	1,179,000	-
<b>Total Assets.....</b>	<b>\$4,657,745,000</b>	<b>145,030,000</b>
<b>Liabilities</b>		
Accrued Expenses and Other Liabilities .....	18,057,000	781,000
<b>Total Liabilities.....</b>	<b>18,057,000</b>	<b>781,000</b>
<b>Net Assets on June 30, 2012 .....</b>	<b>\$4,639,688,000</b>	<b>\$144,249,000</b>

# TRSnewsbreak

for TRS Tiers I and II members

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*The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). The TRS 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.*

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The page can be found at  
[www.facebook.com/AlaskaDRB](http://www.facebook.com/AlaskaDRB)



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