

Report from the Field: Meet Michelle Holland-Zenger



Michelle Holland-Zenger is a Retirement and Benefits Specialist with the Division of Retirement and Benefits' Counseling and Benefit Education unit and works in Juneau. She was born and raised in south Texas. Her family moved to Juneau late in the summer of 1979 when her father took a job as an Area Biologist for the Alaska Department of Fish and Game in the Fisheries Rehabilitation and Enhancement Division (FRED). After graduating from Juneau-Douglas High School, she attended the Oregon College of Art and Southern Oregon

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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 TRS member receives is 10% of their base retirement benefit (no minimum amount).

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. TRS Tier I retirees and their survivors are eligible upon retirement, regardless of age. All other TRS Defined Benefit Plan retirees and their survivors are eligible at age 65, and they must apply for COLA when they are first eligible to receive it. 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.

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Post-Retirement Pension Adjustment Will Be Paid with July 2017 Check

The 2017 automatic Post Retirement Pension Adjustment (PRPA) will be paid with the July 2017 check. A retiree MUST have been receiving a benefit in the prior year (2016) to be eligible for the 2017 PRPA. Eligible recipients, who have not received pension benefits during the entire preceding calendar year, will receive a prorated PRPA.

The automatic PRPA is payable to a Teachers' Retirement System (TRS) retiree as follows:

- If you are under age 60 and retired for five years or more on or before July 1, 2017, or are a retiree age 60 to 64 on July 1, 2017 who has received benefits in the preceding year, you will receive 50% (0.065%) of the Consumer Price Index (CPI) change during 2016.

- If you are a retiree age 65 or older or a disability benefit recipient, you will receive 75% (0.097%) of the CPI change during 2016.
- The automatic PRPA for survivor benefit recipients is calculated on the member's eligibility.

The CPI for the 2017 PRPA is 0.130%.

If you do not meet any of the above criteria, you are not eligible.

Due to fund conditions, the Division did not recommend an ad hoc PRPA for 2017. The ad hoc PRPA is defined in statute as, "...based on the financial condition of the retirement funds." 🐦

- This example shows a retiree who is receiving a benefit from TRS.
- Your statement will show more than one benefit if you worked for both retirement systems or if you are also receiving a survivor's benefit.
 1. Prior PRPAs: The combined monthly amount of all PRPAs paid from the date you retired through June 30, 2017.
 2. 2017 Automatic PRPA: This is effective July 1, 2017, based on the change in consumer price index (CPI).

Example of monthly statement:

Monthly Benefit Summary			
Base Benefits		Deductions	
TRS ORIGINAL BASE	\$XX.XX	TRS FED INCOME WITHHOLD	\$XX.XX
1) TRS PRIOR PRPAS	\$XX.XX	TRS DENTAL, VISION, AUDIO	\$XX.XX
2) TRS 2017 AUTOMATIC PRPA	\$XX.XX	TRS OPTIONAL LIFE INSUR	\$XX.XX
		TRS LONG TERM CARE - RET	\$XX.XX

Alaska Retirement Management Board Meeting

June 22-23, 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 Stephanie Alexander, ARMB liaison, at (907) 465-3749.

Retirees in Touch: Joseph and Miriam Walstad

Joseph Walstad brought his wife, Miriam, and youngest three children to Alaska in 1962, taking the pastorate of Hillcrest Presbyterian Church on Government Hill in Anchorage. Joseph and Miriam shifted gears in 1965, taking course work at the University of Alaska in both Anchorage and Fairbanks, earning their Alaska Teacher Certificates and taking up residence near Talkeetna. Miriam taught school in Talkeetna and Joseph taught at the school across the river in Trapper Creek, and later transferred to the school in Willow. The Walstads were able to build their own home on a forty-acre home site near Sunshine with their own hands and occasional help from friends. When away from their responsibilities of teaching elementary students, one would find them serving area churches, performing marriages, funerals, and providing counseling services. On one special occasion, Joseph was flown along with the wedding party to a glacier on Mt. McKinley (Denali) where he performed the wedding ceremony.

After retiring from school teaching in 1977, Joseph and Miriam devoted more time to travel and serving churches in remote places. In '78, Joseph and Miriam held Holy Week services in Kaktovik, and the following year they spent two weeks serving on St. Lawrence Island.

Facing health challenges in 1982, Joseph and Miriam sold their property near Talkeetna and moved to Roswell, New Mexico. With health returning, the couple traveled throughout the "Lower 48" and abroad,



exploring Joseph's homeland and looking up relatives in Norway and Sweden. Another overseas trip took them to Korea and Japan, where they looked up longtime friends they had made throughout their lives in ministry.

Though certainly not wealthy by the world's standards, Joseph and Miriam were able to enjoy retirement and continue their life of service to others due to the benefits provided through the Alaska Teachers' Retirement system, their own deliberate savings programs, and their own hard work and life of self-sacrifice.

In October 2015, Miriam departed this life having reached the age of 99. Joseph, now living with his son in Las Cruces, New Mexico, continues to live out his days, making it to church every Sunday and enjoying the visits of family members. He celebrated his 100th birthday with a big celebration, planned by his four children, in April 2017. 🐦



Alaska Retirement Systems Market Value: April 30, 2017

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

\$17,291,798,952

TEACHERS' RETIREMENT SYSTEM

\$8,443,565,299

JUDICIAL RETIREMENT SYSTEM

\$190,317,841

NATIONAL GUARD/NAVAL MILITIA RETIREMENT SYSTEM

\$37,959,687

ALASKA SUPPLEMENTAL ANNUITY PLAN

\$3,654,666,187

ALASKA DEFERRED COMPENSATION PLAN

\$871,310,434

TRS Performance in Fiscal Year 2016

The Division of Retirement and Benefits (Division) prepares a Comprehensive Annual Financial Report (CAFR) which is available online at alaska.gov/drb/trs/employee/resources/cafr.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/employee/resources/actuarialValuationReports.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, 2015, the date of the latest actuarial valuation, the Defined Benefit Unfunded Accrued Liability was \$1,620,194,000.

Tiers I and II include a defined benefit pension plan and the Alaska retiree healthcare trust. Tier III includes a defined contribution pension plan, an occupational death and disability plan, a healthcare reimbursement arrangement, and a retiree medical plan.

A summary of the TRS Financial Statements as of June 30, 2016 is reported below.

Summary of Fiscal Year 2016

- There were 57 TRS employers.
- At June 30, 2016, there were 5,502 TRS Defined Benefit and 4,095 TRS Defined Contribution employees.
- 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 additional \$130,108,000 to meet the actuarially determined contribution rate of 29.27%.
- Based on the June 30, 2015 actuarial valuation, there were 12,418 people who received monthly TRS pension benefits, an increase of 5.7% over the prior year. TRS retirees and beneficiaries received an average annual pension benefit of \$35,086.

Changes in TRS Assets During Fiscal Year 2016

	Defined Benefit	Defined Contribution
Fiduciary Net Position on June 30, 2015	\$ 7,835,921,000	\$ 332,817,000
Additions		
Employer Contributions	\$ 60,058,000	\$ 35,899,000
Plan Member Contributions	42,960,000	24,904,000
State of Alaska Contributions	130,108,000	-
Net Investment Income	(44,410,000)	876,000
Other	9,839,000	9,000
Total Additions	\$ 198,555,000	\$ 61,688,000
Deductions		
Pension Benefits Paid	\$ 435,699,000	\$ -
Healthcare Benefits Paid	122,954,000	-
Refunds to Members	1,883,000	7,677,000
Administrative Expenses	8,159,000	1,032,000
Total Deductions	\$ 568,695,000	\$ 8,709,000
Fiduciary Net Position on June 30, 2016	\$ 7,465,781,000	\$ 385,796,000

Statement of TRS Assets as of June 30, 2016

Assets		
Short-Term Investments	\$ 62,542,000	\$ 9,202,000
Empower Account	-	3,155,000
Other Receivables	6,305,000	4,515,000
Investments, at Fair Value	7,414,764,000	377,977,000
Other Assets	711,000	-
Total Assets	\$ 7,484,322,000	\$ 394,849,000
Liabilities		
Accrued Expenses and Other Liabilities	18,541,000	9,053,000
Total Liabilities	\$ 18,541,000	\$ 9,053,000
Fiduciary Net Position on June 30, 2016	\$ 7,465,781,000	\$ 385,796,000

Report from the Field: Meet Michelle Holland-Zenger

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State University in Ashland. She lived and worked in the Seattle area for several years, returning to Alaska in 1990. There she met her husband-to-be and decided Juneau would be home.

Michelle's background is in the field of Human Resources (HR), with experience in both public and private sectors. She began her career in HR with the Department of Public Safety, in the recruitment section. Leaving public service in 2001, she worked in the mining industry for many years, employed first by Hecla Greens Creek as a Senior HR Representative, and then the Kensington Gold Mine as Human Resources Manager. Mining required a significant commute and a lot of time away from home, so Michelle made the tough decision to "come back to town." She then worked as Special Assistant/Legislative Liaison for the Department of Labor and Workforce Development and as an Executive Assistant/Human Resources Manager with Juneau Alliance for Mental Health. In the HR role of coordinating and implementing people-related services, her favorite duties always revolved around positive interaction with people, including counseling and training on issues such as company policy, compensation practices, employment expectations and benefits.

Michelle is pleased to have been selected for the Regional Counselor position with Retirement and Benefits. Working on the Benefit Education team allows her to concentrate on the things she loves—interacting with and educating people. After being employed by the Division for a year, she says, "I enjoy meeting people, listening and understanding what members are seeking to gain and the ability to provide information regarding the numerous benefits available. Every time I prepare for a counseling session, it's like a puzzle, pulling the pieces together to make certain I can share information that is pertinent to each member. It's very satisfying work."

She also understands that people make important life decisions based on the information provided by the counseling team, "My philosophy has always been to be honest if I don't know the answer, and then work diligently to find it and get it communicated. One of the things that I enjoy about this role is learning something new every day."

Michelle also really enjoys the people she works with. "I've had the good fortune to work with great groups of people over the years and Retirement and Benefit folks are no exception. Everyone here has such a high level of professionalism, and the fact they care about the people

we serve is evident. I hear it in the conversations and see it in the cooperation to get the member what they need, when they need it," she says.

Her best advice to members is to be proactive in understanding and participating in the benefits offered by employers. The State of Alaska and many Political Subdivisions offer excellent benefits for employees and retirees, and knowing what's available and how it might work best for you is key to maximizing those benefits. She recommends taking advantage of any, and all, of the tools available—seminars, individual counseling and the DRB website, to name a few.

These days, Michelle enjoys a healthy work/life balance, having been married for over twenty years. She and her husband Adam enjoy gardening, fishing, and cooking together. "Our favorite meals are the ones where everything is caught, grown and/or harvested. There is something very special about eating that way," she shares. They also have a three-year-old black Labrador named Ruby, who is unashamedly spoiled rotten. The three spend a lot of time in the garden, on the boat, and in the kitchen, where Ruby will eat just about anything the humans do—her favorite food is fresh, garden-grown carrots. 🐾



Alaska Cost-of-Living Allowance (COLA): A Refresher

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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) 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.

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 TRS. The Division will notify you of your options for repaying an overpayment. COLA will start again on the first of the month AFTER:

1. You return to Alaska; and

2. Your notification (form 02-1896a) is received by the Division.

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 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.

TRS Alaska Statute 14.25.210—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?

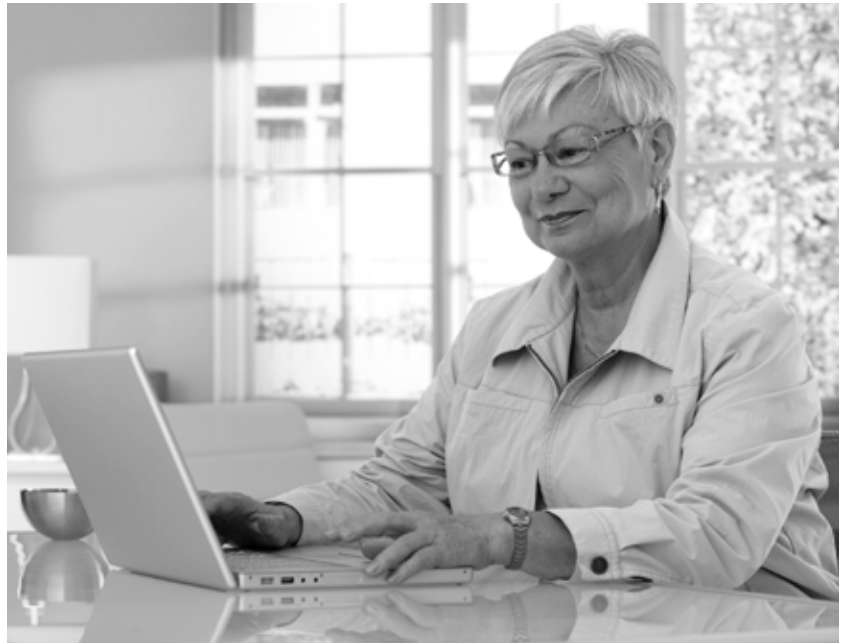
Please contact the Division to speak with a representative. You can find more COLA information and all of the associated forms on our website: doa.alaska.gov/drb/forms/cola-forms.html. 🐻



Accessing Your Retiree Direct Deposit Confirmations

In an effort to reduce costs and improve efficiency, the Division of Retirement and Benefits stopped printing and mailing Retiree Direct Deposit Confirmations in July 2012, saving the Division \$200,000 annually. Since this change was implemented, Direct Deposit Confirmations have been available online through the Division's member services portal, **myRnB**.

Just like you used to look at your paper confirmation, it is important to log on to **myRnB** each month and review your online Direct Deposit Confirmation. As a retiree, you are responsible for verifying the accuracy of your elected deductions, and to ensure you are not receiving an Alaska Cost of Living Allowance (COLA) to which you may not be entitled. If you do notice an error on your Direct Deposit Confirmation, please contact the Division.



MyRnB Logon Instructions

1. Go to Alaska.gov/drb to access the Division of Retirement and Benefits home page.
2. Select the blue **myRnB** button on the left side.
3. Select the "Login with MyAlaska account" button in the right column.
4. Sign in using your myAlaska username and password. This is the same username and password you use to file for your Permanent Fund Dividend (PFD) with the State of Alaska. If you do not have a myAlaska username and password, you will need to create these before using **myRnB** (Click "New User: Register for a myAlaska Account").
5. Once signed in, you will be taken to the **myRnB** page.
6. If you are a first-time user of **myRnB**, you will be asked to identify yourself by entering your Retirement Identification number (RIN) and your Social Security number (SSN). You will only be asked this information again if you change your myAlaska username.
7. Once successfully logged in, you will receive a welcome message and the Member Services button. Select Member Services.

8. You will find your Direct Deposit Confirmations under the "Retiree Services" header on the Member Services page.
9. You may now print or save the file for future reference.

For assistance with **myRnB**, contact the Division toll-free at (800) 821-2251 or in Juneau at (907) 465-4460 Monday - Thursday from 8:30 a.m. to 4 p.m. and Friday from 8:30 a.m. to 3 p.m. Alaska Time. You may also email us at doa.drb.mscc@alaska.gov. For email inquiries, be sure to include at least two of the following identifiers in addition to your full name:

- Your date of birth
- Your current mailing address
- Your current or last PERS or TRS employer

For assistance with myAlaska, please contact Enterprise Technology Services (ETS):

Email: myalaska.help@alaska.gov
Monday - Friday, 8 a.m. to 4:30 p.m. Alaska Time
Anchorage: (907) 269-6311
Fairbanks: (907) 451-5911
Juneau: (907) 465-5211

Retirees who would like to continue to receive paper Direct Deposit Confirmations should contact the Division. 🐦

TRSnewsbreak

for TRS Tiers I and II members

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Retirement and Benefits**

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Member Services Contact 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

Alaska.gov/drb

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.

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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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. 



Stay up to date on upcoming seminars, events, and tips for your retirement.

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