

You, Power of Attorney, and Your Benefits

What is Power of Attorney?

If you sign a power of attorney, you give another person (your agent) the right to make decisions for you and you give them the authority to carry out those decisions. You can give your agent broad powers to do almost anything you could do for yourself, known as a general power of attorney, or you can give the agent certain powers, or, a specific power of attorney.

What You Should Know

It is critically important that you trust the person you name as your agent. The authority you give as the “principal” can have a major impact on you. A person acting with a power of attorney does not have to answer to a court. There is no formal oversight of your agent regarding the decisions he or she makes on your behalf. You need to make sure your agent understands your wishes and desires.

You can choose to appoint an agent immediately or you can make the appointment effective only if you become disabled. In that case, your agent will have to have two affidavits from medical experts stating you are disabled and unable to make decisions before he or she can act on your behalf. You can limit the time your agent will have the power to act on your behalf or you can make the appointment “durable,” which means your agent will have powers even if you become disabled or otherwise incapacitated. You can also state the appointment will be revoked upon your incapacity. You should clearly state on your power of attorney form what powers you want your agent to have and when and under which conditions they are or will become effective. As long as you are competent, you do have the right to revoke a power of attorney. You must revoke a power of attorney in writing. If you write

Continued on page 2

TRS Performance in Fiscal Year 2019



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, 2018, the date of the latest actuarial valuation, the Defined Benefit Unfunded Actuarial Accrued Liability was \$1,520,131,000.

Continued on page 3

IN THIS ISSUE

You, Power of Attorney, and Your Benefits.....	1
TRS Performance in Fiscal Year 2019.....	1
Post Retirement Pension Adjustment.....	2
2020 Retiree Benefit Mailing Dates.....	3
We Want To Hear Your Story!.....	4

You, Power of Attorney, and Your Benefits

Continued from page 1

a new power of attorney naming a new agent, the new power of attorney supersedes the previous one as long as the powers are the same or similar.

You can also name more than one agent to act on your behalf. If you name more than one agent, you need to make it clear whether the agents can make decisions independently or they must act jointly.

Want to learn more about power of attorney or general information about filling out a power of attorney form? You can find more information about power of attorney in Alaska Legal Services Corporation's Power of Attorney Booklet available through the Alaska Court System's Self-Help Center at: courts.alaska.gov/shc/family/docs/poa-booklet.pdf.

Power of Attorney and Your Retirement Benefits

Have you given a power of attorney to someone? If you

have and you gave your agent the power to make decisions about your retirement benefits, please send a copy of the power of attorney to the Division of Retirement and Benefits. 🐦

Glossary

Agent:

The person authorized to act on the behalf of the principal.

Principal:

The person authorizing the other person—the agent—to act on their behalf. Also known as grantor or donor (of the power).

Power of Attorney:

A written document through which you can give another person (your agent) the right to make decisions for you and the authority to carry the decisions out.

Post Retirement Pension Adjustment Will be Paid with July 2020 Check

The automatic PRPA is payable to a Public Employees' Retirement System (PERS) retiree under age 60, if retired for five years or more on or before July 1, 2020, and a Teachers' Retirement System (TRS) retiree under age 60, if retired for eight years on or before July 1, 2020.

In addition to the above requirements, a retiree must have been receiving a benefit in the prior year (2019) to be eligible for the 2020 PRPA. Eligible recipients, who have not received pension benefits during the entire preceding calendar year, will receive a prorated PRPA.

If you meet these requirements or are age 60 to 64 on July 1, 2020, you will receive 50% (0.631%) of the

Consumer Price Index (CPI) change during 2019.

Retirees age 65 or older and all disability benefit recipients receive 75% (0.947%) of the CPI. The PRPA for survivor benefit recipients is calculated on the member's eligibility.

The CPI for the 2020 PRPA is 1.263%. 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 2020. 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, 2020.
 2. 2020 Automatic PRPA: This is effective July 1, 2020, based on the change in consumer price index (CPI).

Example of monthly statement:

Monthly Benefit Summary		
Base Benefits		
	TRS ORIGINAL BASE	\$XX.XX
1.	TRS PRIOR PRPAS	\$XX.XX
2.	TRS 2018 AUTOMATIC PRPA	\$XX.XX
Deductions		
	TRS FED INCOME WITHHOLD	\$XX.XX
	TRS DENTAL, VISION, AUDIO	\$XX.XX
	TRS OPTIONAL LIFE INSUR	\$XX.XX
	TRS LONG TERM CARE - RET	\$XX.XX

TRS Performance in Fiscal Year 2019

Continued from page 1

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

Summary of Fiscal Year 2019

- There were 57 TRS employers.
- There were 4,087 TRS Tier I-II employees and 5,218 TRS DCR 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 \$128,174,000 to meet the actuarially determined contribution rate of 28.90%.
- Based on the June 30, 2018 actuarial valuation, there were 13,277 people who received monthly TRS pension benefits, an increase of 2.3% over the prior year. TRS retirees and beneficiaries received an average annual pension benefit of \$35,431. 🐻

Changes in TRS Assets During Fiscal Year 2019

Additions and Deductions	Tiers I-II	TRS DCR
Fiduciary Net Position at June 30, 2018	\$ 8,342,862,000	\$ 594,560,000
Additions		
Employer Contributions.....	\$ 54,762,000	\$ 41,987,000
Plan Member Contributions.....	35,763,000	31,438,000
State of Alaska Contributions.....	127,365,000	-
Net Investment Income.....	484,155,000	41,096,000
Other.....	21,443,000	144,000
Total Additions	\$ 723,488,000	\$ 114,665,000
Deductions		
Pension Benefits Paid.....	\$ 470,414,000	\$ -
Healthcare Benefits Paid.....	143,126,000	101,000
Member Refunds and Disbursements.....	2,303,000	12,384,000
Administrative Expenses.....	9,259,000	1,324,000
Total Deductions	\$ 625,102,000	\$ 13,809,000
Fiduciary Net Position at June 30, 2019	\$ 8,441,248,000	\$ 695,416,000

Statement of TRS Assets as of June 30, 2019

Assets	Tiers I-II	TRS DCR
Short-Term Investments.....	\$ 158,258,000	\$ 4,417,000
Securities Lending Collateral.....	14,441,000	288,000
Empower Account.....	-	272,000
Other Receivables.....	12,335,000	8,050,000
Investments, at Fair Value.....	8,287,801,000	684,624,000
Other Assets.....	318,000	-
Total Assets	\$8,473,153,000	\$ 697,651,000
Liabilities		
Securities Lending Collateral Payable.....	\$ 14,441,000	\$ 288,000
Accrued Expenses and Other Liabilities...	17,464,000	1,947,000
Total Liabilities	\$ 31,905,000	\$ 2,235,000
Fiduciary Net Position at June 30, 2019	\$ 8,441,248,000	\$ 695,416,000

2020 Retiree Benefit Mailing Dates

Retiree benefits will be mailed on the following dates in 2020:

- | | |
|---------------|----------------|
| • January 24 | • July 23 |
| • February 25 | • August 25 |
| • March 25 | • September 24 |
| • April 23 | • October 23 |
| • May 21 | • November 24 |
| • June 25 | • December 22 |

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 [Alaska.gov/drb/checkDates](https://alaska.gov/drb/checkDates).

TRSnewsbreak

for TRS Tiers I and II members

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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

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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. Please keep your stories to 500 words or less. 



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