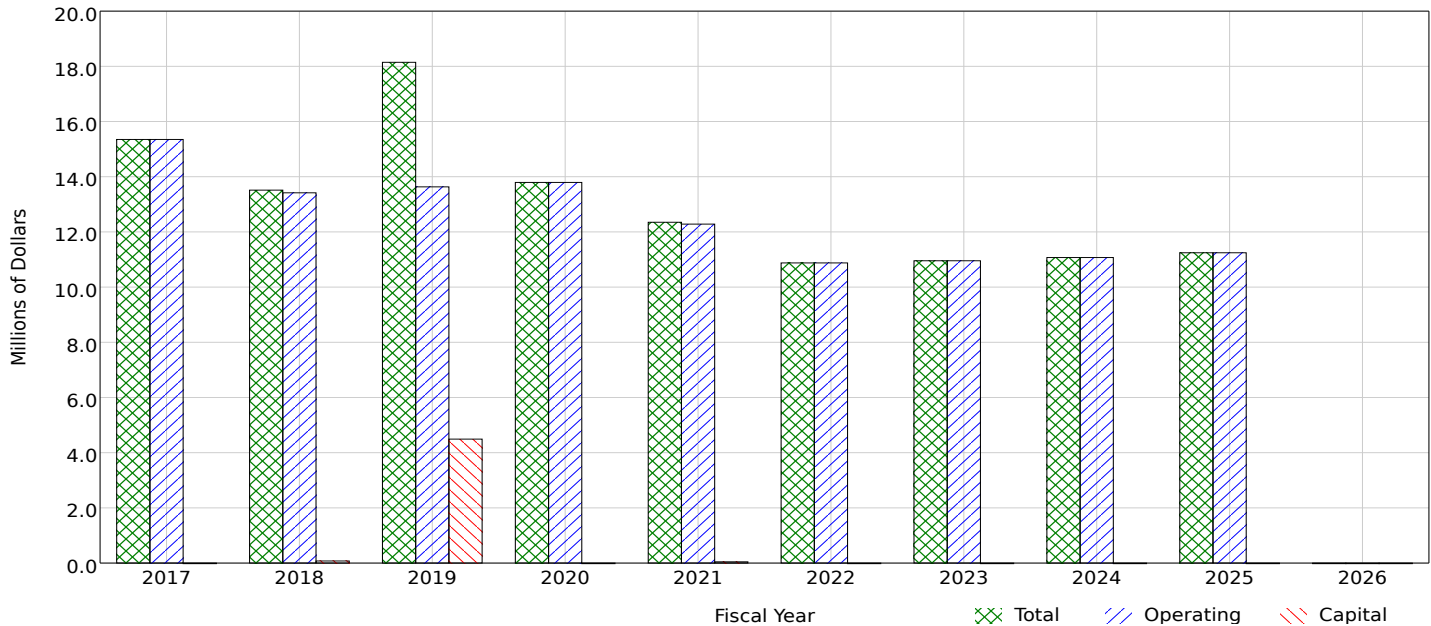


Fund Source Report

1034 Teach Ret Teachers Retirement Trust Fund

Year Authorized 1945 Year Repealed 2005 Active? Yes Mental Health? No Duplicated? No Fund Group Trust / Fiduciary

Operating and Capital Appropriations



Legal Authority

AS 14.25.170, repealed in 2005

Source of Revenue

Consists of employer / employee contributions, interest earned on investments, and legislative appropriations to the fund.

Restrictions on Use

Pay retirement benefits to employees participating in the Teachers' Retirement System.

Description and History

The Teachers' Retirement System (TRS) was established by the Territorial Legislature in 1955. Extensive changes to the TRS plan have occurred with the establishment of Tier I (1955), Tier II (1990), and Tier III (2006). The Fund consists of accumulated assets held for the purpose of paying benefits provided by the Teachers' Retirement System. These assets are comprised of investments of various kinds, predominantly stocks, bonds, and real estate.

The Fund was created to pay retirement benefits to employees participating in the defined benefit retirement plans administered under TRS. The first two tiers of the retirement plan are defined benefit pension plans in which benefit levels for each employee are determined by length of employment and highest average salary. The third tier establishes a Defined Contribution Retirement account for each member hired after June 30, 2006. The plans are joint-contributory in nature where both the employee and employer make continuing contributions, calculated as a percentage of current salary. The plan is considered to be perpetual because it applies to future as well as current employees and because the employers (state, school districts, and political subdivisions) are perpetual in nature.

The Teachers Retirement Trust Fund is maintained to account for assets held by the State acting in the capacity as a trustee. This fund is administered by the Department of Administration. The Alaska Retirement Management (ARM) Board established under AS 37.10.210 is the fiduciary of the system funds.

November 2011

With the repeal of AS 14.25.170 in 2005, the fund no longer has a specific statutory cite. It remains one of the several separate retirement accounts for which the Alaska Retirement Management Board (AS 37.10.210) serves as trustee. The Budget Clarification Project maintained this fund code class as "Other".