

**State of Alaska**  
**ALASKA RETIREMENT MANAGEMENT BOARD**

AUDIT COMMITTEE MEETING

January 13, 2021 – 10:00 a.m.

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Call In (Audio Only): Phone: 1-907-202-7104

Code: 628 395 409#

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- I. **Call to Order**
- II. **Roll Call**
- III. **Public Meeting Notice**
- IV. **Approval of Agenda**
- V. **Public / Member Participation, Communications and Appearances**  
*(Three Minute Limit)*
- VI. **Reports**
  - A. **GASB 68/75 PERS & TRS Allocation Schedules for Participating Employers**  
*Kevin Worley, Chief Financial Officer, Division of Retirement & Benefits*
  - B. **Division of Retirement and Benefits Audited Financial Statements – NGNMRS**  
*Elizabeth Stuart & Melissa Beedle, KPMG*  
*Kevin Worley, Chief Financial Officer, Division of Retirement & Benefits*
- VII. **Future Meetings**
  - A. **Calendar Review**
  - B. **Agenda Items**
  - C. **Requests / Follow-Ups**
- VIII. **Other Matters to Properly Come Before the Committee**
- IX. **Public / Members Comments**
- X. **Adjournment**

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Public Employees' Retirement System:

We have audited the accompanying schedule of employer and nonemployer allocations of the State of Alaska Public Employees' Retirement System Defined Benefit Pension Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (benefit) (specified column totals) included in the accompanying schedule of pension amounts by employer and nonemployer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer and nonemployer allocations and the specified column totals included in the schedule of pension amounts by employer and nonemployer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer and nonemployer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (benefit) for the total of all entities for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Public Employees' Retirement System, which includes the Defined Benefit Pension Plan, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

**Other Information**

The supplemental schedule of employer allocations of special funding amounts, supplemental schedule of special funding amounts by employer, and supplemental schedule of employer and nonemployer contributions have not been subject to the auditing procedures applied in the audit of the schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer and accordingly, we do not express an opinion or provide any assurance on them.

**Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Public Employees' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Public Employees' Retirement System Defined Benefit Pension Plan employers and nonemployers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
\_\_\_\_\_, 202X

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
Employer:			
State of Alaska	101	\$ 2,001,813,000	49.41740 %
Southwest Region School District	102	5,269,000	0.13007
Annette Island School District	103	2,839,000	0.07008
Bering Strait School District	104	13,614,000	0.33608
Chatham School District	105	939,000	0.02318
Alaska Municipal League	106	181,000	0.00447
City of Valdez	107	16,291,000	0.40216
Juneau Borough School District	108	23,799,000	0.58751
Matanuska-Susitna Borough	109	41,417,000	1.02243
Matanuska-Susitna Borough School District	110	52,593,000	1.29833
Anchorage School District	111	156,329,000	3.85919
Copper River School District	112	1,919,000	0.04737
University of Alaska	113	181,935,000	4.49130
City of Kenai	115	12,872,000	0.31776
Fairbanks North Star Borough	116	40,372,000	0.99664
Fairbanks North Star Borough School District	117	58,069,000	1.43351
Denali Borough School District	118	1,952,000	0.04819
City And Borough of Sitka	120	16,153,000	0.39876
Chugach School District	121	934,000	0.02306
Ketchikan Gateway Borough	122	9,193,000	0.22694
City of Soldotna	123	7,022,000	0.17335
Iditarod Area School District	124	1,613,000	0.03982
Kuspuk School District	125	3,231,000	0.07976
City And Borough of Juneau	126	62,583,000	1.54494
City of Kodiak	128	12,998,000	0.32087
City of Fairbanks	129	13,441,000	0.33181
City of Wasilla	131	13,634,000	0.33657
Sitka Borough School District	133	4,271,000	0.10544
City of Palmer	134	7,122,000	0.17582
City And Borough of Wrangell	135	5,701,000	0.14074
City of Bethel	136	11,195,000	0.27636
Valdez City School District	137	3,393,000	0.08376
Hoonah City School District	138	914,000	0.02256
City of Nome	139	6,057,000	0.14952
City of Kotzebue	140	7,831,000	0.19332
Galena City School District	141	6,060,000	0.14960
City of Petersburg	143	8,381,000	0.20690
Bristol Bay Borough	144	5,418,000	0.13375
North Slope Borough	145	128,410,000	3.16997
Wrangell Public School District	146	1,374,000	0.03392
City of Cordova	148	5,317,000	0.13126
Nome City School District	149	2,310,000	0.05703
City of King Cove	151	1,737,000	0.04288
Alaska Housing Finance Corporation	152	31,721,000	0.78307
Lower Yukon School District	153	13,825,000	0.34129

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<b>Employer/nonemployer</b>	<b>Employer/ nonemployer number</b>	<b>Present value of projected future contributions</b>	<b>Allocation percentage</b>
Northwest Arctic Borough School District	154	\$ 12,357,000	0.30505
Southeast Island School District	155	1,497,000	0.03696
Pribilof School District	156	513,000	0.01266
Lower Kuskokwim School District	157	31,777,000	0.78446
Kodiak Island Borough School District	158	11,868,000	0.29298
Yukon Flats School District	159	1,675,000	0.04135
Yukon / Koyukuk School District	160	4,556,000	0.11247
North Slope Borough School District	161	19,918,000	0.49170
Cordova Community Medical Center	163	7,537,000	0.18606
Lake And Peninsula Borough School District	164	3,158,000	0.07796
Tanana School District	166	192,000	0.00474
Southeast Regional Resource Center	167	2,935,000	0.07245
Hydaburg City School District	168	844,000	0.02084
City of Tanana	169	—	0.00017
North Pacific Fishery Management Council	170	2,635,000	0.06505
City of Barrow	171	2,407,000	0.05942
City of Saint Paul	172	2,700,000	0.06665
Municipality of Anchorage	173	349,873,000	8.63707
Kodiak Island Borough	174	4,690,000	0.11578
Nome Joint Utility System	175	1,597,000	0.03942
City of Sand Point	176	1,907,000	0.04708
Ketchikan Gateway Borough School District	177	11,850,000	0.29253
City of Dillingham	178	4,781,000	0.11803
City of Unalaska	179	19,694,000	0.48617
Kenai Peninsula Borough	180	31,742,000	0.78359
City of Ketchikan	181	17,308,000	0.42727
City of Seward	182	7,352,000	0.18149
City of Fort Yukon	183	1,051,000	0.02595
Bristol Bay Borough School District	184	575,000	0.01419
Cordova City School District	185	1,759,000	0.04342
City of Craig	186	2,601,000	0.06421
Petersburg Medical Center	187	13,310,000	0.32857
Haines Borough	189	4,252,000	0.10497
Kenai Peninsula Borough School District	190	29,577,000	0.73015
City of North Pole	191	4,821,000	0.11901
City of Galena	192	1,603,000	0.03957
City of Nenana	193	219,000	0.00541
Yupit School District	195	3,301,000	0.08149
Nenana City School District	196	3,170,000	0.07826
City of Saxman	198	188,000	0.00464
City of Hoonah	199	1,536,000	0.03792
City of Pelican	200	229,000	0.00565
City of Whittier	202	2,183,000	0.05389
Anchorage Community Development Authority	203	2,137,000	0.05275
Craig City School District	204	1,543,000	0.03809
Dillingham City School District	205	2,180,000	0.05382

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
City of Thorne Bay	206	\$ 567,000	0.01400
City of Akutan	208	1,516,000	0.03742
Unalaska City School District	209	1,547,000	0.03819
Kashunamiut School District	211	2,918,000	0.07203
City of Homer	215	11,369,000	0.28066
Special Education Service Agency	218	313,000	0.00773
Bartlett Regional Hospital	219	62,887,000	1.55245
Northwest Arctic Borough	220	4,096,000	0.10112
Saint Mary's School District	221	1,912,000	0.04720
City of Selawik	222	—	0.00028
Bristol Bay Regional Housing Authority	223	2,179,000	0.05379
Copper River Basin Regional Housing Authority	224	1,025,000	0.02530
Skagway City School District	225	453,000	0.01118
City of Klawock	227	1,207,000	0.02980
Petersburg City School District	228	1,692,000	0.04177
Aleutians East Borough	230	1,530,000	0.03777
City of Kivalina	231	—	0.00097
City of Huslia	235	290,000	0.00716
City of Kaltag	237	66,000	0.00163
Haines Borough School District	240	1,514,000	0.03738
City of Noorvik	241	—	0.00702
City of Elim	242	—	0.00047
City of Atka	243	58,000	0.00143
Aleutians East Borough School District	244	1,653,000	0.04081
Delta/Greely School District	246	2,759,000	0.06811
Lake And Peninsula Borough	247	630,000	0.01555
City And Borough of Yakutat	248	1,439,000	0.03552
City of Unalakleet	249	—	0.00616
Klawock City School District	251	1,218,000	0.03007
City of Mekoryuk	254	—	0.00106
Alaska Gateway School District	255	3,799,000	0.09378
City of Saint George	256	—	0.00733
Pelican City School District	257	79,000	0.00195
Denali Borough	258	910,000	0.02246
City of Allakaket	259	—	0.00069
City of Kachemak	260	28,000	0.00069
Cook Inlet Housing Authority	262	18,474,000	0.45605
Interior Regional Housing Authority	263	1,968,000	0.04858
Yakutat School District	264	470,000	0.01160
Kake City School District	265	1,020,000	0.02518
Aleutian Housing Authority	267	1,316,000	0.03249
Bering Straits Regional Housing Authority	270	2,544,000	0.06280
City of Egegik	271	191,000	0.00472
Ilisagvik College	275	9,299,000	0.22956
North Pacific Rim Housing Authority	276	2,213,000	0.05463
Saxman Seaport	278	157,000	0.00388
Tlingit-Haida Regional Housing Authority	279	4,817,000	0.11891



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
City of Toksook Bay	280	\$ 26,000	0.00064 %
Baranof Island Housing Authority	281	1,158,000	0.02859
City of Delta Junction	282	297,000	0.00733
City of Anderson	283	—	0.00042
Inter-Island Ferry Authority	284	1,817,000	0.04486
City of Hooper Bay	285	—	0.00176
City of Seldovia	286	162,000	0.00400
City of Koyuk	287	—	0.00062
Northwest Inupiat Housing Authority	288	1,413,000	0.03488
City of Upper Kalskag	290	26,000	0.00064
City of Shaktoolik	291	—	0.00102
Tagiugmiullu Nunamiullu Housing Authority	293	1,570,000	0.03876
Municipality of Skagway	296	6,955,000	0.17169
City of Nulato	297	—	0.00421
City of Aniak	298	334,000	0.00825
Alaska Gasline Development Corporation	299	1,710,000	0.04221
Total present value of projected future employer contributions		<u>3,805,231,000</u>	<u>93.96931</u>
Nonemployer:			
State of Alaska	999	<u>244,293,000</u>	<u>6.03069 %</u>
Total for all entities		<u>\$ 4,049,524,000</u>	<u>100.00000 %</u>

See accompanying notes to schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer.

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**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Pension Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net pension liability	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Employers:				
State of Alaska	101	\$ 1,812,876,139	—	—
Southwest Region School District	102	4,771,697	253,946	253,946
Annette Island School District	103	2,571,047	213,534	213,534
Bering Strait School District	104	12,329,072	542,539	542,539
Chatham School District	105	850,374	—	—
Alaska Municipal League	106	163,917	6,401	6,401
City of Valdez	107	14,753,409	610,022	610,022
Juneau Borough School District	108	21,552,782	1,158,684	1,158,684
Matanuska-Susitna Borough	109	37,507,945	1,941,090	1,941,090
Matanuska-Susitna Borough School District	110	47,629,122	2,256,089	2,256,089
Anchorage School District	111	141,574,221	6,224,847	6,224,847
Copper River School District	112	1,737,879	30,561	30,561
University of Alaska	113	164,763,453	6,151,509	6,151,509
City of Kenai	115	11,657,104	570,663	570,663
Fairbanks North Star Borough	116	36,561,575	1,142,324	1,142,324
Fairbanks North Star Borough School District	117	52,588,281	1,851,765	1,851,765
Denali Borough School District	118	1,767,765	65,217	65,217
City And Borough of Sitka	120	14,628,434	492,972	492,972
Chugach School District	121	845,846	—	—
Ketchikan Gateway Borough	122	8,325,338	407,403	407,403
City of Soldotna	123	6,359,244	193,745	193,745
Iditarod Area School District	124	1,460,760	—	—
Kuspuk School District	125	2,926,049	137,459	137,459
City And Borough of Juneau	126	56,676,237	2,254,408	2,254,408
City of Kodiak	128	11,771,212	472,231	472,231
City of Fairbanks	129	12,172,400	404,508	404,508
City of Wasilla	131	12,347,184	562,164	562,164
Sitka Borough School District	133	3,867,891	95,861	95,861
City of Palmer	134	6,449,805	253,364	253,364
City And Borough of Wrangell	135	5,162,923	216,807	216,807
City of Bethel	136	10,138,384	551,349	551,349
Valdez City School District	137	3,072,759	52,386	52,386
Hoonah City School District	138	827,734	34,040	34,040
City of Nome	139	5,485,323	363,089	363,089
City of Kotzebue	140	7,091,888	435,227	435,227
Galena City School District	141	5,488,040	175,455	175,455
City of Petersburg	143	7,589,977	418,334	418,334
Bristol Bay Borough	144	4,906,634	414,979	414,979
North Slope Borough	145	116,290,296	5,472,703	5,472,703
Wrangell Public School District	146	1,244,318	11,726	11,726
City of Cordova	148	4,815,166	247,580	247,580
Nome City School District	149	2,091,976	152,111	152,111
City of King Cove	151	1,573,057	58,345	58,345
Alaska Housing Finance Corporation	152	28,727,081	1,231,667	1,231,667
Lower Yukon School District	153	12,520,157	527,489	527,489
Northwest Arctic Borough School District	154	11,190,711	410,137	410,137
Southeast Island School District	155	1,355,709	—	—
Pribilof School District	156	464,582	—	—
Lower Kuskokwim School District	157	28,777,796	1,063,973	1,063,973
Kodiak Island Borough School District	158	10,747,864	611,847	611,847
Yukon Flats School District	159	1,516,909	—	—
Yukon / Koyukuk School District	160	4,125,992	268,621	268,621
North Slope Borough School District	161	18,038,092	587,269	587,269
Aleutian Region School District	162	—	—	—

Deferred inflows of resources				Pension expense (benefit)		
Difference between expected and actual experience	Net difference between projected and actual investment earnings on pension plan investments	Changes in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan pension expense	Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	
					Proportionate share of contributions	Total pension expense (benefit)
8,031,481	714,903,078	1,290,773	724,225,332	2,599,319	(14,433,088)	(11,833,769)
21,140	1,881,706	—	1,902,846	6,842	1,153,643	1,160,485
11,390	1,013,886	—	1,025,276	3,686	1,047,818	1,051,504
54,621	4,861,938	—	4,916,559	17,678	2,522,072	2,539,750
3,767	335,343	3,853	342,963	1,219	(59,672)	(58,453)
726	64,640	—	65,366	235	31,503	31,738
65,361	5,817,969	—	5,883,330	21,154	3,716,924	3,738,078
95,484	8,499,285	—	8,594,769	30,903	5,680,237	5,711,140
166,169	14,791,162	—	14,957,331	53,779	9,746,901	9,800,680
211,008	18,782,422	—	18,993,430	68,291	10,666,803	10,735,094
627,208	55,829,432	—	56,456,640	202,991	28,001,975	28,204,966
7,699	685,328	—	693,027	2,492	170,413	172,905
729,942	64,974,047	—	65,703,989	236,240	30,345,233	30,581,473
51,644	4,596,949	—	4,648,593	16,714	3,046,616	3,063,330
161,977	14,417,964	—	14,579,941	52,422	6,308,564	6,360,986
232,979	20,738,054	—	20,971,033	75,402	9,373,322	9,448,724
7,832	697,113	—	704,945	2,535	282,340	284,875
64,807	5,768,685	—	5,833,492	20,974	3,170,160	3,191,134
3,747	333,557	40,568	377,872	1,213	(126,550)	(125,337)
36,883	3,283,076	—	3,319,959	11,937	1,976,932	1,988,869
28,173	2,507,751	—	2,535,924	9,118	1,181,323	1,190,441
6,472	576,047	117,600	700,119	2,094	(445,490)	(443,396)
12,963	1,153,880	—	1,166,843	4,195	648,523	652,718
251,089	22,350,129	—	22,601,218	81,263	11,587,531	11,668,794
52,149	4,641,947	—	4,694,096	16,878	2,711,186	2,728,064
53,927	4,800,155	—	4,854,082	17,453	2,057,340	2,074,793
54,701	4,869,080	—	4,923,781	17,704	3,105,208	3,122,912
17,136	1,525,293	—	1,542,429	5,546	374,394	379,940
28,574	2,543,464	—	2,572,038	9,248	1,446,378	1,455,626
22,873	2,035,986	—	2,058,859	7,403	1,172,291	1,179,694
44,915	3,998,046	—	4,042,961	14,537	3,055,997	3,070,534
13,613	1,211,735	—	1,225,348	4,406	368,675	373,081
3,667	326,415	—	330,082	1,187	129,366	130,553
24,301	2,163,123	—	2,187,424	7,865	1,807,942	1,815,807
31,419	2,796,668	—	2,828,087	10,168	2,348,837	2,359,005
24,313	2,164,194	—	2,188,507	7,869	925,095	932,964
33,625	2,993,088	—	3,026,713	10,883	1,928,335	1,939,218
21,738	1,934,918	—	1,956,656	7,035	1,856,543	1,863,578
515,194	45,858,781	—	46,373,975	166,738	26,268,510	26,435,248
5,513	490,694	—	496,207	1,784	47,957	49,741
21,332	1,898,849	—	1,920,181	6,904	1,084,203	1,091,107
9,268	824,965	—	834,233	2,999	707,552	710,551
6,969	620,331	—	627,300	2,255	307,922	310,177
127,268	11,328,451	—	11,455,719	41,189	5,795,176	5,836,365
55,467	4,937,292	—	4,992,759	17,952	2,931,445	2,949,397
49,578	4,413,028	—	4,462,606	16,045	1,839,814	1,855,859
6,006	534,620	44,544	585,170	1,944	(164,621)	(162,677)
2,058	183,207	5,563	190,828	666	1,150	1,816
127,493	11,348,450	—	11,475,943	41,262	5,319,991	5,361,253
47,616	4,238,393	—	4,286,009	15,410	2,925,292	2,940,702
6,720	598,189	11,335	616,244	2,175	(112,875)	(110,700)
18,279	1,627,074	—	1,645,353	5,916	1,237,885	1,243,801
79,913	7,113,272	—	7,193,185	25,863	2,185,501	2,211,364
—	—	—	—	—	(38,763)	(38,763)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Pension Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net pension liability	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Cordova Community Medical Center	163	\$ 6,825,636	655,206	655,206
Lake And Peninsula Borough School District	164	2,859,939	107,934	107,934
Sitka Community Hospital	165	—	302	302
Tanana School District	166	173,878	—	—
Southeast Regional Resource Center	167	2,657,986	148,026	148,026
Hydaburg City School District	168	764,341	19,098	19,098
City of Tanana	169	6,242	—	—
North Pacific Fishery Management Council	170	2,386,301	133,549	133,549
City of Barrow	171	2,179,820	15,263	15,263
City of Saint Paul	172	2,445,166	136,483	136,483
Municipality of Anchorage	173	316,850,984	12,449,481	12,449,481
Kodiak Island Borough	174	4,247,344	229,901	229,901
Nome Joint Utility System	175	1,446,271	46,499	46,499
City of Sand Point	176	1,727,012	37,708	37,708
Ketchikan Gateway Borough School District	177	10,731,563	705,720	705,720
City of Dillingham	178	4,329,756	196,017	196,017
City of Unalaska	179	17,835,224	802,133	802,133
Kenai Peninsula Borough	180	28,746,099	1,221,089	1,221,089
City of Ketchikan	181	15,674,421	1,098,904	1,098,904
City of Seward	182	6,658,097	236,564	236,564
City of Fort Yukon	183	951,804	41,286	41,286
Bristol Bay Borough School District	184	520,730	—	—
Cordova City School District	185	1,592,981	101,874	101,874
City of Craig	186	2,355,510	82,291	82,291
Petersburg Medical Center	187	12,053,764	952,566	952,566
Haines Borough	189	3,850,684	147,995	147,995
Kenai Peninsula Borough School District	190	26,785,438	1,469,664	1,469,664
City of North Pole	191	4,365,980	176,696	176,696
City of Galena	192	1,451,704	78,296	78,296
City of Nenana	193	198,330	—	—
Yupit School District	195	2,989,442	205,553	205,553
Nenana City School District	196	2,870,806	207,861	207,861
City of Saxman	198	170,256	17,382	17,382
City of Hoonah	199	1,391,028	45,203	45,203
City of Pelican	200	207,386	21,407	21,407
City of Whittier	202	1,976,962	31,224	31,224
Anchorage Community Development Authority	203	1,935,304	—	—
Craig City School District	204	1,397,367	40,037	40,037
Dillingham City School District	205	1,974,245	228,846	228,846
City of Thorne Bay	206	513,485	—	—
City of Akutan	208	1,372,916	54,374	54,374
Unalaska City School District	209	1,400,990	54,552	54,552
Kashunamiut School District	211	2,642,591	207,236	207,236
City of Homer	215	10,295,961	725,637	725,637
Special Education Service Agency	218	283,458	—	—
Bartlett Regional Hospital	219	56,951,545	3,456,930	3,456,930
Northwest Arctic Borough	220	3,709,408	293,387	293,387
Saint Mary's School District	221	1,731,540	22,751	22,751
City of Selawik	222	10,370	—	—
Bristol Bay Regional Housing Authority	223	1,973,340	99,549	99,549
Copper River Basin Regional Housing Authority	224	928,258	71,081	71,081
Skagway City School District	225	410,245	9,181	9,181
City of Klawock	227	1,093,080	27,294	27,294
Petersburg City School District	228	1,532,304	49,278	49,278

Deferred inflows of resources				Pension expense (benefit)		
Difference between expected and actual experience	Net difference between projected and actual investment earnings on pension plan investments	Changes in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan pension expense	Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	
					Proportionate share of contributions	Total pension expense (benefit)
30,239	2,691,672	—	2,721,911	9,787	3,361,901	3,371,688
12,670	1,127,810	—	1,140,480	4,101	519,267	523,368
—	—	—	—	—	(4,230,132)	(4,230,132)
770	68,569	13,947	83,286	249	(72,607)	(72,358)
11,776	1,048,170	—	1,059,946	3,811	744,398	748,209
3,386	301,416	—	304,802	1,096	180,134	181,230
28	2,462	146	2,636	9	(1,390)	(1,381)
10,572	941,032	—	951,604	3,422	659,742	663,164
9,657	859,607	—	869,264	3,125	77,639	80,764
10,833	964,245	—	975,078	3,506	749,204	752,710
1,403,726	124,949,375	—	126,353,101	454,304	69,470,470	69,924,774
18,817	1,674,929	—	1,693,746	6,090	846,374	852,464
6,407	570,333	—	576,740	2,074	264,742	266,816
7,651	681,043	—	688,694	2,476	213,672	216,148
47,543	4,231,964	—	4,279,507	15,387	3,196,482	3,211,869
19,182	1,707,428	—	1,726,610	6,208	1,073,300	1,079,508
79,014	7,033,275	—	7,112,289	25,572	4,248,021	4,273,593
127,352	11,335,951	—	11,463,303	41,216	5,819,920	5,861,136
69,441	6,181,168	—	6,250,609	22,474	5,477,306	5,499,780
29,497	2,625,604	—	2,655,101	9,546	1,086,737	1,096,283
4,217	375,341	—	379,558	1,365	249,066	250,431
2,307	205,348	13,160	220,815	747	(106,175)	(105,428)
7,057	628,188	—	635,245	2,284	489,470	491,754
10,435	928,889	—	939,324	3,377	388,305	391,682
53,401	4,753,371	—	4,806,772	17,283	4,895,473	4,912,756
17,059	1,518,507	—	1,535,566	5,521	697,206	702,727
118,666	10,562,769	—	10,681,435	38,405	5,816,551	5,854,956
19,342	1,721,713	—	1,741,055	6,260	854,978	861,238
6,431	572,476	—	578,907	2,081	356,747	358,828
879	78,211	84,523	163,613	284	(413,147)	(412,863)
13,244	1,178,879	—	1,192,123	4,286	1,063,631	1,067,917
12,718	1,132,095	—	1,144,813	4,116	993,938	998,054
754	67,140	—	67,894	244	105,007	105,251
6,163	548,548	—	554,711	1,994	220,109	222,103
919	81,782	—	82,701	297	127,615	127,912
8,758	779,610	—	788,368	2,835	362,718	365,553
8,574	763,182	154,224	925,980	2,775	(768,813)	(766,038)
6,191	551,048	—	557,239	2,004	200,739	202,743
8,746	778,539	—	787,285	2,831	971,614	974,445
2,275	202,491	21,754	226,520	736	(87,326)	(86,590)
6,082	541,406	—	547,488	1,969	248,480	250,449
6,207	552,477	—	558,684	2,009	191,386	193,395
11,707	1,042,099	—	1,053,806	3,789	1,009,863	1,013,652
45,614	4,060,186	—	4,105,800	14,762	3,400,150	3,414,912
1,256	111,781	4,841	117,878	406	(14,997)	(14,591)
252,309	22,458,696	—	22,711,005	81,658	17,051,084	17,132,742
16,434	1,462,795	—	1,479,229	5,319	1,365,667	1,370,986
7,671	682,828	—	690,499	2,483	353,829	356,312
46	4,089	243	4,378	15	(1,496)	(1,481)
8,742	778,181	—	786,923	2,829	532,308	535,137
4,112	366,056	—	370,168	1,331	331,450	332,781
1,817	161,779	—	163,596	588	47,266	47,854
4,843	431,053	—	435,896	1,567	161,722	163,289
6,788	604,260	—	611,048	2,197	271,531	273,728

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Pension Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net pension liability	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Aleutians East Borough	230	\$ 1,385,594	69,645	69,645
City of Kivalina	231	35,705	—	—
City of Huslia	235	262,629	11,914	11,914
City of Kaltag	237	59,771	—	—
Haines Borough School District	240	1,371,104	60,341	60,341
City of Noorvik	241	257,444	—	—
City of Elim	242	17,126	—	—
City of Atka	243	52,526	—	—
Aleutians East Borough School District	244	1,496,985	75,545	75,545
Delta/Greely School District	246	2,498,598	96,852	96,852
Lake And Peninsula Borough	247	570,539	—	—
City And Borough of Yakutat	248	1,303,183	11,985	11,985
City of Unalakleet	249	226,103	—	—
Klawock City School District	251	1,103,042	109,660	109,660
City of Mekoryuk	254	38,930	—	—
Alaska Gateway School District	255	3,440,439	195,899	195,899
City of Saint George	256	268,979	—	—
Pelican City School District	257	71,544	—	—
Denali Borough	258	824,112	48,314	48,314
City of Allakaket	259	25,375	—	—
City of Kachemak	260	25,357	1,476	1,476
Cook Inlet Housing Authority	262	16,730,371	1,100,682	1,100,682
Interior Regional Housing Authority	263	1,782,255	76,933	76,933
Yakutat School District	264	425,640	17,491	17,491
Kake City School District	265	923,729	12,054	12,054
City of Quinhagak	266	—	—	—
Aleutian Housing Authority	267	1,191,792	—	—
Bering Straits Regional Housing Authority	270	2,303,890	95,189	95,189
City of Egegik	271	172,973	38,099	38,099
Illisagvik College	275	8,421,334	456,355	456,355
North Pacific Rim Housing Authority	276	2,004,131	89,182	89,182
Saxman Seaport	278	142,182	8,120	8,120
Tlingit-Haida Regional Housing Authority	279	4,362,358	4,986	4,986
City of Toksook Bay	280	23,546	1,084	1,084
Baranof Island Housing Authority	281	1,048,705	75,160	75,160
City of Delta Junction	282	268,968	—	—
City of Anderson	283	15,416	—	—
Inter-Island Ferry Authority	284	1,645,506	45,771	45,771
City of Hooper Bay	285	64,483	—	—
City of Seldovia	286	146,710	6,131	6,131
City of Koyuk	287	22,575	—	—
Northwest Inupiat Housing Authority	288	1,279,637	24,865	24,865
City of Upper Kalskag	290	23,546	—	—
City of Shaktolik	291	37,439	183	183
Tagiugmiullu Nunamiullu Housing Authority	293	1,421,819	88,587	88,587
Municipality of Skagway	296	6,298,567	461,492	461,492
City of Nulato	297	154,493	3,103	3,103
City of Aniak	298	302,476	19,290	19,290
Alaska Gasline Development Corporation	299	1,548,605	—	—
Total attributable to employer contributions		\$ 3,447,263,073	72,064,136	72,064,136
Nonemployer:				
State of Alaska	999	221,235,927	—	—
Total for all entities		\$ 3,668,499,000	72,064,136	72,064,136

See accompanying notes to schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer.

Deferred inflows of resources				Pension expense (benefit)		
Difference between expected and actual experience	Net difference between projected and actual investment earnings on pension plan investments	Changes in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan pension expense	Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	
					Proportionate share of contributions	Total pension expense (benefit)
6,139	546,406	—	552,545	1,987	355,310	357,297
158	14,080	837	15,075	51	(5,151)	(5,100)
1,164	103,567	—	104,731	377	53,319	53,696
265	23,570	8,868	32,703	86	(33,394)	(33,308)
6,074	540,691	—	546,765	1,966	292,570	294,536
1,141	101,522	6,037	108,700	369	(37,139)	(36,770)
76	6,754	308	7,138	25	4,043	4,068
233	20,713	6,481	27,427	75	(81,662)	(81,587)
6,632	590,332	—	596,964	2,146	470,437	472,583
11,069	985,316	—	996,385	3,583	423,107	426,690
2,528	224,991	11,131	238,650	818	(39,279)	(38,461)
5,773	513,907	—	519,680	1,869	126,627	128,496
1,002	89,163	5,302	95,467	324	(4,093)	(3,769)
4,887	434,982	—	439,869	1,582	537,712	539,294
172	15,352	1,030	16,554	56	(4,675)	(4,619)
15,242	1,356,729	—	1,371,971	4,933	1,013,620	1,018,553
1,192	106,071	6,307	113,570	386	(38,803)	(38,417)
317	28,213	9,959	38,489	103	(32,620)	(32,517)
3,651	324,986	—	328,637	1,182	262,603	263,785
112	10,006	595	10,713	36	(3,661)	(3,625)
112	10,000	—	10,112	36	7,181	7,217
74,120	6,597,579	—	6,671,699	23,988	5,719,629	5,743,617
7,896	702,828	—	710,724	2,555	396,903	399,458
1,886	167,850	—	169,736	610	116,502	117,112
4,092	364,270	—	368,362	1,324	102,064	103,388
—	—	—	—	—	—	—
5,280	469,980	3,686	478,946	1,709	10,422	12,131
10,207	908,533	—	918,740	3,303	493,189	496,492
766	68,211	—	68,977	248	191,063	191,311
37,309	3,320,931	—	3,358,240	12,075	1,735,356	1,747,431
8,879	790,324	—	799,203	2,874	513,608	516,482
630	56,069	—	56,699	204	39,359	39,563
19,326	1,720,285	—	1,739,611	6,255	254,820	261,075
104	9,285	—	9,389	34	5,082	5,116
4,646	413,554	—	418,200	1,504	356,223	357,727
1,192	106,067	25,163	132,422	386	(133,443)	(133,057)
68	6,079	361	6,508	22	(4,356)	(4,334)
7,290	648,901	—	656,191	2,359	217,199	219,558
286	25,429	1,512	27,227	92	(9,302)	(9,210)
650	57,855	—	58,505	210	29,694	29,904
100	8,902	529	9,531	32	(3,257)	(3,225)
5,669	504,622	—	510,291	1,835	100,521	102,356
104	9,285	504	9,893	34	(7,145)	(7,111)
166	14,764	—	14,930	54	(1,168)	(1,114)
6,299	560,691	—	566,990	2,039	414,506	416,545
27,904	2,483,824	—	2,511,728	9,031	2,163,510	2,172,541
684	60,924	—	61,608	222	14,496	14,718
1,340	119,281	—	120,621	434	95,825	96,259
6,861	610,689	261,085	878,635	2,220	(1,739,025)	(1,736,805)
15,272,205	1,359,419,378	2,156,769	1,376,848,352	4,942,723	338,607,215	343,549,938
980,128	87,243,822	69,907,367	158,131,317	317,210	(338,607,215)	(338,290,005)
16,252,333	1,446,663,200	72,064,136	1,534,979,669	5,259,933	—	5,259,933



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(1) Plan Description**

The State of Alaska Public Employees' Retirement System (the System) Defined Benefit Pension Plan (the Plan) is a cost-sharing multiple-employer defined benefit pension plan that provides pension benefits to State and local government employees.

Benefit and contribution provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by the state legislature. The 24<sup>th</sup> Alaska State Legislature enacted into law Senate Bill 141, which closed the Plan to new members effective July 1, 2006.

There are three tiers within the Plan:

- Tier 1 employee: Entered the System between January 1, 1961 and June 30, 1986 – 5 years of credited service.
- Tier 2 employee: Entered the System between July 1, 1986 and June 30, 1996 – 5 years of credited service.
- Tier 3 employee: Entered the System between July 1, 1996 and June 30, 2006 – 5 years of credited service for the pension plan.

Members hired prior to July 1, 1986 with five or more paid-up years of credited service are entitled to monthly pension benefits beginning at normal retirement age, 55, or early retirement age, 50. For members first hired after June 30, 1986, the normal and early retirement ages are 60 and 55, respectively. Members with 30 or more years of credited service (20 years for peace officers and firefighters) may retire at any age and receive a normal benefit.

The normal monthly pension benefit is based on years of service and average monthly compensation. For members hired prior to July 1, 1996, and all peace officers and firefighters, the average monthly compensation is based upon the members' three highest, consecutive years' salaries. For all other members hired after June 30, 1996, average monthly compensation is based upon the members' five highest, consecutive years' salaries.

The benefit related to all years of service prior to July 1, 1986 and for years of service through a total of 10 years for general members is equal to 2% of the member's average monthly compensation for each year of service. The benefit for each year over 10 years of service subsequent to June 30, 1986 is equal to 2.25% of the member's average monthly compensation for the second 10 years and 2.5% for all remaining years of service. For peace officers and firefighters, the benefit for years of service through a total of 10 years is equal to 2% of the member's average monthly compensation and 2.5% for all remaining years of service.

Minimum benefits for members eligible for retirement are \$25 per month for each year of credited service.

Married members must receive their benefits in the form of a joint and survivor annuity unless their spouse consents to another form of benefit or another person is eligible for benefits under a qualified domestic relations order.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

The Plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients when the cost of living increases in the previous calendar year. The automatic PRPA increase is paid beginning July 1 of each year. The discretionary PRPA may be granted to eligible recipients by the Plan's Administrator if the funding ratio of the Plan meets or exceeds 105%. If both an automatic and discretionary PRPA are granted, and a retiree is eligible for both adjustments, the one that provides the retiree the greater increase will be paid.

**(2) Basis of Presentation**

The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan, its participating employers, or the State of Alaska (State) as a nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan, its participating employers, or the State. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense (benefit). The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2022 to 2039. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (Board). Employer contributions were 15.72% of annual payroll for the fiscal year 2021.

Alaska Statute 39.35.280 requires the State, as a nonemployer contributing entity, to contribute each July 1, or as soon after July 1 for the ensuing fiscal year, an amount that when combined with the total employer contributions is sufficient to pay the Plan's past service liability at the actuarially determined contribution rate adopted by the Board for that fiscal year.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(5) Collective Net Pension Liability**

**(a) Components of Collective Net Pension Liability**

The components of the collective net pension liability of the Plan as of June 30, 2021 are as follows:

Total pension liability	\$ 15,580,808,000
Plan fiduciary net position	<u>(11,912,309,000)</u>
Net pension liability	<u>\$ 3,668,499,000</u>

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation	2.50% per year
Salary increases	For peace officer/firefighter, increases range from 7.75% to 2.75% based on service. For all others, increases range from 6.75% to 2.75% based on service.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013–2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected future experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

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June 30, 2021

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%).

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Broad Domestic equity	6.63 %
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount rate**

The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer and nonemployer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability in accordance with the method prescribed by GASB 67. In the event benefit payments are not covered by the Plan's fiduciary net position, a municipal bond rate would be used to discount the benefit payments not covered by the Plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.18% as of June 30, 2021.

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**(d) Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability as of June 30, 2021, calculated using the discount rate of 7.38%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

<u>1% decrease (6.38%)</u>	<u>Current discount rate (7.38%)</u>	<u>1% increase (8.38%)</u>
\$ 5,433,558,000	3,668,499,000	2,185,623,000

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2021:

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning of year balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of year balance</u>
Deferred outflows of resources:						
Difference between expected and actual experience	2020	1.3 years	\$ 18,720,000	—	18,720,000	—
Total deferred outflows of resources			<u>\$ 18,720,000</u>	<u>—</u>	<u>18,720,000</u>	<u>—</u>
Deferred inflows of resources:						
Difference between expected and actual experience	2021	1.2 years	\$ —	97,514,000	81,261,667	16,252,333
Difference between projected and actual investment earnings on pension plan investments	2017	5 years	80,219,000	—	80,219,000	—
	2018	5 years	9,623,200	—	4,811,600	4,811,600
	2019	5 years	(81,243,000)	—	(27,081,000)	(54,162,000)
	2020	5 years	(248,777,600)	—	(62,194,400)	(186,583,200)
	2021	5 years	—	2,103,246,000	420,649,200	1,682,596,800
			<u>(240,178,400)</u>	<u>2,103,246,000</u>	<u>416,404,400</u>	<u>1,446,663,200</u>
Total deferred inflows of resources			<u>\$ (240,178,400)</u>	<u>2,200,760,000</u>	<u>497,666,067</u>	<u>1,462,915,533</u>

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Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2022	\$ (352,437,733)
2023	(331,373,800)
2024	(358,454,800)
Thereafter	—
Total	\$ <u>(1,042,266,333)</u>

**(7) Collective Pension Expense**

The components of the collective pension expense (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$ 130,592,000
Interest on total pension liability	1,107,399,000
Member contributions	(70,614,000)
Administrative expense	8,232,000
Expected investment return net of investment expenses	(690,867,000)
Other	(536,000)
Recognition (amortization) of deferred outflows/inflows of resources:	
Difference between expected and actual experience	(62,541,667)
Difference between projected and actual investment earnings on pension plan investments	<u>(416,404,400)</u>
Total pension expense	\$ <u>5,259,933</u>

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<b>Employer</b>	<b>Employer number</b>	<b>Present value of projected future State contributions</b>	<b>Employer proportionate share</b>
Southwest Region School District	102	\$ 714,000	0.29227 %
Annette Island School District	103	384,000	0.15719
Bering Strait School District	104	1,843,000	0.75442
Chatham School District	105	128,000	0.05240
Alaska Municipal League	106	22,000	0.00901
City of Valdez	107	2,206,000	0.90301
Juneau Borough School District	108	3,224,000	1.31973
Matanuska-Susitna Borough	109	5,611,000	2.29683
Matanuska-Susitna Borough School District	110	7,126,000	2.91699
Anchorage School District	111	21,178,000	8.66910
Copper River School District	112	260,000	0.10643
University of Alaska	113	24,646,000	10.08870
City of Kenai	115	1,742,000	0.71308
Fairbanks North Star Borough	116	5,469,000	2.23871
Fairbanks North Star Borough School District	117	7,866,000	3.21990
Denali Borough School District	118	267,000	0.10929
City And Borough of Sitka	120	2,189,000	0.89606
Chugach School District	121	128,000	0.05240
Ketchikan Gateway Borough	122	1,247,000	0.51045
City of Soldotna	123	951,000	0.38929
Iditarod Area School District	124	217,000	0.08883
Kuspuk School District	125	437,000	0.17888
City And Borough of Juneau	126	8,477,000	3.47001
City of Kodiak	128	1,761,000	0.72086
City of Fairbanks	129	1,820,000	0.74501
City of Wasilla	131	1,848,000	0.75647
Sitka Borough School District	133	578,000	0.23660
City of Palmer	134	965,000	0.39502
City And Borough of Wrangell	135	773,000	0.31642
City of Bethel	136	1,518,000	0.62138
Valdez City School District	137	462,000	0.18912
Hoonah City School District	138	122,000	0.04994
City of Nome	139	821,000	0.33607
City of Kotzebue	140	1,062,000	0.43472
Galena City School District	141	821,000	0.33607
City of Petersburg	143	1,137,000	0.46542
Bristol Bay Borough	144	733,000	0.30005
North Slope Borough	145	17,397,000	7.12137
Wrangell Public School District	146	187,000	0.07655
City of Cordova	148	720,000	0.29473
Nome City School District	149	312,000	0.12772
City of King Cove	151	237,000	0.09701
Alaska Housing Finance Corporation	152	4,297,000	1.75895
Lower Yukon School District	153	1,871,000	0.76588
Northwest Arctic Borough School District	154	1,671,000	0.68401
Southeast Island School District	155	202,000	0.08269
Pribilof School District	156	70,000	0.02865
Lower Kuskokwim School District	157	4,306,000	1.76264

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Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	Present value of projected future State contributions	Employer proportionate share
Kodiak Island Borough School District	158	\$ 1,607,000	0.65782 %
Yukon Flats School District	159	229,000	0.09374
Yukon / Koyukuk School District	160	618,000	0.25297
North Slope Borough School District	161	2,699,000	1.10482
Cordova Community Medical Center	163	1,020,000	0.41753
Lake And Peninsula Borough School District	164	428,000	0.17520
Tanana School District	166	22,000	0.00901
Southeast Regional Resource Center	167	399,000	0.16333
Hydaburg City School District	168	113,000	0.04626
City of Tanana	169	—	—
North Pacific Fishery Management Council	170	355,000	0.14532
City of Barrow	171	326,000	0.13345
City of Saint Paul	172	367,000	0.15023
Municipality of Anchorage	173	47,397,000	19.40171
Kodiak Island Borough	174	633,000	0.25912
Nome Joint Utility System	175	216,000	0.08842
City of Sand Point	176	257,000	0.10520
Ketchikan Gateway Borough School District	177	1,603,000	0.65618
City of Dillingham	178	648,000	0.26526
City of Unalaska	179	2,670,000	1.09295
Kenai Peninsula Borough	180	4,299,000	1.75977
City of Ketchikan	181	2,344,000	0.95950
City of Seward	182	995,000	0.40730
City of Fort Yukon	183	141,000	0.05772
Bristol Bay Borough School District	184	79,000	0.03234
Cordova City School District	185	239,000	0.09783
City of Craig	186	351,000	0.14368
Petersburg Medical Center	187	1,802,000	0.73764
Haines Borough	189	577,000	0.23619
Kenai Peninsula Borough School District	190	4,007,000	1.64024
City of North Pole	191	653,000	0.26730
City of Galena	192	216,000	0.08842
City of Nenana	193	29,000	0.01187
Yupit School District	195	447,000	0.18298
Nenana City School District	196	433,000	0.17725
City of Saxman	198	22,000	0.00901
City of Hoonah	199	209,000	0.08555
City of Pelican	200	29,000	0.01187
City of Whittier	202	296,000	0.12117
Anchorage Community Development Authority	203	289,000	0.11830
Craig City School District	204	210,000	0.08596
Dillingham City School District	205	296,000	0.12117
City of Thorne Bay	206	79,000	0.03234
City of Akutan	208	208,000	0.08514
Unalaska City School District	209	211,000	0.08637
Kashunamiut School District	211	394,000	0.16128



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<b>Employer</b>	<b>Employer number</b>	<b>Present value of projected future State contributions</b>	<b>Employer proportionate share</b>
City of Homer	215	\$ 1,539,000	0.62998 %
Special Education Service Agency	218	44,000	0.01801
Bartlett Regional Hospital	219	8,518,000	3.48680
Northwest Arctic Borough	220	554,000	0.22678
Saint Mary's School District	221	257,000	0.10520
City of Selawik	222	—	—
Bristol Bay Regional Housing Authority	223	296,000	0.12117
Copper River Basin Regional Housing Authority	224	136,000	0.05567
Skagway City School District	225	64,000	0.02620
City of Klawock	227	164,000	0.06713
Petersburg City School District	228	232,000	0.09497
Aleutians East Borough	230	209,000	0.08555
City of Kivalina	231	—	—
City of Huslia	235	39,000	0.01596
City of Kaltag	237	8,000	0.00327
Haines Borough School District	240	207,000	0.08473
City of Noorvik	241	—	—
City of Elim	242	—	—
City of Atka	243	8,000	0.00327
Aleutians East Borough School District	244	224,000	0.09169
Delta/Greely School District	246	373,000	0.15269
Lake And Peninsula Borough	247	87,000	0.03561
City And Borough of Yakutat	248	193,000	0.07900
City of Unalakleet	249	—	—
Klawock City School District	251	165,000	0.06754
City of Mekoryuk	254	—	—
Alaska Gateway School District	255	514,000	0.21040
City of Saint George	256	—	—
Pelican City School District	257	10,000	0.00409
Denali Borough	258	122,000	0.04994
City of Allakaket	259	—	—
City of Kachemak	260	3,000	0.00123
Cook Inlet Housing Authority	262	2,503,000	1.02459
Interior Regional Housing Authority	263	267,000	0.10929
Yakutat School District	264	64,000	0.02620
Kake City School District	265	136,000	0.05567
Aleutian Housing Authority	267	179,000	0.07327
Bering Straits Regional Housing Authority	270	345,000	0.14122
City of Egegik	271	22,000	0.00901
Ilisagvik College	275	1,260,000	0.51577
North Pacific Rim Housing Authority	276	301,000	0.12321
Saxman Seaport	278	21,000	0.00860
Tlingit-Haida Regional Housing Authority	279	653,000	0.26730
City of Toksook Bay	280	3,000	0.00123
Baranof Island Housing Authority	281	157,000	0.06427
City of Delta Junction	282	42,000	0.01719
City of Anderson	283	—	—

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Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Present value of projected future State contributions</u>	<u>Employer proportionate share</u>
Inter-Island Ferry Authority	284	\$ 244,000	0.09988 %
City of Hooper Bay	285	—	—
City of Seldovia	286	21,000	0.00860
City of Koyuk	287	—	—
Northwest Inupiat Housing Authority	288	190,000	0.07778
City of Upper Kalskag	290	2,000	0.00082
City of Shaktoolik	291	—	—
Tagiugmiullu Nunamiullu Housing Authority	293	212,000	0.08678
Municipality of Skagway	296	940,000	0.38478
City of Nulato	297	—	—
City of Aniak	298	46,000	0.01883
Alaska Gasline Development Corporation	299	234,000	0.09579
		\$ <u>244,293,000</u>	<u>100.00000 %</u>

See accompanying independent auditors' report

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<b>Employer</b>	<b>Employer number</b>	<b>State proportionate share of net pension liability attributable to employer</b>	<b>Employer pension expense and related revenue attributable to special funding situation</b>
Southwest Region School District	102	\$ 646,611	927
Annette Island School District	103	347,757	499
Bering Strait School District	104	1,669,052	2,393
Chatham School District	105	115,919	166
Alaska Municipal League	106	19,924	29
City of Valdez	107	1,997,791	2,864
Juneau Borough School District	108	2,919,710	4,186
Matanuska-Susitna Borough	109	5,081,418	7,286
Matanuska-Susitna Borough School District	110	6,453,428	9,253
Anchorage School District	111	19,179,160	27,499
Copper River School District	112	235,460	338
University of Alaska	113	22,319,840	32,002
City of Kenai	115	1,577,585	2,262
Fairbanks North Star Borough	116	4,952,820	7,101
Fairbanks North Star Borough School District	117	7,123,584	10,214
Denali Borough School District	118	241,800	347
City And Borough of Sitka	120	1,982,396	2,842
Chugach School District	121	115,919	166
Ketchikan Gateway Borough	122	1,129,305	1,619
City of Soldotna	123	861,242	1,235
Iditarod Area School District	124	196,519	282
Kuspuk School District	125	395,755	567
City And Borough of Juneau	126	7,676,916	11,007
City of Kodiak	128	1,594,792	2,287
City of Fairbanks	129	1,648,223	2,363
City of Wasilla	131	1,673,580	2,400
Sitka Borough School District	133	523,447	751
City of Palmer	134	873,921	1,253
City And Borough of Wrangell	135	700,042	1,004
City of Bethel	136	1,374,727	1,971
Valdez City School District	137	418,395	600
Hoonah City School District	138	110,485	158
City of Nome	139	743,512	1,066
City of Kotzebue	140	961,765	1,379
Galena City School District	141	743,512	1,066
City of Petersburg	143	1,029,687	1,476
Bristol Bay Borough	144	663,817	952
North Slope Borough	145	15,755,021	22,590
Wrangell Public School District	146	169,350	243
City of Cordova	148	652,044	935
Nome City School District	149	282,553	405

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Employer	Employer number	State proportionate share of net pension liability attributable to employer	Employer pension expense and related revenue attributable to special funding situation
City of King Cove	151	\$ 214,631	308
Alaska Housing Finance Corporation	152	3,891,437	5,580
Lower Yukon School District	153	1,694,410	2,429
Northwest Arctic Borough School District	154	1,513,286	2,170
Southeast Island School District	155	182,935	262
Pribilof School District	156	63,393	91
Lower Kuskokwim School District	157	3,899,587	5,591
Kodiak Island Borough School District	158	1,455,327	2,087
Yukon Flats School District	159	207,386	297
Yukon / Koyukuk School District	160	559,671	802
North Slope Borough School District	161	2,444,261	3,505
Cordova Community Medical Center	163	923,729	1,324
Lake And Peninsula Borough School District	164	387,604	556
Tanana School District	166	19,924	29
Southeast Regional Resource Center	167	361,341	518
Hydaburg City School District	168	102,335	147
City of Tanana	169	—	—
North Pacific Fishery Management Council	170	321,494	461
City of Barrow	171	295,231	423
City of Saint Paul	172	332,361	477
Municipality of Anchorage	173	42,923,534	61,545
Kodiak Island Borough	174	573,256	822
Nome Joint Utility System	175	195,613	280
City of Sand Point	176	232,744	334
Ketchikan Gateway Borough School District	177	1,451,704	2,081
City of Dillingham	178	586,840	841
City of Unalaska	179	2,417,998	3,467
Kenai Peninsula Borough	180	3,893,248	5,582
City of Ketchikan	181	2,122,767	3,044
City of Seward	182	901,089	1,292
City of Fort Yukon	183	127,692	183
Bristol Bay Borough School District	184	71,544	103
Cordova City School District	185	216,442	310
City of Craig	186	317,872	456
Petersburg Medical Center	187	1,631,922	2,340
Haines Borough	189	522,541	749
Kenai Peninsula Borough School District	190	3,628,808	5,203

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Employer	Employer number	State proportionate share of net pension liability attributable to employer	Employer pension expense and related revenue attributable to special funding situation
City of North Pole	191	\$ 591,368	848
City of Galena	192	195,613	280
City of Nenana	193	26,263	38
Yupit School District	195	404,811	580
Nenana City School District	196	392,132	562
City of Saxman	198	19,924	29
City of Hoonah	199	189,274	271
City of Pelican	200	26,263	38
City of Whittier	202	268,063	384
Anchorage Community Development Authority	203	261,723	375
Craig City School District	204	190,180	273
Dillingham City School District	205	268,063	384
City of Thorne Bay	206	71,544	103
City of Akutan	208	188,368	270
Unalaska City School District	209	191,085	274
Kashunamiut School District	211	356,813	512
City of Homer	215	1,393,745	1,998
Special Education Service Agency	218	39,847	57
Bartlett Regional Hospital	219	7,714,047	11,060
Northwest Arctic Borough	220	501,712	719
Saint Mary's School District	221	232,744	334
City of Selawik	222	—	—
Bristol Bay Regional Housing Authority	223	268,063	384
Copper River Basin Regional Housing Authority	224	123,164	177
Skagway City School District	225	57,959	83
City of Klawock	227	148,521	213
Petersburg City School District	228	210,103	301
Aleutians East Borough	230	189,274	271
City of Kivalina	231	—	—
City of Huslia	235	35,319	51
City of Kaltag	237	7,245	10
Haines Borough School District	240	187,463	269
City of Noorvik	241	—	—
City of Elim	242	—	—
City of Atka	243	7,245	10
Aleutians East Borough School District	244	202,858	291
Delta/Greely School District	246	337,795	484
Lake And Peninsula Borough	247	78,789	113
City And Borough of Yakutat	248	174,784	251
City of Unalakleet	249	—	—
Klawock City School District	251	149,427	214
City of Mekoryuk	254	—	—

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As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>State proportionate share of net pension liability attributable to employer</u>	<u>Employer pension expense and related revenue attributable to special funding situation</u>
Alaska Gateway School District	255	\$ 465,487	667
City of Saint George	256	—	—
Pelican City School District	257	9,056	13
Denali Borough	258	110,485	158
City of Allakaket	259	—	—
City of Kachemak	260	2,717	4
Cook Inlet Housing Authority	262	2,266,760	3,250
Interior Regional Housing Authority	263	241,800	347
Yakutat School District	264	57,959	83
Kake City School District	265	123,164	177
Aleutian Housing Authority	267	162,105	232
Bering Straits Regional Housing Authority	270	312,438	448
City of Egegik	271	19,924	29
Iliisagvik College	275	1,141,078	1,636
North Pacific Rim Housing Authority	276	272,591	391
Saxman Seaport	278	19,018	27
Tlingit-Haida Regional Housing Authority	279	591,368	848
City of Toksook Bay	280	2,717	4
Baranof Island Housing Authority	281	142,182	204
City of Delta Junction	282	38,036	55
City of Anderson	283	—	—
Inter-Island Ferry Authority	284	220,971	317
City of Hooper Bay	285	—	—
City of Seldovia	286	19,018	27
City of Koyuk	287	—	—
Northwest Inupiat Housing Authority	288	172,067	247
City of Upper Kalskag	290	1,811	3
City of Shaktoolik	291	—	—
Tagiugmiullu Nunamiullu Housing Authority	293	191,991	275
Municipality of Skagway	296	851,280	1,221
City of Nulato	297	—	—
City of Aniak	298	41,658	60
Alaska Gasline Development Corporation	299	211,914	304
Total for all employers		<u>\$ 221,235,927</u>	<u>317,210</u>

See accompanying independent auditors' report

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer number</u>	<u>Actual contributions</u>
Employer:		
State of Alaska	101	\$ 257,229,858
Southwest Region School District	102	390,698
Annette Island School District	103	195,110
Bering Strait School District	104	1,020,262
Chatham School District	105	53,177
Alaska Municipal League	106	3,562
City of Valdez	107	1,468,784
Juneau Borough School District	108	1,825,259
Matanuska-Susitna Borough	109	3,669,764
Matanuska-Susitna Borough School District	110	4,114,564
Anchorage School District	111	11,976,036
Copper River School District	112	141,817
University of Alaska	113	17,360,878
City of Kenai	115	1,101,645
Fairbanks North Star Borough	116	3,532,599
Fairbanks North Star Borough School District	117	4,586,432
Denali Borough School District	118	148,789
City And Borough of Sitka	120	2,800,698
Chugach School District	121	65,030
Ketchikan Gateway Borough	122	834,979
City of Soldotna	123	638,344
Iditarod Area School District	124	118,808
Kuspuk School District	125	253,121
City And Borough of Juneau	126	5,618,881
City of Kodiak	128	1,136,313
City of Fairbanks	129	1,236,350
City of Wasilla	131	1,201,899
Sitka Borough School District	133	326,877
City of Palmer	134	564,664
City And Borough of Wrangell	135	473,636
City of Bethel	136	952,532
Valdez City School District	137	254,644
Hoonah City School District	138	64,910
City of Nome	139	510,166
City of Kotzebue	140	650,237
Galena City School District	141	546,899
City of Petersburg	143	690,652
Bristol Bay Borough	144	441,221
North Slope Borough	145	10,846,348
Wrangell Public School District	146	67,005
City of Cordova	148	456,605
Nome City School District	149	238,571
City of King Cove	151	145,913
Alaska Housing Finance Corporation	152	2,781,492
Lower Yukon School District	153	1,169,903

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Actual contributions
Northwest Arctic Borough School District	154	\$ 1,069,083
Southeast Island School District	155	87,464
Pribilof School District	156	45,692
Lower Kuskokwim School District	157	2,360,455
Kodiak Island Borough School District	158	861,301
Yukon Flats School District	159	100,978
Yukon / Koyukuk School District	160	350,176
North Slope Borough School District	161	1,583,918
Aleutian Region School District	162	—
Cordova Community Medical Center	163	540,275
Lake And Peninsula Borough School District	164	197,707
Sitka Community Hospital	165	1,809
Tanana School District	166	9,813
Southeast Regional Resource Center	167	294,794
Hydaburg City School District	168	41,253
City of Tanana	169	—
North Pacific Fishery Management Council	170	238,686
City of Barrow	171	183,314
City of Saint Paul	172	255,328
Municipality of Anchorage	173	32,892,719
Kodiak Island Borough	174	407,818
Nome Joint Utility System	175	143,608
City of Sand Point	176	161,495
Ketchikan Gateway Borough School District	177	835,362
City of Dillingham	178	388,562
City of Unalaska	179	1,684,249
Kenai Peninsula Borough	180	2,824,680
City of Ketchikan	181	1,660,853
City of Seward	182	644,760
City of Fort Yukon	183	82,924
Bristol Bay Borough School District	184	60,531
Cordova City School District	185	128,590
City of Craig	186	228,207
Petersburg Medical Center	187	1,200,504
Haines Borough	189	287,742
Kenai Peninsula Borough School District	190	2,238,084
City of North Pole	191	404,927
City of Galena	192	128,084
City of Nenana	193	9,423
Yupit School District	195	256,963
Nenana City School District	196	213,031
City of Saxman	198	15,424
City of Hoonah	199	119,314
City of Pelican	200	15,918
City of Whittier	202	189,954



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Actual contributions
Anchorage Community Development Authority	203	\$ 185,511
Craig City School District	204	109,944
Dillingham City School District	205	182,661
City of Thorne Bay	206	52,960
City of Akutan	208	116,101
Unalaska City School District	209	152,456
Kashunamiut School District	211	240,261
City of Homer	215	973,043
Special Education Service Agency	218	29,881
Bartlett Regional Hospital	219	5,750,518
Northwest Arctic Borough	220	385,374
Saint Mary's School District	221	133,168
City of Selawik	222	—
Bristol Bay Regional Housing Authority	223	178,173
Copper River Basin Regional Housing Authority	224	90,235
Skagway City School District	225	46,369
City of Klawock	227	84,959
Petersburg City School District	228	121,360
Aleutians East Borough	230	156,135
City of Kivalina	231	—
City of Huslia	235	21,774
City of Kaltag	237	4,407
Haines Borough School District	240	100,236
City of Noorvik	241	—
City of Elim	242	562
City of Atka	243	2,881
Aleutians East Borough School District	244	138,629
Delta/Greely School District	246	225,152
Lake And Peninsula Borough	247	60,688
City And Borough of Yakutat	248	126,309
City of Unalakleet	249	—
Klawock City School District	251	75,215
City of Mekoryuk	254	(705)
Alaska Gateway School District	255	280,160
City of Saint George	256	—
Pelican City School District	257	87,543
Denali Borough	258	74,317
City of Allakaket	259	—
City of Kachemak	260	3,909
Cook Inlet Housing Authority	262	1,600,567
Interior Regional Housing Authority	263	186,419
Yakutat School District	264	34,072
Kake City School District	265	79,993
City of Quinhagak	266	—
Aleutian Housing Authority	267	128,093

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

<b>Employer/nonemployer</b>	<b>Employer number</b>	<b>Actual contributions</b>
Bering Straits Regional Housing Authority	270	\$ 204,981
City of Egegik	271	188,995
Ilisagvik College	275	817,286
North Pacific Rim Housing Authority	276	197,146
Saxman Seaport	278	6,987
Tlingit-Haida Regional Housing Authority	279	395,895
City of Toksook Bay	280	4,089
Baranof Island Housing Authority	281	97,697
City of Delta Junction	282	37,721
City of Anderson	283	—
Inter-Island Ferry Authority	284	151,014
City of Hooper Bay	285	—
City of Seldovia	286	13,564
City of Koyuk	287	—
Northwest Inupiat Housing Authority	288	69,385
City of Upper Kalskag	290	2,462
City of Shaktoolik	291	6,365
Tagiugmiullu Nunamiullu Housing Authority	293	214,651
Municipality of Skagway	296	558,093
City of Nulato	297	40,354
City of Aniak	298	30,669
Alaska Gasline Development Corporation	299	132,117
Total employer contributions		<u>414,740,505</u>
Nonemployer:		
State of Alaska	999	<u>101,383,320</u>
Total for all entities		<u>\$ 516,123,825</u>

See accompanying independent auditors' report.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Public Employees' Retirement System:

We have audited the accompanying schedule of employer allocations of the State of Alaska Public Employees' Retirement System Occupational Death and Disability Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all employers of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) (specified column totals) included in the accompanying schedule of OPEB amounts by employer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) for the total of all employers for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

### **Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Public Employees' Retirement System, which includes the Occupational Death and Disability Plan, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

### **Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Public Employees' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Public Employees' Retirement System Occupational Death and Disability Plan employers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

 (signed) KPMG LLP

Anchorage, Alaska  
December \_\_, 2021

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<b>Employer</b>	<b>Employer number</b>	<b>Employer contributions</b>	<b>Allocation percentage</b>
State of Alaska	101	\$ 2,618,143	49.08451 %
Southwest Region School District	102	6,083	0.11404
Annette Island School District	103	5,662	0.10615
Bering Strait School District	104	16,535	0.31000
Chatham School District	105	1,436	0.02692
City of Valdez	107	30,691	0.57540
Juneau Borough School District	108	30,802	0.57747
Matanuska-Susitna Borough	109	69,279	1.29884
Matanuska-Susitna Borough School District	110	78,064	1.46354
Anchorage School District	111	206,386	3.86930
Copper River School District	112	3,140	0.05887
University of Alaska	113	188,417	3.53241
City of Kenai	115	26,773	0.50193
Fairbanks North Star Borough	116	55,228	1.03540
Fairbanks North Star Borough School District	117	77,326	1.44970
Denali Borough School District	118	4,461	0.08364
City and Borough of Sitka	120	26,405	0.49503
Chugach School District	121	1,335	0.02503
Ketchikan Gateway Borough	122	12,774	0.23948
City of Soldotna	123	11,054	0.20724
Iditarod Area School District	124	2,389	0.04479
Kuspuk School District	125	3,744	0.07020
City and Borough of Juneau	126	96,724	1.81336
City of Kodiak	128	28,695	0.53797
City of Fairbanks	129	37,964	0.71174
City of Wasilla	131	26,114	0.48958
Sitka Borough School District	133	6,503	0.12193
City of Palmer	134	12,358	0.23169
City and Borough of Wrangell	135	7,354	0.13788
City of Bethel	136	24,490	0.45914
Valdez City School District	137	5,927	0.11111
Hoonah City School District	138	869	0.01630
City of Nome	139	12,995	0.24364
City of Kotzebue	140	19,510	0.36577
Galena City School District	141	9,765	0.18307
City of Petersburg	143	13,835	0.25937
Bristol Bay Borough	144	8,516	0.15966
North Slope Borough	145	188,384	3.53181
Wrangell Public School District	146	1,505	0.02822
City of Cordova	148	9,382	0.17589
Nome City School District	149	3,385	0.06346
City of King Cove	151	2,075	0.03890
Alaska Housing Finance Corporation	152	34,535	0.64746

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<b>Employer</b>	<b>Employer number</b>	<b>Employer contributions</b>	<b>Allocation percentage</b>
Lower Yukon School District	153	\$ 19,177	0.35952 %
Northwest Arctic Borough School District	154	17,079	0.32020
Southeast Island School District	155	2,042	0.03828
Pribilof School District	156	519	0.00974
Lower Kuskokwim School District	157	34,776	0.65197
Kodiak Island Borough School District	158	17,710	0.33202
Yukon Flats School District	159	1,794	0.03364
Yukon / Koyukuk School District	160	6,044	0.11331
North Slope Borough School District	161	27,196	0.50987
Cordova Community Medical Center	163	11,720	0.21972
Lake and Peninsula Borough School District	164	3,611	0.06771
Sitka Community Hospital	165	—	—
Tanana School District	166	238	0.00447
Southeast Regional Resource Center	167	5,058	0.09482
Hydaburg City School District	168	1,502	0.02816
City of Tanana	169	—	—
North Pacific Fishery Mgmt Council	170	3,045	0.05709
City of Barrow	171	2,485	0.04659
City of Saint Paul	172	6,076	0.11392
Municipality of Anchorage	173	583,985	10.94848
Kodiak Island Borough	174	6,630	0.12429
Nome Joint Utility System	175	967	0.01813
City of Sand Point	176	4,850	0.09093
Ketchikan Gateway Borough School District	177	19,373	0.36321
City of Dillingham	178	9,223	0.17290
City of Unalaska	179	38,626	0.72416
Kenai Peninsula Borough	180	62,576	1.17317
City of Ketchikan	181	27,436	0.51437
City of Seward	182	13,660	0.25609
City of Fort Yukon	183	2,383	0.04468
Bristol Bay Borough School District	184	1,493	0.02799
Cordova City School District	185	2,309	0.04328
City of Craig	186	4,925	0.09233
Petersburg Medical Center	187	22,418	0.42030
Haines Borough	189	7,593	0.14236
Kenai Peninsula Borough School District	190	40,074	0.75130
City of North Pole	191	12,119	0.22720
City of Galena	192	2,334	0.04376
City of Nenana	193	724	0.01357
Yupit School District	195	3,736	0.07004
Nenana City School District	196	4,226	0.07923
City of Saxman	198	397	0.00744
City of Hoonah	199	9,394	0.17612



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Employer contributions</u>	<u>Allocation percentage</u>
City of Pelican	200	\$ 244	0.00458 %
City of Whittier	202	4,901	0.09188
Anchorage Community Develop Authority	203	3,508	0.06577
Craig City School District	204	2,566	0.04810
Dillingham City School District	205	3,957	0.07419
City of Thorne Bay	206	991	0.01858
City of Akutan	208	2,126	0.03986
Unalaska City School District	209	2,258	0.04233
Kashunamiut School District	211	3,296	0.06179
City of Homer	215	20,130	0.37739
Special Education Service Agency	218	432	0.00810
Bartlett Regional Hospital	219	98,130	1.83972
Northwest Arctic Borough	220	5,747	0.10775
Saint Mary's School District	221	2,872	0.05384
Bristol Bay RHA	223	2,316	0.04342
Copper River Basin RHA	224	1,185	0.02221
Skagway City School District	225	850	0.01594
City of Klawock	227	1,641	0.03077
Petersburg City School District	228	2,551	0.04782
Aleutians East Borough	230	1,438	0.02696
City of Huslia	235	177	0.00332
City of Kaltag	237	67	0.00125
Haines Borough School District	240	1,309	0.02454
City of Atka	243	105	0.00197
Aleutians East Borough School District	244	2,230	0.04181
Delta/Greely School District	246	3,047	0.05712
Lake and Peninsula Borough	247	1,377	0.02581
City and Borough of Yakutat	248	1,280	0.02400
City of Unalakleet	249	—	—
Klawock City School District	251	1,338	0.02508
Alaska Gateway School District	255	6,602	0.12377
Pelican School District	257	—	—
Denali Borough	258	1,698	0.03184
Cook Inlet Housing Authority	262	28,472	0.53379
Interior RHA	263	3,201	0.06001
Yakutat School District	264	591	0.01108
Kake City School District	265	1,218	0.02283
Aleutian Housing Authority	267	1,573	0.02949
Bering Straits RHA	270	2,233	0.04187
City of Egegik	271	379	0.00710
Ilisagvik College	275	14,103	0.26440
North Pacific Rim HA	276	1,991	0.03732
Saxman Seaport	278	189	0.00355

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Employer contributions</u>	<u>Allocation percentage</u>
Tlingit-Haida RHA	279	\$ 7,461	0.13988 %
Baranof Island HA	281	1,399	0.02624
City of Delta Junction	282	476	0.00892
City of Anderson	283	—	—
Inter-Island Ferry Authority	284	2,223	0.04167
City of Seldovia	286	360	0.00674
Northwest Inupiat Housing Authority	288	634	0.01189
City of Upper Kalskag	290	—	—
City of Shaktoolik	291	165	0.00310
Tagiugmiullu Nunamiullu Housing Authorit	293	3,789	0.07104
Municipality of Skagway	296	12,190	0.22853
City of Nulato	297	—	—
City of Aniak	298	875	0.01641
Alaska Gasline Development Corporation	299	1,516	0.02843
Total contributions		\$ <u>5,333,942</u>	<u>100.00000 %</u>

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
State of Alaska	101	\$ 21,633,044	288,050	288,050
Southwest Region School District	102	50,259	3,505	3,505
Annette Island School District	103	46,784	2,366	2,366
Bering Strait School District	104	136,626	8,622	8,622
Chatham School District	105	11,864	905	905
City of Valdez	107	253,595	2,038	2,038
Juneau Borough School District	108	254,507	11,336	11,336
Matanuska-Susitna Borough	109	572,436	5,716	5,716
Matanuska-Susitna Borough School District	110	645,027	31,224	31,224
Anchorage School District	111	1,705,317	92,539	92,539
Copper River School District	112	25,945	1,118	1,118
University of Alaska	113	1,556,840	6,825	6,825
City of Kenai	115	221,216	13,763	13,763
Fairbanks North Star Borough	116	456,334	22,881	22,881
Fairbanks North Star Borough School District	117	638,928	27,803	27,803
Denali Borough School District	118	36,863	2,579	2,579
City And Borough of Sitka	120	218,177	15,060	15,060
Chugach School District	121	11,030	1,273	1,273
Ketchikan Gateway Borough	122	105,544	1,907	1,907
City of Soldotna	123	91,337	3,665	3,665
Iditarod Area School District	124	19,741	1,514	1,514
Kuspuk School District	125	30,937	3,090	3,090
City and Borough of Juneau	126	799,204	22,985	22,985
City of Kodiak	128	237,099	6,552	6,552
City of Fairbanks	129	313,686	2,833	2,833
City of Wasilla	131	215,771	—	—
Sitka Borough School District	133	53,736	4,376	4,376
City of Palmer	134	102,113	7,558	7,558
City And Borough of Wrangell	135	60,768	6,833	6,833
City of Bethel	136	202,355	8,678	8,678
Valdez City School District	137	48,971	4,278	4,278
Hoonah City School District	138	7,184	1,502	1,502
City of Nome	139	107,378	3,961	3,961
City of Kotzebue	140	161,207	8,330	8,330
Galena City School District	141	80,684	5,657	5,657
City of Petersburg	143	114,312	1,774	1,774
Bristol Bay Borough	144	70,368	—	—
North Slope Borough	145	1,556,573	79,394	79,394
Wrangell Public School District	146	12,438	3,069	3,069
City of Cordova	148	77,519	5,349	5,349
Nome City School District	149	27,967	3,645	3,645
City of King Cove	151	17,147	1,449	1,449
Alaska Housing Finance Corporation	152	285,356	13,125	13,125
Lower Yukon School District	153	158,453	4,030	4,030
Northwest Arctic Borough School District	154	141,121	12,504	12,504
Southeast Island School District	155	16,869	2,749	2,749
Pribilof School District	156	4,292	277	277
Lower Kuskokwim School District	157	287,343	16,924	16,924
Kodiak Island Borough School District	158	146,330	11,303	11,303
Yukon Flats School District	159	14,825	2,862	2,862
Yukon / Koyukuk School District	160	49,939	3,606	3,606
North Slope Borough School District	161	224,715	21,285	21,285
Aleutian Region School District	162	—	344	344
Cordova Community Medical Center	163	96,837	60,781	60,781

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change of assumptions	Net difference between projected and actual investment earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions		
					Proportionate share of allocable plan OPEB expense	Proportionate share of contributions	Total OPEB expense (benefit)
5,908,676	164,350	3,468,908	68,365	9,610,299	(318,926)	46,435	(272,491)
13,727	382	8,059	4,582	26,750	(741)	(100)	(841)
12,778	355	7,502	5,510	26,145	(690)	(463)	(1,153)
37,317	1,038	21,908	4,516	64,779	(2,014)	923	(1,091)
3,241	90	1,902	690	5,923	(175)	34	(141)
69,265	1,927	40,665	11,498	123,355	(3,739)	(1,813)	(5,552)
69,514	1,934	40,811	11,960	124,219	(3,752)	39	(3,713)
156,351	4,349	91,791	31,795	284,286	(8,439)	(4,066)	(12,505)
176,178	4,900	103,431	30,797	315,306	(9,509)	891	(8,618)
465,777	12,956	273,451	51,951	804,135	(25,141)	8,385	(16,756)
7,086	197	4,160	1,704	13,147	(382)	(88)	(470)
425,223	11,828	249,643	163,681	850,375	(22,952)	(28,303)	(51,255)
60,421	1,681	35,473	15,979	113,554	(3,261)	(817)	(4,078)
124,639	3,467	73,174	21,350	222,630	(6,727)	288	(6,439)
174,512	4,854	102,454	18,616	300,436	(9,419)	1,789	(7,630)
10,069	280	5,911	2,545	18,805	(543)	72	(471)
59,591	1,658	34,985	6,932	103,166	(3,216)	1,457	(1,759)
3,013	84	1,769	281	5,147	(163)	195	32
28,828	802	16,924	1,632	48,186	(1,556)	169	(1,387)
24,947	694	14,646	114	40,401	(1,347)	673	(674)
5,392	150	3,165	1,441	10,148	(291)	(85)	(376)
8,450	235	4,961	5,167	18,813	(456)	(296)	(752)
218,288	6,072	128,154	31,102	383,616	(11,782)	(2,206)	(13,988)
64,759	1,801	38,019	14,730	119,309	(3,495)	(1,775)	(5,270)
85,678	2,383	50,300	36,220	174,581	(4,624)	(6,122)	(10,746)
58,934	1,639	34,599	10,670	105,842	(3,181)	(1,946)	(5,127)
14,677	408	8,617	487	24,189	(792)	776	(16)
27,890	776	16,374	5,499	50,539	(1,505)	90	(1,415)
16,598	462	9,744	7,019	33,823	(896)	(250)	(1,146)
55,270	1,537	32,448	14,973	104,228	(2,983)	(1,437)	(4,420)
13,376	372	7,853	5,877	27,478	(722)	(148)	(870)
1,962	55	1,152	272	3,441	(106)	284	178
29,328	816	17,218	5,631	52,993	(1,583)	(389)	(1,972)
44,031	1,225	25,850	9,897	81,003	(2,377)	(542)	(2,919)
22,037	613	12,938	3,096	38,684	(1,189)	571	(618)
31,222	868	18,330	3,757	54,177	(1,685)	(293)	(1,978)
19,220	535	11,284	4,188	35,227	(1,037)	(719)	(1,756)
425,150	11,826	249,600	20,493	707,069	(22,948)	9,383	(13,565)
3,397	94	1,994	1,106	6,591	(183)	224	41
21,173	589	12,430	4,100	38,292	(1,143)	409	(734)
7,639	212	4,485	1,240	13,576	(412)	544	132
4,683	130	2,749	302	7,864	(253)	167	(86)
77,940	2,168	45,757	18,914	144,779	(4,207)	(732)	(4,939)
43,279	1,204	25,408	15,547	85,438	(2,336)	(1,740)	(4,076)
38,545	1,072	22,629	1,364	63,610	(2,080)	2,091	11
4,608	128	2,705	677	8,118	(249)	289	40
1,172	33	688	329	2,222	(63)	(6)	(69)
78,483	2,183	46,076	8,553	135,295	(4,236)	1,410	(2,826)
39,967	1,112	23,464	3,656	68,199	(2,157)	1,459	(698)
4,049	113	2,377	711	7,250	(219)	373	154
13,640	379	8,008	2,932	24,959	(736)	155	(581)
61,377	1,707	36,034	7,099	106,217	(3,313)	2,184	(1,129)
—	—	—	—	—	—	84	84
26,449	736	15,528	61,781	104,494	(1,428)	(896)	(2,324)

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Lake And Peninsula Borough School District	164	\$ 29,840	5,302	5,302
Sitka Community Hospital	165	—	82,456	82,456
Tanana School District	166	1,970	1,115	1,115
Southeast Regional Resource Center	167	41,789	1,341	1,341
Hydaburg City School District	168	12,411	1,185	1,185
City of Tanana	169	—	42	42
North Pacific Fishery Management Council	170	25,163	26	26
City of Barrow	171	20,534	4,399	4,399
City of Saint Paul	172	50,207	1,772	1,772
Municipality of Anchorage	173	4,825,323	85,846	85,846
Kodiak Island Borough	174	54,780	3,973	3,973
Nome Joint Utility System	175	7,991	28	28
City of Sand Point	176	40,076	3,675	3,675
Ketchikan Gateway Borough School District	177	160,077	8,422	8,422
City of Dillingham	178	76,204	6,076	6,076
City of Unalaska	179	319,158	3,728	3,728
Kenai Peninsula Borough	180	517,050	14,205	14,205
City of Ketchikan	181	226,697	1,584	1,584
City of Seward	182	112,865	399	399
City of Fort Yukon	183	19,692	1,979	1,979
Bristol Bay Borough School District	184	12,337	276	276
Cordova City School District	185	19,076	763	763
City of Craig	186	40,693	2,477	2,477
Petersburg Medical Center	187	185,237	8,166	8,166
Haines Borough	189	62,742	6,086	6,086
Kenai Peninsula Borough School District	190	331,118	25,273	25,273
City of North Pole	191	100,132	9,904	9,904
City of Galena	192	19,285	214	214
City of Nenana	193	5,982	2,003	2,003
Yupit School District	195	30,869	1,597	1,597
Nenana City School District	196	34,918	3,467	3,467
City of Saxman	198	3,279	626	626
City of Hoonah	199	77,620	9,364	9,364
City of Pelican	200	2,017	416	416
City of Whittier	202	40,494	2,369	2,369
Anchorage Community Development Authority	203	28,989	8,716	8,716
Craig City School District	204	21,200	1,640	1,640
Dillingham City School District	205	32,696	2,728	2,728
City of Thorne Bay	206	8,191	1,690	1,690
City of Akutan	208	17,566	4,066	4,066
Unalaska City School District	209	18,657	764	764
Kashunamiut School District	211	27,231	2,466	2,466
City of Homer	215	166,327	656	656
Special Education Service Agency	218	3,570	1,288	1,288
Bartlett Regional Hospital	219	810,820	44,621	44,621
Northwest Arctic Borough	220	47,489	7,943	7,943
Saint Mary's School District	221	23,727	653	653
Bristol Bay Regional Housing Authority	223	19,138	3,128	3,128
Copper River Basin Regional Housing Authority	224	9,790	1,191	1,191
Skagway City School District	225	7,024	358	358
City of Klawock	227	13,562	2,517	2,517
Petersburg City School District	228	21,074	1,556	1,556
Aleutians East Borough	230	11,882	658	658
City of Huslia	235	1,465	851	851

Difference between expected and actual experience	Deferred inflows of resources				OPEB expense (benefit)		
	Change of assumptions	Net difference between projected and actual investment earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	Total OPEB expense (benefit)
8,150	227	4,785	1,444	14,606	(440)	665	225
—	—	—	2,155	2,155	—	13,512	13,512
538	15	316	388	1,257	(29)	112	83
11,414	317	6,701	4,448	22,880	(616)	(375)	(991)
3,390	94	1,990	2,735	8,209	(183)	(274)	(457)
—	—	—	29	29	—	1	1
6,873	191	4,035	1,268	12,367	(371)	(221)	(592)
5,608	156	3,293	2,067	11,124	(303)	373	70
13,713	381	8,051	5,560	27,705	(740)	(518)	(1,258)
1,317,951	36,659	773,751	270,707	2,399,068	(71,137)	(40,450)	(111,587)
14,962	416	8,784	2,745	26,907	(808)	118	(690)
2,183	61	1,281	1,286	4,811	(118)	(248)	(366)
10,946	304	6,426	3,413	21,089	(591)	(60)	(651)
43,722	1,216	25,669	10,256	80,863	(2,360)	(108)	(2,468)
20,814	579	12,219	1,218	34,830	(1,123)	772	(351)
87,172	2,425	51,178	7,001	147,776	(4,705)	(765)	(5,470)
141,223	3,928	82,910	24,565	252,626	(7,623)	(2,204)	(9,827)
61,918	1,722	36,351	12,620	112,611	(3,342)	(1,836)	(5,178)
30,827	857	18,098	3,183	52,965	(1,664)	(508)	(2,172)
5,379	150	3,158	4,974	13,661	(290)	(518)	(808)
3,370	94	1,978	1,776	7,218	(182)	(270)	(452)
5,210	145	3,059	583	8,997	(281)	(8)	(289)
11,115	309	6,525	446	18,395	(600)	357	(243)
50,594	1,407	29,703	19,668	101,372	(2,731)	(1,556)	(4,287)
17,137	477	10,061	2,669	30,344	(925)	357	(568)
90,439	2,516	53,096	9,933	155,984	(4,881)	3,049	(1,832)
27,349	761	16,056	11,524	55,690	(1,476)	(597)	(2,073)
5,267	147	3,092	868	9,374	(284)	(134)	(418)
1,634	45	959	2,873	5,511	(88)	(163)	(251)
8,431	235	4,950	3,577	17,193	(455)	(363)	(818)
9,537	265	5,599	2,233	17,634	(515)	201	(314)
896	25	526	525	1,972	(48)	55	7
21,200	590	12,447	9,764	44,001	(1,144)	(154)	(1,298)
551	15	323	275	1,164	(30)	24	(6)
11,060	308	6,493	4,613	22,474	(597)	(493)	(1,090)
7,918	220	4,648	—	12,786	(427)	1,471	1,044
5,790	161	3,399	334	9,684	(313)	244	(69)
8,930	248	5,243	4,170	18,591	(482)	(76)	(558)
2,237	62	1,313	209	3,821	(121)	232	111
4,798	133	2,817	2,794	10,542	(259)	110	(149)
5,096	142	2,992	892	9,122	(275)	(32)	(307)
7,438	207	4,367	2,593	14,605	(401)	126	(275)
45,429	1,264	26,671	7,953	81,317	(2,452)	(1,133)	(3,585)
975	27	572	22	1,596	(53)	222	169
221,461	6,160	130,017	60,855	418,493	(11,953)	(2,011)	(13,964)
12,971	361	7,615	7,872	28,819	(700)	340	(360)
6,481	180	3,805	2,669	13,135	(350)	(302)	(652)
5,227	145	3,069	677	9,118	(282)	490	208
2,674	74	1,570	94	4,412	(144)	223	79
1,919	53	1,126	1,312	4,410	(104)	(145)	(249)
3,704	103	2,175	538	6,520	(200)	318	118
5,756	160	3,379	558	9,853	(311)	174	(137)
3,245	90	1,905	591	5,831	(175)	7	(168)
400	11	235	505	1,151	(22)	49	27

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
City of Kaltag	237	\$ 550	124	124
Haines Borough School District	240	10,814	1,971	1,971
City of Atka	243	868	932	932
Aleutians East Borough School District	244	18,427	1,198	1,198
Delta/Greely School District	246	25,173	1,893	1,893
Lake and Peninsula Borough	247	11,375	268	268
City and Borough of Yakutat	248	10,578	3,836	3,836
City of Unalakleet	249	—	3,289	3,289
Klawock City School District	251	11,052	534	534
Alaska Gateway School District	255	54,548	2,615	2,615
Pelican City School District	257	—	242	242
Denali Borough	258	14,032	286	286
Cook Inlet Housing Authority	262	235,259	6,207	6,207
Interior Regional Housing Authority	263	26,450	1,444	1,444
Yakutat School District	264	4,884	354	354
Kake City School District	265	10,060	426	426
Aleutian Housing Authority	267	12,996	2,432	2,432
Bering Straits Regional Housing Authority	270	18,451	2,774	2,774
City of Egegik	271	3,130	166	166
Iliisagvik College	275	116,529	13,763	13,763
North Pacific Rim Housing Authority	276	16,448	169	169
Saxman Seaport	278	1,564	628	628
Tlingit-Haida Regional Housing Authority	279	61,650	6,459	6,459
Baranof Island Housing Authority	281	11,563	834	834
City of Delta Junction	282	3,933	1,791	1,791
City of Anderson	283	—	295	295
Inter-Island Ferry Authority	284	18,364	1,772	1,772
City of Seldovia	286	2,971	381	381
Northwest Inupiat Housing Authority	288	5,239	3,040	3,040
City of Upper Kalskag	290	—	112	112
City of Shaktoolik	291	1,365	215	215
Tagiugmiullu Nunamiullu Housing Authority	293	31,310	738	738
Municipality of Skagway	296	100,721	2,274	2,274
City of Nulato	297	—	1,500	1,500
City of Aniak	298	7,231	320	320
Alaska Gasline Development Corporation	299	12,530	20,886	20,886
Total for all employers		\$ 44,073,000	1,350,004	1,350,004

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change of assumptions	Net difference between projected and actual investment earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions		
					Proportionate share of allocable plan OPEB expense	Proportionate share of contributions	Total OPEB expense (benefit)
150	4	88	125	367	(8)	4	(4)
2,954	82	1,734	—	4,770	(159)	361	202
237	7	139	—	383	(13)	186	173
5,033	140	2,955	728	8,856	(272)	151	(121)
6,876	191	4,037	1,365	12,469	(371)	177	(194)
3,107	86	1,824	673	5,690	(168)	(38)	(206)
2,889	80	1,696	1,044	5,709	(156)	389	233
—	—	—	374	374	—	496	496
3,019	84	1,772	804	5,679	(163)	(15)	(178)
14,899	414	8,747	4,463	28,523	(804)	(295)	(1,099)
—	—	—	102	102	—	24	24
3,833	107	2,250	575	6,765	(207)	(37)	(244)
64,257	1,787	37,724	16,584	120,352	(3,468)	(1,336)	(4,804)
7,224	201	4,241	3,538	15,204	(390)	(263)	(653)
1,334	37	783	480	2,634	(72)	(18)	(90)
2,748	76	1,613	679	5,116	(148)	(35)	(183)
3,550	99	2,084	—	5,733	(192)	433	241
5,040	140	2,959	632	8,771	(272)	445	173
855	24	502	665	2,046	(46)	(101)	(147)
31,828	885	18,686	2,797	54,196	(1,718)	1,999	281
4,492	125	2,637	816	8,070	(242)	(100)	(342)
427	12	251	350	1,040	(23)	24	1
16,839	468	9,886	3,910	31,103	(909)	478	(431)
3,158	88	1,854	281	5,381	(170)	107	(63)
1,074	30	631	75	1,810	(58)	344	286
—	—	—	8	8	—	47	47
5,016	140	2,945	484	8,585	(271)	205	(66)
811	23	476	309	1,619	(44)	9	(35)
1,431	40	840	422	2,733	(77)	362	285
—	—	—	12	12	—	16	16
373	10	219	346	948	(20)	(10)	(30)
8,552	238	5,021	3,920	17,731	(462)	(464)	(926)
27,510	765	16,151	6,207	50,633	(1,485)	(615)	(2,100)
—	—	—	94	94	—	238	238
1,975	55	1,160	1,268	4,458	(107)	(159)	(266)
3,422	95	2,009	4,519	10,045	(185)	2,300	2,115
<u>12,037,751</u>	<u>334,830</u>	<u>7,067,200</u>	<u>1,350,004</u>	<u>20,789,785</u>	<u>(649,743)</u>	<u>—</u>	<u>(649,743)</u>



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(1) Plan Description**

The State of Alaska Public Employees' Retirement System (the System) Occupational Death and Disability Plan (the Plan) is a cost-sharing, multiple-employer defined benefit other postemployment benefit (OPEB) plan that provides OPEB benefits to State and local government employees.

The Plan is established under Alaska Statute 39.35 which establishes benefit and contribution provisions and may be amended only by the State of Alaska (State) legislature. The Plan provides death benefits for beneficiaries of Plan participants and long-term disability benefits to all active members within the System.

**(a) Death Benefits**

If (1) the death of an employee occurs before the employee's retirement and before the employee's normal retirement date, (2) the proximate cause of death is a bodily injury sustained or a hazard undergone while in the performance and within the scope of the employee's duties, and (3) the injury or hazard is not the proximate result of willful negligence of the employee, then a monthly survivor's pension shall be paid to the surviving spouse. If there is no surviving spouse or if the spouse later dies, the monthly survivor's pension shall be paid in equal parts to the dependent children of the employee.

If an active general member of the System's Defined Benefit Pension Plan (DB Plan) dies from occupational causes, the spouse may receive a monthly pension equal to 40% of the DB Plan member's salary. If an active peace officer or firefighter DB Plan member dies from occupational causes, the spouse may receive a monthly pension equal to 50% of the DB Plan member's salary or 75% of the member's retirement benefit calculated as if the member had survived until normal retirement age, whichever is greater. When death is due to occupational causes and there is no surviving spouse, the DB Plan member's dependent child(ren) may receive the monthly pension until they are no longer dependents. If the member does not have a spouse or dependent children at the time of death, a lump-sum death benefit is payable to the named beneficiary(ies). The amount of the occupational death pension changes on the date the DB Plan member's normal retirement would have occurred if the DB Plan member had lived. The new benefit is based on the DB Plan member's average monthly compensation at the time of death and the credited service, including service that would have accrued if the DB Plan member had lived and continued to work until normal retirement. If the death was from nonoccupational causes and the DB Plan member was vested, the spouse may receive a monthly 50% joint and survivor option benefit based on the member's credited service and average monthly compensation at the time of death. If the DB Plan member is not married or vested, a lump-sum death benefit is payable to the named beneficiary(ies).

The monthly survivor's pension section for survivors of the System's Defined Contribution Retirement (DCR) Plan employees who are not peace officers or firefighters is 40% of the employee's monthly compensation in the month in which the employee dies. The monthly survivor's pension for survivors of employees who are peace officers or firefighters is 50% of the monthly compensation in the month in which the employee dies. While the monthly survivor's pension is being paid, the employer shall make contributions on behalf of the employee's beneficiaries based on the deceased employee's gross monthly compensation at the time of occupational death.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(b) Disability Benefits**

Active DB Plan members who become permanently disabled due to occupational or nonoccupational causes receive disability benefits until normal retirement age, or when the service requirement for normal retirement is met. Although there are no minimum service requirements for DB Plan members to be eligible for occupational disability, DB Plan members must be vested to receive nonoccupational disability benefits. The monthly occupational disability benefit is equal to 40% of the DB Plan's salary at the time of the disability. The nonoccupational disability benefit is based on the DB Plan member's service and salary at the time of disability. At normal retirement age, a disabled general DB Plan member receives normal retirement benefits. A peace officer or firefighter DB Plan member may elect to receive normal retirement benefits calculated under the occupational disability benefit rules.

A DCR Plan member is eligible for an occupational disability benefit if employment is terminated because of a total and apparently permanent occupational disability before the member's normal retirement date. The occupational disability benefits accrue beginning the first day of the month following termination of employment as a result of the disability and are payable the last day of the month. If a final determination granting the benefit is not made in time to pay the benefit when due, a retroactive payment shall be made to cover the period of deferment.

**(2) Basis of Presentation**

The schedule of employer allocations and the schedule of OPEB amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan and its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan or its participating employers. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB asset, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of OPEB amounts by employer are based on the ratio of contributions made for each employer to total contributions made to the Plan during the year ended June 30, 2021. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer may result in immaterial differences.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (Board). An employer shall contribute to each member's account based on the member's compensation. For the year ended June 30, 2021, the rates are 0.70% for occupational death and disability for peace officers and firefighters, and 0.31% for occupational death and disability for all other members.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$ 16,072,000
Plan fiduciary net position	<u>(60,146,000)</u>
Net OPEB asset	\$ <u>(44,074,000)</u>

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions as of June 30, 2020:

Inflation	2.50%
Salary increases	Graded by service, from 7.75% to 2.75% for peace officer/firefighter Graded by service, from 6.75% to 2.75% for all others
Investment rate of return	7.38%, net of occupational death and disability plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Post-commencement mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. The rates for pre-commencement mortality were 100% of the RP-2014 employment table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

Deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others. Disability mortality in accordance with the RP-2014 Disabled Table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY)20 to CY21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return, for each major asset class included in the Plan's target asset allocation are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Domestic equity	6.63 %
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(d) Sensitivity of the Collective Net OPEB Asset to Changes in the Discount Rate**

The following presents the collective net OPEB asset of the Plan as of June 30, 2021, calculated using the discount rate of 7.38% as well as what the Plan's collective net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% decrease (6.38%)</b>	<b>Current discount rate (7.38%)</b>	<b>1% increase (8.38%)</b>
\$	(42,202,000)	(44,074,000)	(45,563,000)

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	<b>Year of deferral</b>	<b>Amortization period</b>	<b>Beginning of year balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>End of year balance</b>
Deferred outflows of resources	None					
Deferred inflows of resources:						
Difference between expected and actual experience	2017	9.1 years	\$ 263,408	—	51,648	211,760
	2019	9.1 years	3,770,604	—	618,132	3,152,472
	2019	9.1 years	2,458,829	—	396,585	2,062,244
	2020	8.2 years	2,653,463	—	368,537	2,284,926
	2021	8.2 years	—	4,919,000	592,651	4,326,349
			<u>9,146,304</u>	<u>4,919,000</u>	<u>2,027,553</u>	<u>12,037,751</u>
Change in assumptions	2019	8.2 years	399,220	—	64,390	334,830
Difference between projected and actual earnings on OPEB plan investments	2017	5 years	221,600	—	221,600	—
	2018	5 years	9,200	—	4,600	4,600
	2019	5 years	(222,600)	—	(74,200)	(148,400)
	2020	5 years	(943,200)	—	(235,800)	(707,400)
	2021	5 years	—	9,898,000	1,979,600	7,918,400
			<u>(935,000)</u>	<u>9,898,000</u>	<u>1,895,800</u>	<u>7,067,200</u>
Total deferred inflows of resources			\$ <u>8,610,524</u>	<u>14,817,000</u>	<u>3,987,743</u>	<u>19,439,781</u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer

June 30, 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:		
2022	\$	(3,766,143)
2023		(3,761,543)
2024		(3,835,743)
2025		(4,071,543)
2026		(2,045,460)
Thereafter		<u>(1,959,349)</u>
Total	\$	<u><u>(19,439,781)</u></u>

**(7) Collective OPEB Expense**

The components of the collective OPEB expense (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$	5,133,000
Interest on total OPEB liability		1,458,000
Administrative expenses		32,000
Other		(2,000)
Expected investment return net of investment expenses		(3,283,000)
Recognition (amortization) of deferred outflows/inflows of resources:		
Difference between projected and actual investment earnings on OPEB plan investments		(1,895,800)
Change in assumptions		(64,390)
Difference between expected and actual experience		<u>(2,027,553)</u>
Total OPEB expense	\$	<u><u>(649,743)</u></u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Public Employees' Retirement System:

We have audited the accompanying schedule of employer and nonemployer allocations of the State of Alaska Public Employees' Retirement System Alaska Retiree Healthcare Trust (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all entities of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) (specified column totals) included in the accompanying schedule of OPEB amounts by employer and nonemployer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer and nonemployer allocations and the specified column totals included in the schedule of OPEB amounts by employer and nonemployer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer and nonemployer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) for the total of all entities for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Public Employees' Retirement System, which includes the Alaska Retiree Healthcare Trust, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

**Other Information**

The supplemental schedule of employer allocations of special funding amounts, supplemental schedule of special funding amounts by employer, and supplemental schedule of employer and nonemployer contributions have not been subject to the auditing procedures applied in the audit of the schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer and accordingly, we do not express an opinion or provide any assurance on them.

**Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Public Employees' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Public Employees' Retirement System Alaska Retiree Healthcare Trust employers and nonemployers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
\_\_\_\_\_, 2021

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
Employer:			
State of Alaska	101	\$ 902,784,000	49.42678 %
Southwest Region School District	102	2,387,000	0.13069
Annette Island School District	103	1,286,000	0.07041
Bering Strait School District	104	6,164,000	0.33748
Chatham School District	105	426,000	0.02332
Alaska Municipal League	106	82,000	0.00449
City of Valdez	107	7,376,000	0.40383
Juneau Borough School District	108	10,776,000	0.58998
Matanuska-Susitna Borough	109	18,754,000	1.02677
Matanuska-Susitna Borough School District	110	23,814,000	1.30380
Anchorage School District	111	70,781,000	3.87521
Copper River School District	112	868,000	0.04752
University of Alaska	113	82,379,000	4.51020
City of Kenai	115	5,829,000	0.31913
Fairbanks North Star Borough	116	18,279,000	1.00076
Fairbanks North Star Borough School District	117	26,293,000	1.43952
Denali Borough School District	118	885,000	0.04845
City And Borough of Sitka	120	7,313,000	0.40038
Chugach School District	121	422,000	0.02310
Ketchikan Gateway Borough	122	4,162,000	0.22787
City of Soldotna	123	3,178,000	0.17399
Iditarod Area School District	124	730,000	0.03997
Kuspuk School District	125	1,460,000	0.07993
City And Borough of Juneau	126	28,337,000	1.55143
City of Kodiak	128	5,885,000	0.32220
City of Fairbanks	129	6,083,000	0.33304
City of Wasilla	131	6,173,000	0.33797
Sitka Borough School District	133	1,934,000	0.10589
City of Palmer	134	3,225,000	0.17657
City And Borough of Wrangell	135	2,581,000	0.14131
City of Bethel	136	5,071,000	0.27763
Valdez City School District	137	1,539,000	0.08426
Hoonah City School District	138	414,000	0.02267
City of Nome	139	2,741,000	0.15007
City of Kotzebue	140	3,547,000	0.19420
Galena City School District	141	2,742,000	0.15012
City of Petersburg	143	3,794,000	0.20772
Bristol Bay Borough	144	2,452,000	0.13425
North Slope Borough	145	58,140,000	3.18313
Wrangell Public School District	146	621,000	0.03400
City of Cordova	148	2,405,000	0.13167
Nome City School District	149	1,046,000	0.05727
City of King Cove	151	784,000	0.04292
Alaska Housing Finance Corporation	152	14,361,000	0.78626
Lower Yukon School District	153	6,261,000	0.34279
Northwest Arctic Borough School District	154	5,594,000	0.30627
Southeast Island School District	155	679,000	0.03717
Pribilof School District	156	231,000	0.01265
Lower Kuskokwim School District	157	14,389,000	0.78779
Kodiak Island Borough School District	158	5,374,000	0.29422
Yukon Flats School District	159	760,000	0.04161

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
Yukon / Koyukuk School District	160	\$ 2,065,000	0.11306 %
North Slope Borough School District	161	9,019,000	0.49378
Cordova Community Medical Center	163	3,411,000	0.18675
Lake And Peninsula Borough School District	164	1,429,000	0.07824
Tanana School District	166	88,000	0.00482
Southeast Regional Resource Center	167	1,334,000	0.07304
Hydaburg City School District	168	384,000	0.02102
City of Tanana	169	—	0.00029
North Pacific Fishery Management Council	170	1,194,000	0.06537
City of Barrow	171	1,088,000	0.05957
City of Saint Paul	172	1,222,000	0.06690
Municipality of Anchorage	173	158,413,000	8.67301
Kodiak Island Borough	174	2,125,000	0.11634
Nome Joint Utility System	175	724,000	0.03964
City of Sand Point	176	864,000	0.04730
Ketchikan Gateway Borough School District	177	5,363,000	0.29362
City of Dillingham	178	2,164,000	0.11848
City of Unalaska	179	8,917,000	0.48820
Kenai Peninsula Borough	180	14,375,000	0.78702
City of Ketchikan	181	7,836,000	0.42902
City of Seward	182	3,331,000	0.18237
City of Fort Yukon	183	472,000	0.02584
Bristol Bay Borough School District	184	261,000	0.01429
Cordova City School District	185	797,000	0.04364
City of Craig	186	1,178,000	0.06449
Petersburg Medical Center	187	6,026,000	0.32992
Haines Borough	189	1,924,000	0.10534
Kenai Peninsula Borough School District	190	13,395,000	0.73337
City of North Pole	191	2,184,000	0.11957
City of Galena	192	726,000	0.03975
City of Nenana	193	98,000	0.00537
Yupit School District	195	1,492,000	0.08169
Nenana City School District	196	1,434,000	0.07851
City of Saxman	198	86,000	0.00471
City of Hoonah	199	695,000	0.03805
City of Pelican	200	102,000	0.00558
City of Whittier	202	988,000	0.05409
Anchorage Community Development Authority	203	967,000	0.05294
Craig City School District	204	697,000	0.03816
Dillingham City School District	205	985,000	0.05393
City of Thorne Bay	206	257,000	0.01407
City of Akutan	208	688,000	0.03767
Unalaska City School District	209	698,000	0.03822
Kashunamiut School District	211	1,320,000	0.07227
City of Homer	215	5,146,000	0.28174
Special Education Service Agency	218	141,000	0.00772
Bartlett Regional Hospital	219	28,473,000	1.55888
Northwest Arctic Borough	220	1,852,000	0.10140
Saint Mary's School District	221	867,000	0.04747
Bristol Bay Regional Housing Authority	223	985,000	0.05393
Copper River Basin Regional Housing Authority	224	468,000	0.02562

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Present value of projected future contributions	Allocation percentage
Skagway City School District	225	\$ 206,000	0.01128 %
City of Klawock	227	548,000	0.03000
Petersburg City School District	228	763,000	0.04177
Aleutians East Borough	230	693,000	0.03794
City of Huslia	235	130,000	0.00712
City of Kaltag	237	28,000	0.00153
Haines Borough School District	240	688,000	0.03767
City of Elim	242	—	0.00032
City of Atka	243	25,000	0.00137
Aleutians East Borough School District	244	747,000	0.04090
Delta/Greely School District	246	1,250,000	0.06844
Lake And Peninsula Borough	247	286,000	0.01566
City And Borough of Yakutat	248	651,000	0.03564
City of Unalakleet	249	—	0.00616
Klawock City School District	251	552,000	0.03022
City of Mekoryik	254	—	—
Alaska Gateway School District	255	1,720,000	0.09417
Pelican City School District	257	36,000	0.00197
Denali Borough	258	414,000	0.02267
City of Allakaket	259	—	—
City of Kachemak	260	18,000	0.00099
Cook Inlet Housing Authority	262	8,364,000	0.45792
Interior Regional Housing Authority	263	893,000	0.04889
Yakutat School District	264	210,000	0.01150
Kake City School District	265	468,000	0.02562
Aleutian Housing Authority	267	596,000	0.03263
Bering Straits Regional Housing Authority	270	1,153,000	0.06313
City of Egegik	271	86,000	0.00471
Ilisagvik College	275	4,211,000	0.23055
North Pacific Rim Housing Authority	276	1,001,000	0.05480
Saxman Seaport	278	73,000	0.00400
Tlingit-Haida Regional Housing Authority	279	2,183,000	0.11952
City of Toksook Bay	280	18,000	0.00099
Baranof Island Housing Authority	281	524,000	0.02869
City of Delta Junction	282	134,000	0.00734
City of Anderson	283	—	0.00031
Inter-Island Ferry Authority	284	825,000	0.04517
City of Seldovia	286	73,000	0.00400
Northwest Inupiat Housing Authority	288	637,000	0.03488
City of Upper Kalskag	290	7,000	0.00038
City of Shaktoolik	291	—	0.00101
Tagiugmiullu Nunamiullu Housing Authority	293	713,000	0.03904
Municipality of Skagway	296	3,150,000	0.17246
City of Nulato	297	—	0.00426
City of Aniak	298	151,000	0.00827
Alaska Gasline Development Corporation	299	775,000	0.04243
Total present value of projected future employer contributions		1,719,339,000	94.14505

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer/ nonemployer number</u>	<u>Present value of projected future contributions</u>	<u>Allocation percentage</u>
Nonemployer:			
State of Alaska	999	\$ 106,941,000	5.85495 %
Total for all entities		<u>\$ 1,826,280,000</u>	<u>100.00000 %</u>

See accompanying notes to schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer.

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STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of OPEB Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer / nonemployer	Employer/ nonemployer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Employer:				
State of Alaska	101	\$ 1,267,973,428	449,949	449,949
Southwest Region School District	102	3,352,577	—	—
Annette Island School District	103	1,806,206	—	—
Bering Strait School District	104	8,657,429	—	—
Chatham School District	105	598,323	—	—
Alaska Municipal League	106	115,170	—	—
City of Valdez	107	10,359,701	—	—
Juneau Borough School District	108	15,135,051	—	—
Matanuska-Susitna Borough	109	26,340,269	—	—
Matanuska-Susitna Borough School District	110	33,447,114	—	—
Anchorage School District	111	99,412,958	—	—
Copper River School District	112	1,219,119	—	—
University of Alaska	113	115,702,519	—	—
City of Kenai	115	8,186,916	—	—
Fairbanks North Star Borough	116	25,673,125	—	—
Fairbanks North Star Borough School District	117	36,928,906	—	—
Denali Borough School District	118	1,242,996	—	—
City And Borough of Sitka	120	10,271,216	—	—
Chugach School District	121	592,705	2,967	2,967
Ketchikan Gateway Borough	122	5,845,590	—	—
City of Soldotna	123	4,463,548	—	—
Iditarod Area School District	124	1,025,296	7,829	7,829
Kuspuk School District	125	2,050,592	—	—
City And Borough of Juneau	126	39,799,734	—	—
City of Kodiak	128	8,265,569	—	—
City of Fairbanks	129	8,543,663	—	—
City of Wasilla	131	8,670,069	—	—
Sitka Borough School District	133	2,716,331	—	—
City of Palmer	134	4,529,560	—	—
City And Borough of Wrangell	135	3,625,053	—	—
City of Bethel	136	7,122,294	—	—
Valdez City School District	137	2,161,548	—	—
Hoonah City School District	138	581,469	—	—
City of Nome	139	3,849,775	—	—
City of Kotzebue	140	4,981,814	—	—
Galena City School District	141	3,851,179	—	—
City of Petersburg	143	5,328,729	—	—
Bristol Bay Borough	144	3,443,870	—	—
North Slope Borough	145	81,658,487	—	—
Wrangell Public School District	146	872,204	—	—
City of Cordova	148	3,377,858	—	—
Nome City School District	149	1,469,122	—	—
City of King Cove	151	1,101,140	—	—
Alaska Housing Finance Corporation	152	20,170,236	—	—
Lower Yukon School District	153	8,793,667	—	—
Northwest Arctic Borough School District	154	7,856,855	—	—
Southeast Island School District	155	953,666	—	—
Pribilof School District	156	324,443	1,953	1,953
Lower Kuskokwim School District	157	20,209,563	—	—
Kodiak Island Borough School District	158	7,547,862	—	—
Yukon Flats School District	159	1,067,431	—	—
Yukon / Koyukuk School District	160	2,900,323	—	—
North Slope Borough School District	161	12,667,318	—	—
Aleutian Region School District	162	—	—	—
Cordova Community Medical Center	163	4,790,800	—	—
Lake And Peninsula Borough School District	164	2,007,052	—	—
Sitka Community Hospital	165	—	—	—
Tanana School District	166	123,597	656	656
Southeast Regional Resource Center	167	1,873,623	—	—
Hydaburg City School District	168	539,334	—	—



Deferred inflows of resources					OPEB expense (benefit)			
Difference between expected and actual experience	Change of assumptions	Difference between projected and actual investment earnings	Change in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB benefit	Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions		Total OPEB expense (benefit)
						Proportionate share of OPEB benefit	Total OPEB expense (benefit)	
13,315,758	47,917,012	593,343,706	—	654,576,476	(439,939,195)	793,904	(439,145,291)	
35,207	126,695	1,568,826	28,691	1,759,419	(1,163,218)	(44,030)	(1,207,248)	
18,968	68,257	845,208	38,821	971,254	(626,686)	(78,123)	(704,809)	
90,917	327,166	4,051,213	65,476	4,534,772	(3,003,803)	(107,223)	(3,111,026)	
6,283	22,611	279,983	2,606	311,483	(207,596)	(7,760)	(215,356)	
1,209	4,352	53,893	1,395	60,849	(39,960)	(1,319)	(41,279)	
108,793	391,496	4,847,785	92,650	5,440,724	(3,594,427)	(115,337)	(3,709,764)	
158,942	571,957	7,082,394	146,399	7,959,692	(5,251,295)	(225,840)	(5,477,135)	
276,615	995,405	12,325,836	260,652	13,858,508	(9,139,085)	(374,251)	(9,513,336)	
351,248	1,263,974	15,651,459	322,118	17,588,799	(11,604,893)	(546,156)	(12,151,049)	
1,043,996	3,756,839	46,519,943	797,938	52,118,716	(34,492,565)	(1,337,846)	(35,830,411)	
12,803	46,071	570,482	7,592	636,948	(422,988)	(11,903)	(434,891)	
1,215,062	4,372,426	54,142,587	36,029	59,766,104	(40,144,432)	791,729	(39,352,703)	
85,976	309,386	3,831,039	70,124	4,296,525	(2,840,553)	(85,035)	(2,925,588)	
269,609	970,193	12,013,648	139,977	13,393,427	(8,907,611)	(130,195)	(9,037,806)	
387,813	1,395,552	17,280,752	251,467	19,315,584	(12,812,944)	(350,162)	(13,163,106)	
13,053	46,973	581,655	19,384	661,065	(431,273)	(42,048)	(473,321)	
107,864	388,152	4,806,379	32,999	5,335,394	(3,563,727)	69,331	(3,494,396)	
6,224	22,398	277,354	—	305,976	(205,646)	6,819	(198,827)	
61,388	220,906	2,735,423	32,367	3,050,084	(2,028,200)	(28,877)	(2,057,077)	
46,874	168,679	2,088,701	18,631	2,322,885	(1,548,684)	(2,015)	(1,550,699)	
10,767	38,746	479,784	—	529,297	(355,739)	16,536	(339,203)	
21,535	77,492	959,567	10,101	1,068,695	(711,478)	(21,987)	(733,465)	
417,961	1,504,041	18,624,145	202,297	20,748,444	(13,809,014)	(143,355)	(13,952,369)	
86,802	312,358	3,867,844	62,884	4,329,888	(2,867,842)	(71,157)	(2,938,999)	
89,722	322,867	3,997,977	42,789	4,453,355	(2,964,330)	(34,519)	(2,998,849)	
91,050	327,644	4,057,128	73,844	4,549,666	(3,008,189)	(93,690)	(3,101,879)	
28,526	102,651	1,271,098	20,699	1,422,974	(942,465)	(38,671)	(981,136)	
47,568	171,173	2,119,592	39,472	2,377,805	(1,571,587)	(55,680)	(1,627,267)	
38,069	136,992	1,696,331	26,552	1,897,944	(1,257,757)	(22,578)	(1,280,335)	
74,796	269,153	3,332,853	85,585	3,762,387	(2,471,169)	(126,131)	(2,597,300)	
22,700	81,685	1,011,489	17,488	1,133,362	(749,976)	(27,500)	(777,476)	
6,106	21,974	272,096	2,978	303,154	(201,748)	(5,213)	(206,961)	
40,429	145,484	1,801,489	52,086	2,039,488	(1,335,727)	(88,019)	(1,423,746)	
52,317	188,264	2,331,222	76,039	2,647,842	(1,728,502)	(125,567)	(1,854,069)	
40,444	145,537	1,802,146	19,631	2,007,758	(1,336,215)	(16,742)	(1,352,957)	
55,960	201,374	2,493,560	55,211	2,806,105	(1,848,869)	(93,508)	(1,942,377)	
36,166	130,145	1,611,547	52,622	1,830,480	(1,194,894)	(92,370)	(1,287,264)	
857,545	3,085,893	38,211,801	689,315	42,844,554	(28,332,430)	(928,191)	(29,260,621)	
9,160	32,961	408,145	7,719	457,985	(302,622)	(15,865)	(318,487)	
35,473	127,650	1,580,657	32,835	1,776,615	(1,171,990)	(50,814)	(1,222,804)	
15,428	55,518	687,471	13,363	771,780	(509,730)	(10,674)	(520,404)	
11,564	41,612	515,274	1,978	570,428	(382,054)	3,402	(378,652)	
211,820	762,238	9,438,591	84,313	10,496,962	(6,998,315)	(38,526)	(7,036,841)	
92,348	332,315	4,114,965	57,054	4,596,682	(3,051,072)	(70,819)	(3,121,891)	
82,510	296,912	3,676,588	50,386	4,106,396	(2,726,034)	(63,834)	(2,789,868)	
10,015	36,039	446,264	2,721	495,039	(330,886)	(6,505)	(337,391)	
3,407	12,261	151,822	—	167,490	(112,570)	9,479	(103,091)	
212,233	763,724	9,456,994	120,421	10,553,372	(7,011,960)	(143,994)	(7,155,954)	
79,265	285,235	3,531,996	90,298	3,986,794	(2,618,825)	(156,516)	(2,775,341)	
11,210	40,338	499,501	3,051	554,100	(370,359)	(9,050)	(379,409)	
30,458	109,604	1,357,196	31,421	1,528,679	(1,006,303)	(57,342)	(1,063,645)	
133,027	478,701	5,927,627	97,598	6,636,953	(4,395,084)	(173,176)	(4,568,260)	
—	—	—	—	—	—	(1,543)	(1,543)	
50,311	181,045	2,241,838	103,988	2,577,182	(1,662,228)	(111,349)	(1,773,577)	
21,077	75,847	939,193	18,843	1,054,960	(696,372)	(27,324)	(723,696)	
—	—	—	—	—	—	(151,306)	(151,306)	
1,298	4,671	57,837	—	63,806	(42,884)	206	(42,678)	
19,676	70,805	876,755	15,330	982,566	(650,077)	(22,519)	(672,596)	
5,664	20,382	252,379	7,879	286,304	(187,129)	(13,481)	(200,610)	

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of OPEB Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer / nonemployer	Employer/ nonemployer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
City of Tanana	169	\$ 7,472	—	—
North Pacific Fishery Management Council	170	1,676,991	—	—
City of Barrow	171	1,528,112	—	—
City of Saint Paul	172	1,716,317	—	—
Municipality of Anchorage	173	222,493,393	—	—
Kodiak Island Borough	174	2,984,594	—	—
Nome Joint Utility System	175	1,016,869	2,864	2,864
City of Sand Point	176	1,213,501	—	—
Ketchikan Gateway Borough School District	177	7,532,413	—	—
City of Dillingham	178	3,039,370	—	—
City of Unalaska	179	12,524,058	—	—
Kenai Peninsula Borough	180	20,189,899	—	—
City of Ketchikan	181	11,005,777	—	—
City of Seward	182	4,678,439	—	—
City of Fort Yukon	183	662,931	—	—
Bristol Bay Borough School District	184	366,578	—	—
Cordova City School District	185	1,119,398	—	—
City of Craig	186	1,654,518	—	—
Petersburg Medical Center	187	8,463,606	—	—
Haines Borough	189	2,702,286	—	—
Kenai Peninsula Borough School District	190	18,813,475	—	—
City of North Pole	191	3,067,460	—	—
City of Galena	192	1,019,678	—	—
City of Nenana	193	137,642	—	—
Yupit School District	195	2,095,536	—	—
Nenana City School District	196	2,014,074	—	—
City of Saxman	198	120,788	—	—
City of Hoonah	199	976,138	—	—
City of Pelican	200	143,261	—	—
City of Whittier	202	1,387,661	—	—
Anchorage Community Development Authority	203	1,358,166	11,227	11,227
Craig City School District	204	978,947	—	—
Dillingham City School District	205	1,383,447	—	—
City of Thorne Bay	206	360,960	1,532	1,532
City of Akutan	208	966,306	—	—
Unalaska City School District	209	980,351	—	—
Kashunamiut School District	211	1,853,959	—	—
City of Homer	215	7,227,633	—	—
Special Education Service Agency	218	198,037	926	926
Bartlett Regional Hospital	219	39,990,748	—	—
Northwest Arctic Borough	220	2,601,161	—	—
Saint Mary's School District	221	1,217,714	—	—
Bristol Bay Regional Housing Authority	223	1,383,447	—	—
Copper River Basin Regional Housing Authority	224	657,313	—	—
Skagway City School District	225	289,330	—	—
City of Klawock	227	769,674	—	—
Petersburg City School District	228	1,071,645	—	—
Aleutians East Borough	230	973,329	—	—
City of Huslia	235	182,587	—	—
City of Kaltag	237	39,326	1,098	1,098
Haines Borough School District	240	966,306	—	—
City of Elim	242	8,146	3	3
City of Atka	243	35,113	335	335
Aleutians East Borough School District	244	1,049,173	—	—
Delta/Greely School District	246	1,755,643	—	—
Lake And Peninsula Borough	247	401,691	—	—
City And Borough of Yakutat	248	914,339	3,017	3,017
City of Unalakleet	249	158,123	—	—
Klawock City School District	251	775,292	—	—
City of Mekoryuk	254	—	—	—

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change of assumptions	Difference between projected and actual investment earnings	Change in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Net		
					Proportionate share of allocable plan OPEB benefit	amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	Total OPEB expense (benefit)
78	282	3,496	66	3,922	(2,592)	(261)	(2,853)
17,611	63,374	784,742	11,743	877,470	(581,853)	(12,108)	(593,961)
16,048	57,748	715,075	1,390	790,261	(530,198)	2,526	(527,672)
18,024	64,860	803,144	16,442	902,470	(595,498)	(22,285)	(617,783)
2,336,538	8,408,078	104,115,000	677,705	115,537,321	(77,196,857)	348,665	(76,848,192)
31,343	112,789	1,396,630	27,686	1,568,448	(1,035,542)	(47,224)	(1,082,766)
10,679	38,428	475,840	—	524,947	(352,815)	16,658	(336,157)
12,744	45,858	567,853	10,668	637,123	(421,039)	(17,344)	(438,383)
79,102	284,652	3,524,766	108,089	3,996,609	(2,613,464)	(206,578)	(2,820,042)
31,918	114,859	1,422,262	32,467	1,601,506	(1,054,547)	(50,164)	(1,104,711)
131,523	473,287	5,860,589	135,221	6,600,620	(4,345,378)	(204,469)	(4,549,847)
212,026	762,981	9,447,792	150,537	10,573,336	(7,005,137)	(192,692)	(7,197,829)
115,578	415,911	5,150,115	103,387	5,784,991	(3,818,592)	(122,416)	(3,941,008)
49,131	176,799	2,189,259	31,020	2,446,209	(1,623,243)	(43,840)	(1,667,083)
6,962	25,052	310,216	6,115	348,345	(230,012)	(13,258)	(243,270)
3,850	13,853	171,539	268	189,510	(127,189)	(2,193)	(129,382)
11,755	42,302	523,818	13,984	591,859	(388,389)	(24,495)	(412,884)
17,375	62,525	774,226	11,420	865,546	(574,056)	(15,688)	(589,744)
88,881	319,842	3,960,515	130,576	4,499,814	(2,936,554)	(211,890)	(3,148,444)
28,378	102,120	1,264,525	31,206	1,426,229	(937,592)	(59,159)	(996,751)
197,572	710,966	8,803,699	182,424	9,894,661	(6,527,570)	(325,074)	(6,852,644)
32,213	115,920	1,435,407	25,022	1,608,562	(1,064,294)	(39,223)	(1,103,517)
10,708	38,534	477,155	8,599	534,996	(353,790)	(13,748)	(367,538)
1,445	5,202	64,409	6,117	77,173	(47,757)	5,839	(41,918)
22,006	79,191	980,599	19,105	1,100,901	(727,072)	(26,842)	(753,914)
21,151	76,112	942,479	30,419	1,070,161	(698,808)	(56,173)	(754,981)
1,268	4,565	56,522	2,952	65,307	(41,909)	(3,468)	(45,377)
10,251	36,888	456,780	12,174	516,093	(338,683)	(20,712)	(359,395)
1,504	5,414	67,038	2,125	76,081	(49,706)	(1,937)	(51,643)
14,573	52,440	649,351	10,012	726,376	(481,466)	(7,085)	(488,551)
14,263	51,325	635,549	—	701,137	(471,233)	25,465	(445,768)
10,281	36,995	458,095	10,075	515,446	(339,658)	(19,906)	(359,564)
14,528	52,281	647,379	29,683	743,871	(480,004)	(54,734)	(534,738)
3,791	13,641	168,910	—	186,342	(125,240)	5,133	(120,107)
10,148	36,517	452,180	9,106	507,951	(335,272)	(15,485)	(350,757)
10,295	37,048	458,752	2,972	509,067	(340,145)	(2,120)	(342,265)
19,470	70,062	867,554	17,709	974,795	(643,254)	(23,546)	(666,800)
75,902	273,134	3,382,145	82,779	3,813,960	(2,507,717)	(127,101)	(2,634,818)
2,080	7,484	92,671	—	102,235	(68,711)	2,621	(66,090)
419,967	1,511,260	18,713,530	481,516	21,126,273	(13,875,289)	(759,491)	(14,634,780)
27,316	98,298	1,217,204	29,341	1,372,159	(902,505)	(41,612)	(944,117)
12,788	46,018	569,825	9,486	638,117	(422,501)	13,628	(408,873)
14,528	52,281	647,379	8,418	722,606	(480,004)	(6,485)	(486,489)
6,903	24,840	307,587	6,743	346,073	(228,063)	(9,380)	(237,443)
3,038	10,934	135,391	1,154	150,517	(100,387)	654	(99,733)
8,083	29,086	360,166	5,528	402,863	(267,048)	(7,910)	(274,958)
11,254	40,498	501,472	9,479	562,703	(371,821)	(15,255)	(387,076)
10,222	36,782	455,466	386	502,856	(337,709)	9,769	(327,940)
1,917	6,900	85,441	182	94,440	(63,351)	321	(63,030)
413	1,486	18,403	—	20,302	(13,645)	2,285	(11,360)
10,148	36,517	452,180	6,557	505,402	(335,272)	(10,894)	(346,166)
86	308	3,812	—	4,206	(2,826)	3,735	909
369	1,327	16,431	—	18,127	(12,183)	(1,482)	(13,665)
11,018	39,648	490,957	7,082	548,705	(364,023)	(5,755)	(369,778)
18,437	66,346	821,547	6,474	912,804	(609,142)	(5,130)	(614,272)
4,218	15,180	187,970	2,409	209,777	(139,372)	(3,428)	(142,800)
9,602	34,553	427,862	—	472,017	(317,241)	14,591	(302,650)
1,661	5,976	73,993	1,405	83,035	(54,863)	1,168	(53,695)
8,142	29,298	362,795	13,235	413,470	(268,997)	(23,710)	(292,707)
—	—	—	71	71	—	842	842

STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of OPEB Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and differences between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Alaska Gateway School District	255	\$ 2,415,765	—	—
Pelican City School District	257	50,563	4,425	4,425
Denali Borough	258	581,469	—	—
City of Allakaket	259	—	—	—
City of Kachemak	260	25,281	160	160
Cook Inlet Housing Authority	262	11,747,361	—	—
Interior Regional Housing Authority	263	1,254,232	—	—
Yakutat School District	264	294,948	—	—
Kake City School District	265	657,313	—	—
Aleutian Housing Authority	267	837,091	2,858	2,858
Bering Straits Regional Housing Authority	270	1,619,405	—	—
City of Egegik	271	120,788	7,788	7,788
Ilisagvik College	275	5,914,412	—	—
North Pacific Rim Housing Authority	276	1,405,919	—	—
Saxman Seaport	278	102,530	—	—
Tlingit-Haida Regional Housing Authority	279	3,066,056	—	—
City of Toksook Bay	280	25,281	260	260
Baranof Island Housing Authority	281	735,966	—	—
City of Delta Junction	282	188,205	4,222	4,222
City of Anderson	283	7,956	—	—
Inter-Island Ferry Authority	284	1,158,725	—	—
City of Seldovia	286	102,530	—	—
Northwest Inupiat Housing Authority	288	894,676	—	—
City of Upper Kalskag	290	9,832	756	756
City of Shaktoolik	291	25,857	116	116
Tagiugmiullu Nunamiullu Housing Authority	293	1,001,419	—	—
Municipality of Skagway	296	4,424,221	—	—
City of Nulato	297	109,275	—	—
City of Aniak	298	212,082	—	—
Alaska Gasline Development Corporation	299	1,088,499	26,021	26,021
Total for employers		2,415,153,790	530,962	530,962
Nonemployer:				
State of Alaska	999	150,200,210	7,034,984	7,034,984
Total for all entities		\$ 2,565,354,000	7,565,946	7,565,946

See accompanying notes to schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change of assumptions	Difference between projected and actual investment earnings	Change in proportion and differences between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB benefit	Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	
						proportionate share of contributions	Total OPEB benefit
25,369	91,292	1,130,449	33,854	1,280,964	(838,180)	(63,836)	(902,016)
531	1,911	23,661	—	26,103	(17,543)	9,007	(8,536)
6,106	21,974	272,096	9,044	309,220	(201,748)	(15,788)	(217,536)
—	—	—	—	—	—	—	—
265	955	11,830	—	13,050	(8,772)	565	(8,207)
123,366	443,936	5,497,136	144,375	6,208,813	(4,075,893)	(221,602)	(4,297,495)
13,171	47,398	586,913	8,754	656,236	(435,171)	(15,243)	(450,414)
3,097	11,146	138,020	1,861	154,124	(102,336)	(540)	(102,876)
6,903	24,840	307,587	913	340,243	(228,063)	1,511	(226,552)
8,791	31,634	391,714	—	432,139	(290,439)	10,967	(279,472)
17,006	61,198	757,795	7,099	843,098	(561,873)	(3,951)	(565,824)
1,268	4,565	56,522	—	62,355	(41,909)	15,983	(25,926)
62,111	223,507	2,767,628	66,047	3,119,293	(2,052,079)	(125,108)	(2,177,187)
14,764	53,130	657,895	1,820	727,609	(487,801)	8,783	(479,018)
1,077	3,875	47,978	1,973	54,903	(35,574)	(3,833)	(39,407)
32,199	115,867	1,434,750	14,211	1,597,027	(1,063,806)	(9,565)	(1,073,371)
265	955	11,830	—	13,050	(8,772)	1,004	(7,768)
7,729	27,812	344,393	7,057	386,991	(255,352)	(9,569)	(264,921)
1,976	7,112	88,070	—	97,158	(65,300)	9,474	(55,826)
84	301	3,723	71	4,179	(2,760)	(492)	(3,252)
12,168	43,788	542,221	5,533	603,710	(402,034)	(7,231)	(409,265)
1,077	3,875	47,978	1,645	54,575	(35,574)	(3,299)	(38,873)
9,396	33,810	418,660	4,882	466,748	(310,419)	(3,691)	(314,110)
103	372	4,601	—	5,076	(3,411)	1,521	(1,890)
272	977	12,100	—	13,349	(8,971)	(68)	(9,039)
10,517	37,844	468,610	9,161	526,132	(347,455)	(7,911)	(355,366)
46,461	167,192	2,070,299	68,716	2,352,668	(1,535,039)	(119,944)	(1,654,983)
1,148	4,130	51,135	163	56,576	(37,914)	(1,396)	(39,310)
2,227	8,015	99,243	3,931	113,416	(73,584)	(7,852)	(81,436)
11,431	41,135	509,359	—	561,925	(377,668)	45,355	(332,313)
25,362,990	91,269,232	1,130,162,711	7,565,946	1,254,360,879	(837,967,724)	(7,842,828)	(845,810,552)
1,577,343	5,676,101	70,285,660	—	77,539,104	(52,113,836)	7,842,828	(44,271,008)
26,940,333	96,945,333	1,200,448,371	7,565,946	1,331,899,983	(890,081,560)	—	(890,081,560)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(1) Plan Description**

The State of Alaska Public Employees' Retirement System (the System) Alaska Retiree Healthcare Trust (the Plan) is a cost-sharing, multiple-employer defined benefit other postemployment benefit (OPEB) plan that provides health benefits to State and local government employees.

The Plan is established under Alaska Statute 39.35, which defines the benefit and contribution provisions, and may be amended only by the State of Alaska (State) legislature. The Plan, a healthcare trust fund of the State, provides major medical coverage to retirees of the System's Defined Benefit Pension Plan (DB Plan). The Plan is self-funded and self-insured. The 24th Alaska State Legislature enacted into law Senate Bill 141, which closed the Plan to new members effective July 1, 2006.

There are three tiers within the Plan:

- Tier 1 employee: Entered System between January 1, 1961 and June 30, 1986 – 5 years of credited service.
- Tier 2 employee: Entered System between July 1, 1986 and June 30, 1996 – 5 years of credited service.
- Tier 3 employee: Entered System between July 1, 1996 and June 30, 2006 –10 years of credited service.

Major medical benefits are provided to retirees and their surviving spouses at no premium cost for all members hired before July 1, 1986 (Tier 1), and disabled retirees. Members hired after June 30, 1986 (Tier 2), and their surviving spouses with five years of credited service (or ten years of credited service for those first hired after June 30, 1996 [Tier 3]) must pay the full monthly premium if they are under age 60 and will receive benefits at no premium cost if they are over age 60. Tier 3 members with between five and ten years of credited service must pay the full monthly premium regardless of their age. Tier 2 and Tier 3 members with less than five years of credited service are not eligible for postemployment healthcare benefits. Tier 2 members who are receiving a conditional benefit and are age eligible are eligible for postemployment healthcare benefits. In addition, peace officers and their surviving spouses with 25 years of peace officer membership service and all other members and their surviving spouses with 30 years of membership service receive benefits at no premium cost, regardless of their age or date of hire. Peace officers/firefighters who are disabled between 20 and 25 years must pay the full monthly premium.

**(2) Basis of Presentation**

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan, its participating employers, or the State as a nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan, its participating employers, or the State. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB asset, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of OPEB amounts by employer and nonemployer are based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions to the Plan for the fiscal years 2022 to 2039. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (Board). Employer contributions were 4.05% of annual payroll for the year ended June 30, 2021.

Alaska Statute 39.35.280 requires the State, as a nonemployer contributing entity, to contribute each July 1, or as soon after July 1 for the ensuing fiscal year, an amount that when combined with the total employer contributions is sufficient to pay the Plan's past service liability at the actuarially determined contribution rate adopted by the Board for that fiscal year.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$ 7,218,787,000
Plan fiduciary net position	<u>(9,784,141,000)</u>
Net OPEB asset	<u>\$ (2,565,354,000)</u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial valuation used the following actuarial assumptions as of the June 30, 2021 measurement date:

Inflation rate	2.50% per year
Salary increases	Graded by service, from 7.75% to 2.75% for peace officer/firefighter Graded by service, from 6.75% to 2.75% for all others
Investment rate of return	7.38%, net of postretirement healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% Employer Group Waiver Plan (EGWP): 7.5% grading down to 4.5%
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Post-commencement mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. The rates for pre-commencement mortality were 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.
Participation	100% of system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from Calendar Year (CY)20 to CY21.



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**(b) Long-term Rate of Return**

The long-term expected rate of return on postretirement healthcare plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the postretirement healthcare plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%).

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Broad Domestic equity	6.63 %
Global equity (non-US)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer and nonemployer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the postretirement healthcare plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on postretirement healthcare plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability in accordance with the method prescribed by GASB 74. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefit payments not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.18% as of June 30, 2021.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(d) Sensitivity of the Collective Net OPEB Asset to Changes in the Discount Rate**

The following presents the net OPEB liability (asset) as of June 30, 2021, calculated using the discount rate of 7.38%, as well as what the System's net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate (\$ in thousands):

<u>1% decrease</u> <u>(6.38%)</u>	<u>Current discount rate</u> <u>(7.38%)</u>	<u>1% increase</u> <u>(8.38%)</u>
\$ (1,677,703,000)	(2,565,354,000)	(3,302,482,000)

**(e) Sensitivity of the Collective Net OPEB Asset to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB liability (asset) as of June 30, 2021, calculated using the healthcare cost trend rates as summarized in the 2020 actuarial valuation report, as well as what the System's net OPEB liability (asset) would be if it were calculated using trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

<u>1% decrease</u>	<u>Current healthcare cost trend rate</u>	<u>1% increase</u>
\$ (3,388,772,000)	(2,565,354,000)	(1,571,703,000)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning of year balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of year balance</u>
Deferred outflows of resources	None					
Deferred inflows of resources:						
Difference between expected and actual experience	2020	1.7 years	\$ 36,329,588	—	36,329,588	—
	2021	1.5 years	—	80,821,000	53,880,667	26,940,333
			<u>36,329,588</u>	<u>80,821,000</u>	<u>90,210,255</u>	<u>26,940,333</u>
Change in assumptions	2020	1.7 years	315,668,706	—	315,668,706	—
	2021	1.5 years	—	290,836,000	193,890,667	96,945,333
			<u>315,668,706</u>	<u>290,836,000</u>	<u>509,559,373</u>	<u>96,945,333</u>
Difference between projected and actual earnings on OPEB plan investments	2017	5 years	66,135,400	—	66,135,400	—
	2018	5 years	9,536,586	—	4,768,292	4,768,294
	2019	5 years	(61,201,083)	—	(20,400,360)	(40,800,723)
	2020	5 years	(196,169,600)	—	(49,042,400)	(147,127,200)
	2021	5 years	—	1,729,510,000	345,902,000	1,383,608,000
			<u>(181,698,697)</u>	<u>1,729,510,000</u>	<u>347,362,932</u>	<u>1,200,448,371</u>
Total deferred inflows of resources			\$ <u>170,299,597</u>	<u>2,101,167,000</u>	<u>947,132,560</u>	<u>1,324,334,037</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2022	\$ (405,113,198)
2023	(276,459,239)
2024	(296,859,600)
2025	<u>(345,902,000)</u>
Total	\$ <u>(1,324,334,037)</u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(7) Collective OPEB Benefit**

The components of the collective OPEB benefit (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$ 82,428,000
Interest on total OPEB liability	535,241,000
Administrative expense	4,859,000
Expected investment return net of investment expenses	(564,881,000)
Other	(596,000)
Recognition (amortization) of deferred outflows/inflows of resources:	
Difference between projected and actual investment earnings on OPEB plan investments	(347,362,932)
Difference between expected and actual experience	(90,210,255)
Change in assumptions	<u>(509,559,373)</u>
Total OPEB benefit	<u>\$ (890,081,560)</u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

<b>Employer</b>	<b>Employer number</b>	<b>Present value of projected future State contributions</b>	<b>Employer proportionate share</b>
Southwest Region School District	102	\$ 311,000	0.29081 %
Annette Island School District	103	167,000	0.15616
Bering Strait School District	104	809,000	0.75649
Chatham School District	105	57,000	0.05330
Alaska Municipal League	106	12,000	0.01122
City of Valdez	107	968,000	0.90517
Juneau Borough School District	108	1,412,000	1.32035
Matanuska-Susitna Borough	109	2,455,000	2.29566
Matanuska-Susitna Borough School District	110	3,119,000	2.91656
Anchorage School District	111	9,270,000	8.66833
Copper River School District	112	111,000	0.10380
University of Alaska	113	10,789,000	10.08874
City of Kenai	115	764,000	0.71441
Fairbanks North Star Borough	116	2,397,000	2.24142
Fairbanks North Star Borough School District	117	3,445,000	3.22140
Denali Borough School District	118	113,000	0.10567
City And Borough of Sitka	120	959,000	0.89676
Chugach School District	121	55,000	0.05143
Ketchikan Gateway Borough	122	546,000	0.51056
City of Soldotna	123	416,000	0.38900
Iditarod Area School District	124	94,000	0.08790
Kuspuk School District	125	191,000	0.17860
City And Borough of Juneau	126	3,709,000	3.46827
City of Kodiak	128	771,000	0.72096
City of Fairbanks	129	796,000	0.74434
City of Wasilla	131	809,000	0.75649
Sitka Borough School District	133	254,000	0.23751
City of Palmer	134	422,000	0.39461
City And Borough of Wrangell	135	338,000	0.31606
City of Bethel	136	665,000	0.62184
Valdez City School District	137	202,000	0.18889
Hoonah City School District	138	54,000	0.05050
City of Nome	139	361,000	0.33757
City of Kotzebue	140	466,000	0.43575
Galena City School District	141	361,000	0.33757
City of Petersburg	143	496,000	0.46381
Bristol Bay Borough	144	320,000	0.29923
North Slope Borough	145	7,616,000	7.12168
Wrangell Public School District	146	82,000	0.07668
City of Cordova	148	315,000	0.29455
Nome City School District	149	138,000	0.12904
City of King Cove	151	104,000	0.09725
Alaska Housing Finance Corporation	152	1,881,000	1.75891
Lower Yukon School District	153	820,000	0.76678
Northwest Arctic Borough School District	154	732,000	0.68449
Southeast Island School District	155	87,000	0.08135
Pribilof School District	156	30,000	0.02805
Lower Kuskokwim School District	157	1,885,000	1.76265
Kodiak Island Borough School District	158	703,000	0.65737
Yukon Flats School District	159	101,000	0.09444
Yukon / Koyukuk School District	160	270,000	0.25248

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	Present value of projected future State contributions	Employer proportionate share
North Slope Borough School District	161	\$ 1,183,000	1.10622 %
Cordova Community Medical Center	163	445,000	0.41612
Lake And Peninsula Borough School District	164	189,000	0.17673
Tanana School District	166	14,000	0.01309
Southeast Regional Resource Center	167	173,000	0.16177
Hydaburg City School District	168	51,000	0.04769
City of Tanana	169	—	—
North Pacific Fishery Management Council	170	157,000	0.14681
City of Barrow	171	142,000	0.13278
City of Saint Paul	172	163,000	0.15242
Municipality of Anchorage	173	20,748,000	19.40140
Kodiak Island Borough	174	278,000	0.25996
Nome Joint Utility System	175	93,000	0.08696
City of Sand Point	176	111,000	0.10380
Ketchikan Gateway Borough School District	177	703,000	0.65737
City of Dillingham	178	283,000	0.26463
City of Unalaska	179	1,165,000	1.08939
Kenai Peninsula Borough	180	1,883,000	1.76078
City of Ketchikan	181	1,030,000	0.96315
City of Seward	182	435,000	0.40677
City of Fort Yukon	183	61,000	0.05704
Bristol Bay Borough School District	184	36,000	0.03366
Cordova City School District	185	105,000	0.09818
City of Craig	186	154,000	0.14400
Petersburg Medical Center	187	789,000	0.73779
Haines Borough	189	252,000	0.23564
Kenai Peninsula Borough School District	190	1,753,000	1.63922
City of North Pole	191	287,000	0.26837
City of Galena	192	94,000	0.08790
City of Nenana	193	17,000	0.01590
Yupit School District	195	195,000	0.18234
Nenana City School District	196	189,000	0.17673
City of Saxman	198	14,000	0.01309
City of Hoonah	199	88,000	0.08229
City of Pelican	200	18,000	0.01683
City of Whittier	202	129,000	0.12063
Anchorage Community Development Authority	203	126,000	0.11782
Craig City School District	204	90,000	0.08416
Dillingham City School District	205	129,000	0.12063
City of Thorne Bay	206	36,000	0.03366
City of Akutan	208	88,000	0.08229
Unalaska City School District	209	90,000	0.08416
Kashunamiut School District	211	170,000	0.15897
City of Homer	215	674,000	0.63025
Special Education Service Agency	218	18,000	0.01683
Bartlett Regional Hospital	219	3,728,000	3.48603
Northwest Arctic Borough	220	244,000	0.22816
Saint Mary's School District	221	111,000	0.10380
Bristol Bay Regional Housing Authority	223	128,000	0.11969
Copper River Basin Regional Housing Authority	224	60,000	0.05611
Skagway City School District	225	26,000	0.02431

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

<b>Employer</b>	<b>Employer number</b>	<b>Present value of projected future State contributions</b>	<b>Employer proportionate share</b>
City of Klawock	227	\$ 73,000	0.06826 %
Petersburg City School District	228	102,000	0.09538
Aleutians East Borough	230	88,000	0.08229
City of Huslia	235	18,000	0.01683
City of Kaltag	237	2,000	0.00187
Haines Borough School District	240	88,000	0.08229
City of Atka	243	1,000	0.00094
Aleutians East Borough School District	244	100,000	0.09351
Delta/Greely School District	246	165,000	0.15429
Lake And Peninsula Borough	247	39,000	0.03647
City And Borough of Yakutat	248	84,000	0.07855
City of Unalakleet	249	—	—
Klawock City School District	251	75,000	0.07013
Alaska Gateway School District	255	225,000	0.21040
Pelican City School District	257	3,000	0.00281
Denali Borough	258	54,000	0.05050
City of Kachemak	260	—	—
Cook Inlet Housing Authority	262	1,093,000	1.02206
Interior Regional Housing Authority	263	119,000	0.11128
Yakutat School District	264	27,000	0.02525
Kake City School District	265	59,000	0.05517
Aleutian Housing Authority	267	79,000	0.07387
Bering Straits Regional Housing Authority	270	150,000	0.14026
City of Egegik	271	14,000	0.01309
Ilisagvik College	275	550,000	0.51430
North Pacific Rim Housing Authority	276	132,000	0.12343
Saxman Seaport	278	9,000	0.00842
Tlingit-Haida Regional Housing Authority	279	287,000	0.26837
City of Toksook Bay	280	—	—
Baranof Island Housing Authority	281	69,000	0.06452
City of Delta Junction	282	18,000	0.01683
City of Anderson	283	—	—
Inter-Island Ferry Authority	284	108,000	0.10099
City of Seldovia	286	10,000	0.00935
Northwest Inupiat Housing Authority	288	82,000	0.07668
City of Upper Kalskag	290	—	—
City of Shaktoolik	291	—	—
Tagiugmiullu Nunamiullu Housing Authority	293	92,000	0.08603
Municipality of Skagway	296	413,000	0.38619
City of Nulato	297	—	—
City of Aniak	298	18,000	0.01683
Alaska Gasline Development Corporation	299	102,000	0.09538
<b>Total for all employers</b>		<b>\$ 106,941,000</b>	<b>100.00000 %</b>

See accompanying independent auditors' report.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	State proportionate share of net OPEB asset attributable to employer	Employer OPEB benefit and related revenue attributable to special funding situation
Southwest Region School District	102	\$ 436,804	(151,555)
Annette Island School District	103	234,554	(81,381)
Bering Strait School District	104	1,136,252	(394,237)
Chatham School District	105	80,057	(27,777)
Alaska Municipal League	106	16,854	(5,848)
City of Valdez	107	1,359,570	(471,720)
Juneau Borough School District	108	1,983,175	(688,087)
Matanuska-Susitna Borough	109	3,448,084	(1,196,356)
Matanuska-Susitna Borough School District	110	4,380,681	(1,519,932)
Anchorage School District	111	13,019,852	(4,517,400)
Copper River School District	112	155,901	(54,092)
University of Alaska	113	15,153,309	(5,257,630)
City of Kenai	115	1,073,049	(372,308)
Fairbanks North Star Borough	116	3,366,622	(1,168,091)
Fairbanks North Star Borough School District	117	4,838,553	(1,678,796)
Denali Borough School District	118	158,710	(55,066)
City And Borough of Sitka	120	1,346,930	(467,334)
Chugach School District	121	77,248	(26,802)
Ketchikan Gateway Borough	122	766,865	(266,073)
City of Soldotna	123	584,278	(202,723)
Iditarod Area School District	124	132,024	(45,808)
Kuspuk School District	125	268,262	(93,077)
City And Borough of Juneau	126	5,209,345	(1,807,447)
City of Kodiak	128	1,082,881	(375,719)
City of Fairbanks	129	1,117,994	(387,902)
City of Wasilla	131	1,136,252	(394,237)
Sitka Borough School District	133	356,747	(123,778)
City of Palmer	134	592,705	(205,646)
City And Borough of Wrangell	135	474,726	(164,712)
City of Bethel	136	934,002	(324,064)
Valdez City School District	137	283,712	(98,437)
Hoonah City School District	138	75,844	(26,315)
City of Nome	139	507,030	(175,920)
City of Kotzebue	140	654,504	(227,088)
Galena City School District	141	507,030	(175,920)
City of Petersburg	143	696,639	(241,708)
Bristol Bay Borough	144	449,445	(155,940)
North Slope Borough	145	10,696,784	(3,711,383)
Wrangell Public School District	146	115,170	(39,960)
City of Cordova	148	442,422	(153,504)
Nome City School District	149	193,823	(67,249)
City of King Cove	151	146,070	(50,681)



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	State proportionate share of net OPEB asset attributable to employer	Employer OPEB benefit and related revenue attributable to special funding situation
Alaska Housing Finance Corporation	152	\$ 2,641,892	(916,637)
Lower Yukon School District	153	1,151,702	(399,597)
Northwest Arctic Borough School District	154	1,028,105	(356,714)
Southeast Island School District	155	122,193	(42,396)
Pribilof School District	156	42,135	(14,619)
Lower Kuskokwim School District	157	2,647,510	(918,587)
Kodiak Island Borough School District	158	987,374	(342,582)
Yukon Flats School District	159	141,856	(49,219)
Yukon / Koyukuk School District	160	379,219	(131,575)
North Slope Borough School District	161	1,661,541	(576,492)
Cordova Community Medical Center	163	625,009	(216,855)
Lake And Peninsula Borough School District	164	265,453	(92,102)
Tanana School District	166	19,663	(6,822)
Southeast Regional Resource Center	167	242,981	(84,305)
Hydaburg City School District	168	71,630	(24,853)
City of Tanana	169	—	—
North Pacific Fishery Management Council	170	220,509	(76,508)
City of Barrow	171	199,441	(69,199)
City of Saint Paul	172	228,936	(79,432)
Municipality of Anchorage	173	29,140,875	(10,110,789)
Kodiak Island Borough	174	390,455	(135,473)
Nome Joint Utility System	175	130,620	(45,320)
City of Sand Point	176	155,901	(54,092)
Ketchikan Gateway Borough School District	177	987,374	(342,582)
City of Dillingham	178	397,478	(137,910)
City of Unalaska	179	1,636,260	(567,721)
Kenai Peninsula Borough	180	2,644,701	(917,612)
City of Ketchikan	181	1,446,650	(501,933)
City of Seward	182	610,964	(211,982)
City of Fort Yukon	183	85,675	(29,726)
Bristol Bay Borough School District	184	50,563	(17,543)
Cordova City School District	185	147,474	(51,168)
City of Craig	186	216,295	(75,046)
Petersburg Medical Center	187	1,108,162	(384,491)
Haines Borough	189	353,938	(122,803)
Kenai Peninsula Borough School District	190	2,462,114	(854,261)
City of North Pole	191	403,096	(139,859)
City of Galena	192	132,024	(45,808)
City of Nenana	193	23,877	(8,284)
Yupit School District	195	273,880	(95,026)
Nenana City School District	196	265,453	(92,102)
City of Saxman	198	19,663	(6,822)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	State proportionate share of net OPEB asset attributable to employer	Employer OPEB benefit and related revenue attributable to special funding situation
City of Hoonah	199	\$ 123,597	(42,884)
City of Pelican	200	25,281	(8,772)
City of Whittier	202	181,182	(62,863)
Anchorage Community Development Authority	203	176,969	(61,402)
Craig City School District	204	126,406	(43,858)
Dillingham City School District	205	181,182	(62,863)
City of Thorne Bay	206	50,563	(17,543)
City of Akutan	208	123,597	(42,884)
Unalaska City School District	209	126,406	(43,858)
Kashunamiut School District	211	238,768	(82,843)
City of Homer	215	946,643	(328,450)
Special Education Service Agency	218	25,281	(8,772)
Bartlett Regional Hospital	219	5,236,031	(1,816,706)
Northwest Arctic Borough	220	342,702	(118,905)
Saint Mary's School District	221	155,901	(54,092)
Bristol Bay Regional Housing Authority	223	179,778	(62,376)
Copper River Basin Regional Housing Authority	224	84,271	(29,239)
Skagway City School District	225	36,517	(12,670)
City of Klawock	227	102,530	(35,574)
Petersburg City School District	228	143,261	(49,706)
Aleutians East Borough	230	123,597	(42,884)
City of Huslia	235	25,281	(8,772)
City of Kaltag	237	2,809	(975)
Haines Borough School District	240	123,597	(42,884)
City of Atka	243	1,405	(487)
Aleutians East Borough School District	244	140,451	(48,731)
Delta/Greely School District	246	231,745	(80,407)
Lake And Peninsula Borough	247	54,776	(19,005)
City And Borough of Yakutat	248	117,979	(40,934)
City of Unalakleet	249	—	—
Klawock City School District	251	105,339	(36,549)
Alaska Gateway School District	255	316,016	(109,646)
Pelican City School District	257	4,214	(1,462)
Denali Borough	258	75,844	(26,315)
City of Kachemak	260	—	—
Cook Inlet Housing Authority	262	1,535,135	(532,634)
Interior Regional Housing Authority	263	167,137	(57,990)
Yakutat School District	264	37,922	(13,157)
Kake City School District	265	82,866	(28,752)
Aleutian Housing Authority	267	110,957	(38,498)
Bering Straits Regional Housing Authority	270	210,677	(73,097)
City of Egegik	271	19,663	(6,822)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>State proportionate share of net OPEB asset attributable to employer</u>	<u>Employer OPEB expense and related revenue attributable to special funding situation</u>
Ilisagvik College	275	\$ 772,483	(268,023)
North Pacific Rim Housing Authority	276	185,396	(64,325)
Saxman Seaport	278	12,641	(4,386)
Tlingit-Haida Regional Housing Authority	279	403,096	(139,859)
City of Toksook Bay	280	—	—
Baranof Island Housing Authority	281	96,912	(33,625)
City of Delta Junction	282	25,281	(8,772)
City of Anderson	283	—	—
Inter-Island Ferry Authority	284	151,688	(52,630)
Inter-Island Ferry Authority	284	151,688	(52,630)
City of Seldovia	286	14,045	(4,873)
Northwest Inupiat Housing Authority	288	115,170	(39,960)
City of Upper Kalskag	290	—	—
City of Shaktoolik	291	—	—
Tagiugmiullu Nunamiullu Housing Authority	293	129,215	(44,833)
Municipality of Skagway	296	580,065	(201,261)
City of Nulato	297	—	—
City of Aniak	298	25,281	(8,772)
Alaska Gasline Development Corporation	299	143,261	(49,706)
Total for all employers		<u>\$ 150,351,898</u>	<u>(52,166,466)</u>

See accompanying independent auditors' report

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Employer contributions		
		Actual	RDS	Total
Employer:				
State of Alaska	101	\$ 34,536,170	95,721	34,631,891
Southwest Region School District	102	95,166	264	95,430
Annette Island School District	103	5,190	14	5,204
Bering Strait School District	104	236,918	657	237,575
Chatham School District	105	10,470	29	10,499
Alaska Municipal League	106	1,816	5	1,821
City of Valdez	107	216,131	599	216,730
Juneau Borough School District	108	379,306	1,051	380,357
Matanuska-Susitna Borough	109	595,468	1,650	597,118
Matanuska-Susitna Borough School District	110	747,546	2,072	749,618
Anchorage School District	111	2,565,768	7,111	2,572,879
Copper River School District	112	24,863	69	24,932
University of Alaska	113	5,159,100	14,299	5,173,399
City of Kenai	115	209,727	581	210,308
Fairbanks North Star Borough	116	699,228	1,938	701,166
Fairbanks North Star Borough School District	117	942,898	2,613	945,511
Denali Borough School District	118	270	1	271
City And Borough of Sitka	120	289,779	803	290,582
Chugach School District	121	15,017	42	15,059
Ketchikan Gateway Borough	122	200,446	556	201,002
City of Soldotna	123	135,908	377	136,285
Iditarod Area School District	124	19,759	55	19,814
Kuspuk School District	125	73,985	205	74,190
City And Borough of Juneau	126	1,265,904	3,509	1,269,413
City of Kodiak	128	203,011	563	203,574
City of Fairbanks	129	247,981	687	248,668
City of Wasilla	131	208,912	579	209,491
Sitka Borough School District	133	51,393	142	51,535
City of Palmer	134	97,529	270	97,799
City And Borough of Wrangell	135	96,353	267	96,620
City of Bethel	136	125,942	349	126,291
Valdez City School District	137	31,084	86	31,170
Hoonah City School District	138	19,513	54	19,567
City of Nome	139	69,955	194	70,149
City of Kotzebue	140	55,072	153	55,225
Galena City School District	141	108,911	302	109,213
City of Petersburg	143	123,202	341	123,543
Bristol Bay Borough	144	72,401	201	72,602
North Slope Borough	145	2,063,688	5,720	2,069,408
Wrangell Public School District	146	9,053	25	9,078
City of Cordova	148	78,244	217	78,461
Nome City School District	149	48,368	134	48,502
City of King Cove	151	44,789	124	44,913
Alaska Housing Finance Corporation	152	725,337	2,010	727,347
Lower Yukon School District	153	254,812	706	255,518
Northwest Arctic Borough School District	154	209,879	582	210,461
Southeast Island School District	155	10,103	28	10,131
Pribilof School District	156	13,620	38	13,658
Lower Kuskokwim School District	157	590,235	1,636	591,871
Kodiak Island Borough School District	158	150,125	416	150,541
Yukon Flats School District	159	22,342	62	22,404

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Employer contributions		
		Actual	RDS	Total
Yukon / Koyukuk School District	160	\$ 76,861	213	77,074
North Slope Borough School District	161	274,838	762	275,600
Cordova Community Medical Center	163	35,524	98	35,622
Lake And Peninsula Borough School District	164	40,363	112	40,475
Tanana School District	166	1,892	5	1,897
Southeast Regional Resource Center	167	54,190	150	54,340
Hydaburg City School District	168	303	1	304
City of Tanana	169	—	—	—
North Pacific Fishery Management Council	170	55,466	154	55,620
City of Barrow	171	47,557	132	47,689
City of Saint Paul	172	42,510	118	42,628
Municipality of Anchorage	173	8,310,138	23,033	8,333,171
Kodiak Island Borough	174	76,372	212	76,584
Nome Joint Utility System	175	53,022	147	53,169
City of Sand Point	176	16,424	46	16,470
Ketchikan Gateway Borough School District	177	125,268	347	125,615
City of Dillingham	178	55,014	152	55,166
City of Unalaska	179	215,815	598	216,413
Kenai Peninsula Borough	180	523,450	1,451	524,901
City of Ketchikan	181	345,333	957	346,290
City of Seward	182	119,533	331	119,864
City of Fort Yukon	183	13,811	38	13,849
Bristol Bay Borough School District	184	5,622	16	5,638
Cordova City School District	185	23,922	66	23,988
City of Craig	186	40,366	112	40,478
Petersburg Medical Center	187	148,656	412	149,068
Haines Borough	189	36,722	102	36,824
Kenai Peninsula Borough School District	190	480,814	1,333	482,147
City of North Pole	191	71,615	199	71,814
City of Galena	192	29,380	81	29,461
City of Nenana	193	478	1	479
Yupit School District	195	69,018	191	69,209
Nenana City School District	196	35,308	98	35,406
City of Saxman	198	—	—	—
City of Hoonah	199	7,390	20	7,410
City of Pelican	200	4,447	12	4,459
City of Whittier	202	21,282	59	21,341
Anchorage Community Development Authority	203	28,693	80	28,773
Craig City School District	204	12,525	35	12,560
Dillingham City School District	205	21,716	60	21,776
City of Thorne Bay	206	8,711	24	8,735
City of Akutan	208	19,269	53	19,322
Unalaska City School District	209	35,934	100	36,034
Kashunamiut School District	211	65,363	181	65,544
City of Homer	215	188,577	523	189,100
Special Education Service Agency	218	7,284	20	7,304
Bartlett Regional Hospital	219	790,876	2,192	793,068
Northwest Arctic Borough	220	77,116	214	77,330
Saint Mary's School District	221	17,259	48	17,307
Bristol Bay Regional Housing Authority	223	46,996	130	47,126
Copper River Basin Regional Housing Authority	224	21,437	59	21,496

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Employer contributions		
		Actual	RDS	Total
Skagway City School District	225	\$ 7,945	22	7,967
City of Klawock	227	15,929	44	15,973
Petersburg City School District	228	19,746	55	19,801
Aleutians East Borough	230	47,845	133	47,978
City of Huslia	235	8,415	23	8,438
City of Kaltag	237	1,549	4	1,553
Haines Borough School District	240	29,737	82	29,819
City of Elim	242	224	1	225
City of Atka	243	113	—	113
Aleutians East Borough School District	244	33,134	92	33,226
Delta/Greely School District	246	63,715	177	63,892
Lake And Peninsula Borough	247	1,276	4	1,280
City And Borough of Yakutat	248	40,476	112	40,588
City of Unalakleet	249	—	—	—
Klawock City School District	251	18,109	50	18,159
City of Mekoryik	254	(211)	(1)	(212)
Alaska Gateway School District	255	33,189	92	33,281
Pelican City School District	257	7,903	22	7,925
Denali Borough	258	5,516	15	5,531
City of Allakaket	259	—	—	—
City of Kachemak	260	1,962	5	1,967
Cook Inlet Housing Authority	262	253,205	702	253,907
Interior Regional Housing Authority	263	34,152	95	34,247
Yakutat School District	264	8,562	24	8,586
Kake City School District	265	22,382	62	22,444
Aleutian Housing Authority	267	\$ 32,302	90	32,392
Bering Straits Regional Housing Authority	270	57,243	159	57,402
City of Egegik	271	29,728	82	29,810
Ilisagvik College	275	117,594	326	117,920
North Pacific Rim Housing Authority	276	63,465	176	63,641
Saxman Seaport	278	—	—	—
Tlingit-Haida Regional Housing Authority	279	53,300	148	53,448
City of Toksook Bay	280	1,933	5	1,938
Baranof Island Housing Authority	281	23,253	64	23,317
City of Delta Junction	282	10,341	29	10,370
City of Anderson	283	—	—	—
Inter-Island Ferry Authority	284	33,052	92	33,144
City of Seldovia	286	—	—	—
Northwest Inupiat Housing Authority	288	22,135	61	22,196
City of Upper Kalskag	290	1,309	4	1,313
City of Shaktoolik	291	1,034	3	1,037
Tagiugmiullu Nunamiullu Housing Authority	293	25,753	71	25,824
Municipality of Skagway	296	68,856	191	69,047
City of Nulato	297	2,418	7	2,425
City of Aniak	298	132	—	132
Alaska Gasline Development Corporation	299	33,324	92	33,416
Total employer contributions		68,191,192	189,000	68,380,192

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer number</u>	<u>Employer contributions</u>		
		<u>Actual</u>	<u>RDS</u>	<u>Total</u>
Nonemployer:				
State of Alaska	999	\$ —	—	—
Total for all entities		<u>\$ 68,191,192</u>	<u>189,000</u>	<u>68,380,192</u>

See accompanying independent auditors' report

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

(With Independent Auditors' Report Thereon)



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

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## **Independent Auditors' Report**

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Public Employees' Retirement System:

We have audited the accompanying schedule of employer allocations of the State of Alaska Public Employees' Retirement System Retiree Medical Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all employers of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense(benefit) (specified column totals) included in the accompanying schedule of OPEB amounts by employer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### **Management's Responsibility for the Schedules**

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) for the total of all employers for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Public Employees' Retirement System, which includes the Retiree Medical Plan, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

**Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Public Employees' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Public Employees' Retirement System Retiree Medical Plan employers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
December \_\_, 2021

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Employer contributions</u>	<u>Allocation percentage</u>
State of Alaska	101	\$ 9,005,971	48.52537 %
Southwest Region School District	102	24,954	0.13446
Annette Island School District	103	23,206	0.12504
Bering Strait School District	104	67,741	0.36500
Chatham School District	105	5,883	0.03170
City of Valdez	107	104,575	0.56346
Juneau Borough School District	108	126,191	0.67993
Matanuska-Susitna Borough	109	256,324	1.38111
Matanuska-Susitna Borough School District	110	320,668	1.72780
Anchorage School District	111	846,684	4.56205
Copper River School District	112	12,864	0.06931
University of Alaska	113	761,530	4.10323
City of Kenai	115	71,241	0.38386
Fairbanks North Star Borough	116	226,251	1.21907
Fairbanks North Star Borough School District	117	316,817	1.70705
Denali Borough School District	118	18,277	0.09848
City and Borough of Sitka	120	87,498	0.47145
Chugach School District	121	5,508	0.02968
Ketchikan Gateway Borough	122	44,771	0.24123
City of Soldotna	123	37,854	0.20396
Iditarod Area School District	124	9,811	0.05286
Kuspuk School District	125	15,779	0.08502
City and Borough of Juneau	126	306,545	1.65170
City of Kodiak	128	77,559	0.41790
City of Fairbanks	129	77,291	0.41645
City of Wasilla	131	82,359	0.44376
Sitka Borough School District	133	26,641	0.14355
City of Palmer	134	39,349	0.21202
City and Borough of Wrangell	135	22,662	0.12211
City of Bethel	136	73,337	0.39515
Valdez City School District	137	24,332	0.13110
Hoonah City School District	138	3,562	0.01919
City of Nome	139	38,354	0.20665
City of Kotzebue	140	54,330	0.29274
Galena City School District	141	39,663	0.21371
City of Petersburg	143	48,597	0.26185
Bristol Bay Borough	144	30,242	0.16295
North Slope Borough	145	679,974	3.66379
Wrangell Public School District	146	6,167	0.03323
City of Cordova	148	31,661	0.17060
Nome City School District	149	13,867	0.07472
City of King Cove	151	6,948	0.03744

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

Employer	Employer number	Employer contributions	Allocation percentage
Alaska Housing Finance Corporation	152	\$ 142,530	0.76797 %
Lower Yukon School District	153	78,582	0.42341
Northwest Arctic Borough School District	154	70,045	0.37741
Southeast Island School District	155	8,364	0.04507
Pribilof School District	156	2,127	0.01146
Lower Kuskokwim School District	157	143,408	0.77270
Kodiak Island Borough School District	158	72,553	0.39092
Yukon Flats School District	159	7,391	0.03982
Yukon/Koyukuk School District	160	24,759	0.13341
North Slope Borough School District	161	111,403	0.60025
Aleutian Region School District	162	—	—
Cordova Community Medical Center	163	48,013	0.25870
Lake and Peninsula Borough School District	164	14,833	0.07992
Sitka Community Hospital	165	—	—
Tanana School District	166	977	0.00526
Southeast Regional Resource Center	167	20,720	0.11164
Hydaburg City School District	168	6,185	0.03333
City of Tanana	169	—	—
North Pacific Fishery Management Council	170	12,479	0.06724
City of Barrow	171	10,179	0.05484
City of Saint Paul	172	18,828	0.10145
Municipality of Anchorage	173	1,638,919	8.83072
Kodiak Island Borough	174	26,048	0.14035
Nome Joint Utility System	175	3,962	0.02135
City of Sand Point	176	14,492	0.07809
Ketchikan Gateway Borough School District	177	79,369	0.42765
City of Dillingham	178	29,840	0.16078
City of Unalaska	179	125,807	0.67787
Kenai Peninsula Borough	180	182,205	0.98174
City of Ketchikan	181	84,329	0.45438
City of Seward	182	44,834	0.24157
City of Fort Yukon	183	7,838	0.04223
Bristol Bay Borough School District	184	6,117	0.03296
Cordova City School District	185	9,477	0.05106
City of Craig	186	16,161	0.08708
Petersburg Medical Center	187	91,844	0.49487
Haines Borough	189	24,041	0.12954
Kenai Peninsula Borough School District	190	164,170	0.88457
City of North Pole	191	27,657	0.14902
City of Galena	192	8,107	0.04368
City of Nenana	193	3,005	0.01619
Yup'it School District	195	15,344	0.08267
Nenana City School District	196	17,388	0.09369

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Employer contributions</u>	<u>Allocation percentage</u>
City of Saxman	198	\$ 1,626	0.00876 %
City of Hoonah	199	12,579	0.06778
City of Pelican	200	1,000	0.00539
City of Whittier	202	14,993	0.08079
Anchorage Community Development Authority	203	14,373	0.07744
Craig City School District	204	10,511	0.05664
Dillingham City School District	205	16,210	0.08734
City of Thorne Bay	206	4,075	0.02196
City of Akutan	208	8,710	0.04693
Unalaska City School District	209	9,250	0.04984
Kashunamiut School District	211	13,500	0.07274
City of Homer	215	63,041	0.33967
Special Education Service Agency	218	1,770	0.00954
Bartlett Regional Hospital	219	402,017	2.16612
Northwest Arctic Borough	220	23,545	0.12686
Saint Mary's School District	221	11,764	0.06339
Bristol Bay Regional Housing Authority	223	9,488	0.05112
Copper River Basin Regional Housing Authority	224	4,854	0.02615
Skagway City School District	225	3,483	0.01877
City of Klawock	227	6,482	0.03493
Petersburg City School District	228	10,449	0.05630
Aleutians East Borough	230	5,891	0.03174
City of Huslia	235	726	0.00391
City of Kaltag	237	289	0.00156
Haines Borough School District	240	5,361	0.02889
City of Atka	243	438	0.00236
Aleutians East Borough School District	244	9,137	0.04923
Delta/Greely School District	246	12,522	0.06747
Lake and Peninsula Borough	247	5,640	0.03039
City and Borough of Yakutat	248	5,245	0.02826
City of Unalakleet	249	—	—
Klawock City School District	251	5,479	0.02952
Alaska Gateway School District	255	27,046	0.14573
Pelican City School District	257	—	—
Denali Borough	258	6,958	0.03749
Cook Inlet Housing Authority	262	117,606	0.63367
Interior Regional Housing Authority	263	13,428	0.07235
Yakutat School District	264	2,502	0.01348
Kake City School District	265	4,988	0.02688
Aleutian Housing Authority	267	6,443	0.03472
Bering Straits Regional Housing Authority	270	9,310	0.05016
City of Egegik	271	1,552	0.00836
Ilisagvik College	275	57,775	0.31130

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>Employer contributions</u>	<u>Allocation percentage</u>
North Pacific Rim Housing Authority	276	\$ 8,155	0.04394 %
Saxman Seaport	278	776	0.00418
Tlingit-Haida Regional Housing Authority	279	30,567	0.16470
Baranof Island Housing Authority	281	5,733	0.03089
City of Delta Junction	282	1,949	0.01050
City of Anderson	283	—	—
Inter-Island Ferry Authority	284	9,105	0.04906
City of Seldovia	286	1,473	0.00794
Northwest Inupiat Housing Authority	288	2,598	0.01400
City of Upper Kalskag	290	—	—
City of Shaktoolik	291	720	0.00388
Tagiugmiullu Nunamiullu Housing Authority	293	15,523	0.08364
Municipality of Skagway	296	42,678	0.22996
City of Nulato	297	—	—
City of Aniak	298	3,585	0.01932
Alaska Gasline Development Corporation	299	6,213	0.03347
Total contributions		\$ <u>18,559,299</u>	<u>100.00000 %</u>

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

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**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Difference between expected and actual experience	Change in assumptions	Deferred outflows of resources	
					Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
State of Alaska	101	\$ 13,025,186	968,434	4,048,452	4,137	5,021,023
Southwest Region School District	102	36,091	2,683	11,218	2,354	16,255
Annette Island School District	103	33,563	2,495	10,432	3,547	16,474
Bering Strait School District	104	97,972	7,284	30,452	504	38,240
Chatham School District	105	8,508	633	2,644	214	3,491
City of Valdez	107	151,245	11,245	47,010	6,692	64,947
Juneau Borough School District	108	182,508	13,570	56,727	4,100	74,397
Matanuska-Susitna Borough	109	370,717	27,563	115,225	21,576	164,364
Matanuska-Susitna Borough School District	110	463,777	34,482	144,150	12,422	191,054
Anchorage School District	111	1,224,545	91,046	380,610	8,762	480,418
Copper River School District	112	18,605	1,383	5,783	928	8,094
University of Alaska	113	1,101,388	81,889	342,331	127,969	552,189
City of Kenai	115	103,035	7,661	32,025	1,142	40,828
Fairbanks North Star Borough	116	327,223	24,329	101,707	9,310	135,346
Fairbanks North Star Borough School District	117	458,207	34,068	142,419	6,773	183,260
Denali Borough School District	118	26,434	1,965	8,216	1,134	11,315
City And Borough of Sitka	120	126,546	9,409	39,333	2,456	51,198
Chugach School District	121	7,966	592	2,476	208	3,276
Ketchikan Gateway Borough	122	64,751	4,814	20,126	980	25,920
City of Soldotna	123	54,748	4,071	17,017	—	21,088
Iditarod Area School District	124	14,189	1,055	4,410	1,893	7,358
Kuspuk School District	125	22,820	1,697	7,093	3,875	12,665
City And Borough of Juneau	126	443,351	32,963	137,801	12,957	183,721
City of Kodiak	128	112,172	8,340	34,865	3,376	46,581
City of Fairbanks	129	111,784	8,311	34,744	12,608	55,663
City of Wasilla	131	119,114	8,856	37,023	5,587	51,466
Sitka Borough School District	133	38,531	2,865	11,976	—	14,841
City of Palmer	134	56,910	4,231	17,689	1,860	23,780
City And Borough of Wrangell	135	32,776	2,437	10,187	3,674	16,298
City of Bethel	136	106,066	7,886	32,967	4,039	44,892
Valdez City School District	137	35,191	2,616	10,938	2,472	16,026
Hoonah City School District	138	5,151	383	1,601	305	2,289
City of Nome	139	55,470	4,124	17,241	1,906	23,271
City of Kotzebue	140	78,577	5,842	24,423	2,827	33,092
Galena City School District	141	57,363	4,265	17,830	405	22,500
City of Petersburg	143	70,285	5,226	21,846	2,872	29,944
Bristol Bay Borough	144	43,739	3,252	13,595	3,602	20,449
North Slope Borough	145	983,435	73,119	305,669	17,761	396,549
Wrangell Public School District	146	8,919	663	2,772	1,315	4,750
City of Cordova	148	45,791	3,405	14,233	1,421	19,059
Nome City School District	149	20,055	1,491	6,234	1,322	9,047
City of King Cove	151	10,049	747	3,123	227	4,097
Alaska Housing Finance Corporation	152	206,138	15,326	64,071	9,721	89,118
Lower Yukon School District	153	113,652	8,450	35,325	10,944	54,719
Northwest Arctic Borough School District	154	101,305	7,532	31,487	30	39,049
Southeast Island School District	155	12,097	899	3,760	740	5,399
Pribilof School District	156	3,077	229	956	369	1,554
Lower Kuskokwim School District	157	207,409	15,421	64,466	2,829	82,716
Kodiak Island Borough School District	158	104,932	7,802	32,615	2,584	43,001
Yukon Flats School District	159	10,690	795	3,323	346	4,464
Yukon / Koyukuk School District	160	35,809	2,662	11,130	1,054	14,846
North Slope Borough School District	161	161,120	11,979	50,079	2,749	64,807
Aleutian Region School District	162	—	—	—	—	—
Cordova Community Medical Center	163	69,440	5,163	21,583	62,500	89,246
Lake And Peninsula Borough School District	164	21,452	1,595	6,668	1,094	9,357
Sitka Community Hospital	165	—	—	—	465	465
Tanana School District	166	1,413	105	439	291	835
Southeast Regional Resource Center	167	29,967	2,228	9,314	3,462	15,004
Hydaburg City School District	168	8,945	665	2,780	2,465	5,910
City of Tanana	169	—	—	—	27	27

Deferred inflows of resources				OPEB expense			
Difference between expected and actual experience	Change in assumptions	Net difference between projected and actual investment earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	
						Total OPEB expense (benefit)	
619,298	7,740,846	11,652,788	170,068	20,183,000	4,289,806	(35,820)	4,253,986
1,716	21,449	32,288	975	56,428	11,886	203	12,089
1,596	19,946	30,026	423	51,991	11,054	499	11,553
4,658	58,225	87,650	1,936	152,469	32,267	(283)	31,984
405	5,056	7,612	363	13,436	2,802	(13)	2,789
7,191	89,885	135,309	308	232,693	49,812	1,212	51,024
8,678	108,464	163,278	1,080	281,500	60,109	628	60,737
17,626	220,317	331,656	—	569,599	122,095	3,623	125,718
22,051	275,622	414,911	5,691	718,275	152,744	1,042	153,786
58,223	727,746	1,095,521	22,483	1,903,973	403,301	(1,907)	401,394
885	11,057	16,644	395	28,981	6,127	104	6,231
52,367	654,554	985,340	371	1,692,632	362,739	23,711	386,450
4,899	61,234	92,179	1,567	159,879	33,934	(15)	33,919
15,558	194,469	292,746	9,350	512,123	107,770	414	108,184
21,786	272,312	409,928	10,060	714,086	150,909	(97)	150,812
1,257	15,710	23,649	965	41,581	8,706	8	8,714
6,017	75,206	113,213	9,799	204,235	41,678	(1,305)	40,373
379	4,734	7,126	769	13,008	2,623	(104)	2,519
3,079	38,482	57,929	1,327	100,817	21,326	(136)	21,190
2,603	32,537	48,979	2,566	86,685	18,031	(485)	17,546
675	8,433	12,694	2,158	23,960	4,673	57	4,730
1,085	13,562	20,416	1,798	36,861	7,516	310	7,826
21,080	263,483	396,637	10,939	692,139	146,016	704	146,720
5,333	66,664	100,353	654	173,004	36,944	513	37,457
5,315	66,433	100,006	—	171,754	36,816	2,005	38,821
5,663	70,789	106,564	396	183,412	39,230	941	40,171
1,832	22,899	34,471	2,639	61,841	12,690	(475)	12,215
2,706	33,822	50,914	3,829	91,271	18,743	(200)	18,543
1,558	19,479	29,323	4,213	54,573	10,795	26	10,821
5,043	63,035	94,890	1,445	164,413	34,933	530	35,463
1,673	20,914	31,483	1,744	55,814	11,590	144	11,734
245	3,061	4,609	1,006	8,921	1,697	(166)	1,531
2,637	32,966	49,625	1,768	86,996	18,269	14	18,283
3,736	46,698	70,297	2,031	122,762	25,879	183	26,062
2,727	34,091	51,319	2,008	90,145	18,892	(297)	18,595
3,342	41,770	62,880	953	108,945	23,148	278	23,426
2,080	25,994	39,130	—	67,204	14,405	620	15,025
46,759	584,454	879,815	55,764	1,566,792	323,892	(5,680)	318,212
424	5,301	7,980	2,817	16,522	2,938	(146)	2,792
2,177	27,214	40,966	3,119	73,476	15,081	(373)	14,708
954	11,919	17,942	2,443	33,258	6,605	(263)	6,342
478	5,972	8,990	1,035	16,475	3,310	(127)	3,183
9,801	122,508	184,418	683	317,410	67,891	1,518	69,409
5,404	67,543	101,677	—	174,624	37,431	1,787	39,218
4,817	60,206	90,631	7,266	162,920	33,365	(1,221)	32,144
575	7,189	10,823	2,633	21,220	3,984	(244)	3,740
146	1,829	2,753	225	4,953	1,013	26	1,039
9,862	123,263	185,555	7,209	325,889	68,310	(475)	67,835
4,989	62,361	93,876	6,272	167,498	34,559	(591)	33,968
508	6,353	9,563	2,050	18,474	3,521	(277)	3,244
1,703	21,281	32,036	1,359	56,379	11,793	(38)	11,755
7,661	95,754	144,144	14,146	261,705	53,065	(1,499)	51,566
—	—	—	244	244	—	(60)	(60)
3,302	41,268	62,123	48,000	154,693	22,870	3,029	25,899
1,020	12,749	19,192	3,488	36,449	7,065	(377)	6,688
—	—	—	68,776	68,776	—	(11,301)	(11,301)
67	840	1,264	1,028	3,199	465	(110)	355
1,425	17,810	26,810	438	46,483	9,870	416	10,286
425	5,316	8,003	560	14,304	2,946	325	3,271
—	—	—	49	49	—	(3)	(3)

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Deferred outflows of resources			
			Difference between expected and actual experience	Change in assumptions	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
North Pacific Fishery Management Council	170	\$ 18,048	1,342	5,610	1,280	8,232
City of Barrow	171	14,721	1,095	4,576	1,052	6,723
City of Saint Paul	172	27,231	2,025	8,464	3,620	14,109
Municipality of Anchorage	173	2,370,341	176,236	736,743	85,527	998,506
Kodiak Island Borough	174	37,673	2,801	11,709	1,551	16,061
Nome Joint Utility System	175	5,730	426	1,781	1,084	3,291
City of Sand Point	176	20,960	1,558	6,515	703	8,776
Ketchikan Gateway Borough School District	177	114,790	8,535	35,679	4,164	48,378
City of Dillingham	178	43,157	3,209	13,414	—	16,623
City of Unalaska	179	181,953	13,528	56,554	2,542	72,624
Kenai Peninsula Borough	180	263,520	19,593	81,907	5,524	107,024
City of Ketchikan	181	121,964	9,068	37,908	7,368	54,344
City of Seward	182	64,842	4,821	20,154	1,940	26,915
City of Fort Yukon	183	11,336	843	3,523	3,937	8,303
Bristol Bay Borough School District	184	8,846	658	2,750	1,213	4,621
Cordova City School District	185	13,706	1,019	4,260	886	6,165
City of Craig	186	23,373	1,738	7,265	—	9,003
Petersburg Medical Center	187	132,832	9,876	41,286	13,277	64,439
Haines Borough	189	34,770	2,585	10,807	837	14,229
Kenai Peninsula Borough School District	190	237,436	17,654	73,799	897	92,350
City of North Pole	191	40,000	2,974	12,433	1,464	16,871
City of Galena	192	11,725	872	3,644	546	5,062
City of Nenana	193	4,346	323	1,351	2,202	3,876
Yupit School District	195	22,191	1,650	6,897	2,478	11,025
Nenana City School District	196	25,149	1,870	7,817	1,280	10,967
City of Saxman	198	2,352	175	731	565	1,471
City of Hoonah	199	18,193	1,353	5,655	299	7,307
City of Pelican	200	1,447	108	450	202	760
City of Whittier	202	21,684	1,612	6,740	2,530	10,882
Anchorage Community Development Authority	203	20,787	1,546	6,461	—	8,007
Craig City School District	204	15,202	1,130	4,725	80	5,935
Dillingham City School District	205	23,445	1,743	7,287	5,057	14,087
City of Thorne Bay	206	5,894	438	1,832	91	2,361
City of Akutan	208	12,597	937	3,915	2,011	6,863
Unalaska City School District	209	13,379	995	4,158	792	5,945
Kashunamiut School District	211	19,525	1,452	6,069	2,386	9,907
City of Homer	215	91,175	6,779	28,339	5,259	40,377
Special Education Service Agency	218	2,560	190	796	—	986
Bartlett Regional Hospital	219	581,431	43,230	180,719	28,732	252,681
Northwest Arctic Borough	220	34,053	2,532	10,584	5,668	18,784
Saint Mary's School District	221	17,015	1,265	5,288	2,679	9,232
Bristol Bay Regional Housing Authority	223	13,723	1,020	4,265	252	5,537
Copper River Basin Regional Housing Authority	224	7,020	522	2,182	—	2,704
Skagway City School District	225	5,037	375	1,566	976	2,917
City of Klawock	227	9,375	697	2,914	407	4,018
Petersburg City School District	228	15,112	1,124	4,697	178	5,999
Aleutians East Borough	230	8,520	633	2,648	168	3,449
City of Huslia	235	1,050	78	327	286	691
City of Kaltag	237	418	31	130	86	247
Haines Borough School District	240	7,754	577	2,410	42	3,029
City of Atka	243	634	47	197	39	283
Aleutians East Borough School District	244	13,214	982	4,107	781	5,870
Delta/Greely School District	246	18,111	1,347	5,629	813	7,789
Lake And Peninsula Borough	247	8,156	606	2,535	728	3,869
City And Borough of Yakutat	248	7,585	564	2,358	483	3,405
City of Unalakleet	249	—	—	—	409	409
Klawock City School District	251	7,925	589	2,463	642	3,694
Alaska Gateway School District	255	39,116	2,908	12,158	2,419	17,485
Pelican City School District	257	—	—	—	90	90
Denali Borough	258	10,063	748	3,128	456	4,332

Deferred inflows of resources					OPEB expense		
Difference between expected and actual experience	Change in assumptions	Net difference between projected and actual earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	
						contributions and proportionate share of	Total OPEB expense (benefit)
858	10,726	16,146	242	27,972	5,944	208	6,152
700	8,749	13,170	3,103	25,722	4,848	(308)	4,540
1,295	16,183	24,362	1,211	43,051	8,968	301	9,269
112,701	1,408,691	2,120,591	—	3,641,983	780,666	15,973	796,639
1,791	22,389	33,704	2,132	60,016	12,408	(20)	12,388
272	3,406	5,127	—	8,805	1,887	213	2,100
997	12,456	18,751	763	32,967	6,903	(12)	6,891
5,458	68,219	102,695	1,011	177,383	37,806	505	38,311
2,052	25,648	38,610	3,845	70,155	14,214	(636)	13,578
8,651	108,134	162,781	2,270	281,836	59,926	184	60,110
12,529	156,610	235,754	1,771	406,664	86,790	465	87,255
5,799	72,483	109,113	1,436	188,831	40,168	906	41,074
3,083	38,536	58,010	97	99,726	21,356	311	21,667
539	6,737	10,141	3,104	20,521	3,733	188	3,921
421	5,257	7,914	—	13,592	2,914	223	3,137
652	8,146	12,262	898	21,958	4,514	49	4,563
1,111	13,890	20,910	1,578	37,489	7,698	(276)	7,422
6,316	78,942	118,836	984	205,078	43,748	1,883	45,631
1,653	20,664	31,107	3,772	57,196	11,452	(357)	11,095
11,289	141,108	212,419	10,600	375,416	78,199	(1,652)	76,547
1,902	23,772	35,785	1,838	63,297	13,174	(29)	13,145
557	6,968	10,490	159	18,174	3,862	74	3,936
207	2,583	3,888	752	7,430	1,431	237	1,668
1,055	13,188	19,853	362	34,458	7,309	398	7,707
1,196	14,946	22,499	1,922	40,563	8,283	(69)	8,214
112	1,398	2,104	443	4,057	774	(5)	769
865	10,812	16,276	1,855	29,808	5,992	(251)	5,741
69	860	1,294	251	2,474	476	(7)	469
1,031	12,887	19,400	883	34,201	7,142	320	7,462
988	12,354	18,597	7,168	39,107	6,846	(1,145)	5,701
723	9,035	13,601	875	24,234	5,007	(129)	4,878
1,115	13,933	20,975	2,422	38,445	7,721	290	8,011
280	3,503	5,273	1,187	10,243	1,941	(158)	1,783
599	7,487	11,270	2,496	21,852	4,149	21	4,170
636	7,951	11,969	658	21,214	4,406	49	4,455
928	11,604	17,468	1,440	31,440	6,430	56	6,486
4,335	54,185	81,568	1,172	141,260	30,028	553	30,581
122	1,522	2,291	984	4,919	843	(164)	679
27,645	345,544	520,169	6,925	900,283	191,493	3,725	195,218
1,619	20,237	30,465	5,974	58,295	11,215	(253)	10,962
809	10,112	15,222	460	26,603	5,604	362	5,966
652	8,155	12,277	1,986	23,070	4,520	(327)	4,193
334	4,172	6,280	680	11,466	2,312	(132)	2,180
240	2,994	4,506	111	7,851	1,659	135	1,794
446	5,572	8,388	1,397	15,803	3,088	(153)	2,935
719	8,981	13,520	870	24,090	4,977	(98)	4,879
405	5,063	7,622	156	13,246	2,806	16	2,822
50	624	940	620	2,234	346	(47)	299
20	249	374	80	723	138	(2)	136
369	4,608	6,937	1,546	13,460	2,554	(257)	2,297
30	377	567	736	1,710	209	(134)	75
628	7,853	11,822	890	21,193	4,352	(60)	4,302
861	10,763	16,203	746	28,573	5,965	(35)	5,930
388	4,847	7,297	245	12,777	2,686	71	2,757
361	4,508	6,786	1,445	13,100	2,498	(125)	2,373
—	—	—	2,314	2,314	—	(323)	(323)
377	4,710	7,090	183	12,360	2,610	63	2,673
1,860	23,246	34,994	763	60,863	12,883	308	13,191
—	—	—	225	225	—	(22)	(22)
478	5,980	9,003	158	15,619	3,314	55	3,369

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Deferred outflows of resources						
Employer	Employer number	Net OPEB asset	Difference between expected and actual experience	Change in assumptions	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Cook Inlet Housing Authority	262	\$ 170,091	12,646	52,867	13,846	79,359
Interior Regional Housing Authority	263	19,421	1,444	6,036	2,641	10,121
Yakutat School District	264	3,619	269	1,125	437	1,831
Kake City School District	265	7,214	536	2,242	464	3,242
Aleutian Housing Authority	267	9,319	693	2,896	—	3,589
Bering Straits Regional Housing Authority	270	13,464	1,001	4,185	299	5,485
City of Egegik	271	2,244	167	698	394	1,259
Ilisagvik College	275	83,559	6,213	25,972	366	32,551
North Pacific Rim Housing Authority	276	11,794	877	3,666	897	5,440
Saxman Seaport	278	1,122	83	349	349	781
Tlingit-Haida Regional Housing Authority	279	44,209	3,287	13,741	3,317	20,345
Baranof Island Housing Authority	281	8,291	616	2,577	139	3,332
City of Delta Junction	282	2,819	210	876	—	1,086
City of Anderson	283	—	—	—	9	9
Inter-Island Ferry Authority	284	13,168	979	4,093	387	5,459
City of Seldovia	286	2,130	158	662	170	990
Northwest Inupiat Housing Authority	288	3,757	279	1,168	211	1,658
City of Upper Kalskag	290	—	—	—	7	7
City of Shaktoolik	291	1,041	77	323	321	721
Tagiugmiullu Nunamiullu Housing Authority	293	22,451	1,669	6,978	3,798	12,445
Municipality of Skagway	296	61,725	4,589	19,185	1,596	25,370
City of Nulato	297	—	—	—	46	46
City of Aniak	298	5,186	386	1,612	863	2,861
Alaska Gasline Development Corporation	299	8,985	668	2,793	2,910	6,371
Total for all employers		\$ 26,842,000	1,995,720	8,342,962	647,627	10,986,309

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

Deferred inflows of resources					OPEB expense			
Difference between expected and actual experience	Change in assumptions	Net difference between projected and actual investment earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions		Total OPEB expense (benefit)
						contributions and proportionate share of contributions	and proportionate share of contributions	
8,087	101,085	152,169	864	262,205	56,019	2,009	58,028	
923	11,542	17,375	499	30,339	6,396	296	6,692	
172	2,151	3,238	151	5,712	1,192	48	1,240	
343	4,287	6,454	176	11,260	2,376	51	2,427	
443	5,538	8,337	1,910	16,228	3,069	(319)	2,750	
640	8,002	12,046	1,783	22,471	4,434	(294)	4,140	
107	1,334	2,008	71	3,520	739	69	808	
3,973	49,659	74,755	9,021	137,408	27,520	(1,436)	26,084	
561	7,009	10,551	184	18,305	3,884	128	4,012	
53	667	1,003	540	2,263	369	(11)	358	
2,102	26,273	39,551	4,392	72,318	14,560	(149)	14,411	
394	4,927	7,418	405	13,144	2,731	(43)	2,688	
134	1,676	2,522	1,273	5,605	929	(249)	680	
—	—	—	232	232	—	(35)	(35)	
626	7,826	11,781	1,206	21,439	4,337	(105)	4,232	
101	1,266	1,906	190	3,463	702	1	703	
179	2,233	3,362	2,463	8,237	1,238	(299)	939	
—	—	—	106	106	—	(16)	(16)	
49	619	931	183	1,782	343	13	356	
1,067	13,343	20,085	584	35,079	7,394	507	7,901	
2,935	36,683	55,221	211	95,050	20,329	272	20,601	
—	—	—	1,334	1,334	—	(213)	(213)	
247	3,082	4,639	46	8,014	1,708	139	1,847	
427	5,340	8,038	17,928	31,733	2,959	(2,112)	847	
<b>1,276,240</b>	<b>15,952,173</b>	<b>24,013,800</b>	<b>647,627</b>	<b>41,889,840</b>	<b>8,840,342</b>	<b>—</b>	<b>8,840,342</b>	

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(1) Plan Description**

The State of Alaska Public Employees' Retirement System (System) Retiree Medical Plan (Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefits (OPEB) plan that provides health benefits to State and local government employees.

The Plan is established under Alaska Statute 39.35, which establishes benefit and contribution provisions, and may be amended only by the State of Alaska (State) legislature. The self-insured Plan provides major medical coverage to eligible employees who participate in the System's Defined Contribution Retirement (DCR) Plan. Members are not eligible to use this Plan until they have at least 10 years of service, and are Medicare age eligible.

The medical benefits available to eligible persons means that an eligible person may not be denied medical coverage except for failure to pay the required premium. Major medical insurance coverage takes effect on the first day of the month following the date of the Plan administrator's approval of the election and stops when the person who elects coverage dies or fails to make the required premium payment. The coverage for persons 65 years of age or older is the same as that available for persons under 65 years of age. The benefits payable to those persons 65 years of age or older supplement any benefits provided under the federal old age, survivors and disability insurance program. The medical and optional insurance premiums owed by the person who elects coverage may be deducted from the health reimbursement arrangement until the balance becomes insufficient to pay the premiums, at which point the person who elects coverage shall pay the premiums directly.

The cost of premiums for retiree major medical insurance coverage for an eligible member or surviving spouse who is:

- (1) not eligible for Medicare is an amount equal to the full monthly group premium for retiree major medical insurance coverage,
- (2) eligible for Medicare is the following percentage of the premium amounts established for retirees who are eligible for Medicare:
  - (a) 30 percent if the member had 10 or more, but less than 15, years of service;
  - (b) 25 percent if the member had 15 or more, but less than 20, years of service;
  - (c) 20 percent if the member had 20 or more, but less than 25, years of service;
  - (d) 15 percent if the member had 25 or more, but less than 30, years of service; and
  - (e) 10 percent if the member had 30 or more years of service.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(2) Basis of Presentation**

The schedule of employer allocations and the schedule of OPEB amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan and its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan or its participating employers. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of OPEB amounts by employer are based on the ratio of contributions made for each employer to total contributions made to the Plan during the year ended June 30, 2021. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer may result in immaterial differences.

**(4) Contributions**

Employer contribution rates are actuarially determined and adopted by the Alaska Retirement Management Board (Board). The 2021 employer effective contribution rate is 1.27% of annual payroll.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$	177,713,000
Plan fiduciary net position		<u>(204,555,000)</u>
Net OPEB asset	\$	<u><u>(26,842,000)</u></u>



**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial valuations used the following actuarial assumptions:

Inflation	2.50% per year
Salary increases	Graded by service, from 7.75% to 2.75% for peace officer/firefighter Graded by service, from 6.75% to 2.75% for all others
Investment rate of return	7.38%, net of postretirement healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real return of 4.88%.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% Employer Group Waiver Plan (EGWP): 7.5% grading down to 4.5%
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013–2017 actual mortality experience. Post-commencement mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. The rates for pre-commencement mortality were 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

Participation rates reflect the expected plan election rate that varies by reason for decrement, duration that a member may pay full cost prior to Medicare eligibility and availability of alternative and/or lower cost options, particularly in the Medicare market. This assumption is based on observed trends in participation from a range of other plans. The following participation rates were used to measure the collective net OPEB liability of the Plan as of June 30, 2021:

<b>Decrement due to disability</b>		<b>Decrement due to retirement</b>		
<b>Age</b>	<b>Percent participation</b>	<b>Age</b>	<b>Percent participation</b>	
<56	75.0 %	55	50.0 %	
56	77.5	56	55.0	
57	80.0	57	60.0	
58	82.5	58	65.0	
59	85.0	59	70.0	
60	87.5	60	75.0	
61	90.0	61	80.0	
62	92.5	62	85.0	
63	95.0	63	90.0	
64	97.5	64	95.0	
65+	100.0	65+		
			<b>Years of service</b>	
			<15	75.0 %
			15–19	80.0
			20–24	85.0
			25–29	90.0
			30+	95.0

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 to CY 21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Domestic equity	6.63 %
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(d) Sensitivity of the Collective Net OPEB Liability (Asset) to Changes in the Discount Rate**

The following presents the collective net OPEB liability (asset) of the Plan as of June 30, 2021, calculated using the discount rate of 7.38%, as well as what the Plan's collective net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<u>1% decrease</u> <u>(6.38%)</u>	<u>Current</u> <u>discount rate</u> <u>(7.38%)</u>	<u>1% increase</u> <u>(8.38%)</u>
\$	17,519,000	(26,842,000)	(60,348,000)

**(e) Sensitivity of the Collective Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates**

The following presents the collective net OPEB liability (asset) of the Plan as of June 30, 2021, calculated using the current healthcare cost trend rates, as well as what the Plan's net OPEB liability (asset) would be if it were using trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	<u>1% decrease</u>	<u>Current</u> <u>healthcare cost</u> <u>trend rate</u>	<u>1% increase</u>
\$	(65,144,000)	(26,842,000)	25,347,000

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning of year balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of year balance</u>
Deferred outflows resources:						
Difference between expected and actual experience	2020	8.2 years	\$ 36,878	—	5,122	31,756
	2021	8.3 years	—	2,233,000	269,036	1,963,964
			<u>36,878</u>	<u>2,233,000</u>	<u>274,158</u>	<u>1,995,720</u>
Change in assumptions	2018	9.1 years	4,439,594	—	727,802	3,711,792
	2019	8.2 years	5,521,780	—	890,610	4,631,170
			<u>9,961,374</u>	<u>—</u>	<u>1,618,412</u>	<u>8,342,962</u>
Total deferred outflows of resources			<u>\$ 9,998,252</u>	<u>2,233,000</u>	<u>1,892,570</u>	<u>10,338,682</u>
Deferred inflows of resources						
Difference between expected and actual experience	2017	9.1 years	\$ 25,780	—	5,055	20,725
	2018	9.1 years	485,320	—	79,560	405,760
	2019	8.2 years	1,013,170	—	163,415	849,755
			<u>1,524,270</u>	<u>—</u>	<u>248,030</u>	<u>1,276,240</u>
Change in assumptions	2020	8.2 years	18,337,171	—	2,546,829	15,790,342
	2021	8.3 years	—	184,000	22,169	161,831
			<u>18,337,171</u>	<u>184,000</u>	<u>2,568,998</u>	<u>15,952,173</u>
Difference between projected and actual earnings on OPEB plan investments	2017	5 years	633,600	—	633,600	—
	2018	5 years	(22,400)	—	(11,200)	(11,200)
	2019	5 years	(727,200)	—	(242,400)	(484,800)
	2020	5 years	(3,060,000)	—	(765,000)	(2,295,000)
	2021	5 years	—	33,506,000	6,701,200	26,804,800
			<u>(3,176,000)</u>	<u>33,506,000</u>	<u>6,316,200</u>	<u>24,013,800</u>
Total deferred inflows of resources			<u>\$ 16,685,441</u>	<u>33,690,000</u>	<u>9,133,228</u>	<u>41,242,213</u>

**STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:		
2022	\$	(6,607,058)
2023		(6,618,258)
2024		(6,860,658)
2025		(7,625,658)
2026		(919,908)
Thereafter		<u>(2,271,991)</u>
Total	\$	<u><u>(30,903,531)</u></u>

**(7) Collective OPEB Expense**

The components of the collective OPEB expense (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$	15,100,000
Interest on total OPEB liability		12,079,000
Administrative expense		22,000
Other		(7,000)
Expected investment return net of investment expenses		(11,113,000)
Recognition (amortization) of deferred outflows/inflows of resources:		
Difference between expected and actual experience		26,128
Change in assumptions		(950,586)
Difference between projected and actual investment earnings on OPEB plan investments		<u>(6,316,200)</u>
Total OPEB expense	\$	<u><u>8,840,342</u></u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Teachers' Retirement System:

We have audited the accompanying schedule of employer and nonemployer allocations of the State of Alaska Teachers' Retirement System Defined Benefit Pension Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (benefit) (specified column totals) included in the accompanying schedule of pension amounts by employer and nonemployer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer and nonemployer allocations and the specified column totals included in the schedule of pension amounts by employer and nonemployer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of pension amounts by employer and nonemployer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer and nonemployer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (benefit) for the total of all entities for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Teachers' Retirement System, which includes the Defined Benefit Pension Plan, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

**Other Information**

The supplemental schedule of employer allocations of special funding amounts, supplemental schedule of special funding amounts by employer, and supplemental schedule of employer and nonemployer contributions have not been subject to the auditing procedures applied in the audit of the schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer and accordingly, we do not express an opinion or provide any assurance on them.

**Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Teachers' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Teachers' Retirement System Defined Benefit Pension Plan employers and nonemployers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
\_\_\_\_\_, 202X

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer/ nonemployer number</u>	<u>Present value of projected future contributions</u>	<u>Allocation percentage</u>
Employer:			
Anchorage School District	701	\$ 238,772,000	18.93630 %
Cordova City School District	704	1,803,000	0.14299
Craig City School District	705	2,282,000	0.18098
Fairbanks North Star Borough School District	706	67,712,000	5.37004
Haines Borough School District	707	1,335,000	0.10587
Hoonah City School District	708	657,000	0.05210
Hydaburg City School District	709	753,000	0.05972
Juneau Borough School District	710	26,059,000	2.06666
Kake City School District	712	733,000	0.05813
Ketchikan Gateway Borough School District	714	13,987,000	1.10927
Klawock City School District	717	1,174,000	0.09311
Kodiak Island Borough School District	718	12,824,000	1.01703
Nenana City School District	719	1,944,000	0.15417
Nome City School District	720	3,606,000	0.28598
Matanuska-Susitna Borough School District	722	88,321,000	7.00448
Pelican City School District	723	99,000	0.00785
Petersburg City School District	724	2,845,000	0.22563
Sitka Borough School District	727	7,854,000	0.62288
Skagway City School District	728	919,000	0.07288
Unalaska City School District	729	2,055,000	0.16298
Valdez City School District	730	4,466,000	0.35419
Wrangell Public School District	731	1,715,000	0.13601
Yakutat School District	732	401,000	0.03180
University of Alaska	733	24,299,000	1.92708
Galena City School District	735	4,954,000	0.39289
North Slope Borough School District	736	14,271,000	1.13179
State of Alaska	737	8,235,000	0.65309
Bristol Bay Borough School District	742	757,000	0.06004
Southeast Regional Resource Center	743	560,000	0.04441
Dillingham City School District	744	2,960,000	0.23475
Kenai Peninsula Borough School District	746	43,313,000	3.43503
Saint Mary's School District	748	1,356,000	0.10754
Northwest Arctic Borough School District	751	12,613,000	1.00030
Bering Strait School District	752	14,263,000	1.13116
Lower Yukon School District	753	9,933,000	0.78776
Lower Kuskokwim School District	754	23,429,000	1.85808
Kuspuk School District	755	3,094,000	0.24538

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer/ nonemployer number</u>	<u>Present value of projected future contributions</u>	<u>Allocation percentage</u>
Southwest Region School District	756	\$ 4,375,000	0.34697 %
Lake And Peninsula Borough School District	757	3,571,000	0.28321
Aleutian Region School District	758	299,000	0.02371
Pribilof School District	759	344,000	0.02728
Iditarod Area School District	761	1,540,000	0.12213
Yukon / Koyukuk School District	762	4,495,000	0.35649
Yukon Flats School District	763	1,627,000	0.12903
Denali Borough School District	764	2,522,000	0.20001
Delta/Greely School District	765	3,579,000	0.28384
Alaska Gateway School District	766	2,343,000	0.18582
Copper River School District	767	1,543,000	0.12237
Chatham School District	768	1,019,000	0.08081
Southeast Island School District	769	1,826,000	0.14481
Annette Island School District	770	2,144,000	0.17003
Chugach School District	771	1,554,000	0.12324
Tanana School District	775	252,000	0.01999
Kashunamiut School District	777	936,000	0.07423
Yupit School District	778	3,058,000	0.24252
Special Education Service Agency	779	1,023,000	0.08113
Aleutians East Borough School District	780	1,444,000	0.11452
		<u>685,847,000</u>	<u>54.39249</u>
Total present value of projected future employer contributions			
Nonemployer:			
State of Alaska	999	<u>575,075,000</u>	<u>45.60751</u>
Total for all entities		<u>\$ 1,260,922,000</u>	<u>100.00000 %</u>

See accompanying notes to schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer.

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STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN

Schedule of Pension Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net pension liability	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Employer:				
Anchorage School District	701	\$ 150,727,852	21,989,910	21,989,910
Cordova City School District	704	1,138,167	64,416	64,416
Craig City School District	705	1,440,541	281,795	281,795
Fairbanks North Star Borough School District	706	42,744,059	5,656,142	5,656,142
Haines Borough School District	707	842,736	102,351	102,351
Hoonah City School District	708	414,740	101,769	101,769
Hydaburg City School District	709	475,341	55,233	55,233
Juneau Borough School District	710	16,450,074	2,552,575	2,552,575
Kake City School District	712	462,716	51,590	51,590
Ketchikan Gateway Borough School District	714	8,829,471	1,390,800	1,390,800
Klawock City School District	717	741,102	98,293	98,293
Kodiak Island Borough School District	718	8,095,313	1,352,063	1,352,063
Nenana City School District	719	1,227,175	130,575	130,575
Nome City School District	720	2,276,333	442,211	442,211
Matanuska-Susitna Borough School District	722	55,753,751	7,979,938	7,979,938
Pelican City School District	723	62,495	17,301	17,301
Petersburg City School District	724	1,795,942	219,076	219,076
Sitka Borough School District	727	4,957,937	559,529	559,529
Skagway City School District	728	580,130	115,185	115,185
Unalaska City School District	729	1,297,245	188,075	188,075
Valdez City School District	730	2,819,219	439,725	439,725
Wrangell Public School District	731	1,082,615	232,399	232,399
Yakutat School District	732	253,136	51,183	51,183
University of Alaska	733	15,339,052	1,770,389	1,770,389
Galena City School District	735	3,127,275	461,960	461,960
North Slope Borough School District	736	9,008,750	1,555,471	1,555,471
State of Alaska	737	5,198,448	12,859	12,859
Bristol Bay Borough School District	742	477,866	111,024	111,024
Southeast Regional Resource Center	743	353,507	84,050	84,050
Dillingham City School District	744	1,868,538	876,229	876,229
Kenai Peninsula Borough School District	746	27,341,880	3,694,698	3,694,698
Saint Mary's School District	748	855,992	165,323	165,323
Northwest Arctic Borough School District	751	7,962,116	782,827	782,827
Bering Strait School District	752	9,003,700	1,380,151	1,380,151
Lower Yukon School District	753	6,270,332	866,574	866,574
Lower Kuskokwim School District	754	14,789,853	1,885,149	1,885,149
Kuspuk School District	755	1,953,127	458,270	458,270
Southwest Region School District	756	2,761,774	304,476	304,476
Lake And Peninsula Borough School District	757	2,254,239	408,919	408,919
Aleutian Region School District	758	188,748	21,443	21,443
Pribilof School District	759	217,154	6,008	6,008
Iditarod Area School District	761	972,145	165,887	165,887
Yukon / Koyukuk School District	762	2,837,526	437,608	437,608
Yukon Flats School District	763	1,027,064	192,848	192,848
Denali Borough School District	764	1,592,044	223,688	223,688
Delta/Greely School District	765	2,259,289	302,498	302,498
Alaska Gateway School District	766	1,479,048	155,303	155,303
Copper River School District	767	974,038	201,091	201,091
Chatham School District	768	643,257	137,228	137,228
Southeast Island School District	769	1,152,686	307,108	307,108
Annette Island School District	770	1,353,427	336,026	336,026
Chugach School District	771	980,982	193,823	193,823
Tanana School District	775	159,078	47,748	47,748
Kashunamiut School District	777	590,862	109,983	109,983
Yupit School District	778	1,930,401	518,402	518,402
Special Education Service Agency	779	645,782	81,948	81,948
Aleutians East Borough School District	780	911,543	—	—
Total attributable to employer contributions		432,949,613	62,329,143	62,329,143
Nonemployer:				
State of Alaska	999	363,023,387	—	—
Total for all entities		\$ 795,973,000	62,329,143	62,329,143

See accompanying notes to schedule of employer and nonemployer allocations and schedule of pension amounts by employer and nonemployer.

Deferred inflows of resources				Pension expense (benefit)		
Difference between expected and actual experience	Net difference between projected and actual investment earnings on pension plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan pension expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	
					Proportionate share of contributions	Total pension expense (benefit)
1,449,064	155,610,957	—	157,060,021	(19,298,398)	64,919,575	45,621,177
10,942	1,175,040	—	1,185,982	(145,725)	162,600	16,875
13,849	1,487,210	—	1,501,059	(184,439)	900,719	716,280
410,932	44,128,830	—	44,539,762	(5,472,723)	16,669,386	11,196,663
8,102	870,038	—	878,140	(107,899)	313,821	205,922
3,987	428,176	—	432,163	(53,101)	301,130	248,029
4,570	490,740	—	495,310	(60,860)	266,469	205,609
158,147	16,983,004	—	17,141,151	(2,106,181)	7,377,452	5,271,271
4,448	477,706	—	482,154	(59,244)	118,025	58,781
84,885	9,115,518	—	9,200,403	(1,130,479)	4,369,920	3,239,441
7,125	765,112	—	772,237	(94,887)	310,851	215,964
77,827	8,357,575	—	8,435,402	(1,036,481)	3,998,189	2,961,708
11,798	1,266,931	—	1,278,729	(157,121)	372,353	215,232
21,884	2,350,079	—	2,371,963	(291,450)	1,345,918	1,054,468
536,004	57,559,996	—	58,096,000	(7,138,416)	23,509,788	16,371,372
601	64,520	—	65,121	(8,002)	56,253	48,251
17,266	1,854,125	—	1,871,391	(229,943)	641,778	411,835
47,665	5,118,559	—	5,166,224	(634,788)	1,489,135	854,347
5,577	598,925	—	604,502	(74,277)	321,377	247,100
12,471	1,339,271	—	1,351,742	(166,092)	485,385	319,293
27,103	2,910,553	—	2,937,656	(360,958)	1,554,664	1,193,706
10,408	1,117,689	—	1,128,097	(138,612)	683,272	544,660
2,434	261,337	—	263,771	(32,410)	140,452	108,042
147,466	15,835,988	—	15,983,454	(1,963,931)	4,625,805	2,661,874
30,065	3,228,589	—	3,258,654	(400,400)	1,367,090	966,690
86,608	9,300,605	—	9,387,213	(1,153,433)	3,738,989	2,585,556
49,977	5,366,861	—	5,416,838	(665,582)	(12,561)	(678,143)
4,594	493,347	—	497,941	(61,183)	298,735	237,552
3,399	364,960	—	368,359	(45,261)	277,106	231,845
17,964	1,929,072	—	1,947,036	(239,238)	2,085,605	1,846,367
262,859	28,227,671	—	28,490,530	(3,500,710)	10,172,916	6,672,206
8,229	883,724	—	891,953	(109,597)	522,858	413,261
76,546	8,220,063	—	8,296,609	(1,019,427)	1,959,098	939,671
86,560	9,295,391	—	9,381,951	(1,152,786)	4,091,173	2,938,387
60,282	6,473,471	—	6,533,753	(802,820)	2,088,428	1,285,608
142,186	15,268,998	—	15,411,184	(1,893,615)	5,228,298	3,334,683
18,777	2,016,402	—	2,035,179	(250,068)	1,355,446	1,105,378
26,551	2,851,247	—	2,877,798	(353,603)	747,678	394,075
21,672	2,327,269	—	2,348,941	(288,621)	1,148,093	859,472
1,815	194,862	—	196,677	(24,166)	60,043	35,877
2,088	224,189	—	226,277	(27,803)	(6,727)	(34,530)
9,346	1,003,639	—	1,012,985	(124,468)	487,289	362,821
27,279	2,929,453	—	2,956,732	(363,302)	1,237,704	874,402
9,874	1,060,338	—	1,070,212	(131,500)	371,784	240,284
15,306	1,643,622	—	1,658,928	(203,837)	733,919	530,082
21,720	2,332,483	—	2,354,203	(289,267)	865,492	576,225
14,219	1,526,965	—	1,541,184	(189,370)	434,869	245,499
9,364	1,005,594	—	1,014,958	(124,711)	483,154	358,443
6,184	664,096	—	670,280	(82,359)	328,331	245,972
11,082	1,190,029	—	1,201,111	(147,584)	846,958	699,374
13,012	1,397,274	—	1,410,286	(173,286)	841,263	667,977
9,431	1,012,763	—	1,022,194	(125,600)	595,469	469,869
1,529	164,232	—	165,761	(20,368)	75,279	54,911
5,680	610,004	—	615,684	(75,651)	119,460	43,809
18,558	1,992,940	—	2,011,498	(247,158)	1,420,941	1,173,783
6,208	666,703	—	672,911	(82,682)	292,503	209,821
8,763	941,074	74,928	1,024,765	(116,709)	(245,120)	(361,829)
<u>4,162,282</u>	<u>446,975,809</u>	<u>74,928</u>	<u>451,213,019</u>	<u>(55,432,582)</u>	<u>178,945,880</u>	<u>123,513,298</u>
<u>3,490,026</u>	<u>374,784,191</u>	<u>62,254,215</u>	<u>440,528,432</u>	<u>(46,479,596)</u>	<u>(178,945,880)</u>	<u>(225,425,476)</u>
<u>7,652,308</u>	<u>821,760,000</u>	<u>62,329,143</u>	<u>891,741,451</u>	<u>(101,912,178)</u>	<u>—</u>	<u>(101,912,178)</u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(1) Plan Description**

The State of Alaska Teachers' Retirement System (the System) Defined Benefit Pension Plan (the Plan) is a cost-sharing multiple-employer defined benefit pension plan that provides pension benefits for teachers and other eligible members.

The Plan is established under Alaska Statute 14.25, which defines the benefit and contribution provisions, and may be amended only by the State of Alaska (State) legislature. The 24<sup>th</sup> Alaska State Legislature enacted into law Senate Bill 141, which closed the Plan to new members effective July 1, 2006.

There are two tiers within the Plan: 1) Employees hired between July 1, 1955 and June 30, 1990, and 2) Employees hired between July 1, 1990 and June 30, 2006. The Plan is closed to all new members effective July 1, 2006.

Vested members hired prior to July 1, 1990 are entitled to pension benefits beginning at normal retirement age, 55, or early retirement age, 50. For members hired after June 30, 1990, the normal and early retirement ages are 60 and 55, respectively. Members may also retire at any age and receive a normal benefit when they accumulate the required credited service.

The normal annual pension benefit is based on years of service and average base salary. The average base salary is based upon the members' three highest contract years' salaries.

The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of the employee's average base salary. The benefit for each year over 20 years of service subsequent to June 30, 1990 is equal to 2.5% of the employee's base salary.

Minimum benefits for members eligible for retirement are \$25 per month for each year of credited service.

Married members must receive their benefits in the form of a joint and survivor annuity unless their spouse consents to another form of benefit or benefits are payable under the 1% supplemental contributions provision.

The Plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients when the cost of living increases in the previous calendar year. The automatic PRPA increase is paid beginning July 1 of each year. The discretionary PRPA may be granted to eligible recipients by the Plan's Administrator if the cost of living in the previous calendar year rises and the financial condition of the Plan's permits. If both an automatic and discretionary PRPA are granted, and a retiree is eligible for both adjustments, the one that provides the retiree the greater increase will be paid.



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(2) Basis of Presentation**

The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan, its participating employers, or the State as a nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan, its participating employers, or the State. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense (benefit). The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2022 to 2039. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (the Board). Employer contributions were 3.03% of annual payroll for the fiscal year 2021.

Alaska Statute 14.25.085 requires the State, as a nonemployer contributing entity, to contribute each July 1, or as soon after July 1 for the ensuing fiscal year, an amount that when combined with the total employer contributions is sufficient to pay the Plan's past service liability at the actuarially determined contribution rate adopted by the Board for that fiscal year.

**(5) Collective Net Pension Liability**

**(a) Components of Collective Net Pension Liability**

The components of the collective net pension liability of the Plan as of June 30, 2021, are as follows:

Total pension liability	\$ 7,527,454,000
Plan fiduciary net position	<u>(6,731,481,000)</u>
Net pension liability	<u>\$ 795,973,000</u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation	2.50% per year
Salary increases	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Deaths are assumed to result from occupational causes 15% of the time.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected future experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from Plan assets.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Broad Domestic equity	6.63%
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer and nonemployer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability in accordance with the method prescribed by GASB 67. In the event benefit payments are not covered by the Plan's fiduciary net position, a municipal bond rate would be used to discount the benefit payments not covered by the Plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.18% as of June 30, 2021.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

**(d) Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the Plan as of June 30, 2021 calculated using the discount rate of 7.38%, as well as what the Plan's collective net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% decrease (6.38%)</b>	<b>Current discount rate (7.38%)</b>	<b>1% increase (8.38%)</b>
\$	1,609,245,000	795,973,000	111,008,000

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2021:

	<b>Year of deferral</b>	<b>Amortization period</b>	<b>Beginning of year balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>End of year balance</b>
Deferred outflows of resources:						
Difference between expected and actual experience	2020	1.4 years	\$ 2,315,714	—	2,315,714	—
Total deferred outflows of resources			\$ 2,315,714	—	2,315,714	—
Deferred inflows of resources:						
Difference between expected and actual experience	2021	1.3 years	\$ —	33,160,000	25,507,692	7,652,308
Difference between projected and actual earnings on pension plan investments	2017	5 years	47,911,800	—	47,911,800	—
	2018	5 years	6,347,200	—	3,173,600	3,173,600
	2019	5 years	(48,877,800)	—	(16,292,600)	(32,585,200)
	2020	5 years	(145,480,000)	—	(36,370,000)	(109,110,000)
	2021	5 years	—	1,200,352,000	240,070,400	960,281,600
			(140,098,800)	1,200,352,000	238,493,200	821,760,000
Total deferred inflows of resources			\$ (140,098,800)	1,233,512,000	264,000,892	829,412,308

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of Pension Amounts by Employer and Nonemployer

June 30, 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2022	\$ (198,233,708)
2023	(187,407,800)
2024	(203,700,400)
2025	<u>(240,070,400)</u>
Total	<u>\$ (829,412,308)</u>

**(7) Collective Pension Expense**

The components of the collective pension expense (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$ 48,401,000
Interest on total pension liability	535,725,000
Member contributions	(33,342,000)
Administrative expense	3,446,000
Expected investment return net of investment expenses	(394,184,000)
Other	(273,000)
Recognition (amortization) of deferred outflows/inflows of resources:	
Difference between projected and actual investment earnings on pension plan investments	(238,493,200)
Difference between expected and actual experience	<u>(23,191,978)</u>
Total pension expense	<u>\$ (101,912,178)</u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

<b>Employer</b>	<b>Employer number</b>	<b>Present value of projected future State contributions</b>	<b>Employer proportionate share</b>
Anchorage School District	701	\$ 202,635,000	35.23627 %
Cordova City School District	704	1,531,000	0.26623
Craig City School District	705	1,935,000	0.33648
Fairbanks North Star Borough School District	706	57,462,000	9.99209
Haines Borough School District	707	1,134,000	0.19719
Hoonah City School District	708	557,000	0.09686
Hydaburg City School District	709	640,000	0.11129
Juneau Borough School District	710	22,117,000	3.84593
Kake City School District	712	623,000	0.10833
Ketchikan Gateway Borough School District	714	11,869,000	2.06390
Klawock City School District	717	1,001,000	0.17406
Kodiak Island Borough School District	718	10,882,000	1.89227
Nenana City School District	719	1,651,000	0.28709
Nome City School District	720	3,060,000	0.53210
Matanuska-Susitna Borough School District	722	74,953,000	13.03360
Pelican City School District	723	85,000	0.01478
Petersburg City School District	724	2,415,000	0.41995
Sitka Borough School District	727	6,668,000	1.15950
Skagway City School District	728	778,000	0.13529
Unalaska City School District	729	1,745,000	0.30344
Valdez City School District	730	3,787,000	0.65852
Wrangell Public School District	731	1,456,000	0.25318
Yakutat School District	732	339,000	0.05895
University of Alaska	733	20,623,000	3.58614
Galena City School District	735	4,200,000	0.73034
North Slope Borough School District	736	12,112,000	2.10616
Bristol Bay Borough School District	742	640,000	0.11129
Southeast Regional Resource Center	743	477,000	0.08295
Dillingham City School District	744	2,513,000	0.43699
Kenai Peninsula Borough School District	746	36,760,000	6.39221
Saint Mary's School District	748	1,151,000	0.20015
Northwest Arctic Borough School District	751	10,705,000	1.86150
Bering Strait School District	752	12,102,000	2.10442
Lower Yukon School District	753	8,429,000	1.46572
Lower Kuskokwim School District	754	19,882,000	3.45729
Kuspuk School District	755	2,624,000	0.45629
Southwest Region School District	756	3,714,000	0.64583
Lake And Peninsula Borough School District	757	3,029,000	0.52671
Aleutian Region School District	758	257,000	0.04469

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	Present value of projected future State contributions	Employer proportionate share
Pribilof School District	759	\$ 295,000	0.05130 %
Iditarod Area School District	761	1,310,000	0.22780
Yukon / Koyukuk School District	762	3,815,000	0.66339
Yukon Flats School District	763	1,382,000	0.24032
Denali Borough School District	764	2,139,000	0.37195
Delta/Greely School District	765	3,036,000	0.52793
Alaska Gateway School District	766	1,989,000	0.34587
Copper River School District	767	1,311,000	0.22797
Chatham School District	768	865,000	0.15042
Southeast Island School District	769	1,553,000	0.27005
Annette Island School District	770	1,820,000	0.31648
Chugach School District	771	1,318,000	0.22919
Tanana School District	775	215,000	0.03739
Kashunamiut School District	777	796,000	0.13842
Yupiit School District	778	2,594,000	0.45107
Special Education Service Agency	779	869,000	0.15111
Aleutians East Borough School District	780	1,227,000	0.21336
		<u>\$ 575,075,000</u>	<u>100.00000 %</u>

See accompanying independent auditors' report.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	State proportionate share of net pension liability attributable to employer	Employer pension expense and related revenue attributable to special funding situation
Anchorage School District	701	\$ 127,915,919	\$ (16,377,674)
Cordova City School District	704	966,463	(123,741)
Craig City School District	705	1,221,493	(156,394)
Fairbanks North Star Borough School District	706	36,273,616	(4,644,282)
Haines Borough School District	707	715,852	(91,654)
Hoonah City School District	708	351,613	(45,019)
Hydaburg City School District	709	404,008	(51,727)
Juneau Borough School District	710	13,961,637	(1,787,574)
Kake City School District	712	393,277	(50,353)
Ketchikan Gateway Borough School District	714	7,492,457	(959,295)
Klawock City School District	717	631,894	(80,904)
Kodiak Island Borough School District	718	6,869,400	(879,522)
Nenana City School District	719	1,042,215	(133,440)
Nome City School District	720	1,931,664	(247,320)
Matanuska-Susitna Borough School District	722	47,315,032	(6,057,967)
Pelican City School District	723	53,657	(6,870)
Petersburg City School District	724	1,524,499	(195,189)
Sitka Borough School District	727	4,209,260	(538,931)
Skagway City School District	728	491,122	(62,881)
Unalaska City School District	729	1,101,553	(141,037)
Valdez City School District	730	2,390,592	(306,079)
Wrangell Public School District	731	919,118	(117,679)
Yakutat School District	732	213,998	(27,399)
University of Alaska	733	13,018,530	(1,666,824)
Galena City School District	735	2,651,303	(339,459)
North Slope Borough School District	736	7,645,854	(978,935)
Bristol Bay Borough School District	742	404,008	(51,727)
Southeast Regional Resource Center	743	301,112	(38,553)
Dillingham City School District	744	1,586,363	(203,110)
Kenai Peninsula Borough School District	746	23,205,216	(2,971,073)
Saint Mary's School District	748	726,583	(93,028)
Northwest Arctic Borough School District	751	6,757,667	(865,216)
Bering Strait School District	752	7,639,541	(978,126)
Lower Yukon School District	753	5,320,913	(681,262)
Lower Kuskokwim School District	754	12,550,765	(1,606,934)
Kuspuk School District	755	1,656,433	(212,081)



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>State proportionate share of net pension liability attributable to employer</u>	<u>Employer pension expense and related revenue attributable to special funding situation</u>
Southwest Region School District	756	\$ 2,344,510	\$ (300,179)
Lake And Peninsula Borough School District	757	1,912,095	(244,814)
Aleutian Region School District	758	162,235	(20,772)
Pribilof School District	759	186,222	(23,843)
Iditarod Area School District	761	826,954	(105,879)
Yukon / Koyukuk School District	762	2,408,267	(308,342)
Yukon Flats School District	763	872,405	(111,698)
Denali Borough School District	764	1,350,271	(172,882)
Delta/Greely School District	765	1,916,513	(245,380)
Alaska Gateway School District	766	1,255,581	(160,758)
Copper River School District	767	827,585	(105,960)
Chatham School District	768	546,042	(69,912)
Southeast Island School District	769	980,351	(125,519)
Annette Island School District	770	1,148,898	(147,099)
Chugach School District	771	832,004	(106,525)
Tanana School District	775	135,721	(17,377)
Kashunamiut School District	777	502,485	(64,336)
Yupitit School District	778	1,637,495	(209,656)
Special Education Service Agency	779	548,567	(70,236)
Aleutians East Borough School District	780	774,559	(99,170)
Total for all employers		\$ <u>363,023,387</u>	\$ <u>(46,479,596)</u>

See accompanying independent auditors' report.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer number</u>	<u>Actual contributions</u>
Employer:		
Anchorage School District	701	\$ 9,845,817
Cordova City School District	704	84,368
Craig City School District	705	102,517
Fairbanks North Star Borough School District	706	2,904,889
Haines Borough School District	707	44,989
Hoonah City School District	708	37,495
Hydaburg City School District	709	27,158
Juneau Borough School District	710	1,067,248
Kake City School District	712	24,464
Ketchikan Gateway Borough School District	714	614,141
Klawock City School District	717	58,956
Kodiak Island Borough School District	718	559,135
Nenana City School District	719	92,091
Nome City School District	720	156,746
Matanuska-Susitna Borough School District	722	3,797,960
Pelican City School District	723	7,753
Petersburg City School District	724	136,268
Sitka Borough School District	727	344,183
Skagway City School District	728	42,181
Unalaska City School District	729	94,194
Valdez City School District	730	212,196
Wrangell Public School District	731	72,657
Yakutat School District	732	17,775
University of Alaska	733	1,168,574
Galena City School District	735	209,084
North Slope Borough School District	736	586,217
State of Alaska	737	1,120,497
Bristol Bay Borough School District	742	25,403
Southeast Regional Resource Center	743	13,905
Dillingham City School District	744	94,633
Kenai Peninsula Borough School District	746	1,793,208
Saint Mary's School District	748	46,980
Northwest Arctic Borough School District	751	492,116
Bering Strait School District	752	493,328
Lower Yukon School District	753	523,635
Lower Kuskokwim School District	754	837,947
Kuspuk School District	755	83,864
Southwest Region School District	756	163,506
Lake And Peninsula Borough School District	757	159,522
Aleutian Region School District	758	10,241
Pribilof School District	759	14,522
Iditarod Area School District	761	58,900

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
DEFINED BENEFIT PENSION PLAN**

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Actual contributions
Yukon / Koyukuk School District	762	\$ 177,599
Yukon Flats School District	763	79,025
Denali Borough School District	764	104,267
Delta/Greely School District	765	154,276
Alaska Gateway School District	766	75,615
Copper River School District	767	44,906
Chatham School District	768	32,386
Southeast Island School District	769	44,107
Annette Island School District	770	58,668
Chugach School District	771	71,896
Tanana School District	775	3,702
Kashunamiut School District	777	42,326
Yupit School District	778	101,573
Special Education Service Agency	779	38,673
Aleutians East Borough School District	780	<u>65,293</u>
Total employer contributions		29,335,577
Nonemployer:		
State of Alaska	999	<u>134,069,997</u>
Total for all entities		<u>\$ 163,405,574</u>

See accompanying independent auditors' report.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Teachers' Retirement System:

We have audited the accompanying schedule of employer and nonemployer allocations of the State of Alaska Teachers' Retirement System Alaska Retiree Healthcare Trust (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all entities of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) (specified column totals) included in the accompanying schedule of OPEB amounts by employer and nonemployer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer and nonemployer allocations and the specified column totals included in the schedule of OPEB amounts by employer and nonemployer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer and nonemployer allocations and specified column totals included in the schedule of OPEB amounts by employer and nonemployer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the schedules referred to above present fairly, in all material respects, the employer and nonemployer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) for the total of all entities for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

## Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Teachers' Retirement System, which includes the Alaska Retiree Healthcare Trust, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

## Other Information

The supplemental schedule of employer allocations of special funding amounts, supplemental schedule of special funding amounts by employer, and supplemental schedule of employer and nonemployer contributions have not been subject to the auditing procedures applied in the audit of the schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer and accordingly, we do not express an opinion or provide any assurance on them.

## Restriction on Use

Our report is intended solely for the information and use of the State of Alaska Teachers' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Teachers' Retirement System Alaska Retiree Healthcare Trust employers and nonemployers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
December \_\_, 2021

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer/ nonemployer number</u>	<u>Present value of projected future contributions</u>	<u>Allocation percentage</u>
Employer:			
Anchorage School District	701	\$ 88,836,000	19.68067 %
Cordova City School District	704	671,000	0.14865
Craig City School District	705	851,000	0.18853
Fairbanks North Star Borough School District	706	25,193,000	5.58124
Haines Borough School District	707	497,000	0.11011
Hoonah City School District	708	246,000	0.05450
Hydaburg City School District	709	279,000	0.06181
Juneau Borough School District	710	9,698,000	2.14849
Kake City School District	712	274,000	0.06070
Ketchikan Gateway Borough School District	714	5,200,000	1.15200
Klawock City School District	717	438,000	0.09703
Kodiak Island Borough School District	718	4,772,000	1.05719
Nenana City School District	719	723,000	0.16017
Nome City School District	720	1,342,000	0.29731
Matanuska-Susitna Borough School District	722	32,860,000	7.27978
Pelican City School District	723	38,000	0.00842
Petersburg City School District	724	1,056,000	0.23395
Sitka Borough School District	727	2,922,000	0.64734
Skagway City School District	728	341,000	0.07554
Unalaska City School District	729	766,000	0.16970
Valdez City School District	730	1,660,000	0.36776
Wrangell Public School District	731	637,000	0.14112
Yakutat School District	732	150,000	0.03323
University of Alaska	733	9,040,000	2.00272
Galena City School District	735	1,843,000	0.40830
North Slope Borough School District	736	5,309,000	1.17615
State of Alaska	737	2,949,000	0.65332
Bristol Bay Borough School District	742	279,000	0.06181
Southeast Regional Resource Center	743	209,000	0.04630
Dillingham City School District	744	1,102,000	0.24414
Kenai Peninsula Borough School District	746	16,118,000	3.57077
Saint Mary's School District	748	505,000	0.11188
Northwest Arctic Borough School District	751	4,691,000	1.03924
Bering Strait School District	752	5,305,000	1.17527
Lower Yukon School District	753	3,695,000	0.81859
Lower Kuskokwim School District	754	8,718,000	1.93138



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Schedule of Employer and Nonemployer Allocations

As of and for the year ended June 30, 2021

<u>Employer/nonemployer</u>	<u>Employer/ nonemployer number</u>	<u>Present value of projected future contributions</u>	<u>Allocation percentage</u>
Kuspuk School District	755	\$ 1,149,000	0.25455 %
Southwest Region School District	756	1,627,000	0.36044
Lake And Peninsula Borough School District	757	1,327,000	0.29398
Aleutian Region School District	758	110,000	0.02437
Pribilof School District	759	130,000	0.02880
Iditarod Area School District	761	573,000	0.12694
Yukon/Koyukuk School District	762	1,673,000	0.37064
Yukon Flats School District	763	606,000	0.13425
Denali Borough School District	764	939,000	0.20803
Delta/Greely School District	765	1,333,000	0.29531
Alaska Gateway School District	766	870,000	0.19274
Copper River School District	767	574,000	0.12716
Chatham School District	768	377,000	0.08352
Southeast Island School District	769	680,000	0.15065
Annette Island School District	770	798,000	0.17679
Chugach School District	771	580,000	0.12849
Tanana School District	775	92,000	0.02038
Kashunamiut School District	777	349,000	0.07732
Yupit School District	778	1,139,000	0.25233
Special Education Service Agency	779	383,000	0.08485
Aleutians East Borough School District	780	539,000	0.11941
Total present value of projected future employer contributions		255,061,000	56.50606
Nonemployer:			
State of Alaska	999	196,326,000	43.49394
Total for all entities		\$ 451,387,000	100.00000 %

See accompanying notes to schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer.

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STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Schedule of OPEB Amounts by Employer and Nonemployer

As of and for the year ended June 30, 2021

Employer/nonemployer	Employer/ nonemployer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Employer:				
Anchorage School District	701	\$ 228,823,447	—	—
Cordova City School District	704	1,728,359	—	—
Craig City School District	705	2,192,003	—	—
Fairbanks North Star Borough School District	706	64,892,038	—	—
Haines Borough School District	707	1,280,171	—	—
Hoonah City School District	708	633,646	—	—
Hydaburg City School District	709	718,647	—	—
Juneau Borough School District	710	24,980,073	—	—
Kake City School District	712	705,768	—	—
Ketchikan Gateway Borough School District	714	13,394,141	—	—
Klawock City School District	717	1,128,199	—	—
Kodiak Island Borough School District	718	12,291,700	—	—
Nenana City School District	719	1,862,301	—	—
Nome City School District	720	3,456,719	—	—
Matanuska-Susitna Borough School District	722	84,640,669	—	—
Pelican City School District	723	97,880	—	—
Petersburg City School District	724	2,720,041	—	—
Sitka Borough School District	727	7,526,477	—	—
Skagway City School District	728	878,347	—	—
Unalaska City School District	729	1,973,060	—	—
Valdez City School District	730	4,275,822	—	—
Wrangell Public School District	731	1,640,782	—	—
Yakutat School District	732	386,369	—	—
University of Alaska	733	23,285,199	—	—
Galena City School District	735	4,747,193	—	—
North Slope Borough School District	736	13,674,903	—	—
State of Alaska	737	7,596,022	15,746	15,746
Bristol Bay Borough School District	742	718,647	—	—
Southeast Regional Resource Center	743	538,341	—	—
Dillingham City School District	744	2,838,528	—	—
Kenai Peninsula Borough School District	746	41,516,686	—	—
Saint Mary's School District	748	1,300,777	—	—
Northwest Arctic Borough School District	751	12,083,061	—	—
Bering Strait School District	752	13,664,600	—	—
Lower Yukon School District	753	9,517,568	—	—
Lower Kuskokwim School District	754	22,455,793	—	—
Kuspuk School District	755	2,959,590	—	—
Southwest Region School District	756	4,190,821	—	—
Lake And Peninsula Borough School District	757	3,418,082	—	—
Aleutian Region School District	758	283,338	—	—
Pribilof School District	759	334,854	—	—
Iditarod Area School District	761	1,475,931	—	—
Yukon/Koyukuk School District	762	4,309,307	—	—
Yukon Flats School District	763	1,560,933	—	—
Denali Borough School District	764	2,418,673	—	—
Delta/Greely School District	765	3,433,537	—	—
Alaska Gateway School District	766	2,240,943	—	—
Copper River School District	767	1,478,507	—	—
Chatham School District	768	971,075	—	—
Southeast Island School District	769	1,751,542	—	—
Annette Island School District	770	2,055,486	—	—
Chugach School District	771	1,493,962	—	—
Tanana School District	775	236,973	—	—
Kashunamiut School District	777	898,953	—	—
Yupit School District	778	2,933,832	—	—
Special Education Service Agency	779	986,530	—	—
Aleutians East Borough School District	780	1,388,354	14,064	14,064
Total attributable to employer contributions		656,985,200	29,810	29,810
Nonemployer:				
State of Alaska	999	505,695,800	16,351,437	16,351,437
Total for all entities		\$ 1,162,681,000	16,381,247	16,381,247

See accompanying notes to schedule of employer and nonemployer allocations and schedule of OPEB amounts by employer and nonemployer.

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change in assumptions	Difference between projected and actual investment earnings	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense (benefit)	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	
						Proportionate share of employer contributions	Total OPEB expense (benefit)
1,606,140	6,606,212	89,468,261	5,573,785	103,254,398	(66,291,752)	(9,047,541)	(75,339,293)
12,132	49,898	675,776	12,788	750,594	(500,718)	(6,507)	(507,225)
15,386	63,284	857,057	63,676	999,403	(635,039)	(106,440)	(741,479)
455,485	1,873,455	25,372,303	1,518,427	29,219,670	(18,799,677)	(2,461,380)	(21,261,057)
8,986	36,959	500,537	34,294	580,776	(370,874)	(64,526)	(435,400)
4,448	18,294	247,751	26,647	297,140	(183,572)	(48,096)	(231,668)
5,044	20,748	280,986	18,978	325,756	(208,197)	(37,387)	(245,584)
175,338	721,183	9,767,022	638,392	11,301,935	(7,236,902)	(1,015,479)	(8,252,381)
4,954	20,376	275,950	17,928	319,208	(204,466)	(31,603)	(236,069)
94,015	386,693	5,237,009	351,772	6,069,489	(3,880,376)	(581,003)	(4,461,379)
7,919	32,571	441,117	18,993	500,600	(326,847)	(26,011)	(352,858)
86,277	354,866	4,805,963	358,441	5,605,547	(3,560,991)	(613,063)	(4,174,054)
13,072	53,765	728,146	31,571	826,554	(539,522)	(45,264)	(584,786)
24,263	99,797	1,351,551	114,905	1,590,516	(1,001,436)	(201,814)	(1,203,250)
594,103	2,443,605	33,093,870	1,966,721	38,098,299	(24,520,993)	(3,150,048)	(27,671,041)
687	2,826	38,270	5,719	47,502	(28,357)	(11,589)	(39,946)
19,092	78,529	1,063,516	49,121	1,210,258	(788,015)	(67,378)	(855,393)
52,829	217,292	2,942,796	140,898	3,353,815	(2,180,473)	(202,678)	(2,383,151)
6,165	25,358	343,427	29,623	404,573	(254,463)	(50,498)	(304,961)
13,849	56,963	771,452	52,633	894,897	(571,609)	(84,195)	(655,804)
30,013	123,444	1,671,815	98,394	1,923,666	(1,238,736)	(161,575)	(1,400,311)
11,517	47,370	641,534	58,467	758,888	(475,346)	(101,765)	(577,111)
2,712	11,155	151,068	14,828	179,763	(111,934)	(25,308)	(137,242)
163,442	672,252	9,104,339	394,820	10,334,853	(6,745,885)	(491,160)	(7,237,045)
33,321	137,053	1,856,117	121,075	2,147,566	(1,375,295)	(195,333)	(1,570,628)
95,986	394,799	5,346,785	469,248	6,306,818	(3,961,715)	(829,884)	(4,791,599)
53,317	219,301	2,969,988	—	3,242,606	(2,200,620)	48,237	(2,152,383)
5,044	20,748	280,986	29,971	336,749	(208,197)	(49,450)	(257,647)
3,779	15,542	210,487	25,285	255,093	(155,961)	(49,231)	(205,192)
19,924	81,949	1,109,843	229,858	1,441,574	(822,341)	(396,795)	(1,219,136)
291,411	1,198,601	16,232,715	952,991	18,675,718	(12,027,674)	(1,489,345)	(13,517,019)
9,130	37,554	508,594	44,324	599,602	(376,844)	(78,448)	(455,292)
84,812	348,842	4,724,387	281,050	5,439,091	(3,500,547)	(478,287)	(3,978,834)
95,913	394,502	5,342,757	438,137	6,271,309	(3,958,730)	(795,688)	(4,754,418)
66,805	274,775	3,721,298	237,209	4,300,087	(2,757,306)	(374,645)	(3,131,951)
157,620	648,306	8,780,048	596,137	10,182,111	(6,505,600)	(1,048,955)	(7,554,555)
20,774	85,444	1,157,178	139,396	1,402,792	(857,414)	(267,387)	(1,124,801)
29,416	120,990	1,638,580	106,191	1,895,177	(1,214,110)	(188,609)	(1,402,719)
23,992	98,681	1,336,444	118,490	1,577,607	(990,242)	(213,642)	(1,203,884)
1,989	8,180	110,783	9,218	130,170	(82,085)	(16,718)	(98,803)
2,350	9,667	130,925	7,199	150,141	(97,009)	(12,499)	(109,508)
10,360	42,611	577,078	50,164	680,213	(427,588)	(95,270)	(522,858)
30,248	124,411	1,684,907	130,590	1,970,156	(1,248,436)	(231,132)	(1,479,568)
10,956	45,065	610,313	54,251	720,585	(452,213)	(87,199)	(539,412)
16,977	69,828	945,683	55,775	1,088,263	(700,706)	(95,118)	(795,824)
24,100	99,127	1,342,487	73,619	1,539,333	(994,720)	(113,114)	(1,107,834)
15,729	64,697	876,192	58,652	1,015,270	(649,217)	(106,846)	(756,063)
10,378	42,685	578,085	59,306	690,454	(428,334)	(102,934)	(531,268)
6,816	28,035	379,683	40,394	454,928	(281,327)	(70,579)	(351,906)
12,294	50,568	684,840	92,508	840,210	(507,434)	(170,309)	(677,743)
14,428	59,343	803,680	102,228	979,679	(595,489)	(184,553)	(780,042)
10,486	43,131	584,128	41,789	679,534	(432,811)	(65,065)	(497,876)
1,663	6,841	92,655	14,692	115,851	(68,653)	(25,277)	(93,930)
6,310	25,953	351,484	34,663	418,410	(260,433)	(52,233)	(312,666)
20,593	84,701	1,147,106	147,318	1,399,718	(849,952)	(261,956)	(1,111,908)
6,925	28,481	385,726	27,698	448,830	(285,805)	(54,968)	(340,773)
9,745	40,082	542,836	—	592,663	(402,216)	36,123	(366,093)
4,611,459	18,967,388	256,876,314	16,381,247	296,836,408	(190,333,204)	(26,749,417)	(217,082,621)
3,549,541	14,599,612	197,723,286	—	215,872,439	(146,503,608)	26,749,417	(119,754,191)
8,161,000	33,567,000	454,599,600	16,381,247	512,708,847	(336,836,812)	—	(336,836,812)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(1) Plan Description**

The State of Alaska Teachers' Retirement System (the System) Alaska Retiree Healthcare Trust (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan that provides health benefits for teachers and other eligible members.

The Plan is established under Alaska Statute 14.25, which defines the benefit and contribution provisions, and may be amended only by the State of Alaska (State) legislature. The Plan, a healthcare trust fund of the State, provides major medical coverage to retirees of the System's Defined Benefit Pension Plan (DB Plan). The Plan is self-funded and self-insured. The 24<sup>th</sup> Alaska State Legislature enacted into law Senate Bill 141, which closed the Plan to new members effective July 1, 2006.

There are two tiers within the Plan: 1) Employees hired between July 1, 1955 and June 30, 1990, and 2) Employees hired between July 1, 1990 and June 30, 2006.

When pension benefits begin, major medical benefits are provided without cost to (1) all members first hired before July 1, 1990; (2) members hired after July 1, 1990, with 25 years of membership service; and (3) members who are disabled or age 60 or older, regardless of their initial hire dates. Members first hired after June 30, 1990, may receive major medical benefits prior to age 60 by paying premiums.

**(2) Basis of Presentation**

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan, its participating employers, or the State as a nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan, its participating employers, or the State. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB asset, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of OPEB amounts by employer and nonemployer are based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions to the Plan for the fiscal years 2022 to 2039. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (Board). Employer contributions were 3.40% of annual payroll for the year ended June 30, 2021.

Alaska Statute 14.25.085 requires the State, as a nonemployer contributing entity, to contribute each July 1, or as soon after July 1 for the ensuing fiscal year, an amount that when combined with the total employer contributions is sufficient to pay the Plan's past service liability at the actuarially determined contribution rate adopted by the Board for that fiscal year.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$	2,560,350,000
Plan fiduciary net position		<u>(3,723,031,000)</u>
Net OPEB asset	\$	<u><u>(1,162,681,000)</u></u>

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial valuation used the following actuarial assumptions as of the June 30, 2021 measurement date:

Inflation rate	2.50% per year
Salary increases	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38%, net of postretirement healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% Employer Group Waiver Plan (EGWP): 7.5% grading down to 4.5%

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Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.
Participation	100% of system paid of members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from Calendar Year (CY) 20 to CY21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**(b) Long-term Rate of Return**

The long-term expected rate of return on postretirement healthcare plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

postretirement healthcare plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

Asset class	Long-term expected real rate of return
Broad Domestic equity	6.63%
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that Employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability in accordance with the method prescribed by GASB 67. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefit payments not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.18% as of June 30, 2021.

**(d) Sensitivity of the Collective Net OPEB Asset to Changes in the Discount Rate**

~~Sensitivity of the net OPEB liability (asset) to changes in the discount rate.~~ The following presents the net OPEB liability (asset) as of June 30, 2021, calculated using the discount rate of 7.38%, as well as what the System's net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

1% decrease (6.38%)	Current discount rate (7.38%)	1% increase (8.38%)
\$ (837,747,000)	(1,162,681,000)	(1,431,519,000)



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

**(e) Sensitivity of the Collective Net OPEB Asset to Changes in the Healthcare Cost Trend Rates**

~~Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates.~~ The following presents the net OPEB liability (asset) as of June 30, 2021, calculated using the healthcare cost trend rates as summarized in the 2020 actuarial valuation report, as well as what the System's net OPEB liability (asset) would be if it were calculated using trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	<b>1% decrease</b>	<b>Current healthcare cost trend rate</b>	<b>1% increase</b>
\$	(1,461,739,000)	(1,162,681,000)	(800,304,000)

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	Year of deferral	Amortization period	Beginning of year balance	Additions	Deductions	End of year balance
<b>Deferred outflows of resources:</b>	↑ None					
<b>Deferred inflows of resources:</b>						
Difference between expected and actual experience						
	2020	1.7 years	\$ 9,593,294	—	9,593,294	—
	2021	1.5 years	—	24,483,000	16,322,000	8,161,000
			9,593,294	24,483,000	25,915,294	8,161,000
Change in assumptions						
	2020	1.7 years	112,543,118	—	112,543,118	—
	2021	1.5 years	—	100,701,000	67,134,000	33,567,000
			112,543,118	100,701,000	179,677,118	33,567,000
Difference between projected and actual earnings on OPEB plan investments						
	2017	5 years	24,712,000	—	24,712,000	—
	2018	5 years	3,422,000	—	1,711,000	1,711,000
	2019	5 years	(23,181,000)	—	(7,727,000)	(15,454,000)
	2020	5 years	(74,100,000)	—	(18,525,000)	(55,575,000)
	2021	5 years	—	654,897,000	130,979,400	523,917,600
			(69,147,000)	654,897,000	131,150,400	454,599,600
Total deferred inflows of resources			\$ 52,989,412	780,081,000	336,742,812	496,327,600

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Notes to Schedule of Employer and Nonemployer Allocations and  
Schedule of OPEB Amounts by Employer and Nonemployer

June 30, 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2022	\$ (148,166,400)
2023	(104,727,400)
2024	(112,454,400)
2025	<u>(130,979,400)</u>
Total	<u>\$ (496,327,600)</u>

**(7) Collective OPEB Benefit**

The components of the collective OPEB benefit (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$ 23,793,000
Interest on total OPEB liability	188,868,000
Administrative expense	1,836,000
Expected investment return net of investment expenses	(214,344,000)
Other	(247,000)
Recognition (amortization) of deferred outflows/inflows of resources:	
Difference between projected and actual investment earnings on OPEB plan investments	(131,150,400)
Difference between expected and actual experience	(25,915,294)
Change in assumptions	<u>(179,677,118)</u>
Total OPEB benefit	<u>\$ (336,836,812)</u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	Present value of projected future State contributions	Employer proportionate share
Anchorage School District	701	\$ 69,173,000	35.23376 %
Cordova City School District	704	522,000	0.26588
Craig City School District	705	661,000	0.33668
Fairbanks North Star Borough School District	706	19,617,000	9.99205
Haines Borough School District	707	388,000	0.19763
Hoonah City School District	708	190,000	0.09678
Hydaburg City School District	709	219,000	0.11155
Juneau Borough School District	710	7,550,000	3.84564
Kake City School District	712	212,000	0.10798
Ketchikan Gateway Borough School District	714	4,052,000	2.06391
Klawock City School District	717	341,000	0.17369
Kodiak Island Borough School District	718	3,714,000	1.89175
Nenana City School District	719	565,000	0.28779
Nome City School District	720	1,045,000	0.53228
Matanuska-Susitna Borough School District	722	25,588,000	13.03342
PELICAN CITY School District	723	27,000	0.01375
Petersburg City School District	724	826,000	0.42073
Sitka Borough School District	727	2,276,000	1.15930
Skagway City School District	728	265,000	0.13498
Unalaska City School District	729	595,000	0.30307
Valdez City School District	730	1,294,000	0.65911
Wrangell Public School District	731	499,000	0.25417
Yakutat School District	732	115,000	0.05858
University of Alaska	733	7,040,000	3.58587
Galena City School District	735	1,437,000	0.73195
North Slope Borough School District	736	4,135,000	2.10619
Bristol Bay Borough School District	742	219,000	0.11155
Southeast Regional Resource Center	743	162,000	0.08252
Dillingham City School District	744	860,000	0.43805
Kenai Peninsula Borough School District	746	12,550,000	6.39243
Saint Mary's School District	748	393,000	0.20018
Northwest Arctic Borough School District	751	3,653,000	1.86068
Bering Strait School District	752	4,133,000	2.10517
Lower Yukon School District	753	2,878,000	1.46593
Lower Kuskokwim School District	754	6,788,000	3.45751
Kuspuk School District	755	894,000	0.45537
Southwest Region School District	756	1,269,000	0.64637
Lake And Peninsula Borough School District	757	1,035,000	0.52718
Aleutian Region School District	758	85,000	0.04330

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Employer Allocations of Special Funding Amounts (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	Present value of projected future State contributions	Employer proportionate share
Pribilof School District	759	\$ 101,000	0.05145 %
Iditarod Area School District	761	447,000	0.22768
Yukon/Koyukuk School District	762	1,302,000	0.66318
Yukon Flats School District	763	470,000	0.23940
Denali Borough School District	764	733,000	0.37336
Delta/Greely School District	765	1,037,000	0.52820
Alaska Gateway School District	766	679,000	0.34585
Copper River School District	767	447,000	0.22768
Chatham School District	768	293,000	0.14924
Southeast Island School District	769	533,000	0.27149
Annette Island School District	770	620,000	0.31580
Chugach School District	771	451,000	0.22972
Tanana School District	775	75,000	0.03820
Kashunamiut School District	777	273,000	0.13905
Yupiit School District	778	887,000	0.45180
Special Education Service Agency	779	294,000	0.14975
Aleutians East Borough School District	780	419,000	0.21342
Total for all employers		\$ <u>196,326,000</u>	<u>100.00000 %</u>

See accompanying independent auditors' report.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

<u>Employer</u>	<u>Employer number</u>	<u>State proportionate share of net OPEB asset attributable to employer</u>	<u>Employer OPEB benefit and related revenue attributable to special funding situation</u>
Anchorage School District	701	\$ 178,175,561	(51,618,701)
Cordova City School District	704	1,344,566	(389,530)
Craig City School District	705	1,702,601	(493,256)
Fairbanks North Star Borough School District	706	50,529,398	(14,638,720)
Haines Borough School District	707	999,409	(289,536)
Hoonah City School District	708	489,401	(141,783)
Hydaburg City School District	709	564,099	(163,424)
Juneau Borough School District	710	19,447,263	(5,634,008)
Kake City School District	712	546,069	(158,200)
Ketchikan Gateway Borough School District	714	10,437,127	(3,023,709)
Klawock City School District	717	878,347	(254,463)
Kodiak Island Borough School District	718	9,566,508	(2,771,484)
Nenana City School District	719	1,455,325	(421,618)
Nome City School District	720	2,691,707	(779,806)
Matanuska-Susitna Borough School District	722	65,909,478	(19,094,436)
Pelican City School District	723	69,547	(20,148)
Petersburg City School District	724	2,127,608	(616,383)
Sitka Borough School District	727	5,862,513	(1,698,411)
Skagway City School District	728	682,586	(197,750)
Unalaska City School District	729	1,532,599	(444,005)
Valdez City School District	730	3,333,081	(965,617)
Wrangell Public School District	731	1,285,322	(372,367)
Yakutat School District	732	296,217	(85,816)
University of Alaska	733	18,133,607	(5,253,433)
Galena City School District	735	3,701,419	(1,072,327)
North Slope Borough School District	736	10,650,918	(3,085,645)
Bristol Bay Borough School District	742	564,099	(163,424)
Southeast Regional Resource Center	743	417,279	(120,889)
Dillingham City School District	744	2,215,185	(641,755)
Kenai Peninsula Borough School District	746	32,326,245	(9,365,139)
Saint Mary's School District	748	1,012,288	(293,267)
Northwest Arctic Borough School District	751	9,409,384	(2,725,964)
Bering Strait School District	752	10,645,766	(3,084,153)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST**

Supplemental Schedule of Special Funding Amounts by Employer (Unaudited)

As of and for the year ended June 30, 2021

Employer	Employer number	State proportionate share of net OPEB asset attributable to employer	Employer OPEB benefit and related revenue attributable to special funding situation
Lower Yukon School District	753	\$ 7,413,142	(2,147,639)
Lower Kuskokwim School District	754	17,484,506	(5,065,384)
Kuspuk School District	755	2,302,762	(667,126)
Southwest Region School District	756	3,268,686	(946,961)
Lake And Peninsula Borough School District	757	2,665,949	(772,344)
Aleutian Region School District	758	218,943	(63,429)
Pribilof School District	759	260,155	(75,369)
Iditarod Area School District	761	1,151,381	(333,563)
Yukon/Koyukuk School District	762	3,353,687	(971,587)
Yukon Flats School District	763	1,210,624	(350,726)
Denali Borough School District	764	1,888,059	(546,984)
Delta/Greely School District	765	2,671,101	(773,837)
Alaska Gateway School District	766	1,748,966	(506,688)
Copper River School District	767	1,151,381	(333,563)
Chatham School District	768	754,708	(218,644)
Southeast Island School District	769	1,372,899	(397,739)
Annette Island School District	770	1,596,994	(462,660)
Chugach School District	771	1,161,684	(336,548)
Tanana School District	775	193,185	(55,967)
Kashunamiut School District	777	703,192	(203,720)
Yupit School District	778	2,284,731	(661,903)
Special Education Service Agency	779	757,284	(219,391)
Aleutians East Borough School District	780	1,079,259	(312,669)
Total for all employers		\$ <u>505,695,800</u>	<u>(146,503,608)</u>

See accompanying independent auditors' report.

STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Employer contributions		
		Actual	RDS	Total
Employer:				
Anchorage SD	701	\$ 9,264,086	23,254	9,287,340
Cordova City SD	704	85,956	216	86,172
Craig City SD	705	106,357	267	106,624
Fairbanks North Star Borough SD	706	2,393,379	6,008	2,399,387
Haines Borough SD	707	29,824	75	29,899
Hoonah City SD	708	19,000	48	19,048
Hydaburg City SD	709	15,888	40	15,928
Juneau Borough SD	710	1,030,181	2,586	1,032,767
Kake City SD	712	16,196	41	16,237
Ketchikan Gateway Borough SD	714	528,980	1,328	530,308
Klawock City SD	717	63,756	160	63,916
Kodiak Island Borough SD	718	434,899	1,092	435,991
Nenana City SD	719	81,350	204	81,554
Nome City SD	720	122,340	307	122,647
Matanuska-Susitna Borough SD	722	3,578,766	8,983	3,587,749
Pelican City SD	723	—	—	—
Petersburg City SD	724	127,502	320	127,822
Sitka Borough SD	727	314,420	789	315,209
Skagway City SD	728	29,989	75	30,064
Unalaska City SD	729	64,580	162	64,742
Valdez City SD	730	204,961	514	205,475
Wrangell Public SD	731	61,453	154	61,607
Yakutat SD	732	9,105	23	9,128
University of Alaska	733	1,106,619	2,778	1,109,397
Galena City SD	735	180,662	453	181,115
North Slope Borough SD	736	314,172	789	314,961
State of Alaska (Employer and Nonemployer)	737	210,179	528	210,707
Bristol Bay Borough SD	742	20,158	51	20,209
Southeast Regional Resource Center	743	10,274	26	10,300
Dillingham City SD	744	58,051	146	58,197
Kenai Peninsula Borough SD	746	1,651,052	4,144	1,655,196
Saint Mary's SD	748	44,014	110	44,124
Northwest Arctic Borough SD	751	268,572	674	269,246
Bering Strait SD	752	299,322	751	300,073
Lower Yukon SD	753	317,221	796	318,017
Lower Kuskokwim SD	754	593,693	1,490	595,183
Kuspuk SD	755	45,864	115	45,979
Southwest Region SD	756	90,942	228	91,170
Lake and Peninsula Borough SD	757	86,552	217	86,769
Aleutian Region SD	758	—	—	—
Pribilof SD	759	—	—	—
Iditarod Area SD	761	34,849	87	34,936
Yukon / Koyukuk SD	762	115,656	290	115,946
Yukon Flats SD	763	42,607	107	42,714
Denali Borough SD	764	101,168	254	101,422
Delta/greely SD	765	149,249	375	149,624
Alaska Gateway SD	766	39,081	98	39,179
Copper River SD	767	34,072	86	34,158
Chatham SD	768	19,932	50	19,982
Southeast Island SD	769	23,214	58	23,272
Annette Island SD	770	28,749	72	28,821

STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
ALASKA RETIREE HEALTHCARE TRUST

Supplemental Schedule of Employer and Nonemployer Contributions (Unaudited)

For the year ended June 30, 2021

Employer/nonemployer	Employer number	Employer contributions		
		Actual	RDS	Total
Chugach SD	771	\$ 78,339	197	78,536
Tanana SD	775	—	—	—
Kashunamiut SD	777	14,672	37	14,709
Yupiit SD	778	61,333	154	61,487
Special Education Service Agency	779	22,299	56	22,355
Aleutians East Borough SD	780	54,436	137	54,573
Total employer contributions		24,699,971	62,000	24,761,971
Nonemployer:				
State of Alaska	999	—	—	—
Total for all entities		\$ 24,699,971	62,000	24,761,971

See accompanying independent auditors' report.



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Teachers' Retirement System:

We have audited the accompanying schedule of employer allocations of the State of Alaska Teachers' Retirement System Occupational Death and Disability Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all employers of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) (specified column totals) included in the accompanying schedule of OPEB amounts by employer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinion**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (benefit) for the total of all employers for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America the financial statements of the State of Alaska Teachers' Retirement System, which includes the Occupational Death and Disability Plan, as of and for the year ended June 30, 2020, and our report thereon, dated October 20, 2021, expressed an unmodified opinion on those financial statements.

**Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Teachers' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Teachers' Retirement System Occupational Death and Disability Plan employers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
\_\_\_\_\_, 2021

STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
 OCCUPATIONAL DEATH AND DISABILITY PLAN

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

Employer	Employer number	Employer contributions	Allocation percentage
Anchorage School District	701	\$ 111,817	30.88962 %
Cordova City School District	704	858	0.23692
Craig City School District	705	999	0.27586
Fairbanks North Star Borough School District	706	33,091	9.14138
Haines Borough School District	707	910	0.25136
Hoonah City School District	708	848	0.23415
Hydaburg City School District	709	668	0.18462
Juneau Borough School District	710	11,418	3.15420
Kake City School District	712	605	0.16725
Ketchikan Gateway Borough School District	714	7,089	1.95821
Klawock City School District	717	296	0.08168
Kodiak Island Borough School District	718	7,981	2.20479
Nenana City School District	719	1,057	0.29202
Nome City School District	720	2,257	0.62347
Matanuska-Susitna Borough School District	722	43,794	12.09828
Pelican City School District	723	89	0.02457
Petersburg City School District	724	1,385	0.38249
Sitka Borough School District	727	3,612	0.99787
Skagway City School District	728	641	0.17702
Unalaska City School District	729	1,521	0.42005
Valdez City School District	730	1,898	0.52424
Wrangell Public School District	731	965	0.26661
Yakutat School District	732	414	0.11429
University of Alaska	733	8,916	2.46310
Galena City School District	735	3,319	0.91702
North Slope Borough School District	736	11,604	3.20576
State of Alaska	737	1,848	0.51087
Bristol Bay Borough School District	742	484	0.13371
Southeast Regional Resource Center	743	403	0.11124
Dillingham City School District	744	2,431	0.67163
Kenai Peninsula Borough School District	746	22,595	6.24182
Saint Mary's School District	748	789	0.21787
Northwest Arctic Borough School District	751	10,098	2.78949
Bering Strait School District	752	11,327	3.12921
Lower Yukon School District	753	7,727	2.13471
Lower Kuskokwim School District	754	14,307	3.95246
Kuspuk School District	755	1,684	0.46509
Southwest Region School District	756	3,781	1.04459
Lake And Peninsula Borough School District	757	3,141	0.86767
Aleutian Region School District	758	354	0.09789
Pribilof School District	759	337	0.09301
Iditarod Area School District	761	1,230	0.33983
Yukon / Koyukuk School District	762	3,711	1.02505
Yukon Flats School District	763	1,407	0.38876
Denali Borough School District	764	1,188	0.32813
Delta/Greely School District	765	1,588	0.43871
Alaska Gateway School District	766	2,109	0.58262
Copper River School District	767	1,227	0.33905
Chatham School District	768	899	0.24839
Southeast Island School District	769	1,129	0.31200
Annette Island School District	770	2,098	0.57956
Chugach School District	771	518	0.14305
Tanana School District	775	259	0.07165
Kashunamiut School District	777	979	0.27041
Yup'it School District	778	2,189	0.60465
Special Education Service Agency	779	763	0.21072
Aleutians East Borough School District	780	1,337	0.36933
Total contributions		\$ 361,989	100.00000 %

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

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STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
 OCCUPATIONAL DEATH AND DISABILITY PLAN

Schedule of OPEB Amounts by Employer  
 As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Deferred outflows of resources	
			Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Anchorage School District	701	\$ 1,882,722	25,414	25,414
Cordova City School District	704	14,440	1,380	1,380
Craig City School District	705	16,814	888	888
Fairbanks North Star Borough School District	706	557,167	—	—
Haines Borough School District	707	15,321	3,443	3,443
Hoonah City School District	708	14,272	382	382
Hydaburg City School District	709	11,253	2,068	2,068
Juneau Borough School District	710	192,248	7,121	7,121
Kenai City School District	712	10,194	1,282	1,282
Ketchikan Gateway Borough School District	714	119,353	909	909
Klawock City School District	717	4,979	1,567	1,567
Kodiak Island Borough School District	718	134,382	12,208	12,208
Nenana City School District	719	17,798	1,533	1,533
Nome City School District	720	38,001	4,266	4,266
Matanuska-Susitna Borough School District	722	737,390	1,218	1,218
Pelican City School District	723	1,498	29	29
Petersburg City School District	724	23,313	1,370	1,370
Sitka Borough School District	727	60,820	2,446	2,446
Skagway City School District	728	10,789	364	364
Unalaska City School District	729	25,602	1,650	1,650
Valdez City School District	730	31,953	2,119	2,119
Wrangell Public School District	731	16,250	555	555
Yakutat School District	732	6,966	244	244
University of Alaska	733	150,126	4,999	4,999
Galena City School District	735	55,892	314	314
North Slope Borough School District	736	195,391	10,716	10,716
State of Alaska	737	31,133	1,044	1,044
Bristol Bay Borough School District	742	8,150	1,831	1,831
Southeast Regional Resource Center	743	6,780	1,048	1,048
Dillingham City School District	744	40,936	2,825	2,825
Kenai Peninsula Borough School District	746	380,439	8,934	8,934
Saint Mary's School District	748	13,279	1,387	1,387
Northwest Arctic Borough School District	751	170,020	21,663	21,663
Bering Strait School District	752	190,726	15,306	15,306
Lower Yukon School District	753	130,110	19,832	19,832
Lower Kuskokwim School District	754	240,902	30,039	30,039
Kuspuk School District	755	28,347	6,413	6,413
Southwest Region School District	756	63,668	3,920	3,920
Lake And Peninsula Borough School District	757	52,884	7,381	7,381
Aleutian Region School District	758	5,967	643	643
Pribilof School District	759	5,669	1,100	1,100
Iditarod Area School District	761	20,713	3,311	3,311
Yukon / Koyukuk School District	762	62,477	2,864	2,864
Yukon Flats School District	763	23,695	3,075	3,075
Denali Borough School District	764	19,999	667	667
Delta/Greely School District	765	26,739	2,465	2,465
Alaska Gateway School District	766	35,511	1,270	1,270
Copper River School District	767	20,665	870	870
Chatham School District	768	15,139	592	592
Southeast Island School District	769	19,017	2,796	2,796
Annette Island School District	770	35,324	246	246
Chugach School District	771	8,719	375	375
Tanana School District	775	4,367	675	675
Kashunamiut School District	777	16,482	5,913	5,913
Yupit School District	778	36,854	8,667	8,667
Special Education Service Agency	779	12,844	728	728
Aleutians East Borough School District	780	22,511	2,175	2,175
Total for all employers		\$ 6,095,000	248,540	248,540

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

Deferred inflows of resources					OPEB expense (benefit)		
Difference between expected and actual experience	Change of assumptions	Net difference between projected and actual earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions		
					Proportionate share of allocable plan OPEB expense (benefit)	Proportionate share of contributions	Total OPEB expense (benefit)
220,854	1,035	241,186	16,765	479,840	(94,597)	976	(93,621)
1,694	8	1,850	2,537	6,089	(726)	(165)	(891)
1,972	9	2,154	931	5,066	(845)	29	(816)
65,359	306	71,376	17,913	154,954	(27,995)	(2,667)	(30,662)
1,797	8	1,963	789	4,557	(770)	403	(367)
1,674	8	1,828	3,147	6,657	(717)	(406)	(1,123)
1,320	6	1,442	3,938	6,706	(565)	(233)	(798)
22,552	106	24,628	6,655	53,941	(9,659)	46	(9,613)
1,196	6	1,306	528	3,036	(512)	120	(392)
14,001	66	15,290	9,606	38,963	(5,997)	(1,220)	(7,217)
584	3	638	489	1,714	(250)	145	(105)
15,764	74	17,215	5,135	38,188	(6,752)	1,111	(5,641)
2,088	10	2,280	2,311	6,689	(894)	(119)	(1,013)
4,458	21	4,868	1,396	10,743	(1,909)	392	(1,517)
86,500	405	94,463	42,603	223,971	(37,050)	(5,739)	(42,789)
176	1	192	238	607	(75)	(30)	(105)
2,735	13	2,986	4,534	10,268	(1,171)	(407)	(1,578)
7,135	33	7,791	660	15,619	(3,056)	229	(2,827)
1,266	6	1,382	1,666	4,320	(542)	(206)	(748)
3,003	14	3,280	2,226	8,523	(1,286)	(60)	(1,346)
3,748	18	4,093	6,624	14,483	(1,605)	(728)	(2,333)
1,906	9	2,082	1,064	5,061	(816)	(68)	(884)
817	4	892	2,363	4,076	(350)	(296)	(646)
17,611	83	19,232	10,180	47,106	(7,543)	(726)	(8,269)
6,556	31	7,160	7,812	21,559	(2,808)	(1,119)	(3,927)
22,920	107	25,031	11,717	59,775	(9,817)	(104)	(9,921)
3,647	21	3,992	3,821	11,481	(1,567)	(367)	(1,934)
956	4	1,044	1,294	3,298	(409)	91	(318)
795	4	869	606	2,274	(341)	83	(258)
4,802	23	5,244	2,312	12,381	(2,057)	117	(1,940)
44,628	209	48,736	1,912	95,485	(19,115)	1,050	(18,065)
1,558	7	1,701	2,410	5,676	(667)	(149)	(816)
19,944	93	21,780	6,394	48,211	(8,543)	1,819	(6,724)
22,373	105	24,433	—	46,911	(9,583)	2,266	(7,317)
15,263	72	16,668	7,801	39,804	(6,537)	2,173	(4,364)
28,259	132	30,861	1,886	61,138	(12,104)	3,747	(8,357)
3,325	16	3,631	2,604	9,576	(1,424)	451	(973)
7,469	35	8,156	2,283	17,943	(3,199)	104	(3,095)
6,204	29	6,775	11,333	24,341	(2,657)	(279)	(2,936)
700	3	764	1,187	2,654	(300)	(47)	(347)
665	3	726	172	1,566	(285)	160	(125)
2,430	11	2,653	4,969	10,063	(1,041)	(258)	(1,299)
7,329	34	8,004	6,534	21,901	(3,139)	(522)	(3,661)
2,780	13	3,035	868	6,696	(1,191)	330	(861)
2,346	11	2,562	1,490	6,409	(1,005)	(130)	(1,135)
3,137	15	3,425	119	6,696	(1,344)	329	(1,015)
4,166	20	4,549	6,008	14,743	(1,784)	(724)	(2,508)
2,424	11	2,647	2,814	7,896	(1,038)	(323)	(1,361)
1,776	8	1,939	1,035	4,758	(761)	(77)	(838)
2,231	10	2,436	1,367	6,044	(955)	195	(760)
4,144	19	4,525	3,198	11,886	(1,775)	(415)	(2,190)
1,023	5	1,117	1,148	3,293	(438)	(128)	(566)
512	2	559	680	1,753	(219)	14	(205)
1,933	9	2,111	2,418	6,471	(828)	559	(269)
4,323	20	4,721	3,556	12,620	(1,852)	746	(1,106)
1,507	7	1,645	1,504	4,663	(645)	(136)	(781)
2,641	12	2,884	990	6,527	(1,131)	163	(968)
714,976	3,353	780,800	248,540	1,747,669	(306,241)	—	(306,241)



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(1) Plan Description**

The State of Alaska Teachers' Retirement System (System) Occupational Death and Disability Plan (Plan) is a cost-sharing, multiple-employer defined benefit other postemployment benefits (OPEB) plan that provides OPEB benefits for teachers and other eligible members.

The Plan is established under Alaska Statute 14.35 which defines benefit and contribution provisions and may be amended only by the State of Alaska (State) legislature. The Plan provides death benefits for beneficiaries of Plan participants and long-term disability benefits to all active members within the System.

**(a) Death Benefits**

If (1) the death of an employee occurs before the employee's retirement and before the employee's normal retirement date, (2) the proximate cause of death is a bodily injury sustained or a hazard undergone while in the performance and within the scope of the employee's duties, and (3) the injury or hazard is not the proximate result of willful negligence of the employee, then a monthly survivor's pension shall be paid to the surviving spouse. If there is no surviving spouse or if the spouse later dies, the monthly survivor's pension shall be paid in equal parts to the dependent children of the employee.

The monthly survivor's pension section for survivors of Plan employees is 40% of the employee's monthly compensation in the month in which the employee dies. While the monthly survivor's pension is being paid, the employer shall make contributions on behalf of the employee's beneficiaries based on the deceased employee's gross monthly compensation at the time of occupational death.

**(b) Disability Benefits**

A Plan member is eligible for an occupational disability before the employee's normal retirement date. The occupational disability benefits accrue beginning the first day of the month following termination of employment as a result of the disability and are payable the last day of the month. If a final determination granting the benefit is not made in time to pay the benefit when due, a retroactive payment shall be made to cover the period of deferment.

**(2) Basis of Presentation**

The schedule of employer allocations and the schedule of OPEB amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan and its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan or its participating employers. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB asset, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of OPEB amounts by employer are based on the ratio of contributions made for each employer to total contributions made to the Plan during the year ended June 30, 2021. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer may result in immaterial differences.

**(4) Contributions**

Employer contributions are actuarially determined and adopted by the Alaska Retirement Management Board (Board). The 2021 employer effective contribution rate is 0.08% of annual payroll.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$	528,000
Plan fiduciary net position		<u>(6,623,000)</u>
Net OPEB asset	\$	<u><u>(6,095,000)</u></u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. These actuarial valuations used the following actuarial assumptions:

Inflation	2.50%
Salary increases	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38%, net of occupational death and disability plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

Deaths are assumed to be occupational 15% of the time. Disability mortality in accordance with the RP-2014 disabled table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 2020 to CY 2021.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Domestic equity	6.63 %
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

**(c) Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**(d) Sensitivity of the Collective Net OPEB Asset to Changes in the Discount Rate**

The following presents the collective net OPEB asset of the Plan as of June 30, 2021, calculated using the discount rate of 7.38% as well as what the Plan's collective net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<u>1% decrease (6.38%)</u>	<u>Current discount rate (7.38%)</u>	<u>1% increase (8.38%)</u>
\$	6,110,000	6,095,000	6,088,000

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning of year balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of year balance</u>
Deferred inflows of resources:						
Difference between expected and actual experience						
	2017	10.6 years	\$ 9,340		1,415	7,925
	2018	10.2 years	175,058		24,314	150,744
	2018	9.1 years	213,780		30,110	183,670
	2020	9.1 years	81,890		10,110	71,780
	2021	9.1 years	—	338,000	37,143	300,857
			<u>480,068</u>	<u>338,000</u>	<u>103,092</u>	<u>714,976</u>
Change in assumptions	2019	9.1 years	3,902		549	3,353
Difference between projected and actual earnings on OPEB plan investments						
	2017	5 years	31,000		31,000	—
	2018	5 years	3,200		1,600	1,600
	2019	5 years	(28,800)		(9,600)	(19,200)
	2020	5 years	(112,000)		(28,000)	(84,000)
	2021	5 years	—	1,103,000	220,600	882,400
			<u>(106,600)</u>	<u>1,103,000</u>	<u>215,600</u>	<u>780,800</u>
Total deferred outflows of resources			<u>(106,600)</u>	<u>1,103,000</u>	<u>215,600</u>	<u>780,800</u>
Total deferred inflows of resources			<u>\$ 377,370</u>	<u>1,441,000</u>	<u>319,241</u>	<u>1,499,129</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2022	\$ (288,241)
2023	(286,641)
2024	(296,241)
2025	(324,241)
2026	(103,641)
Thereafter	<u>(200,124)</u>
Total	<u>\$ (1,499,129)</u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
OCCUPATIONAL DEATH AND DISABILITY PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(7) Collective OPEB Benefit**

The components of the collective OPEB benefit (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$	312,000
Interest on total OPEB liability		60,000
Administrative expense		9,000
Expected investment return net of investment expenses		(368,000)
Recognition (amortization) of deferred outflows/inflows of resources:		
Difference between projected and actual investment earnings on OPEB plan investments		(215,600)
Difference between expected and actual experience		(103,092)
Change in assumptions		(549)
		<hr/>
Total OPEB benefit	\$	<u><u>(306,241)</u></u>

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

(With Independent Auditors' Report Thereon)

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

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## Independent Auditors' Report

The Division of Retirement and Benefits and  
Members of the Alaska Retirement Management Board  
State of Alaska Teachers' Retirement System:

We have audited the accompanying schedule of employer allocations of the State of Alaska Teachers' Retirement System Retiree Medical Plan (the Plan) as of and for the year ended June 30, 2021, and the related notes. We have also audited the total for all employers of the columns titled net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total OPEB expense (specified column totals) included in the accompanying schedule of OPEB amounts by employer of the Plan as of and for the year ended June 30, 2021, and the related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of OPEB amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of OPEB amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and the net OPEB asset, total deferred outflows of resources, total deferred inflows of resources, and total employer OPEB expense for the total of all employers for the Plan as of and for the year ended June 30, 2021, in accordance with U.S. generally accepted accounting principles.

### **Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the State of Alaska Teachers' Retirement System, which includes the Retiree Medical Plan, as of and for the year ended June 30, 2021, and our report thereon, dated October 20, 2021 expressed an unmodified opinion on those financial statements.

### **Restriction on Use**

Our report is intended solely for the information and use of the State of Alaska Teachers' Retirement System management, the members of the Alaska Retirement Management Board, State of Alaska Teachers' Retirement System Retiree Medical Plan employers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*(signed) KPMG LLP*

Anchorage, Alaska  
\_\_\_\_ XX, 2021

STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
 RETIREE MEDICAL PLAN

Schedule of Employer Allocations

As of and for the year ended June 30, 2021

Employer	Employer number	Employer contributions	Allocation percentage
Anchorage School District	701	\$ 1,300,795	30.84964 %
Cordova City School District	704	9,970	0.23645
Craig City School District	705	11,611	0.27536
Fairbanks North Star Borough School District	706	384,658	9.12255
Haines Borough School District	707	10,577	0.25084
Hoonah City School District	708	9,854	0.23369
Hydaburg City School District	709	7,768	0.18423
Juneau Borough School District	710	132,783	3.14908
Take City School District	712	7,038	0.16691
Ketchikan Gateway Borough School District	714	82,414	1.95452
Klawock City School District	717	3,438	0.08154
Kodiak Island Borough School District	718	92,784	2.20046
Nenana City School District	719	12,289	0.29144
Nome City School District	720	26,234	0.62216
Matanuska-Susitna Borough School District	722	509,406	12.08107
Pelican City School District	723	1,033	0.02450
Petersburg City School District	724	16,096	0.38173
Sitka Borough School District	727	42,000	0.99607
Skagway City School District	728	7,449	0.17665
Unalaska City School District	729	17,674	0.41917
Valdez City School District	730	22,059	0.52315
Wrangell Public School District	731	11,222	0.26614
Yakutat School District	732	4,809	0.11404
University of Alaska	733	104,076	2.46826
Galena City School District	735	38,596	0.91533
North Slope Borough School District	736	136,640	3.24054
State of Alaska	737	21,626	0.51297
Bristol Bay Borough School District	742	5,626	0.13343
Southeast Regional Resource Center	743	4,682	0.11104
Dillingham City School District	744	28,296	0.67107
Kenai Peninsula Borough School District	746	262,679	6.22969
Saint Mary's School District	748	9,168	0.21743
Northwest Arctic Borough School District	751	117,077	2.77660
Bering Strait School District	752	131,681	3.12294
Lower Yukon School District	753	89,828	2.13037
Lower Kuskokwim School District	754	170,037	4.03259
Kuspuk School District	755	19,569	0.46409
Southwest Region School District	756	43,968	1.04274
Lake And Peninsula Borough School District	757	37,667	0.89332
Aleutian Region School District	758	4,120	0.09770
Pribilof School District	759	3,914	0.09284
Iditarod Area School District	761	14,497	0.34380
Yukon / Koyukuk School District	762	43,149	1.02333
Yukon Flats School District	763	16,360	0.38800
Denali Borough School District	764	13,814	0.32761
Delta/Greely School District	765	18,464	0.43789
Alaska Gateway School District	766	24,517	0.58145
Copper River School District	767	14,267	0.33836
Chatham School District	768	10,454	0.24793
Southeast Island School District	769	13,130	0.31140
Annette Island School District	770	24,430	0.57937
Chugach School District	771	6,020	0.14276
Tanana School District	775	3,014	0.07148
Kashunamiut School District	777	11,382	0.26993
Yupitit School District	778	25,447	0.60351
Special Education Service Agency	779	8,866	0.21027
Aleutians East Borough School District	780	15,541	0.36857
Total contributions		\$ 4,216,563	100.00000 %

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

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STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN

Schedule of OPEB Amounts by Employer

As of and for the year ended June 30, 2021

Employer	Employer number	Net OPEB asset	Difference between expected and actual experience	Change in assumptions	Deferred outflows of resources	
					Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred outflows of resources
Anchorage School District	701	\$ 6,194,608	1,188,740	420,781	39,688	1,649,209
Cordova City School District	704	47,480	9,111	3,225	1,492	13,828
Craig City School District	705	55,291	10,610	3,756	1,115	15,481
Fairbanks North Star Borough School District	706	1,831,808	351,522	124,429	—	475,951
Haines Borough School District	707	50,369	9,666	3,421	4,115	17,202
Hoonah City School District	708	46,926	9,005	3,188	360	12,553
Hydaburg City School District	709	36,994	7,099	2,513	1,654	11,266
Juneau Borough School District	710	632,334	121,344	42,953	9,872	174,169
Kenai City School District	712	33,516	6,432	2,277	1,249	9,958
Ketchikan Gateway Borough School District	714	392,468	75,314	26,659	764	102,737
Klawock City School District	717	16,373	3,142	1,112	1,939	6,193
Kodiak Island Borough School District	718	441,853	84,791	30,014	14,123	128,928
Nenana City School District	719	58,521	11,230	3,975	1,681	16,886
Nome City School District	720	124,930	23,974	8,486	5,074	37,534
Matanuska-Susitna Borough School District	722	2,425,879	465,524	164,783	1,464	631,771
Pelican City School District	723	4,920	944	334	45	1,323
Petersburg City School District	724	76,651	14,709	5,207	1,390	21,306
Sitka Borough School District	727	200,011	38,382	13,586	2,795	54,763
Skagway City School District	728	35,471	6,807	2,409	472	9,688
Unalaska City School District	729	84,169	16,152	5,717	1,433	23,302
Valdez City School District	730	105,048	20,159	7,136	2,212	29,507
Wrangell Public School District	731	53,441	10,255	3,630	689	14,574
Yakutat School District	732	22,899	4,394	1,555	316	6,265
University of Alaska	733	495,626	95,110	33,666	4,878	133,654
Galena City School District	735	183,799	35,271	12,485	—	47,756
North Slope Borough School District	736	650,701	124,869	44,200	9,539	178,608
State of Alaska	737	102,998	19,769	6,996	440	27,205
Bristol Bay Borough School District	742	26,793	5,141	1,820	1,750	8,711
Southeast Regional Resource Center	743	22,298	4,279	1,515	1,251	7,045
Dillingham City School District	744	134,751	25,859	9,153	2,791	37,803
Kenai Peninsula Borough School District	746	1,250,921	240,051	84,971	10,337	335,359
Saint Mary's School District	748	43,661	8,378	2,966	1,643	12,987
Northwest Arctic Borough School District	751	557,541	106,992	37,872	26,672	171,536
Bering Strait School District	752	627,087	120,337	42,596	19,189	182,122
Lower Yukon School District	753	427,779	82,090	29,058	21,170	132,318
Lower Kuskokwim School District	754	809,745	155,389	55,004	33,960	244,353
Kuspuk School District	755	93,190	17,883	6,330	3,678	27,891
Southwest Region School District	756	209,383	40,180	14,223	5,332	59,735
Lake And Peninsula Borough School District	757	179,379	34,423	12,185	8,849	55,457
Aleutian Region School District	758	19,618	3,765	1,333	780	5,878
Pribilof School District	759	18,641	3,577	1,266	1,234	6,077
Iditarod Area School District	761	69,035	13,248	4,689	3,535	21,472
Yukon / Koyukuk School District	762	205,484	39,432	13,958	2,554	55,944
Yukon Flats School District	763	77,911	14,951	5,292	3,848	24,091
Denali Borough School District	764	65,784	12,624	4,469	796	17,889
Delta/Greely School District	765	87,929	16,873	5,973	2,739	25,585
Alaska Gateway School District	766	116,755	22,405	7,931	1,206	31,542
Copper River School District	767	67,942	13,038	4,615	1,161	18,814
Chatham School District	768	49,784	9,554	3,382	617	13,553
Southeast Island School District	769	62,530	11,999	4,247	3,747	19,993
Annette Island School District	770	116,338	22,325	7,902	188	30,415
Chugach School District	771	28,667	5,501	1,947	510	7,958
Tanana School District	775	14,353	2,754	975	563	4,292
Kashunamiut School District	777	54,201	10,401	3,682	5,865	19,948
Yupit School District	778	121,184	23,255	8,232	11,273	42,760
Special Education Service Agency	779	42,223	8,103	2,868	708	11,679
Aleutians East Borough School District	780	74,009	14,202	5,027	2,202	21,431
Total for all employees		\$ 20,080,000	3,853,334	1,363,974	288,947	5,506,255

See accompanying notes to schedule of employer allocations and schedule of OPEB amounts by employer.

Deferred inflows of resources					OPEB expense		
Difference between expected and actual experience	Change in assumptions	Net difference between projected and actual earnings on OPEB plan investments	Change in proportion and difference between employer contributions and proportionate share of contributions	Total deferred inflows of resources	Proportionate share of allocable plan OPEB expense	Net amortization of deferred amounts from change in proportion and difference between employer contributions and proportionate share of contributions	
						Proportionate share of contributions	Total OPEB expense
200,598	2,291,572	2,436,011	20,392	4,948,573	72,744	2,275	75,019
1,538	17,564	18,671	2,997	40,770	558	(208)	350
1,790	20,454	21,743	1,209	45,196	649	32	681
59,319	677,641	720,353	18,737	1,476,050	21,511	(2,815)	18,696
1,631	18,633	19,807	865	40,936	591	478	1,069
1,520	17,359	18,453	3,765	41,097	551	(493)	58
1,198	13,685	14,548	3,592	33,023	434	(242)	192
20,477	233,920	248,664	7,384	510,445	7,426	314	7,740
1,085	12,399	13,180	654	27,318	394	98	492
12,709	145,186	154,337	10,750	322,982	4,609	(1,482)	3,127
530	6,057	6,439	407	13,433	192	223	415
14,308	163,455	173,757	4,815	356,335	5,189	1,501	6,690
1,895	21,649	23,013	2,721	49,278	687	(155)	532
4,046	46,215	49,128	1,687	101,076	1,467	447	1,914
78,556	897,406	953,969	51,697	1,981,628	28,488	(6,931)	21,557
159	1,820	1,935	237	4,151	58	(27)	31
2,482	28,356	30,143	5,762	66,743	900	(575)	325
6,477	73,990	78,654	662	159,783	2,349	273	2,622
1,149	13,122	13,949	1,736	29,956	417	(193)	224
2,726	31,136	33,099	2,695	69,656	988	(169)	819
3,402	38,861	41,310	7,498	91,071	1,234	(842)	392
1,731	19,770	21,016	1,047	43,564	628	(41)	587
742	8,471	9,005	2,760	20,978	269	(332)	(63)
16,050	183,347	194,903	13,341	407,641	5,820	(1,197)	4,623
5,952	67,993	72,278	8,018	154,241	2,158	(1,185)	973
21,071	240,714	255,886	15,600	533,271	7,641	(802)	6,839
3,334	38,099	40,505	4,966	86,904	1,208	(640)	568
868	9,911	10,536	1,558	22,873	315	35	350
722	8,249	8,768	657	18,396	262	107	369
4,364	49,848	52,990	2,704	109,906	1,582	31	1,613
40,508	462,753	491,921	1,391	996,573	14,690	1,351	16,041
1,414	16,151	17,169	2,777	37,511	513	(178)	335
18,055	206,251	219,251	7,552	451,109	6,547	2,251	8,798
20,307	231,978	246,600	—	498,885	7,364	2,813	10,177
13,853	158,248	168,223	10,094	350,418	5,023	2,102	7,125
26,222	299,549	318,430	1,559	645,760	9,509	4,449	13,958
3,018	34,474	36,647	146	74,285	1,094	490	1,584
6,780	77,457	82,339	2,334	168,910	2,459	277	2,736
5,809	66,358	70,540	15,790	158,497	2,106	(576)	1,530
635	7,257	7,715	1,442	17,049	230	(56)	174
604	6,896	7,331	211	15,042	219	177	396
2,236	25,538	27,148	5,679	60,601	811	(300)	511
6,654	76,015	80,806	8,301	171,776	2,413	(855)	1,558
2,523	28,821	30,638	1,031	63,013	915	411	1,326
2,130	24,336	25,870	1,437	53,773	773	(93)	680
2,847	32,528	34,578	136	70,089	1,033	358	1,391
3,781	43,191	45,914	7,258	100,144	1,371	(919)	452
2,200	25,134	26,718	3,309	57,361	798	(367)	431
1,612	18,417	19,577	1,089	40,695	585	(81)	504
2,025	23,132	24,590	1,403	51,150	734	322	1,056
3,767	43,037	45,750	3,895	96,449	1,366	(516)	850
928	10,605	11,273	1,365	24,171	337	(148)	189
465	5,310	5,644	823	12,242	169	(29)	140
1,755	20,051	21,315	3,110	46,231	636	455	1,091
3,924	44,830	47,655	3,487	99,896	1,423	1,131	2,554
1,367	15,620	16,604	1,861	35,452	496	(199)	297
2,397	27,378	29,104	554	59,433	869	245	1,114
650,245	7,428,197	7,896,400	288,947	16,263,789	235,802	—	235,802

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(1) Plan Description**

The State of Alaska Teachers' Retirement System (System) Retiree Medical Plan (Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefits (OPEB) plan that provides health benefits for teachers and other eligible members.

The Plan is established under Alaska Statute 14.25, which defines the benefit and contribution provisions, and may be amended only by the State of Alaska (State) legislature. The self-insured Plan provides major medical coverage to eligible employees who participate in the System's Defined Contribution Retirement (DCR) Plan. Members are not eligible to use this Plan until they have at least 10 years of service, and are Medicare age eligible.

The medical benefits available to eligible persons means that an eligible person may not be denied medical coverage except for failure to pay the required premium. Major medical insurance coverage takes effect on the first day of the month following the date of the Plan administrator's approval of the election and stops when the person who elects coverage dies or fails to make the required premium payment. The coverage for persons 65 years of age or older is the same as that available for persons under 65 years of age. The benefits payable to those persons 65 years of age or older supplement any benefits provided under the federal old age, survivors and disability insurance program. The medical and optional insurance premiums owed by the person who elects coverage may be deducted from the health reimbursement arrangement until the balance becomes insufficient to pay the premiums, at which point the person who elects coverage shall pay the premiums directly.

The cost of premiums for retiree major medical insurance coverage for an eligible member or surviving spouse who is:

- (1) not eligible for Medicare is an amount equal to the full monthly group premium for retiree major medical insurance coverage,
- (2) eligible for Medicare is the following percentage of the premium amounts established for retirees who are eligible for Medicare:
  - (a) 30 percent if the member had 10 or more, but less than 15, years of service;
  - (b) 25 percent if the member had 15 or more, but less than 20, years of service;
  - (c) 20 percent if the member had 20 or more, but less than 25, years of service;
  - (d) 15 percent if the member had 25 or more, but less than 30, years of service; and
  - (e) 10 percent if the member had 30 or more years of service.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(2) Basis of Presentation**

The schedule of employer allocations and the schedule of OPEB amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan and its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the Plan or its participating employers. The amounts presented in the Schedules are prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**(3) Allocation Methodology**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB asset, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of OPEB amounts by employer are based on the ratio of contributions made for each employer to total contributions made to the Plan during the year ended June 30, 2021. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer may result in immaterial differences.

**(4) Contributions**

Employer contribution rates are actuarially determined and adopted by the Alaska Retirement Management Board (Board). The 2021 employer effective contribution rate is 0.93% of annual payroll.

**(5) Collective Net OPEB Asset**

**(a) Components of the Collective Net OPEB Asset**

The components of the collective net OPEB asset of the Plan as of June 30, 2021 are as follows:

Total OPEB liability	\$	47,198,000
Plan fiduciary net position		<u>(67,278,000)</u>
Net OPEB asset	\$	<u>(20,080,000)</u>



**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial valuations used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38%, net of postretirement healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drugs: 7.5% grading down to 4.5% Employer Group Waiver Plan (EGWP): 7.5% grading down to 4.5%
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

Participation rates reflect the expected plan election rate that varies by reason for decrement, duration that a member may pay full cost prior to Medicare eligibility and availability of alternative and/or lower cost options, particularly in the Medicare market. This assumption is based on observed trends in

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
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Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

participation from a range of other plans. The following participation rates were used to measure the collective net OPEB liability of the Plan as June 30, 2021:

<b>Decrement due to disability</b>		<b>Decrement due to retirement</b>		
<b>Age</b>	<b>Percent participation</b>	<b>Age</b>	<b>Percent participation</b>	
<56	75.0 %	55	50.0 %	
56	77.5	56	55.0	
57	80.0	57	60.0	
58	82.5	58	65.0	
59	85.0	59	70.0	
60	87.5	60	75.0	
61	90.0	61	80.0	
62	92.5	62	85.0	
63	95.0	63	90.0	
64	97.5	64	95.0	
65+	100.0	65+		
			<b>Years of service</b>	
			<15	75.0 %
			15-19	80.0
			20-24	85.0
			25-29	90.0
			30+	95.0

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 to CY 21.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

**STATE OF ALASKA TEACHERS' RETIREMENT SYSTEM  
RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(b) Long-Term Expected Rate of Return**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%):

<u>Asset class</u>	<u>Long-term expected real rate of return</u>
Domestic equity	6.63 %
Global equity (non-U.S.)	5.41
Aggregate bonds	0.76
Opportunistic	4.39
Real assets	3.16
Private equity	9.29
Cash equivalents	0.13

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Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(c) Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**(d) Sensitivity of the Collective Net OPEB Asset to Changes in the Discount Rate**

The following presents the collective net OPEB asset of the Plan as of June 30, 2021, calculated using the discount rate of 7.38%, as well as what the Plan's collective net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>Current discount rate</b>	
<b>1% decrease</b>	<b>(7.38%)</b>	<b>1% increase</b>
<b>(6.38%)</b>	<b>(7.38%)</b>	<b>(8.38%)</b>
\$ (7,415,000)	(20,080,000)	(29,553,000)

**(e) Sensitivity of the Collective Net OPEB Asset to Changes in the Healthcare Cost Trend Rates**

The following presents the collective net OPEB asset of the Plan as of June 30, 2021 calculated using the current healthcare cost trend rates, as well as what the Plan's net OPEB liability (asset) would be if it were calculated using trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	<b>Current healthcare cost trend rate</b>	
<b>1% decrease</b>	<b>(7.38%)</b>	<b>1% increase</b>
\$ (30,830,000)	(20,080,000)	(5,307,000)

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RETIREE MEDICAL PLAN**

Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

**(6) Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ending June 30, 2021:

	Year of deferral	Amortization period	Beginning of year balance	Additions	Deductions	End of year balance
Deferred outflows of resources:						
Difference between expected and actual experience	2019	9 years	\$ 2,096,889	—	299,555	1,797,334
	2021	9 years	—	2,313,000	257,000	2,056,000
			<u>2,096,889</u>	<u>2,313,000</u>	<u>556,555</u>	<u>3,853,334</u>
Change in assumptions	2018	10.2 years	1,541,647	—	214,117	1,327,530
	2021	9 years	—	41,000	4,556	36,444
			<u>1,541,647</u>	<u>41,000</u>	<u>218,673</u>	<u>1,363,974</u>
Total deferred outflows of resources			<u>\$ 3,638,536</u>	<u>2,354,000</u>	<u>775,228</u>	<u>5,217,308</u>
Deferred inflows of resources:						
Difference between expected and actual experience	2017	10.6 years	\$ 1,244	—	189	1,055
	2018	10.2 years	274,589	—	38,137	236,452
	2020	9.1 years	470,870	—	58,132	412,738
			<u>746,703</u>	<u>—</u>	<u>96,458</u>	<u>650,245</u>
Change in assumptions	2019	9 years	3,539,666	—	505,667	3,033,999
	2020	9.1 years	5,013,099	—	618,901	4,394,198
			<u>8,552,765</u>	<u>—</u>	<u>1,124,568</u>	<u>7,428,197</u>
Difference between projected and actual earnings on OPEB plan investments	2017	5 years	239,200	—	239,200	—
	2018	5 years	(6,800)	—	(3,400)	(3,400)
	2019	5 years	(276,000)	—	(92,000)	(184,000)
	2020	5 years	(1,093,600)	—	(273,400)	(820,200)
	2021	5 years	—	11,130,000	2,226,000	8,904,000
			<u>(1,137,200)</u>	<u>11,130,000</u>	<u>2,096,400</u>	<u>7,896,400</u>
Total deferred inflows of resources			<u>\$ 8,162,268</u>	<u>11,130,000</u>	<u>3,317,426</u>	<u>15,974,842</u>

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Notes to Schedule of Employer Allocations and  
Schedule of OPEB Amounts by Employer

June 30, 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2022	\$ (2,302,997)
2023	(2,306,397)
2024	(2,398,397)
2025	(2,671,797)
2026	(445,797)
Thereafter	<u>(632,149)</u>
Total	<u>\$ (10,757,534)</u>

**(7) Collective OPEB Expense**

The components of the collective OPEB expense (excluding employer specific amounts) for the year ending June 30, 2021 are as follows:

Service cost	\$ 3,376,000
Interest on total OPEB liability	3,088,000
Administrative expense	34,000
Other	(2,000)
Expected investment return net of investment expenses	(3,718,000)
Recognition (amortization) of deferred outflows/inflows of resources:	
Difference between expected and actual experience	460,097
Change in assumptions	(905,895)
Difference between projected and actual investment earnings on OPEB plan investments	<u>(2,096,400)</u>
Total OPEB expense	<u>\$ 235,802</u>

**State of Alaska**  
**ALASKA RETIREMENT MANAGEMENT BOARD**  
**AUDIT COMMITTEE CALENDAR**

**Schedule of 2022 Meetings**

**January 1, 2022 (Videoconference)**

1. GASB 68/75 PERS & TRS Allocation Schedules for Participating Employers

**March 16, 2022 (Juneau/Videoconference)**

1. Meet with DRB and Treasury staff.
2. Report from DRB on Employer Audit Program. Review list of completed audits, audit schedule, rotation, and significant findings/results. Identify any recurring findings.
3. Report on Delinquent/ Late Filing Employers
4. Report from Treasury Compliance Officer.

**June 15, 2022 (Anchorage/Videoconference)**

1. Review Auditor's audit plan of assets (Treasury) and pension systems and liabilities (Division of Retirement and Benefits). [Charter B 2](#)
2. Review with Staff (DOR and DRB) and Independent Auditors scope of audit, sensitive and risk areas, and compliance. [Charter B 2](#)
3. Audit Committee opportunity to ask auditors to focus on areas of interest/review
4. Review Legal Issues and Regulations with Legal Counsel. [Charter A 5](#)
5. Review Organizational Charts, and Financial and accounting personnel succession. [Charter A 6](#)
6. Review Audit Committee Charter and Performance. [Charter A 1 and A 7](#)

**September 14, 2022 (Anchorage/ Videoconference)**

1. Meet with Independent Auditors to receive and review draft audit of pension system invested assets. [Charter A 2-3, B 3-4-5](#)
2. Committee only meeting with auditors without management [Charter B 6](#)

**October 11, 2022 (Videoconference)**

1. DRB Financial Statements

**State of Alaska**  
**ALASKA RETIREMENT MANAGEMENT BOARD**  
**AUDIT COMMITTEE CALENDAR**

**Schedule of 2022 Meetings**

**November 30, 2022 (Anchorage/ Videoconference)**

1. Meet with Independent Auditors to review final audit of pension systems ([Charter A 2-3, B 3- 4-5](#))
2. Committee only meeting with Independent Auditors ([Charter B 6](#))

**Periodic and As-Needed Meeting Topics**

1. Annual review with DRB on Independent Auditor procurement and contract (including review of independence and performance of auditors). ([Charter B 1](#))
2. Updates by DRB on actuary procurement and second review/audits.
3. Custodian report and procedures review – augmented by staff reports. Biannual or as needed.
4. Regular reports by DRB on Employer Audit Program. Review list of completed audits, audit schedule, rotation, and significant findings/results. Identifying any recurring findings.
5. Regular reports on compliance:
  - A. “Back Office” compliance review programs.
  - B. Investment staff programs and procedures on real estate and alternative investment valuation monitoring and checks.
  - C. Annual Presentation
6. Audit Committee training on special topics