

ALASKA
RETIREMENT
MANAGEMENT
BOARD

JUNE
14, 2023

DEFINED CONTRIBUTION
PLAN COMMITTEE

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD

DEFINED CONTRIBUTION PLAN
COMMITTEE MEETING

June 14, 2023 – 10:00 a.m.

Location: Atwood Conference Center Rooms 102/104 550 West 7 th Ave., Juneau, AK	Teleconference: Call-In #: 1-907-202-7104 Code: 503 112 447#
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- I. Call to Order**
 - II. Roll Call**
 - III. Public Meeting Notice**
 - IV. A. Approval of Agenda
B. Approval of Minutes – March 15, 2023**
 - V. Public / Member Participation, Communications and Appearances**
*(Three Minute Limit. Callers may need to select *6 to unmute.)*
 - VI. Treasury DC Update**
Zachary Hanna, Chief Investment Officer
Stephanie Pham, Public Equity & Defined Contribution Investment Officer
Action: *JP Morgan SmartSpend 2015 and JP Morgan SmartSpend 2020*
Action: *Fidelity Core Plus Option for Defined Contribution Plan*
 - VII. Division of Retirement and Benefits Update**
 - A. Chief Pension Officer Report**
Ajay Desai, Director, Division of Retirement & Benefits
Kevin Worley, Chief Financial Officer, Division of Retirement & Benefits
 - B. PERS & TRS Social Security Report**
Kevin Worley, Chief Financial Officer, Division of Retirement & Benefits
 - C. Metcalfe Conversion Update**
Larry Davis, Appeals and Risk Mitigation Manager
 - D. Empower Update**
 - 1. Fee Transparency**
 - 2. Member Concerns**
 - 3. Quarterly Call Center & Field Reports**
 - 4. Plan Performance***Marybeth Daubenspeck, Vice President, Government Markets, Empower*
Jon Hess, Vice President, Participant Engagement, Empower
- VIII. Committee Performance – Self Assessment** *(per Charter)*
- IX. Review of Committee Charter** *(per Charter)*

- X. Future Meetings**
 - A. Calendar Review**
 - 1. Approval of 2024 Defined Contribution Plan Committee meeting calendar
 - B. Agenda Items**
 - C. Requests / Follow-Ups**
- XI. Other Matters to Properly Come Before the Committee**
- XII. Public / Members Comments**
- XIII. Executive Session – Analysis of Managed Accounts**
In accordance with Open Meetings Act, AS 44.62.310(c)
- XIV. Adjournment**

**ALASKA RETIREMENT MANAGEMENT BOARD
DEFINED CONTRIBUTION PLAN COMMITTEE MEETING
HYBRID/TEAMS**

**March 15, 2023
10:00 a.m.**

**Originating at:
State Office Building
Department of Administration
Large Conference Room, 10th Floor
333 Willoughby Avenue
Juneau, Alaska 99801**

Trustees Present:

Bob Williams, Chair	Allen Hippler
Sandra Ryan	Donald Krohn
Dennis Moen	Lorne Bretz

Department of Revenue Staff Present:

Zachary Hanna, Chief Investment Officer	Pamela Leary, Director, Treasury Division
Ryan Kauzlarich, Assistant Comptroller	Hunter Romberg, Senior Compliance Officer
Stephanie Pham, State Investment Officer	Mark Moon, State Investment Officer
Benjamin Garrett, State Investment Officer	Sam Hobbs, Accountant V
Tina Martin, Accountant IV	Grant Ficek, Business Analyst
Alysia Jones, Board Liaison	

Department of Administration, Division of Retirement & Benefits Present:

Ajay Desai, Director, DRB	Kevin Worley, Chief Financial Officer
Mindy Voigt, Assistant Chief Pension Officer	
Larry Davis, Appeals & Risk Mitigation Manager	
Brandon Roomsburg, Retirement & Benefits Specialist	
Roberto Aceveda, Counseling & Education Manager	
Nimeri Denis, Audit & Review Analyst	

Department of Law Staff Present:

Ben Hofmeister, Assistant Attorney General

Investment Advisory Council Present:

Dr. William W. Jennings	Ruth Traylor
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Guests/Presenters:

Marybeth Daubenspeck, Vice President, Government Markets, Empower	
Liz Davidsen, State Director, Empower	Vicki Alva, Empower
Ashleigh Kester, Empower	Robyn Loftin, Empower

PROCEEDINGS

CALL TO ORDER

CHAIR BOB WILLIAMS called the Defined Contribution Plan Committee meeting to order and asked for a roll call.

MS. JONES called the roll and announced that there was a quorum.

PUBLIC METING NOTICE

CHAIR BOB WILLIAMS asked to confirm that the public meeting notice was met.

MS. JONES replied, yes, it had.

APPROVAL OF AGENDA

CHAIR BOB WILLIAMS asked for any changes to the agenda.

MR. WORLEY noted that he would be giving the update to item 6A1, as opposed to Mindy Voigt.

CHAIR BOB WILLIAMS asked for any other corrections or changes to the agenda. There being none, the agenda was approved.

APPROVAL OF MINUTES

CHAIR BOB WILLIAMS moved to the minutes from November 30, 2022, and asked for a motion.

MOTION: A motion to accept the minutes of November 30, 2022, was made by TRUSTEE KROHN; seconded by TRUSTEE MOEN.

There being no objection, the MOTION was APPROVED.

PUBLIC/MEMBER PARTICIPATION, COMMUNICATIONS AND APPEARANCES

CHAIR BOB WILLIAMS moved to the portion of the meeting for public member participation and asked if there was anyone in the room or online that would like to speak. Seeing and hearing none, he moved forward and closed Public/Member Participation, Communications, and Appearances.

DIVISION OF RETIREMENT & BENEFITS UPDATE

CHIEF PENSION OFFICER REPORT

MR. WORLEY introduced Mindy Voigt to give the chief pension officer's report. Ms. Voigt is filling in for Jim Puckett, who retired in January.

MS. VOIGT stated that she had been with the Division of Retirement & Benefits for 23.5 years. For the last 3.5 years, she had been the retirement operations manager. She gave a brief overview of the 33rd legislative bills that were impacting or could potential impact the defined contribution retirement plans for PERS and TRS. The first bill was House Bill 22, the police officer/firefighter retirement pension plan. The Senate version of this bill is Senate Bill 35. There was one committee meeting regarding this bill, and then it was moved to subcommittee, along with Senate Bill 88. Next was Senate Bill 11, which would create a new defined benefit

tier for the PERS and TRS for all occupations. Senate Bill 88 would create a new defined benefits tier for PERS and TRS members in all occupations. She added that this bill had a committee meeting, another one scheduled this afternoon, and another one scheduled for Friday.

RECORDKEEPING FEE REDUCTION UPDATE

MR. WORLEY moved to agenda item VI.A.1, the recordkeeping fee reduction update. He stated that there would be a formal written report at the June meeting. The fee reduction starts on July 1 with the contract extension with Empower.

METCALFE CONVERSION UPDATE

CHAIR BOB WILLIAMS stated that next on the agenda was the Metcalfe Conversion Update with Appeals and Risk Mitigation Manager Larry Davis.

MR. DAVIS stated that he has been with the Division for over 25 years and has been the appeals and risk mitigation manager for seven of those years. He gave an update implementing the decision in the Metcalfe case. He continued that the mandate allows affected members to convert to the defined benefit plan, if that is their choice. There were two classes of affected members: first were the refunded former members who had not returned to employment. Any who later on return to PERS or TRS employment are given an option at the time of hire to elect either the DCR plan or the DB plan. There are members in a special conversion period who reemployed on or after July 1st, 2010, and were still employed or terminated with an active defined contribution plan balance. Those are the members being reached out to for a special conversion period. There will be a rollout on March 27th by sending letters to approximately 2,000 affected members to let them know of this upcoming special conversion period which will take place in May. This would be fully documented, and everything would be on file so that if any questions come up about the process, policies, and strategies being employed, they can be easily produced for counsel or the Court. The goal is to complete the online survey portion where members indicate they are converting by the middle of June, and then to proceed with the counseling element leading to the actual conversion calculations. The hope is to complete this project by the end of this year. He added that the new BEARS system will be fully integrated on that. Part of the planning and project is making sure the new BEARS system can accommodate the unique situations.

CHAIR BOB WILLIAMS asked for a video link for the June meeting.

MR. DAVIS replied that he would make that happen.

CHAIR BOB WILLIAMS moved to the Empower update.

EMPOWER UPDATE

MR. WORLEY began by introducing Marybeth Daubenspeck, vice president of government markets for Empower, and Liz Davidsen, State director for Empower. There are also two colleagues on video and one colleague sitting in the audience. He stated that the first topic would address the recent NEA Alaska letter that was received through the board. There was a formal response from Empower. He continued that the response letter was handed out to the trustees and members interested in seeing that response.

MS. DAUBENSPECK thanked all for the opportunity and stated that two of their associates from the Empower advisory group were online. Going forward, she continued, that Empower

would have representation at all of the DC Committee meetings. She added that managed accounts advisory services are a big part of this program. She introduced Ashleigh Kester, one of the senior managers in the Empower advisory group, who has been with the company for seven years, and in the industry for 15. She also introduced Robyn Loftin, assistant vice president of Empower advisory group, who has been with the organization for 20 years. She stated that Morningstar agreed that if the committee or board would like them to join a meeting, they would be happy to join in. She also introduced Vicki Alva, in the room, who is the retirement plan advisor. She meets directly with participants to do retirement readiness reviews, and supports them in any ways they need for their defined contribution plan. She moved to the letter from the president of the NEA and talked about the projected monthly income in retirement. The concern was around the Social Security toggle ability and that the plan was a Social Security Replacement. For the State of Alaska plans, the default was to exclude Social Security from the projection for every one of the plans that they recordkeep. A screenshot was provided for an individual who participated both in a State of Alaska plan, a TRS plan, and also participated in the Anchorage School District plan to show the situation. The Anchorage School District made the decision to turn on Social Security projection within the monthly income estimate; the State of Alaska did not.

MR. WORLEY commented that he reached out to the Anchorage School District (ASD) and talked to the folks that administer the 403(b). The PERS employees are covered by Social Security and that is why ASD opted to have this feature turned on. The TRS employees are not covered by Social Security.

CHAIR BOB WILLIAMS stated concern that this is not a small thing. Anchorage is the largest school district in the state of Alaska with thousands of teachers. He continued that Empower needed to find a way to toggle off the teachers in TRS and toggle on all the teachers in PERS. This is not a minor issue if it puts Social Security in there that they do not have, and inflates the amount of money they think they will have. He stated that this seemed like something Empower needed to correct.

MS. DAUBENSPECK stated they could take that back and needed to get permission from the Anchorage School District to say that this methodology on the website would be turned off. A collaboration was needed to come up with a solution to make that work.

TRUSTEE RYAN stated that she did not understand the problem. Anchorage has about 3,300 TRS employees, none of which contribute to Social Security.

MS. DAUBENSPECK stated that there is an opportunity to leverage some type of messaging; educating them on that; and then working with Anchorage School District to come to some alignment with turning that off on their site.

MS. DAVIDSEN stated that she had been in the Anchorage office for a few years and the Windfall Elimination Provision was not out there for everyone. She talked about the education on this.

CHAIR BOB WILLIAMS stated that the solution would be turning off the default for all teachers in the Anchorage School District, and he understood that Anchorage would have to agree to it. He continued that the board would not have received the letter if the things could have happened at a lower level.

MR. WORLEY had asked the school district how they notified new teachers that their position was not covered by Social Security. He stated that there is a form they were required to sign and submit to the state Social Security Administrator, SSA 1945, as part of their onboarding.

MS. DAUBENSPECK stated that they would work on a solution. She moved to the last quarter and a report that provided performance. Dr. Jennings stated that there were concerns with the numbers. This went back to the organization, and Dr. Jennings was correct. She explained it was a custom report that was not readily available, but that she pushed to have it for the committee's November 30th meeting. The report that came out was quality-checked, but when transcribed into a PowerPoint, it was labeled incorrectly. She apologized for the incorrect data. A new report was subsequently provided.

MS. DAUBENSPECK explained that the first updated report was the month-to-month returns using the secant method, but updated numbers with the managed account performance results. She said they wanted to be able to have a repeatable process and engaged Morningstar. They determined it made more sense for them to be doing it for an entire period – 1 year, 3 years, 5 years, and created a new report so it is an apples-to-apples comparison.

MS. LOFTIN explained secant is a mathematical equation and a common way to approach the rate-of-return calculation. That was what was programmed into the system. It was the mathematical rate of return methodology that applied to cash flows, ins and outs, the contributions.

DR. JENNINGS asked for more detail of that to be shared.

MS. LOFTIN replied that they would follow up and share a written methodology from the analyst team.

MR. HANNA clarified that the managed account performance included participant cash flows, including inflows, whereas the target date performance was just actual performance of those underlying funds. Over a long period of time, those cash flows, and how they compounded and the path you took to those returns matters more and more. MS. LOFTIN responded affirmatively.

CHAIR BOB WILLIAMS stated that having accurate data is super important to the board. There was a huge fiasco with Mercer because of some errors in the reporting that ended up having billions of dollars of impact on what was being done. We are making sure that it does not happen again. He hoped for a much stronger review of the final presentation, and noted that the board is not a beta tester.

MS. DAUBENSPECK apologized and stated that they knew the importance of the decisions made by the board. She continued that it was never our intention to bring bad data, and we are bringing in independent experts to make sure the methodology is correct.

TRUSTEE KROHN stated that he received a complaint from a member and did not know if it was isolated or not. They reached the age of 72 and needed to take the money out of their account. They went online and requested an amount be sent to them in a check, with a request to hold 10 percent for taxes. They got the check; but Empower only held 10 cents.

MS. DAUBENSPECK responded that this had been brought to her attention yesterday, and we are looking into it. She stated that whoever sent it over gave a lot of great detail and information that was appreciated. This is being looked into, and she stated that she will not comment until the research has been done.

MR. WORLEY commented that the complaints were not coming to the Division, which is a concern, because they are the administrators.

TRUSTEE KROHN stated that if it happened again, he would send them directly to the Division of Retirement and Benefits.

MS. LOFTIN moved to the portfolio construction sheet, which is consistent with what Callan pulled in. It just looked a little different in the order, and it is run on a quarterly basis. It comes into the retirement readiness report card that is available for every plan sponsor that ordered or had managed accounts on their plan since all portfolios were done at the individual participant level to be able to illustrate how the investment in the plan are used in the portfolio.

CHAIR BOB WILLIAMS stated that all the extra details and all the extra information was welcomed, but some of the information surprised him.

MS. LOFTIN explained some of the rationale.

MS. DAUBENSPECK stated that the other question asked was regarding the number of people defaulted into managed accounts. There were two plans where managed accounts were the default versus the target date fund. MS. DAVIDSEN reviewed the default analysis data as of 9/30/2016 and as of 2/15/2023.

MS. DAVIDSEN then moved on to updates to the website. She stated that they were partnering to get as many fee disclosures out in the world as possible. As of March 2023, a fee-based service note had been added to the Investment Help, and the actual fee structure had been added to the second page. She noted that the Juneau School District was added to the 457 Plan. They partnered with DRB and Empower with the field teams to bring on Juneau School District.

TRUSTEE HIPPLER stated that one of the advantages of advised accounts who defaulted into My Total Retirement is that they had larger balances than people who did not. He continued that he would be interested in something like that. He added that he was okay with paying fees as long as the actual results were better. He asked about that assessment.

MS. DAUBENSPECK replied that she had to go back and look at the data, specifically to those individuals who defaulted into the managed accounts, and look at their savings versus others.

CHAIR BOB WILLIAMS asked for any other questions. He thanked them for their presentation and moved to the next item on the agenda, Health Reimbursement Arrangement, HRA, accounts, with Chief Finance Officer Kevin Worley.

FY2024 HEALTH REIMBURSEMENT ARRANGEMENT (HRA) AMOUNT

MR. WORLEY stated he was on page 75 of the PDF for staff report for the FY24 health reimbursement arrangement for the employer contribution amount part of the defined

contribution payments. He talked about what the HRA was: an employer contribution fund only applicable to PERS and TRS DCR employees. He moved to a breakdown by fiscal year of what the contribution amount was. He added that this was an annual notification, so the committee was aware of what was going to be contributed to a member's account next year.

CHAIR BOB WILLIAMS moved to the PERS/TRS/Social Security discussion with Chief Financial Officer Kevin Worley.

PERS/TRS/ SOCIAL SECURITY DISCUSSION

MR. WORLEY moved to page 79, the listing Chair Bob Williams had asked for by employer. Who was in PERS; who was in TRS; and if they were included in SBS, participating in the State's deferred comp; were PERS employees participating in Social Security; or were the PERS employees not in SBS or Social Security. He stated that they went back to listings the Division maintains and looked at Social Security agreements. He continued that there will be an addendum report for June.

CHAIR BOB WILLIAMS commented that the listing gave a much clearer landscape of it. He continued that it appeared that the numbers of PERS employees that do not have SBS or Social Security was a much smaller number than originally thought. He moved to the managed accounts.

MANAGED ACCOUNT DISCUSSION

CHAIR BOB WILLIAMS stated that Managed Accounts had been looked at, and we thought that there was still more to learn about Managed Accounts. He would like to get to the point where they were getting data on a regular basis and could figure out the benchmark. The Managed Account is one of the more expensive fees out there. He stated that there was an action memo recommendation, and he asked for a motion.

MOTION: The Defined Contribution Plan Committee recommends that the Alaska Retirement Management Board direct staff to engage Callan to conduct a review of the Managed Account Service. The motion was made by TRUSTEE MOEN; seconded by TRUSTEE KROHN.

CHAIR BOB WILLIAMS stated that Callan conducted a review in 2016, and we are looking at updating that and doing a new one. He asked CIO Hanna if this felt like an appropriate time or an appropriate action.

CIO HANNA replied that, in general, staff's recommendation is a periodic reevaluation, and he felt that enough time had passed for that to be a strong recommendation at this point. He stated that they had talked a lot about managed accounts and there was still a level of opacity with the managed account service that can, hopefully, be moved beyond. He strongly supported the recommendation and added that it should be an interesting project for everyone to work on with Callan.

CHAIR BOB WILLIAMS stated that his intent was to get regular reporting that can be trusted and accurate and be able to make comparisons... He asked for any further discussion. There being none, he asked for a roll-call vote.

After the roll-call vote, the MOTION was APPROVED. (Trustee Ryan, yes;

Trustee Hippler, yes; Trustee Krohn, yes; Trustee Moen, yes; Trustee Michael Williams, absent; Chair Bob Williams, yes.)

CHAIR BOB WILLIAMS stated that the motion action memo passed. He moved to the DC Plans' Investment Structure Analysis provided by Callan.

DC PLANS' INVESTMENT STRUCTURE ANALYSIS

CIO HANNA stated that Callan had put a lot of good work into this process, and he encouraged committee members to dig into some of the details and ask about the perspectives of the various items recommended. Staff had not brought forward written recommendations that were responsive to this analysis at this time. The intention is to do that at the next meeting.

MR. CENTER stated that Callan was retained to conduct an investment structure analysis for the various Alaska Retirement Management Board defined contribution plans. This was last done in 2016, around the same time of the review of the managed accounts. He continued that some of the recommendations heard today are the same recommendations made in 2016. That does not mean that they need to be acted on. He added that it was the State's opinion that anything offered through a self-directed brokerage window has to ultimately be reviewed and approved on an ongoing basis by the Alaska Retirement Management Board. He stated that Mr. Hofmeister was there to help explain, if needed. One of the things they were asked to do as part of the investment structure analysis was to recommend what sort of categories they thought would make sense to fill within a limited self-directed brokerage window. He introduced Patrick Wisdom, from their defined contribution team. He works directly with Greg Ungerman, who was at the meeting in November.

MR. WISDOM talked about some of the findings from the investment structure analysis. He began with an overview of what an investment structure evaluation was and what they were looking to accomplish. This analysis was to make sure that the asset classes and individual options offered to participants were appropriate and, most importantly, conducive to helping participants build well-diversified and efficient portfolios. The focus was on the overall asset class level looking at the building blocks to make sure that participants had enough not to cause confusion or inefficient portfolio actions. He gave an overview of what will be accomplished in this discussion and talked about the investment structures within the defined contribution plan. Within the context of the Alaska plans, the ESG fund, as well as the diversified real assets fund, which have important roles within portfolio construction, were included. He included a comparison of how the number of options and asset classes offered in the plans stacked up against other defined contribution plans. The data that followed came from the Callan Defined Contribution Index, which contains data on a large subset of the defined contribution base. He noted that it reported on more than 100 defined contribution plans that together had more than \$400 billion in assets. It was a pretty representative sample of other large, institutionally oriented defined contribution plans. One of the data points he touched on was the number of options offered to participants.

MR. CENTER stated that the plan had both stable value and money market, which was fairly uncommon.

MR. WISDOM stated that, in the section that followed, they proposed a couple of alternative investment structures where, based on some of the participant analysis done as part of the study, there were some worthwhile ideas to consider for the investment lineup. He then gave an

overview of what was within the first alternative structure. The first recommendation looked at the capital preservation bucket where there was the money market and the stable value option. He continued that the second change to consider was adding an active core-plus fixed-income option to supplement the current passive core bond option. The third focused on the passive U.S. equity space where the S&P 500 index and the Russell 3000 index had a degree of overlap.

MR. CENTER noted that the money market utilization had been fairly low by participants. Looking at the asset base for money market versus stable value, stable value had at least 10 times the asset base that money market funds had, if all the assets were aggregated together.

TRUSTEE HIPPLER stated that the proposed structures included the maintenance on the strategic completion fund, which was not very heavily utilized and wondered what purpose that served.

MR. CENTER replied that was called a diversified real assets fund and was there to offer participants an investment that was designed to hedge against inflation by offering a diversified basket of commodities, Treasury-inflation-protected securities, and some kind of real estate-linked security like a REIT.

MR. WISDOM stated the next idea was to consider adding an active core-plus fixed-income option.

MR. CENTER stated that one recommendation included a review and reevaluation of the JPMorgan SmartRetirement funds. He continued that JPMorgan announced they were closing the 2015 fund and will be liquidating that later this year. Those assets will have to be mapped for participants to some location. He then noted some of the potential headaches that could come along.

TRUSTEE HIPPLER asked, in the event of discontinuing an option through a brokerage window, why would we not be able to force divestment.

MR. CENTER replied that was a participant's assets and once it was in the brokerage window it was controlled by a third-party brokerage. They cannot be forced to sell.

TRUSTEE HIPPLER asked to stop using the verbiage "brokerage window," and simply call it an expanded suite for investors. He stated that would remove the concern of selecting a fund that might be discontinued or not having the control and force divestment.

MR. CENTER stated that they would be happy to work with staff as they consider the recommendations.

CHAIR BOB WILLIAMS stated appreciation for the presentation and moved on to the Treasury update.

TREASURY DC UPDATE

CIO HANNA introduced Stephanie Pham who had taken over the DC accounts from Michelle Prebula, who had retired. He noted that Stephanie has done a great job of getting up to speed and on top of the issues.

MS. PHAM stated that it was nice to see all in person. She continued that she had contact and an asset management relationship with Empower and T. Rowe, and she did all the funds in the DC and so forth. She gave a brief update on the bond trust. It will be at 75 percent completion this March, and we expect T. Rowe to complete the full transition in June.

CHAIR BOB WILLIAMS stated that he was clicking the different target date funds and noticed the links still show the previous fees and asked when the lower fees that had been negotiated would kick in.

MS. PHAM replied that she would double-check and get back to him on that.

CHAIR BOB WILLIAMS stated his appreciation.

CIO HANNA stated that he almost viewed this presentation as a to-be-continued and that would be his preferred path. He continued that he would prefer to hold his comment until the next meetings in terms of specific staff responses to the Callan recommendations. He added that, from a plan design perspective, given that a real brokerage window could not be done, his view was any plan options ought to be added into a broader lineup.

CHAIR BOB WILLIAMS asked for anything to be added to the calendar or agenda items, and any requests for follow-ups. He asked for any other matter to come before the committee. Hearing none, he entertained a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE RYAN; seconded by TRUSTEE KROHN.

There being no objection, the MOTION was APPROVED.

(The Defined Contribution Plan Committee adjourned at 12:19 p.m.)



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Revenue
ALASKA RETIREMENT MANAGEMENT BOARD

Defined Contribution (DC) Plans Investment Lineup Considerations



June 2023

Stephanie Pham

State Investment Officer, Treasury Division
Alaska Department of Revenue

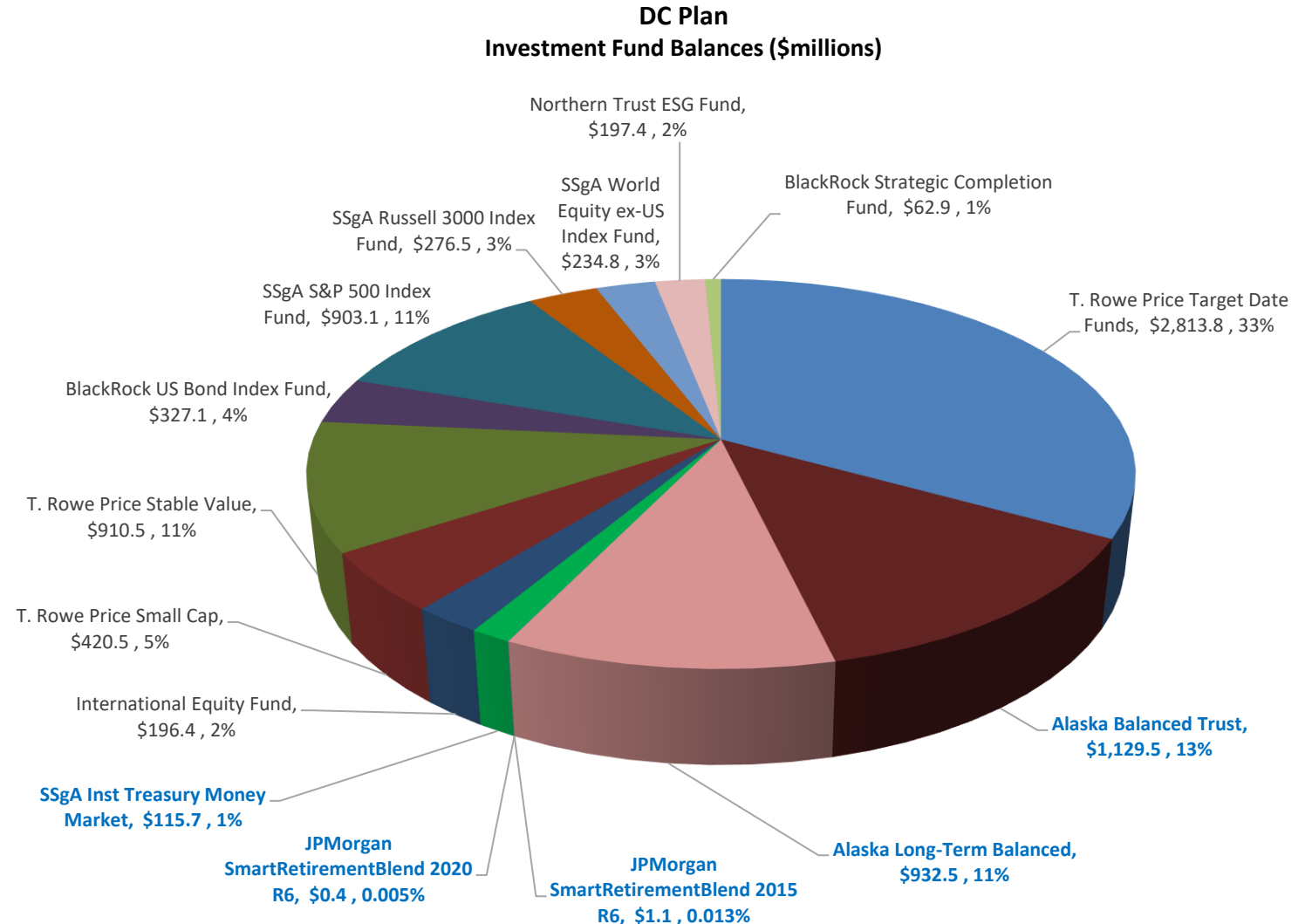
Agenda

- Callan Investment Structure Considerations
- Money Market Fund
- Active Core Plus Fixed Income
- Passive U.S. All-Cap Equity
- Passive U.S. Small/Mid-Cap Equity
- Balanced Funds
- JP Morgan Smart Retirement Blend Funds 2015 & 2020

Callan Investment Structure Considerations

- Callan presented their Defined Contribution (DC) Plans Investment Structure Evaluation on March 15, 2023. As a result, Callan offered the following areas for further consideration:

- Removing the Money Market option.
- Adding a Core Plus Fixed Income option.
- Removing the Passive U.S. All-Cap Equity option.
- Adding a Passive U.S. Small/Mid-Cap Equity option.
- Removing the Balanced Funds option.
- Revisit the offering the JPM Smart Retirement Funds.



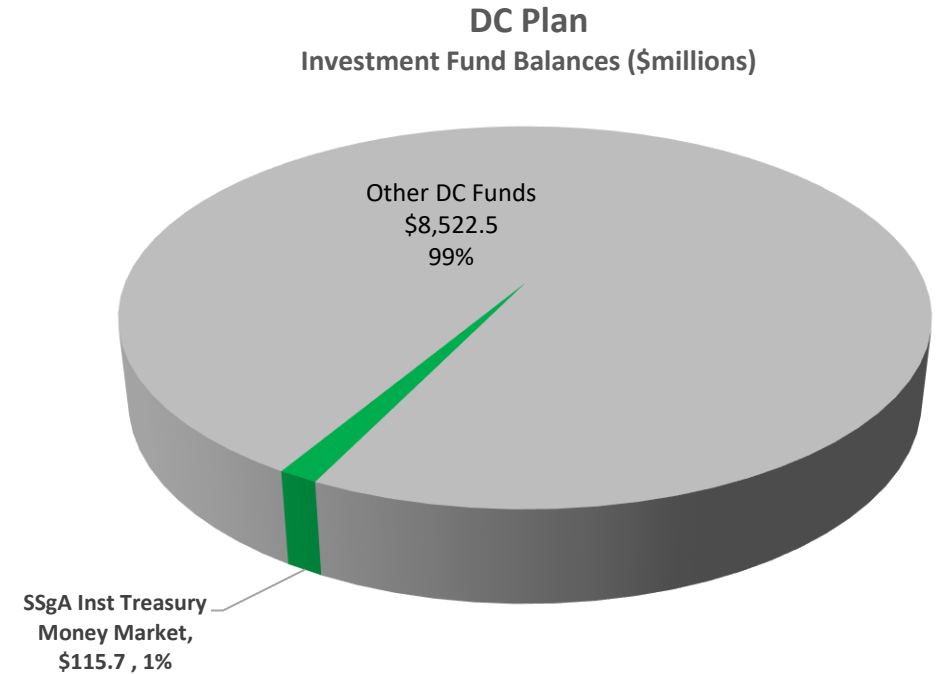
March 31, 2023

Source: Callan Defined Contribution Plans Investment Measurement Service Quarterly Review

Money Market Fund

Staff does not recommend removing the Money Market Fund for the following reasons:

- Although the Money Market Fund and Stable Value Fund have overlapping roles as capital preservation options, the Money Market Fund was added at the request of participants that wanted the lowest risk option and it still serves this function.
- The current market environment highlights why the Money Market Fund is an attractive option.
- Having both options should remain for all participants as the Stable Value Fund is not a pure cash option.



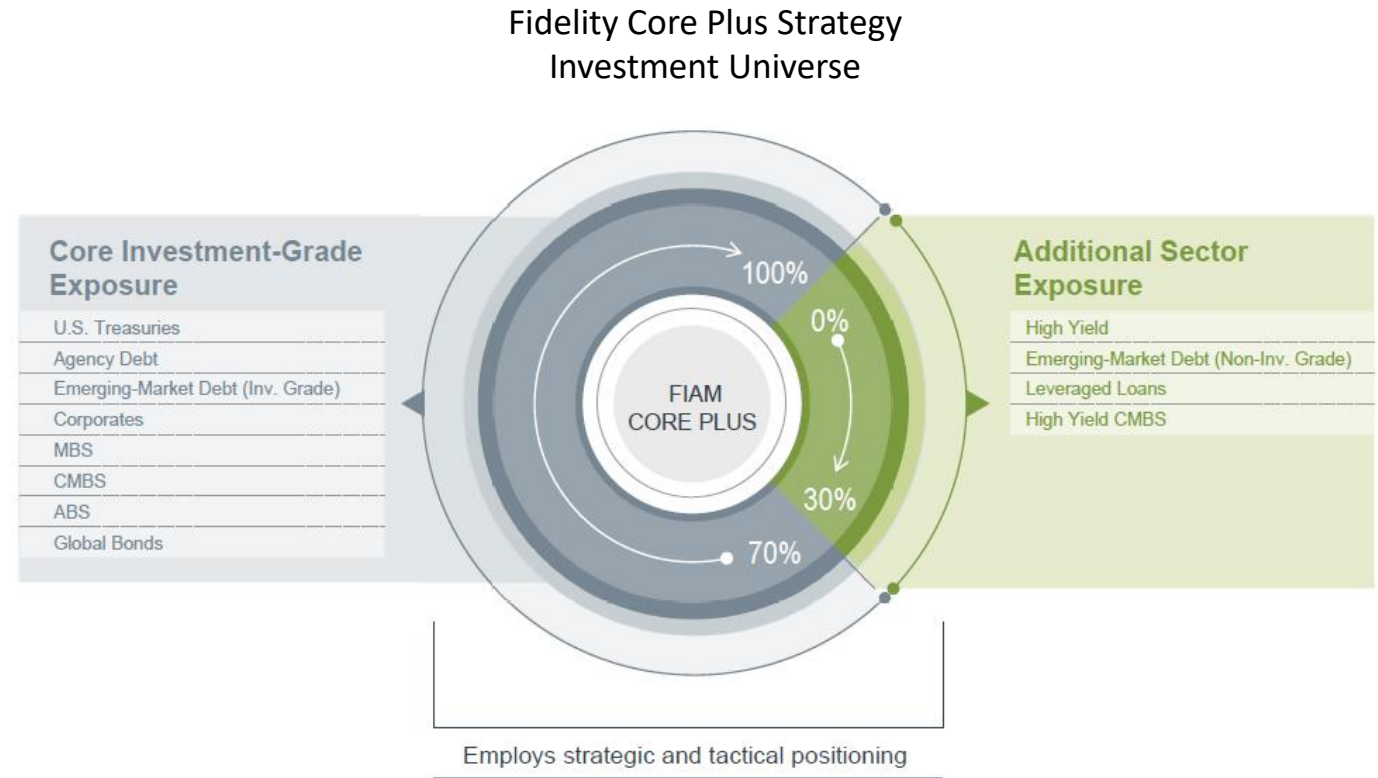
March 31, 2023

Source: Callan Defined Contribution Plans Investment Measurement Service Quarterly Review

Active Core Plus Fixed Income

Staff has reviewed active core plus fixed income managers and recommends adding the Fidelity Core Plus Strategy for the following reasons:

- Manager approved by Callan already.
- Familiarity with the Fidelity management team that manages the Tactical Bond Fund.
- Relationship pricing.
- The strategy seeks consistent competitive risk-adjusted total returns and aims to mitigate unexpected downside risk.
- The manager has delivered on these expectations historically.



Passive U.S. All-Cap Equity

Staff does not recommend removing the Passive U.S. All-Cap Equity Fund at this time, for the following reasons:

- Although the S&P 500 and Russell 3000 fund have high degree of overlap, participants can select an all-cap fund with large and small cap funds as one option versus selecting multiple funds.
- Both the S&P 500 and Russell 3000 fund have name recognition and various fund size options. Additional research is needed to verify which funds are a viable option on the platform.
- Staff intends to review this option as part of the managed accounts review and research which fund to keep.

Passive U.S. Small/Mid-Cap Equity

Staff does not recommend adding a U.S. Small/Mid-Cap Equity (SMID) option at this time, for the following reasons:

- Additional research and verifications are needed as to which funds are viable and available on the DC Plan platform.
- Any new options added, will need to align with the decision made on the U.S. All-Cap or Large-Cap option.
- There are two ways for adding a SMID option:
 - Adding a passive S&P 600 index and a passive S&P 400 index fund. This will provide separate fund options for participants to select per their preference and tilt towards a small or mid-cap fund. However, adding two separate funds can be cumbersome as some participants may not utilize both funds, thus not selecting the intended SMID exposure offering.

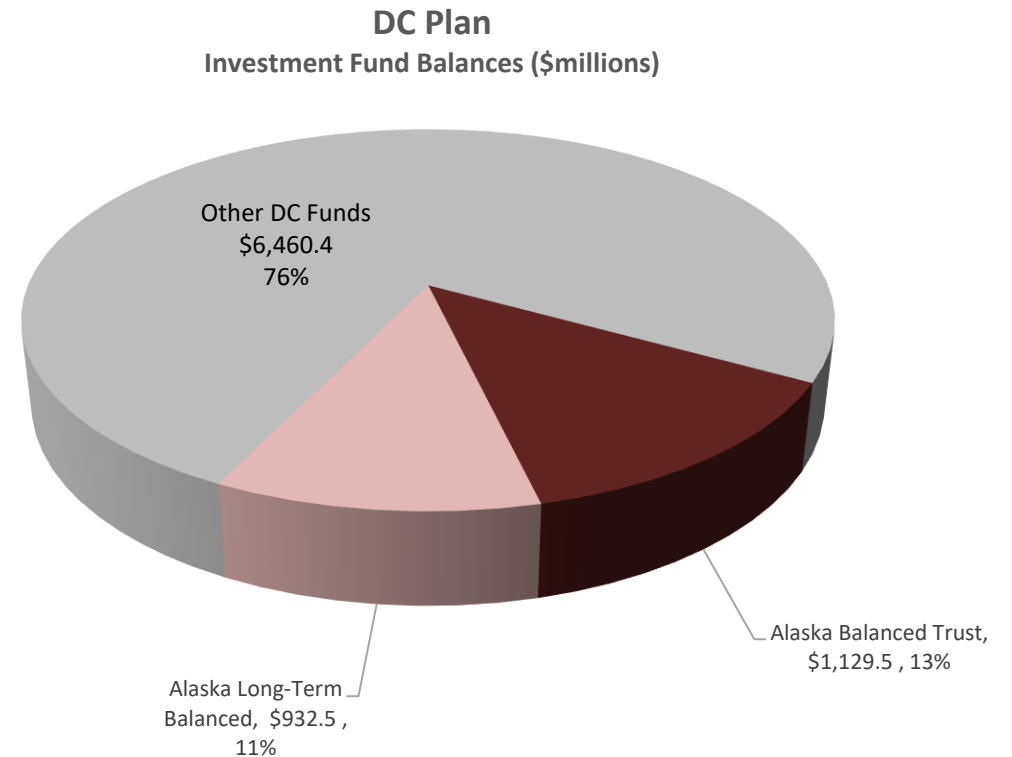
or

- Adding a passive Russell 2500 index fund as an option. Participants will gain a SMID exposure in one fund instead of selecting two funds as an option mentioned above. However, the Russell 2500 is a cap-weighted index and investors will end up owning more of the larger stocks because they have a greater weight in the index.

Balanced Funds

Staff does not recommend removing the Balanced Funds, for the following reasons:

- In theory it would make sense to not have the Balanced Funds and Target Date Funds. However, the complexity in terms of the size of the Balanced Funds and number of participants will be a challenge beyond logistics.
- The funds have a long history and a devoted following.



March 31, 2023

Source: Callan Defined Contribution Plans Investment Measurement Service Quarterly Review

JP Morgan Smart Retirement Blend Funds 2015 & 2020

JP Morgan (JPM) is closing the JPM Smart Retirement 2015 Fund in October of 2023. The JPM Smart Retirement 2020 Fund will be merged into JPM's target date funds and no longer be a discrete retirement income solution.

Staff recommends the following actions for both funds:

- Reallocate all participant proceeds from the 2015 fund into the appropriate T. Rowe Target Date Funds.
- Reallocate all participant proceeds from the 2020 fund into the appropriate T. Rowe Target Date Funds.
 - The 2020 fund has less assets and staff does not expect it to grow significantly to keep it as an option.
 - Keeping the 2020 fund as a stand-alone option may cause confusion for participants compared to the T. Rowe Target Date Funds.
 - The JPM Smart Retirement Fund also has differences in glidepath methodology between JPM and T. Rowe Price.

	Number of Participants	Market Value	% of Total DC Funds
JPMorgan SmartRetirementBlend 2015 R6	30	1,102,655	0.013%
JPMorgan SmartRetirementBlend 2020 R6	45	403,484	0.005%

DEFINED CONTRIBUTION PLAN COMMITTEE

SUBJECT: JP Morgan Smart Retirement Discontinue
Participant-Directed Plans

ACTION: X

DATE: June 14, 2023

INFORMATION:

BACKGROUND:

The Alaska Retirement Management Board added the J.P. Morgan Smart Retirement portfolios at the June 2020 board meeting. The objective was a retiree income solution to improve participants' expected retirement experience. Retiree income solutions include strategies that help give retirees guidelines, but not guarantees, for drawing down income in retirement, and include such products as bond ladders, endowment strategies, and other spenddown solutions.

On February 13, 2023, JP Morgan notified staff that the JP Morgan Smart Retirement Blend 2015 fund would be closed and liquidated in June of 2023 due to the low level of assets invested in the fund. Staff requested that the fund provide staff additional time to evaluate options for participants and allow Empower to communicate to participants in a timely manner. The 2015 fund will now be closed on October 25, 2023.

	Number of Participants	Market Value	% of Total DC Funds
JPMorgan SmartRetirementBlend 2015 R6	30	1,102,655	0.013%
JPMorgan SmartRetirementBlend 2020 R6	45	403,484	0.005%

JP Morgan is not discontinuing the 2020 fund. They are merging it with their broader target date funds, and it will no longer be a discrete retiree income solution. This creates potential participant confusion with existing Alaska target date options and staff does not recommend continuing adding to the series of Smart Retirement portfolios as a result.

The 2020 fund could continue as a stand-alone option, but has gathered assets of just over \$400,000, representing a small 0.005 percent of the participant directed funds. Unfortunately, this is not enough participant interest for staff to recommend continuing it as a stand-alone option. Therefore, staff recommends discontinuing the 2020 fund at the same time that the 2015 fund is discontinued. Staff further recommends that participants be notified and those that remain in the funds should be mapped into an age-appropriate target date fund.

RECOMMENDATION:

The Defined Contribution Committee recommends the Alaska Retirement Management Board direct staff to discontinue the JP Morgan Smart Retirement Blend 2015 and JP Morgan Smart Retirement Blend 2020 in the Alaska Supplemental Annuity Plan, the Defined Contribution Retirement Plans, and the Deferred Compensation Plan and request that the recordkeeper notify participants of the intent to remap them into an age-appropriate target date fund if they don't select a different option prior to the date the 2015 fund will be discontinued.

DEFINED CONTRIBUTION PLAN COMMITTEE

SUBJECT: Fidelity Core Plus Strategy - Active ACTION: X
Participant-Directed Plans
 DATE: June 14, 2023 INFORMATION: _____

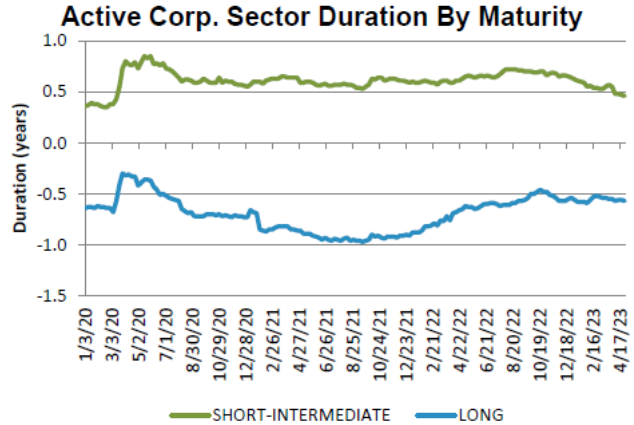
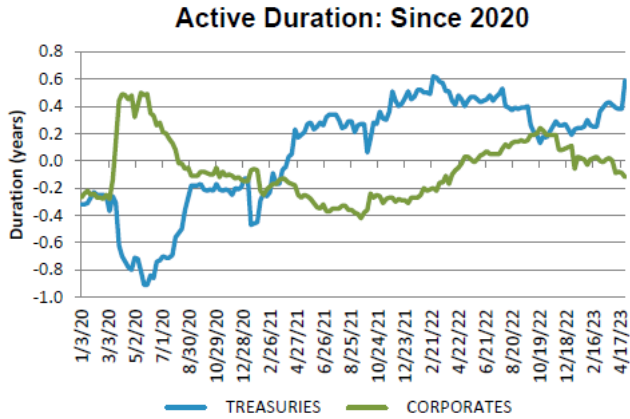
BACKGROUND:

During the Investment Structure Evaluation of the participant-directed plans, Callan recommended adding an Active Core Plus Fixed Income option. A manager for this type of strategy should have a historical ability to add value above their benchmarks through their ability to allocate to out-of-benchmark sectors and manage duration exposure.

Staff evaluated the Fidelity Core Plus Strategy. The strategy seeks consistent competitive risk-adjusted total returns and aims to mitigate unexpected downside risk. The manager has delivered on these expectations historically.

	Cumulative		Annualized		
	3-Month	1-Year	3-Year	5-Year	10-Year
Core Plus Total Composite (Gross) %	0.40	(0.12)	(0.63)	2.34	2.47
Core Plus Total Composite (Net) %	0.32	(0.45)	(0.95)	2.00	2.13
BBg US Agg Bond Index	0.49	(0.43)	(3.15)	1.18	1.32
<i>Relative Return (Gross)</i>	<i>(0.09)</i>	<i>0.31</i>	<i>2.52</i>	<i>1.16</i>	<i>1.15</i>
<i>Relative Return (Net)</i>	<i>(0.17)</i>	<i>(0.02)</i>	<i>2.20</i>	<i>0.82</i>	<i>0.81</i>
Standard Deviation	-	-	6.38	5.73	4.58
BBg US Agg Bond Index	-	-	6.19	5.45	4.36
*Information Ratio	-	-	1.56	0.41	0.48
Peer Universe Performance Ranking					
	1Q23	1-Year	3-Year	5-Year	10-Year
**eVestment Universe Percentile as of March 31, 2023	43 rd	33 rd	29 th	21 st	28 th

Fidelity Core plus Strategy – Asset Allocation



Fidelity is an approved manager by Callan. Staff has an existing relationship with the management team that manages the Fidelity Tactical Bond fund and pricing for the Core Plus Strategy will take relationship pricing into account.

RECOMMENDATION:

The Defined Contribution Plan Committee recommends the Alaska Retirement Management Board direct staff to contract with Fidelity to offer the Core Plus Strategy in the Alaska Supplemental Annuity Plan, the Defined Contribution Retirement Plans, and the Deferred Compensation Plan.

Division of Retirement & Benefits

Legislative Update – 2023

Bill	Sponsor	Referrals	Summary	Status
Pension Plans				
HB7	Representative Hannan	(H) STA then JUD, FIN	This bill would change the types of proceedings handled by the Office of Administrative hearings (OAH), the entities that may use OAH, the duties of the chief administrative law judge, qualifications and powers of administrative law judges, subpoena powers, compensation, complaints against admin law judges and hearing officers, reimbursement for cost incurred by OAH, procedures for requesting and conducting proceedings of OAH	Referred to (H) State Affairs
HB22	Representative Josephson	(H) CRA, then STA, JUD, FIN	This bill would open a new PERS Defined Benefits tier allowing current police/fire fighters to elect the new tier or remain in the PERS DCR. Make necessary changes relating to eligibility of peace officers and firefighters for DCR medical, changes to employee contribution as set by the ARMB, and changes to the PRPA program based on the funding of the PERS system. *Companion Bill to SB35	Passed out of (H) Community & Regional Affairs, heard and held in (H) State Affairs
SB11	Senator Kiehl	(S) L&C then FIN	This bill would open a new PERS & TRS Defined Benefits (DB) tier and offer all PERS and TRS Defined Contribution Retirement (DCR) Plan members the choice to elect the new tier or to remain in the DCR including all new hires must within 90 days of joining the plan make an irrevocable election to participate in the DCR. Maintains the contribution rates from the DCR plan to the new DB tier, open to all participating employers, medical plan premium subsidy structure is similar to the DCR retiree health plan, no HRA, changes to disability benefits, and provides for the administrator to adjust the percentage of	Referred to (S) Labor & Commerce

			the medical plan premiums payment structure beginning on 7/1/2028 and every five years thereafter.	
SB14	Senator Kawasaki	(S) EDC, then L&C, FIN	This bill offers a retired teacher to be employed as a mentor without stopping their TRS benefit, and the retired teacher will not receive TRS service credit while reemployed. This bill also offers a temporary retirement incentive program to the defined benefits members of PERS and TRS. It allows qualified members to retire three years early, the cost percentages, eligibility, and reemployment cost if the employee returns to a covered position.	Passed out of (S) Education, referred to (S) Labor & Commerce
SB35	Senator Kawasaki	(S) L&C then FIN	This bill would open a new PERS Defined Benefits tier allowing current police/fire fighters to elect the new tier or remain in the PERS DCR. Make necessary changes relating to eligibility of peace officers and firefighters for DCR medical, changes to employee contribution as set by the ARMB, and changes to the PRPA program based on the funding of the PERS system. *Companion Bill to HB22	Referred to (S) Labor and Commerce
SB88	Senator Giessel	(S) L&C, then FIN	This bill would create new Defined Benefit (DB) tiers for the PERS and TRS systems and close the Defined Contribution Retirement (DCR) plan in the PERS and TRS systems for new hires. Existing DCR members would be given the option to convert to the new DB tier or maintain their current DCR plan. Retiree health benefits available under the new DB tiers would be the same as for current DCR members.	Passed out of (S) Labor and Commerce, heard and held in (S) Finance
Health Plans				
HB17	Representative Carrick	(H) HSS, then CRA, L&C, FIN (FIN referral removed)	This bill mandates specific coverage of contraceptives by the AlaskaCare employee plan and other specified health insurers in the state. *Companion Bill to SB 27	Passed out of (H) Health & Social Services, Community & Regional Affairs, Labor & Commerce, Calendared (H) 5/17/2023

HB21	Representative Vance	(H) EDC, then L&C, FIN	This bill allows school districts and local governmental units to elect to join the self-insured AlaskaCare employee plan. *Companion Bill to SB 110	Passed out of (H) Education, Labor & Commerce, heard and held in (H) Finance
SB3	Senator Hughes	(S) L&C then JUD	This bill includes multiple health care cost transparency provisions and requires specified insurers to establish a cash incentive program to encourage patients to seek care from lower cost providers. The provisions do not apply to AlaskaCare, however the bill requires DRB to analyze the potential impacts of complying with the provisions of the bill to the AlaskaCare employee plan, and to prepare a report to the legislature detailing the findings.	Referred to (S) Labor & Commerce
SB27	Senator Tobin	(S) HSS then L&C	This bill mandates specific coverage of contraceptives by the AlaskaCare employee plan and other specified health insurers in the state. *Companion Bill to HB 17	Referred to (S) Health & Social Services
SB110	Senator Hughes	(S) EDC, then L&C, FIN	This bill allows school districts and local governmental units to elect to join the self-insured AlaskaCare employee plan. *Companion Bill to HB 21	Heard and held in (S) Education
SB121	Senator Giessel	(S) L&C, then FIN	This bill sets restrictions and establishes requirements related to business and payment practices for Pharmacy Benefit Managers (PBMs) and health care insurers providing coverage for pharmacy benefits in the state and applies the provisions of the bill to the AlaskaCare employee health plan, health insurers and insurance plans regulated through Title 21, and health plans sponsored by municipalities.	Referred to (S) Labor and Commerce
SB124	Senator Wilson	(S) L&C, then FIN	This bill would apply certain provisions related to pharmacy benefits and pharmacy benefit managers contained in Title 21 of Alaska Statue to the AlaskaCare employee and retiree plans. These provisions include new statues enacted by the bill that require prescription drug rebates to be calculated (or estimated) at the point of sale.	Referred to (S) Labor and Commerce

SJR10	Senator Giessel	(S) HSS; (H)HSS	This resolution urges the President, Alaska's federal Congressional delegation, and all members of the U.S. Congress to increase Medicare reimbursement rates in Alaska to meet the actual cost of care.	Passed Senate, referred to (H) Rules
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Chief Financial Officer Report - Defined Contribution Committee Alaska Retirement Management Board

June 14, 2023

Recordkeeping Fee Reduction – effective date and revised fee

The Division of Retirement and Benefits secured a contract extension agreement with Empower Retirement for 2 additional fiscal years – FY 2024 and 2025 (July 1, 2023 – June 30, 2025).

As part of that agreement, Empower Retirement has reduced their recordkeeping fee from 5.5 basis points (bps) to 5.25 bps.

The impact on members is a reduction from 11 basis points to 10.75 basis points for a fiscal year.

As a reminder, the amount over the recordkeeping fee is used by the Treasury Division and Division of Retirement and Benefits for administration costs that have been previously presented to the Defined Contribution Committee.

Beginning July 1, 2023, the total fees charged to PERS and TRS Defined Contribution members, as well as SBS and Deferred Compensation members, will decrease from 11 bps to the new fee of 10.75 bps.

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
2	101	1/1/1961	737	501	1/1/1980	601	1/1/1961	STATE OF ALASKA	Y	Y	Y	Y					12/31/1979
3	102	10/1/1976	756					SOUTHWEST REGION SD	Y	Y				Y			
4	103	7/1/1976	770					ANNETTE ISLAND SD	Y	Y			Y		Y	7/1/1976	
5	104	7/1/1976	752					BERING STRAIT SD	Y	Y			Y		Y	7/1/1976	
6	105	7/1/1976	768					CHATHAM SD	Y	Y			Y		Y	7/8/1976	
7	107	1/1/1972						CITY OF VALDEZ	Y					Y			12/31/1980
8	108	7/1/1970	710			626	1/1/2023	JUNEAU BOROUGH SD	Y	Y		Y	Y		Y	1/1/1952	
9	109	1/1/1968		502	2/1/1983			MATANUSKA-SUSITNA BOROUGH	Y		Y						12/31/1982
10	110	1/1/1986	722	503	2/1/1983			MATANUSKA-SUSITNA BOROUGH SD	Y	Y	Y						
11	111	1/1/1968	701					ANCHORAGE SD	Y	Y			Y		Y	7/1/1953	
12	112	7/1/1976	767					COPPER RIVER SD	Y	Y			Y		Y	7/1/1976	
13	113	2/1/1969	733					UNIVERSITY OF ALASKA	Y	Y				Y			12/31/1982
14	115	7/1/1969						CITY OF KENAI	Y					Y			12/31/1980
15	116	7/1/1969						FAIRBANKS NORTH STAR BOROUGH	Y				Y		Y	7/13/1964	
16	117	7/1/1969	706					FAIRBANKS NORTH STAR BOROUGH SD	Y	Y			Y		Y	1/1/1951	
17	118	7/1/1976	764	505	7/1/1997	605	7/1/2018	DENALI BOROUGH SD	Y	Y	Y	Y					
18	120	7/1/1970		506	2/1/1983			CITY AND BOROUGH OF SITKA	Y		Y						12/31/1982
19	121	7/7/1976	771					CHUGACH SD	Y	Y				Y			

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
20	122	7/1/1970				608	12/1/2018	KETCHIKAN GATEWAY BOROUGH	Y			Y	Y		Y	1/1/1951	
21	123	7/1/1969						CITY OF SOLDOTNA	Y					Y			12/31/1982
22	124	7/1/1976	761					IDITAROD AREA SD	Y	Y			Y		Y	7/1/1976	
23	125	7/1/1976	755					KUSPUK SD	Y	Y			Y		Y	7/1/1976	
24	126	7/1/1970						CITY AND BOROUGH OF JUNEAU	Y				Y		Y	1/1/1951	
25	128	9/1/1970						CITY OF KODIAK	Y				Y		Y	4/1/1957	
26	129	1/1/1971						CITY OF FAIRBANKS	Y					Y			
27	131	1/1/1982		507	7/1/1987			CITY OF WASILLA	Y		Y						12/31/1981
28	133	1/1/1973	727	508	1/1/1983	617	2/15/2021	SITKA SCHOOL DISTRICT	Y	Y	Y	Y					
29	134	2/1/1982						CITY OF PALMER	Y				Y		Y	9/1/1955	
30	135	2/1/1975		520	2/1/2009			CITY AND BOROUGH OF WRANGELL	Y		Y						
31	136	12/1/1973				603	5/1/2018	CITY OF BETHEL	Y			Y		Y			12/31/1980
32	137	7/1/1974	730					VALDEZ CITY SD	Y	Y				Y			
33	138	7/1/1974	708					HOONAH CITY SD	Y	Y			Y		Y	4/1/1954	

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
34	139	7/19/1975						CITY OF NOME	Y				Y		Y	12/31/1966	
35	140	7/1/1974						CITY OF KOTZEBUE	Y				Y		Y	12/31/1969	
36	141	9/1/1973	735					GALENA CITY SD	Y	Y			Y		Y	9/1/1973	
37	143	1/1/1975						PETERSBURG BOROUGH	Y					Y			
38	144	12/1/1973				619	7/4/2021	BRISTOL BAY BOROUGH	Y			Y		Y			12/31/1980
39	145	7/1/1972						NORTH SLOPE BOROUGH	Y				Y		Y	7/1/1972	
40	146	2/1/1975	731	522	2/1/2009			WRANGELL PUBLIC SCHOOLS	Y	Y	Y						
41	148	7/1/1975				624	3/1/2022	CITY OF CORDOVA	Y			Y	Y		Y	1/1/1953	
42	149	7/19/1975	720					NOME CITY SD	Y	Y			Y		Y	1/1/1953	
43	151	12/1/1974						CITY OF KING COVE	Y				Y		Y	12/31/1965	
44	152	11/1/1975						ALASKA HOUSING FINANCE CORPORATION	Y				Y		Y	8/25/1975	
45	153	7/1/1976	753					LOWER YUKON SD	Y	Y			Y		Y	7/1/1976	
46	154	7/1/1976	751					NORTHWEST ARCTIC BOROUGH SD	Y	Y				Y			

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
47	155	7/1/1976	769					SOUTHEAST ISLAND SD	Y	Y			Y		Y	7/1/1976	
48	156	7/1/1976	759					PRIBILOF SD	Y	Y			Y		Y	7/1/1976	
49	157	7/1/1976	754					LOWER KUSKOKWIM SD	Y	Y			Y		Y	7/1/1976	
50	158	7/1/1976	718					KODIAK ISLAND BOROUGH SD	Y	Y			Y		Y	1/1/1955	
51	159	7/1/1976	763					YUKON FLATS SD	Y	Y			Y		Y	7/1/1976	
52	160	8/19/1976	762					YUKON / KOYUKUK SD	Y	Y				Y			
53	161	9/1/1976	736					NORTH SLOPE BOROUGH SD	Y	Y			Y		Y	6/30/2000	
54	162	7/1/1976	758					ALEUTIAN REGION SD		Y			Y		Y	7/1/1976	
55	163	7/1/1993				623	3/1/2022	CORDOVA COMMUNITY MEDICAL CENTER	Y			Y	Y		Y	1/1/1953	
56	164	7/1/1976	757					LAKE AND PENINSULA BOROUGH SD	Y	Y				Y			
57	166	11/1/1982	775			607	10/1/2018	TANANA SD	Y	Y		Y		Y			
58	167	11/1/1976	743					SOUTHEAST REGIONAL RESOURCE CENTER	Y	Y			Y		Y	8/1/1976	
59	168	8/30/1982	709					HYDABURG CITY SD	Y	Y				Y			
60	169	6/1/1982						CITY OF TANANA	Y					Y			
61	170	7/2/1977				614	1/1/2020	NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	Y			Y		Y			
62	171	7/1/1983						CITY OF BARROW	Y				Y		Y	7/1/1972	
63	172	10/1/1977		510	2/1/1983			CITY OF SAINT PAUL	Y		Y						12/31/1982
64	173	9/15/1975						MUNICIPALITY OF ANCHORAGE	Y				Y		Y	1/1/1952	
65	174	1/1/1978				618	7/1/2021	KODIAK ISLAND BOROUGH	Y			Y	Y		Y	1/1/1964	

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
66	175	8/23/1974						NOME JOINT UTILITY SYSTEM	Y				Y		Y	1/1/1952	
67	176	1/1/1978						CITY OF SAND POINT	Y					Y			
68	177	7/1/1978	714					KETCHIKAN GATEWAY BOROUGH SD	Y	Y			Y		Y	1/1/1952	
69	178	7/1/1978						CITY OF DILLINGHAM	Y				Y		Y	10/21/1964	
70	179	7/1/1978						CITY OF UNALASKA	Y				Y		Y	12/31/1965	
71	180	7/1/1978						KENAI PENINSULA BOROUGH	Y				Y		Y	1/1/1964	
72	181	7/1/1978						CITY OF KETCHIKAN	Y					Y			
73	182	1/1/1979						CITY OF SEWARD	Y					Y			12/31/1981
74	183	7/1/1979						CITY OF FORT YUKON	Y				Y		Y	1/1/1961	
75	184	7/1/1979	742					BRISTOL BAY BOROUGH SD	Y	Y				Y			12/31/1980
76	185	7/1/1979	704					CORDOVA CITY SD	Y	Y			Y		Y	1/1/1956	
77	186	7/1/1979						CITY OF CRAIG	Y				Y		Y	11/1/1965	

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
78	187	1/1/1975				611	7/1/2019	PETERSBURG MEDICAL CENTER	Y			Y		Y			
79	189	11/1/2022		511	11/1/2002	620	6/1/2019	HAINES BOROUGH	Y		Y	Y					
80	190	7/1/1980	746					KENAI PENINSULA BOROUGH SD	Y	Y			Y		Y	9/1/1960	
81	191	1/1/1981						CITY OF NORTH POLE	Y					Y			12/31/1980
82	192	3/1/1983						CITY OF GALENA	Y				Y		Y	7/1/1973	
83	193	12/1/1980						CITY OF NENANA	Y				Y		Y	9/8/1959	
84	195	9/1/2002	778					YUPIIT SD	Y	Y			Y		Y	9/1/1985	
85	196	7/1/1981	719					NENANA CITY SD	Y	Y			Y		Y	1/1/1955	
86	198	3/1/1983						CITY OF SAXMAN	Y				Y		Y	4/1/1972	
87	199	6/19/1984						CITY OF HOONAH	Y				Y		Y	12/1/1951	
88	200	7/1/1984						CITY OF PELICAN	Y				Y		Y	7/1/1958	
89	202	7/1/1984						CITY OF WHITTIER	Y					Y			
90	203	7/1/1974						ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY	Y				Y		Y	1/1/1952	
91	204	8/1/1984	705					CRAIG CITY SD	Y	Y			Y		Y	7/1/1956	

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
92	205	10/1/1984	744					DILLINGHAM CITY SD	Y	Y			Y		Y	9/1/1963	
93	206	10/1/1984				615	7/19/2020	CITY OF THORNE BAY	Y			Y		Y			
94	208	1/1/1985						CITY OF AKUTAN	Y				Y		Y	6/11/1980	
95	209	1/1/1985	729					UNALASKA CITY SD	Y	Y			Y		Y	9/1/1957	
96	211	1/1/1986	777					KASHUNAMIUT SD	Y	Y				Y			
97	215	5/15/1986				609	2/1/2019	CITY OF HOMER	Y			Y	Y		Y	4/13/1964	
98	218	9/1/1986	779	512	7/1/1998			SPECIAL EDUCATION SERVICE AGENCY	Y	Y	Y						
99	219	1/1/1970						BARTLETT REGIONAL HOSPITAL	Y				Y		Y	1/1/1964	
100	220	6/1/1986				616	1/1/2021	NORTHWEST ARCTIC BOROUGH	Y			Y		Y			
101	221	4/1/2020	748					SAINT MARY'S SD	Y	Y			Y		Y	7/1/1972	
102	222	11/1/1986						CITY OF SELAWIK	Y				Y		Y	7/1/1974	
103	223	4/1/1987						BRISTOL BAY HOUSING AUTHORITY	Y					Y			
104	224	5/1/1987		515	5/1/1987	612	8/1/2019	COPPER RIVER BASIN REGIONAL HOUSING AUTHORITY	Y		Y	Y					
105	225	7/1/1987	728					SKAGWAY CITY SD	Y	Y				Y			

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
106	227	11/1/1987						CITY OF KLAWOCK	Y				Y		Y	1/1/1966	
107	228	1/1/1975	724					PETERSBURG CITY SD	Y	Y				Y			
108	230	2/1/1988						ALEUTIANS EAST BOROUGH	Y					Y			
109	231	6/1/1998						CITY OF KIVALINA	Y					Y			
110	235	9/1/1988						CITY OF HUSLIA	Y				Y		Y	10/29/1974	
111	237	1/1/1989						CITY OF KALTAG	Y					Y			
112	240	7/1/1989	707	524	5/1/2012			HAINES BOROUGH SD	Y	Y	Y						
113	241	4/1/1989						CITY OF NOORVIK	Y				Y		Y	1/21/1976	
114	242	1/1/1988						CITY OF ELIM	Y				Y		Y	7/1/1973	
115	243	1/1/1989						CITY OF ATKA	Y					Y			
116	244	7/1/1989	780					ALEUTIANS EAST BOROUGH SD	Y	Y				Y			
117	246	7/1/1989	765					DELTA / GREELY SD	Y	Y			Y		Y	7/1/1976	
118	247	5/1/1989		517	3/1/1990	622	3/1/2022	LAKE AND PENINSULA BOROUGH	Y		Y	Y					
119	248	7/1/1989						CITY AND BOROUGH OF YAKUTAT	Y						Y	1/1/1958	
120	251	1/1/1990	717					KLAWOCK CITY SD	Y	Y			Y		Y	1/1/1956	
121	254	5/1/1990						CITY OF MEKORYUK	Y					Y			
122	255	7/1/1990	766			625	7/1/2019	ALASKA GATEWAY SD	Y	Y		Y	Y		Y	9/2/1976	
123	256	2/1/1991						CITY OF SAINT GEORGE	Y					Y			
124	257	7/1/1990						PELICAN CITY SD	Y	Y			Y		Y	7/1/1958	
125	258	12/7/1990		523	4/1/2020	606	8/1/2018	DENALI BOROUGH	Y		Y	Y					

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	Q	R	S
1	PERS #	PERS Effective Date	TRS #	SBS #	SBS Effective Date	DCP #	DCP Effective Date	EMPLOYER NAME	PERS	TRS	SBS	SOA DEFERRED COMP	All PERS Employees In Social Security (SS)	PERS Employees Not In SBS or Social Security (SS)	Section 218	Section 218 Effective Date	Section 218 Dissolution
126	259	7/1/1991						CITY OF ALLAKAKET	Y					Y			
127	260	12/1/1990						CITY OF KACHEMAK	Y					Y			
128	262	4/1/1992		518	5/1/1992			COOK INLET HOUSING AUTHORITY	Y		Y						
129	263	7/1/1992						INTERIOR REGIONAL HOUSING AUTHORITY	Y					Y			
130	264	7/1/1992	732					YAKUTAT SD	Y	Y					Y	1/1/1957	9/22/1992
131	265	11/1/1992	712			613	12/1/2019	KAKE CITY SD	Y	Y		Y	Y		Y	9/1/1962	
132	267	11/17/1993						ALEUTIAN HOUSING AUTHORITY	Y				Y		Y	3/31/1987	
133	270	2/1/1995						BERING STRAITS REGIONAL HOUSING AUTHORITY	Y					Y			
134	271	8/1/1955		519	8/1/1995			CITY OF EGEGIK	Y		Y						
135	275	7/1/1996						ILISAGVIK COLLEGE	Y				Y		Y	7/1/1972	
136	276	1/1/1998						NORTH PACIFIC RIM HOUSING AUTHORITY	Y				Y		Y	1/1/1951	
137	278	8/1/1998						SAXMAN SEAPORT	Y					Y			
138	279	10/1/1998						TLINGIT-HAIDA REGIONAL HOUSING AUTHORITY	Y					Y			
139	280	12/1/1998						CITY OF TOKSOOK BAY	Y				Y		Y	7/1/1973	
140	281	4/1/1999		513	9/1/1999	610	3/1/2019	BARANOF ISLAND HOUSING AUTHORITY	Y		Y	Y					
141	282	11/1/1999						CITY OF DELTA JUNCTION	Y				Y		Y	10/1/1974	
142	283	11/20/2001						CITY OF ANDERSON	Y				Y		Y	1/1/1976	
143	284	4/1/2001		514	1/1/2006	602	5/1/2018	INTER-ISLAND FERRY AUTHORITY	Y		Y	Y					
144	285	6/1/1987						CITY OF HOOPER BAY	Y					Y			
145	286	6/1/2001						CITY OF SELDOVIA	Y				Y		Y	1/1/1952	
146	287	7/1/1974						CITY OF KOYUK	Y					Y			
147	288	10/1/2001						NORTHWEST INUPIAT HOUSING AUTHORITY	Y					Y			
148	290	6/1/2002						CITY OF UPPER KALSKAG	Y					Y			
149	291	10/1/2002						CITY OF SHAKTOOLIK	Y					Y			
150	293	7/1/2004						TAGIUGMIULLU NUNAMIULLU HOUSING AUTHORITY	Y				Y		Y	7/1/2004	
151	296	10/1/2007						MUNICIPALITY OF SKAGWAY	Y				Y		Y	7/1/2010	
152	298	8/1/2008						CITY OF ANIAK	Y				Y		Y	3/31/2008	



State of Alaska Q1 2023 Call Center and Field Activity

Call center statistics

Q1 2023

	Jan-2023	Feb-2023	Mar-2023
Calls offered	2,648	2,311	2,457
Calls answered	2,571	2,205	2,332
Callback option chosen	56	77	90
Abandoned calls	21	29	35
Average speed of answer	0:00:17	0:00:22	0:00:30
Average abandon time	0:01:09	0:01:37	0:01:43
Average talk time	06:03	06:18	05:55

Top ten call reasons

- Separation from service eligibility/request
- Separation from service distribution status
- Trouble logging in
- Personal information change
- Form assistance
- Tax Inquiry
- Account Balance
- Tax Form Request
- Separation Form Assistance
- Deferral change

Call center survey

Call Survey Questions YTD-Q1 2023	Average Score of Completed Surveys	Participant Satisfaction (Scored either a 4 or 5)
Please rate your overall service experience with us today	4.38	84.3%
Please rate your overall satisfaction with the rep you spoke with	4.46	86.2%
To what extent do you agree or disagree with the following statement: The company made it easy for me to handle my issue	4.19	79.3%
Total Surveys Completed: 500	4.34	83.3%

Q1 2023 Field updates

Group Meetings



- 8 virtual group meetings
- 456 attendees

Individual Meetings



- 521 comprehensive retirement readiness reviews
 - 176 in person & 345 virtual
- 293 individual meetings
 - 73 in person & 220 virtual

Net promoter score



- 189 survey responses
- Net Promoter Score = 83*

New 457 plan adopters



- Juneau Borough School District

5 Retirement Plan Advisors (RPAs) dedicated to the State of Alaska – RPAs located in Juneau (1), Fairbanks (1), Anchorage (3)

**Net promoter score measures customer experience. According to Bain & Company, the creator of NPS, above 20 is considered favorable, above 50 is excellent and above 70 is world class*

Field survey questions

How likely are you to refer Empower?

How would you rate the person you met?

How many years to Retirement?

Did you take action?

Do you feel like you gained value?

- Surveys are sent out to participants after each one-on-one interaction with our field representatives.
- Results are sent to Empower leadership to review.
- If additional questions or concerns are noted in the survey response by the participant, Empower field leadership or the field team will reach out to the participant to provide further assistance.



Thank you



PLAN PERFORMANCE INSIGHTS
Multiple plan summary

As of 3/31/2023

State of Alaska

List of plans

4 Included plans

The insights presented in this report are a summarization of the individual results from the plans listed below

98214-01	State of Alaska Deferred Compensation Plan
98214-03	State of Alaska Supplemental Annuity Plan
98214-04	State of Alaska Public Employees' Retirement System (PERS) Defined Contribution Retirement Plan
98214-05	State of Alaska Teachers' Retirement System (TRS) Defined Contribution Retirement Plan



Executive summary

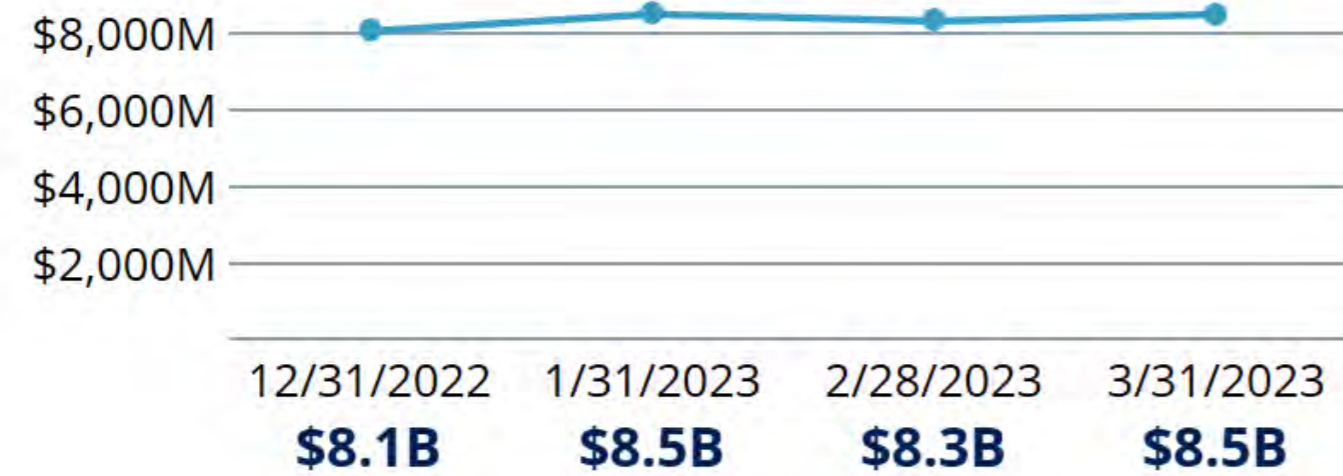
As of 3/31/2023

Participant assets



\$8,522,019,044

Trending

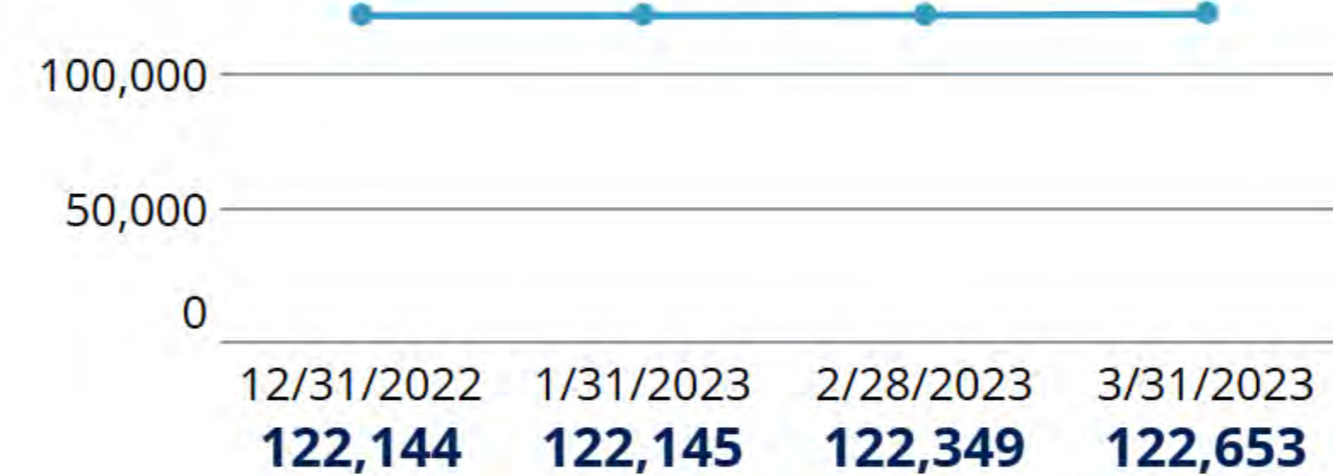


Participants with a balance



122,653

Trending



Overview

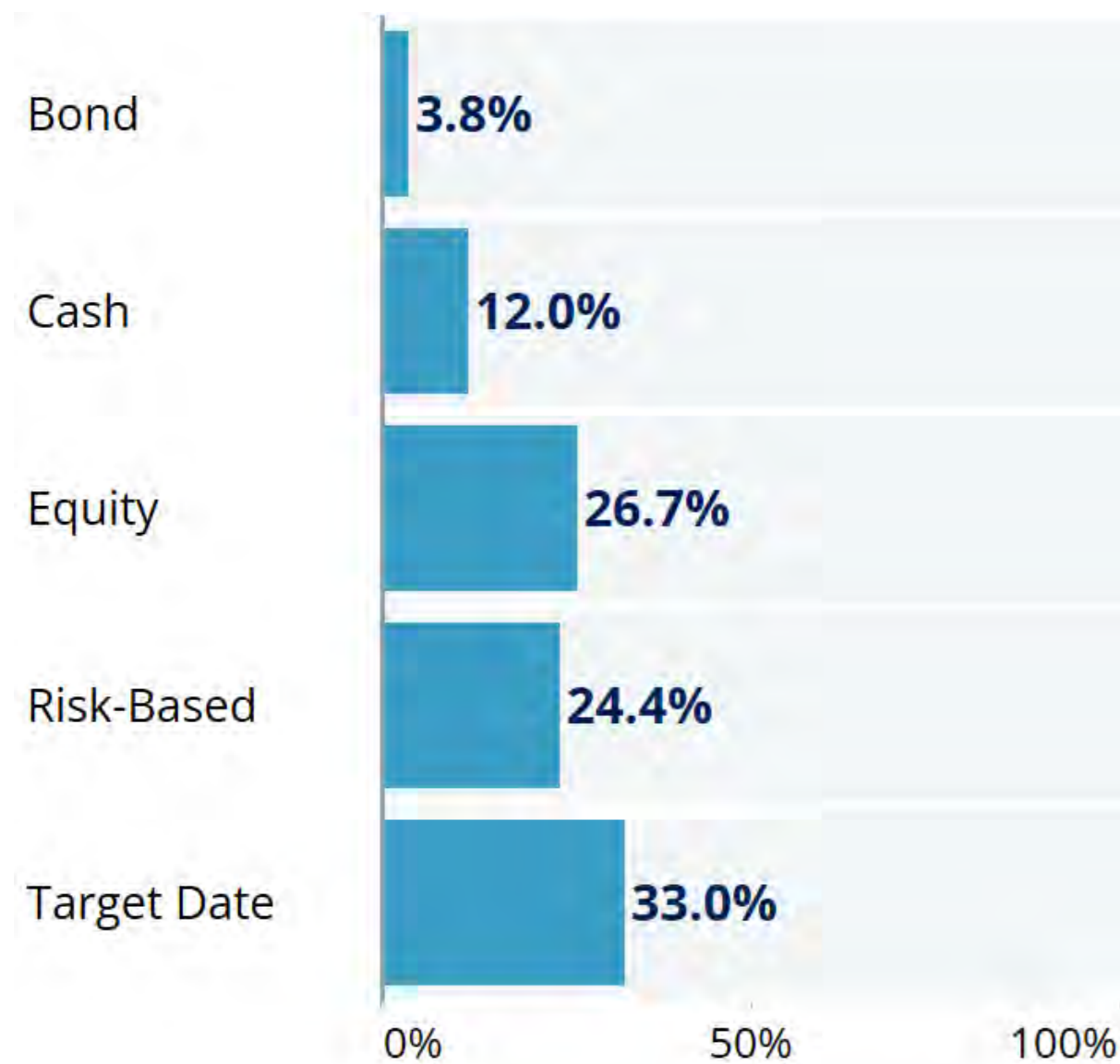
The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.

Executive summary

As of 3/31/2023



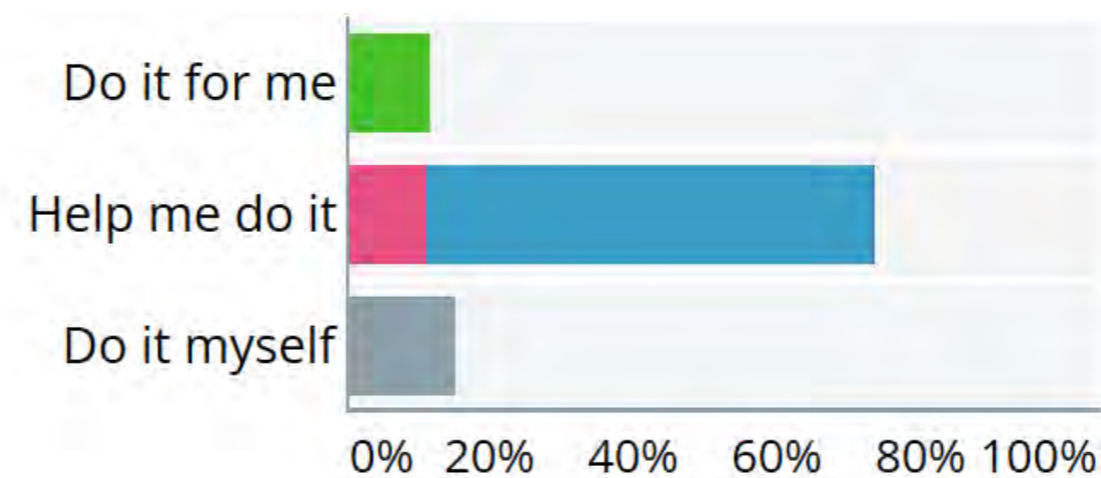
Allocations by fund category



- ▶ The largest fund category by participant assets is **Target Date** which has **\$2,815,310,344** invested.
- ▶ The smallest fund category by participant assets is **Bond** which has **\$327,127,157** invested.



Investment strategy utilization



Investment strategy	% of Participants
My Total Retirement	11.6%
Online Advice	0.0%
Target date strategy	62.0%
Risk based strategy	11.2%
Do-it-yourself strategy	15.1%

The investment strategy utilization is based on a total of **122,653** participants with a balance across the **4** plans included in this report.



Average balance

\$69,481

Trending



12/31/2022	1/31/2023	2/28/2023	3/31/2023
\$66,222	\$69,825	\$68,224	\$69,481

The average account balance is based on a total of **122,653** participants with a balance greater than \$0 across the **4** plans included in this report.



Cash flow

As of 3/31/2023

Year-to-date participant activity summary



Total contributions

\$134,991,731



Disbursements

-\$121,978,968



Net Activity

\$13,012,763

Impact on balances

	12/1/2022 - 12/31/2022	1/1/2023 - 1/31/2023	2/1/2023 - 2/28/2023	3/1/2023 - 3/31/2023
Beginning balance	\$8,347,960,933	\$8,088,592,087	\$8,528,755,698	\$8,347,110,636
Contributions	\$42,825,387	\$48,249,375	\$41,031,747	\$45,710,609
Disbursements	-\$33,759,906	-\$50,989,615	-\$33,044,366	-\$37,944,987
Fees ¹	-\$798,804	-\$2,479,075	-\$2,074,369	-\$973,888
Loans issued	\$0	\$0	\$0	\$0
Loan payments	\$0	\$0	\$0	\$0
Other ²	\$354	\$31	-\$332,674	-\$114
Change in value	-\$267,637,598	\$445,382,894	-\$187,225,397	\$168,116,790
Ending Balance	\$8,088,590,363	\$8,528,755,698	\$8,347,110,636	\$8,522,019,044

Overview

Cash flow includes all inflows and outflows of dollars from the plan by active and separated from service participants as applicable and the impact of cash flow on participant balances.

¹Fees may include but are not limited to: transactional and plan administrative fees

²Other includes 'Transfer In', 'Transfer Out', 'Adjustments'

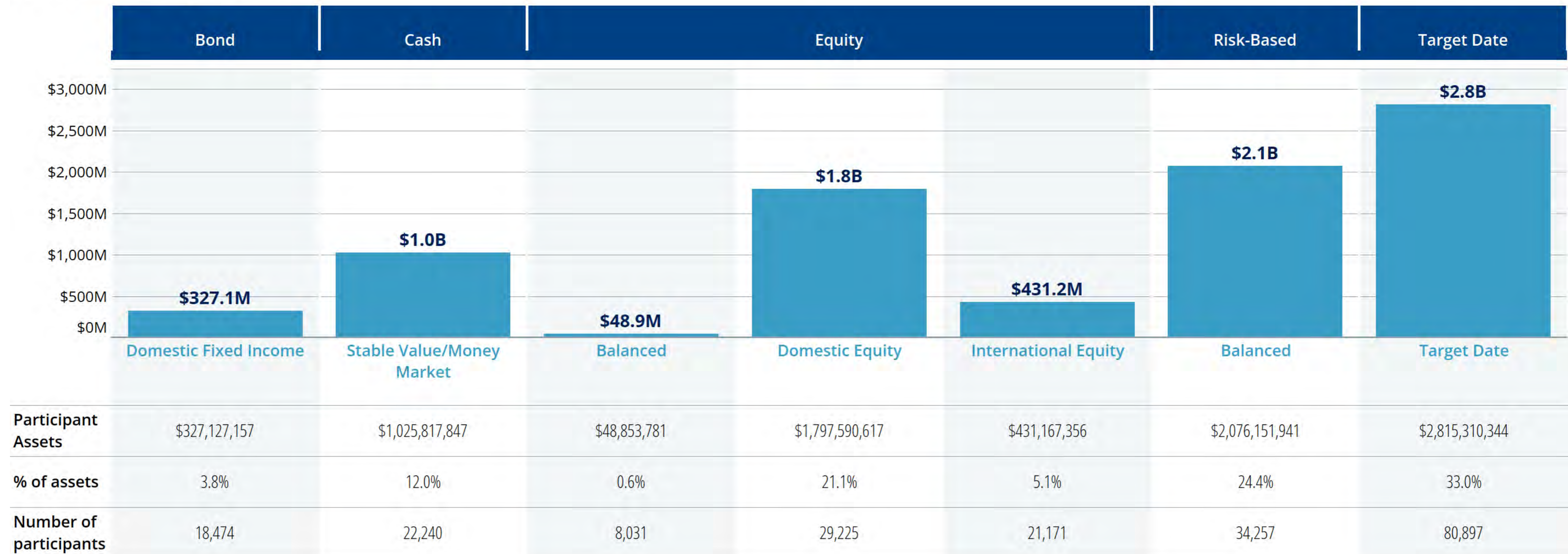


Asset allocation

As of 3/31/2023

The balances and number of participants presented below are based on all participants with a balance. When applicable, any outstanding loan amounts are not included as part of a participant's account balance.

Participant assets by asset class





Investment strategy utilization

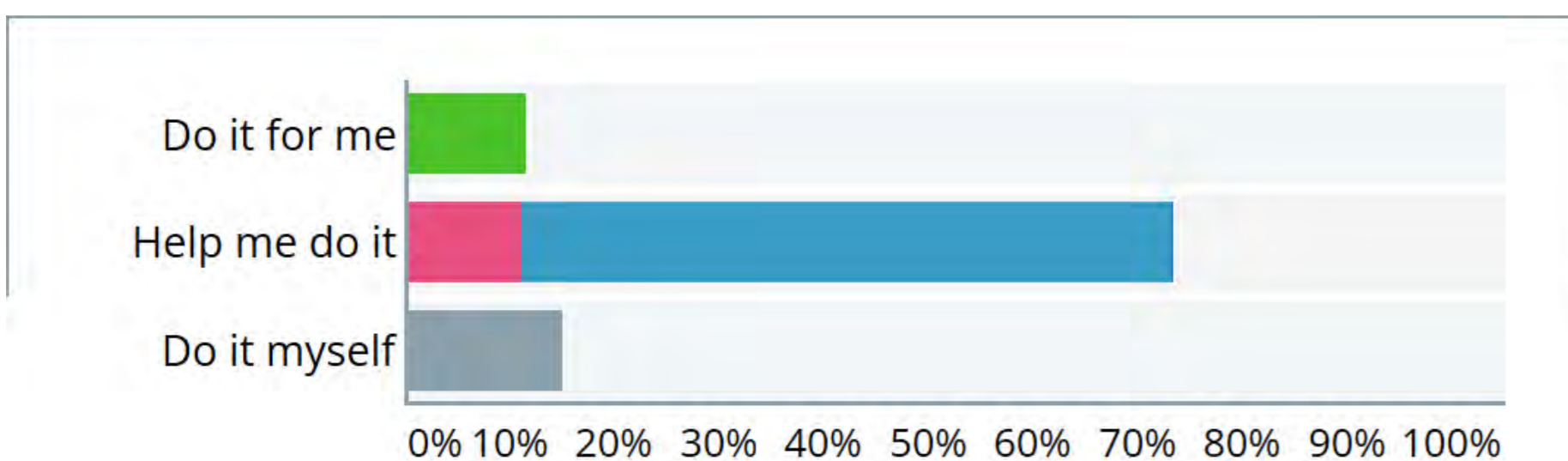
As of 3/31/2023



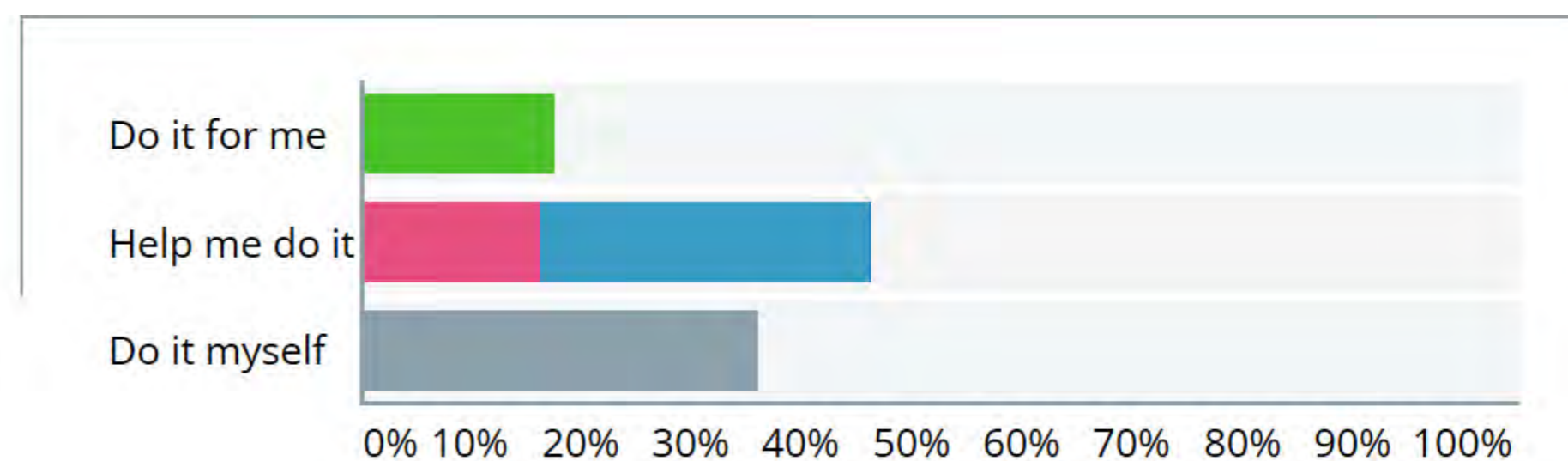
Participants by strategy



Participant assets by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	11.6%	14,173
Online Advice	0.0%	49
Target date strategy	62.0%	76,106
Risk based strategy	11.2%	13,771
Do-it-yourself strategy	15.1%	18,554



Investment strategy	% of assets	Assets	Average balance
My Total Retirement	17.64%	\$1,503,408,899	\$106,076
Online Advice	0.12%	\$10,612,758	\$216,587
Target date strategy	29.76%	\$2,536,375,762	\$33,327
Risk based strategy	16.38%	\$1,395,932,748	\$101,368
Do-it-yourself strategy	36.09%	\$3,075,688,878	\$165,770

Overview

The investment strategy utilization is based on all participants that have a balance greater than \$0. Each participant is assigned a single investment strategy to provide insights on how plan investment features are being used.

When a participant is assigned a strategy, 100% of their balance is grouped within that strategy even if they have a diverse investment mix. Additionally, each participants' strategy is reevaluated and assigned every month so a participant may move in and out of the different strategies from month to month.

For the full list of investment strategies and definitions, please refer to the glossary.



Target date strategy is the investment strategy utilized by the most participants with **62.0%** of participants using this strategy.

However, this strategy holds a smaller share of assets with only **29.8%** of assets.



Contribution activity

As of 3/31/2023

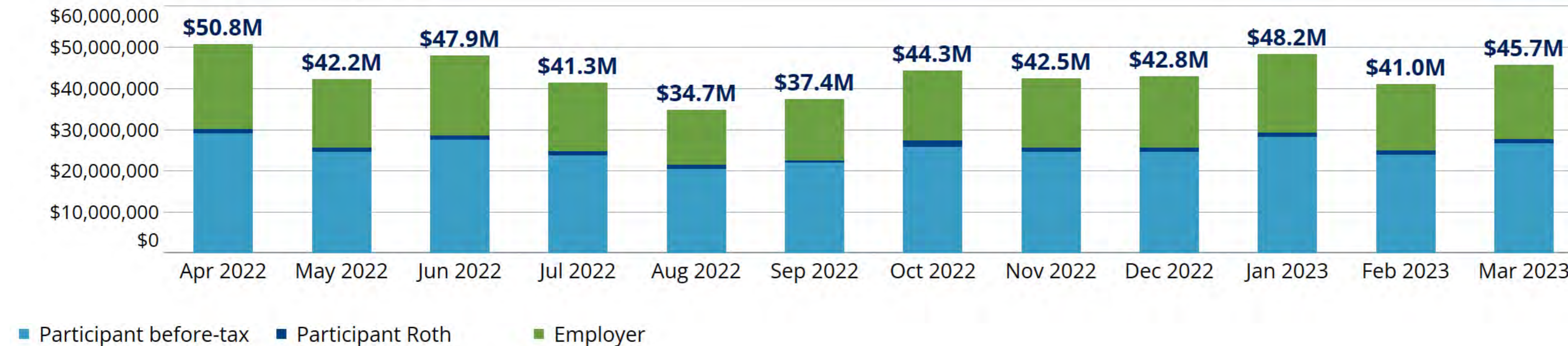
Total contributions at-a-glance

	Participant before-tax	Participant Roth	Employer	Total
Year to date total contributions	\$78,703,190	\$3,182,658	\$53,105,884	\$134,991,731
Rolling 12 months total contributions	\$301,167,343	\$12,184,620	\$205,482,706	\$518,834,670

Overview

The contribution activity details show the total of new money into participant accounts. The contributions can originate via ongoing payroll contributions, one-time contributions, employer contributions, and rollovers.

Total contribution amounts by month





Distribution activity

As of 3/31/2023

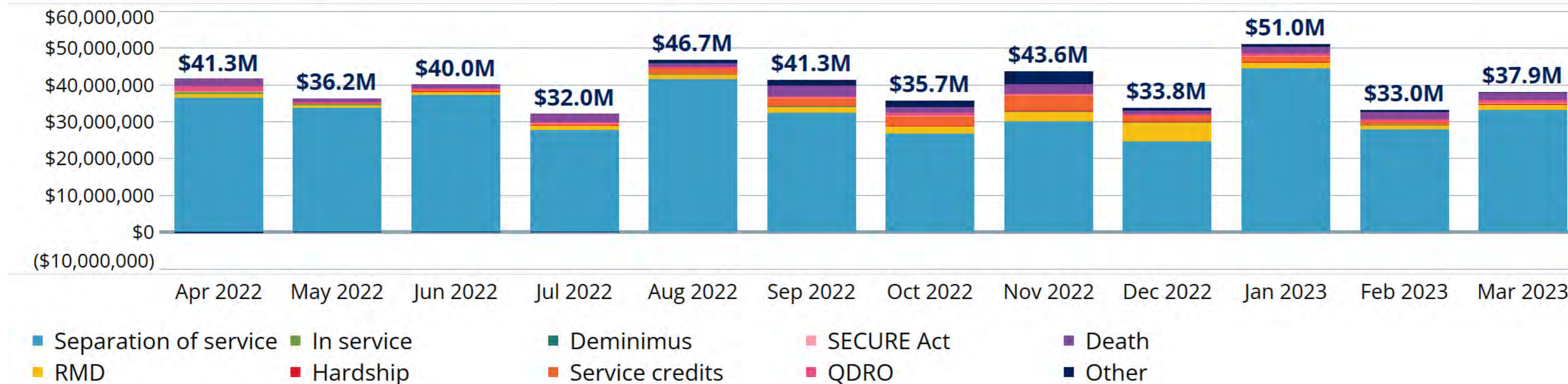
Distribution activity at-a-glance

		Separation of service	RMD	In service	Hardship	Deminim..	Service credits	SECURE Act	QDRO	Death	Other	Total
Year to date	Amount	\$105.5M	\$3.7M	\$756.4K	\$29.5K	\$0	\$2.8M	\$9.3K	\$2.1M	\$5.8M	\$1.3M	\$122.0M
	Transactions	5,386	949	34	4		81	3	88	249	56	6,850
Rolling 12 months	Amount	\$395.3M	\$20.4M	\$2.6M	\$240.3K	\$4.9K	\$16.4M	\$48.7K	\$6.9M	\$21.3M	\$9.3M	\$472.4M
	Transactions	20,848	4,078	113	20	1	419	13	313	1,029	488	27,322

Overview

The distribution activity details show the activity for all actively employed and separated from service participants.

Total distribution amounts by month



Glossary of terms

Term	Description
Balance	Participant assets is the summation of all the participant balances. (Excludes any loan balances). Plan assets is the summation of all plan balances such as forfeitures. Total assets is the summation of all participant and plan balances.
Cash flow	Participant activity illustrated is for the specified timeframe and includes all contributions and distributions. The difference in the beginning balance and ending balance is the result of adding and subtracting the following cash flow activity events: Contributions, disbursements, participant fees, loans issued, loan payments, transfers, adjustments, dividends, and gain/loss to reflect the ending balance.
Contribution activity	Contributions includes all new participant account money such as: contributions via payroll, one-time contributions, employer contributions and rollovers. Contributions are illustrated as participant and employer funded and participant contributions are further broken down as before-tax, Roth and after-tax contributions when applicable. The contribution activity will match the contribution totals illustrated on the Cash Flow slide.
Contribution rate	Includes all actively employed and eligible participants with a deferral election on the recordkeeping system. The rates reflected include percentage elections in addition to flat dollar elections when we have a salary for the participant as those dollar elections are converted to percentage elections. The average contribution rate is calculated by adding together all before-tax, Roth, after-tax, and catch-up elections on the recordkeeping system and dividing that by the number of participants with a deferral election greater than 0.
Distribution activity	Distributions includes all active and terminated participants. The distribution categories are derived from the methods in which assets are removed from the plan. The categories may include: Deminimis, Hardship, Death, Housing allowance, In-service, QDRO, Required minimum distributions (RMD), Separation of service, Service credits, CARES Act, SECURE Act and Other*. <i>*'Other' is a combination of typically infrequently used distributions such as but not limited to: contract exchanges, disability, 1035 exchanges, defined benefit payout, dividend payment, early distribution penalty, transfer to an IRA, Roth conversions, etc.</i>

Glossary of terms

Term	Description
Investment strategy	<p>Investment strategy includes all active and terminated participants with a balance. Every participant with a balance is assigned one investment strategy based on the investment features utilized in their account. Each strategy classification is exclusive, meaning a participant is only included in one group as of the last day of the reporting period.</p> <p>Participants with multiple investments across various asset classes are always assigned one strategy. Therefore, the balances and participant counts by investment option will not match the assets and participant counts for the related investment strategy. Several investment strategy classifications may encompass multiple asset classes or plan features/services so any participant using a particular fund may not get counted under that fund's related investment strategy.</p> <p><u>Do it for me</u></p> <ul style="list-style-type: none">• Managed Account users- Assigned to any participant enrolled in the managed accounts service <p><u>Help me do it</u></p> <ul style="list-style-type: none">• Online Advice- Assigned to any participant utilizing the online advice service within managed accounts• Asset allocation model strategy- Assigned to any participant enrolled in a model portfolio• Target date strategy- Assigned to any participant with greater than 95% of their assets in one or two target date funds. 5% of their remaining balance may be invested in funds from other asset classes.• Risk based- Assigned to any participant with greater than 95% of their assets in one or two risk-based funds. 5% of their remaining balance may be invested in funds from other asset classes. <p><u>Do it myself</u></p> <ul style="list-style-type: none">• Brokerage- Assigned to any participant utilizing the self-directed brokerage option for a portion of their balance. Their remaining balance may be invested in any funds. N/A for State of Alaska.• Do it yourself- Assigned to any participant that is not classified in any of the above investment strategies.



Thank you



PLAN PERFORMANCE INSIGHTS
As of 3/31/2023

98214-01

State of Alaska Deferred Compensation Plan



Executive summary

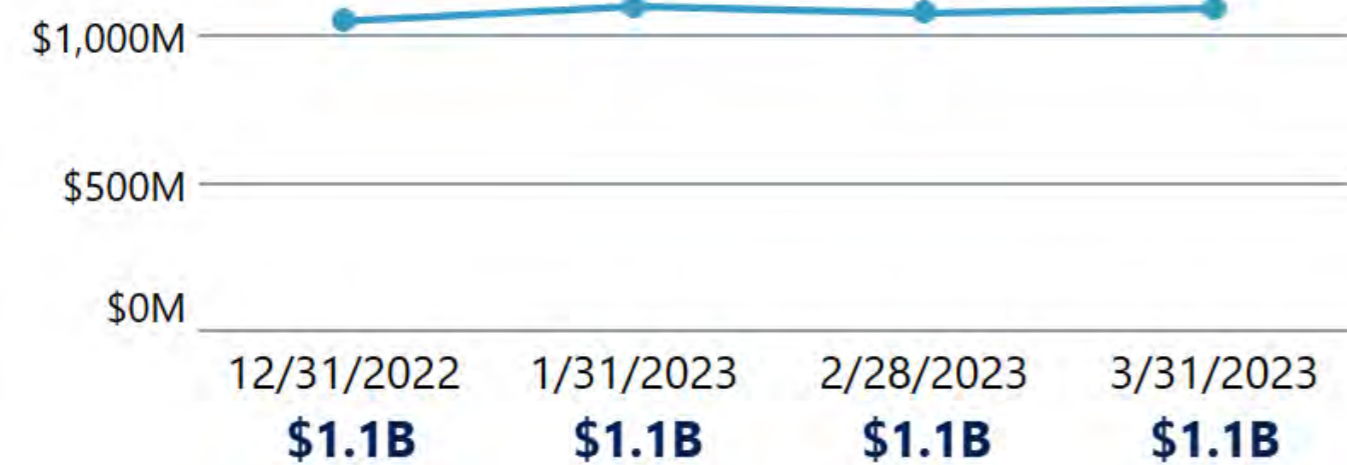
As of 3/31/2023

Participant assets



\$1,092,902,153

Trending

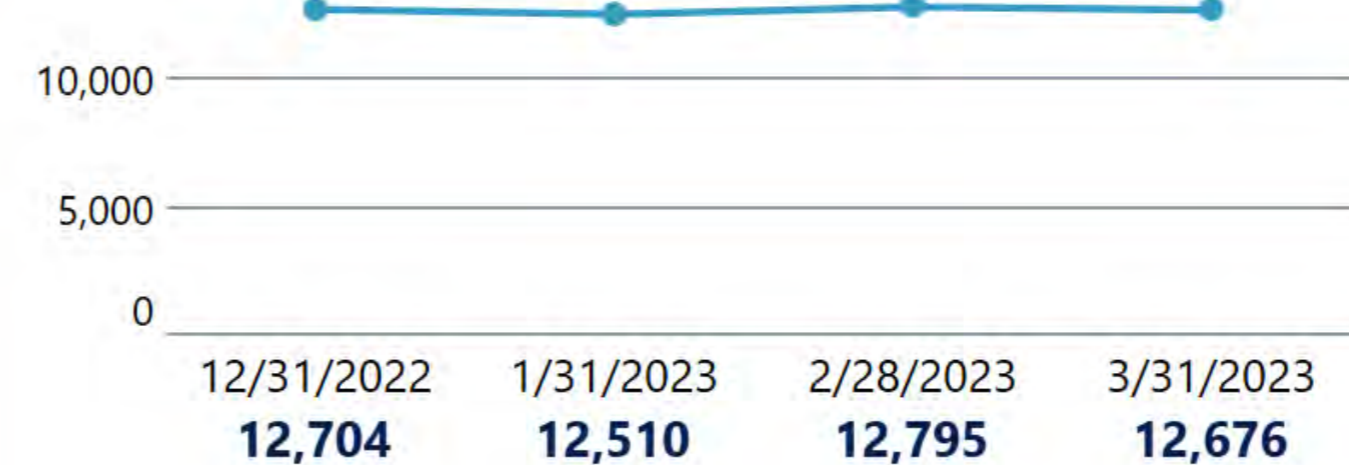


Participants with a balance



12,676

Trending



Overview

The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.

Executive summary

As of 3/31/2023



Average balance

\$86,218

Benchmark
\$59,840

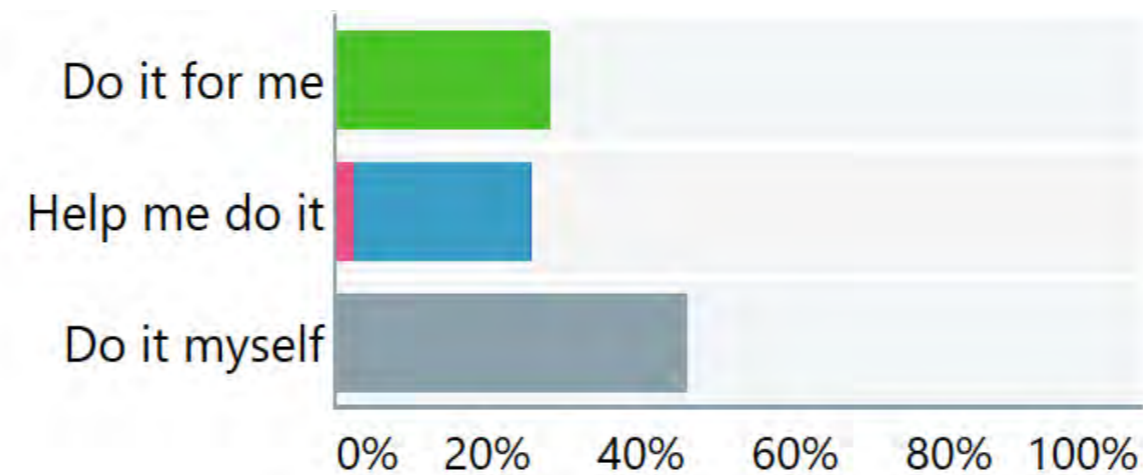
Top 10%
\$94,177

\$86,218 is the average account balance for all participants that have a balance as of month end. This is above the benchmark by **\$26,378** and is below the top 10% of peers by **\$7,959**.

Trending



Investment strategy utilization

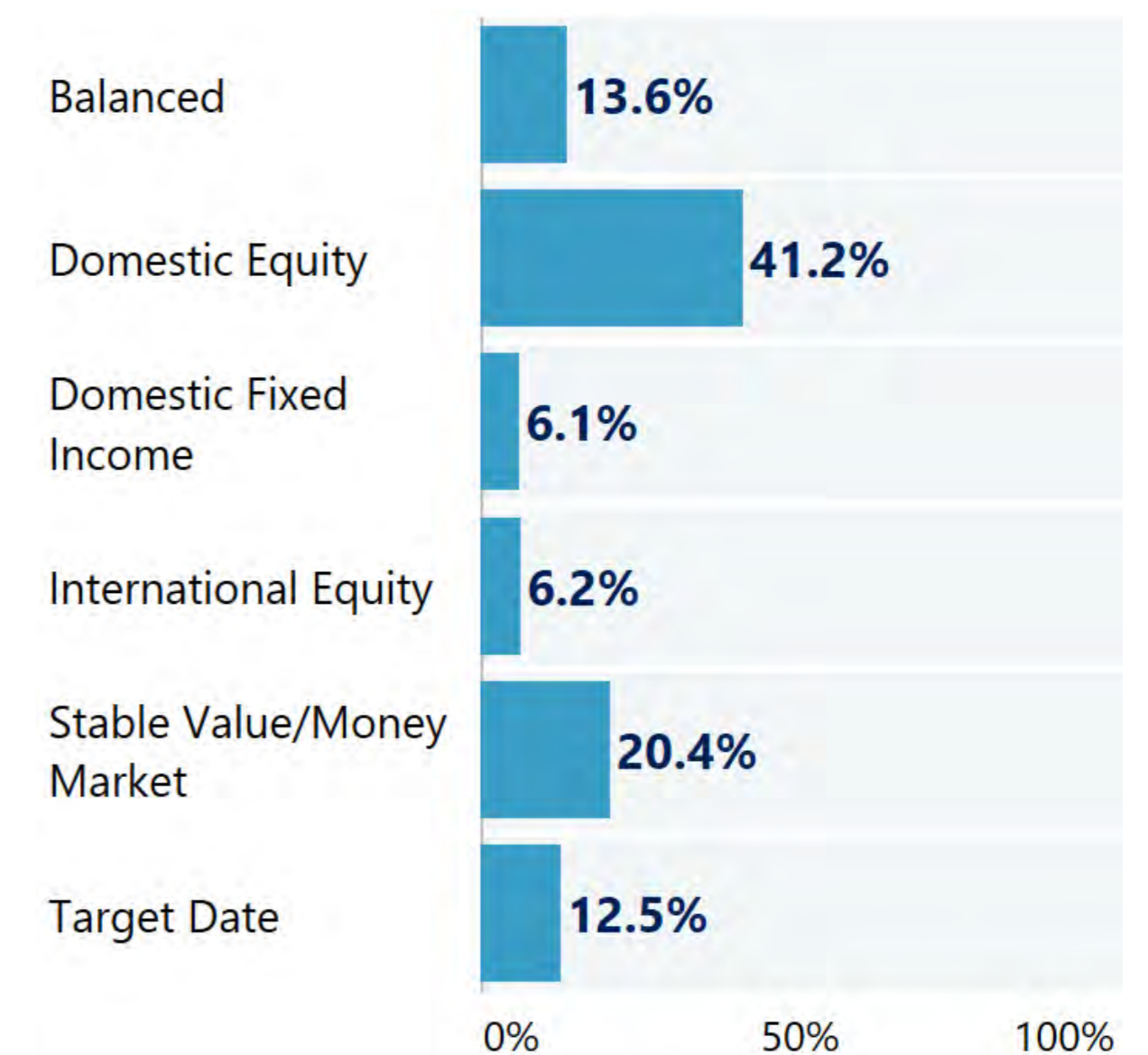


Do-it-yourself strategy is the investment strategy utilized by the most participants with **46.0%** of participants classified as using this strategy.

Investment strategy	% of Participants
My Total Retirement	28.3%
Online Advice	0.1%
Target date strategy	23.0%
Risk based strategy	2.6%
Do-it-yourself strategy	46.0%



Allocations by asset class



Domestic Equity is the asset class that holds the largest share of participant assets. **\$449,774,974** is invested in **Domestic Equity** which represents **41.2%** of participant assets.

Executive summary

As of 3/31/2023

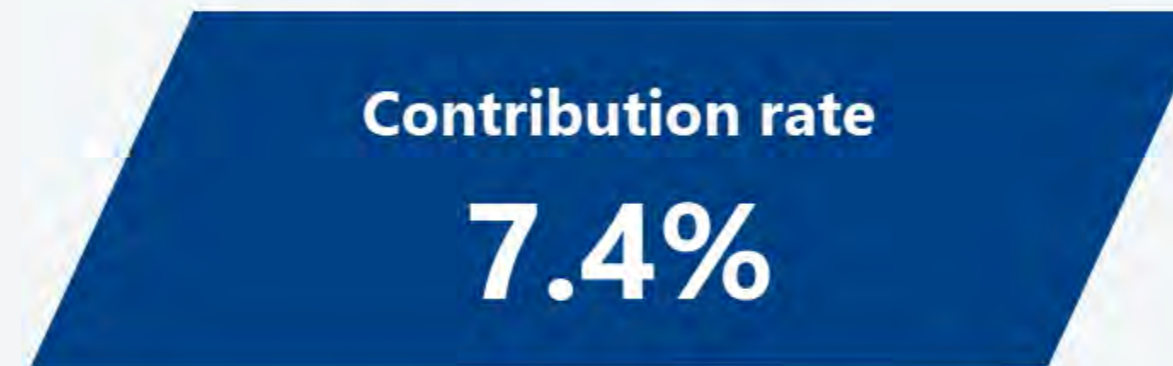
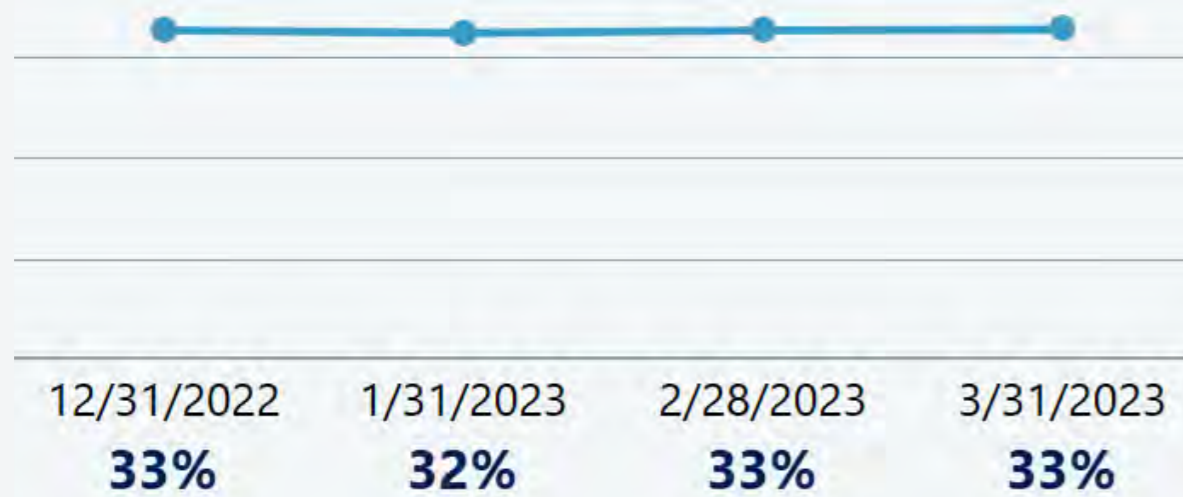


Benchmark
48%

Top 10%
87%

33% of eligible participants have a contribution rate setup as of month end. This is below the benchmark by **15%** and is below the top 10% of peers by **54%**.

Trending

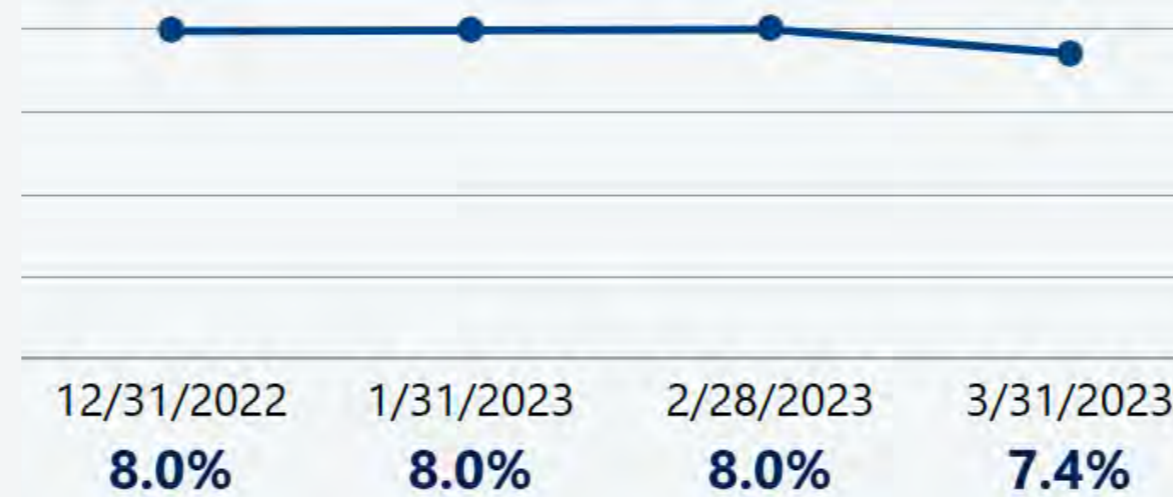


Benchmark
7.4%

Top 10%
9.4%

7.4% is the average contribution rate for participants that have a contribution rate set up as of month end. This matches the benchmark of **7.4%** and is below the top 10% of peers by **2.0%**.

Trending



Benchmark
14.8%

Top 10%
21.8%

21.1% of participants are contributing over 10%. This is above the benchmark by **6.3%** and is below the top 10% of peers by **0.7%**. This is based on the population of participants that have a contribution rate set up as of month end.

Trending





Cash flow

As of 3/31/2023

Year-to-date participant activity summary



Total contributions

\$12,322,026



Disbursements

-\$20,283,364



Net Activity

(\$7,961,338)

Overview

Cash flow includes all inflows and outflows of dollars from the plan by active and separated from service participants as applicable and the impact of cash flow on participant balances.

¹Fees may include but are not limited to: transactional and plan administrative fees

²Other includes 'Transfer In', 'Transfer Out', 'Adjustments'

Impact on balances

	12/1/2022 - 12/31/2022	1/1/2023 - 1/31/2023	2/1/2023 - 2/28/2023	3/1/2023 - 3/31/2023
Beginning balance	\$1,089,615,942	\$1,050,531,643	\$1,099,567,579	\$1,077,077,274
Contributions	\$4,044,553	\$3,996,013	\$4,179,757	\$4,146,256
Disbursements	-\$7,023,287	-\$9,046,651	-\$5,514,801	-\$5,721,912
Fees ¹	-\$99,875	-\$607,485	-\$99,548	-\$93,576
Loans issued	\$0	\$0	\$0	\$0
Loan payments	\$0	\$0	\$0	\$0
Other ²	\$0	\$0	\$0	-\$6
Change in value	-\$36,005,689	\$54,694,059	-\$21,055,712	\$17,494,117
Ending Balance	\$1,050,531,643	\$1,099,567,579	\$1,077,077,274	\$1,092,902,153

Participation rate

As of 3/31/2023

Participation rate comparison

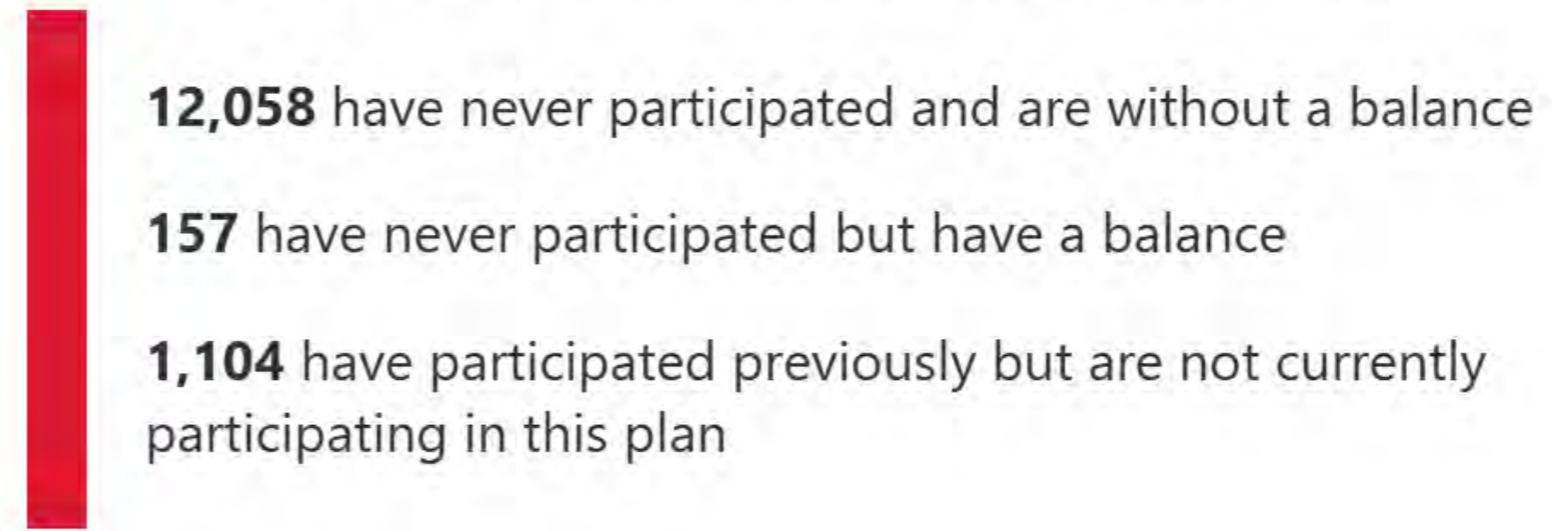


Benchmark
48%

Top 10%
87%

- 6,485 eligible individuals are participating in this plan
- 13,319 eligible individuals are not participating in this plan as of month end

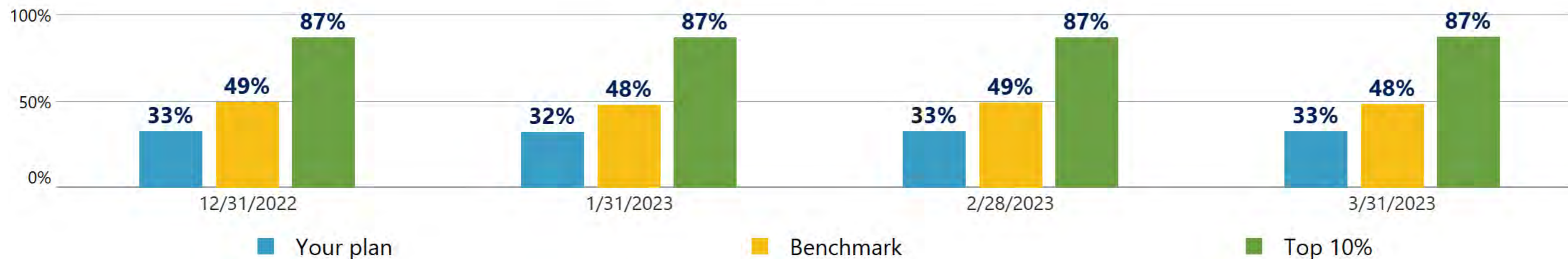
Overview of those who are not participating



Overview

The participation rate represents the percent of actively employed and eligible individuals participating in the plan; this figure is derived by dividing the total number of participants with a regular ongoing active deferral as a percent or flat dollar amount on file by the total number of eligible participants.

Participation rate comparison over time





Contribution rate

As of 3/31/2023

Contribution rate comparison

Average
7.4%

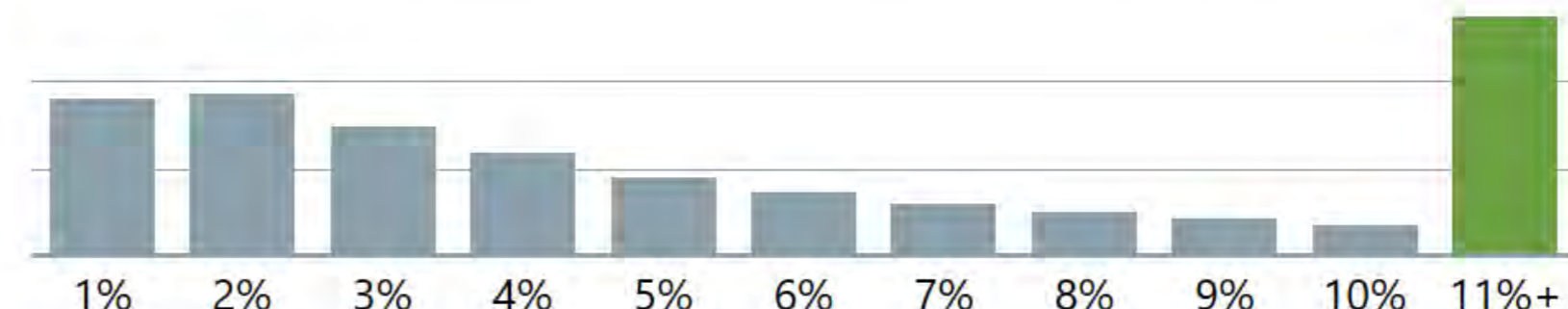
Median
4.4%

The average and median contribution rates for your plan are based on **6,358** participants.

Benchmark
7.4%

Top 10%
9.4%

Distribution of contribution rates



21.1% (1,367) of participants are contributing over 10%. This compares to the benchmark which is **14.8%** and the top 10% which is **21.8%**.

Number of participants by contribution rate over time

	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%+
3/31/2023	901	933	739	595	446	369	301	254	213	178	1,367
2/28/2023	571	630	497	392	335	229	217	165	140	128	929
1/31/2023	573	636	497	385	337	210	212	161	130	131	899
12/31/2022	568	629	476	375	322	203	184	152	138	119	841

Overview

The contribution rates presented represent the average and median rates of all regular and ongoing percentage deferrals on file for actively employed participants. Flat dollar deferrals are also included for all participants for which we have a salary.



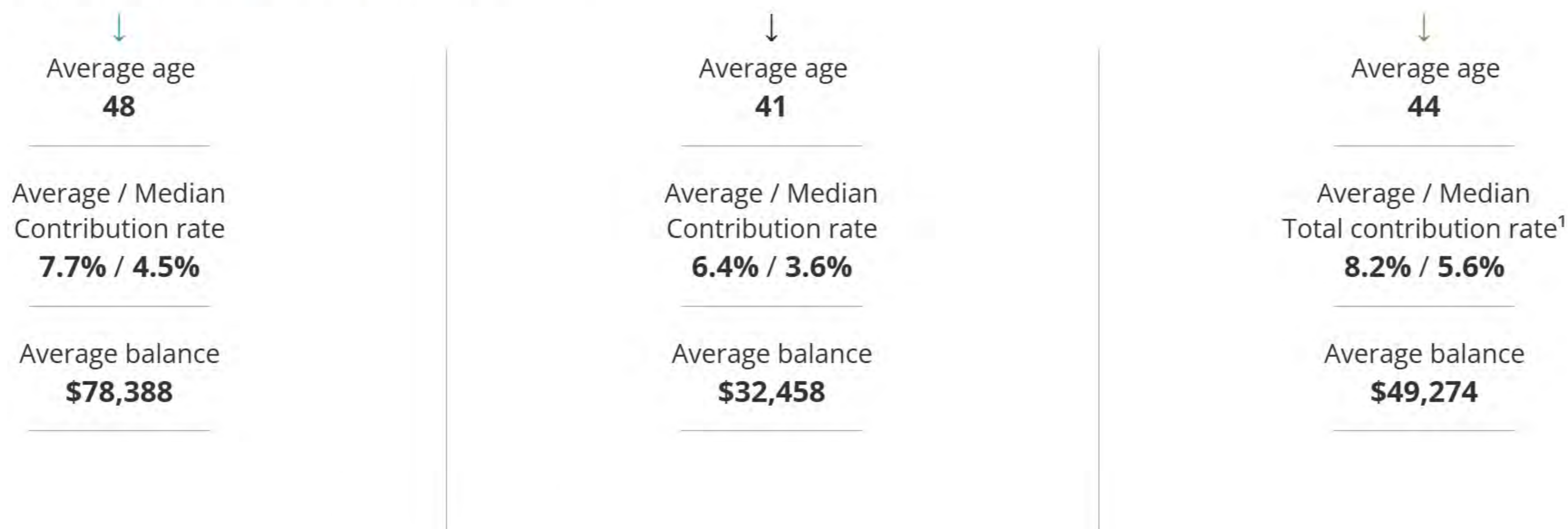
Money type utilization

As of 3/31/2023

Population of participants by their money type strategy for deferral elections



Insights into the above populations of participants



Overview

The contribution rates presented represent the average and median rates of all regular and ongoing percentage deferrals on file for actively employed participants. Flat dollar deferrals are also included for all participants for which we have a salary.

¹The average/median contribution rates by source for these participants are: **Before-tax-** 4.3% / 2.7% **Roth-** 3.9% / 2.4%



Contribution activity

As of 3/31/2023

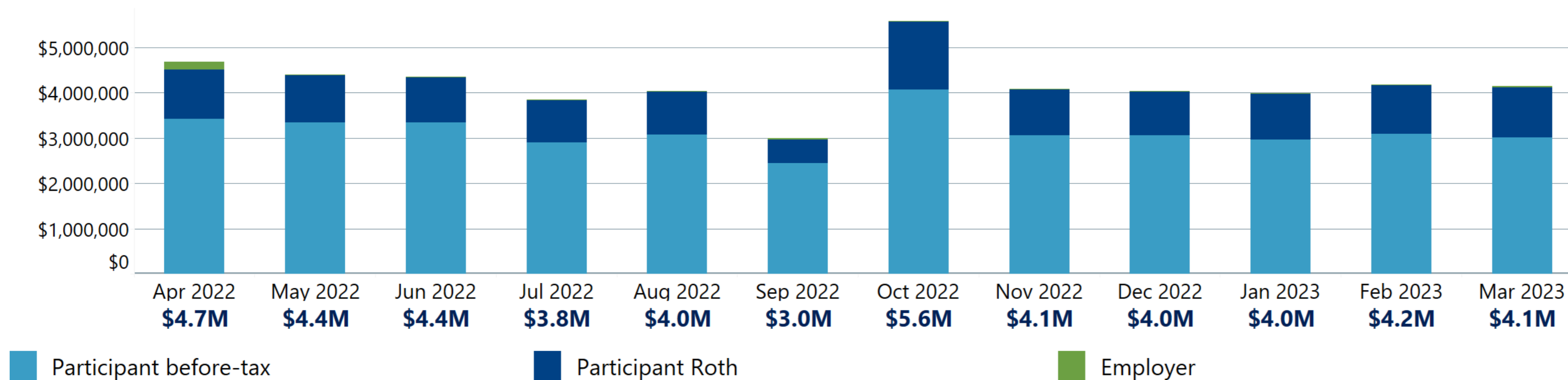
Total contributions at-a-glance

	Participant before-tax	Participant Roth	Employer	Total
Year to date total contributions	\$9,073,509	\$3,182,658	\$65,859	\$12,322,026
Rolling 12 months total contributions	\$37,773,784	\$12,184,620	\$404,578	\$50,362,982

Overview

The contribution activity details show the total of new money into participant accounts. The contributions can originate via ongoing payroll contributions, one-time contributions, employer contributions, and rollovers.

Total contribution amounts by month



Distribution activity

As of 3/31/2023

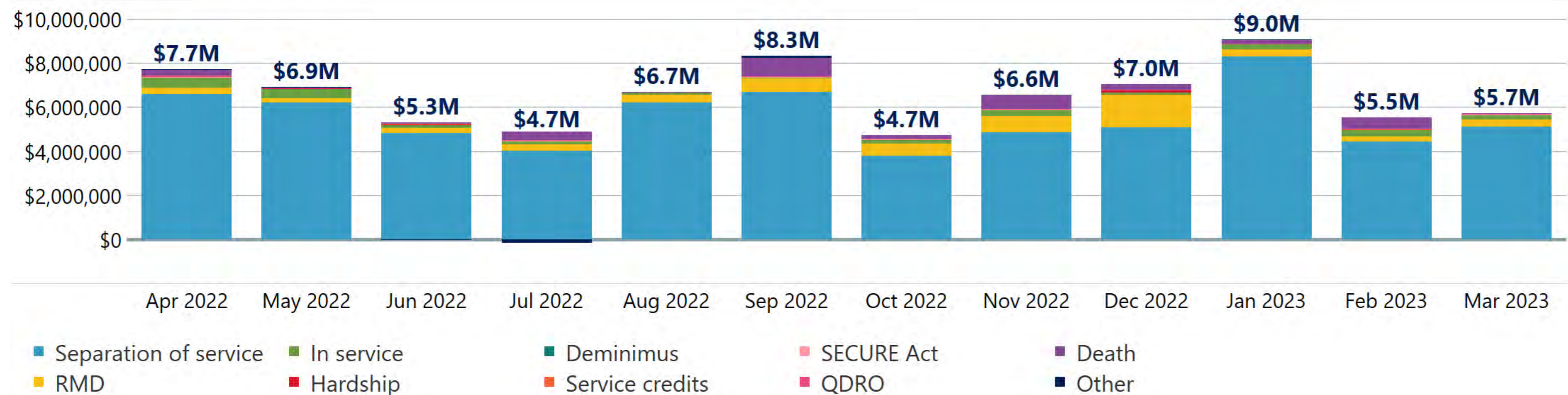
Distribution activity at-a-glance

		Separation of service	RMD	In service	Hardship	Deminimus	Service credits	SECURE Act	QDRO	Death	Other	Total
Year to date	Amount	\$17.9M	\$838.9K	\$756.4K	\$29.5K	\$0	\$37.9K	\$9.3K	\$54.7K	\$694.1K	\$8.0K	\$20.3M
	Transactions	1,110	344	34	4		7	3	4	53	1	1,560
Rolling 12 months	Amount	\$66.1M	\$5.6M	\$2.6M	\$240.3K	\$4.9K	\$79.8K	\$48.7K	\$209.1K	\$3.4M	\$5.6K	\$78.3M
	Transactions	4,337	1,473	113	20	1	15	13	11	199	12	6,194

Overview

The distribution activity details show the activity for all actively employed and separated from service participants.

Total distribution amounts by month



Participant balances

As of 3/31/2023

Account balances comparison



The average and median account balance for your plan is based on **12,676** participants

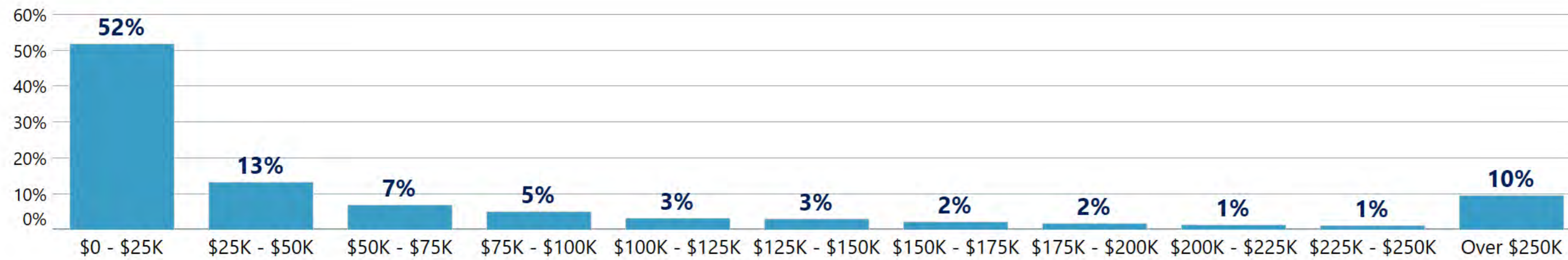
Account balances by employment status

Active	Average balance	\$63,924
	Median balance	\$17,815
	# of participants	7,625
Separated from service	Average balance	\$119,873
	Median balance	\$36,193
	# of participants	5,051

Overview

The average and median participant account balance is based on the balance of all actively employed and separated from service plan participants. The balances do not include any outstanding loan amounts.

Distribution of account balances





Investment strategy utilization

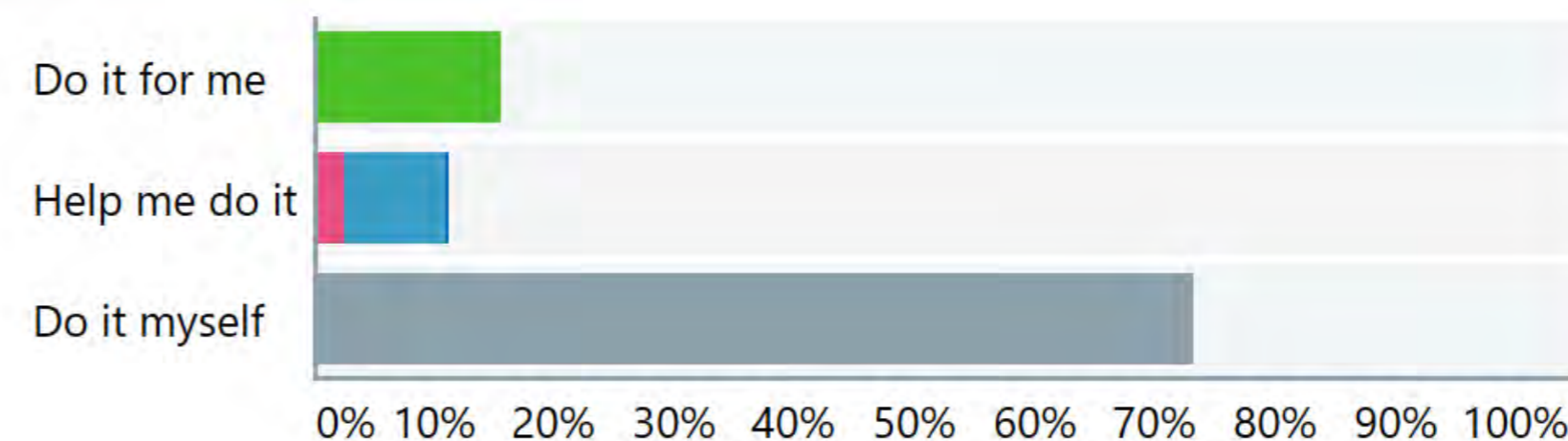
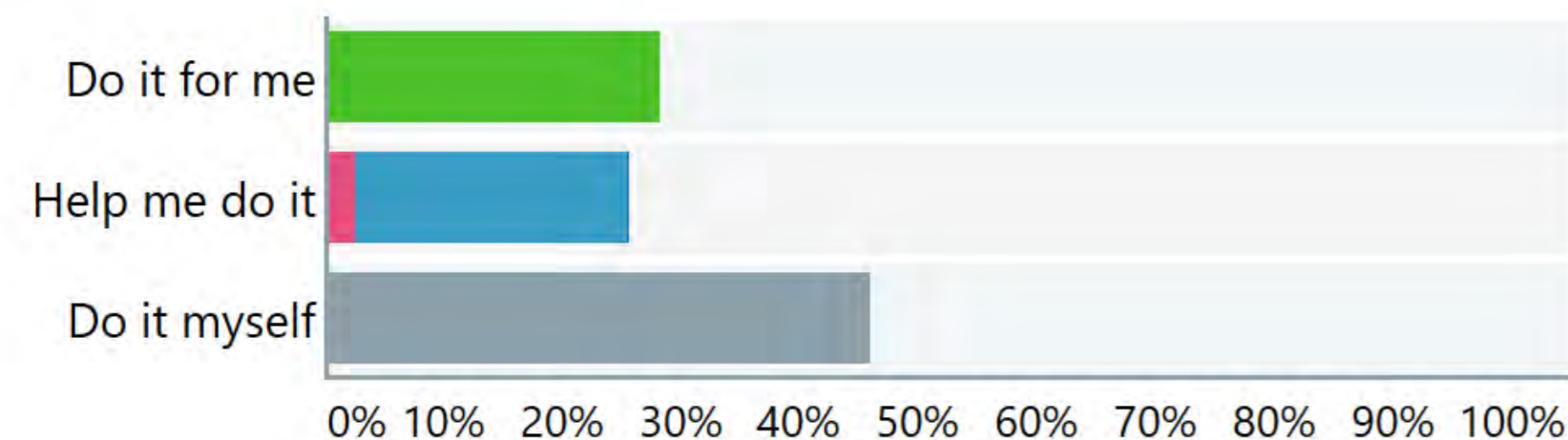
As of 3/31/2023



Participants by strategy



Participant assets by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	28.3%	3,583
Online Advice	0.1%	17
Target date strategy	23.0%	2,912
Risk based strategy	2.6%	331
Do-it-yourself strategy	46.0%	5,833

Investment strategy	% of assets	Assets	Average balance
My Total Retirement	15.6%	\$170,653,902	\$47,629
Online Advice	0.3%	\$2,993,912	\$176,112
Target date strategy	8.4%	\$91,730,108	\$31,501
Risk based strategy	2.5%	\$27,848,101	\$84,133
Do-it-yourself strategy	73.2%	\$799,676,129	\$137,095

Overview

The investment strategy utilization is based on all participants actively employed and separated from service with a balance.



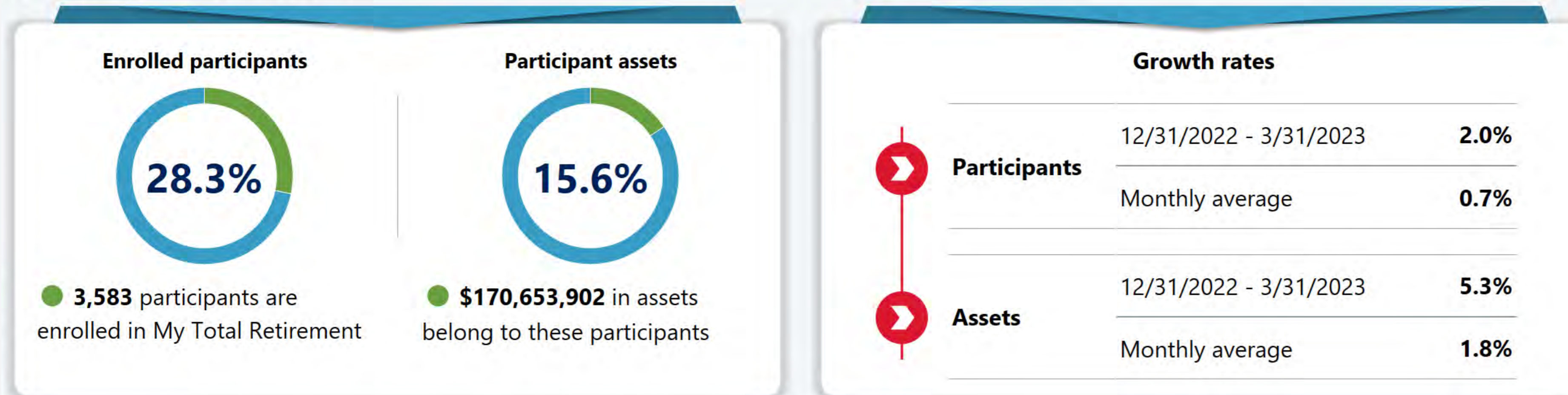
Do-it-yourself strategy is the investment strategy utilized by the most participants with **46.0%** of participants using this strategy.

However, this strategy holds a larger share of assets with **73.2%** of assets.

Advisory services

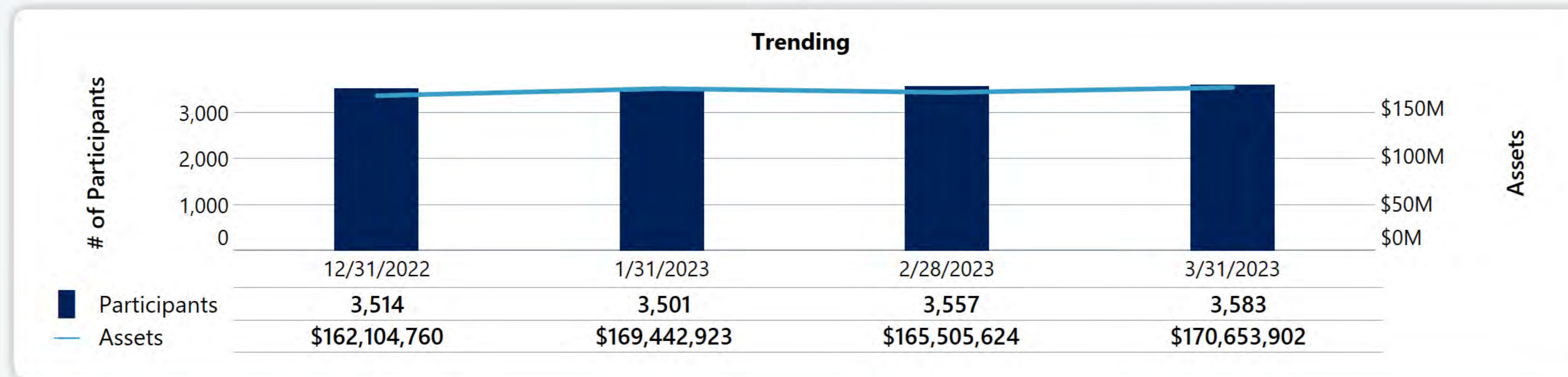
As of 3/31/2023

Utilization of My Total Retirement



Overview

The number of participants and the participant assets are based on all actively employed and separated from service plan participants that are using the managed account service. When applicable, any outstanding loan amounts are not included as part of the assets.





Rate of return

As of 3/31/2023

1

Year return

Median

-6.7%

Benchmark median

-6.2%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	-4.2%	3,902
Middle tier	-6.7%	3,900
Bottom tier	-9.2%	3,901

3

Year return

Median

14.2%

Benchmark median

13.0%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	18.3%	3,341
Middle tier	14.2%	3,339
Bottom tier	7.1%	3,340

5

Year return

Median

7.7%

Benchmark median

6.9%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	10.5%	2,820
Middle tier	7.7%	2,819
Bottom tier	4.3%	2,820

Overview

Rate of return is calculated monthly and those monthly returns are then rolled up into 1, 3, and 5 year returns when available.

Only participants with a result across all months in the period are included.

To further illustrate how participants compare to one another and the benchmark, we break out participants into tiers by their rate of return ranking. Each tier represents 1/3 of the participant population.



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Balanced	Alaska Balanced Trust	\$46,871,794	3.96%	3,149	\$39,148,367	3.58%	3,936
	Alaska Long-Term Balanced Trust	\$92,754,455	7.83%	4,099	\$95,803,606	8.77%	4,937
	BlackRock Strategic Completion NL F	\$17,525,319	1.48%	791	\$14,095,774	1.29%	2,136
Domestic Equity	Environmental, Social and Governance Fd	\$55,282,079	4.67%	4,566	\$38,708,381	3.54%	4,213
	Russell 3000 Index	\$58,876,637	4.97%	4,659	\$49,632,689	4.54%	4,564
	S & P 500 Stock Index Fund	\$274,753,090	23.21%	3,767	\$251,641,623	23.03%	7,379
	US Small Cap Trust	\$129,623,147	10.95%	5,780	\$109,792,282	10.05%	5,448
Domestic Fixed Income	Passive U.S. Bond Index Fund	\$69,396,003	5.86%	3,935	\$66,384,430	6.07%	4,705
International Equity	International Equity Fund	\$45,091,150	3.81%	4,779	\$37,644,511	3.44%	4,573
	World Equity Ex-US Index	\$23,951,875	2.02%	4,097	\$30,369,406	2.78%	4,549
Stable Value/Money Market	Stable Value Fund	\$205,901,918	17.39%	5,468	\$201,824,369	18.47%	5,793
	State Street Inst Treasury Money Market	\$20,164,772	1.70%	1,754	\$20,732,976	1.90%	2,528
Target Date	Alaska Target Date Retirement 2010 Trust	\$3,141,387	0.27%	58	\$2,712,380	0.25%	55
	Alaska Target Date Retirement 2015 Trust	\$9,491,096	0.80%	154	\$8,360,922	0.77%	148
	Alaska Target Date Retirement 2020 Trust	\$24,181,278	2.04%	346	\$20,193,210	1.85%	312
	Alaska Target Date Retirement 2025 Trust	\$30,230,596	2.55%	529	\$27,523,967	2.52%	505
	Alaska Target Date Retirement 2030 Trust	\$19,352,794	1.63%	544	\$18,617,209	1.70%	537
	Alaska Target Date Retirement 2035 Trust	\$15,113,338	1.28%	519	\$15,556,998	1.42%	517
	Alaska Target Date Retirement 2040 Trust	\$13,459,896	1.14%	522	\$13,781,317	1.26%	521
	Alaska Target Date Retirement 2045 Trust	\$10,960,275	0.93%	561	\$10,832,226	0.99%	573



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Target Date	Alaska Target Date Retirement 2050 Trust	\$8,615,771	0.73%	589	\$9,568,639	0.88%	600
	Alaska Target Date Retirement 2055 Trust	\$6,887,240	0.58%	563	\$7,244,389	0.66%	592
	Alaska Target Date Retirement 2060 Trust	\$1,518,001	0.13%	141	\$1,752,985	0.16%	176
	Alaska Target Date Retirement 2065 Trust	\$701,869	0.06%	55	\$758,170	0.07%	78
	JPMorgan SmartRetirement Blend 2015 R6	\$6,514	0.00%	7	\$113,522	0.01%	14
	JPMorgan SmartRetirement Blend 2020 R6	\$69,313	0.01%	10	\$107,805	0.01%	18
	JPMorgan SmartSpending 2020 R6	\$0	0.00%	0	\$0	0.00%	0

Page 2 of 2

Glossary of terms

Term	Description
Balances	Total assets under administration is the summation of all participant and plan balances. Plan balance is the summation of all plan balances such as forfeitures. Total participant balance is the summation of all the participant balances. (excludes loan balance). The average balance is calculated by dividing the participant balance by total participants with a balance.
Benchmarks	The benchmarks are based on the recordkeeping system book of business and updated monthly. The benchmarks are illustrated as the median by plan type (401(k), 403(b), 401(a), 457) and plan asset ranges: <\$5M, \$5M - \$10M, \$10M - \$25M, \$25 - \$50M, \$50M - \$500M, >\$500M
Cash flow	Participant activity illustrated is year to date and includes all contributions and distributions. The difference in the beginning balance and ending balance is a result adding and subtracting activity such as: contributions, disbursements, participant fees, loan issue/payments, transfers, adjustments, change in value to reflect the ending balance.
Contribution activity	Contributions includes all new participant account money such as: contributions via payroll, one-time contributions, employer contributions and rollovers. Contributions are illustrated as Employee and Employer funded and Employee contributions will be further broken down by pre-tax, Roth and post-tax as applicable. The contribution activity will match the contribution totals illustrated on the Cash Flow slide.
Distribution activity	Distributions include all active and terminated participants with a balance. The distribution categories are derived from the methods in which assets are removed from the plan. The categories may include: Deminimis, Hardship, Death, Housing allowance, In-service, Loan distributions, QDRO, Required minimum distributions (RMD), Separation of service, Service credits, CARES Act, SECURE Act and Other. The Other category is a combination of infrequently used distributions such as but not limited to: contract exchanges, disability, 1035 exchanges, defined benefit payout, dividend payment, early distribution penalty, transfer to an IRA, Roth conversions, etc. It also includes transactions that were reversed.

Glossary of terms

Term	Description
Participation rate	The participation rate includes all actively employed participants with a deferral on the recordkeeping system and includes an election as a percent or dollars in (pre-tax, after-tax, Roth, catch-up). The rate represents the ratio of employees who are eligible to participate in relation to employees who are actively participating (have a deferral and actively contributing or have reached the allowable limit).
Contribution rate	Includes all actively employed participants with a deferral on the recordkeeping system. The rate reflected includes percentages and flat dollar contributions (if we have a salary for the participant). The average total contribution rate is calculated by adding together before-tax, after-tax, Roth and catch-up contribution type amounts available on the recordkeeping system divided by the number of participants who made a contribution as of the last day of the month, excluding participants with a 0% deferral and who have reached the annual contribution limit.

Glossary of terms

Term	Description
Match behaviors	<p>A matching contribution is a type of contribution an employer chooses to make based on elective deferral contributions that the participant makes. This is different from non-elective employer contributions that do not require the participant to make a contribution.</p> <p>When it comes to encouraging eligible participants to participate and contribute more, one of the single most influential plan design decisions an employer can adopt is the use of a matching contribution to a participant's deferrals. A single plan can have multiple elective deferral match rules that cover eligible participants, and they can be based on company division, job type and tenure, among other factors. Additionally, an eligible participant can be covered by a single-tier (e.g., 100% up to 5% of contributions) or multi-tier (e.g., 100% up to 3% and 50% on the next 4%) formula.</p> <p>We evaluate the behaviors of participants based on the maximum deferral rate that the employer will match. This is referred to as the match cap. In the example below, both of these match rules result in the same match cap:</p> <ul style="list-style-type: none">• 1. 100% up to 5% of contributions• 2. 100% up to 3% and 50% on the next 4% <p>Eligible employees are mapped to 1 of 4 of the plan match behaviors below:</p> <p>Not contributing:</p> <ul style="list-style-type: none">• Eligible to participate in the plan and receive employer matching contributions but does not currently have an active deferral on file <p>Missing out:</p> <ul style="list-style-type: none">• Has an active elective deferral on file but is contributing below the match cap <p>Meeting the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing at the match cap <p>Exceeding the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing above the match cap
Rate of return	<p>Rate of return is calculated in 1 month intervals based on the opening balance, transaction activity, and closing balance for the month. The calculation is consistent with the procedures called by the participant website for displaying a participant's rate of return for a 1 month period. Determining the 1, 3, and 5 year returns is achieved by using an aggregation of the individual monthly rates of return for that period. Only participants with a result across all months in the period are included.</p>

Glossary of terms

Term	Description
Investment strategy	<p>Investment strategy includes all active and terminated participants with a balance. Each strategy classification is exclusive, meaning a participant is only included in one group as of the last day of the reporting period.</p> <p>Do it for me:</p> <ul style="list-style-type: none">• Managed Account users - refers to a participant enrolled in the managed accounts service <p>Help me do it:</p> <ul style="list-style-type: none">• Online Advice - refers to a participant utilizing the online advice service within managed accounts• Asset allocation model strategy – refers to participants enrolled in a model portfolio• Target date strategy or Risk based strategy – refers to a participant with greater than 95% of their assets in one or two target date or risk based fund(s); therefore up to 5% of the balance illustrated in the investment strategy may be invested in other types of investments <p>Do it myself:</p> <ul style="list-style-type: none">• Brokerage – refers to a participant enrolled in the self-directed brokerage option: therefore the balance illustrated in this investment strategy may be invested in non-brokerage investments• Any participant not in one of the prior strategies would also be designated as a Do-it-yourself investor <p>The equity exposure (glidepath chart) is based on a participant’s current balance equity %.</p>
Advisory services	<p>Advisory services includes all active and terminated participants with a balance. It compares the participants enrolled in the managed account service or online advice service against the participants that are not enrolled as of the last day of the reporting period. Each participant is only included in one group.</p>
Asset allocations	<p>Includes investment option assets as of period end. Assets do not include holding/forfeiture group level accounts or loan balances. The % of total calculation is: Investment option’s total balance / total of participant balances. The participant counts include all participants with a balance >0 for the investment option.</p>



Thank you



PLAN PERFORMANCE INSIGHTS
As of 3/31/2023

98214-03

State of Alaska Supplemental Annuity Plan



Executive summary

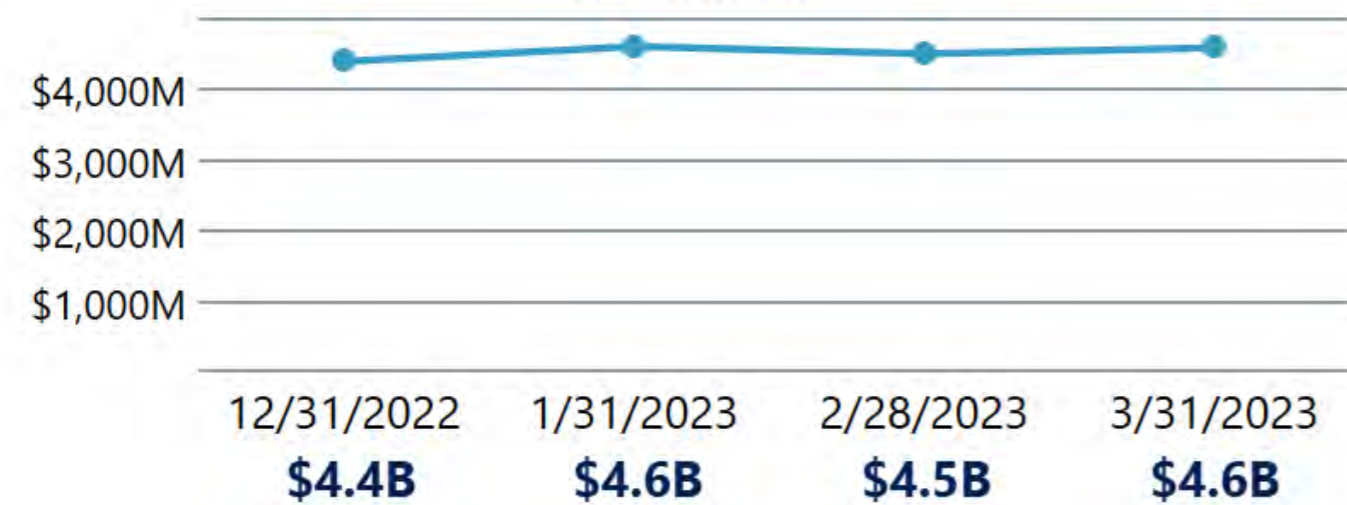
As of 3/31/2023

Participant assets



\$4,601,783,088

Trending

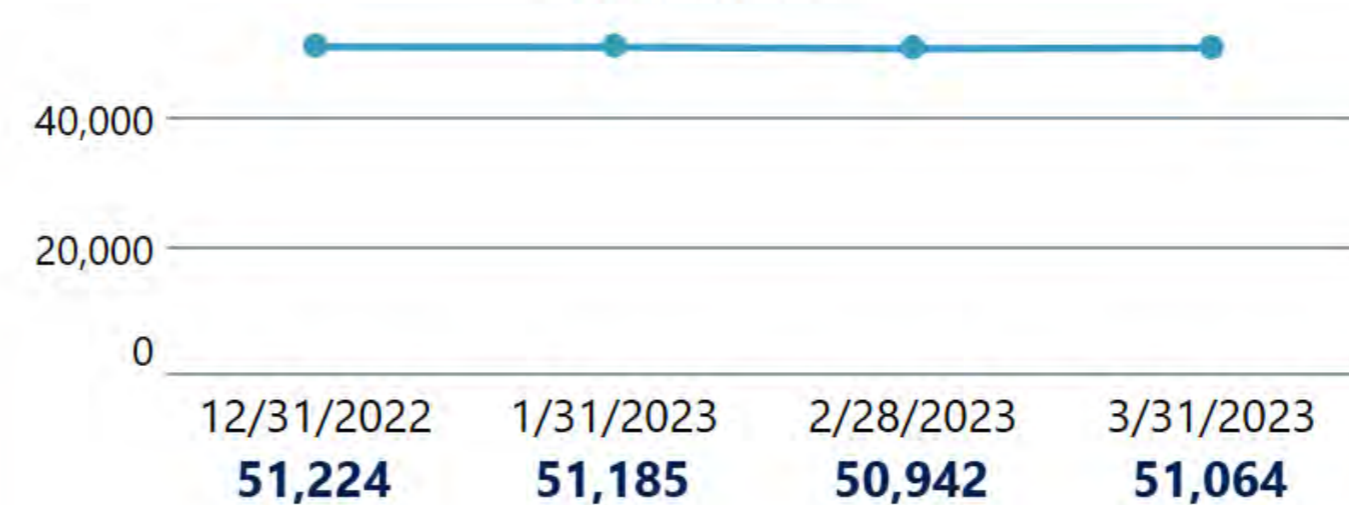


Participants with a balance



51,064

Trending



Overview

The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.

Executive summary

As of 3/31/2023



Average balance

\$90,118

Benchmark
\$76,946

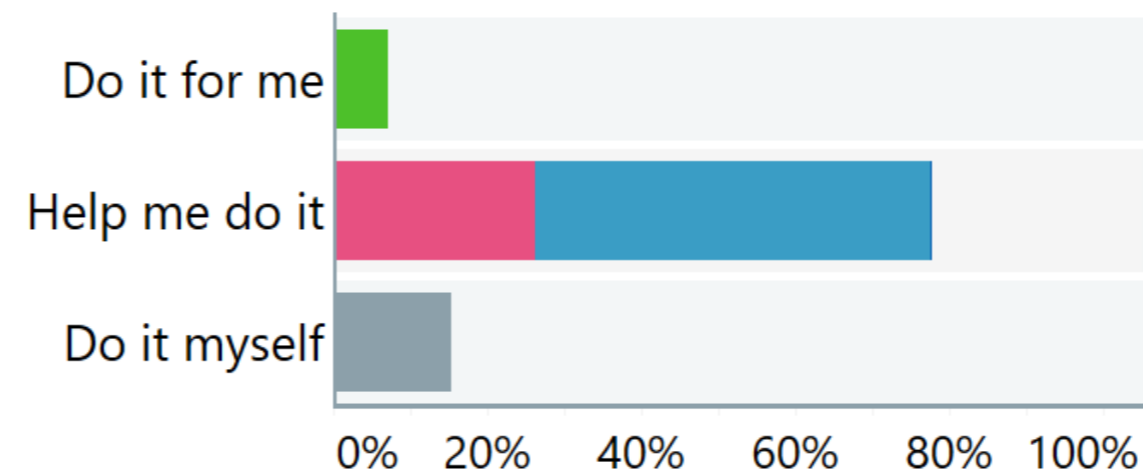
Top 10%
\$169,907

\$90,118 is the average account balance for all participants that have a balance as of month end. This is above the benchmark by **\$13,172** and is below the top 10% of peers by **\$79,789**.

Trending



Investment strategy utilization

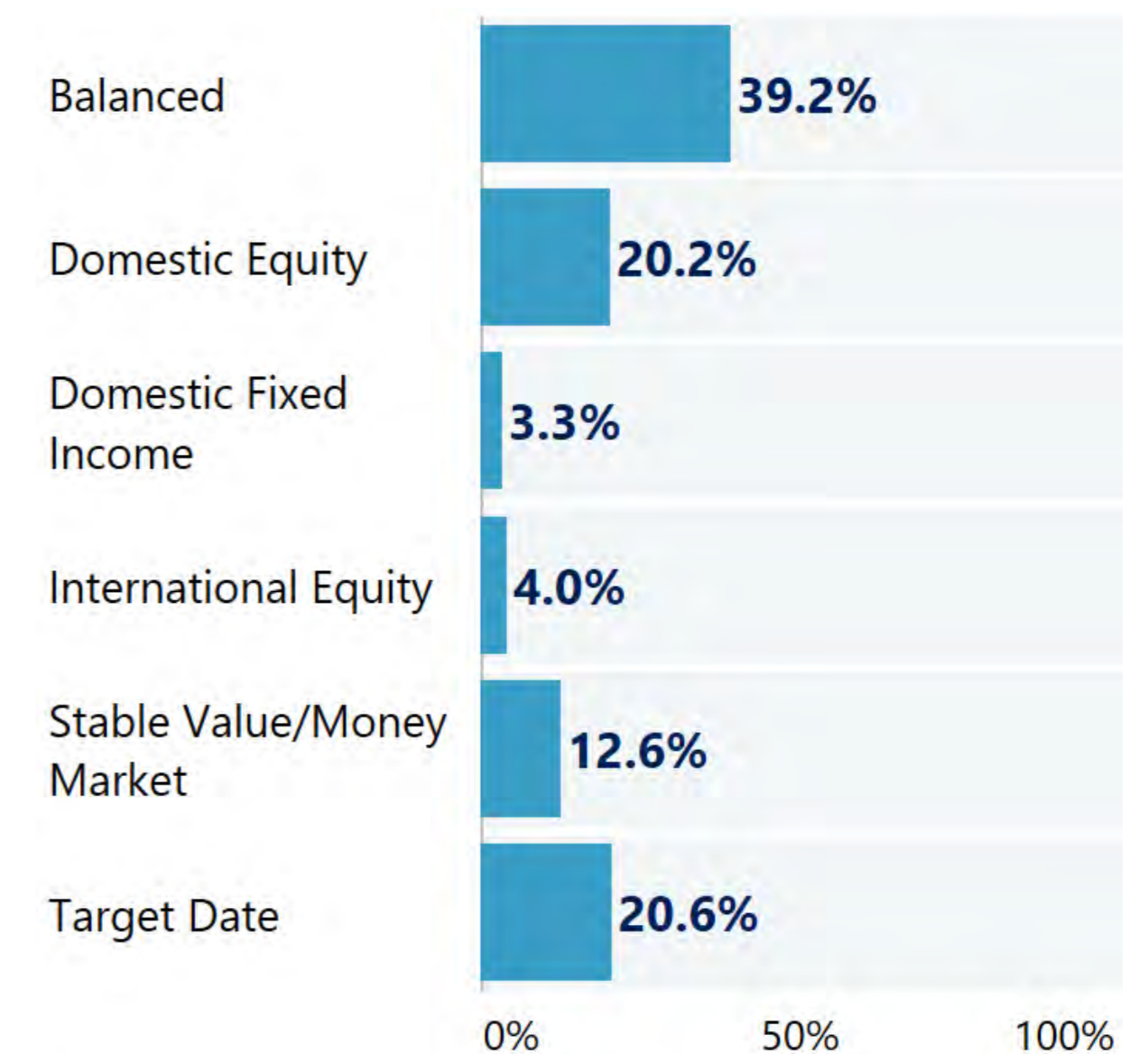


Target date strategy is the investment strategy utilized by the most participants with **51.4%** of participants classified as using this strategy.

Investment strategy	% of Participants
My Total Retirement	7.0%
Online Advice	0.0%
Target date strategy	51.4%
Risk based strategy	26.1%
Do-it-yourself strategy	15.4%



Allocations by asset class



Balanced is the asset class that holds the largest share of participant assets. **\$1,803,208,269** is invested in **Balanced** which represents **39.2%** of participant assets.



Cash flow

As of 3/31/2023

Year-to-date participant activity summary



Total contributions

\$44,583,998



Disbursements

-\$69,017,851



Net Activity

(\$24,433,853)

Overview

Cash flow includes all inflows and outflows of dollars from the plan by active and separated from service participants as applicable and the impact of cash flow on participant balances.

¹Fees may include but are not limited to: transactional and plan administrative fees

²Other includes 'Transfer In', 'Transfer Out', 'Adjustments'

Impact on balances

	12/1/2022 - 12/31/2022	1/1/2023 - 1/31/2023	2/1/2023 - 2/28/2023	3/1/2023 - 3/31/2023
Beginning balance	\$4,545,379,865	\$4,409,779,335	\$4,620,938,219	\$4,517,928,113
Contributions	\$18,114,880	\$14,403,357	\$14,522,841	\$15,657,801
Disbursements	-\$18,593,076	-\$30,012,478	-\$17,159,953	-\$21,845,420
Fees ¹	-\$432,934	-\$898,503	-\$1,699,603	-\$609,298
Loans issued	\$0	\$0	\$0	\$0
Loan payments	\$0	\$0	\$0	\$0
Other ²	\$0	\$0	-\$332,747	\$0
Change in value	-\$134,689,779	\$227,666,508	-\$98,340,643	\$90,651,892
Ending Balance	\$4,409,778,956	\$4,620,938,219	\$4,517,928,113	\$4,601,783,088



Contribution activity

As of 3/31/2023

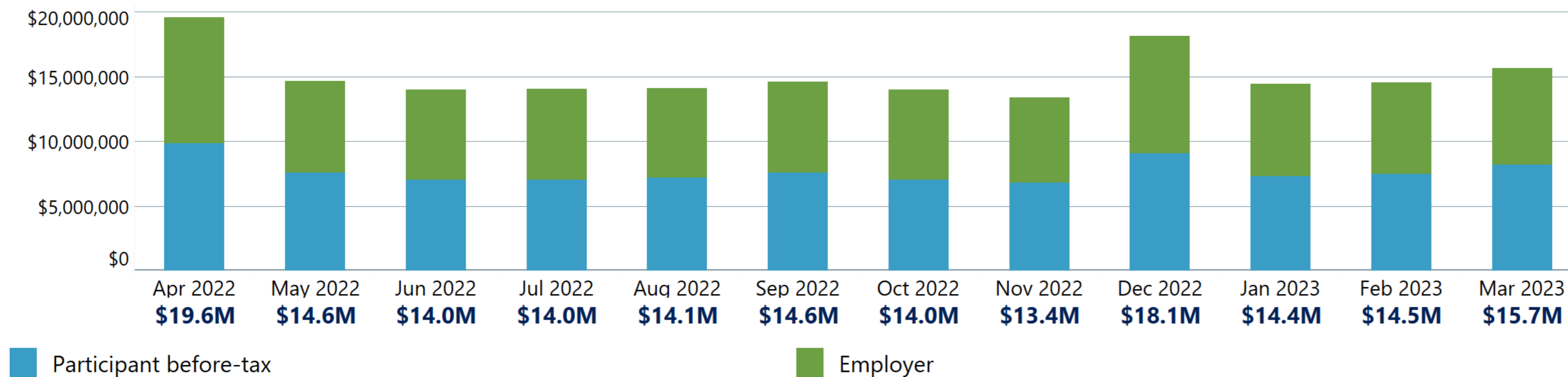
Total contributions at-a-glance

	Participant before-tax	Employer	Total
Year to date total contributions	\$22,914,643	\$21,669,355	\$44,583,998
Rolling 12 months total contributions	\$92,030,913	\$88,965,449	\$180,996,362

Overview

The contribution activity details show the total of new money into participant accounts. The contributions can originate via ongoing payroll contributions, one-time contributions, employer contributions, and rollovers.

Total contribution amounts by month



Distribution activity

As of 3/31/2023

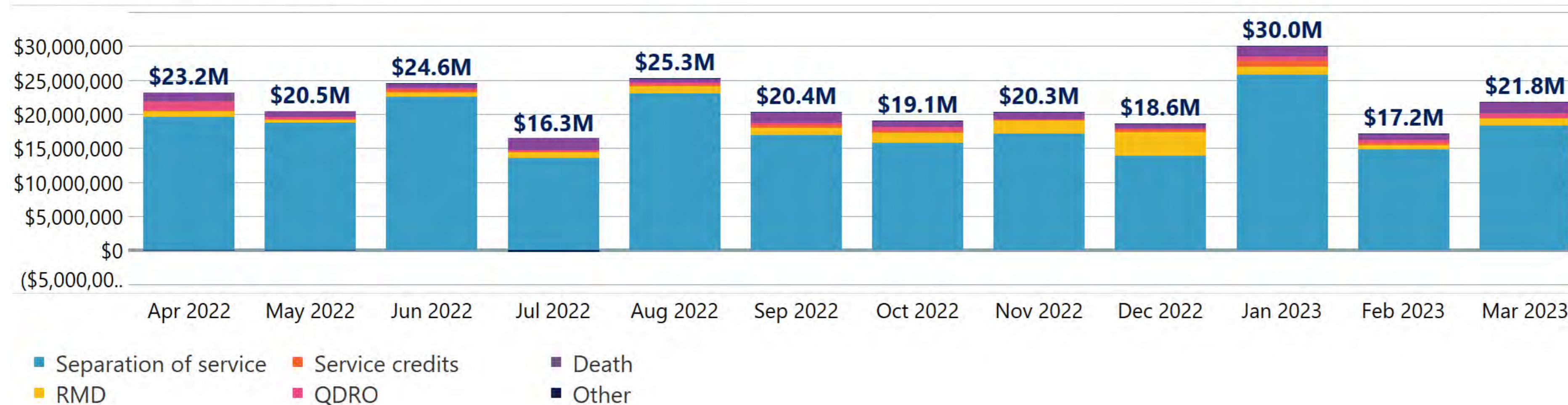
Distribution activity at-a-glance

		Separation of service	RMD	Service credits	QDRO	Death	Other	Total
Year to date	Amount	\$59.1M	\$2.8M	\$1.2M	\$1.7M	\$4.1M	\$11.0K	\$69.0M
	Transactions	3,093	570	40	74	154	4	3,935
Rolling 12 months	Amount	\$220.2M	\$14.6M	\$3.6M	\$5.2M	\$13.8M	-\$213.8K	\$257.2M
	Transactions	11,909	2,475	103	265	634	32	15,418

Overview

The distribution activity details show the activity for all actively employed and separated from service participants.

Total distribution amounts by month





Participant balances



As of 3/31/2023

Account balances comparison



The average and median account balance for your plan is based on **51,064** participants

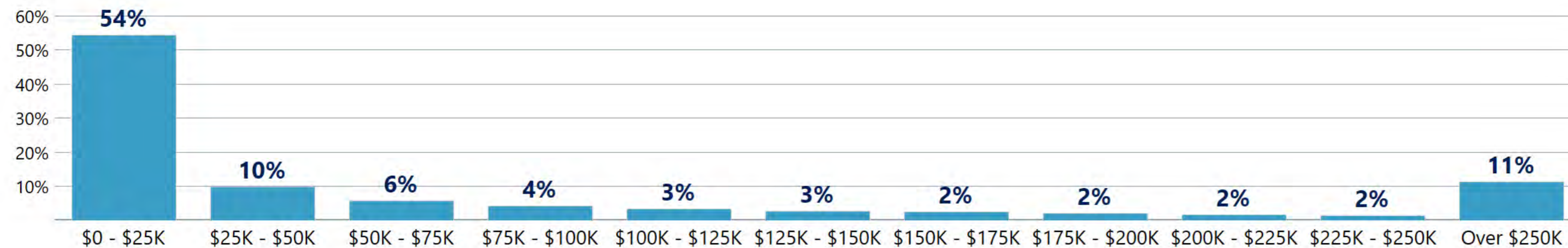
Account balances by employment status

 Active	Average balance	\$82,154
	Median balance	\$18,892
	# of participants	28,783
 Separated from service	Average balance	\$100,406
	Median balance	\$17,494
	# of participants	22,281

Overview

The average and median participant account balance is based on the balance of all actively employed and separated from service plan participants. The balances do not include any outstanding loan amounts.

Distribution of account balances





Investment strategy utilization

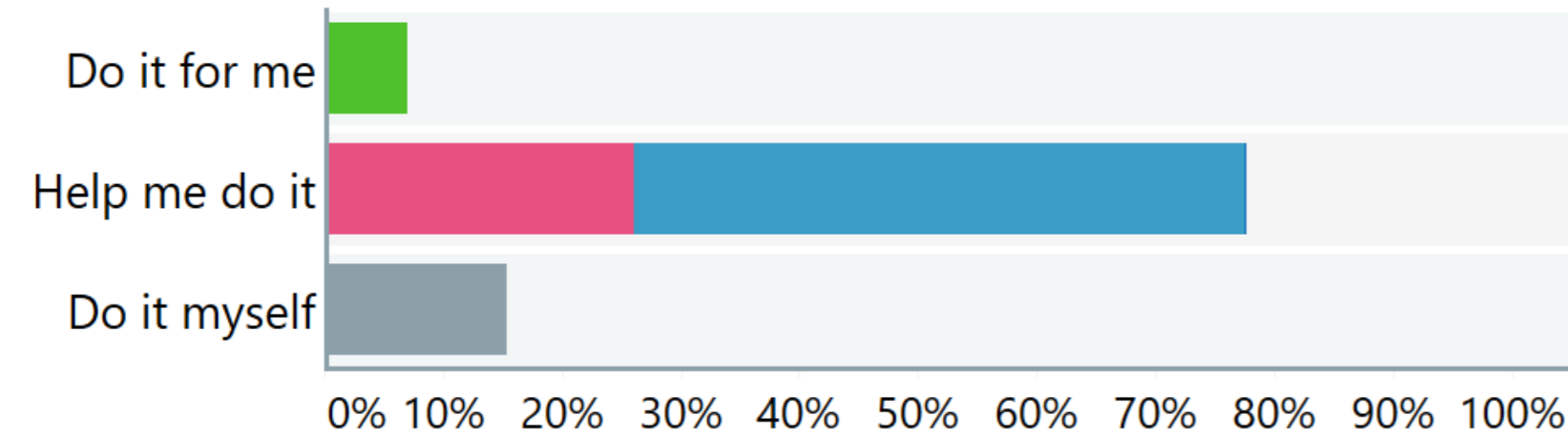
As of 3/31/2023



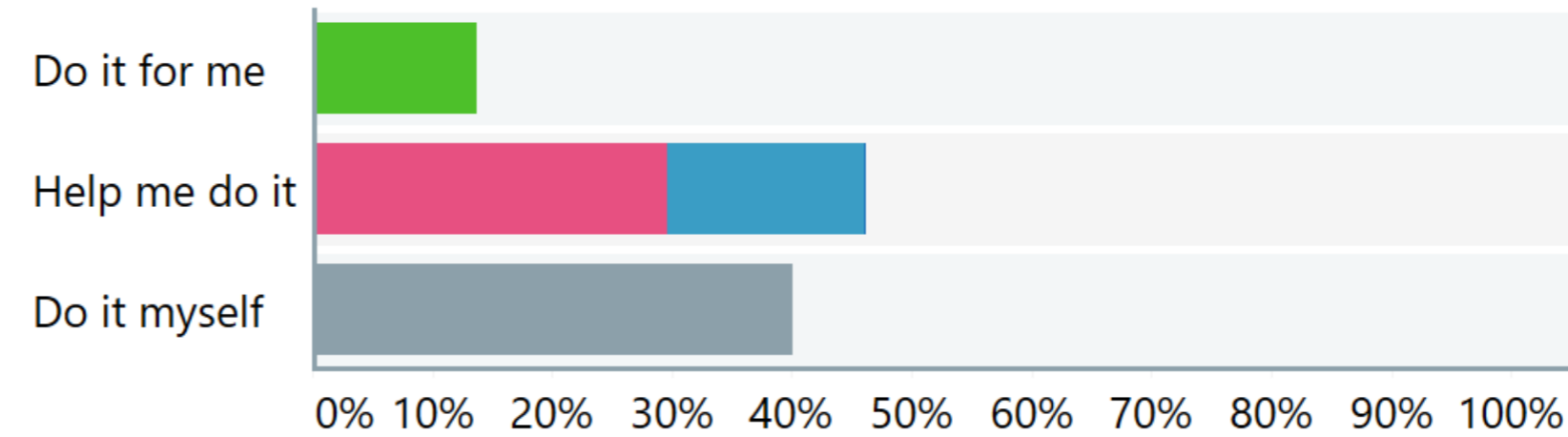
Participants by strategy



Participant assets by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	7.0%	3,586
Online Advice	0.0%	20
Target date strategy	51.4%	26,269
Risk based strategy	26.1%	13,332
Do-it-yourself strategy	15.4%	7,857



Investment strategy	% of assets	Assets	Average balance
My Total Retirement	13.7%	\$628,421,518	\$175,243
Online Advice	0.1%	\$6,298,048	\$314,902
Target date strategy	16.5%	\$759,355,007	\$28,907
Risk based strategy	29.6%	\$1,361,991,416	\$102,160
Do-it-yourself strategy	40.1%	\$1,845,717,099	\$234,914

Overview

The investment strategy utilization is based on all participants actively employed and separated from service with a balance.



Target date strategy is the investment strategy utilized by the most participants with **51.4%** of participants using this strategy.

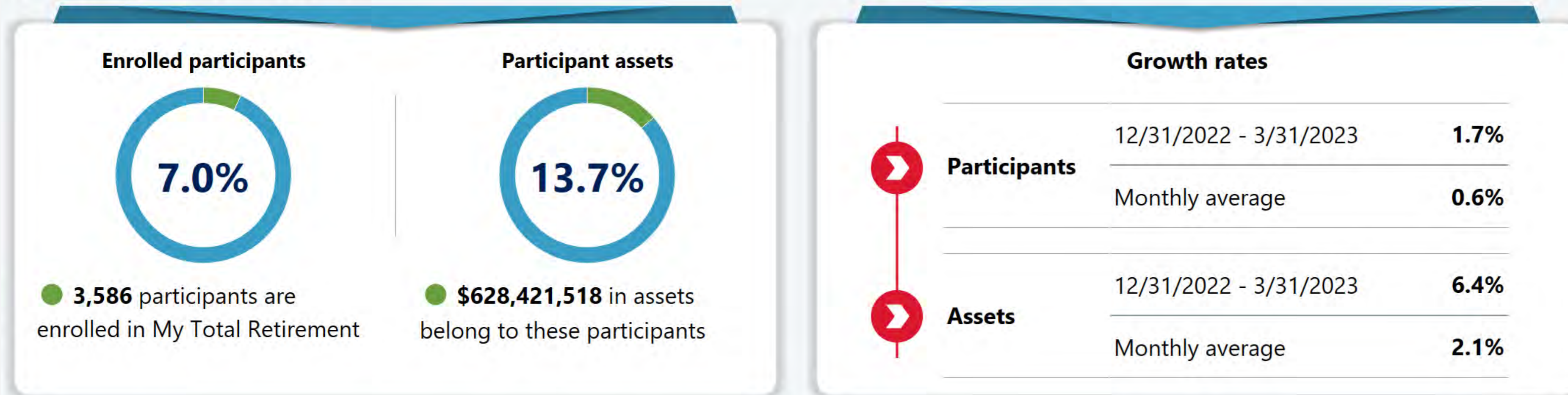
However, this strategy holds a smaller share of assets with only **16.5%** of assets.



Advisory services

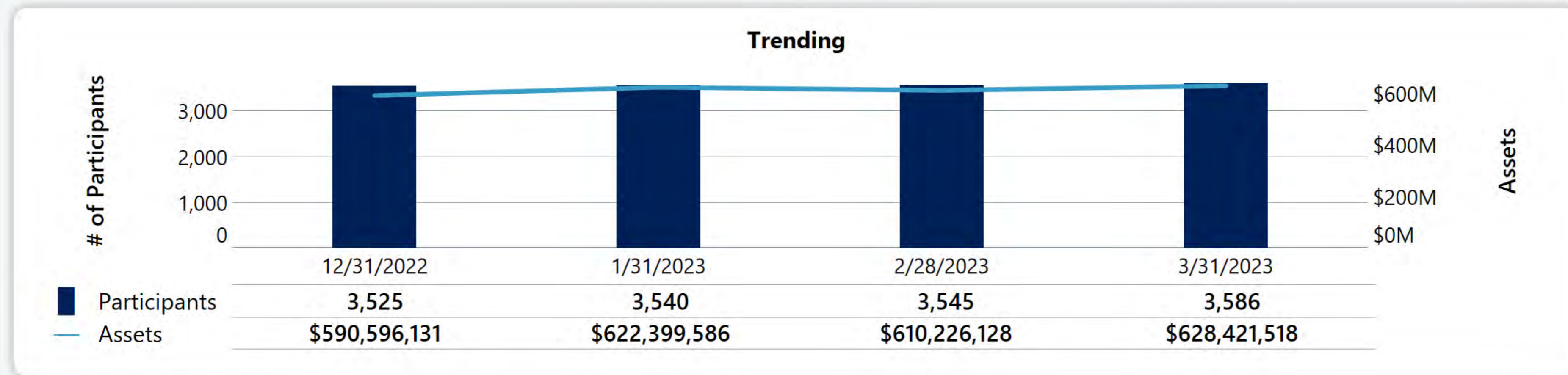
As of 3/31/2023

Utilization of My Total Retirement



Overview

The number of participants and the participant assets are based on all actively employed and separated from service plan participants that are using the managed account service. When applicable, any outstanding loan amounts are not included as part of the assets.





Rate of return

As of 3/31/2023

1

Year return

Median

-6.2%

Benchmark median

-6.1%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	-4.2%	15,768
Middle tier	-6.2%	15,762
Bottom tier	-8.0%	15,763

3

Year return

Median

11.0%

Benchmark median

13.5%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	17.0%	13,691
Middle tier	11.0%	13,687
Bottom tier	5.4%	13,687

5

Year return

Median

6.4%

Benchmark median

6.8%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	9.2%	11,961
Middle tier	6.4%	11,957
Bottom tier	3.9%	11,958

Overview

Rate of return is calculated monthly and those monthly returns are then rolled up into 1, 3, and 5 year returns when available.

Only participants with a result across all months in the period are included.

To further illustrate how participants compare to one another and the benchmark, we break out participants into tiers by their rate of return ranking. Each tier represents 1/3 of the participant population.



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Balanced	Alaska Balanced Trust	\$1,146,467,680	23.34%	11,137	\$1,025,799,289	22.29%	11,205
	Alaska Long-Term Balanced Trust	\$756,412,836	15.40%	13,014	\$742,384,474	16.13%	13,174
	BlackRock Strategic Completion NL F	\$41,367,219	0.84%	1,084	\$35,024,506	0.76%	2,605
Domestic Equity	Environmental, Social and Governance Fd	\$160,645,584	3.27%	5,041	\$106,830,959	2.32%	5,001
	Russell 3000 Index	\$161,730,236	3.29%	5,531	\$131,730,037	2.86%	5,631
	S & P 500 Stock Index Fund	\$524,536,057	10.68%	4,799	\$499,200,562	10.85%	8,393
	US Small Cap Trust	\$228,735,232	4.66%	6,391	\$194,083,578	4.22%	6,424
Domestic Fixed Income	Passive U.S. Bond Index Fund	\$152,655,661	3.11%	4,809	\$152,924,378	3.32%	5,178
International Equity	International Equity Fund	\$115,995,551	2.36%	5,277	\$87,273,910	1.90%	5,375
	World Equity Ex-US Index	\$75,123,238	1.53%	4,697	\$98,819,430	2.15%	4,913
Stable Value/Money Market	Stable Value Fund	\$505,469,798	10.29%	6,201	\$514,205,915	11.17%	6,425
	State Street Inst Treasury Money Market	\$68,402,826	1.39%	2,673	\$67,467,477	1.47%	2,960
Target Date	Alaska Target Date Retirement 2010 Trust	\$10,082,484	0.21%	157	\$8,864,559	0.19%	153
	Alaska Target Date Retirement 2015 Trust	\$73,593,883	1.50%	858	\$65,410,351	1.42%	795
	Alaska Target Date Retirement 2020 Trust	\$85,878,417	1.75%	1,183	\$74,823,815	1.63%	1,108
	Alaska Target Date Retirement 2025 Trust	\$117,252,791	2.39%	1,733	\$104,725,929	2.28%	1,712
	Alaska Target Date Retirement 2030 Trust	\$100,025,901	2.04%	1,845	\$97,062,154	2.11%	1,866
	Alaska Target Date Retirement 2035 Trust	\$100,675,548	2.05%	2,081	\$99,304,647	2.16%	2,111
	Alaska Target Date Retirement 2040 Trust	\$95,170,077	1.94%	2,325	\$93,314,726	2.03%	2,391
	Alaska Target Date Retirement 2045 Trust	\$116,021,494	2.36%	3,058	\$114,357,161	2.49%	3,165



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Target Date	Alaska Target Date Retirement 2050 Trust	\$127,886,894	2.60%	4,043	\$128,315,641	2.79%	4,134
	Alaska Target Date Retirement 2055 Trust	\$133,629,372	2.72%	8,307	\$136,870,679	2.97%	8,233
	Alaska Target Date Retirement 2060 Trust	\$9,810,526	0.20%	1,376	\$14,372,133	0.31%	1,809
	Alaska Target Date Retirement 2065 Trust	\$4,196,423	0.09%	1,204	\$7,393,930	0.16%	1,929
	JPMorgan SmartRetirement Blend 2015 R6	\$955,154	0.02%	9	\$981,195	0.02%	12
	JPMorgan SmartRetirement Blend 2020 R6	\$150,639	0.00%	13	\$241,651	0.01%	18
	JPMorgan SmartSpending 2020 R6	\$0	0.00%	0	\$0	0.00%	0

Page 2 of 2

Glossary of terms

Term	Description
Balances	Total assets under administration is the summation of all participant and plan balances. Plan balance is the summation of all plan balances such as forfeitures. Total participant balance is the summation of all the participant balances. (excludes loan balance). The average balance is calculated by dividing the participant balance by total participants with a balance.
Benchmarks	The benchmarks are based on the recordkeeping system book of business and updated monthly. The benchmarks are illustrated as the median by plan type (401(k), 403(b), 401(a), 457) and plan asset ranges: <\$5M, \$5M - \$10M, \$10M - \$25M, \$25 - \$50M, \$50M - \$500M, >\$500M
Cash flow	Participant activity illustrated is year to date and includes all contributions and distributions. The difference in the beginning balance and ending balance is a result adding and subtracting activity such as: contributions, disbursements, participant fees, loan issue/payments, transfers, adjustments, change in value to reflect the ending balance.
Contribution activity	Contributions includes all new participant account money such as: contributions via payroll, one-time contributions, employer contributions and rollovers. Contributions are illustrated as Employee and Employer funded and Employee contributions will be further broken down by pre-tax, Roth and post-tax as applicable. The contribution activity will match the contribution totals illustrated on the Cash Flow slide.
Distribution activity	Distributions include all active and terminated participants with a balance. The distribution categories are derived from the methods in which assets are removed from the plan. The categories may include: Deminimis, Hardship, Death, Housing allowance, In-service, Loan distributions, QDRO, Required minimum distributions (RMD), Separation of service, Service credits, CARES Act, SECURE Act and Other. The Other category is a combination of infrequently used distributions such as but not limited to: contract exchanges, disability, 1035 exchanges, defined benefit payout, dividend payment, early distribution penalty, transfer to an IRA, Roth conversions, etc. It also includes transactions that were reversed.

Glossary of terms

Term	Description
Match behaviors	<p>A matching contribution is a type of contribution an employer chooses to make based on elective deferral contributions that the participant makes. This is different from non-elective employer contributions that do not require the participant to make a contribution.</p> <p>When it comes to encouraging eligible participants to participate and contribute more, one of the single most influential plan design decisions an employer can adopt is the use of a matching contribution to a participant's deferrals. A single plan can have multiple elective deferral match rules that cover eligible participants, and they can be based on company division, job type and tenure, among other factors. Additionally, an eligible participant can be covered by a single-tier (e.g., 100% up to 5% of contributions) or multi-tier (e.g., 100% up to 3% and 50% on the next 4%) formula.</p> <p>We evaluate the behaviors of participants based on the maximum deferral rate that the employer will match. This is referred to as the match cap. In the example below, both of these match rules result in the same match cap:</p> <ul style="list-style-type: none">• 1. 100% up to 5% of contributions• 2. 100% up to 3% and 50% on the next 4% <p>Eligible employees are mapped to 1 of 4 of the plan match behaviors below:</p> <p>Not contributing:</p> <ul style="list-style-type: none">• Eligible to participate in the plan and receive employer matching contributions but does not currently have an active deferral on file <p>Missing out:</p> <ul style="list-style-type: none">• Has an active elective deferral on file but is contributing below the match cap <p>Meeting the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing at the match cap <p>Exceeding the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing above the match cap
Rate of return	<p>Rate of return is calculated in 1 month intervals based on the opening balance, transaction activity, and closing balance for the month. The calculation is consistent with the procedures called by the participant website for displaying a participant's rate of return for a 1 month period. Determining the 1, 3, and 5 year returns is achieved by using an aggregation of the individual monthly rates of return for that period. Only participants with a result across all months in the period are included.</p>

Glossary of terms

Term	Description
Investment strategy	<p>Investment strategy includes all active and terminated participants with a balance. Each strategy classification is exclusive, meaning a participant is only included in one group as of the last day of the reporting period.</p> <p>Do it for me:</p> <ul style="list-style-type: none">• Managed Account users - refers to a participant enrolled in the managed accounts service <p>Help me do it:</p> <ul style="list-style-type: none">• Online Advice - refers to a participant utilizing the online advice service within managed accounts• Asset allocation model strategy – refers to participants enrolled in a model portfolio• Target date strategy or Risk based strategy – refers to a participant with greater than 95% of their assets in one or two target date or risk based fund(s); therefore up to 5% of the balance illustrated in the investment strategy may be invested in other types of investments <p>Do it myself:</p> <ul style="list-style-type: none">• Brokerage – refers to a participant enrolled in the self-directed brokerage option: therefore the balance illustrated in this investment strategy may be invested in non-brokerage investments• Any participant not in one of the prior strategies would also be designated as a Do-it-yourself investor <p>The equity exposure (glidepath chart) is based on a participant’s current balance equity %.</p>
Advisory services	<p>Advisory services includes all active and terminated participants with a balance. It compares the participants enrolled in the managed account service or online advice service against the participants that are not enrolled as of the last day of the reporting period. Each participant is only included in one group.</p>
Asset allocations	<p>Includes investment option assets as of period end. Assets do not include holding/forfeiture group level accounts or loan balances. The % of total calculation is: Investment option’s total balance / total of participant balances. The participant counts include all participants with a balance >0 for the investment option.</p>



Thank you



PLAN PERFORMANCE INSIGHTS

As of 3/31/2023

98214-04

State of Alaska Public Employees' Tier IV Defined Contribution Retirement Plan



Executive summary

As of 3/31/2023

Participant assets



\$2,003,336,035

Trending

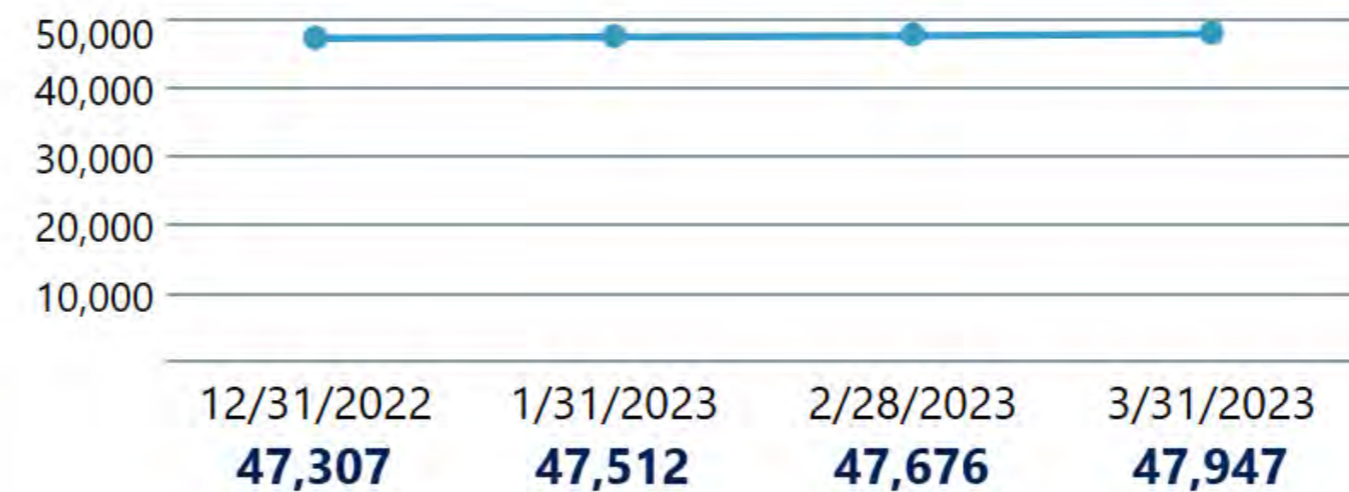


Participants with a balance



47,947

Trending



Overview

The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.

Executive summary

As of 3/31/2023



Average balance

\$41,782

Benchmark
\$76,946

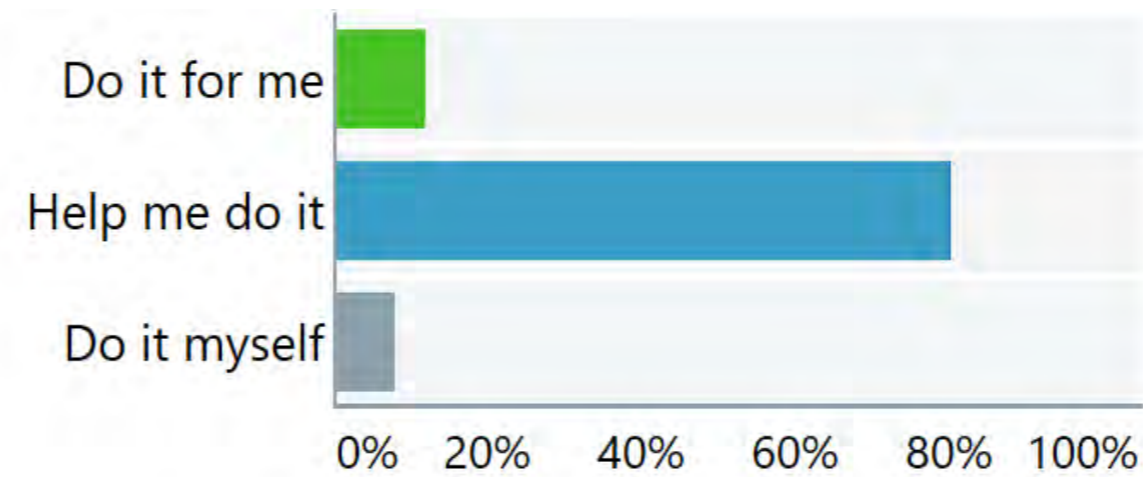
Top 10%
\$169,907

\$41,782 is the average account balance for all participants that have a balance as of month end. This is below the benchmark by **\$35,164** and is below the top 10% of peers by **\$128,125**.

Trending



Investment strategy utilization

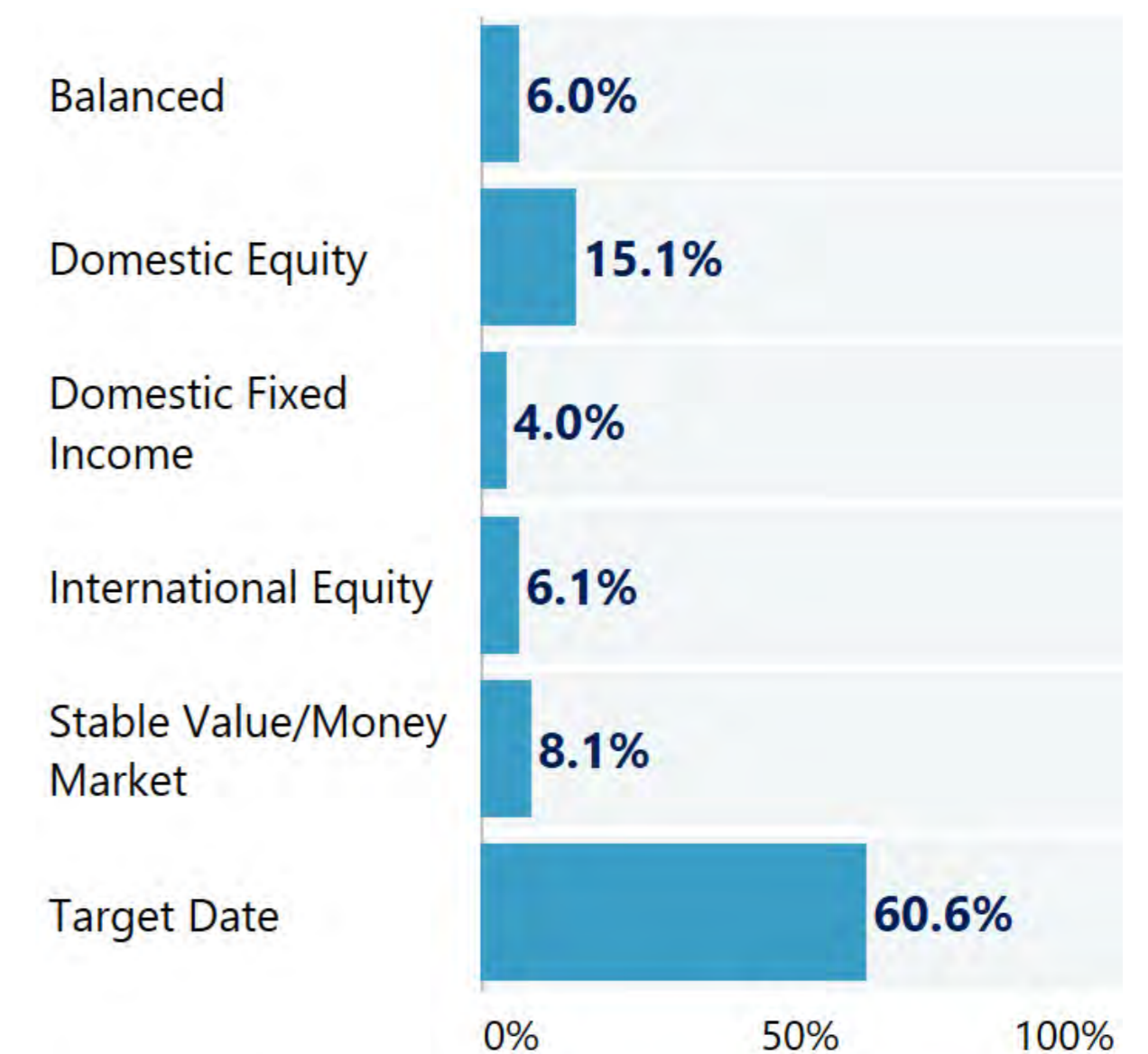


Target date strategy is the investment strategy utilized by the most participants with **79.8%** of participants classified as using this strategy.

Investment strategy	% of Participants
My Total Retirement	11.9%
Online Advice	0.0%
Target date strategy	79.8%
Risk based strategy	0.2%
Do-it-yourself strategy	8.0%



Allocations by asset class



Target Date is the asset class that holds the largest share of participant assets. **\$1,214,994,774** is invested in **Target Date** which represents **60.6%** of participant assets.



Cash flow

As of 3/31/2023

Year-to-date participant activity summary



Total contributions

\$57,992,765



Disbursements

-\$25,297,622



Net Activity

\$32,695,143

Overview

Cash flow includes all inflows and outflows of dollars from the plan by active and separated from service participants as applicable and the impact of cash flow on participant balances.

¹Fees may include but are not limited to: transactional and plan administrative fees

²Other includes 'Transfer In', 'Transfer Out', 'Adjustments'

Impact on balances

	12/1/2022 - 12/31/2022	1/1/2023 - 1/31/2023	2/1/2023 - 2/28/2023	3/1/2023 - 3/31/2023
Beginning balance	\$1,920,889,228	\$1,862,364,165	\$1,989,980,085	\$1,950,165,338
Contributions	\$16,855,678	\$22,733,941	\$16,142,414	\$19,116,410
Disbursements	-\$6,748,448	-\$9,186,209	-\$7,928,475	-\$8,182,938
Fees ¹	-\$192,117	-\$681,303	-\$198,353	-\$194,471
Loans issued	\$0	\$0	\$0	\$0
Loan payments	\$0	\$0	\$0	\$0
Other ²	\$354	\$31	\$73	-\$108
Change in value	-\$68,441,874	\$114,749,458	-\$47,830,405	\$42,431,805
Ending Balance	\$1,862,362,820	\$1,989,980,085	\$1,950,165,338	\$2,003,336,035



Contribution activity

As of 3/31/2023

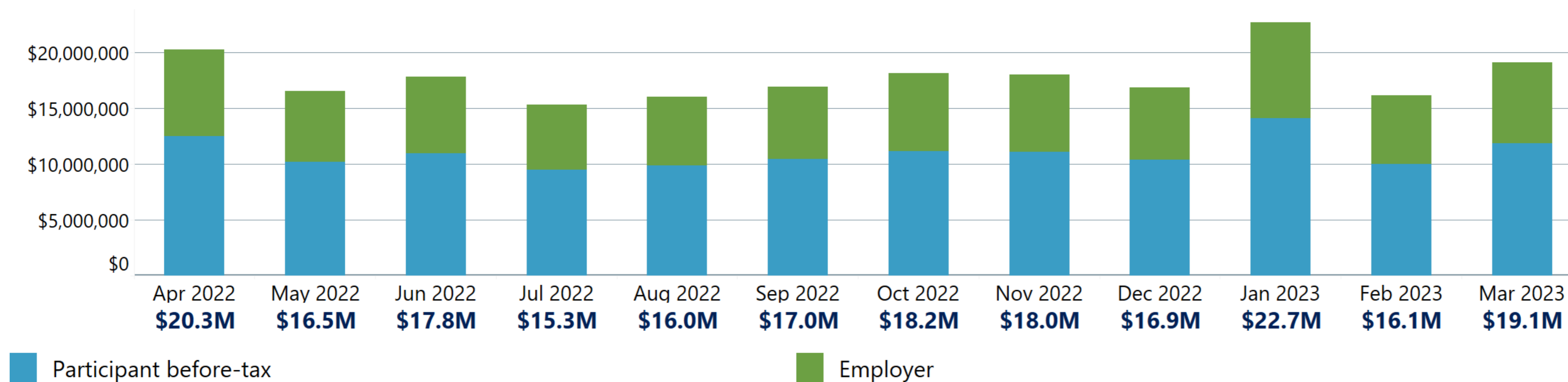
Total contributions at-a-glance

	Participant before-tax	Employer	Total
Year to date total contributions	\$35,985,161	\$22,007,604	\$57,992,765
Rolling 12 months total contributions	\$132,154,559	\$81,884,726	\$214,039,285

Overview

The contribution activity details show the total of new money into participant accounts. The contributions can originate via ongoing payroll contributions, one-time contributions, employer contributions, and rollovers.

Total contribution amounts by month





Distribution activity

As of 3/31/2023

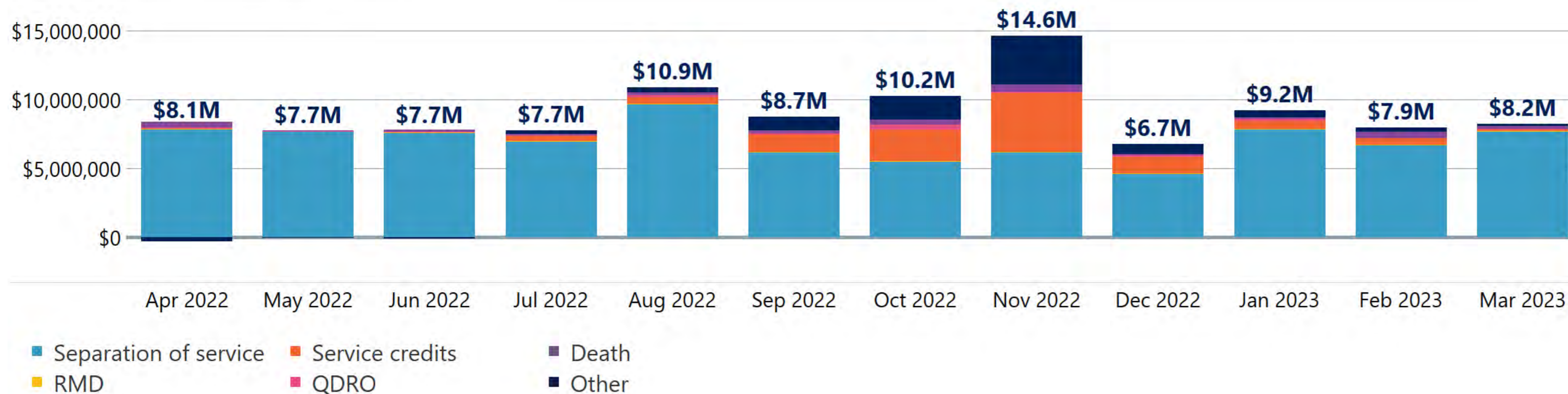
Distribution activity at-a-glance

		Separation of service	RMD	Service credits	QDRO	Death	Other	Total
Year to date	Amount	\$22.2M	\$48.2K	\$1.1M	\$217.3K	\$774.0K	\$949.6K	\$25.3M
	Transactions	959	26	27	8	37	44	1,101
Rolling 12 months	Amount	\$84.3M	\$175.0K	\$11.0M	\$1.2M	\$3.0M	\$8.0M	\$107.6M
	Transactions	3,800	86	273	33	158	409	4,759

Overview

The distribution activity details show the activity for all actively employed and separated from service participants.

Total distribution amounts by month





Participant balances

As of 3/31/2023

Account balances comparison



The average and median account balance for your plan is based on **47,947** participants

Account balances by employment status

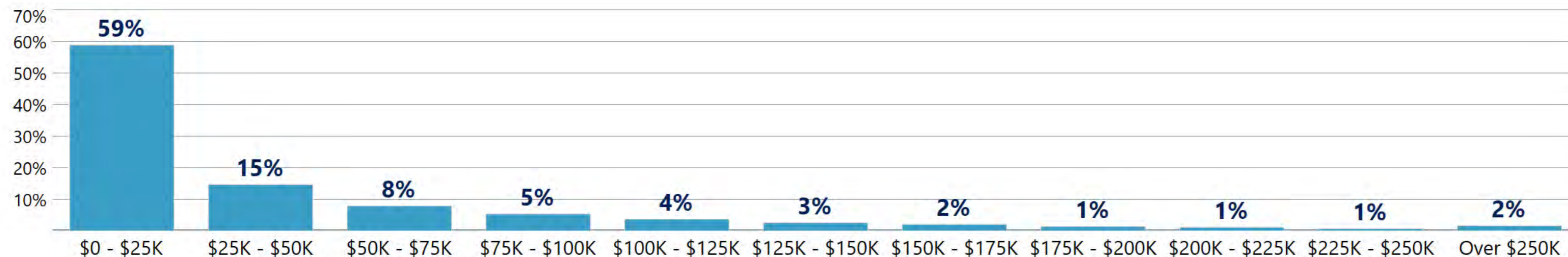


Active	Average balance	\$43,475
	Median balance	\$17,010
	# of participants	38,393
Separated from service	Average balance	\$34,980
	Median balance	\$13,198
	# of participants	9,554

Overview

The average and median participant account balance is based on the balance of all actively employed and separated from service plan participants. The balances do not include any outstanding loan amounts.

Distribution of account balances





Investment strategy utilization

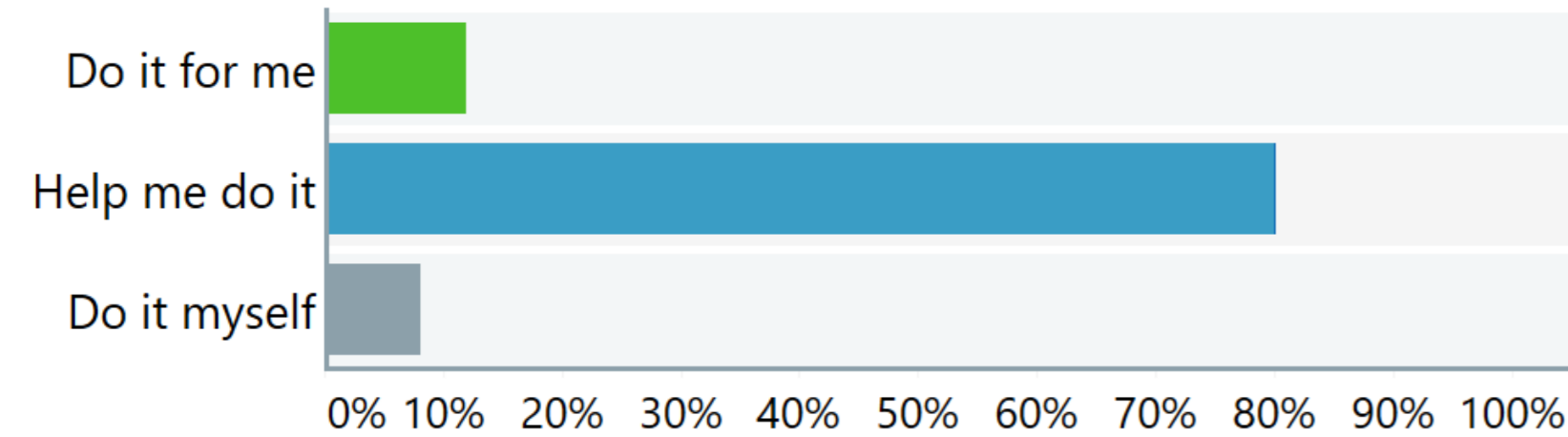
As of 3/31/2023



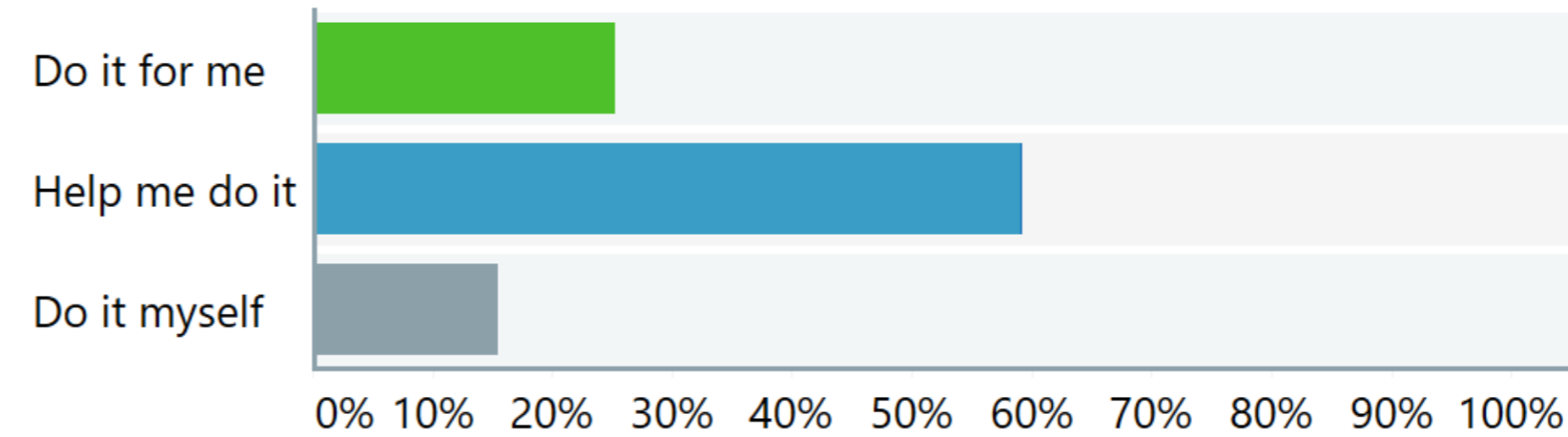
Participants by strategy



Participant assets by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	11.9%	5,714
Online Advice	0.0%	10
Target date strategy	79.8%	38,268
Risk based strategy	0.2%	100
Do-it-yourself strategy	8.0%	3,855



Investment strategy	% of assets	Assets	Average balance
My Total Retirement	25.3%	\$507,485,962	\$88,814
Online Advice	0.1%	\$1,008,795	\$100,879
Target date strategy	58.8%	\$1,178,937,104	\$30,807
Risk based strategy	0.3%	\$5,266,959	\$52,670
Do-it-yourself strategy	15.5%	\$310,637,215	\$80,580

Overview

The investment strategy utilization is based on all participants actively employed and separated from service with a balance.



Target date strategy is the investment strategy utilized by the most participants with **79.8%** of participants using this strategy.

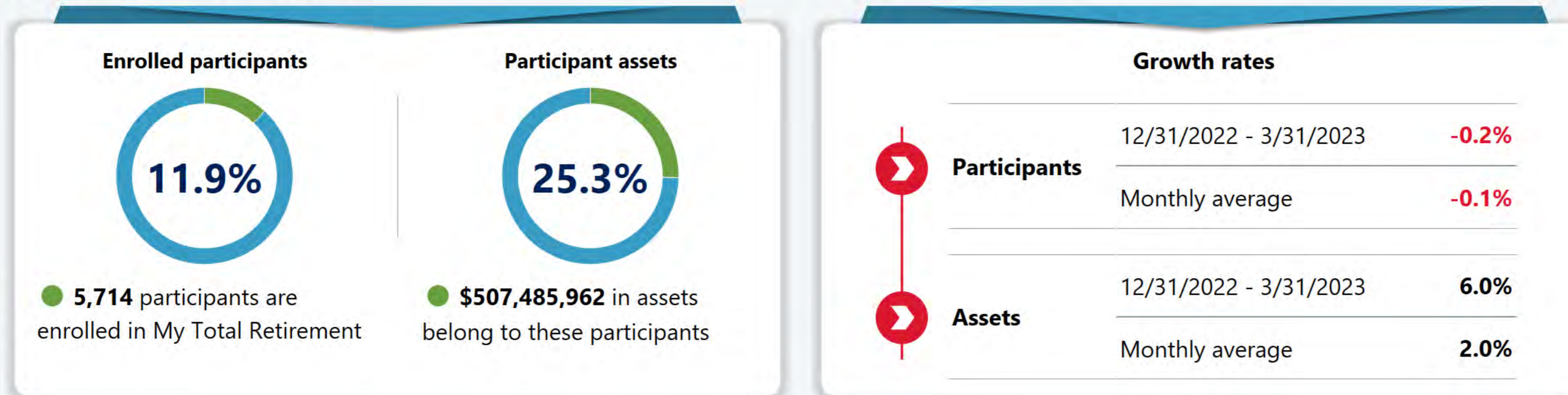
However, this strategy holds a smaller share of assets with only **58.8%** of assets.



Advisory services

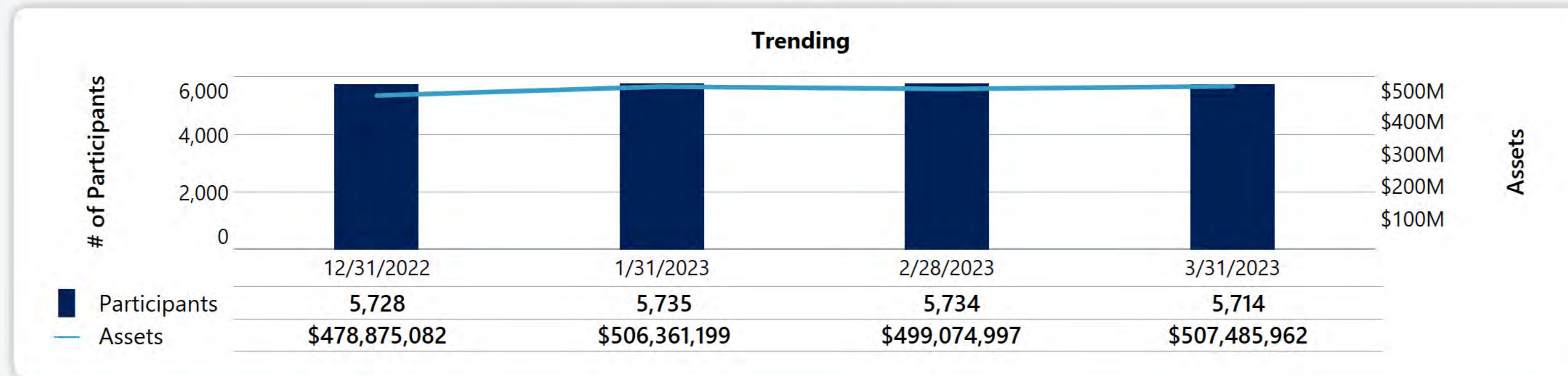
As of 3/31/2023

Utilization of My Total Retirement



Overview

The number of participants and the participant assets are based on all actively employed and separated from service plan participants that are using the managed account service. When applicable, any outstanding loan amounts are not included as part of the assets.





Rate of return

As of 3/31/2023

1

Year return

Median

-6.3%

Benchmark median

-6.1%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	-5.5%	14,234
Middle tier	-6.3%	14,228
Bottom tier	-7.5%	14,231

3

Year return

Median

16.0%

Benchmark median

13.5%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	17.1%	11,352
Middle tier	16.0%	11,348
Bottom tier	11.3%	11,348

5

Year return

Median

8.4%

Benchmark median

6.8%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	9.3%	8,723
Middle tier	8.4%	8,719
Bottom tier	5.9%	8,720

Overview

Rate of return is calculated monthly and those monthly returns are then rolled up into 1, 3, and 5 year returns when available.

Only participants with a result across all months in the period are included.

To further illustrate how participants compare to one another and the benchmark, we break out participants into tiers by their rate of return ranking. Each tier represents 1/3 of the participant population.



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Balanced	Alaska Balanced Trust	\$55,346,393	2.75%	5,568	\$45,515,035	2.27%	6,049
	Alaska Long-Term Balanced Trust	\$33,854,269	1.68%	5,729	\$65,067,662	3.25%	6,566
	BlackRock Strategic Completion NL F	\$5,889,947	0.29%	657	\$9,833,064	0.49%	4,241
Domestic Equity	Environmental, Social and Governance Fd	\$73,240,054	3.64%	7,170	\$36,998,537	1.85%	6,581
	Russell 3000 Index	\$92,296,321	4.59%	7,242	\$67,619,741	3.38%	7,087
	S & P 500 Stock Index Fund	\$84,839,012	4.22%	2,647	\$115,575,103	5.77%	8,695
	US Small Cap Trust	\$103,908,836	5.17%	7,909	\$82,666,473	4.13%	7,628
Domestic Fixed Income	Passive U.S. Bond Index Fund	\$65,321,599	3.25%	6,304	\$80,339,375	4.01%	6,872
International Equity	International Equity Fund	\$87,915,711	4.37%	7,309	\$49,687,990	2.48%	7,056
	World Equity Ex-US Index	\$54,790,658	2.72%	6,876	\$73,138,754	3.65%	6,996
Stable Value/Money Market	Stable Value Fund	\$123,705,092	6.15%	6,484	\$141,150,864	7.05%	6,535
	State Street Inst Treasury Money Market	\$16,336,442	0.81%	4,109	\$20,748,663	1.04%	4,737
Target Date	Alaska Target Date Retirement 2010 Trust	\$3,025,135	0.15%	87	\$2,974,724	0.15%	84
	Alaska Target Date Retirement 2015 Trust	\$12,575,464	0.63%	359	\$10,633,922	0.53%	316
	Alaska Target Date Retirement 2020 Trust	\$44,413,490	2.21%	1,027	\$38,252,104	1.91%	957
	Alaska Target Date Retirement 2025 Trust	\$85,621,862	4.26%	2,063	\$81,284,149	4.06%	1,996
	Alaska Target Date Retirement 2030 Trust	\$98,592,123	4.90%	2,458	\$96,467,317	4.82%	2,462
	Alaska Target Date Retirement 2035 Trust	\$125,218,220	6.23%	3,113	\$124,365,820	6.21%	3,171
	Alaska Target Date Retirement 2040 Trust	\$149,172,573	7.42%	3,633	\$144,477,264	7.21%	3,723
	Alaska Target Date Retirement 2045 Trust	\$194,857,603	9.69%	4,738	\$193,792,003	9.67%	4,904



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Target Date	Alaska Target Date Retirement 2050 Trust	\$231,862,470	11.53%	6,094	\$232,728,109	11.62%	6,383
	Alaska Target Date Retirement 2055 Trust	\$250,451,500	12.45%	10,401	\$256,163,782	12.79%	10,527
	Alaska Target Date Retirement 2060 Trust	\$11,936,230	0.59%	1,958	\$21,268,665	1.06%	2,747
	Alaska Target Date Retirement 2065 Trust	\$6,014,588	0.30%	1,448	\$12,524,948	0.63%	2,418
	JPMorgan SmartRetirement Blend 2015 R6	\$2,683	0.00%	3	\$7,938	0.00%	4
	JPMorgan SmartRetirement Blend 2020 R6	\$54,913	0.00%	8	\$54,028	0.00%	8
	JPMorgan SmartSpending 2020 R6	\$0	0.00%	0	\$0	0.00%	0

Page 2 of 2

Glossary of terms

Term	Description
Balances	Total assets under administration is the summation of all participant and plan balances. Plan balance is the summation of all plan balances such as forfeitures. Total participant balance is the summation of all the participant balances. (excludes loan balance). The average balance is calculated by dividing the participant balance by total participants with a balance.
Benchmarks	The benchmarks are based on the recordkeeping system book of business and updated monthly. The benchmarks are illustrated as the median by plan type (401(k), 403(b), 401(a), 457) and plan asset ranges: <\$5M, \$5M - \$10M, \$10M - \$25M, \$25 - \$50M, \$50M - \$500M, >\$500M
Cash flow	Participant activity illustrated is year to date and includes all contributions and distributions. The difference in the beginning balance and ending balance is a result adding and subtracting activity such as: contributions, disbursements, participant fees, loan issue/payments, transfers, adjustments, change in value to reflect the ending balance.
Contribution activity	Contributions includes all new participant account money such as: contributions via payroll, one-time contributions, employer contributions and rollovers. Contributions are illustrated as Employee and Employer funded and Employee contributions will be further broken down by pre-tax, Roth and post-tax as applicable. The contribution activity will match the contribution totals illustrated on the Cash Flow slide.
Distribution activity	Distributions include all active and terminated participants with a balance. The distribution categories are derived from the methods in which assets are removed from the plan. The categories may include: Deminimis, Hardship, Death, Housing allowance, In-service, Loan distributions, QDRO, Required minimum distributions (RMD), Separation of service, Service credits, CARES Act, SECURE Act and Other. The Other category is a combination of infrequently used distributions such as but not limited to: contract exchanges, disability, 1035 exchanges, defined benefit payout, dividend payment, early distribution penalty, transfer to an IRA, Roth conversions, etc. It also includes transactions that were reversed.

Glossary of terms

Term	Description
Match behaviors	<p>A matching contribution is a type of contribution an employer chooses to make based on elective deferral contributions that the participant makes. This is different from non-elective employer contributions that do not require the participant to make a contribution.</p> <p>When it comes to encouraging eligible participants to participate and contribute more, one of the single most influential plan design decisions an employer can adopt is the use of a matching contribution to a participant's deferrals. A single plan can have multiple elective deferral match rules that cover eligible participants, and they can be based on company division, job type and tenure, among other factors. Additionally, an eligible participant can be covered by a single-tier (e.g., 100% up to 5% of contributions) or multi-tier (e.g., 100% up to 3% and 50% on the next 4%) formula.</p> <p>We evaluate the behaviors of participants based on the maximum deferral rate that the employer will match. This is referred to as the match cap. In the example below, both of these match rules result in the same match cap:</p> <ul style="list-style-type: none">• 1. 100% up to 5% of contributions• 2. 100% up to 3% and 50% on the next 4% <p>Eligible employees are mapped to 1 of 4 of the plan match behaviors below:</p> <p>Not contributing:</p> <ul style="list-style-type: none">• Eligible to participate in the plan and receive employer matching contributions but does not currently have an active deferral on file <p>Missing out:</p> <ul style="list-style-type: none">• Has an active elective deferral on file but is contributing below the match cap <p>Meeting the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing at the match cap <p>Exceeding the match:</p> <ul style="list-style-type: none">• Has an active elective deferral on file and is contributing above the match cap
Rate of return	<p>Rate of return is calculated in 1 month intervals based on the opening balance, transaction activity, and closing balance for the month. The calculation is consistent with the procedures called by the participant website for displaying a participant's rate of return for a 1 month period. Determining the 1, 3, and 5 year returns is achieved by using an aggregation of the individual monthly rates of return for that period. Only participants with a result across all months in the period are included.</p>

Glossary of terms

Term	Description
Investment strategy	<p>Investment strategy includes all active and terminated participants with a balance. Each strategy classification is exclusive, meaning a participant is only included in one group as of the last day of the reporting period.</p> <p>Do it for me:</p> <ul style="list-style-type: none">• Managed Account users - refers to a participant enrolled in the managed accounts service <p>Help me do it:</p> <ul style="list-style-type: none">• Online Advice - refers to a participant utilizing the online advice service within managed accounts• Asset allocation model strategy – refers to participants enrolled in a model portfolio• Target date strategy or Risk based strategy – refers to a participant with greater than 95% of their assets in one or two target date or risk based fund(s); therefore up to 5% of the balance illustrated in the investment strategy may be invested in other types of investments <p>Do it myself:</p> <ul style="list-style-type: none">• Brokerage – refers to a participant enrolled in the self-directed brokerage option: therefore the balance illustrated in this investment strategy may be invested in non-brokerage investments• Any participant not in one of the prior strategies would also be designated as a Do-it-yourself investor <p>The equity exposure (glidepath chart) is based on a participant’s current balance equity %.</p>
Advisory services	<p>Advisory services includes all active and terminated participants with a balance. It compares the participants enrolled in the managed account service or online advice service against the participants that are not enrolled as of the last day of the reporting period. Each participant is only included in one group.</p>
Asset allocations	<p>Includes investment option assets as of period end. Assets do not include holding/forfeiture group level accounts or loan balances. The % of total calculation is: Investment option’s total balance / total of participant balances. The participant counts include all participants with a balance >0 for the investment option.</p>



Thank you



PLAN PERFORMANCE INSIGHTS

As of 3/31/2023

98214-05

State of Alaska Teachers' Retirement System Tier III Defined Contribution Plan



Executive summary

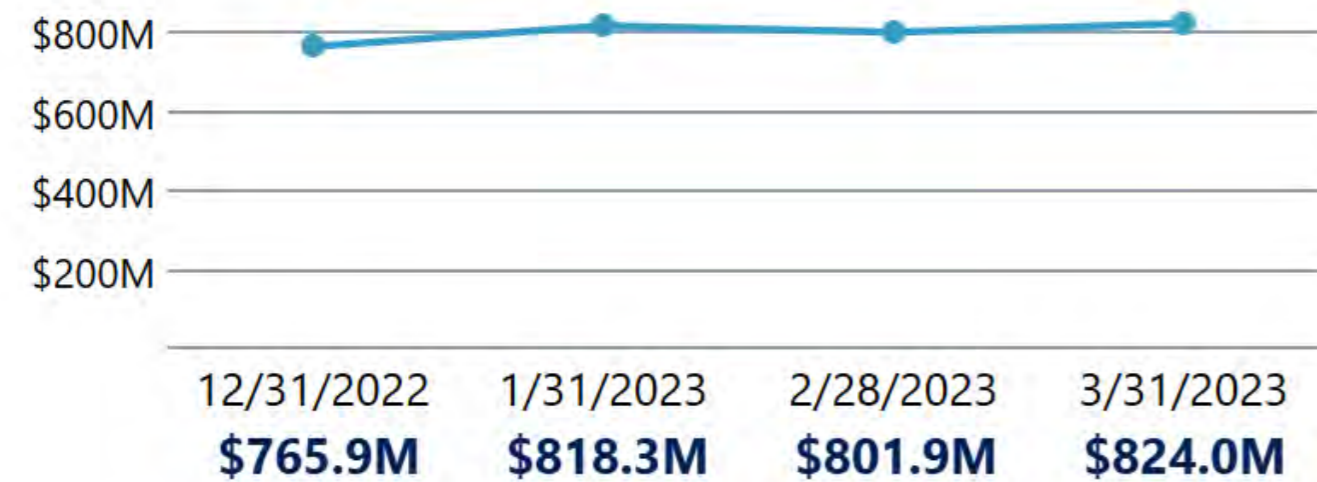
As of 3/31/2023

Participant assets



\$823,997,769

Trending



Participants with a balance



10,966

Trending



Overview

The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.

Executive summary

As of 3/31/2023



Average balance

\$75,141

Benchmark
\$76,946

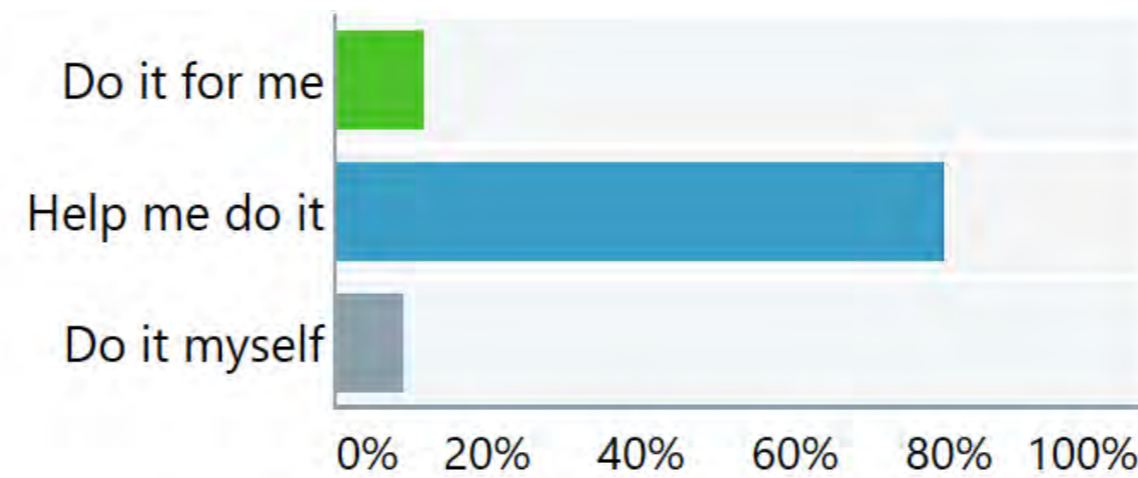
Top 10%
\$169,907

\$75,141 is the average account balance for all participants that have a balance as of month end. This is below the benchmark by **\$1,805** and is below the top 10% of peers by **\$94,766**.

Trending



Investment strategy utilization

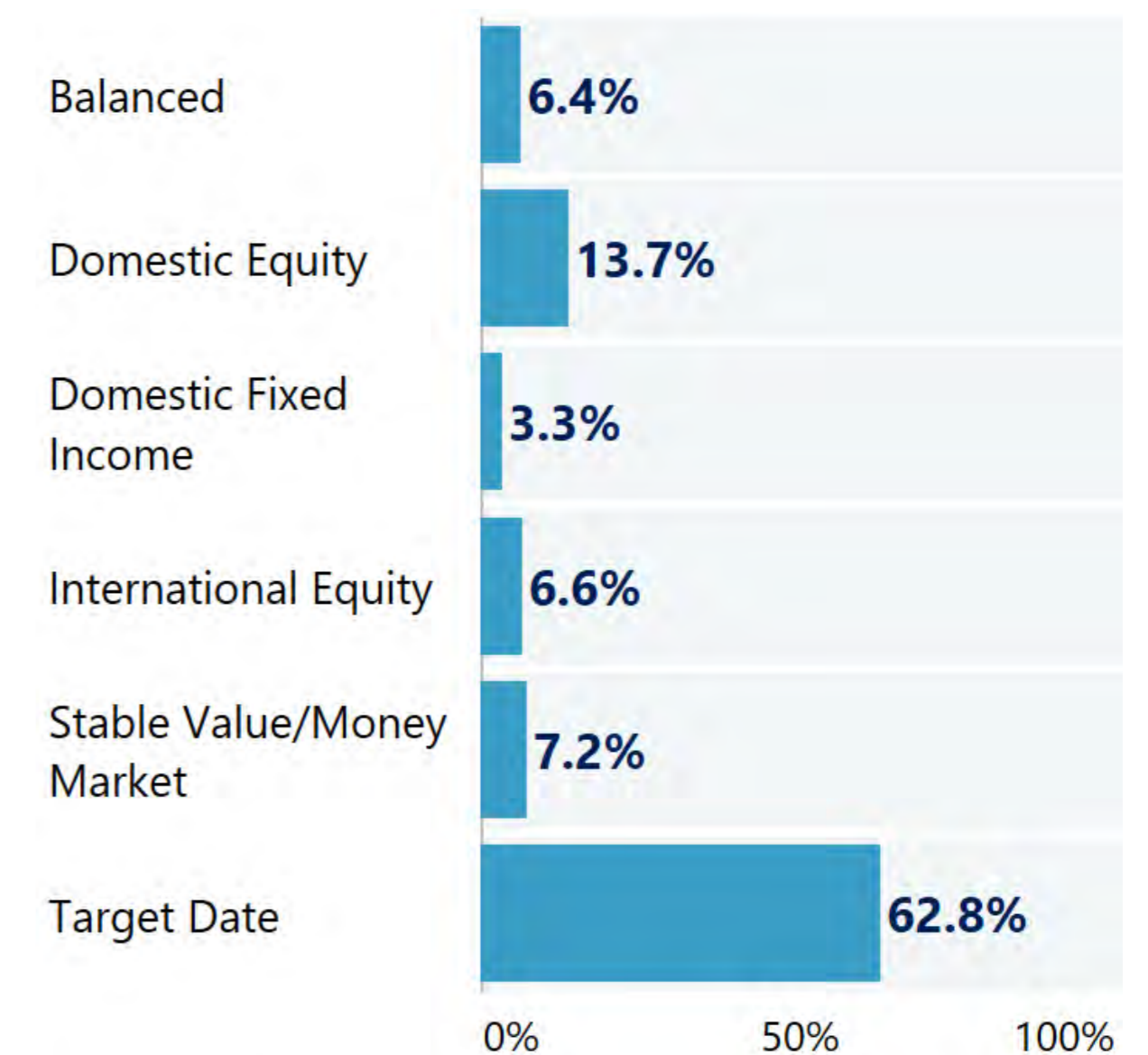


Target date strategy is the investment strategy utilized by the most participants with **78.9%** of participants classified as using this strategy.

Investment strategy	% of Participants
My Total Retirement	11.8%
Online Advice	0.0%
Target date strategy	78.9%
Risk based strategy	0.1%
Do-it-yourself strategy	9.2%



Allocations by asset class



Target Date is the asset class that holds the largest share of participant assets. **\$517,153,259** is invested in **Target Date** which represents **62.8%** of participant assets.



Cash flow

As of 3/31/2023

Year-to-date participant activity summary



Total contributions

\$20,092,942



Disbursements

-\$7,380,131



Net Activity

\$12,712,811

Overview

Cash flow includes all inflows and outflows of dollars from the plan by active and separated from service participants as applicable and the impact of cash flow on participant balances.

¹Fees may include but are not limited to: transactional and plan administrative fees

²Other includes 'Transfer In', 'Transfer Out', 'Adjustments'

Impact on balances

	12/1/2022 - 12/31/2022	1/1/2023 - 1/31/2023	2/1/2023 - 2/28/2023	3/1/2023 - 3/31/2023
Beginning balance	\$792,075,898	\$765,916,944	\$818,269,814	\$801,939,910
Contributions	\$3,810,277	\$7,116,064	\$6,186,735	\$6,790,143
Disbursements	-\$1,395,095	-\$2,744,277	-\$2,441,137	-\$2,194,717
Fees ¹	-\$73,879	-\$291,785	-\$76,865	-\$76,543
Loans issued	\$0	\$0	\$0	\$0
Loan payments	\$0	\$0	\$0	\$0
Other ²	\$0	\$0	\$0	\$0
Change in value	-\$28,500,256	\$48,272,869	-\$19,998,637	\$17,538,976
Ending Balance	\$765,916,944	\$818,269,814	\$801,939,910	\$823,997,769



Contribution activity

As of 3/31/2023

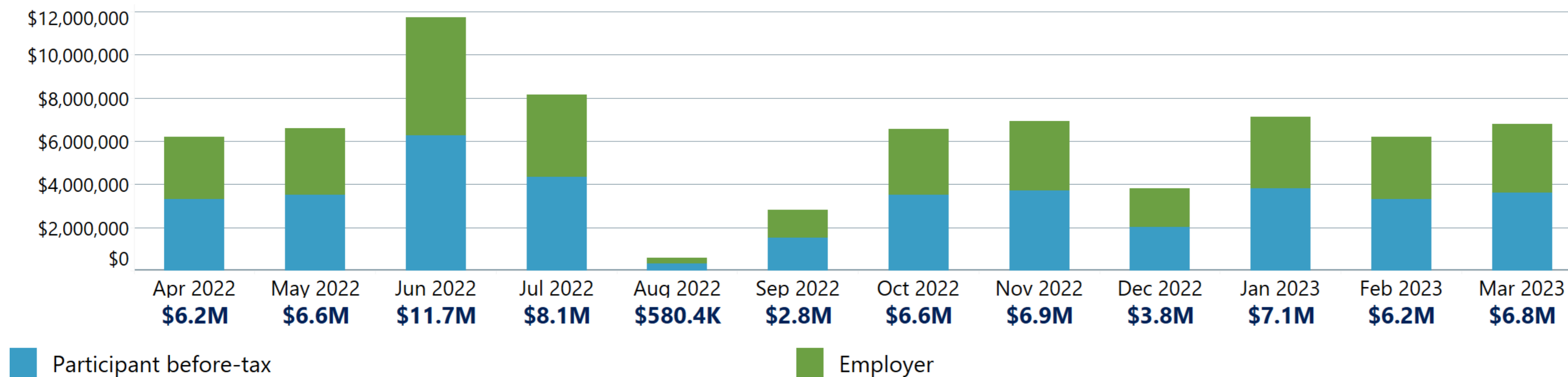
Total contributions at-a-glance

	Participant before-tax	Employer	Total
Year to date total contributions	\$10,729,877	\$9,363,066	\$20,092,942
Rolling 12 months total contributions	\$39,208,087	\$34,227,953	\$73,436,040

Overview

The contribution activity details show the total of new money into participant accounts. The contributions can originate via ongoing payroll contributions, one-time contributions, employer contributions, and rollovers.

Total contribution amounts by month





Distribution activity

As of 3/31/2023

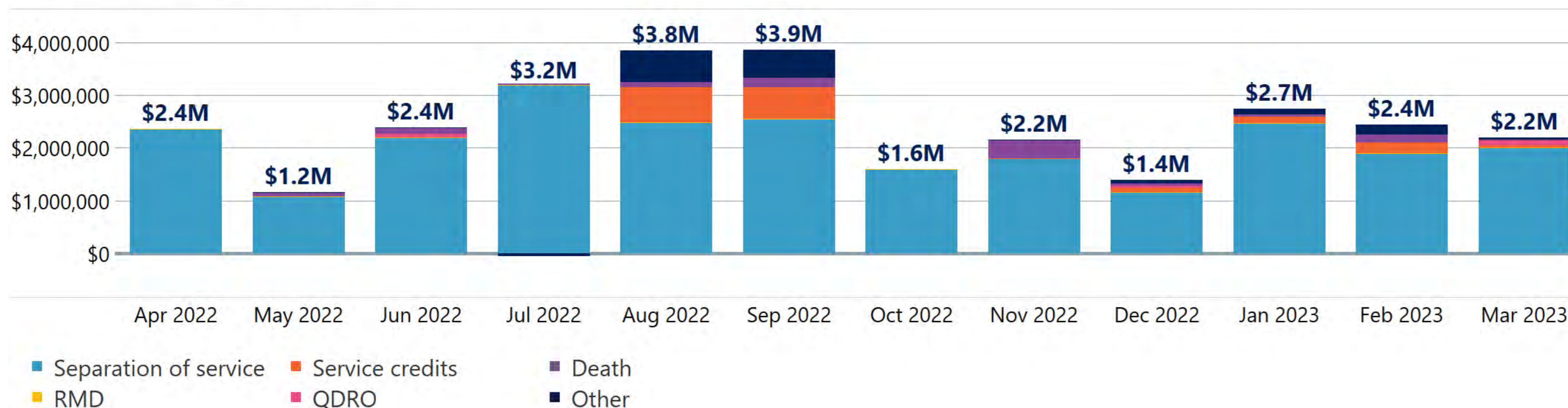
Distribution activity at-a-glance

		Separation of service	RMD	Service credits	QDRO	Death	Other	Total
Year to date	Amount	\$6.4M	\$4.1K	\$389.9K	\$105.1K	\$183.4K	\$341.1K	\$7.4M
	Transactions	224	9	7	2	5	7	254
Rolling 12 months	Amount	\$24.7M	\$70.5K	\$1.8M	\$224.5K	\$1.1M	\$1.5M	\$29.3M
	Transactions	802	44	28	4	38	35	951

Overview

The distribution activity details show the activity for all actively employed and separated from service participants.

Total distribution amounts by month





Participant balances

As of 3/31/2023

Account balances comparison



The average and median account balance for your plan is based on **10,966** participants

Account balances by employment status

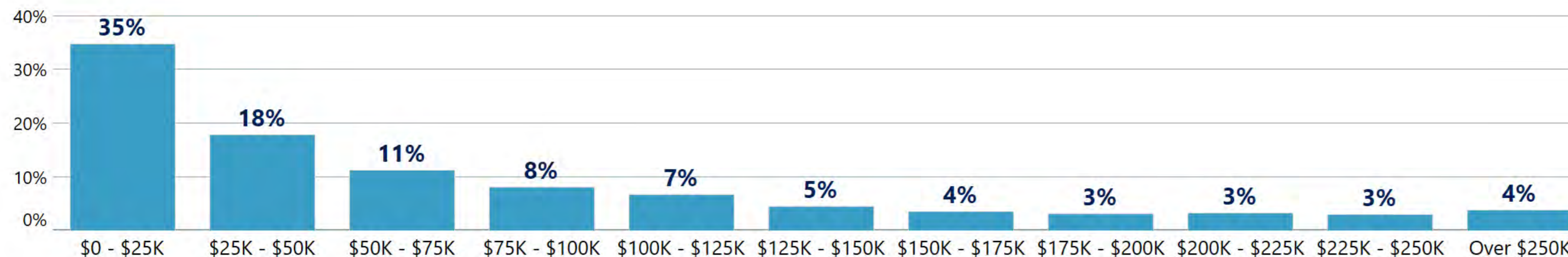


Active	Average balance	\$74,985
	Median balance	\$45,636
	# of participants	10,116
Separated from service	Average balance	\$77,003
	Median balance	\$44,816
	# of participants	850

Overview

The average and median participant account balance is based on the balance of all actively employed and separated from service plan participants. The balances do not include any outstanding loan amounts.

Distribution of account balances





Investment strategy utilization

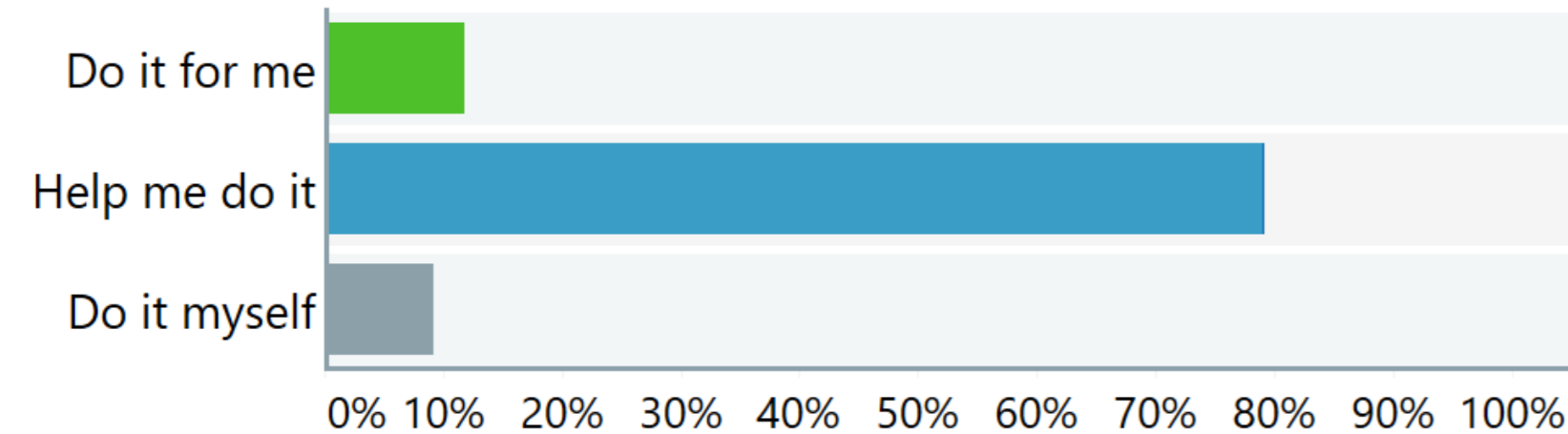
As of 3/31/2023



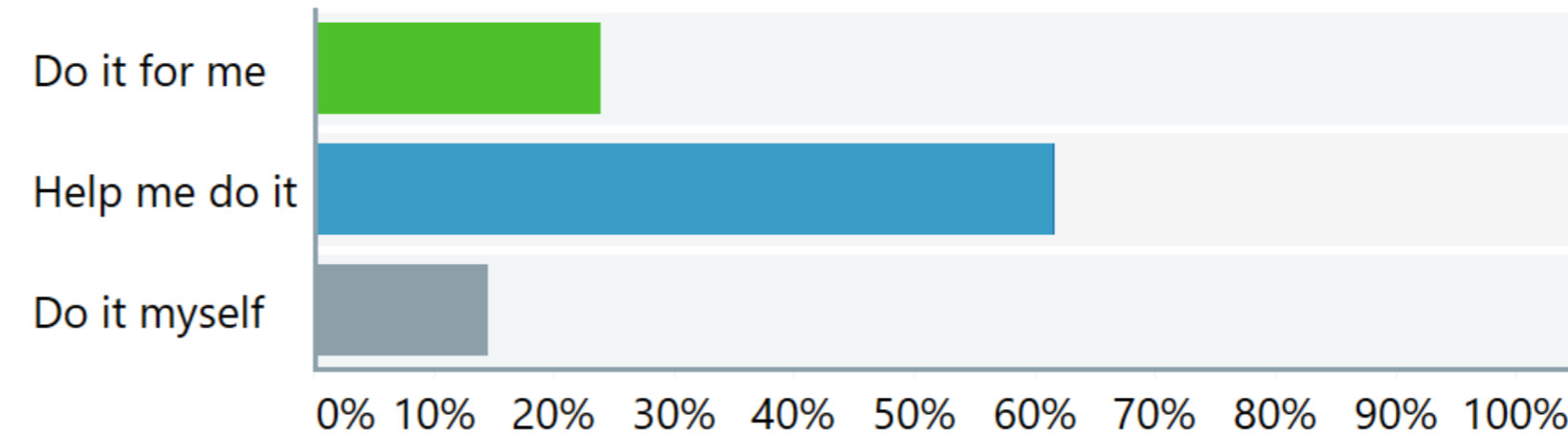
Participants by strategy



Participant assets by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	11.8%	1,290
Online Advice	0.0%	2
Target date strategy	78.9%	8,657
Risk based strategy	0.1%	8
Do-it-yourself strategy	9.2%	1,009



Investment strategy	% of assets	Assets	Average balance
My Total Retirement	23.9%	\$196,847,516	\$152,595
Online Advice	0.0%	\$312,004	\$156,002
Target date strategy	61.5%	\$506,353,543	\$58,491
Risk based strategy	0.1%	\$826,271	\$103,284
Do-it-yourself strategy	14.5%	\$119,658,434	\$118,591

Overview

The investment strategy utilization is based on all participants actively employed and separated from service with a balance.



Target date strategy is the investment strategy utilized by the most participants with **78.9%** of participants using this strategy.

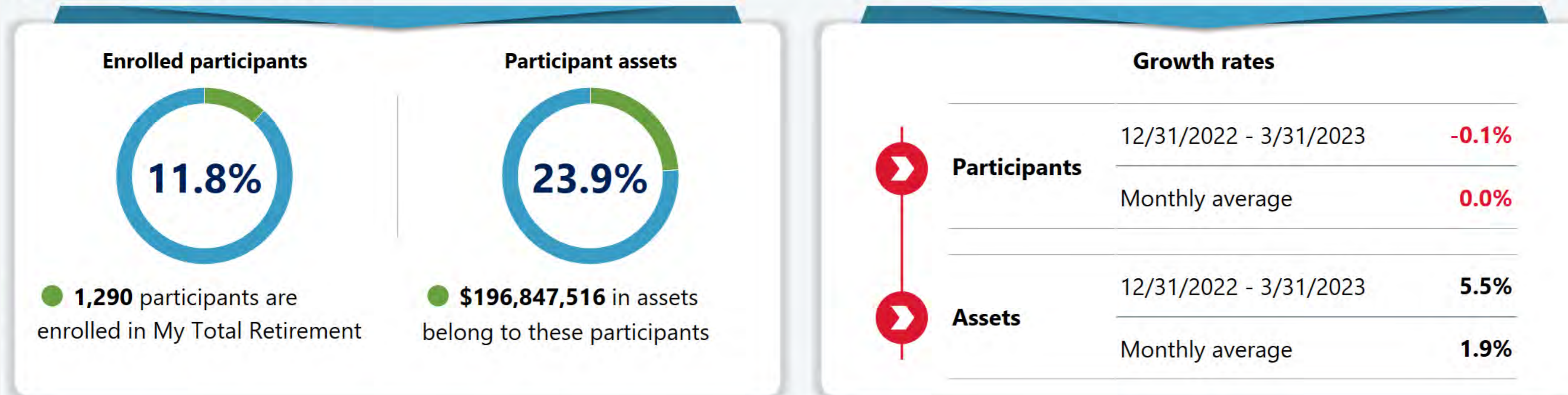
However, this strategy holds a smaller share of assets with only **61.5%** of assets.



Advisory services

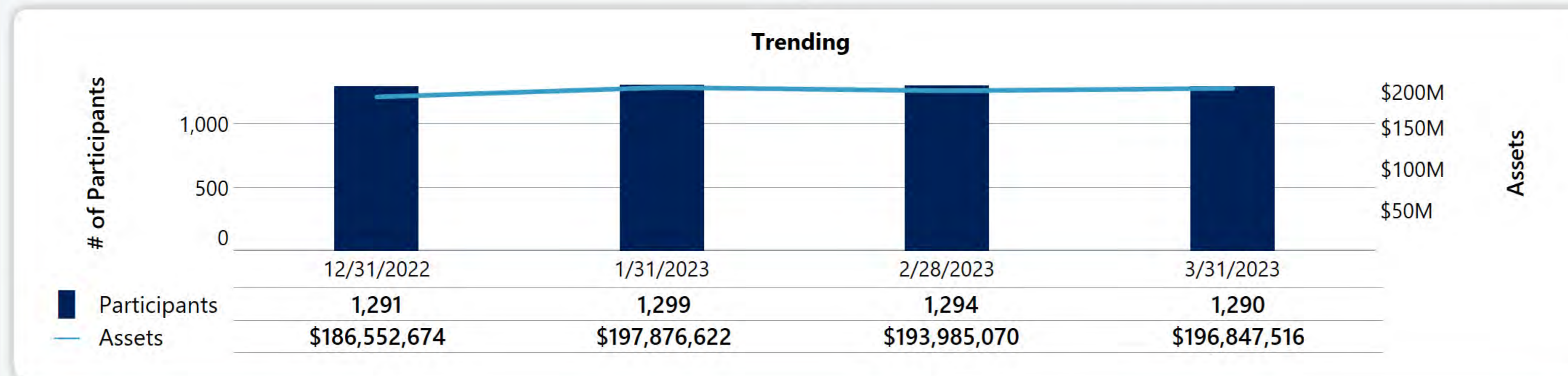
As of 3/31/2023

Utilization of My Total Retirement



Overview

The number of participants and the participant assets are based on all actively employed and separated from service plan participants that are using the managed account service. When applicable, any outstanding loan amounts are not included as part of the assets.





Rate of return

As of 3/31/2023

1

Year return

Median

-6.1%

Benchmark median

-6.1%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	-5.1%	3,295
Middle tier	-6.1%	3,293
Bottom tier	-6.4%	3,294

3

Year return

Median

16.8%

Benchmark median

13.5%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	17.2%	2,742
Middle tier	16.8%	2,741
Bottom tier	11.8%	2,742

5

Year return

Median

8.9%

Benchmark median

6.8%

Median returns by rank of return

Rank	Median return	# of participants
Top tier	9.4%	2,243
Middle tier	8.9%	2,241
Bottom tier	6.7%	2,242

Overview

Rate of return is calculated monthly and those monthly returns are then rolled up into 1, 3, and 5 year returns when available.

Only participants with a result across all months in the period are included.

To further illustrate how participants compare to one another and the benchmark, we break out participants into tiers by their rate of return ranking. Each tier represents 1/3 of the participant population.



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Balanced	Alaska Balanced Trust	\$23,097,411	2.80%	1,511	\$19,078,043	2.32%	1,564
	Alaska Long-Term Balanced Trust	\$14,841,285	1.80%	1,566	\$29,259,691	3.55%	1,676
	BlackRock Strategic Completion NL F	\$1,805,690	0.22%	138	\$3,996,211	0.48%	1,185
Domestic Equity	Environmental, Social and Governance Fd	\$30,112,155	3.65%	1,741	\$14,878,442	1.81%	1,714
	Russell 3000 Index	\$38,089,329	4.61%	1,813	\$27,557,184	3.34%	1,811
	S & P 500 Stock Index Fund	\$23,446,931	2.84%	563	\$36,719,147	4.46%	2,106
	US Small Cap Trust	\$42,324,760	5.13%	1,940	\$33,955,878	4.12%	1,918
Domestic Fixed Income	Passive U.S. Bond Index Fund	\$24,400,499	2.96%	1,656	\$27,478,974	3.33%	1,719
International Equity	International Equity Fund	\$38,308,548	4.64%	1,803	\$21,787,014	2.64%	1,785
	World Equity Ex-US Index	\$23,714,981	2.87%	1,744	\$32,446,341	3.94%	1,750
Stable Value/Money Market	Stable Value Fund	\$48,507,873	5.88%	1,605	\$53,343,250	6.47%	1,628
	State Street Inst Treasury Money Market	\$5,120,611	0.62%	1,139	\$6,344,333	0.77%	1,245
Target Date	Alaska Target Date Retirement 2010 Trust	\$1,252,975	0.15%	29	\$1,006,294	0.12%	25
	Alaska Target Date Retirement 2015 Trust	\$3,904,837	0.47%	77	\$3,649,225	0.44%	74
	Alaska Target Date Retirement 2020 Trust	\$12,975,635	1.57%	206	\$11,408,822	1.38%	193
	Alaska Target Date Retirement 2025 Trust	\$26,796,772	3.25%	394	\$25,377,686	3.08%	385
	Alaska Target Date Retirement 2030 Trust	\$37,579,920	4.55%	542	\$37,545,133	4.56%	557
	Alaska Target Date Retirement 2035 Trust	\$53,300,158	6.46%	713	\$52,518,217	6.37%	743
	Alaska Target Date Retirement 2040 Trust	\$64,607,155	7.83%	879	\$65,384,954	7.94%	920
	Alaska Target Date Retirement 2045 Trust	\$92,685,519	11.23%	1,276	\$93,306,571	11.32%	1,349



Asset allocation

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

Asset class	Investment option	As of 3/31/2022			As of 3/31/2023		
		Total balance	% of total	Participants	Total balance	% of total	Participants
Target Date	Alaska Target Date Retirement 2050 Trust	\$128,356,620	15.55%	1,738	\$128,915,835	15.65%	1,835
	Alaska Target Date Retirement 2055 Trust	\$85,278,673	10.33%	2,016	\$89,134,314	10.82%	2,096
	Alaska Target Date Retirement 2060 Trust	\$3,957,503	0.48%	370	\$7,118,391	0.86%	569
	Alaska Target Date Retirement 2065 Trust	\$923,149	0.11%	97	\$1,787,816	0.22%	199

Page 2 of 2

Glossary of terms

Term	Description
Balances	Total assets under administration is the summation of all participant and plan balances. Plan balance is the summation of all plan balances such as forfeitures. Total participant balance is the summation of all the participant balances. (excludes loan balance). The average balance is calculated by dividing the participant balance by total participants with a balance.
Benchmarks	The benchmarks are based on the recordkeeping system book of business and updated monthly. The benchmarks are illustrated as the median by plan type (401(k), 403(b), 401(a), 457) and plan asset ranges: <\$5M, \$5M - \$10M, \$10M - \$25M, \$25 - \$50M, \$50M - \$500M, >\$500M
Cash flow	Participant activity illustrated is year to date and includes all contributions and distributions. The difference in the beginning balance and ending balance is a result adding and subtracting activity such as: contributions, disbursements, participant fees, loan issue/payments, transfers, adjustments, change in value to reflect the ending balance.
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Thank you

Alaska Retirement Management Board
COMMITTEE SELF-ASSESSMENT
 Defined Contribution Plan Committee

Self-assessment within the meaning of the committee's charter may be achieved by discussion, at least twice a year, of the following questions:

	YES	NO
1. Are discussions at the committee level meaningful and, if not, what can be done about it?		
2. Is the committee touching on key issues; what key issues are being missed?		
3. Is the committee giving appropriate time to key issues?		
4. Does the work of the DC Committee appropriately meet the needs of the Board by reducing necessary Board meeting time spent on the matters that come before the DC Committee?		

**Charter of the Defined Contribution Plan Committee
of the Board of Trustees of
the Alaska Retirement Management Board (ARMB)**

I. Committee Purpose.

The Committee has the authority to research, review and recommend policies and procedures that it believes may be beneficial to the members of the retirement systems, or that represent best practices, or that result in efficient administration of the defined contribution plan for public employee members and teachers. The Committee may request assistance from staff at the Departments of Revenue and Administration, and through the board chair, from the state actuary. The Committee makes recommendations to the board; it does not have authority to act on behalf of the board.

II. Committee Members.

The Committee consists of at least three Trustees, who have expressed a willingness to serve on the Committee and have been duly appointed by the Chair.

III. Committee Meetings.

The Committee shall meet as frequently as circumstances dictate. The Committee Chair shall prepare and/or approve an agenda in advance of each meeting. The Committee shall maintain minutes of Committee meetings and periodically report to the ARMB on significant results of the Committee's activities.

IV. Committee Responsibilities and Duties.

The Committee shall carry out the following responsibilities:

1. Review and assess the adequacy of this Charter at least annually and submit recommended changes to it to the Board of Trustees for approval.
2. In consultation with staff, the chief investment officer, the director of the division of retirement and benefits, consultants and other experts, consider and review such defined contribution plan proposals or policies as may from time to time come before it and make appropriate recommendations for action to the board of trustees.
3. Periodically perform self-assessment of the Committee's performance.

Alaska Retirement Management Board
Defined Contribution Plan Committee
Schedule of 2023 Meetings

March 15, 2023 (Juneau/ Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. Update: TRS members with Social Security Data
4. Final Report: Investment Structure Analysis
5. (Additional Topics To Be Determined)

June 14, 2023 (Anchorage/ Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. (Additional Topics To Be Determined)

September 13, 2023 (Anchorage/ Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. (Additional Topics To Be Determined)

December 6, 2023 (Anchorage/ Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. Annual Planning – Set Committee Goals
4. (Additional Topics To Be Determined)

Periodic and As Needed Meeting Topics

1. Committee Self-Assessment (*Generally conducted during June & December meetings*)
2. (Topics To Be Determined)

Alaska Retirement Management Board
Defined Contribution Plan Committee
Proposed Schedule of 2024 Meetings

March 5, 2024 (Juneau / Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. Update: TRS members with Social Security Data
4. Final Report: Investment Structure Analysis
5. (Additional Topics To Be Determined)

June 11, 2024 (Anchorage / Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. (Additional Topics To Be Determined)

September 17, 2024 (TBD / Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. (Additional Topics To Be Determined)

December 3, 2024 (Anchorage / Videoconference)

1. DRB and Empower Update
 Surveys, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update
 Investment Updates, New Initiatives/Plans
3. Annual Planning – Set Committee Goals
4. (Additional Topics To Be Determined)

Periodic and As Needed Meeting Topics

1. Committee Self-Assessment (*Generally conducted during June & December meetings*)
2. (Topics To Be Determined)