



# ALASKA RETIREMENT MANAGEMENT BOARD

Defined Contribution Plan  
Committee Meeting

March 11, 2025

State of Alaska  
**ALASKA RETIREMENT MANAGEMENT BOARD**

DEFINED CONTRIBUTION PLAN COMMITTEE MEETING

**March 11, 2025 – 10:00 AM**

Andrew P. Kashevaroff (APK) Building, 395 Whittier St., Juneau, AK

**Videoconference:** [Click here to join the meeting](#)  
Meeting ID: 274 887 509 748  
Passcode: 9xK9Xa6R

**Teleconference:** Call-In #: 1-907-202-7104  
Code: 267 405 315#

- 10:00 a.m. Call to Order**  
**Roll Call**  
**Public Meeting Notice**  
**Approval of Agenda**  
**Approval of Minutes – December 3, 2024**
- 10:05 a.m. Public / Member Participation, Communications and Appearances**  
*(Callers: Select \*5 to raise your hand & \*6 to unmute. Three minute limit.)*
- 10:10 a.m. Social Security Administration – GPO & WEP Discussion**  
*Nathan Cole, Public Affairs Specialist, Denver & Seattle Regional Public Affairs Office*
- 10:30 a.m. ARMB Education Working Group Update & Action Items**  
*Bob Williams, Chair*  
  - 1. Resolution 2025-01 DCR Healthcare Eligibility - 12 Month Employment Requirement**
  - 2. Resolution 2025-02 DCR Healthcare Eligibility - Years of Service Requirement**
  - 3. Resolution 2025-03 Renaming/Descriptions for the Alaska Balanced Trust, Alaska Long-Term Balanced Trust, and Stable Value Fund**
- 11:00 a.m. Treasury Division and Division of Retirement & Benefits Current Cost Allocation and History**  
*Pamela Leary, Director, Treasury Division*  
*Christopher Novell, Chief Financial Officer, Division of Retirement & Benefits*
- 11:20 a.m. Division of Retirement & Benefits Update**  
  - 1. Update on Recordkeeping RFP**
  - 2. Status of Contribution Outage**
  - 3. Chief Pension Officer’s Report**
  - 4. Report on Delinquent / Late Filing Employers**
  - 5. PERS / TRS / SBS / Deferred Comp / Social Security Report***Kathy Lea, Director, Division of Retirement & Benefits*  
*Mindy Voigt, Chief Pension Officer, Division of Retirement & Benefits*  
*Christopher Novell, Chief Financial Officer, Division of Retirement & Benefits*
- 11:35 a.m. Treasury DC Update**  
*Zachary Hanna, Chief Investment Officer, Treasury Division*

- 11:45 a.m. Future Meetings**
- 1. Calendar Review**
  - 2. Agenda Items**
  - 3. Requests / Follow-Ups**
- 11:50 a.m. Other Matters to Properly Come Before the Committee**
- 11:55 a.m. Public / Members Comment**  
*(Callers: Select \*5 to raise your hand & \*6 to unmute. Three minute limit.)*
- 12:00 p.m. Adjournment**

State of Alaska  
**ALASKA RETIREMENT MANAGEMENT BOARD**  
DEFINED CONTRIBUTION PLAN COMMITTEE MEETING  
**December 3, 2024**

Atwood Conference Center, Rooms 102 & 104, 550 W. 7<sup>th</sup> Ave., Anchorage, AK

**Committee Members Present:**

Donald Krohn  
Dennis Moen  
Spencer Moore  
Sandra Ryan  
Bob Williams, Chair

**Other Trustees Present:**

Lorne Bretz  
Commissioner Vrana

**Department of Revenue – Treasury Division Staff Present:**

Zachary Hanna, Chief Investment Officer	Pamela Leary, Director
Casey Colton, State Investment Officer	Grant Ficek, Performance and Data Analyst
Benjamin Garrett, State Investment Officer	Alysia Jones, ARMB Liaison
Scott Jones, Head of Investment Operations	Chris Madsen, Administrative Operations Manager
Tyler McCormack, State Investment Officer	Mariell Mendoza, Investment Compliance & Performance Officer
Hunter Romberg, Senior Compliance Officer	
Mark Moon, State Investment Officer	
Courtney Oliva, Accountant IV	

**Department of Administration – Division of Retirement & Benefits Present:**

Kathy Lea, Director	Mindy Voigt, Chief Pension Officer
Christina Maiquis, Accountant V – Accounting Supervisor	Christopher Novell, Accountant V – Compliance Officer
Roberto Aceveda, Counseling & Benefits Education Manager	
Nimeri Denis, Audit & Review Analyst II	Teresa Kesey, Accountant IV
Steve Ramos, Chief Health Administrator	Ronan Tagsip, Program Manager
Brandon Roomsburg, Audit & Review Analyst II	Traci Walther, Accountant V
Shannon Whistler, Administrative Officer II	

**Department of Law**

Ben Hofmeister, Assistant Attorney General

**Investment Advisory Council**

Ruth Traylor	Josh Rabuck
Dr. William Jennings	

**Department of Administration Staff Present:**

Dave Donley, Deputy Commissioner	Amanda Pillifant, Executive Assistant
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# DRAFT

## **Guest Presenters:**

Nathan Cole, Public Affairs Specialist, Social Security Administration  
Ben Taylor, Senior Vice President, Head of Tax-Exempt DC Research, Callan

## **Public:**

Carla Ardell, Empower  
Marybeth Daubenspeck, Empower  
Michael Humphrey  
Wendy Woolf, RPEA

Randall Burns, RPEA  
Doug Gregg  
Kathleen King, RPEA

## **PROCEEDINGS**

### **CALL TO ORDER**

CHAIR WILLIAMS called the Defined Contribution (DC) Plan committee meeting to order at 10:10 a.m.

### **ROLL CALL**

Mr. Krohn, Mr. Moore, Ms. Ryan, Mr. Moen, and ARMB Chair Bob Williams were present, representing a quorum.

### **PUBLIC MEETING NOTICE**

MS. JONES confirmed public notice requirements for the meeting were met.

### **APPROVAL OF AGENDA**

CHAIR WILLIAMS asked if there were any changes or corrections to the agenda. Hearing none, the agenda was approved with no objection.

### **APPROVAL OF MINUTES – SEPTEMBER 17, 2024**

MR. KROHN moved to approve the minutes of the September 17, 2024, meetings, MR. MOEN seconded.

A roll call vote was taken, and the motion passed unanimously.

**PUBLIC / MEMBER PARTICIPATION, COMMUNICATIONS AND APPEARANCES – None.**

### **SOCIAL SECURITY ADMINISTRATION PRESENTATION**

NATHAN COLE, Public Affairs Specialist, Denver & Seattle Regional Public Affairs Office explained the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO), their impact on Social Security benefits, and how they apply to defined contribution plans. He provided examples and discussed exceptions to the WEP, including scenarios where WEP applies and where it does not.

MR. COLE then addressed questions from CHAIR WILLIAMS. He explained the proration of withdrawals from defined contribution plans and how they affect WEP calculations. He also discussed the maximum WEP reduction and how it is applied to different withdrawal scenarios. He emphasized that WEP only applies when withdrawals are made from defined contribution plans. He then touched on potential impact of legislative changes to WEP.

CHAIR WILLIAMS requested any available documentation showing what the policy is be shared with the committee. MR. COLE responded that he would get the information to them via MR. NOVELL.

# DRAFT

## **TARGET DATE SUITABILITY STUDY PHASE I**

BEN TAYLOR, Senior Vice President, Head of Tax-Exempt DC Research, Callan presented phase 1 of the target date suitability study, which aims to evaluate the suitability of target date funds and their impact on different participant populations. He explained the methodology, which included looking at age cohorts, gender breakout, longevity, differences in accumulation, and what people are doing with their assets upon retirement. He emphasized the importance of accurate data and participant behavior. He walked through the simulation inputs and stated that Callan would be looking at a typical defined benefit presence and eligibility, when people have it, when they don't, SBS, multiple different populations, multiple different employers, when they join, average tenure, and vary those by sub-populations. He said the goal was to provide what the basic, stylized version of a target date fund suitability would be, as well as a more accurate description of what the real experience is likely to be for people. He then discussed components of the evaluation: the building blocks of the funds, including growth assets, downside protection assets, and inflation-sensitive assets. He also highlighted the importance of considering withdrawal patterns and their impact on WEP.

CHAIR WILLIAMS asked if they would be breaking out the information for different plans. MR. TAYLOR responded that they plan to look at the data and see what the most useful metric of providing the information is and reiterated that the frame that they are undertaking is not necessarily plan specific. He added that their goal was to provide a very clear description of people's overall retirement suitability subject to the data.

IAC JOSH RABUCK asked for counsel on where they should focus as they prepare for the second phase of the presentation in March 2025. MR. TAYLOR stated that he would be better able to address the question once Callan receives the full data from Empower but noted that the most influential is the time period over which you assume participation in compounding.

CHAIR WILLIAMS asked CIO HANNA to comment on what he hopes to see from the study. CIO HANNA said that he is trying not to be too directive in the approach and likes the approach they are taking. He expects the process to be iterative and noted that the goal is to be able to think through the investment building blocks that are part of these options in combination with the glide path, to see how to best position these for the participant base.

## **UPDATE ON MANAGED ACCOUNTS CLOSURE & RECORDKEEPING RFP**

KATHY LEA, Director, Division of Retirement & Benefits reported that managed accounts closed on November 15, 2024, and according to Empower's report all references to advisory services have been removed from their website and all new contributions are being deposited into appropriate age-based target date funds for all participants who remained in managed accounts that were active employees as of November 15<sup>th</sup>. She noted that allocations for retired members who were in managed accounts as of November 15 stayed as they previously were, but that there is no continuing management of them.

MS. LEA reported that the new record keeping fees went into effect and explained that participants would see two fee changes on their statements, showing the previous rate for November 1-14 and the new fee from November 15 through the end of the quarter.

CHAIR WILLIAMS confirmed that the record keeping rate increased by two basis points, from 5.25 to 7.25.

MS. LEA provided an update on the record keeping RFP. She said that Gallagher was working with DRB and state procurement staff. The tentative publish date would be January 2, 2025.

MS. LEA updated the Committee on the computer outage that occurred on November 4<sup>th</sup>. She explained that everything except eReporting had been restored, which meant that the Division has not been able to intake and process any employer contributions since November 4<sup>th</sup>. She stated that open enrollment would be extended and enrollment for retirement processing had begun again. She expressed her appreciation for the Member Services Call Center for their efforts to answer calls until a work around was established.

# DRAFT

CHAIR WILLIAMS asked for confirmation that personal data was not exposed due to the outage. MS. LEA confirmed that Mandiant, analyzed their information and concluded that their data was not viewed, accessed or exported.

TRUSTEE BRETZ circled back to the RFP to ask which of the 9 recommendations, passed by the Board at the September meeting were adopted. MS. LEA said the only one they did not adopt was the flat fee rate because they did not feel they had sufficient time to investigate what the effects would be. She added that there may be opportunities to renegotiate that prior to the effective date and/or during optional renewals.

## **BEARS UPDATE**

MS. LEA reported that user acceptance testing (UAT) was taking longer than expected, due to the vendor misunderstanding some of the business rules the Division provided and because the UAT schedule overlapped with peak seasons for retirement, audit preparation, and audit season. She explained their plan to use long-term non-perm project positions to assist with UAT and other BEARS project-related work. The new go live date for BEARS is set for Labor Day weekend 2025.

## **ADDITIONAL DRB UPDATES**

MS. LEA commented that staffing levels had improved from last year.

In response to MR. MOEN's question at the September 2024 meeting, regarding survivor benefits, MS. LEA stated by statute, survivor benefits are considered a different benefit, meaning that while the survivor may have to pay a new deductible, they are also reset for the \$8 million lifetime benefits ceiling, regardless of how much in claims they've previously incurred.

MS. LEA announced that the Division is exploring ways to use artificial intelligence to assist in educating members and responding to inquiries, and the Health Team agreed to be the guinea pigs for the project.

## **CHIEF PENSION OFFICER'S REPORT**

MINDY VOIGT, Chief Pension Officer, Division of Retirement & Benefits stated that MS. LEA mentioned most of what she was going to report on. She added that the education center has 64 webinar seminars scheduled for next year, which does not include field seminars or webinars which will be finalized once the field trips schedule is finalized. She added that the DCR retirement introduction seminars will be held monthly in Anchorage and Juneau.

CHAIR WILLIAMS commented on open enrollment and changes to the vision, audio, and dental. He asked if they noticed people switching between the legacy and standard plans. MS. VOIGT responded that they have not had time to analyze that data yet and that Steve Ramos, who oversees the Health Unit would be the best person to address that question.

## **SECURE 2.0 ACT UPDATE**

ROBERTO ACEVEDA, Counseling and Benefits Education Manager reviewed the Secure 2.0 for governmental plans. He stated that here are approximately 90 different provisions in the NAGDCA report, with 38 geared towards governmental defined contribution plans. He discussed the report, which included the current law, the change to the current law or existing rules within the plans, effective date, timeline, implementation, and if the change was mandatory or optional. He then walked through the spreadsheet showing the status of the items, including those that are completed, in process, or under review.

## **FY 2026 HEALTH REIMBURSEMENT ARRANGEMENT (HRA) AMOUNT**

MS. MAIQUIS reported that the FY 2026 HRA amount was \$2,467.92.

# DRAFT

## **REPORT ON DELINQUENT / LATE FILING EMPLOYERS**

MR. NOVELL reviewed the delinquent employers report. As of November 2024, PERS had 26 listed delinquent employers and TRS had eight. He explained that six employers were listed as delinquent in salary floor and interest billings. He then shared a report showing delinquent interest receivable by the employer at the end of the fiscal year 2025. He stated that zero interest was collected by PERS or TRS. Interest receivable by employer showed 39 entities for PERS totaling \$125,455.59 and 16 entities for TRS totaling \$27,813.86.

CHAIR WILLIAMS reiterated the request that had been made during the Audit Committee for the next version of this report to include an update on the structural changes related to when interest will be credited to the DC plan.

## **PERS / TRS / SBS / DEFERRED COMP / SOCIAL SECURITY REPORT**

MR. NOVELL walked through the report noting increases in PERS employees, TRS employees, and SBS. For deferred comp, he explained that he removed all active deferred comps with a zero balance, which resulted in a decrease of 934. He then reviewed public employees covered by the 218 agreement and employees not in SBS or social security.

## **TREASURY DC UPDATE**

MR. HANNA stated that staff is working on the target date suitability study, the biggest lift for that would be in the coming months and he expected there would be interesting information for the committee in March. He also reported three new DC options were added at the beginning of October and that there's been a decent uptick in usage of those options. He explained there was just over 100 million in total assets, roughly 1% of total DC assets, in the three new options and over 20,000 cumulative participants.

CHAIR WILLIAMS asked if the amount surprised him. MR. HANNA responded that it had a little bit, it was a pretty significant uptick over a short period of time. He added that the additions helped to round out the options available.

CHAIR WILLIAMS asked if he knew where it is coming from. MR. HANNA responded that he would get more data on that.

## **ARMB EDUCATION WORKING GROUP UPDATE**

CHAIR BOB WILLIAMS reported the Education Working Group was discussing two items that may be potential future action items for this committee. The first item related to the defined contribution medical retirement plan and recommending lowering the years of service requirements, particularly in plans that overfunded. The second item involved reviewing language and descriptions of the Alaska Balanced Trust, the Alaska Long-Term Balanced Trust and Stable Value Fund with the intent to make them more accurate. He commented that the group planned to meet in January / February and may have some items to bring before the committee in March.

## **REVIEW OF COMMITTEE CHARTER & PERIODIC SELF-ASSESSMENT**

The Committee reviewed the charter and periodic self-assessment questions. There were no comments.

## **FUTURE MEETINGS**

CHAIR WILLIAMS reiterated his request for future delinquent employer reports to include a timeline showing the change in interest payments going to DC instead of DB, as well as an update on if the interest that was put into the DB funds since July 1, 2024, can be reverted over to DC.

**OTHER MATTERS TO PROPERLY COME BEFORE THE COMMITTEE** – None.



# DRAFT

**PUBLIC / MEMBERS COMMENT** – None.

## **ADJOURNMENT**

MS. RYAN moved to adjourn the meeting, seconded by MR. KROHN. The meeting adjourned at 11:40 a.m. with no objection.

# ALASKA RETIREMENT MANAGEMENT BOARD

## Defined Contribution Plan Committee

SUBJECT: TRS & PERS Eligibility for Retirement ACTION: X  
& Medical Benefits – 12 Month  
Employment Requirement

DATE: March 11, 2025 INFORMATION: \_\_\_\_\_

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### BACKGROUND

At the June 12-13, 2024 Alaska Retirement Management Board (“ARMB”), Chair Williams established a working group on education consisting of Trustee Bretz, Vice Chair Ryan, IAC member Dr. Jennings, and himself to review and discuss investment and retirement resources.

During the Education Working Group’s November 5, 2024 meeting, the group discussed the defined contribution (“DC”) medical retirement plan requirements and the possibility of revisiting the eligibility requirements for accessing health benefits, perceiving that the current eligibility rules limit access for long-term employees who have contributed significant service.

Under the current statutes, DC members must have 30 years of service, or 25 years for peace officers and firefighters to retire with access to DC healthcare benefits. Given the DC Retired Healthcare Plan was created in 2006, no members have yet reached the required years of service typically required for retirement eligibility, except through having 10 years of service, being Medicare eligible, and having worked the last 12 months prior to retirement. Proactively revisiting the service requirement provisions will prevent confusion that might arise as more members approach eligibility.

### STATUS

The EWG met on January 13<sup>th</sup> to review a draft of the proposed changes to the Teachers’ Retirement System (“TRS”) Statute AS 14.25.470(a) Eligibility for Retirement and Medical Benefits and Public Employees’ Retirement System (“PERS”) Statute AS 39.35.870(a) Eligibility for Retirement and Medical Benefits and considered feedback from both Treasury and Division of Retirement and Benefits staff, and ARMB legal counsel.

Proposed changes initially included (1) removal of statutory language that predicates a member’s eligibility to retire on having been an active member for at least 12 months immediately before application for retirement for members that meet the required years of service; (2) revisiting the

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years of service requirement; and (3) a member education component. The group determined that a multi-pronged approach was more conducive to moving forward.

The Education Working Group met on February 3<sup>rd</sup> to review an updated version of the proposal focusing on item #1 above, the removal of the 12-month employment requirement for members that meet the required years of service. The Education Working Group determined that removal of this requirement enhances flexibility for members with sufficient years of service, allows for strategic use of the Health Reimbursement Arrangement (HRA), and aligns with the maturing plan population, as outlined in the *Proposed Removal of 12-Month Employment Requirement in TRS and PERS Statutes* (Resolution 2025-01 – Attachment 1).

### RECOMMENDATION

The Defined Contribution Plan Committee recommends the Alaska Retirement Management Board approve Resolution 2025-01 relating to TRS and PERS Eligibility Requirement and Medical Benefits - 12-Month Employment Requirement.

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State of Alaska  
ALASKA RETIREMENT MANAGEMENT BOARD  
Relating to Teachers' Retirement System and Public Employees'  
Retirement System Eligibility for Retirement and Medical Benefits  
12-Month Employment Requirement  
Resolution 2025-01

WHEREAS, the Alaska Retirement Management Board ("ARMB") was established under AS 37.10.210(a) to serve as trustee to the assets of the State's retirement systems; and

WHEREAS, under AS 37.10.210(a), ARMB, consistent with the standards of prudence, serves as a fiduciary for all the systems, plans, programs and trusts it is responsible for managing under Alaska law; and

WHEREAS, under AS 37.10.390(4) the retirement systems ARMB is responsible for managing include the defined contribution system for the Public Employees' Retirement System ("PERS," AS 39.35.700 – 39.35.990), the defined contribution system for the Teachers' Retirement System ("TRS," AS 14.24.310 – 14.25.590), and the Teachers' and Public Employees' Retiree Health Reimbursement Arrangement Plan ("HRA Plan," AS 39.30.300 – 495); and

WHEREAS, under AS 39.35.870(a)(2) and AS 14.25.470(a)(2), employees in PERS and TRS employees are required to (1) have been an active member of PERS or TRS for at least 12 months before application for retirement, (2) reach normal retirement age, and (3) have at least 10 years of membership service to obtain medical benefits in either of the defined contribution ("DC") systems; and

WHEREAS, under AS 39.35.870(b) and 14.25.470(b), "normal retirement age" is defined as the "age set for Medicare eligibility at the time the member retires;" and

WHEREAS, under AS 39.30.390, failure to meet the requirements set out in AS 14.25.470(a)(2) and AS 39.35.870(a)(2) also renders employees ineligible for benefits accumulated under the HRA Plan; and

WHEREAS, ARMB recognizes that members who retire before reaching Medicare eligibility (typically age 65) must pay the full premium costs of the DC systems Retiree Healthcare Plan with personal funds or by applying their HRA Plan account balances; and

WHEREAS, ARMB recognizes that the removal of the 12-month employment requirement would improve the efficiency and utility of members' HRA Plan accounts, allowing members to defer enrollment and strategically manage their HRA Plan account balances to cover full premiums before Medicare eligibility or the reduced premiums after Medicare eligibility; and

WHEREAS, ARMB recognizes the current statutory scheme's 12-month employment requirement imposes unnecessary rigidity on members who have already met the eligibility criteria through years of service, penalizing those who leave employment but are not yet ready to enroll in the plan, forcing them to either delay retirement or seek temporary re-employment to meet the eligibility criteria; and

WHEREAS, ARMB, as a fiduciary, is compelled to bring attention to the potential detriments to the retirement outcomes of the members it serves; and

WHEREAS, ARMB recognizes that legislation is required to correct any inefficiency or unintended constraints associated with the outcomes dictated by 14.25.470(a)(2) and AS 39.35.870(a)(2); and

WHEREAS, ARMB recognizes that in its role as a fiduciary it may recommend legislation to those branches of government responsible for enacting laws; and

WHEREAS, ARMB has authored a recommendation as to potential changes to 14.25.470(a)(2) and AS 39.35.870(a)(2) summarized in Attachment 1 to this Resolution 2025-01.

NOW THEREFORE BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that ARMB adopts the recommendations set out in Attachment 1 related to the restructuring of 14.25.470(a)(2) and AS 39.35.870(a)(2).

DATED at Juneau, Alaska this \_\_\_\_ day of March, 2025.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary

## **Proposed Removal of 12-month Employment Requirement in TRS and PERS Statutes**

The Alaska Retirement Management Board strongly recommends that the Executive and Legislative branches of the Alaska State Government enact the following statutory changes to clarify eligibility requirements for the Defined Contribution (DC) healthcare system. The Board recommends the removal of the statutory language that predicates a member's eligibility to retire on having been an active member for at least 12 months immediately before application for retirement.

Below are the statutes under consideration for amendment.

Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.

### **Teachers' Retirement System (TRS) Statute: Sec. 14.25.470(a)**

#### **Sec. 14.25.470. Eligibility for Retirement and Medical Benefits.**

(a) In order to obtain medical benefits under AS 14.25.480, **an active or inactive member must have met the membership service requirements.** [A MEMBER MUST RETIRE DIRECTLY FROM THE PLAN.] A member is eligible to retire from the plan if [THE MEMBER HAS BEEN AN ACTIVE MEMBER FOR AT LEAST 12 MONTHS BEFORE APPLICATION FOR RETIREMENT AND]

(1) the member has at least 30 years of service; or

(2) the member reaches the normal retirement age, [AND] has at least 10 years of service, **and was an active member in the DCR Plan for at least 12 months immediately before his or her application for retirement.**

(b) The normal retirement age is the age set for Medicare eligibility at the time the member retires.

(c) A member's surviving spouse is eligible to elect medical benefits under AS 14.25.480 if the member had retired, or was eligible for retirement and medical benefits at the time of the member's death.

(d) A member shall apply for retirement and medical benefits on the forms and in the manner prescribed by the administrator.

(e) Participation in the retiree major medical insurance plan is not required in order to participate in the health reimbursement arrangement.

(f) A person eligible for retirement and medical benefits is not required to participate in the health reimbursement arrangement in order to elect participation in the retiree major medical insurance plan.

(g) An eligible person shall make the irrevocable election to participate or not participate in the retiree major medical insurance plan by reaching 70 1/2 years of age, or upon application for retirement and medical benefits, whichever is later.

## **Public Employees' Retirement System (PERS) Statute: Sec. 39.35.870(a)**

### **Sec. 39.35.870. Eligibility for Retirement and Medical Benefits.**

(a) In order to obtain medical benefits under AS 39.35.880, an active [MEMBER MUST HAVE RETIRED DIRECTLY FROM THE PLAN.] **or inactive member must have met the membership service requirements.** A member is eligible to retire from the plan if [THE MEMBER HAS BEEN AN ACTIVE MEMBER FOR AT LEAST 12 MONTHS BEFORE APPLICATION FOR RETIREMENT AND]

(1) the member has at least 25 years of membership service as a peace officer or firefighter or at least 30 years of membership service for all other employees; or

(2) the member reaches the normal retirement age, [AND] has at least 10 years of membership service, **and was an active member in the DCR Plan for at least 12 months immediately before his or her application for retirement.**

(b) The normal retirement age is the age set for Medicare eligibility at the time the member retires.

(c) A member's surviving spouse is eligible to elect medical benefits under AS 39.35.880 if the member had retired, or was eligible for retirement and medical benefits at the time of the member's death.

(d) Members shall apply for retirement and medical benefits on the forms and in the manner prescribed by the administrator.

(e) Participation in the retiree major medical insurance plan is not required in order to participate in the health reimbursement arrangement.

(f) A person eligible for retirement and medical benefits is not required to participate in the health reimbursement arrangement in order to participate in the retiree major medical insurance plan.

(g) An eligible person must make the irrevocable election to participate or not participate in the retiree major medical insurance plan by reaching 70 1/2 years of age, or upon application for retirement and medical benefits, whichever is later."

## **Rationale for Removing the 12-Month Employment Requirement**

### **1. Enhancing Flexibility for Members with Sufficient Years of Service**

- The Division of Retirement and Benefits is considering allowing members with the requisite years of service to defer enrollment in the DC Retired Healthcare Plan if they choose. However, this is not yet certain, as current statutes explicitly require members to retire directly into the plan and to have been employed within the previous 12 months.
- Proposed statutory changes would provide greater flexibility by allowing members with the requisite years of service, who have left employment, to gain access to the DC Retired Healthcare Plan without needing to return to covered employment for 12 months.
- The 12-month employment requirement imposes unnecessary rigidity on members who have already met the eligibility criteria through years of service. It penalizes those who leave employment but are not yet ready to enroll in the plan, forcing them to either delay retirement or seek temporary re-employment to meet the eligibility criteria. Removing this requirement would grant members greater flexibility to manage their retirement transitions without the need for redundant employment.

### **2. Allowing Strategic Use of the Health Reimbursement Arrangement (HRA)**

- Members who retire before reaching Medicare eligibility (typically age 65) must pay the full premium costs of the DC Retired Healthcare Plan. They may do so using their personal funds or by applying their Health Reimbursement Arrangement (HRA) account balances.
- Removing the 12-month employment requirement would give members the ability to defer enrollment and strategically manage their HRA account balances. For example, members could choose to preserve their HRA funds to cover reduced premiums after reaching Medicare eligibility, when the plan becomes secondary to Medicare. Alternatively, they might use their HRA account to offset some or all of the full premium costs during the years before they become



Medicare-eligible. This flexibility allows members to align their healthcare spending with their broader retirement planning goals.

### **3. Aligning Policy with the Maturing Plan Population**

- Since the DC Retired Healthcare Plan's creation in 2006, no members have yet reached the 25 or 30 years of service typically required for retirement eligibility. While a few members have retired into the plan by reaching the Medicare age threshold, the plan has not yet faced the widespread application of its provisions to a larger, eligible population.
- Addressing the 12-month requirement now, before a significant number of members become eligible for retirement, ensures clarity, fairness, and consistent application of the plan's rules. Proactively revising these provisions will prevent confusion that might arise as more members approach eligibility.

# ALASKA RETIREMENT MANAGEMENT BOARD

## Defined Contribution Plan Committee

SUBJECT: TRS & PERS Eligibility for Retirement ACTION: X  
& Medical Benefits – Years of Service  
Requirement

DATE: March 11, 2025 INFORMATION: \_\_\_\_\_

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### BACKGROUND

At the June 12-13, 2024 Alaska Retirement Management Board (“ARMB”), Chair Williams established a working group on education consisting of Trustee Bretz, Vice Chair Ryan, IAC member Dr. Jennings, and himself to review and discuss investment and retirement resources.

During the Education Working Group’s November 5, 2024 meeting, the group discussed the defined contribution (“DC”) medical retirement plan requirements and the possibility of revisiting the eligibility requirements for accessing health benefits, perceiving that the current eligibility rules limit access for long-term employees who have contributed significant service.

Under the current statutes, DC members must have 30 years of service, or 25 years for peace officers and firefighters to retire with access to DC healthcare benefits. Given the DC Retired Healthcare Plan was created in 2006, no members have yet reached the required years of service typically required for retirement eligibility, except through having 10 years of service, being Medicare eligible, and having worked the last 12 months prior to retirement. Proactively revisiting the service requirement provisions will prevent confusion that might arise as more members approach eligibility.

### STATUS

The Education Working Group met on January 13<sup>th</sup> to review a draft of the proposed changes to the Teachers’ Retirement System (“TRS”) Statute AS 14.25.470(a) Eligibility for Retirement and Medical Benefits and Public Employees’ Retirement System (“PERS”) Statute AS 39.35.870(a) Eligibility for Retirement and Medical Benefits and considered feedback from both Treasury and Division of Retirement and Benefits staff, and ARMB legal counsel.

Proposed changes initially included (1) removal of statutory language that predicates a member’s eligibility to retire on having been an active member for at least 12 months immediately before application for retirement for members that meet the required years of service (2) revisiting the

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years of service requirement; and (3) a member education component. The group determined that a multi-pronged approach was more conducive to moving forward.

Regarding item #2, the Education Working Group decided to explore the following options for standardizing and reducing DC employee service requirements:

1. Reducing the eligibility requirement to 25 years of service for all employees.
2. Reducing the eligibility requirement to 20 years of service for all employees.
3. Reducing the eligibility requirement to 20 years of service for PERS Public Safety employees and 25 years for TRS and PERS Other employees.

At the Education Working Group's request, Gabriel, Roeder, Smith & Company ("GRS") analyzed the impact of changing eligibility conditions relating to healthcare members participating in the PERS DCR and TRS DCR Plans. Specifically, GRS was tasked with addressing the following:

1. What are the financial and operational implications of reducing service requirements to 25 or 20 years for DC healthcare eligibility?
2. Would these changes support the sustainability of the DC Retired Healthcare Plan?

Based on the Education Working Group's discussions and GRS' analysis, the group determined that revisiting years of service aligns with the systems cost-sharing model, considers the limited scope of death and disability coverage, and ensures sustainable funding and plan clarity as outlined in *Proposed Changes to TRS and PERS Statutes: Revisiting Years of Service Requirements for Defined Contribution Retiree Healthcare Eligibility* (Resolution 2025-02 – Attachment 1) and *GRS Memorandum RE: Request for Actuary Feedback on Proposed Changes to DCR Retired Healthcare Service Eligibility* (Resolution 2025-02 – Attachment 2).

## RECOMMENDATION

The Defined Contribution Plan Committee recommends the Alaska Retirement Management Board approve Resolution 2025-02 relating to TRS and PERS Eligibility Requirement and Medical Benefits - Years of Service Requirement.

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State of Alaska  
ALASKA RETIREMENT MANAGEMENT BOARD  
Relating to Teachers' Retirement System and Public Employees'  
Retirement System Eligibility for Retirement and Medical Benefits  
Years of Service  
Resolution 2025-02

WHEREAS, the Alaska Retirement Management Board (“ARMB”) was established under AS 37.10.210(a) to serve as trustee to the assets of the State’s retirement systems; and

WHEREAS, under AS 37.10.210(a), ARMB, consistent with the standards of prudence, serves as a fiduciary for all the systems, plans, programs and trusts it is responsible for managing under Alaska law; and

WHEREAS, under AS 37.10.390(4) the retirement systems ARMB is responsible for managing include the defined contribution system for the Public Employees’ Retirement System (“PERS,” AS 39.35.700 – 39.35.990), the defined contribution system for the Teachers' Retirement System (“TRS,” AS 14.24.310 – 14.25590), and the Teachers' and Public Employees’ Retiree Health Reimbursement Arrangement Plan (“HRA Plan,” AS 39.30.300 – 495); and

WHEREAS, under AS 39.35.870(a)(1) and AS 14.25.470(a)(1), employees in PERS and TRS employees are required to have at least 25 years of membership service as a peace officer or firefighter or at least 30 years of membership service for all other employees to obtain medical benefits in either of the defined contribution (“DC”) systems; and

WHEREAS, under AS 39.30.390, failure to meet the requirements set out in AS 14.25.470(a)(1) and AS 39.35.870(a)(1) also renders employees ineligible for benefits accumulated under the HRA Plan; and

WHEREAS, ARMB recognizes that the current statutory scheme includes employers paying the normal cost for retirement healthcare each year of employment;

WHEREAS, ARMB explored the implications for three possible modifications to the years of service requirements:

- Reducing the eligibility requirement to 25 years of service for all employees
- Reducing the eligibility requirement to 20 years of service for all employees
- Reducing the eligibility requirement to 20 years for PERS peace officers and firefighters and 25 years for all other TRS and PERS employees; and

WHEREAS, ARMB requested and received actuarial feedback from Gabriel, Roeder, Smith & Company (“GRS”) regarding the financial and operational implications of reducing the years of service requirement for DC retiree healthcare eligibility summarized in Attachment 2 to this Resolution 2025-02; and

WHEREAS, the GRS actuarial feedback suggested adjusting the eligibility threshold to 25 years for all employees or 20 years for public safety employees, and 25 years for all other employees, maintained overfunded status and required only a modest increase in the normal cost; and

WHEREAS, the GRS actuarial feedback suggested adjusting the eligibility threshold to 20 years remained financially viable, but required an initial one-time funding contribution to maintain long-term stability; and

WHEREAS, ARMB, as a fiduciary, is compelled to bring attention to the potential detriments to the retirement outcomes of the members it serves; and

WHEREAS, ARMB recognizes that legislation is required to correct any unintended constraints associated with the outcomes dictated by 14.25.470(a)(1) and AS 39.35.870(a)(1); and

WHEREAS, ARMB recognizes that in its role as a fiduciary it may recommend legislation to those branches of government responsible for enacting laws; and

WHEREAS, ARMB has authored a recommendation as to potential changes to 14.25.470(a)(1) and AS 39.35.870(a)(1) summarized in Attachment 1 to this Resolution 2025-02.

NOW THEREFORE BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that ARMB adopts the recommendations set out in Attachment 1 and supported by Attachment 2 related to the restructuring of 14.25.470(a)(1) and AS 39.35.870(a)(1).

DATED at Juneau, Alaska this \_\_\_ day of March, 2025.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary

# Attachment 1

## **Proposed Changes to TRS and PERS Statutes: Revisiting Years of Service Requirements for Defined Contribution Retiree Healthcare Eligibility**

### **Introduction**

The Alaska Retirement Management Board's (ARMB) is recommending that the Executive and Legislative branches of the Alaska State Government revisit the years of service requirements for Defined Contribution (DC) Retiree Healthcare eligibility. The current eligibility rules limit access for long-term employees who have contributed significant service.

Under the current system:

- Employees with at least 10 years of service who are Medicare-eligible can access the plan.
- However, employees with 20 years of service who are not yet Medicare-eligible do not meet the eligibility requirements for accessing DC healthcare benefits.
- Employees must currently have 30 years of service (or 25 for peace officers and firefighters) to retire with access to DC healthcare benefits.

The ARMB recommends adjusting these requirements to one of the following options:

1. Reducing the eligibility requirement to 25 years of service for all employees.
2. Reducing the eligibility requirement to 20 years of service for all employees.
3. Reducing the eligibility requirement to 20 years for PERS peace officers and firefighters and 25 years for all other TRS and PERS employees.

This proposal focuses solely on adjusting years of service requirements, as the ARMB has already forwarded a separate resolution (2025-01) regarding the recommendation to remove the 12-month active membership requirement.

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### **Current Statutes**

Teachers' Retirement System (TRS) Statute: Sec. 14.25.470

Sec. 14.25.470. Eligibility for Retirement and Medical Benefits.

(a) In order to obtain medical benefits under AS 14.25.480, a member must retire directly from the plan. A member is eligible to retire from the plan if the member has been an active member for at least 12 months before application for retirement and

- (1) the member has at least 30 years of service; or
- (2) the member reaches the normal retirement age and has at least 10 years of service.

(b) The normal retirement age is the age set for Medicare eligibility at the time the member retires.

Public Employees’ Retirement System (PERS) Statute: Sec. 39.35.870

Sec. 39.35.870. Eligibility for Retirement and Medical Benefits.

(a) In order to obtain medical benefits under AS 39.35.880, an active member must retire directly from the plan. A member is eligible to retire from the plan if the member has been an active member for at least 12 months before application for retirement and

- (1) the member has at least 25 years of membership service as a peace officer or firefighter or at least 30 years of membership service for all other employees; or
- (2) the member reaches the normal retirement age and has at least 10 years of membership service.

(b) The normal retirement age is the age set for Medicare eligibility at the time the member retires.

**DCR Health Premium Reduction Structure**

Under the DCR Retiree Health Plan, premiums are paid either through deductions from the retiree's Health Reimbursement Account (HRA) or directly by the retiree. Retirees eligible for Medicare receive premium reductions based on years of service, as follows:

Years of Service	Percentage of Premium Paid by Retiree
10 or more, but less than 15 years	30%
15 or more, but less than 20 years	25%
20 or more, but less than 25 years	20%
25 or more, but less than 30 years	15%
30 or more years	10%

If a retiree is not eligible for Medicare, they must pay the full premium for the coverage elected under the DCR Retiree Health Plan.

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## GRS Actuarial Feedback (Memorandum)

Gabriel, Roeder, Smith & Company (GRS) provided actuarial feedback on the financial and operational implications of reducing the years of service requirement for DC retiree healthcare eligibility. Key points include:

- TRS DCR Plan: Currently 136% funded, with a \$21 million surplus. Reducing the eligibility requirement to 25 years keeps the plan above 100% funded. Reducing the requirement to 20 years results in a \$8.3 million unfunded liability, with a one-time \$8.3 million additional payment needed to maintain full funding.
- PERS DCR Plan: Currently 121% funded, with a \$42 million surplus. Reducing the eligibility requirement to 25 years keeps the plan above 100% funded. Reducing all employees to 20 years results in a \$38.4 million unfunded liability, with a one-time \$38.4 million funding payment needed to restore full funding. Reducing peace officers and firefighters to 20 years and all other employees to 25 years also keeps the plan above 100% funded.
- Changes in the Context of TRS/PERS DB and DCR Combined Results:
  - The liabilities and assets of the DCR Plans are relatively small in comparison to the Defined Benefit (DB) Plans.
  - The expected contributions attributable to the TRS and PERS DCR Plans represent less than 25% of the total expected contributions in the upcoming year.
  - The increase in contribution amounts under this proposal represent a small increase in total system contributions:
    - 0.26% increase under the 25-year eligibility option
    - 1.16% increase under the 20-year eligibility option
    - 0.34% increase under the 20-year PERS Public Safety and 25-year for all other PERS and TRS employees eligibility option



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## **Key Considerations for Revisiting Years of Service Requirements**

1. Employer Contributions Support Long-Term Cost Sharing
  - The DC retiree healthcare system is designed for cost-sharing, with retiree premiums decreasing based on years of service.
  - Employer contributions made throughout an employee's career provide the basis for post-retirement healthcare benefits.
2. Limited Scope of Death and Disability Coverage
  - The Death and Disability coverage within DCR Healthcare only covers occupational death and disability. Occupational disabilities are much less frequent than non-occupational disabilities.
  - A 63-year-old teacher with 28 years of service who became disabled in a non-occupational event would not be eligible for the DCR Plan under the current structure.
3. Ensuring Sustainable Funding and Plan Clarity
  - A 25-year requirement maintains plan overfunding.
  - A 20-year requirement is financially viable with additional upfront funding.
  - A 20-year requirement for public safety employees and 25-year requirement for all other employees also maintains plan overfunding.
  - Since no members have yet reached the 25- or 30-year thresholds, this is the right time to assess eligibility requirements and confirm their alignment with the system's long-term goals.

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## **Conclusion and Recommendation**

### **Key Findings:**

- The DCR healthcare plan structure has not yet been tested, as no members have met the existing service requirements except through having 10 years of service and being Medicare age eligible.

- Adjusting the eligibility threshold to 25 years for all employees or 20 years for public safety employees and 25 years for all other employees maintains overfunded status and requires only a modest increase in normal cost.
- Adjusting the eligibility threshold to 20 years remains financially viable but requires an initial one-time funding contribution to maintain long-term stability.
- The financial impact of these changes is modest relative to the scale of total retirement system costs.

The ARMB recommends that the Executive and Legislative branches of the Alaska State Government consider revisiting the years of service requirement for Defined Contribution (DC) Healthcare eligibility. We appreciate the opportunity to support policymakers in ensuring DC retiree healthcare eligibility remains clear, sustainable, and aligned with the needs of Alaska's workforce.



Date: February 5, 2025

To: Mr. Bob Williams, Chair, Alaska Retirement Management Board

From: Paul T. Wood, ASA, FCA, MAAA  
Bill Detweiler, ASA, EA, FCA, MAAA

cc: Ms. Alysia Jones

Re: **Request for Actuary Feedback on Proposed Changes to DCR Retired Healthcare Service Eligibility**

At your request, we have analyzed the impact of changing the eligibility conditions relating to healthcare members participating in the PERS DCR and TRS DCR Plans.

Under the current system:

- Employees with at least 10 years of service who are Medicare-eligible can access the Plan.
- However, employees with less than 30 years of service (25 years for Public Safety) who are not yet Medicare-eligible do not meet the eligibility requirements for accessing DCR healthcare benefits.

We understand the Working Group is exploring choosing between two options for standardizing and reducing service requirements for employees:

1. **Reducing the eligibility requirement to 25 years of service for all employees.**
2. **Reducing the eligibility requirement to 20 years of service for all employees.**
3. **Reducing the eligibility requirement to 20 years of service for PERS Public Safety employees and 25 years for TRS and PERS Other employees.**

The Working Group also confirmed that they still want the Medicare-eligible with at least 10 years of service eligibility to remain.

Our task is to address the following:

1. **What are the financial and operational implications of reducing service requirements to 25 or 20 years for DC healthcare eligibility?**
2. **Would these changes support the sustainability of the DC Retired Healthcare Plan?**

#### **Comments on the Replication of Results and Assumptions and Methods Used**

As the review actuary for the ARM Board, our role is typically to review the valuation work performed by the DRB retained actuary, Gallagher, on an annual basis via a test life review. As part of that role, we were engaged to perform a full replication of the results for each of the Plans. This project involved an

independent verification and analysis of the assumptions, procedures, methods, and conclusions used by the retained actuary for all of these Plans to ensure that the conclusions are technically sound and conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board. As such we are able to provide some cost analysis that is based on the following:

- The assumptions and methods as used by Gallagher and disclosed in the June 30, 2023 DCR valuation reports dated May 3, 2024.
- The census data used by Gallagher in the June 30, 2023 valuation.
- No changes to the decrement rates, participation assumptions, per capita claims costs, or any other assumptions when measuring the impact of changing eligibility.

In the Appendix, we have included the retirement rates and the participation assumptions from the June 30, 2023 DCR valuation reports. As you can see, the point at which a member is assumed to retire is based on their age. For example, for the TRS Plan, a member age 62 is assumed to have a retirement probability in that year of 10%. Participation at the retirement age will depend on the eligibility conditions. For example, under the current provisions, if the member has less than 30 years of service at age 62, then they would not be eligible to continue in the healthcare Plan. But, if they have 30 or more years of service and, thus, are eligible for continuation, then the participation rates come into play. For an eligible member at the age of 62, it is assumed with 80.75% (85% x 95%) probability that the member actually continues coverage and a 19.25% probability that the member chooses not to continue coverage. Under the 20-year study for a member retiring at age 62 with 20 years of service, it is now assumed with 72.25% (85% x 85%) probability that the member actually continues coverage and a 27.75% probability that the member chooses not to continue coverage. The participation rates are lower for members at earlier ages because they may be receiving healthcare from a different source or they have made the determination that their HRA accounts cannot support the continued payment of the premiums. These are just two of many reasons participation may be lower at earlier ages.

### **Analysis**

Currently, members retiring prior to age 65 that do not meet the 30-year (25-year for Public Safety) requirement are not eligible for continued coverage in the DCR Healthcare Plans. If the members meet the 30-year (25-year for Public Safety) requirement, then they are eligible to participate in the DCR Healthcare Plans provided the retiree pays the full premium prior to becoming Medicare eligible and a subsidized premium upon reaching Medicare eligibility. We studied the two alternatives of a 25-year eligibility requirement and a 20-year eligibility requirement. As you will see below, in both of these alternatives, the total normal cost will increase because younger members who currently may not be eligible to continue coverage are now much more likely to be eligible for the healthcare Plan.

### **TRS DCR**

As of June 30, 2023, the TRS DCR Healthcare Plan is approximately \$21 million overfunded with a funded ratio of 136%. The contributions to the Plan are equal to the normal cost which is 0.74% of TRS DCR payroll.



Under the 25-year service eligibility study, the Plan is expected to remain above 100% with an overfunded accrued liability of approximately \$11 million. As a result of the eligibility change, the normal cost as a percent of TRS DCR payroll would increase from 0.74% to 0.86%. This equates to approximately \$601 thousand in additional contributions in the first year. This dollar amount is expected to grow each year in proportion to the growth in TRS DCR payroll. Therefore, because it is expected that the Plan will remain above 100% funded and continue to receive, at a minimum, the normal cost contribution, the Plan with the service eligibility requirement changed to 25 years is expected to remain sustainable.

Under the 20-year service eligibility study, the Plan is expected to drop below 100% funded with an unfunded accrued liability approaching \$10 million. As a result of the eligibility change, the normal cost as a percent of TRS DCR payroll would increase from 0.74% to 1.06%. In addition to this normal cost increase, an additional contribution would be needed to pay down the newly created unfunded liability. In total, this equates to approximately \$2.3 million in additional contributions in the first year. This dollar amount is expected to grow each year in proportion to the growth in TRS DCR payroll until the Plan reaches 100% funded, at which point, just the normal cost contribution is made. Therefore, because it is expected that the Plan will drop below 100% funded, then absent additional contributions to pay down the unfunded accrued liability, the long-term sustainability could be at risk. Lump sum funding of the newly created unfunded liability would enhance the sustainability to the Plan. In order for the Plan to be fully funded, a lump sum contribution amount in excess of \$8 million is needed, and some additional margin should also be considered for any future adverse experience.

## **PERS DCR**

As of June 30, 2023, the PERS DCR Healthcare Plan is approximately \$42 million overfunded with a funded ratio of 121%. The contributions to the Plan are equal to the normal cost which is 0.86% of PERS DCR payroll.

Under the 25-year service eligibility study, the Plan is expected to remain above 100% with an overfunded accrued liability of approximately \$18 million. As a result of the eligibility change, the normal cost as a percent of PERS DCR payroll would increase from 0.86% to 0.96%. This equates to approximately \$2.0 million in additional contributions in the first year. This dollar amount is expected to grow each year in proportion to the growth in PERS DCR payroll. Therefore, because it is expected that the Plan will remain above 100% funded and continue to receive, at a minimum, the normal cost contribution, the Plan with the service eligibility requirement changed to 25 years is expected to remain sustainable.

Under the 20-year service eligibility study, the Plan is expected to drop below 100% funded with an unfunded accrued liability approaching \$40 million. As a result of the eligibility change, the normal cost as a percent of PERS DCR payroll would increase from 0.86% to 1.19%. In addition to this normal cost increase, an additional contribution would be needed to pay down the newly created unfunded liability. In total, this equates to approximately \$9.0 million in additional contributions in the first year. This dollar amount is expected to grow each year in proportion to the growth in PERS DCR payroll until the Plan reaches 100% funded, at which point, just the normal cost contribution is made. Therefore, because it is expected that the Plan will drop below 100% funded, then absent additional contributions



to pay down the unfunded accrued liability, the long-term sustainability could be at risk. Lump sum funding of the newly created unfunded liability would enhance the sustainability to the Plan. In order for the Plan to be fully funded, a lump sum contribution amount in excess of \$38 million is needed, and some additional margin should also be considered for any future adverse experience.

Under the 20-year service eligibility for Public Safety employees and 25-year service eligibility for Other employees study, the Plan is expected to remain above 100% with an overfunded accrued liability of approximately \$10 million. As a result of the eligibility change, the normal cost as a percent of PERS DCR payroll would increase from 0.86% to 1.00%. This equates to approximately \$2.7 million in additional contributions in the first year. This dollar amount is expected to grow each year in proportion to the growth in PERS DCR payroll. Therefore, because it is expected that the Plan will remain above 100% funded and continue to receive, at a minimum, the normal cost contribution, the Plan with the service eligibility requirement changed to 20 years for Public Safety employees and 25 years for Other employees is expected to remain sustainable.

**Summary of Results**

	<b>TRS DCR</b>			
	<b>Current Eligibility</b>	<b>25 Year Eligibility</b>	<b>25/20 Year Eligibility*</b>	<b>20 Year Eligibility</b>
Accrued Liability	\$ 57,093,000	\$ 67,174,000	\$ 67,174,000	\$ 86,124,000
Actuarial Value of Assets	<u>77,815,000</u>	<u>77,815,000</u>	<u>77,815,000</u>	<u>77,815,000</u>
(Over)/Unfunded Accrued Liability	\$ (20,722,000)	\$ (10,641,000)	\$ (10,641,000)	\$ 8,309,000
Funded Ratio	136%	116%	116%	90%
Normal Cost as a % of TRS DCR Payroll	0.74%	0.86%	0.86%	1.06%
Amort. Payment as a % of TRS DCR Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.11%</u>
Total Contribution as a % of TRS DCR Payroll	0.74%	0.86%	0.86%	1.17%
Contribution Dollars Increase in First Year	\$ -	\$ 601,000	\$ 601,000	\$ 2,300,000

	<b>PERS DCR</b>			
	<b>Current Eligibility</b>	<b>25 Year Eligibility</b>	<b>25/20 Year Eligibility*</b>	<b>20 Year Eligibility</b>
Accrued Liability	\$ 204,540,000	\$ 228,922,000	\$ 237,303,000	\$ 285,371,000
Actuarial Value of Assets	<u>246,953,000</u>	<u>246,953,000</u>	<u>246,953,000</u>	<u>246,953,000</u>
(Over)/Unfunded Accrued Liability	\$ (42,413,000)	\$ (18,031,000)	\$ (9,650,000)	\$ 38,418,000
Funded Ratio	121%	108%	104%	87%
Normal Cost as a % of PERS DCR Payroll	0.86%	0.96%	1.00%	1.19%
Amort. Payment as a % of PERS DCR Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.14%</u>
Total Contribution as a % of PERS DCR Payroll	0.86%	0.96%	1.00%	1.33%
Contribution Dollars Increase in First Year	\$ -	\$ 2,000,000	\$ 2,700,000	\$ 9,000,000

\*25 Years for TRS & PERS Others, 20 Years for PERS P/F



### **Changes in the Context of TRS/PERS DB and DCR Combined Results**

The liabilities and assets for the DCR Plans are relatively small in comparison to the DB Plans and the expected contributions attributable to the TRS and PERS DCR Plans represent less than 25% of the total expected contributions in the upcoming year. The increases in the contribution amounts cited above represent a small increase in the total expected contribution. That is, the expected contributions for the entire PERS and TRS DB and DCR Plans are expected to increase by about 0.26% under the 25-year eligibility study, about 1.16% under the 20-year eligibility study and about 0.34% under the 20-year service eligibility for PERS Public Safety employees and 25-year service eligibility for TRS and PERS Other employees study.

### **Assumptions and Methods**

As noted above, we have relied on the assumptions, methods, and census data from the DRB actuary, Gallagher, as disclosed in the June 30, 2023 DCR valuation reports. Furthermore, changes of this nature may lead to changes in behavior. These potential behavioral changes were not studied as a part of this analysis, therefore, no changes to the assumptions were made in the scenarios studied.

### **Certification**

All of our work conforms with generally accepted actuarial principles and practices, and to the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of, where applicable, the Internal Revenue Code and ERISA.


Mr. Wood and Mr. Detweiler are Associates of the Society of Actuaries, and Members of the American Academy of Actuaries. They meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. They are both experienced in performing valuations for large public retirement systems.

Sincerely,

Gabriel, Roeder, Smith & Company



Paul Wood, ASA, FCA, MAAA  
Senior Consultant



Bill Detweiler, ASA, EA, FCA, MAAA  
Consultant

**Appendix – Assumptions from the June 30, 2023 DCR Valuation Reports**

**TRS DCR – Retirement Rates**

Age	Rate
< 55	2.00%
55	3.00%
56	3.00%
57	3.00%
58	3.00%
59	3.00%
60	5.00%
61	5.00%
62	10.00%
63	5.00%
64	5.00%
65	25.00%
66	25.00%
67	25.00%
68	20.00%
69	20.00%
70+	100.00%

**TRS DCR – Participation Assumptions**

Death / Disability Decrement		Retirement Decrement	
Age	Percent Participation	Age	Percent Participation*
< 56	75.0%	55	50.0%
56	77.5%	56	55.0%
57	80.0%	57	60.0%
58	82.5%	58	65.0%
59	85.0%	59	70.0%
60	87.5%	60	75.0%
61	90.0%	61	80.0%
62	92.5%	62	85.0%
63	95.0%	63	90.0%
64	97.5%	64	95.0%
65+	100.0%	65+	<b>Years of Service</b>
			< 15 75.0%
			15 – 19 80.0%
			20 – 24 85.0%
			25 – 29 90.0%
			30+ 95.0%





**Appendix – Assumptions from the June 30, 2023 Valuation Reports (Cont'd)**

**PERS DCR – Retirement Rates**

Age	Rate
< 55	2.00%
55	3.00%
56	3.00%
57	3.00%
58	3.00%
59	3.00%
60	5.00%
61	5.00%
62	10.00%
63	5.00%
64	5.00%
65	25.00%
66	25.00%
67	25.00%
68	20.00%
69	20.00%
70+	100.00%

**PERS DCR – Participation Assumptions**

Death / Disability Decrement		Retirement Decrement	
Age	Percent Participation	Age	Percent Participation*
< 56	75.0%	55	50.0%
56	77.5%	56	55.0%
57	80.0%	57	60.0%
58	82.5%	58	65.0%
59	85.0%	59	70.0%
60	87.5%	60	75.0%
61	90.0%	61	80.0%
62	92.5%	62	85.0%
63	95.0%	63	90.0%
64	97.5%	64	95.0%
65+	100.0%	65+	<b>Years of Service</b>
			< 15 75.0%
			15 – 19 80.0%
			20 – 24 85.0%
			25 – 29 90.0%
			30+ 95.0%



# ALASKA RETIREMENT MANAGEMENT BOARD

## Defined Contribution Plan Committee

SUBJECT: Renaming/Descriptions for the Alaska ACTION: X  
Balanced Trust, Alaska Long-Term  
Balanced Trust, and Stable Value Fund

DATE: March 11, 2025 INFORMATION: \_\_\_\_\_

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### BACKGROUND

At the June 12-13, 2024 Alaska Retirement Management Board (“ARMB”), Chair Williams established a working group on education consisting of Trustee Bretz, Vice Chair Ryan, IAC member Dr. Jennings, and himself to review and discuss investment and retirement resources.

### STATUS

During the November 5, 2024, Education Working Group meeting, the group discussed the appropriateness of the Alaska Balanced Trust Fund, Alaska Long-Term Balanced Trust Fund and Stable Value Fund names and descriptions. The group set out to provide fund names that better reflect their investment strategies and align with participant expectations, and descriptions that clarify the intended use and risk levels associated with each option.

The Education Working Group met on January 13<sup>th</sup> to review a draft of the proposed changes to the fund names and descriptions and approved moving the draft forward for feedback.

At the February 3, 2025, meeting, the Education Working Group approved proposed fund name and/or ARMB description changes that incorporated comments from Treasury staff, Callan, and T. Rowe Price. (See Resolution 2025-03 Attachment 1 – Proposed Fund Name Changes.)

### RECOMMENDATION

The Defined Contribution Plan Committee recommends the Alaska Retirement Management Board approve Resolution 2025-03 renaming and/or changing the ARMB descriptions of the Alaska Balanced Trust, Alaska Long-Term Balanced Trust, and Stable Value Fund.

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State of Alaska  
ALASKA RETIREMENT MANAGEMENT BOARD  
Relating to the Renaming/Descriptions for the Alaska Balanced Trust,  
Alaska Long-Term Balanced Trust, and Stable Value Funds  
Resolution 2025-03

WHEREAS, the Alaska Retirement Management Board (“ARMB”) was established under AS 37.10.210(a) to serve as trustee to the assets of the State’s retirement systems; and

WHEREAS, under AS 37.10.220(a)(2), ARMB is required to adopt investment policies for each of the funds entrusted to it; and

WHEREAS, under AS 37.10.210(a) and AS 37.10.071(c), ARMB is required to apply the prudent investor rule and exercise its fiduciary duty in the sole financial best interest of the funds entrusted to it while treating all members with impartiality; and

WHEREAS, under AS 37.10.220(a)(5) the ARMB is required to provide a range of investment options and establish the rules by which participants can direct their investments among those options with respect to accounts established under the Defined Contribution plans, the Supplemental Annuity Plan (“SBS-AP”), and the public employees’ Deferred Compensation Plan; and

WHEREAS, ARMB has reviewed the names and descriptions of the funds used to explain the details of each investment offered under AS 37.10.220(a)(5);

WHEREAS, ARMB, after review and deliberation, believes changes to the names and descriptions of the Alaska Balanced Trust, the Alaska Long-Term Balanced Trust, and the Stable Value Funds are appropriate; and

WHEREAS, ARMB recommends providing fund names that better reflect their investment strategies and align with participant expectations, while clarifying the intended use and risk levels associated with each option; and

WHEREAS, ARMB’s recommendations are summarized in Attachment 1 to this Resolution 2025-03.

NOW THEREFORE BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that ARMB adopts the recommendations set out in Attachment 1 and directs staff to implement those recommendations with respect to the Alaska Balanced Trust, the Alaska Long-Term Balanced Trust, and the Stable Value Funds.

DATED at Juneau, Alaska this \_\_\_\_ day of March, 2025.

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Chair

ATTEST:

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Secretary

# Attachment 1

## Objective:

To provide fund names that better reflect their investment strategies and align with participant expectations, we propose renaming the Alaska Balanced Trust, the Alaska Long-Term Balanced Trust, and the Stable Value Fund. The revisions aim to clarify the intended use and risk levels associated with each option.

## Proposed Fund Name Changes

### 1. Alaska Balanced Trust

- **New Name:** Alaska Conservative Balanced Fund
- **Tagline:** "The asset allocation and risk level are similar to a Target Date Fund for an 80-year-old participant with a limited investment horizon."
- **Description:** A conservative balanced asset allocation fund prioritizing capital preservation with only modest growth potential. Best suited for participants nearing the end of their investment horizon who prefer a fixed asset allocation.
- **Rationale:** Reflects the extremely conservative allocation suitable for short-term financial needs while maintaining some growth potential with its 35/65 stock-to-bond allocation.

### 2. Alaska Long-Term Balanced Trust

- **New Name:** Alaska Moderate Growth Balanced Fund
- **Tagline:** "The asset allocation and risk level are similar to a Target Date Fund for a 63-year-old participant."
- **Description:** A balanced asset allocation fund emphasizing moderate growth and risk management. Best suited for participants with a medium-to-long investment horizon who prefer a fixed asset allocation.
- **Rationale:** The name reflects the fund's balanced nature and medium risk tolerance, aligning with industry norms for 60/40 stock-to-bond allocations.

### 3. Stable Value Fund

- **New Name:** Alaska Stable Value Fund
- **Tagline:** "Insurance-Wrapped Intermediate Term Bond Fund. "
- **Description:** In the long-term, the fund is expected to have performance like an intermediate bond fund, but in the short-term, insurance contracts protect fund principal so that the fund can act like a cash-equivalent or money market fund from a liquidity and cash preservation perspective. The fund is best suited for participants that may need short-term fund liquidity but would like lower short-term principal risk than traditional bond funds. Intermediate bond returns are expected to exceed cash returns over longer time horizons, but like most fixed income investments, the fund is not expected to provide significant growth or inflation protection.
- **Rationale:** The updated description clarifies the structure and purpose of the fund while reinforcing its limitations as a growth tool.



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# Alaska Retirement Management Board

## Treasury Cost Allocation Participant Directed Plans



**February 2025**

**Pamela Leary**  
Director, Treasury Division  
Alaska Department of Revenue

# ARMB Cost Allocation and Participant Directed Plan

- Treasury Cost Allocation Plan
- Participant Directed Plan Costs
  - DOR Costs Charged through State Accounting System
  - Investment Costs Charged to the Funds directly



# Treasury Cost Allocation Plan

- The Treasury Division managed \$52.6 billion in assets as of 12/31/24, including \$43.7 billion on behalf of the ARMB Board, comprised of \$33.3 billion in defined benefit plans and \$10.4 billion in participant directed plans.
- Treasury's cost allocation plan is used to develop budgets for Treasury services and for allocating costs equitably among each fund/trust/client agency. The method is designed to address all costs and all users of Treasury services in a consistent, easily-administered manner, utilizing quantifiable statistics.
- Costs are allocated based on total assets under management, the funds that staff perform work for and direct costs for specific funds.

COMBINED SCHEDULE OF INVESTED ASSETS  
at Fair Value  
December 31, 2024  
(in thousands)

Invested Assets	Total Assets Under the Fiduciary Responsibility of the Commissioner of		Total Assets Under the Fiduciary Responsibility of the ARM Board	
	Revenue	Total Other Invested Assets	ARM Board	Total Assets
Cash and Cash Equivalents	5,613,971	26,463	402,781	6,043,215
Intermediate-term Fixed Income Pool	782,458	46,129	-	828,587
Individually held debt and other instruments	6,998	-	-	6,998
Broad Fixed Income	1,002,480	102,182	7,397,212	8,501,873
Broad Domestic Equity	668,836	45,276	8,305,294	9,019,405
Broad International Equity	445,010	32,110	5,598,518	6,075,638
Multi-Asset	-	-	1,839,669	1,839,669
Private Equity	-	-	5,091,172	5,091,172
Real Assets	99,741	3,986	4,656,685	4,760,412
<b>Total Investments</b>	<b>8,619,493</b>	<b>256,145</b>	<b>33,291,331</b>	<b>42,166,970</b>
Income Receivable	22,891	139	1,661	24,691
Income distributable from (to) other funds	-	-	-	-
<b>Total Managed Investments</b>	<b>8,642,384</b>	<b>256,284</b>	<b>33,292,992</b>	<b>42,191,660</b>
Participant directed investments	-	-	10,443,091	10,443,091
<b>Total Invested Assets</b>	<b>8,642,384</b>	<b>256,284</b>	<b>43,736,083</b>	<b>52,634,752</b>



# Treasury Cost Allocation Plan

- Different accounting allocations are created to capture costs associated with groups of funds. Allocation codes are used to pay bills, charging the funds that roll into the fund group based on the pro rata size each fund has to the allocation fund group.
- A general allocation is used to allocate costs to all funds that Treasury manages based on relative fund size. This is used when a metric does not exist, or it is inefficient to develop one. An example of such a cost would include general office supplies like paper clips and printer paper.
- Treasury personnel costs are allocated based on the percentage of time each staff member spends working on an individual fund or group of funds or asset classes.
  - Staff identify the percentage of their time expected to be spent working on retirement funds, state funds, or specific asset classes. The results of the survey are used to create Labor Distribution Profiles (LDPs) which are input into the state accounting system to create fiscal coding of payroll and benefits to the funds.
  - LDPs are also used to code certain invoices that align with staff work, such as Bloomberg costs.

ACCOUNTING Template	Plan Type	Accounting Line	Percentage	Fund Name	Fund Code	Allocation to each fund for a \$10,000 charge	General allocation % split between Non Participant directed, Participant directed, and Treasury	Total allocated to each
B25NPD	Non Participant Directed	1	0.75%	ARMB JRS Defined Benefit Pension	1042	55.62	74.16%	74%
B25NPD	Non Participant Directed	2	0.14%	ARMB Military Retirement System	1045	10.38		
B25NPD	Non Participant Directed	3	0.14%	ARMB JRS Defined Benefit Retiree Health Care	3295	10.38		
B25NPD	Non Participant Directed	4	28.90%	ARMB PERS Defined Benefit Retiree Health Care	3296	2,143.22		
B25NPD	Non Participant Directed	5	0.74%	ARMB PERS Defined Contribution Retiree Medical	3297	54.88		
B25NPD	Non Participant Directed	6	2.44%	ARMB PERS Defined Contribution HRA	3298	180.95		
B25NPD	Non Participant Directed	7	0.16%	ARMB PERS Defined Contribution OD&D	3300	11.87		
B25NPD	Non Participant Directed	8	0.06%	ARMB PERS Defined Contribution OD&D P&F	3301	4.45		
B25NPD	Non Participant Directed	9	11.13%	ARMB TRS Defined Benefit Retiree Health Care	3302	825.40		
B25NPD	Non Participant Directed	10	0.23%	ARMB TRS Defined Contribution Retiree Medical	3303	17.06		
B25NPD	Non Participant Directed	11	0.71%	ARMB TRS Defined Contribution HRA	3304	52.65		
B25NPD	Non Participant Directed	12	0.02%	ARMB TRS Defined Contribution OD&D	3306	1.48		
B25NPD	Non Participant Directed	13	35.17%	ARMB PERS Defined Benefit Pension	3380	2,608.21		
B25NPD	Non Participant Directed	14	19.41%	ARMB TRS Defined Benefit Pension	3381	1,439.45		
B25YPD	Participant Directed	1	12.82%	ARMB Deferred Compensation Plan	3294	65.13	5.08%	508
B25YPD	Participant Directed	2	23.51%	ARMB PERS Defined Contribution Participant Directed	3299	119.43		
B25YPD	Participant Directed	3	9.67%	ARMB TRS Defined Contribution Participant Directed	3305	49.12		
B25YPD	Participant Directed	4	54.00%	ARMB SBS Plan	3307	274.32		
T25TRS	Treasury	1	19.38%	State Constitutional Budget Reserve	1004	402.33	20.76%	2076
T25TRS	Treasury	2	25.34%	State GefONSI & GefONSI II	1004	526.06		
T25TRS	Treasury	3	0.01%	State Mine Reclamation Fund	1004	0.21		
T25TRS	Treasury	4	0.41%	State Permanent Fund Dividend Fund	1004	8.51		
T25TRS	Treasury	5	0.03%	State Investment Loss Trust Fund	1004	0.62		
T25TRS	Treasury	6	0.46%	State Transportation Projects Gen Obl Bond Funds	1004	9.55		
T25TRS	Treasury	7	25.38%	State Education Gen Obl Bond Funds	3257	526.89		
T25TRS	Treasury	8	5.86%	State Public School Trust Fund	1027	121.65		
T25TRS	Treasury	9	0.21%	State International Airport	1142	4.36		
T25TRS	Treasury	10	4.85%	State RHIF Major Medical	1143	100.69		
T25TRS	Treasury	11	10.15%	State RHIF Long-Term Care	1226	210.71		
T25TRS	Treasury	12	1.46%	State Alaska Higher Education Investment Fund	1004	30.31		
T25TRS	Treasury	13	3.27%	State Mental Health Trust Reserve Fund	1004	67.89		
T25TRS	Treasury	14	0.23%	State Exxon Valdez Oil Spill Investment Fund	1004	4.77		
T25TRS	Treasury	15	2.93%	State DOT&PF Airport Fund	1004	60.83		
T25TRS	Treasury	16	0.03%	State ASLC Investment Fund	1256	0.62		
						10,000.00	100%	10,000.00

# Participant Directed Plan Costs

- The ARMB and Department of Revenue are responsible for the investment options in the State of Alaska’s Participant Directed Plans.
- Administrative costs of the Treasury Division are charged to participant directed plans through the state accounting system based on the Treasury Cost Allocation Plan. These costs are paid from participant fees collected at Empower:
  - Treasury staff salaries and benefits.
  - Travel costs.
  - Services for work performed on behalf of participant directed plans.
  - Other costs of the Treasury Division .
- Investment management and custody fees are charged directly to the funds at Empower. Participants invest in funds net of these fees.
- Providing participants with low-cost investment options has been a high priority for Alaska’s participant directed plans since inception.

Asset Class and Strategy	Ticker/Vehicle	Total Annual Operating Expense Ratio (Peer Ranking*)	Revenue Sharing %	Callan Peer Group Median**
<b>Balanced/Target Funds</b>				
Alaska Balanced Trust	Custom	0.08% <sup>(99)</sup>	0.00%	0.70%
Alaska Long-Term Balanced	Custom	0.09% <sup>(99)</sup>	0.00%	0.72%
BlackRock Strategic Completion	Commingled	0.11% <sup>(99)</sup>	0.00%	0.70%
Target 2010 Trust	CIT	0.10% <sup>(99)</sup>	0.00%	0.39%
Target 2015 Trust	CIT	0.10% <sup>(100)</sup>	0.00%	0.40%
Target 2020 Trust	CIT	0.10% <sup>(96)</sup>	0.00%	0.46%
Target 2025 Trust	CIT	0.10% <sup>(100)</sup>	0.00%	0.46%
Target 2030 Trust	CIT	0.10% <sup>(96)</sup>	0.00%	0.45%
Target 2035 Trust	CIT	0.11% <sup>(100)</sup>	0.00%	0.45%
Target 2040 Trust	CIT	0.11% <sup>(96)</sup>	0.00%	0.46%
Target 2045 Trust	CIT	0.11% <sup>(100)</sup>	0.00%	0.46%
Target 2050 Trust	CIT	0.11% <sup>(96)</sup>	0.00%	0.46%
Target 2055 Trust	CIT	0.11% <sup>(97)</sup>	0.00%	0.46%
Target 2060 Trust	CIT	0.11% <sup>(100)</sup>	0.00%	0.47%
Target 2065 Trust	CIT	0.11% <sup>(100)</sup>	0.00%	0.54%
<b>Domestic Equity Funds</b>				
SSgA S&P 500 Index Fund	Commingled	0.01% <sup>(96)</sup>	0.00%	0.20%
SSgA Russell 3000 Index Fund	Commingled	0.02% <sup>(100)</sup>	0.00%	0.70%
T. Rowe Price Small Cap	CIT	0.60% <sup>(94)</sup>	0.00%	0.93%
Northern Trust ESG Fund	SA	0.05% <sup>(100)</sup>	0.00%	0.70%
<b>International Equity Funds</b>				
SSgA World Equity ex-US Index Fund	SA	0.07% <sup>(99)</sup>	0.00%	0.83%
International Equity Fund	Custom	0.38% <sup>(93)</sup>	0.00%	0.83%
<b>Fixed-Income Funds</b>				
BlackRock US Bond Index Fund	CIT	0.04% <sup>(99)</sup>	0.00%	0.43%
<b>Short Term Funds</b>				
SSgA Inst Treasury Money Market	TRIXX	0.12% <sup>(94)</sup>	0.00%	0.26%



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# Questions?



**Pamela Leary**  
Director, Treasury Division  
Alaska Department of Revenue  
[Pam.leary@alaska.gov](mailto:Pam.leary@alaska.gov)



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**Alaska Retirement Management Board**  
**Division of Retirement and Benefits**  
**Cost Allocation Plan (CAP)**

**March 2025**

**Christopher Novell**

Chief Financial Officer  
DRB/DOA



# Cost Allocation – Personnel

## High Level

Costs	Allocation Method
Division Director	% of DRB staff charged to Plans
Information Services Manager	50% Plan members / 50% Plan assets
Retirement Processing Unit	50% Plan members / 50% Plan assets
Chief Financial Officer	% of Financial Services. Staff Charged to Plans
Retiree / Refund Processing Unit	50% Plan members / 50% Plan assets
Internal Audit / Compliance Services	Number of employers in Plans

# Non-Personnel Costs

- **Office Space:**
  - Assessed on Square Footage
    - 50% Plan Members / 50% Plan Assets
- **Centralized Services / Office of Info Tech:**
  - Assessed on Usage Basis
- **Department Support:** Example: Procurement, Human Resources
  - Assessed on the nature of the service provided

# Cost Allocation Process

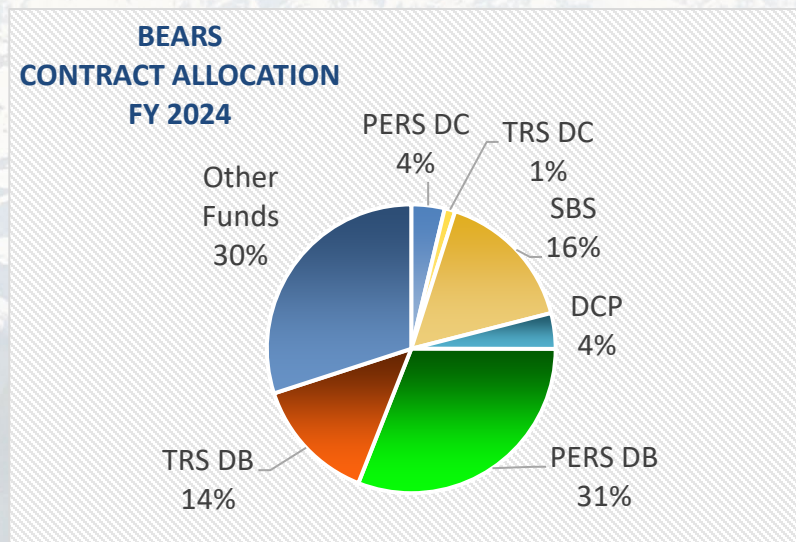
- Each year the Administrative Officer calculates the allocations based upon audited plan membership and plan funding. This is reviewed with the DRB Executive Team.
- The above allocations are expressed as percentages and used to create *Labor Distribution Profiles (LDPs)* for Personnel Costs and *Accounting Templates* for Non-Personnel Costs.
- The LDPs and Accounting Templates create the coding to distribute the costs to the allocated funds in the correct proportion.

PCN	Job Title	IRIS Home Unit	LDAP
02-1090	Publications Specialist 1	Z80F	87C06
02-1132	Analyst/Programmer 3	Z80K	87C10
02-1420	Deputy Director - Health	Z80A	87F10
02-1974	Office Assistant 1	Z80Y	87C01
02-8001	Division Director - Px	Z80A	87F07
02-8002	Analyst/Programmer 3	Z80L	87C10
02-8010	Accountant 5	Z80N	87F04

# BEnefits ANd Retirement System BEARS

- **Allocation basis:**

- 50% Plan Members / 50% Plan Assets
- Invoice payment is based on proportion of costs allocated to each trust fund based on the CAP.
- No prepayments / advance distribution of funds to vendors.







THE STATE  
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# Questions?

**March 2025**  
**Christopher Novell**  
Chief Financial Officer  
DRB/DOA



ALASKA DIVISION OF  
**Retirement  
and Benefits**

## DC PARTICIPANT FEES AND EXPENSES

	FY 2020				Total FY2020
	PERS DCR	TRS DCR	SBS	DCP	
<b>PARTICIPANT FEES COLLECTED:</b>					
Annual Fixed Fee	1,299,170	301,346	1,486,750	- <sup>(1)</sup>	3,087,266
Monthly Fund Expenses	1,408,065	588,316	4,544,987	1,675,827	8,217,194
<b>Total Participant Fees (A) <sup>(2)</sup></b>	<b>2,707,235</b>	<b>889,662</b>	<b>6,031,736</b>	<b>1,675,827</b>	<b>11,304,460</b>
<b>ADMINISTRATIVE EXPENSES</b>					
<b>Empower Expenses</b>					
Admin Service Fees	712,593	297,283	2,279,490	543,185	3,832,550
QDRO Service Fees	6,500	1,500	13,750	3,000	24,750
Fund Pricing Fees (Accounting fees)	4,377	1,839	9,734	3,634	19,584
<b>Total Empower Fees (B) <sup>(2)</sup></b>	<b>723,470</b>	<b>300,621</b>	<b>2,302,974</b>	<b>549,819</b>	<b>3,876,883</b>
<b>Expenses Other than Empower</b>					
DRB - Personnel Costs	1,354,036	365,373	660,358	268,967	2,648,734
BEARS Contracts	141,858	41,644	39,494	8,934	231,930
DRB - Other	348,873	95,461	239,706	105,067	789,107
Treasury Division	356,872	173,578	816,720	336,861	1,684,031
<b>Total State Administrative Expenses (C)</b>	<b>2,201,638</b>	<b>676,055</b>	<b>1,756,279</b>	<b>719,830</b>	<b>5,353,802</b>
<b>DIFFERENCE OF FEES COLLECTED and EXPENSES (A-B-C)</b>	<b>(217,873)</b>	<b>(87,014)</b>	<b>1,972,483</b>	<b>406,179</b>	<b>4,954,439</b>
Unallocated Plan Account	647,852	362,969	4,745,436	1,364,172	7,120,429
<b>EXPENSES IN BASIS POINTS</b>					
Fund Balances at June 30	1,394,890,476	581,114,042	4,226,458,219	998,966,337	7,201,429,074
Total Administrative Expenses	2,925,108	976,676	4,059,253	1,269,648	9,230,685
Fees in Basis Points	21.0	16.8	9.6	12.7	12.8
Investment Management and Custody Fees	1,992,374	840,293	5,358,398	1,661,560	9,852,624
Fees in Basis Points	14.3	14.5	12.7	16.6	13.7

(1) Annual Fixed Fee for the Deferred Compensation Plan not in place for FY 2020, FY 2021 and FY 2022.

(2) Does not include Managed Account Fees Collected or Paid to Empower.

## DC PARTICIPANT FEES AND EXPENSES

	FY 2021				Total FY2021
	PERS DCR	TRS DCR	SBS	DCP	
<b>PARTICIPANT FEES COLLECTED:</b>					
Annual Fixed Fee	1,381,188	319,001	1,547,184	- <sup>(1)</sup>	3,247,374
Monthly Fund Expenses	1,828,638	753,021	5,085,982	1,876,277	9,543,919
<b>Total Participant Fees (A) <sup>(2)</sup></b>	<b>3,209,826</b>	<b>1,072,023</b>	<b>6,633,167</b>	<b>1,876,277</b>	<b>12,791,293</b>
<b>ADMINISTRATIVE EXPENSES</b>					
<b>Empower Expenses</b>					
Admin Service Fees	941,087	387,408	2,583,433	617,648	4,529,577
QDRO Service Fees	7,000	2,000	12,250	3,500	24,750
Fund Pricing Fees (Accounting fees)	4,145	1,699	9,265	3,892	19,000
<b>Total Empower Fees (B) <sup>(2)</sup></b>	<b>952,232</b>	<b>391,107</b>	<b>2,604,948</b>	<b>625,040</b>	<b>4,573,327</b>
<b>Expenses Other than Empower</b>					
DRB - Personnel Costs	1,489,205	387,617	691,368	268,309	2,836,499
BEARS Contracts	205,974	60,466	736,347	182,726	1,185,512
DRB - Other	617,499	181,120	287,070	112,329	1,198,017
Treasury Division	222,329	92,221	716,480	170,204	1,201,234
<b>Total State Administrative Expenses (C)</b>	<b>2,535,007</b>	<b>721,424</b>	<b>2,431,265</b>	<b>733,567</b>	<b>6,421,263</b>
<b>DIFFERENCE OF FEES COLLECTED and EXPENSES (A-B-C)</b>					
	<b>(277,413)</b>	<b>(40,508)</b>	<b>1,596,954</b>	<b>517,671</b>	<b>5,818,715</b>
Unallocated Plan Account	76,939	128,061	4,720,479	1,224,695	6,150,173
<b>EXPENSES IN BASIS POINTS</b>					
Fund Balances at June 30	1,964,383,665	812,550,140	5,064,367,507	1,217,085,737	9,058,387,049
Total Administrative Expenses	3,487,239	1,112,531	5,036,213	1,358,607	10,994,589
Fees in Basis Points	17.8	13.7	9.9	11.2	12.1
Investment Management and Custody Fees	2,699,786	1,116,183	6,449,692	2,018,886	12,284,546
Fees in Basis Points	13.7	13.7	12.7	16.6	13.6

(1) Annual Fixed Fee for the Deferred Compensation Plan not in place for FY 2020, FY 2021 and FY 2022.

(2) Does not include Managed Account Fees Collected or Paid to Empower.

## DC PARTICIPANT FEES AND EXPENSES

	FY 2022				Total FY2022
	PERS DCR	TRS DCR	SBS	DCP	
<b>PARTICIPANT FEES COLLECTED:</b>					
Annual Fixed Fee	1,494,203	336,671	1,575,872	- <sup>(1)</sup>	3,406,746
Monthly Fund Expenses	2,192,374	899,815	5,481,724	2,036,873	10,610,786
<b>Total Participant Fees (A) <sup>(2)</sup></b>	<b>3,686,577</b>	<b>1,236,485</b>	<b>7,057,596</b>	<b>2,036,873</b>	<b>14,017,532</b>
<b>ADMINISTRATIVE EXPENSES</b>					
<b>Empower Expenses</b>					
Admin Service Fees	1,089,479	447,549	2,713,274	651,951	4,902,253
QDRO Service Fees	5,500	1,250	7,250	1,750	15,750
Fund Pricing Fees (Accounting fees)	4,160	1,668	9,326	3,860	19,014
<b>Total Empower Fees (B) <sup>(2)</sup></b>	<b>1,099,139</b>	<b>450,467</b>	<b>2,729,850</b>	<b>657,560</b>	<b>4,937,016</b>
<b>Expenses Other than Empower</b>					
DRB - Personnel Costs	1,717,675	445,882	742,670	238,236	3,144,463
BEARS Contracts	298,479	87,622	1,158,461	287,474	1,832,036
DRB - Other	613,260	196,700	262,911	117,149	1,190,020
Treasury Division	236,644	97,295	627,704	152,718	1,114,361
<b>Total State Administrative Expenses (C)</b>	<b>2,866,059</b>	<b>827,499</b>	<b>2,791,745</b>	<b>795,577</b>	<b>7,280,880</b>
<b>DIFFERENCE OF FEES COLLECTED and EXPENSES (A-B-C)</b>	<b>(278,621)</b>	<b>(41,481)</b>	<b>1,536,001</b>	<b>583,736</b>	<b>6,776,134</b>
Unallocated Plan Account	374,559	231,782	8,723,970	2,398,391	11,728,702
<b>EXPENSES IN BASIS POINTS</b>					
Fund Balances at June 30	1,797,124,734	742,357,877	4,412,830,900	1,052,309,929	8,004,623,440
Total Administrative Expenses	3,965,198	1,277,966	5,521,595	1,453,137	12,217,897
Fees in Basis Points	22.1	17.2	12.5	13.8	15.3
Investment Management and Custody Fees	2,517,384	1,040,761	5,429,936	1,652,885	10,640,965
Fees in Basis Points	14.0	14.0	12.3	15.7	13.3

(1) Annual Fixed Fee for the Deferred Compensation Plan not in place for FY 2020, FY 2021 and FY 2022.

(2) Does not include Managed Account Fees Collected or Paid to Empower.

## DC PARTICIPANT FEES AND EXPENSES

	FY 2023				Total FY2023
	PERS DCR	TRS DCR	SBS	DCP	
<b>PARTICIPANT FEES COLLECTED:</b>					
Annual Fixed Fee	1,579,320	358,326	1,592,925	388,513	3,919,084
Monthly Fund Expenses	2,095,190	861,968	4,944,272	1,232,559	9,133,990
<b>Total Participant Fees (A)</b>	<b>3,674,510</b>	<b>1,220,294</b>	<b>6,537,197</b>	<b>1,621,072</b>	<b>13,053,073</b>
<b>ADMINISTRATIVE EXPENSES</b>					
<b>Empower Expenses</b>					
Admin Service Fees	1,064,211	438,372	2,490,004	593,920	4,586,507
QDRO Service Fees	7,000	1,000	7,750	1,250	17,000
Fund Pricing Fees (Accounting fees)	4,227	1,759	9,236	3,778	19,000
<b>Total Empower Fees (B)</b>	<b>1,075,438</b>	<b>441,131</b>	<b>2,506,990</b>	<b>598,949</b>	<b>4,622,507</b>
<b>Expenses Other than Empower</b>					
DRB - Personnel Costs	1,721,536	443,407	654,605	282,632	3,102,180
BEARS Contracts	226,853	66,595	788,635	195,207	1,277,290
DRB - Other	985,666	269,530	297,380	133,165	1,685,741
Treasury Division	259,542	106,564	633,857	154,226	1,154,189
<b>Total State Administrative Expenses (C)</b>	<b>3,193,598</b>	<b>886,097</b>	<b>2,374,476</b>	<b>765,229</b>	<b>7,219,400</b>
<b>DIFFERENCE OF FEES COLLECTED and EXPENSES (A-B-C)</b>	<b>(594,526)</b>	<b>(106,933)</b>	<b>1,655,731</b>	<b>256,895</b>	<b>5,590,637</b>
Unallocated Plan Account	214,634	171,416	11,060,938	2,805,994	14,252,982
<b>EXPENSES IN BASIS POINTS</b>					
Fund Balances at June 30	2,134,651,591	882,746,916	4,751,924,748	1,127,805,801	8,897,129,055
Total Administrative Expenses	4,269,036	1,327,227	4,881,466	1,364,178	11,841,907
Fees in Basis Points	20.0	15.0	10.3	12.1	13.3
Investment Management and Custody Fees	2,348,841	976,062	5,199,553	1,585,035	10,109,492
Fees in Basis Points	11.0	11.1	10.9	14.1	11.4

(1) Annual Fixed Fee for the Deferred Compensation Plan not in place for FY 2020, FY 2021 and FY 2022.

(2) Does not include Managed Account Fees Collected or Paid to Empower.

**DC PARTICIPANT FEES AND EXPENSES**

	FY 2024				Total FY2024
	PERS DCR	TRS DCR	SBS	DCP	
<b>PARTICIPANT FEES COLLECTED:</b>					
Annual Fixed Fee	1,658,154	376,384	1,631,730	400,980	4,067,248
Monthly Fund Expenses	2,459,542	1,004,883	5,231,118	1,234,668	9,930,211
<b>Total Participant Fees (A)</b>	<b>4,117,696</b>	<b>1,381,268</b>	<b>6,862,849</b>	<b>1,635,648</b>	<b>13,997,459</b>
<b>ADMINISTRATIVE EXPENSES</b>					
<b>Empower Expenses</b>					
Admin Service Fees	1,219,550	497,970	2,571,095	606,503	4,895,118
QDRO Service Fees	8,000	1,000	10,250	2,000	21,250
Fund Pricing Fees (Accounting fees)	4,621	1,867	8,998	3,514	19,000
<b>Total Empower Fees (B)</b>	<b>1,232,171</b>	<b>500,837</b>	<b>2,590,343</b>	<b>612,017</b>	<b>4,935,368</b>
<b>Expenses Other than Empower</b>					
DRB - Personnel Costs	1,916,058	488,703	672,298	265,876	3,342,935
BEARS Contracts	237,110	75,567	1,023,033	254,106	1,589,816
DRB - Other	695,105	176,539	262,039	120,668	1,254,351
Treasury Division	305,779	125,770	705,195	168,163	1,304,907
<b>Total State Administrative Expenses (C)</b>	<b>3,154,052</b>	<b>866,579</b>	<b>2,662,565</b>	<b>808,813</b>	<b>7,492,009</b>
<b>DIFFERENCE OF FEES COLLECTED and EXPENSES (A-B-C)</b>	<b>(268,527)</b>	<b>13,852</b>	<b>1,609,940</b>	<b>214,818</b>	<b>6,502,833</b>
Unallocated Plan Account	5,626	120,132	13,343,960	3,229,576	16,699,294
<b>EXPENSES IN BASIS POINTS</b>					
Fund Balances at June 30	2,584,018,637	1,060,971,402	5,190,615,429	1,216,163,563	10,051,769,030
Total Administrative Expenses	4,386,223	1,367,416	5,252,909	1,420,830	12,427,377
Fees in Basis Points	17.0	12.9	10.1	11.7	12.4
Investment Management and Custody Fees	2,224,942	921,248	4,334,646	924,592	8,405,427
Fees in Basis Points	8.6	8.7	8.4	7.6	8.4

(1) Annual Fixed Fee for the Deferred Compensation Plan not in place for FY 2020, FY 2021 and FY 2022.

(2) Does not include Managed Account Fees Collected or Paid to Empower.



**Alaska Retirement Management Board**  
**Defined Contribution Committee**  
**PERS / TRS / SBS / DEF COMP / SOCIAL SECURITY Listing - Employer Number**  
**As of February 16, 2025**

PERS #	TRS #	SBS #	DCP #	EMPLOYER NAME	Active Membership:			PERS			TRS			SBS	SOA DEFERRED COMP	Covered by 218 Mod Agreement	PERS EMPLOYEES NOT IN SBS OR SOCIAL SECURITY
					DB	DCR	Total	DB	DCR	Total							
219			601	BARTLETT REGIONAL HOSPITAL	81	481	562	0	0	0	0	2	562	0			
220			616	NORTHWEST ARCTIC BOROUGH	6	30	36	0	0	0	0	0	0	36			
221	748			SAINT MARY'S SD	5	26	31	3	13	16	0	0	31	0			
222				CITY OF SELAWIK	0	0	0	0	0	0	0	0	0	0			
223				BRISTOL BAY HOUSING AUTHORITY	5	20	25	0	0	0	0	0	0	25			
224		515	612	COPPER RIVER BASIN REGIONAL HOUSING AUTHORITY	3	7	10	0	0	0	10	0	0	0			
225	728			SKAGWAY CITY SD	1	13	14	6	10	16	0	0	0	14			
227				CITY OF KLAWOCK	2	17	19	0	0	0	0	0	19	0			
228	724			PETERSBURG CITY SD	5	44	49	12	33	45	0	0	0	49			
230				ALEUTIANS EAST BOROUGH	5	6	11	0	0	0	0	0	0	11			
231				CITY OF KIVALINA	0	0	0	0	0	0	0	0	0	0			
235				CITY OF HUSLIA	1	3	4	0	0	0	0	0	4	0			
237				CITY OF KALTAG	1	1	2	0	0	0	0	0	0	2			
240	707	524	601	HAINES BOROUGH SD	8	19	27	4	25	29	29	0	0	0			
241				CITY OF NOORVIK	0	0	0	0	0	0	0	0	0	0			
242				CITY OF ELIM	2	0	2	0	0	0	0	0	2	0			
243				CITY OF ATKA	0	1	1	0	0	0	0	0	0	1			
244	780			ALEUTIANS EAST BOROUGH SD	11	28	39	4	20	24	0	0	0	39			
246	765			DELTA / GREELY SD	6	37	43	17	36	53	0	0	43	0			
247		517	622	LAKE AND PENINSULA BOROUGH	2	5	7	0	0	0	17	0	0	0			
248			601	CITY AND BOROUGH OF YAKUTAT	5	10	15	0	0	0	0	0	0	15			
251	717			KLAWOCK CITY SD	5	26	31	7	11	18	0	0	31	0			
254				CITY OF MEKORYUK	0	0	0	0	0	0	0	0	0	0			
255	766		625	ALASKA GATEWAY SD	5	65	70	5	39	44	0	0	70	0			
256				CITY OF SAINT GEORGE	1	0	1	0	0	0	0	0	0	1			
257	723			PELICAN CITY SD	1	1	2	0	2	2	0	0	2	0			
258		523	606	DENALI BOROUGH	1	11	12	0	0	0	12	0	0	0			
259				CITY OF ALLAKAKET	1	0	1	0	0	0	0	0	0	1			
260				CITY OF KACHEMAK	0	1	1	0	0	0	0	0	0	1			
262		518	601	COOK INLET HOUSING AUTHORITY	24	159	183	0	0	0	176	0	0	7			
263				INTERIOR REGIONAL HOUSING AUTHORITY	5	14	19	0	0	0	0	0	0	19			
264	732			YAKUTAT SD	3	8	11	1	11	12	0	0	11	0			
265	712		613	KAKE CITY SD	6	15	21	3	12	15	0	0	21	0			
267				ALEUTIAN HOUSING AUTHORITY	3	6	9	0	0	0	0	0	9	0			
270				BERING STRAITS REGIONAL HOUSING AUTHORITY	8	9	17	0	0	0	0	0	0	17			
271		519		CITY OF EGEGIK	2	1	3	0	0	0	16	0	0	0			
275			601	ILISAGVIK COLLEGE	5	68	73	0	0	0	0	0	73	0			
276				NORTH PACIFIC RIM HOUSING AUTHORITY	8	12	20	0	0	0	0	0	20	0			
278				SAXMAN SEAPORT	0	0	0	0	0	0	0	0	0	0			
279			601	TLINGIT-HAIDA REGIONAL HOUSING AUTHORITY	10	40	50	0	0	0	0	0	0	50			
280				CITY OF TOKSOOK BAY	1	0	1	0	0	0	0	0	1	0			
281		513	610	BARANOF ISLAND HOUSING AUTHORITY	4	7	11	0	0	0	17	0	0	0			
282				CITY OF DELTA JUNCTION	2	4	6	0	0	0	0	0	6	0			
283				CITY OF ANDERSON	0	0	0	0	0	0	0	0	0	0			
284		514	602	INTER-ISLAND FERRY AUTHORITY	4	19	23	0	0	0	30	0	0	0			
285				CITY OF HOOPER BAY	3	0	3	0	0	0	0	0	0	3			
286				CITY OF SELDOVIA	0	2	2	0	0	0	0	0	2	0			
287				CITY OF KOYUK	0	0	0	0	0	0	0	0	0	0			
288				NORTHWEST INUPIAT HOUSING AUTHORITY	2	10	12	0	0	0	0	0	0	12			
290				CITY OF UPPER KALSAG	0	0	0	0	0	0	0	0	0	0			
291				CITY OF SHAKTOOLIK	0	1	1	0	0	0	0	0	0	1			
293			601	TAGIUGMIULLU NUNAMIULLU HOUSING AUTHORITY	4	19	23	0	0	0	0	0	23	0			
296			601	MUNICIPALITY OF SKAGWAY	10	57	67	0	0	0	0	0	67	0			
298				CITY OF ANIAK	0	4	4	0	0	0	0	0	4	0			
299		525	604	ALASKA GASLINE DEVELOPMENT CORPORATION	1	2	3	0	0	0	3	0	0	0			
<b>TOTALS</b>					<b>7,596</b>	<b>28,769</b>	<b>36,365</b>	<b>2,456</b>	<b>7,223</b>	<b>9,679</b>	<b>23,882</b>	<b>7,235</b>	<b>13,808</b>	<b>4,566</b>			



**Alaska Retirement Management Board**  
**Defined Contribution Committee**  
**PERS / TRS / SBS / DEF COMP / SOCIAL SECURITY Listing - Alphabetical**  
**As of February 16, 2025**

PERS #	TRS #	SBS #	DCP #	EMPLOYER NAME	Active Membership:			TRS			SBS	SOA DEFERRED COMP	Covered by 218 Mod Agreement	PERS EMPLOYEES NOT IN SBS OR SOCIAL SECURITY
					PERS DB	PERS DCR	PERS Total	TRS DB	TRS DCR	TRS Total				
299		525	604	ALASKA GASLINE DEVELOPMENT CORPORATION	1	2	3	0	0	0	3	0	0	0
255	766		625	ALASKA GATEWAY SD	5	65	70	5	39	44	0	0	70	0
152			601	ALASKA HOUSING FINANCE CORPORATION	56	214	270	0	0	0	0	0	270	0
267				ALEUTIAN HOUSING AUTHORITY	3	6	9	0	0	0	0	0	9	0
	758			ALEUTIAN REGION SD	0	0	0	0	5	5	0	0	0	0
230				ALEUTIANS EAST BOROUGH	5	6	11	0	0	0	0	0	0	11
244	780			ALEUTIANS EAST BOROUGH SD	11	28	39	4	20	24	0	0	0	39
203				ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY	1	26	27	0	0	0	0	0	27	0
111	701		601	ANCHORAGE SD	467	2,190	2,657	955	2,242	3,197	0	3	2,657	0
103	770			ANNETTE ISLAND SD	5	52	57	3	38	41	0	0	57	0
281		513	610	BARANOF ISLAND HOUSING AUTHORITY	4	7	11	0	0	0	17	0	0	0
219			601	BARTLETT REGIONAL HOSPITAL	81	481	562	0	0	0	2	2	562	0
104	752		601	BERING STRAIT SD	61	205	266	23	188	211	0	0	266	0
270				BERING STRAITS REGIONAL HOUSING AUTHORITY	8	9	17	0	0	0	0	0	17	0
144		619		BRISTOL BAY BOROUGH	11	35	46	0	0	0	0	0	0	46
184	742			BRISTOL BAY BOROUGH SD	2	21	23	0	19	19	0	0	23	0
223				BRISTOL BAY HOUSING AUTHORITY	5	20	25	0	0	0	0	0	0	25
105	768		601	CHATHAM SD	11	34	45	1	23	24	0	0	45	0
121	771		601	CHUGACH SD	4	20	24	8	13	21	0	0	0	24
126			601	CITY AND BOROUGH OF JUNEAU	129	442	571	0	0	0	0	1	571	0
120		506	601	CITY AND BOROUGH OF SITKA	25	133	158	0	0	0	268	0	0	0
135		520	601	CITY AND BOROUGH OF WRANGELL	8	55	63	0	0	0	67	0	0	0
248			601	CITY AND BOROUGH OF YAKUTAT	5	10	15	0	0	0	0	0	15	0
208				CITY OF AKUTAN	3	12	15	0	0	0	0	0	15	0
259				CITY OF ALLAKAKET	1	0	1	0	0	0	0	0	1	0
283				CITY OF ANDERSON	0	0	0	0	0	0	0	0	0	0
298				CITY OF ANIAK	0	4	4	0	0	0	0	0	4	0
243				CITY OF ATKA	0	1	1	0	0	0	0	0	1	0
171				CITY OF BARROW	5	17	22	0	0	0	0	0	22	0
136		603		CITY OF BETHEL	12	73	85	0	0	0	1	0	85	0
148		624		CITY OF CORDOVA	8	53	61	0	0	0	0	0	61	0
186				CITY OF CRAIG	8	37	45	0	0	0	0	0	45	0
282				CITY OF DELTA JUNCTION	2	4	6	0	0	0	0	0	6	0
178			601	CITY OF DILLINGHAM	9	45	54	0	0	0	0	0	54	0
271		519		CITY OF EGEGIK	2	1	3	0	0	0	16	0	0	0
242				CITY OF ELIM	2	0	2	0	0	0	0	0	2	0
129			601	CITY OF FAIRBANKS	12	82	94	0	0	0	0	0	94	0
183				CITY OF FORT YUKON	3	7	10	0	0	0	0	0	10	0
192			601	CITY OF GALENA	7	14	21	0	0	0	0	0	21	0
215			609	CITY OF HOMER	17	93	110	0	0	0	0	0	110	0
199				CITY OF HOONAH	1	18	19	0	0	0	0	0	19	0
285				CITY OF HOOPER BAY	3	0	3	0	0	0	0	0	3	0
235				CITY OF HUSLIA	1	3	4	0	0	0	0	0	4	0
260				CITY OF KACHEMAK	0	1	1	0	0	0	0	0	1	0
237				CITY OF KALTAG	1	1	2	0	0	0	0	0	2	0
115			601	CITY OF KENAI	21	87	108	0	0	0	0	0	108	0
181			601	CITY OF KETCHIKAN	31	92	123	0	0	0	0	0	123	0
151				CITY OF KING COVE	6	14	20	0	0	0	0	0	20	0
231				CITY OF KIVALINA	0	0	0	0	0	0	0	0	0	0
227				CITY OF KLAWOCK	2	17	19	0	0	0	0	0	19	0
128				CITY OF KODIAK	18	96	114	0	0	0	0	0	114	0
140			601	CITY OF KOTZEBUE	9	55	64	0	0	0	0	0	64	0
287				CITY OF KOYUK	0	0	0	0	0	0	0	0	0	0
254				CITY OF MEKORYUK	0	0	0	0	0	0	0	0	0	0
193				CITY OF NENANA (Termed 10/01/24)	0	0	0	0	0	0	0	0	0	0
139			601	CITY OF NOME	12	50	62	0	0	0	0	0	62	0
241				CITY OF NOORVIK	0	0	0	0	0	0	0	0	0	0
191			601	CITY OF NORTH POLE	8	42	50	0	0	0	0	0	50	0
134			601	CITY OF PALMER	17	53	70	0	0	0	0	1	70	0
200				CITY OF PELICAN	1	4	5	0	0	0	0	0	5	0
256				CITY OF SAINT GEORGE	1	0	1	0	0	0	0	0	1	0
172		510		CITY OF SAINT PAUL	8	10	18	0	0	0	31	0	0	0
176				CITY OF SAND POINT	3	19	22	0	0	0	0	0	22	0
198				CITY OF SAXMAN	0	4	4	0	0	0	0	0	4	0
222				CITY OF SELAWIK	0	0	0	0	0	0	0	0	0	0
286				CITY OF SELDOVIA	0	2	2	0	0	0	0	0	2	0
182			601	CITY OF SEWARD	9	69	78	0	0	0	0	0	78	0
291				CITY OF SHAKTOOLIK	0	1	1	0	0	0	0	0	1	0
123				CITY OF SOLDOTNA	14	46	60	0	0	0	0	0	60	0
169				CITY OF TANANA	0	0	0	0	0	0	0	0	0	0
206		615		CITY OF THORNE BAY	0	6	6	0	0	0	0	0	6	0
280				CITY OF TOKSOOK BAY	1	0	1	0	0	0	0	0	1	0
179			601	CITY OF UNALASKA	21	126	147	0	0	0	0	1	147	0
290				CITY OF UPPER KALSKAG	0	0	0	0	0	0	0	0	0	0
107			601	CITY OF VALDEZ	23	110	133	0	0	0	0	0	133	0
131		507	601	CITY OF WASILLA	25	117	142	0	0	0	200	0	0	0
202			601	CITY OF WHITTIER	2	21	23	0	0	0	0	0	23	0
262		518	601	COOK INLET HOUSING AUTHORITY	24	159	183	0	0	0	176	0	0	7
224		515	612	COPPER RIVER BASIN REGIONAL HOUSING AUTHORITY	3	7	10	0	0	0	10	0	0	0
112	767			COPPER RIVER SD	4	43	47	8	25	33	0	0	47	0
185	704			CORDOVA CITY SD	5	28	33	7	23	30	0	0	33	0
163			623	CORDOVA COMMUNITY MEDICAL CENTER	4	59	63	0	0	0	0	0	63	0
204	705		601	CRAIG CITY SD	3	27	30	8	19	27	0	0	30	0
246	765			DELTA / GREELY SD	6	37	43	17	36	53	0	0	43	0
258		523	606	DENALI BOROUGH	1	11	12	0	0	0	12	0	0	0
118	764	505	605	DENALI BOROUGH SD	0	34	34	13	23	36	33	0	0	1
205	744			DILLINGHAM CITY SD	5	41	46	6	47	53	0	0	46	0
116			601	FAIRBANKS NORTH STAR BOROUGH	79	304	383	0	0	0	0	0	383	0
117	706		601	FAIRBANKS NORTH STAR BOROUGH SD	134	705	839	189	594	783	0	1	839	0
141	735		601	GALENA CITY SD	18	119	137	27	97	124	0	0	137	0
189		511	620	HAINES BOROUGH	8	55	63	0	0	0	77	0	0	0
240	707	524	601	HAINES BOROUGH SD	8	19	27	4	25	29	29	0	0	0
138	708			HOONAH CITY SD	7	12	19	2	13	15	0	0	19	0
168	709			HYDABURG CITY SD	2	43	45	3	9	12	0	0	45	0
124	761			IDITAROD AREA SD	4	42	46	2	29	31	0	0	46	0
275			601	ILISAGVIK COLLEGE	5	68	73	0	0	0	0	0	73	0
263				INTERIOR REGIONAL HOUSING AUTHORITY	5	14	19	0	0	0	0	0	19	0

**Alaska Retirement Management Board**  
**Defined Contribution Committee**  
**PERS / TRS / SBS / DEF COMP / SOCIAL SECURITY Listing - Alphabetical**  
**As of February 16, 2025**

PERS #	TRS #	SBS #	DCP #	EMPLOYER NAME	Active Membership:			PERS			TRS			SBS	SOA DEFERRED COMP	Covered by 218 Mod Agreement	PERS EMPLOYEES NOT IN SBS OR SOCIAL SECURITY
					DB	DCR	Total	DB	DCR	Total							
284		514	602	INTER-ISLAND FERRY AUTHORITY	4	19	23	0	0	0	30	0	0	0			
108	710		626	JUNEAU BOROUGH SD	54	207	261	97	205	302	0	0	261	0			
265	712		613	KAKE CITY SD	6	15	21	3	12	15	0	0	21	0			
211	777			KASHUNAMIUT SD	17	51	68	2	21	23	0	0	68	0			
180			601	KENAI PENINSULA BOROUGH	64	254	318	0	0	0	0	0	318	0			
190	746		601	KENAI PENINSULA BOROUGH SD	82	456	538	175	464	639	0	0	538	0			
122			608	KETCHIKAN GATEWAY BOROUGH	22	81	103	0	0	0	0	0	103	0			
177	714		601	KETCHIKAN GATEWAY BOROUGH SD	27	165	192	54	127	181	0	0	192	0			
251	717			KLAWOCK CITY SD	5	26	31	7	11	18	0	0	31	0			
174			618	KODIAK ISLAND BOROUGH	7	33	40	0	0	0	0	0	40	0			
158	718		601	KODIAK ISLAND BOROUGH SD	32	224	256	40	167	207	0	0	256	0			
125	755			KUSPUK SD	19	42	61	3	39	42	0	0	61	0			
247		517	622	LAKE AND PENINSULA BOROUGH	2	5	7	0	0	0	17	0	0	0			
164	757			LAKE AND PENINSULA BOROUGH SD	12	73	85	8	45	53	0	0	85	0			
157	754		601	LOWER KUSKOKWIM SD	130	372	502	55	245	300	0	0	502	0			
153	753			LOWER YUKON SD	74	237	311	29	129	158	0	0	311	0			
109		502	601	MATANUSKA-SUSITNA BOROUGH	57	353	410	0	0	0	695	1	0	0			
110	722	503	601	MATANUSKA-SUSITNA BOROUGH SD	122	811	933	391	1,007	1,398	2,480	0	0	0			
173			601	MUNICIPALITY OF ANCHORAGE	574	1,681	2,255	0	0	0	0	2	2,255	0			
296			601	MUNICIPALITY OF SKAGWAY	10	57	67	0	0	0	0	0	67	0			
196	719		601	NENANA CITY SD	11	57	68	12	23	35	0	0	68	0			
149	720		601	NOME CITY SD	6	18	24	10	54	64	0	0	24	0			
175			601	NOME JOINT UTILITY SYSTEM	4	8	12	0	0	0	0	0	12	0			
170			614	NORTH PACIFIC FISHERY MANAGEMENT COUNCIL	4	9	13	0	0	0	0	1	0	13	0		
276				NORTH PACIFIC RIM HOUSING AUTHORITY	8	12	20	0	0	0	0	0	20	0			
145			601	NORTH SLOPE BOROUGH	216	747	963	0	0	0	0	0	963	0			
161	736		621	NORTH SLOPE BOROUGH SD	42	215	257	20	223	243	0	0	257	0			
220			616	NORTHWEST ARCTIC BOROUGH	6	30	36	0	0	0	0	0	36	0			
154	751		601	NORTHWEST ARCTIC BOROUGH SD	38	124	162	12	162	174	0	0	162	0			
288				NORTHWEST INUPIAT HOUSING AUTHORITY	2	10	12	0	0	0	0	0	12	0			
257	723			PELICAN CITY SD	1	1	2	0	2	2	0	0	2	0			
143			601	PETERSBURG BOROUGH	16	72	88	0	0	0	0	0	88	0			
228	724			PETERSBURG CITY SD	5	44	49	12	33	45	0	0	49	0			
187			611	PETERSBURG MEDICAL CENTER	15	101	116	0	0	0	0	0	116	0			
156	759			PRIBILOF SD	6	5	11	0	6	6	0	0	11	0			
221	748			SAINT MARY'S SD	5	26	31	3	13	16	0	0	31	0			
278				SAXMAN SEAPORT	0	0	0	0	0	0	0	0	0	0			
133	727	508	617	SITKA SCHOOL DISTRICT	13	56	69	43	74	117	150	0	0	0			
225	728			SKAGWAY CITY SD	1	13	14	6	10	16	0	0	14	0			
155	769			SOUTHEAST ISLAND SD	8	52	60	5	20	25	0	0	60	0			
167	743			SOUTHEAST REGIONAL RESOURCE CENTER	9	30	39	1	13	14	0	0	39	0			
102	756			SOUTHWEST REGION SD	35	67	102	6	44	50	0	0	102	0			
218	779	512		SPECIAL EDUCATION SERVICE AGENCY	0	6	6	2	14	16	6	0	0	0			
101	737	501	601	STATE OF ALASKA	3,566	12,228	15,794	22	45	67	19,531	7,220	0	0			
293			601	TAGIUGMIULLU NUMAMIULLU HOUSING AUTHORITY	4	19	23	0	0	0	0	0	23	0			
166	775			TANANA SD	2	4	6	0	0	0	0	0	6	0			
279			601	TLINGIT-HAIDA REGIONAL HOUSING AUTHORITY	10	40	50	0	0	0	0	0	50	0			
209	729			UNALASKA CITY SD	8	29	37	3	26	29	0	0	37	0			
113	733		601	UNIVERSITY OF ALASKA *	603	1,915	2,518	95	236	331	0	1	0	2,518	0		
137	730		601	VALDEZ CITY SD	7	48	55	15	45	60	0	0	55	0			
146	731	522		WRANGELL PUBLIC SCHOOLS	3	27	30	7	17	24	34	0	0	0			
264	732			YAKUTAT SD	3	8	11	1	11	12	0	0	11	0			
160	762		601	YUKON / KOYUKUK SD	25	103	128	26	84	110	0	0	128	0			
159	763			YUKON FLATS SD	12	29	41	1	22	23	0	0	41	0			
195	778			YUPIIT SD	20	59	79	5	47	52	0	0	79	0			
<b>TOTALS</b>					<b>7,596</b>	<b>28,769</b>	<b>36,365</b>	<b>2,456</b>	<b>7,223</b>	<b>9,679</b>	<b>23,882</b>	<b>7,235</b>	<b>13,808</b>	<b>4,566</b>			

\* University of Alaska offers the UA Pension Plan:

The University of Alaska provides a supplemental 401(a) "pension plan" to eligible employees. This account is for university contributions only. No employee contributions are allowed. If eligible, this account supplements the Public Employee's Retirement

Alaska Retirement Management Board  
Defined Contribution Plan Committee

2025 SCHEDULE OF MEETINGS

**March 11, 2025 (Juneau / Videoconference)**

1. DRB Update  
Recordkeeping RFP, Chief Pension Officer's Report, Social Security Report, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update  
Investment Updates, New Initiatives/Plans
3. DRB and DOR Current Cost Allocation and History
4. (Additional Topics To Be Determined)

**June 16, 2025 (Anchorage / Videoconference)**

1. DRB Update  
Recordkeeping RFP, Chief Pension Officer's Report, Social Security, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update  
Investment Updates, New Initiatives/Plans
3. DRB staffing update for July 2025 expected retirement applications (*requested Sept 2024*)
4. Target Date Suitability Study

**September 16, 2025 (Fairbanks / Videoconference)**

5. DRB Update  
Chief Pension Officer's Report, Social Security Report, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
1. Treasury Update  
Investment Updates, New Initiatives/Plans
2. (Additional Topics To Be Determined)

**December 2, 2025 (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)

2026 SCHEDULE OF MEETINGS

**March TBD, 2026 (Juneau / Videoconference)**

1. DRB Update  
Recordkeeping RFP, Chief Pension Officer's Report, Social Security Report, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update  
Investment Updates, New Initiatives/Plans
3. DRB and DOR Current Cost Allocation and History
4. (Additional Topics To Be Determined)

**June TBD, 2026 (Anchorage / Videoconference)**

1. DRB Update  
Recordkeeping RFP, Chief Pension Officer's Report, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
2. Treasury Update  
Investment Updates, New Initiatives/Plans
3. DRB staffing update for July 2025 expected retirement applications (*requested Sept 2024*)
4. Target Date Suitability Study (deferred from 3/11/2025)

**September TBD, 2026 (TBD / Videoconference)**

5. DRB Update  
Chief Pension Officer's Report, Social Security Report, Delinquent/ Late Filing Employers, Education/Outreach Efforts, New Initiatives/Plans
1. Treasury Update  
Investment Updates, New Initiatives/Plans
2. (Additional Topics To Be Determined)

**December TBD, 2026 (TBD / 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. Social security update
3. (Topics To Be Determined)

**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.