

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 Fund
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 12 day of March, 2025.

Ron Williams

Chair

ATTEST:

Michael Williams

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.