

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD
Recommendation for Amortization of JRS Unfunded Liabilities

Resolution 2025-19

WHEREAS, the Judicial Retirement System (“JRS”) is a defined benefit plan administered under AS 22.25 and funded by employer and employee contributions; and

WHEREAS, the Commissioner of Administration (“Commissioner”) establishes the employer contribution rate for JRS in accordance with AS 22.25.046, based on the results of an actuarial valuation and actuarial assumptions adopted by the Commissioner; and

WHEREAS, the Alaska Retirement Management Board (“Board”) is charged under AS 37.10.220 with reviewing actuarial assumptions and valuations for the state’s retirement systems, including the JRS; and

WHEREAS, the Board, through its Actuarial Committee and with support from Gabriel, Roeder, Smith & Company (“GRS”), Review Actuary for the Board has reviewed the actuarial assumptions and amortization methodology used in the JRS valuation prepared by the Department of Administration’s actuarial consultant, Arthur J. Gallagher & Co. (“Gallagher”); and

WHEREAS, the JRS plan is currently fully funded, and, in the absence of significant actuarial losses or changes in funding policy, is projected to remain fully funded; and

WHEREAS, the JRS actuarial valuation currently includes legacy amortization layers established under a 25-year level-percent-of-pay amortization schedule; and

WHEREAS, continuing to amortize legacy positive amortization bases under the current layered structure results in the collection of continued contributions that are not actuarially necessary, nor reflective of the current or projected funded status of the plan; and

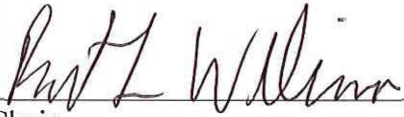
WHEREAS, Gallagher has advised that adopting an approach combining all existing amortization bases into a new single base would eliminate unnecessary payments and improve transparency and alignment with the JRS plan’s current funding status;

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD that:

1. The Board recommends that the Commissioner of Administration adopt an amortization schedule combining all existing amortization bases into a new single base for the JRS plan in the June 30, 2024, actuarial valuation.

2. The Board recommends that the new amortization base be amortized over a closed 15-year period, beginning with the June 30, 2024, valuation.

DATED at Fairbanks, Alaska this 18 day of September, 2025.


Chair

ATTEST:


Secretary