



## ALASKA PERMANENT FUND FUND FINANCIAL HISTORY & PROJECTIONS as of July 31, 2018

Projections extend ten years, and are based on best available information (\$ in millions)

Nonspendable Fund Balance - Principal							Assigned Fund Balance - Earnings Reserve							TOTAL FUND  FY-End Balance		
FY	FY-Begin Contrib. Balance	Dedicated <sup>(1)</sup> State Revenues	Inflation Proofing	FY-End Balance Contributions	Unrealized Gain (Loss) FY-End Balance	FY-End Non- spendable Balance	Acct. Net Income <sup>(2)</sup>	Distributions			FY-End Balance Realized	Unrealized Gain (Loss) FY-End Balance	FY-End Assigned Balance		FY	
								Div/POMV Transfer <sup>(9)</sup>	Inflation Proofing	ACIF						
09	29,149	651	1,144	30,945	(1,449)	29,496	(6,394)	875	1,144	0 <sup>(5)</sup>	441	(21)	420	09	29,917	
10	30,944	679	0 <sup>(6)</sup>	31,624	421	32,045	3,517	858	0 <sup>(6)</sup>	0 <sup>(5)</sup>	1,194	16	1,210	10	33,255	
11	31,624	887	533	33,044	4,788	37,832	6,812	801	533	13 <sup>(5)</sup>	2,016	292	2,308	11	40,140	
12	33,044	915	1,073	35,033	3,220	38,253	(100)	605	1,073	17	1,905	175	2,081	12	40,333	
13	35,033	840	743	36,615	4,184	40,800	4,314	604	743	30	3,487	567	4,054	13	44,853	
14	36,615	779	546	37,941	7,062	45,002	6,848	1,235	546	32	5,237	975	6,211	14	51,214	
15	37,941	600	624	39,165	6,473	45,638	2,384	1,373	624	24	6,147	1,016	7,162	15	52,800	
16	39,165	284	0	39,449	4,750	44,199	398 <sup>(6)</sup>	696 <sup>(7)</sup>	0 <sup>(8)</sup>	18	7,649	921	8,570	16	52,769	
17	39,449	365	0	39,814	7,155	46,969	6,676	0	0 <sup>(8)</sup>	25	10,863	1,952	12,816	17	59,785	
18	39,814	353	0	40,167	5,863	46,030	5,526	726	0 <sup>(8)</sup>	43	16,461	2,403	18,864	18	64,894	
Lo	19	40,167	416	913	41,496	1,254	(3,524)	2,723	913	21	15,813	478	16,291	19	59,042	
Mid	19	40,167	416	913	41,496	5,689	3,615	2,723	913	27	16,700	2,290	18,989	19	66,175	
Hi	19	40,167	416	913	41,496	8,581	8,746	2,723	913	33	17,586	3,637	21,223	19	71,300	
	20	41,496	402	943	42,841	5,804	4,069	2,933	943	27	16,769	2,272	19,041	20	67,687	
	21	42,841	405	973	44,219	5,931	4,158	3,090	973	27	16,737	2,245	18,982	21	69,132	
	22	44,219	400	1,004	45,623	6,054	4,247	3,092	1,004	27	16,759	2,224	18,983	22	70,660	
	23	45,623	403	1,036	47,061	6,189	4,336	3,256	1,036	27	16,674	2,193	18,866	23	72,116	
	24	47,061	413	1,068	48,542	6,331	4,423	3,364	1,068	27	16,531	2,156	18,687	24	73,561	
	25	48,542	433	1,102	50,077	6,478	4,510	3,436	1,102	27	16,367	2,117	18,485	25	75,040	
	26	50,077	454	1,137	51,668	6,629	4,599	3,510	1,137	27	16,182	2,076	18,258	26	76,555	
	27	51,668	463	1,173	53,304	6,785	4,690	3,584	1,173	27	15,975	2,033	18,009	27	78,097	
	28	53,304	479	1,210	54,992	6,944	4,783	3,658	1,210	27	15,748	1,989	17,736	28	79,673	
Cumulative Totals																
Proj. for FY19-FY28							4,267	10,558								
							43,431	32,647	10,558	272						

Assumptions:				Total Return - Inflation = Total Real Return			Statutory Return	
Lo	FY19	-5.25%	2.25%	-7.50%	Lo	5.00%		
Mid	FY19 <sup>(3)</sup>	5.95%	2.25%	3.70%	Mid	6.40%		
Hi	FY19	14.00%	2.25%	11.75%	Hi	7.80%		
				FY20-FY28 <sup>(4)</sup>	6.55%	2.25%	4.30%	6.40%

**Notes related to financial history and projections:**

<sup>(1)</sup> Dedicated State Revenues in current and future fiscal years are based on the Spring 2018 Department of Revenue forecast.

<sup>(2)</sup> Accounting net income is based on United States Generally Accepted Accounting Principles (GAAP).

<sup>(3)</sup> Current year returns and inflation are based on 2018 Callan capital market assumptions. Actual results will vary.

<sup>(4)</sup> Future returns are based on 2018 Callan capital market assumptions and median expected returns (the mid case). Actual results will vary.

<sup>(5)</sup> During FY 2009, the ACIF realized losses of \$33.3 million, which are excluded from statutory net income, and are included in the ending unreserved balance as a deficit account. During FY 2010 and FY 2011, the ACIF had realized income of \$20.8 million and \$25.3 million, which is excluded from statutory net income, and served to reduce the FY 2009 deficit.

<sup>(6)</sup> The statutory inflation calculation for FY 2010 was -36%; therefore, there was no inflation proofing transfer during FY 2010.

<sup>(7)</sup> The dividend transfer reported for FY16 was paid out in dividends during FY17.

<sup>(8)</sup> There was no appropriation for inflation proofing in FY16, FY17 and FY18.

<sup>(9)</sup> Per AS 37.13.140, beginning in FY19, transfers are based on a percent of market value (POMV) calculation and are to the General Fund. In previous years, transfers were based on an earnings calculation and were to the Dividend Fund.

### Income Year-to-Date as of July 31, 2018

FY19 Statutory Net Income	
Interest, dividends, real estate & other income	\$ 82.9
Realized gains (losses) on the sale of assets	181.3
Less operating expenses	(9.6)
Less AK Capital Inc. Fund realized earnings	(1.7)
	\$ 253.0

FY19 Accounting (GAAP) Net Income	
Statutory net income (loss)	\$ 253.0
Unrealized gains (losses) on invested assets	583.4
AK Capital Income Fund realized earnings	1.7
	\$ 838.1

FY19 POMV Distribution	
Ending Fund Value (ex Am Hess)	
FY17	\$ 59,360.6
FY16	52,344.9
FY15	52,375.9
FY14	50,789.4
FY13	44,428.9
Average Value	\$ 51,860.0
Statutory Distribution	
	\$ 2,722.6

FY20 POMV Distribution	
Ending Fund Value (ex Am Hess)	
FY18	\$ 64,469.7
FY17	59,360.6
FY16	52,344.9
FY15	52,375.9
FY14	50,789.4
Average Value	\$ 55,868.1
Statutory Distribution	
	\$ 2,933.1