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**State of Alaska**  
**An Update on the State's Savings Accounts**

**Treasury Division**  
**Department of Revenue**

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**February 1, 2010**

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## **I: Comparative Analysis of State Operating and Savings Funds**

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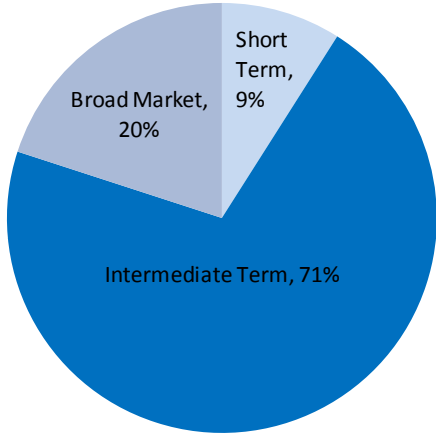
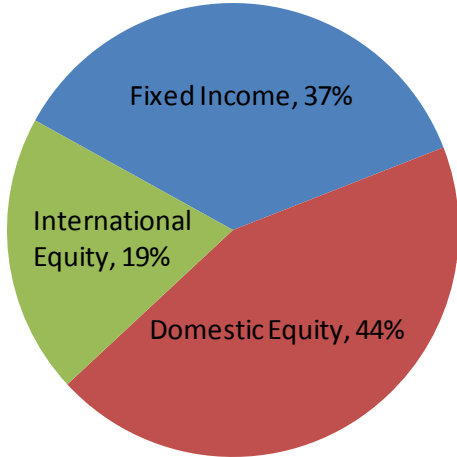
# General Fund and other non segregated investments

Fiduciary oversight: Commissioner of Revenue

		<b>General Fund</b> (and other nonsegregated investments)	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation		<b>100% Fixed Income</b> <p>A pie chart illustrating the target asset allocation for the General Fund. The chart is divided into two segments: a larger dark blue segment representing 'Intermediate Term' at 57%, and a smaller light blue segment representing 'Short Term' at 43%.</p>	
		Actuals	Benchmark
Market Value (in 000s)	12/31/2007	\$5,269,300	
	12/31/2008	\$7,466,400	
	12/31/2009	\$6,184,600	
Returns (12/31/09)	YTD	3.02%	0.59%
	FYTD	1.60%	0.73%
	3 Year Actuals	4.68%	4.49%
	5 Year Actuals	4.31%	4.02%
	<b>FORECAST</b>	<b>3.60%</b>	

# Constitutional Budget Reserve Fund (main & sub)

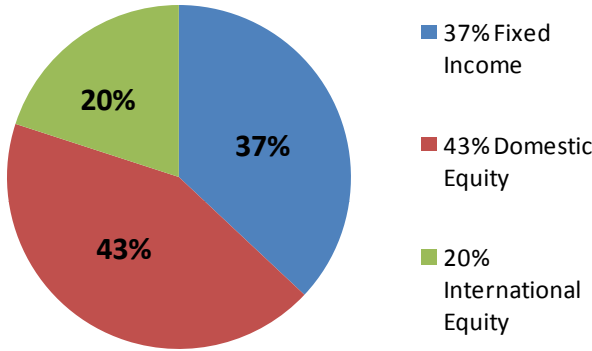
Fiduciary oversight: Commissioner of Revenue

		Constitutional Budget Reserve (main fund)		Constitutional Budget Reserve (sub fund)	
Investment Objective		Moderate Risk, Intermediate investment horizon		High Risk, Moderately Long investment horizon	
Target Asset Allocation		<p><b>100% Fixed Income</b></p> 			
		Actuals	Benchmark	Actuals	Benchmark
Market Value (in 000s)	12/31/2007	\$2,521,400		\$576,900	
	12/31/2008	\$3,240,800		\$3,590,800	
	12/31/2009	\$4,231,100		\$4,427,300	
Returns (12/31/09)	YTD	4.23%	1.82%	23.30%	20.79%
	FYTD	2.46%	1.65%	16.61%	15.79%
	3 Year Actuals	5.56%	5.59%	-2.40%	-0.91%
	5 Year Actuals	4.81%	4.61%	2.22%	3.05%
	<b>FORECAST</b>	<b>4.18%</b>		<b>7.87%</b>	

1% of Fixed Income is allocated it International  
Fixed Income

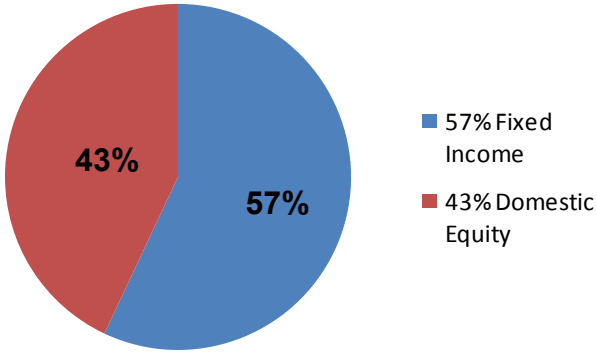
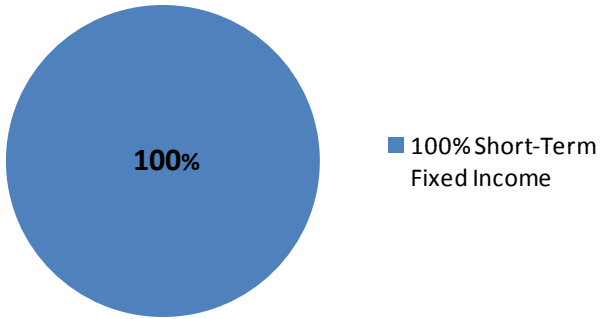
# Power Cost Equalization Fund

Fiduciary oversight: Commissioner of Revenue

Power Cost Equalization Fund			
Investment Objective		High Risk, Moderately Long investment horizon	
Target Asset Allocation		 <p>37% Fixed Income 43% Domestic Equity 20% International Equity</p>	
		Actuals	Benchmark
Market Value (in 000s)	12/31/2007	\$393,900	
	12/31/2008	\$288,800	
	12/31/2009	\$329,400	
Returns (12/31/09)	YTD	21.64%	20.45%
	FYTD	15.77%	15.61%
	3 Year Actuals	-0.06%	-0.33%
	5 Year Actuals	3.71%	3.55%
	<b>FORECAST</b>	<b>7.79%</b>	

## Public School Trust Fund (Principle and Income accounts)

Fiduciary oversight: Commissioner of Revenue

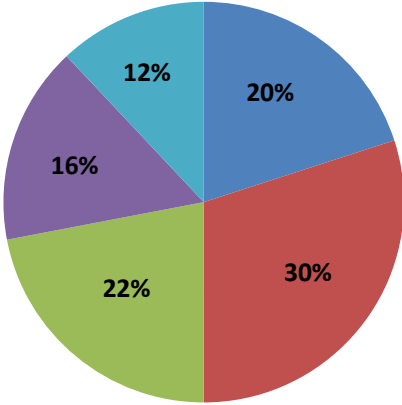
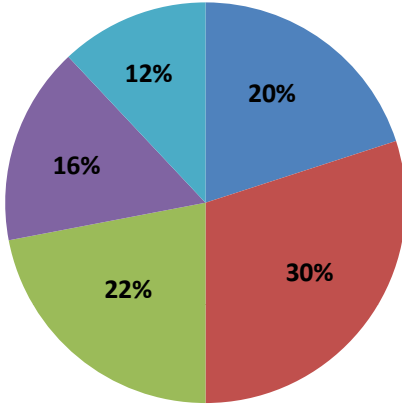
		Public School Trust Fund (Principle)		Public School Trust Fund (Income)	
Investment Objective		Moderate Risk, Long Term investment horizon		Low Risk, Short investment horizon	
Target Asset Allocation		 <p>■ 57% Fixed Income ■ 43% Domestic Equity</p>		 <p>■ 100% Short-Term Fixed Income</p>	
		Actuals	Benchmark	Actuals	Benchmark
Market Value (in 000s)	12/31/2007	\$362,900		\$21,200	
	12/31/2008	\$311,100		\$18,700	
	12/31/2009	\$365,100		\$15,200	
Returns (12/31/09)	YTD	17.64%	15.32%	2.70%	0.21%
	FYTD	12.28%	11.59%	0.84%	0.11%
	3 Year Actuals	1.38%	1.11%	2.62%	2.40%
	5 Year Actuals	3.59%	3.27%	3.31%	3.02%
	<b>FORECAST</b>	<b>6.95%</b>		<b>3.03%</b>	

# PERS & TRS

Fiduciary oversight: Alaska Retirement Management Board

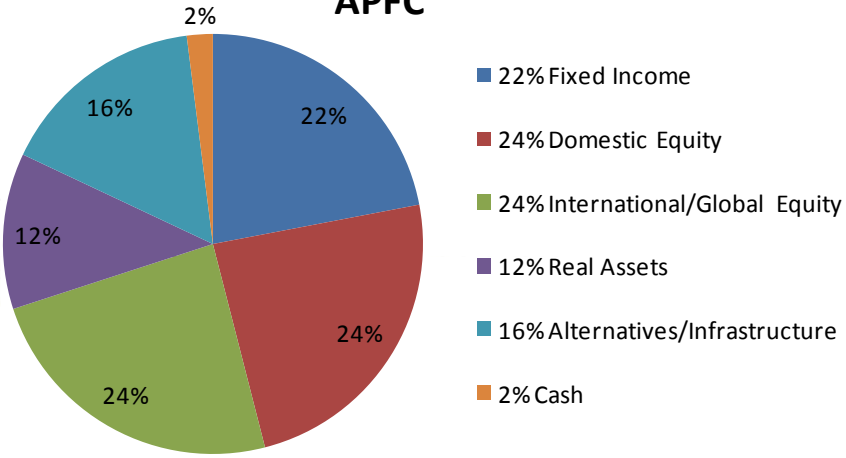
## PERS Retirement Defined Benefit Pension

## TRS Retirement Defined Benefit Pension

Investment Objective		Moderate Risk, Long Term investment horizon		Moderate Risk, Long Term investment horizon	
Target Asset Allocation		 <ul style="list-style-type: none"> <li>20% Fixed Income</li> <li>30% Domestic Equity</li> <li>22% International/Global Equity</li> <li>16% Real Assets</li> <li>12% Alternatives/Infrastructure</li> </ul>		 <ul style="list-style-type: none"> <li>20% Fixed Income</li> <li>30% Domestic Equity</li> <li>22% International/Global Equity</li> <li>16% Real Assets</li> <li>12% Alternatives/Infrastructure</li> </ul>	
		Actuals		Actuals	
		Benchmark		Benchmark	
Market Value (in 000s)	12/31/2007	\$11,129,100		\$5,003,800	
	12/31/2008	\$8,359,800		\$3,705,800	
	12/31/2009	\$9,551,100		\$4,194,600	
	YTD	11.59%	18.52%	11.38%	18.52%
	FYTD	12.30%	13.98%	12.36%	13.98%
	3 Year Actuals	-1.87%	-0.75%	-1.96%	-0.75%
Returns (12/31/09)	5 Year Actuals	3.35%	3.56%	3.31%	3.56%
	<b>FORECAST</b>	<b>8.25%</b>		<b>8.25%</b>	

# APFC

Fiduciary oversight: Alaska Permanent Fund Corporation Board

		Alaska Permanent Fund Corporation	
Investment Objective		Long term Investment Goal is to achieve a real rate of return of 5% per year	
Target Asset Allocation		<p style="text-align: center;"><b>APFC</b></p>  <ul style="list-style-type: none"> <li>■ 22% Fixed Income</li> <li>■ 24% Domestic Equity</li> <li>■ 24% International/Global Equity</li> <li>■ 12% Real Assets</li> <li>■ 16% Alternatives/Infrastructure</li> <li>■ 2% Cash</li> </ul>	
		Actuals	Benchmark
Market Value (in 000s)	12/31/2007	\$38,909,800	
	12/31/2008	\$28,839,500	
	12/31/2009*	\$34,569,800	
Returns (12/31/09*)	YTD	18.85%	8.36%
	FYTD	14.13%	2.84%
	3 Year Actuals	-1.25%	7.39%
	5 Year Actuals	3.48%	7.62%
	<b>FORECAST</b>	<b>8.28%</b>	
		* 12/31/2009 data is preliminary and unaudited, and includes some estimates	



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## **II: FY2010 Investment Revenue Forecast**

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## FY 2010 Investment Revenue Forecast

All Amounts in \$ Millions

Prepared January 29, 2009 by Alaska Department of Revenue

FY 2009 Actuals	
	Actual through 06-30-09
<b>UNRESTRICTED</b>	
Investments	247.4
Interest Paid by Others	<u>0.2</u>
<b>TOTAL UNRESTRICTED</b>	<b>247.6</b>
<b>RESTRICTED</b>	
Investments	57.1
<i>CBRF - Main Account</i>	<i>143.7</i>
<i>CBRF - Special Sub Account</i>	<i><u>(670.3)</u></i>
CBRF - Total	(526.6)
Other Treasury Managed Funds	(10.4)
Alaska Permanent Fund	<u>(6,394.4)</u>
<b>TOTAL RESTRICTED</b>	<b>(6,874.3)</b>
<b>GRAND TOTAL</b>	<b>(6,626.7)</b>

FY 2010 Forecast - Based on actuals through Dec 31, 2009			
	Actual through 12-31-09	Forecast through 06-30-10	Total FY 10
<b>UNRESTRICTED</b>			
Investments	82.6	100.1	182.7
Interest Paid by Others	<u>0.2</u>	<u>1.2</u>	<u>1.4</u>
<b>TOTAL UNRESTRICTED</b>	<b>82.8</b>	<b>101.3</b>	<b>184.1</b>
<b>RESTRICTED</b>			
Investments	18.0	25.2	43.2
<i>CBRF - Main Account</i>	<i>87.1</i>	<i>89.3</i>	<i>176.4</i>
<i>CBRF - Special Sub Account</i>	<i>630.5</i>	<i>177.1</i>	<i>807.6</i>
CBRF - Total	717.6	266.4	984.0
Other Treasury Managed Funds	42.1	11.9	54.0
Alaska Permanent Fund *	<u>4,313.5</u>	<u>1,405.0</u>	<u>5,718.5</u>
<b>TOTAL RESTRICTED</b>	<b>5,091.2</b>	<b>1,708.5</b>	<b>6,799.7</b>
<b>GRAND TOTAL</b>	<b>5,174.0</b>	<b>1,809.8</b>	<b>6,983.8</b>

### Notes:

FY 2010 investment forecasts include actual data through Dec 31, 2009 and projections for the remainder of FY 2010. Due to financial market volatility, forecasts shown are subject to review and adjustment.

\* APFC December 2009 amounts are estimated