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

January 23, 2014

Department of Revenue -
Treasury Division

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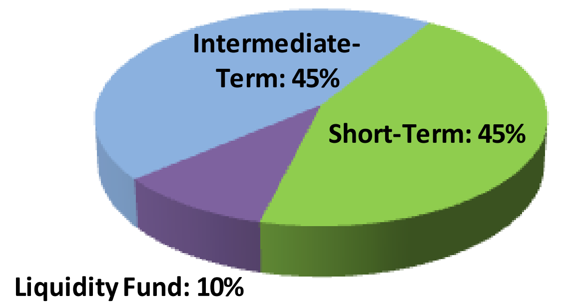
Commissioner
Alaska Department of Revenue

1: Comparative Analysis of State Operating and Savings Funds

General Fund and other non-segregated investments (GeFONSI)

Fiduciary oversight: Commissioner of Revenue

		General Fund (and other non-segregated investments)	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation			
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2011	$9,427,300	-
	12/31/2012	$11,799,600	-
	12/31/2013	$5,765,200**	-
Returns (6/30/13)	FY13	0.31%	0.29%
Returns (12/31/13)	YTD	0.22%	0.21%
	FYTD	0.28%	0.18%
	3 Year Actuals	1.05%	0.79%
	5 Year Actuals	1.72%	0.99%

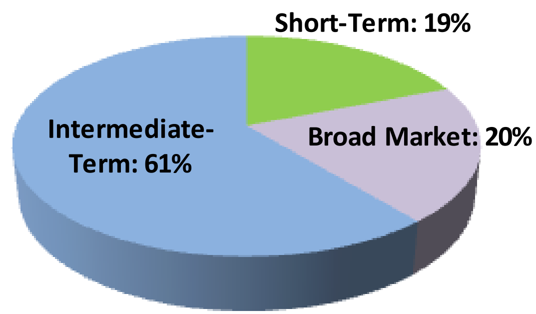
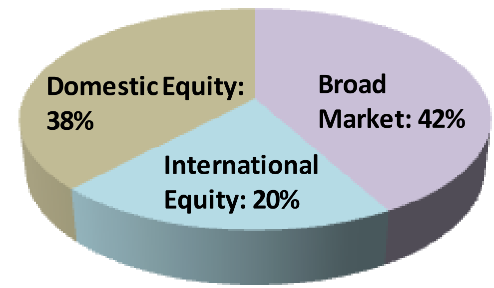
*Short-term: 3-month U.S. Treasury Bill; Intermediate-term: Barclays 1-3 Year Gov't Bond Index

** The Statutory Budget Reserve has a current market value of $4,773,600,000 which is managed under a separate asset allocation

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

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					
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2011	$5,290,600	-	$4,955,400	-
	12/31/2012	$5,770,800	-	$5,511,200	-
	12/31/2013	$5,839,000	-	$6,385,100	-
Returns (6/30/13)	FY13	0.18%	0.19%	11.75%	11.37%
Returns (12/31/13)	YTD	-0.25%	-0.16%	15.85%	15.53%
	FYTD	0.35%	0.31%	10.08%	10.05%
	3 Year Actuals	1.79%	1.63%	9.01%	8.67%
	5 Year Actuals	2.75%	2.09%	12.20%	11.50%

*Short-term: 3-month U.S. Treasury Bill; Intermediate-term: Barclays 1-3 Year Govt. Bond Index; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Equity: MSCI EAFE

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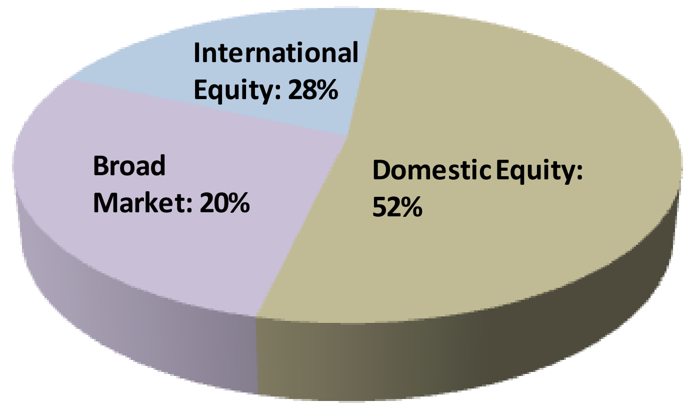
Power Cost Equalization Fund

Fiduciary oversight: Commissioner of Revenue

		Power Cost Equalization Fund	
Investment Objective		High Risk, Moderately Long investment horizon	
Target Asset Allocation		 	
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2011	$716,300	-
	12/31/2012	$787,500	-
	12/31/2013	$937,300	-
Returns (6/30/13)	FY13	15.12%	14.51%
Returns (12/31/13)	YTD	22.33%	22.08%
	FYTD	14.11%	13.87%
	3 Year Actuals	11.95%	11.43%
	5 Year Actuals	14.02%	13.23%

*Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Equity: MSCI EAFE

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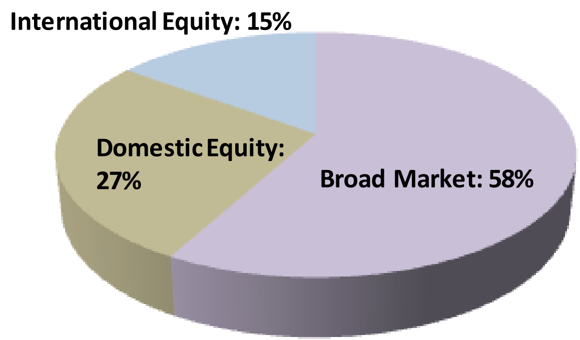
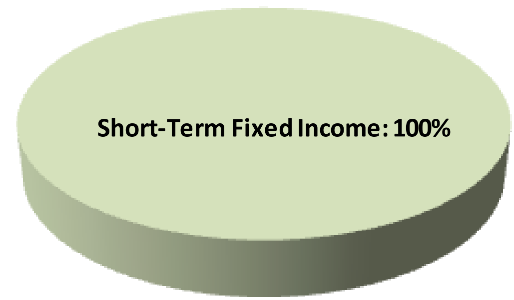
Public School Trust Fund (Principal and Income accounts)

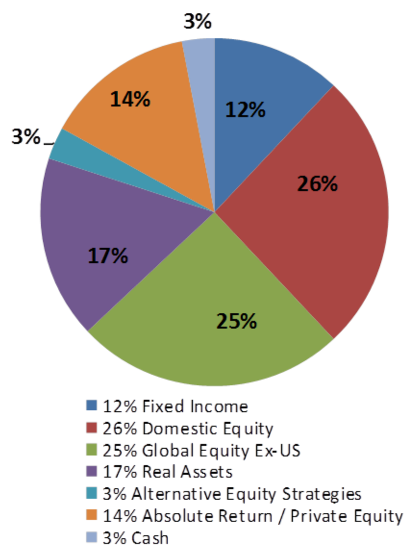
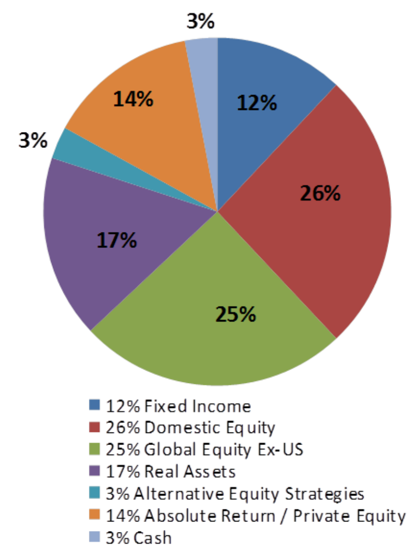
Fiduciary oversight: Commissioner of Revenue

<table>
<tr><td colspan="2"></td><td colspan="2">Public School Trust Fund (Principal)</td><td colspan="2">Public School Trust Fund (Income)</td></tr>
<tr><td colspan="2">Investment Objective</td><td colspan="2">Moderate Risk,
Long Term investment horizon</td><td colspan="2">Low Risk,
Short investment horizon</td></tr>
<tr><td colspan="2">Target Asset Allocation</td><td colspan="2">
</td><td colspan="2">
</td></tr>
<tr><td colspan="2"></td><td>Actuals</td><td>Benchmark*</td><td>Actuals</td><td>Benchmark*</td></tr>
<tr><td rowspan="3">Market Value
(in 000s)</td><td>12/31/2011</td><td>$433,400</td><td>-</td><td>$14,300</td><td>-</td></tr>
<tr><td>12/31/2012</td><td>$487,200</td><td>-</td><td>$10,400</td><td>-</td></tr>
<tr><td>12/31/2013</td><td>$536,700</td><td>-</td><td>$16,000</td><td>-</td></tr>
<tr><td>Returns (6/30/13)</td><td>FY13</td><td>8.19%</td><td>7.91%</td><td>0.24%</td><td>0.11%</td></tr>
<tr><td rowspan="4">Returns
(12/31/13)</td><td>YTD</td><td>10.59%</td><td>10.39%</td><td>0.21%</td><td>0.07%</td></tr>
<tr><td>FYTD</td><td>7.27%</td><td>7.34%</td><td>0.16%</td><td>0.03%</td></tr>
<tr><td>3 Year Actuals</td><td>8.65%</td><td>8.73%</td><td>0.35%</td><td>0.10%</td></tr>
<tr><td>5 Year Actuals</td><td>11.13%</td><td>10.71%</td><td>0.85%</td><td>0.12%</td></tr>
</table>

*Short-term: 3-month U.S. Treasury Bill; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index

PERS & TRS

Fiduciary oversight: Alaska Retirement Management Board

		PERS Retirement Defined Benefit Pension / Health		TRS Retirement Defined Benefit Pension / Health	
Investment Objective		Moderate Risk, Long Term investment horizon		Moderate Risk, Long Term investment horizon	
Target Asset Allocation					
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2011	$10,873,100	-	$4,545,200	-
	12/31/2012	$12,016,500	-	$5,018,600	-
	12/31/2013	$14,031,700	-	$5,850,600	-
Returns (6/30/13)	FY13	12.51%	12.27%	12.59%	12.27%
Returns (12/31/13)	YTD	18.57%	16.74%	18.62%	16.74%
	FYTD	11.32%	10.96%	11.32%	10.96%
	3 Year Actuals	10.14%	9.75%	10.22%	9.75%
	5 Year Actuals	10.79%	11.90%	10.83%	11.90%

*3% 3-month Treasury Bill; 0.6% Bank of America Yield Alternatives index; 0.9% CBOE Buy Write Index; 1.5% S&P 500 Index; 0.4% JP Morgan Global Bond Index - EM Global Diversified: 0.8% Citigroup World Gov. Bond Ex-US; 1.2% Merrill Lynch High Yield II Constrained; 9.6% BC Intermediate Treasury;5.0% 3-month Treasury Bill+5%; 0.85% FTSE NAREIT Equity Index; 1.7% NCREIF Farmland Index; 1.7% NCREIF Timberland Index; 3.4% BC US TIPS Index; 9.35% NCREIF Property Index; 3% Russell 2000 Index; 3% S&P 500 Index; 3% MSCI EAFE Index; 25% MSCI ACWI ex-US Gross; 26% Russell 3000

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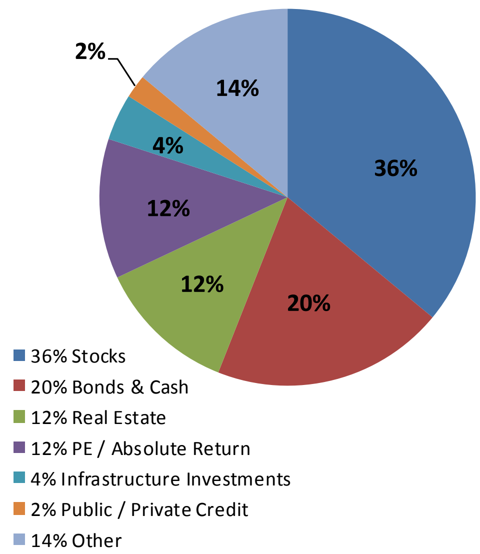
APFC

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	

		Actuals	Benchmark*
Market Value (in 000s)	12/31/2011	$38,646,700	-
	12/31/2012	$43,654,800	-
	12/31/2013	$49,241,900	-
Returns (6/30/13)	FY13	10.93%	11.27%
Returns (12/31/13)	YTD	12.27%	12.43%
	FYTD	8.86%	8.68%
	3 Year Actuals	8.25%	8.03%
	5 Year Actuals	11.09%	11.20%

*The APFC Benchmark is a diversified weighted composite comprised of 20% Barclays Global Corp. Index + 80% MSCI All Country Index for Company Exposure; 75% NCREIF + 25% Barclays US TIPS Index for Real Assets; Barclays Global Treasury Index (Hedged) for Fixed Income; and 3 Month T-Bill for Cash.

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2: FY2014 Investment Revenue Forecast

FY2014 Investment Revenue Forecast

All Amounts in $ Millions

Prepared January 23, 2014 by the State of Alaska - Department of Revenue

FY 2013 Actuals	Total FY13
UNRESTRICTED	
Investments	26.7
Interest Paid by Others	1.4
TOTAL UNRESTRICTED	**28.1**
RESTRICTED	
Investments - Designated GF	2.6
Investments - Other Restricted	5.2
GF Restricted - Total	7.8
CBRF - Main Account	*8.2*
CBRF - Special Sub Account	*610.0*
CBRF - Total	618.2
Other Treasury Managed Funds	37.9
Alaska Permanent Fund	4,313.9
TOTAL RESTRICTED	**4,977.8**
GRAND TOTAL	**5,005.9**

FY 2014 Forecast - Based on actuals through Dec 31, 2013	Actual through 12-31-13	Forecast through 06-30-14	Total FY14
UNRESTRICTED*			
Investments	71.3	29.2	*100.5*
Interest Paid by Others	0.7	0.7	*1.4*
TOTAL UNRESTRICTED	**72.0**	**29.9**	**101.9**
RESTRICTED			
Investments - Designated GF	1.8	0.7	2.5
Investments - Other Restricted	3.7	1.5	5.2
GF Restricted - Total	5.5	2.2	7.7
CBRF - Main Account	*20.1*	*24.9*	*45.0*
CBRF - Special Sub Account	*584.7*	*193.3*	*778.0*
CBRF - Total	604.8	218.2	823.0
Other Treasury Managed Funds	36.3	13.1	49.4
Alaska Permanent Fund**	4,014.5	N/A	4,014.5
TOTAL RESTRICTED	**4,661.1**	**233.5**	**4,894.6**
GRAND TOTAL	**4,733.1**	**263.4**	**4,996.5**

Notes:

FY2014 investment forecasts include actual data through 12/31/13. Projections for the remainder of FY2014. Due to financial market volatility, forecasts shown are subject to review and adjustment.

*Unrestricted investment revenue includes earnings on the Statutory Budget Reserve Fund, managed under a separate asset allocation than the General Fund.

**Please refer to APFC Fund Financial History & Projections as of Dec. 31, 2013 for mid-case and quartile projections. APFC forecasts shown are subject to review and adjustment.

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THANK YOU

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