



State of Alaska

An Update on the State's Savings Accounts

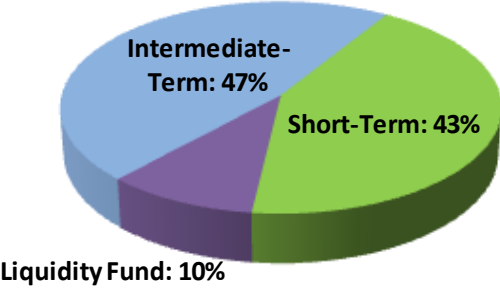
January 24, 2013

Department of Revenue
Treasury Division

1: Comparative Analysis of State Operating and Savings Funds

General Fund and other non segregated investments

Fiduciary oversight: Commissioner of Revenue

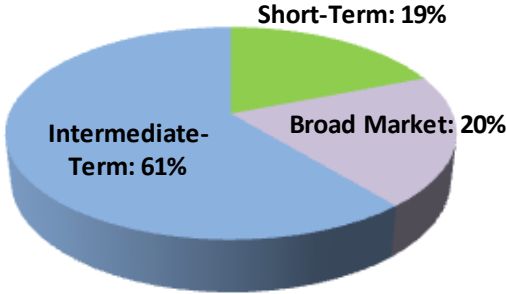
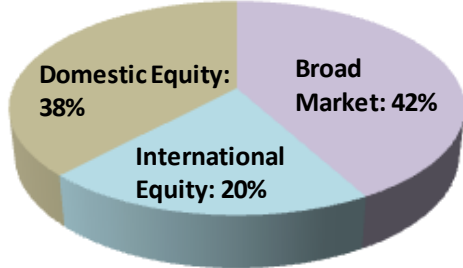
		General Fund (and other nonsegregated investments)	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation		 <p>Intermediate-Term: 47% Short-Term: 43% Liquidity Fund: 10%</p>	
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$6,589,600	-
	12/31/2011	\$9,207,700	-
	12/31/2012	\$11,670,000	-
Returns (6/30/12)	FY12	1.52%	1.04%
Returns (12/31/12)	YTD	1.00%	0.49%
	FYTD	0.37%	0.26%
	3 Year Actuals	1.79%	1.39%
	5 Year Actuals	2.60%	2.14%
Projected 10 Year Return		2.87%	

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

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

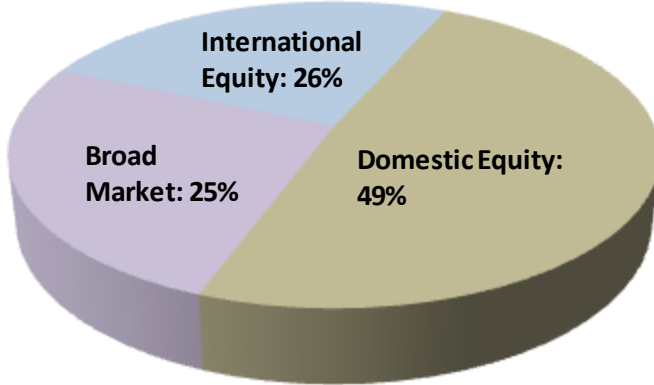
		Constitutional Budget Reserve (main fund)		Constitutional Budget Reserve (sub fund)	
Investment Objective		Moderate Risk, Intermediate investment horizon		High Risk, Moderately Long investment horizon	
Target Asset Allocation					
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$5,029,000	-	\$4,928,400	-
	12/31/2011	\$5,290,600	-	\$4,955,400	-
	12/31/2012	\$5,770,800	-	\$5,511,200	-
Returns (6/30/12)	FY12	3.22%	2.80%	0.48%	-0.12%
Returns (12/31/12)	YTD	1.91%	1.42%	11.22%	11.05%
	FYTD	0.78%	0.66%	6.18%	6.09%
	3 Year Actuals	3.29%	2.94%	7.57%	7.29%
	5 Year Actuals	3.95%	3.60%	2.64%	2.58%
Projected 10 Year Return		3.01%		6.31%	

*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

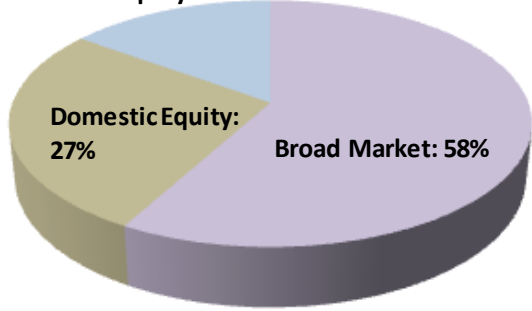
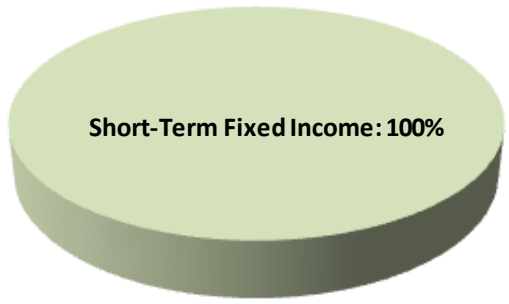
		Power Cost Equalization Fund	
Investment Objective		High Risk, Moderately Long investment horizon	
Target Asset Allocation		 <p>A 3D pie chart illustrating the target asset allocation for the Power Cost Equalization Fund. The chart is divided into three segments: Domestic Equity (49%, olive green), International Equity (26%, light blue), and Broad Market (25%, light purple). The segments are labeled with their respective percentages.</p>	
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$352,600	-
	12/31/2011	\$716,300	-
	12/31/2012	\$787,500	-
Returns (6/30/12)	FY12	1.67%	1.19%
Returns (12/31/12)	YTD	13.70%	12.93%
	FYTD	7.38%	6.80%
	3 Year Actuals	9.00%	8.22%
	5 Year Actuals	3.87%	3.12%
Projected 10 Year Return		7.00%	

*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

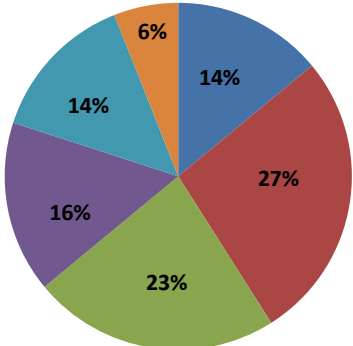
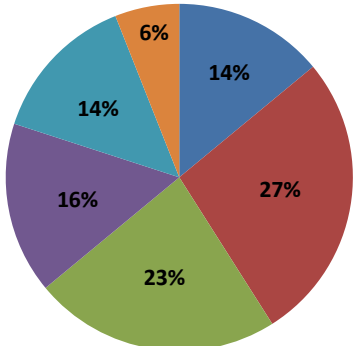
		Public School Trust Fund (Principal)		Public School Trust Fund (Income)	
Investment Objective		Moderate Risk, Long Term investment horizon		Low Risk, Short investment horizon	
Target Asset Allocation		<p>International Equity: 15%</p>  <p>Broad Market: 58%</p> <p>Domestic Equity: 27%</p>		 <p>Short-Term Fixed Income: 100%</p>	
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$407,600	-	\$15,700	-
	12/31/2011	\$433,400	-	\$14,300	-
	12/31/2012	\$487,200	-	\$10,400	-
Returns (6/30/12)	FY12	5.84%	6.29%	0.40%	0.06%
Returns (12/31/12)	YTD	10.71%	10.86%	0.49%	0.11%
	FYTD	4.93%	4.92%	0.19%	0.07%
	3 Year Actuals	9.22%	9.39%	0.46%	0.11%
	5 Year Actuals	5.11%	4.92%	0.89%	0.52%
Projected 10 Year Return		5.59%		2.75%	

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

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

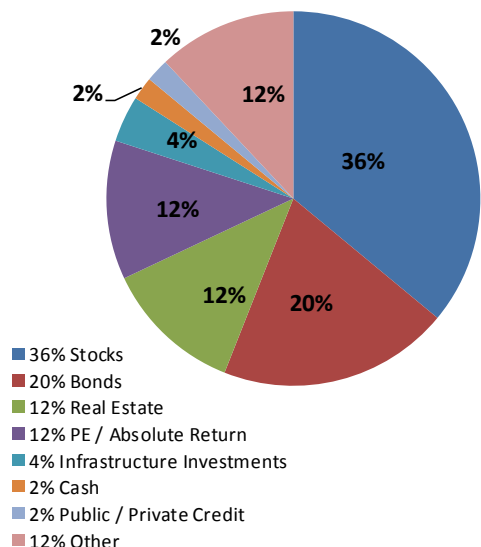
PERS & TRS

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		 <ul style="list-style-type: none"> 14% Fixed Income 27% Domestic Equity 23% International / Global Equity 16% Real Assets 14% Alternatives / Infrastructure 6% Cash 		 <ul style="list-style-type: none"> 14% Fixed Income 27% Domestic Equity 23% International / Global Equity 16% Real Assets 14% Alternatives / Infrastructure 6% Cash 	
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$10,901,800	-	\$4,603,700	-
	12/31/2011	\$10,873,100	-	\$4,545,200	-
	12/31/2012	\$12,016,500	-	\$5,018,600	-
Returns (6/30/12)	FY12	0.52%	1.02%	0.59%	1.02%
Returns (12/31/12)	YTD	11.87%	10.03%	11.92%	10.03%
	FYTD	5.63%	4.55%	5.68%	4.55%
	3 Year Actuals	8.06%	8.62%	8.17%	8.62%
	5 Year Actuals	1.53%	2.01%	1.54%	2.01%
Long-Term Actuarial Assumed ROR		8.00%		8.00%	

*The ARMB Benchmark is a diversified weighted composite comprised of the following indexes by weight: 27.0% Russell 3000; 23.0% MSCI ACWI ex-US; 14.4% Barclays Intermediate Treasury; 9.6% NCREIF Total; 6.0% 3-Month U.S. Treasury Bill+5.0%; 3.2% Barclays U.S. TIPS; 2.7% MSCI EAFE; 2.7% S&P 500; 2.7% Russell 2000; 1.8% Citi WGBI Non-U.S.; 1.8% HiYld II; 1.6% NCREIF Farmland; 1.6% NCREIF Timberland; 2.0% 3-month U.S. Treasury Bill

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

Investment Objective		Long Term Investment Goal is to achieve a real rate of return of 5% per year	
Target Asset Allocation		 <p> 36% Stocks 20% Bonds 12% Real Estate 12% PE / Absolute Return 4% Infrastructure Investments 2% Cash 2% Public / Private Credit 12% Other </p>	
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2010	\$38,425,100	-
	12/31/2011	\$38,646,700	-
	12/31/2012	\$43,654,800	-
Returns (6/30/12)	FY12	0.02%	-0.21%
Returns (12/31/12)	YTD	12.58%	13.12%
	FYTD	7.34%	7.37%
	3 Year Actuals	8.15%	7.86%
	5 Year Actuals	2.27%	1.60%
Projected 10 Year Return		7.00%	

*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.

2: FY2011 Investment Revenue Forecast

FY2013 Investment Revenue Forecast

All Amounts in \$ Millions

Prepared January 22, 2013 by the State of Alaska - Department of Revenue

FY 2012 Actuals	
	Actual through 06-30-12
UNRESTRICTED	
Investments	104.8
Interest Paid by Others	3.0
TOTAL UNRESTRICTED	107.8
RESTRICTED	
Investments - Designated GF	9.2
Investments - Other Restricted	18.5
<i>CBRF - Main Account</i>	<i>166.7</i>
<i>CBRF - Special Sub Account</i>	<i>24.4</i>
CBRF - Total	191.1
Other Treasury Managed Funds	25.4
Alaska Permanent Fund	(99.9)
TOTAL RESTRICTED	144.3
GRAND TOTAL	252.1

FY 2013 Forecast - Based on actuals through Dec 31, 2012			
	Actual through 12-31-12	Forecast through 06-30-13	Total FY13
UNRESTRICTED			
Investments	33.5	25.1	58.6
Interest Paid by Others	0.5	2.2	2.7
TOTAL UNRESTRICTED	34.0	27.3	61.3
RESTRICTED			
Investments - Designated GF	2.9	2.1	5.0
Investments - Other Restricted	6.0	4.1	10.1
<i>CBRF - Main Account</i>	<i>42.9</i>	<i>26.0</i>	<i>68.9</i>
<i>CBRF - Special Sub Account</i>	<i>320.8</i>	<i>162.3</i>	<i>483.1</i>
CBRF - Total	363.7	188.3	552.0
Other Treasury Managed Funds	22.8	13.1	35.9
Alaska Permanent Fund	2,879.3	N/A*	2,879.3
TOTAL RESTRICTED	3,274.7	207.6	3,482.3
GRAND TOTAL	3,308.7	234.9	3,543.6

Notes:

FY2013 investment forecasts include actual data through Dec 31, 2012 and projections for the remainder of FY2013.

Due to financial market volatility, forecasts shown are subject to review and adjustment.

*Please refer to APFC Fund Financial History & Projections as of Dec. 31, 2012 for mid case and quartile projections.