



# ALASKA PERMANENT FUND FUND FINANCIAL HISTORY & PROJECTIONS as of September 30, 2019

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

FY	Nonspendable Fund Balance - Principal							Assigned Fund Balance - Earnings Reserve							TOTAL FUND FY-End Balance		
	FY-Begin Contrib. Balance	Dedicated <sup>(1)</sup> State Revenues	Inflation Proofing & Special Approp.	FY-End Balance	Unrealized Gain (Loss) FY-End Balance	FY-End Nonspendable Balance	Acct. Net Income <sup>(2)</sup>	Distributions		FY-End Balance Realized	Unrealized Gain (Loss) FY-End Balance	FY-End Assigned Balance					
								Div/POMV Transfer <sup>(9)</sup>	Inflation Prfg & Spec Approp.								
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	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		
19	40,167	385	989	41,541	6,278	47,820	3,766	2,723	989	22	16,053	2,426	18,481	19	66,300		
Lo 20	41,541	401	4,944 <sup>(10)</sup>	46,885	3,973	50,858	(516)	2,933	4,944 <sup>(10)</sup>	22	11,404	966	12,372	20	63,230		
Mid 20	41,541	401	4,944 <sup>(10)</sup>	46,885	6,935	53,820	4,121	2,933	4,944 <sup>(10)</sup>	28	12,231	1,809	14,042	20	67,862		
Hi 20	41,541	401	4,944 <sup>(10)</sup>	46,885	9,840	56,725	8,908	2,933	4,944 <sup>(10)</sup>	34	13,155	2,761	16,335	20	73,260		
21	46,885	382	1,064	48,330	6,945	55,275	4,473	3,091	1,064	30	12,519	1,799	14,320	21	69,595		
22	48,330	374	1,096	49,800	6,946	56,746	4,589	3,095	1,096	30	12,887	1,798	14,687	22	71,433		
23	49,800	376	1,129	51,305	6,958	58,262	4,706	3,263	1,129	30	13,172	1,786	14,960	23	73,222		
24	51,305	378	1,163	52,846	6,973	59,819	4,822	3,380	1,163	30	13,421	1,771	15,194	24	75,013		
25	52,846	394	1,198	54,437	6,989	61,426	4,939	3,463	1,198	30	13,670	1,755	15,427	25	76,853		
26	54,437	425	1,234	56,096	7,006	63,102	5,060	3,550	1,234	30	13,916	1,738	15,656	26	78,758		
27	56,096	454	1,272	57,823	7,024	64,847	5,185	3,640	1,272	30	14,159	1,720	15,881	27	80,728		
28	57,823	487	1,312	59,621	7,043	66,664	5,315	3,732	1,312	30	14,401	1,701	16,104	28	82,768		
29	59,621	512	1,353	61,486	7,050	68,536	5,583	3,825	1,353	30	14,776	1,694	16,473	29	85,008		
<b>Cumulative Totals</b>																	
Proj. for FY20-FY29							4,181	15,764		48,793	33,971	15,764	295				

Assumptions: Total Return - Inflation = Total Real Return				Statutory Return			
Lo	FY20	-0.52%	2.25%	-2.77%	Lo	5.27%	
Mid	FY20 <sup>(3)</sup>	6.61%	2.25%	4.36%	Mid	6.55%	
Hi	FY20	13.97%	2.25%	11.72%	Hi	7.98%	
FY21-FY29 <sup>(4)</sup>				7.00%	2.25%	4.75%	7.00%

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

- <sup>(1)</sup> Dedicated State Revenues in current and future fiscal years are based on the Fall 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 2019 Callan capital market assumptions. Actual results will vary.
- <sup>(4)</sup> Future returns are based on 2019 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 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.
- <sup>(10)</sup> In FY20, an additional \$4 billion was appropriated from the ERA to principal. The intent of the legislation is to forward fund inflation proofing.
- <sup>(11)</sup> All transfers out of the Earnings Reserve are subject to Legislative appropriation

**Income Year-to-Date as of September 30, 2019**

FY20 Statutory Net Income	
Interest, dividends, real estate & other incor	\$ 361.8
Realized gains (losses) on the sale of assets	679.0
Less operating expenses	(32.8)
Less AK Capital Inc. Fund realized earnings	(6.7)
	\$ 1,001.3

FY20 Accounting (GAAP) Net Income	
Statutory net income (loss)	\$ 1,001.3
Unrealized gains (losses) on invested assets	(351.1)
AK Capital Income Fund realized earnings	6.7
	\$ 656.9

FY20 POMV Distribution (actual) <sup>(11)</sup>	FY20 Statutory Dividend Transfer (actual) <sup>(11)</sup>
Ending Fund Value (ex Am Hess)	Statutory Net Income
FY18 \$ 64,469.7	FY19 \$ 3,305.0
FY17 59,360.6	FY18 6,324.4
FY16 52,344.9	FY17 3,214.2
FY15 52,375.9	FY16 2,198.0
FY14 50,789.4	FY15 2,907.0
Average Value \$ 55,868.1	Avail for Dist (21%) \$ 3,769.2
Statutory Distribution \$ 2,933.1	Statutory Trnsfr Amt \$ 1,884.6

FY21 POMV Distribution (actual) <sup>(11)</sup>	FY21 Statutory Dividend Transfer (projected)
Ending Fund Value (ex Am Hess)	Statutory Net Income
FY19 \$ 65,875.6	FY20 \$ 4,054.5
FY18 64,469.7	FY19 3,305.0
FY17 59,360.6	FY18 6,324.4
FY16 52,344.9	FY17 3,214.2
FY15 52,375.9	FY16 2,198.0
Average Value \$ 58,885.4	Avail for Dist (21%) \$ 4,010.2
Statutory Distribution \$ 3,091.5	Statutory Trnsfr Amt \$ 2,005.1