



**ALASKA PERMANENT FUND
FUND FINANCIAL HISTORY & PROJECTIONS
as of October 31, 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 ⁽¹⁾ State Revenues	Inflation Proofing & Special Approp.	FY-End Balance	Unrealized Gain (Loss) FY-End Balance	FY-End Nonspendable Balance	Acct. Net Income ⁽²⁾	Distributions		FY-End Balance Realized	Unrealized Gain (Loss) FY-End Balance	FY-End Assigned Balance			
								Div/POMV Transfer ⁽⁹⁾	Inflation Prfg & Spec Approp.						
10	30,944	679	0 ⁽⁶⁾	31,624	421	32,045	3,517	858	0 ⁽⁶⁾	0 ⁽⁵⁾	1,194	16	1,210	10	33,255
11	31,624	887	533	33,044	4,788	37,832	6,812	801	533	13 ⁽⁵⁾	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 ⁽⁷⁾	0 ⁽⁸⁾	18	7,649	921	8,570	16	52,769
17	39,449	365	0	39,814	7,155	46,969	6,676	0	0 ⁽⁸⁾	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 ⁽⁸⁾	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	374	4,943 ⁽¹⁰⁾	46,857	3,973	50,831	(516)	2,933	4,943 ⁽¹⁰⁾	22	11,404	967	12,373	20	63,203
Mid 20	41,541	374	4,943 ⁽¹⁰⁾	46,857	6,934	53,791	4,120	2,933	4,943 ⁽¹⁰⁾	28	12,230	1,810	14,042	20	67,834
Hi 20	41,541	374	4,943 ⁽¹⁰⁾	46,857	9,838	56,695	8,906	2,933	4,943 ⁽¹⁰⁾	34	13,154	2,762	16,534	20	73,230
21	46,857	339	1,062	48,258	6,943	55,201	4,470	3,091	1,062	30	12,517	1,801	14,320	21	69,521
22	48,258	326	1,093	49,677	6,943	56,621	4,582	3,095	1,093	30	12,881	1,800	14,684	22	71,304
23	49,677	319	1,125	51,121	6,954	58,075	4,695	3,262	1,125	30	13,160	1,790	14,952	23	73,027
24	51,121	321	1,157	52,600	6,968	59,569	4,806	3,377	1,157	30	13,401	1,775	15,179	24	74,747
25	52,600	340	1,191	54,131	6,984	61,115	4,919	3,459	1,191	30	13,641	1,760	15,403	25	76,518
26	54,131	376	1,226	55,733	7,001	62,734	5,035	3,543	1,226	30	13,877	1,743	15,622	26	78,356
27	55,733	413	1,263	57,410	7,019	64,428	5,156	3,630	1,263	30	14,110	1,725	15,837	27	80,265
28	57,410	460	1,302	59,171	7,038	66,209	5,282	3,718	1,302	30	14,342	1,706	16,050	28	82,259
29	59,171	493	1,342	61,006	7,045	68,052	5,546	3,808	1,342	30	14,708	1,699	16,409	29	84,460
Cumulative Totals															
Proj. for FY20-FY29							48,612	33,916	15,706	295					

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

Notes related to financial history and projections:

⁽¹⁾ Dedicated State Revenues in current and future fiscal years are based on the Fall 2018 Department of Revenue forecast.

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

⁽³⁾ Current year returns and inflation are based on 2019 Callan capital market assumptions. Actual results will vary.

⁽⁴⁾ Future returns are based on 2019 Callan capital market assumptions and median expected returns (the mid case). Actual results will vary.

⁽⁵⁾ 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.

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

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

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

⁽⁹⁾ 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.

⁽¹⁰⁾ In FY20, an additional \$4 billion was appropriated from the ERA to principal. The intent of the legislation is to forward fund inflation proofing.

⁽¹¹⁾ All transfers out of the Earnings Reserve are subject to Legislative appropriation

Income Year-to-Date as of October 31, 2019

FY20 Statutory Net Income	
Interest, dividends, real estate & other income	\$ 455.9
Realized gains (losses) on the sale of assets	797.4
Less operating expenses	(42.1)
Less AK Capital Inc. Fund realized earnings	(8.0)
	<u>\$ 1,203.2</u>

FY20 Accounting (GAAP) Net Income	
Statutory net income (loss)	\$ 1,203.2
Unrealized gains (losses) on invested assets	127.7
AK Capital Income Fund realized earnings	8.0
	<u>\$ 1,338.9</u>

FY20 POMV Distribution (actual) ⁽¹¹⁾	FY20 Statutory Dividend Transfer (actual) ⁽¹¹⁾
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) ⁽¹¹⁾	FY21 Statutory Dividend Transfer (projected)
Ending Fund Value (ex Am Hess)	Statutory Net Income
FY19 \$ 65,875.6	FY20 \$ 4,053.6
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%) \$ 4,010.0
Statutory Distribution \$ 3,091.5	Statutory Trnsfr Amt \$ 2,005.0