

REPORT ON TREASURY ASSETS



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Commonwealth North**
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WHAT ARE OTHERS SAYING ABOUT ALASKA?

- Alaska has the potential to diversify revenue streams over time by adding natural gas
- Alaska has very large financial reserves
- Alaska has a great history of conservative oil price and production forecasting
- The economy and finances are heavily dependent on natural resources
- The Governor recognizes that pension funding is weak, so therefore has closed defined-benefit plans, and requested \$3 billion be transferred to a retirement fund

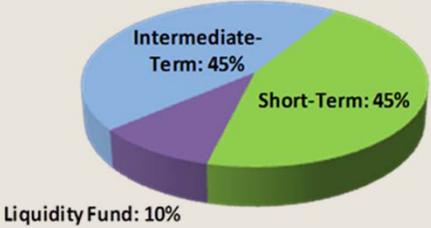


STATE *of* ALASKA

Comparative Analysis of State Operating and Savings Funds

General Fund and other non-segregated investments

Fiduciary oversight: Commissioner of Revenue

		General Fund (and other non-segregated investments)	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation		 <p>Intermediate-Term: 45% Short-Term: 45% Liquidity Fund: 10%</p>	
		Actuals	Benchmark*
Market Value (in 000s)	11/30/2011	\$9,247,800	-
	11/30/2012	\$11,497,000	-
	General Fund:	\$4,934,200	-
	SBRF**:	\$5,549,500	-
	11/30/2013	\$10,483,700	-
Return @ 6/30/13	FY13	0.31%	0.29%
Returns - 11/30/13 (Rolling)	YTD	0.27%	0.26%
	FYTD	0.33%	0.23%
	3 Year Actuals	0.97%	0.70%
	5 Year Actuals	1.92%	1.16%
	Projected 10 Year Return	2.14%	Callan Returns

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

**SBRF was segregated from the GF, and given its own asset allocation July 1, 2013

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Comparative Analysis of State Operating and Savings Funds

Statutory Budget Reserve Fund

Fiduciary oversight: Commissioner of Revenue

		SBRF	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation		<p>Broad Market FI: 4% International Eq: 5% Short-Term: 13% Domestic Eq: 10% Intermediate-Term: 68%</p>	
		Actuals	Benchmark*
Market Value (in 000s)	7/1/2013** 11/30/2013	\$5,487,700 \$5,549,500	- -
Returns - 11/30/13	FYTD	1.12%	1.14%
Projected 10 Year Return		2.90%	Callan Returns

* Short-term: 3-month U.S. Treasury Bill; Intermediate-term: Barclays 1-3 Year Gov't Bond Index; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Eq: MSCI EAFE

** SBRF was segregated from the GF, and given its own asset allocation July 1, 2013

STATE of ALASKA

Comparative Analysis of State Operating and Savings Funds
 Constitutional Budget Reserve Fund (Main & Sub Accounts)
 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)	11/30/2011	\$5,267,400	-	\$4,933,200	-
	11/30/2012	\$5,772,700	-	\$5,451,300	-
	11/30/2013	\$5,850,400	-	\$6,316,400	-
Return @ 6/30/13	FY13	0.18%	0.19%	11.75%	11.37%
Returns - 11/30/13 (Rolling)	YTD	-0.06%	0.03%	14.61%	14.31%
	FYTD	0.54%	0.51%	8.89%	8.89%
	3 Year Actuals	1.64%	1.48%	10.08%	9.65%
	5 Year Actuals	3.18%	2.47%	12.67%	11.99%
Projected 10 Year Return		2.30%	Callan Returns	5.98%	Callan Returns

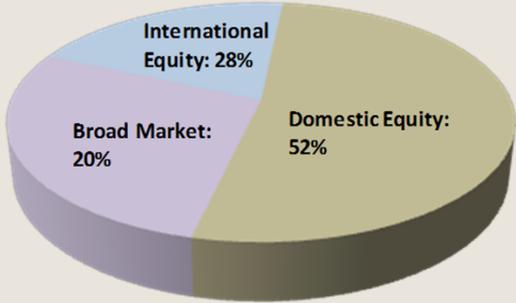
* Short-term: 3-month U.S. Treasury Bill; Intermediate-term: Barclays 1-3 Year Govt. Bond Index; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Equity: MSCI EAFE

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Comparative Analysis of State Operating and Savings Funds

Power Cost Equalization Fund

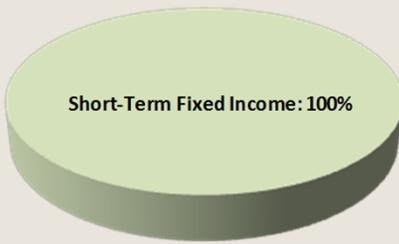
Fiduciary oversight: Commissioner of Revenue

		Power Cost Equalization Fund	
Investment Objective		High Risk, Moderately Long investment horizon	
Target Asset Allocation			
		Actuals	Benchmark*
Market Value (in 000s)	11/30/2011	\$720,700	-
	11/30/2012	\$785,600	-
	11/30/2013	\$920,600	-
Return @ 6/30/13	FY13	15.12%	14.51%
Returns - 11/30/13 (Rolling)	YTD	20.15%	20.07%
	FYTD	12.08%	11.99%
	3 Year Actuals	12.85%	12.27%
	5 Year Actuals	14.34%	13.60%
Projected 10 Year Return		7.00%	Target Return

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

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Comparative Analysis of State Operating and Savings Funds
 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		International Equity: 15% 		Short-Term Fixed Income: 100% 	
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	11/30/2011	\$428,000	-	\$14,100	-
	11/30/2012	\$483,000	-	\$10,000	-
	11/30/2013	\$533,000	-	\$15,300	-
Return @ 6/30/13	FY13	8.19%	7.91%	0.24%	0.11%
Returns - 11/30/13 (Rolling)	YTD	9.92%	9.73%	0.19%	0.06%
	FYTD	6.62%	6.69%	0.14%	0.02%
	3 Year Actuals	9.44%	9.44%	0.35%	0.10%
	5 Year Actuals	11.58%	11.21%	0.84%	0.12%
Projected 10 Year Return		5.15%	Callan Returns	2.00%	Callan Returns

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

STATE of ALASKA

Comparative Analysis of State Operating and Savings Funds
 PERS & TRS
 Fiduciary oversight: Alaska Retirement Management Board

Investment Objective		PERS Retirement Defined Benefit Pension / Health		TRS Retirement Defined Benefit Pension / Health	
		Moderate Risk, Long Term investment horizon		Moderate Risk, Long Term investment horizon	
Target Asset Allocation		<p>12% Fixed Income 26% Domestic Equity 25% International / Global Equity 17% Real Assets 17% Alternatives / Infrastructure / PE 3% Cash</p>		<p>12% Fixed Income 26% Domestic Equity 25% International / Global Equity 17% Real Assets 17% Alternatives / Infrastructure / PE 3% Cash</p>	
		Actuals		Benchmark*	
Market Value (in 000s)	11/30/2011	\$10,930,600	-	\$4,583,300	-
	11/30/2012	\$11,886,800	-	\$4,978,200	-
	11/30/2013	\$13,865,200	-	\$5,800,100	-
Return @ 6/30/13	FY13	12.51%	12.06%	12.61%	12.06%
Returns - 11/30/13 (Rolling)	YTD	16.83%	15.16%	16.88%	15.16%
	FYTD	9.68%	9.46%	9.69%	9.46%
	3 Year Actuals	11.05%	10.84%	11.15%	10.84%
	5 Year Actuals	10.85%	12.24%	10.88%	12.24%
Long-Term Actuarial Assumed ROR		8.00%		8.00%	

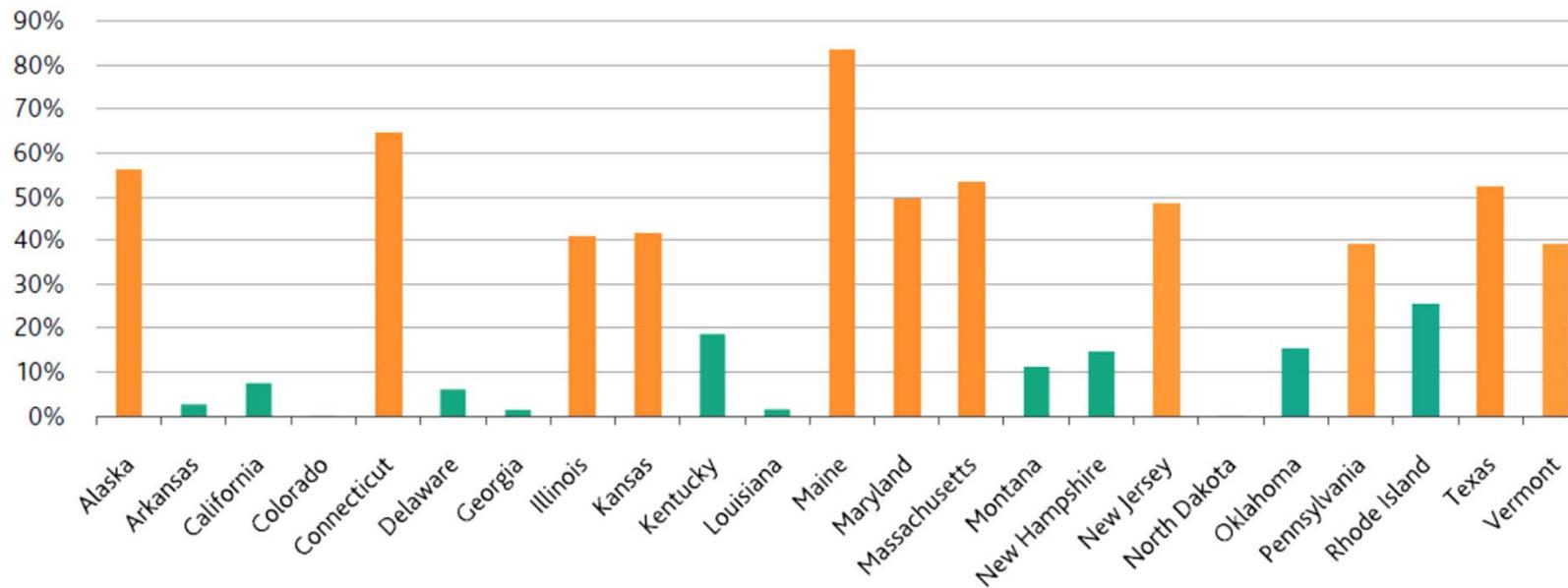
*Domestic Equity: Russell 3000 Index; Global Equity Ex-U.S.: MSCI ACWI ex-U.S. Index; Fixed Composite: Barclays Intermediate Treasury - ML High Yield II Constrained - Citigroup World Gov. Bond Ex-U.S. - JPM Global Bond Index Emerging Markets Global Diversified Index; Short-Term: 3-Month U.S. Treasury Bill

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EXHIBIT 13

Nearly Half of All States Support Local Pensions: on-behalf payments as a share of all local government pension costs

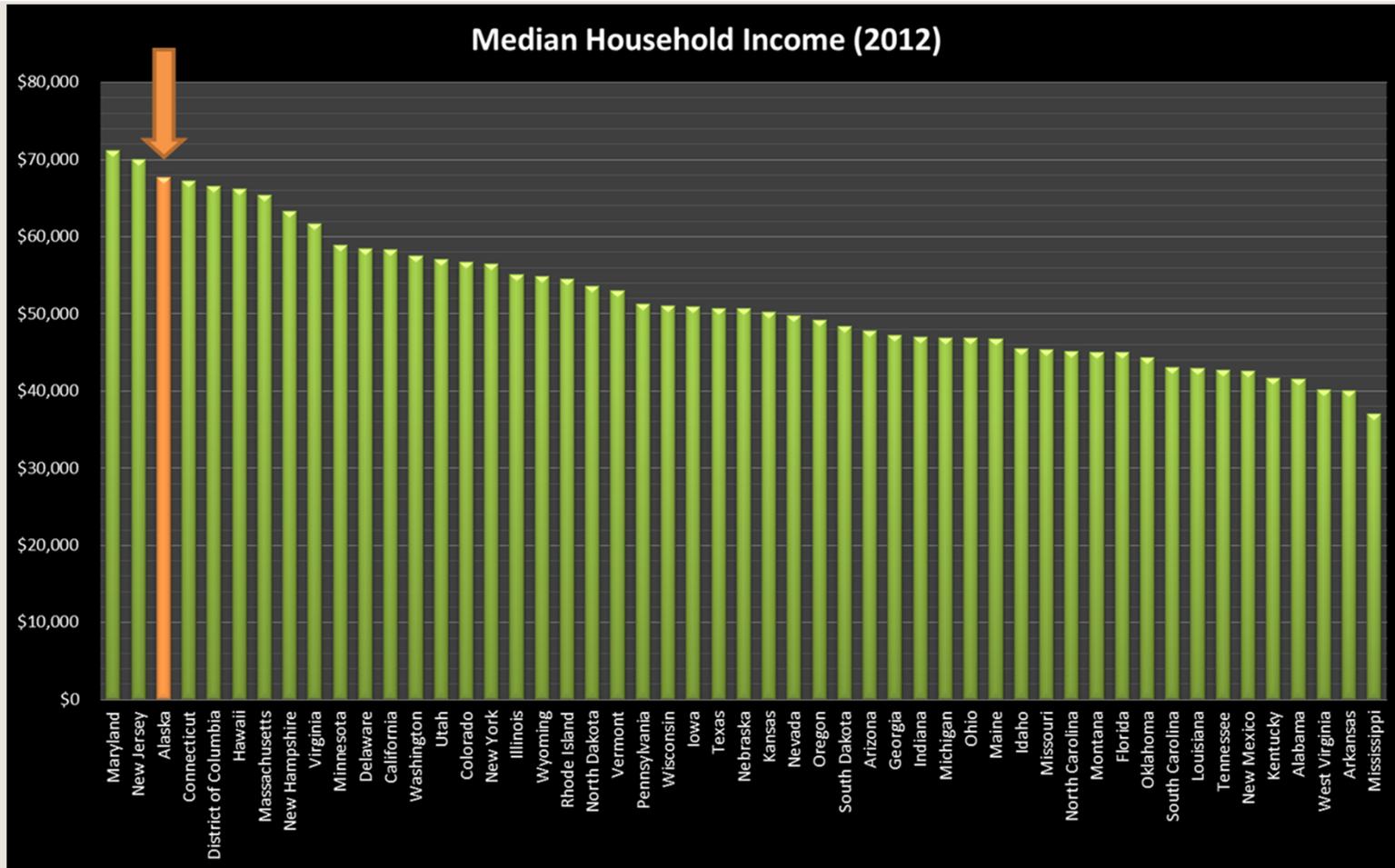
States in orange are paying at least 40% towards local government's pensions



Source (September, 2013): Moody's Investors Service

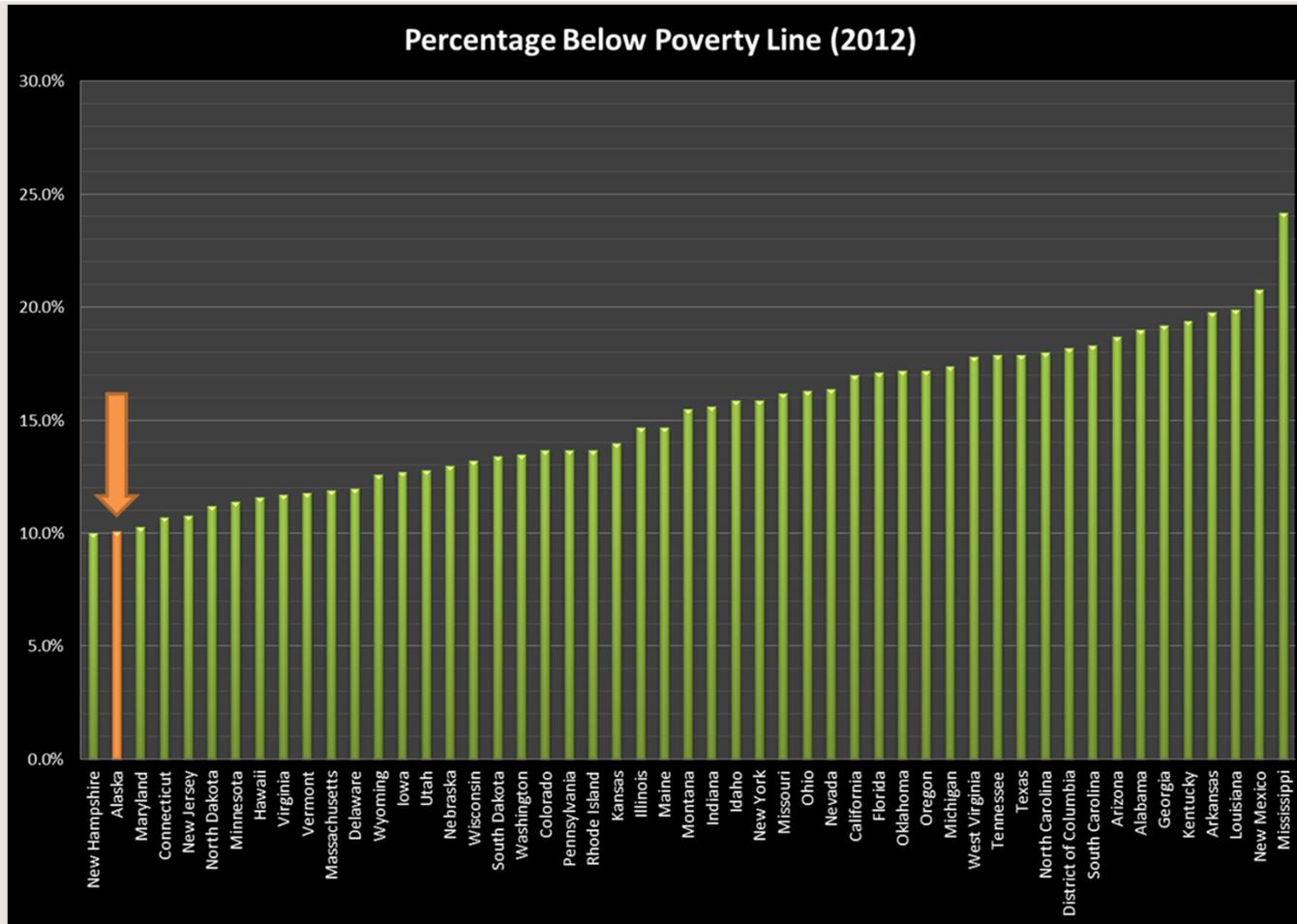
*percentage paid toward government pension costs, Moody's 2011

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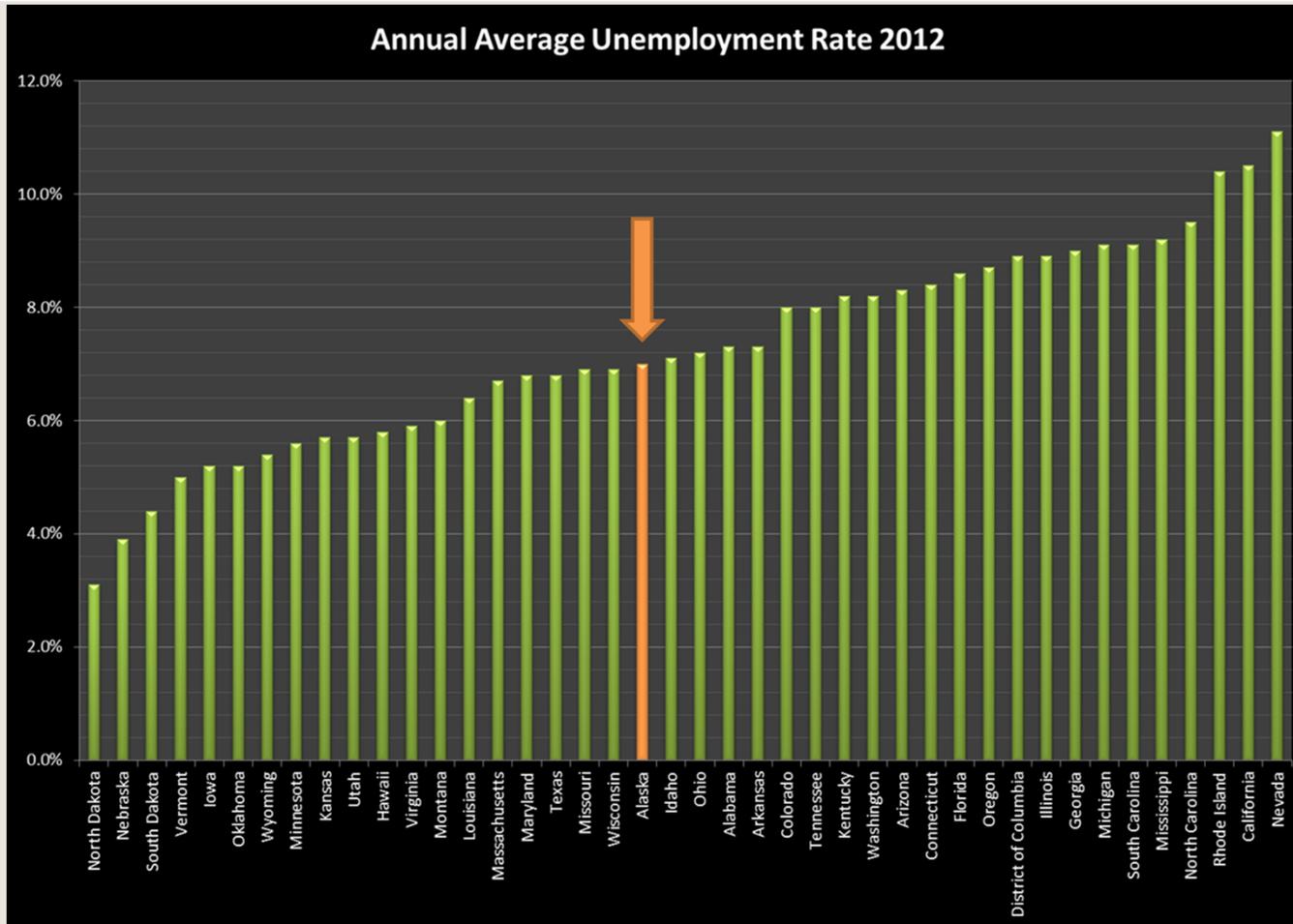
Source (September, 2013): From the Census Bureau's American Community Survey for 2012, the median household income

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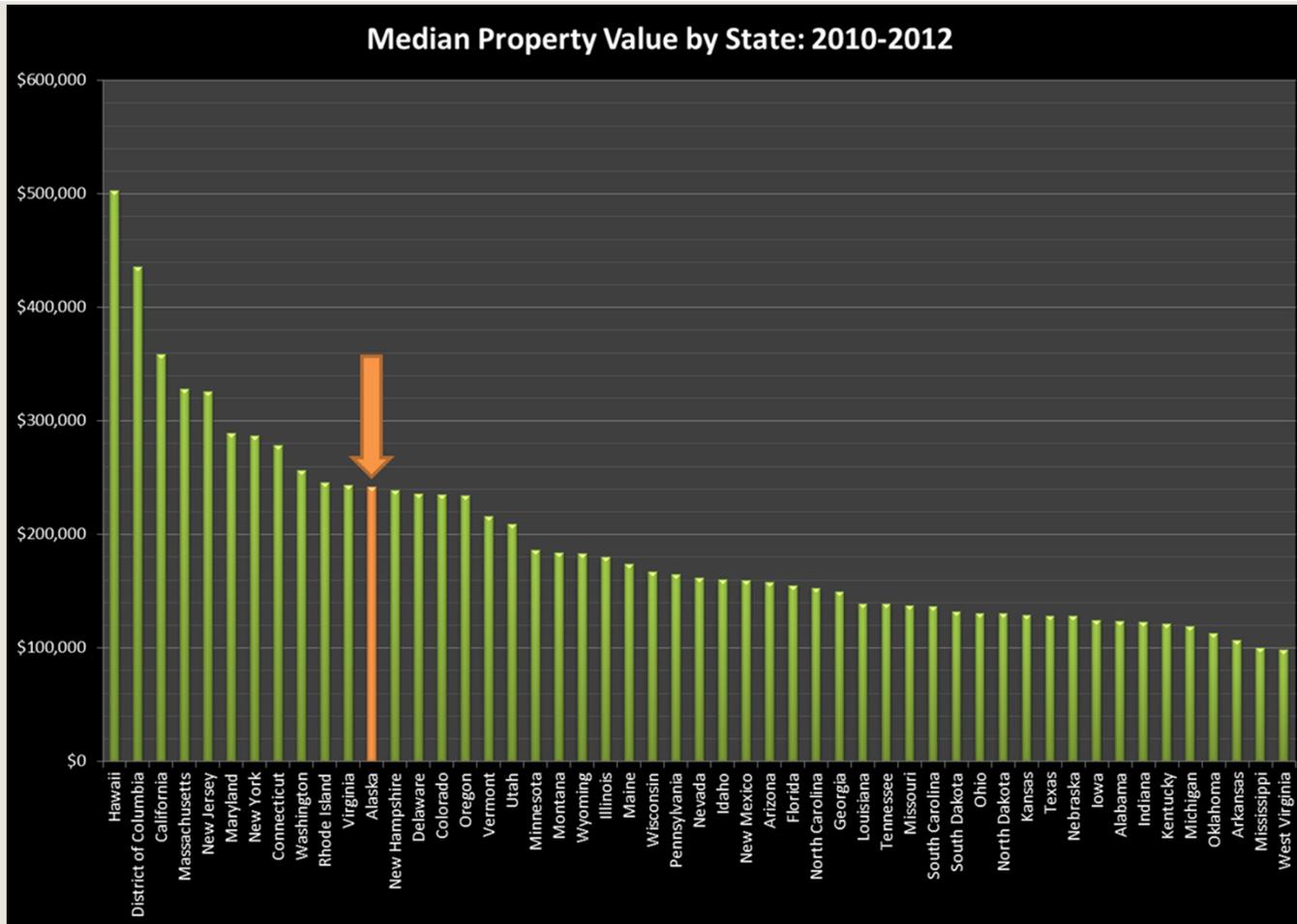
Source (September, 2013): From the Census Bureau's American Community Survey for 2012, the percentage of people with income living below the poverty level

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Source (March, 2013): From the Bureau of Labor Statistics, the average unemployment rate in 2012

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Source (November, 2013): From the Census Bureau's American Community Survey for 2010-2012, the median property value by state