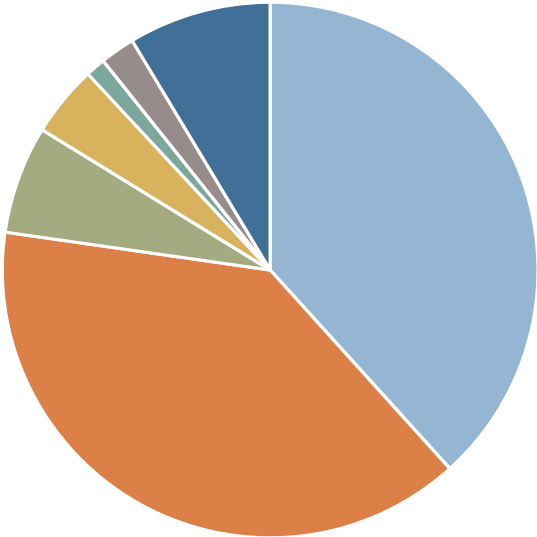


Trust Financial Structure

Trust Resources



- Settlement Land
- Trust Portfolio
- Trust Reserve (APFC)
- Trust Reserve (DOR)
- Program Related Investments
- Trust Development Account
- Real Estate Management Program

Core Holdings

Trust Portfolio

- \$430 Million (as of 9/30/17)
- Managed by Alaska Permanent Fund Management Corporation

Generates Revenue from Interest, Dividends, and Capital Gains

Settlement Land

- One Million Acres of Land
- Managed by Trust Land Office

Generates Revenue from Sales, Leasing, and Resource Extraction

Core Holdings-Key Points

Trust Portfolio (Cash Assets)

- Funds are invested by the Permanent Fund following their investment strategy.
- Historic returns have averaged 8.85% annually over the last 5 years.
- Funds are largely invested in stocks and bonds, so the portfolio should follow financial markets closely.

Settlement Land (Non Cash Assets)

- Lands are actively managed by the Trust Land Office.
- Assets are managed for the best interest of Trust beneficiaries over a long term horizon.
- Results include a mix of financial returns as well as program benefits.

Trust Reserves-Preparing for the Future

Trust Reserves (APFC)

- \$68.4 Million (as of 9/30/17)
- Follows permanent fund investment strategy with the same 5 year average return of 8.85%

Trust Reserves (DOR Treasury)

- \$45.51 Million (as of 10/31/17)
- Slightly different investment strategy (64% Stock, 27% Fixed Income, 9% Cash) that creates different results.
- Average 5 year Return is 8.54%

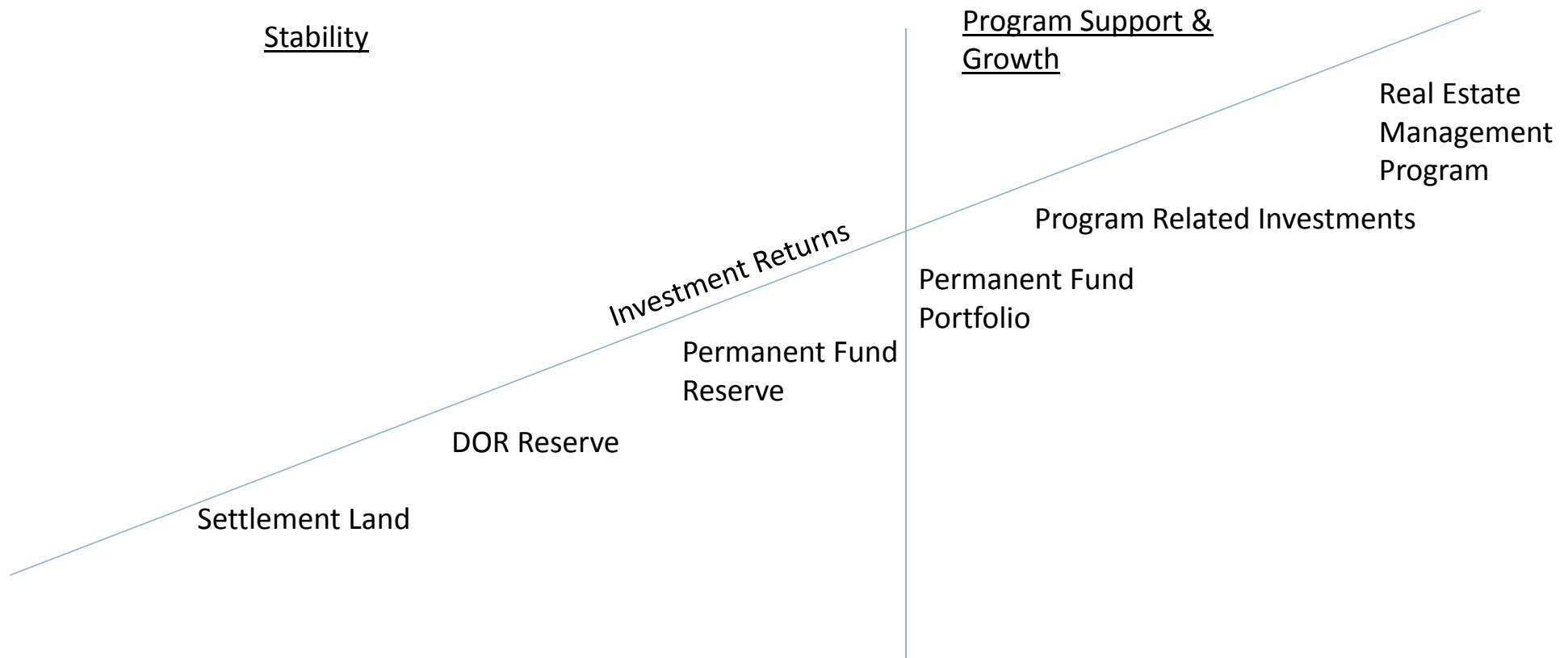
Two approaches to the same goal: Provide Financial Stability

State of Alaska
Mental Health Trust Reserve
Rates of Return
September-17



	Ending Market Value	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	ITD	Inception Date
Alaska Mental Health Trust Reserve	44,908,241	1.30%	3.41%	3.41%	11.21%	6.78%	8.54%	5.71%	September-03
SOA Short Term Pool (AY70)		0.10%	0.31%	0.31%	1.01%	0.66%	0.48%		
Equities									
Equity - Domestic		2.42%	4.55%	4.55%	18.39%	10.61%	14.15%		
Equity - Foreign		1.79%	5.83%	5.83%	18.15%	7.19%	10.01%		
Broad Market Fixed Income Pool (AY73)		-0.44%	0.87%	0.87%	0.21%	2.94%	2.15%		
Mental Health Trust Fund Benchmark		1.24%	3.39%	3.39%	11.42%	6.36%	8.15%	5.11%	

Investment Summary-Return Spectrum



Program Related Investments

Program Related Real Estate Investments (Non Cash Assets)

- Variety of Real Estate investments made to advance program goals.
- Properties may be leased or made available to support Trust interests at below market rates.

Return to the Trust is a combination of income, property appreciation, and reduced operating costs for programs

Trust Development Account

Trust Development Account (Cash Assets)

- This account holds a portion of the revenues generated by the Trust Land Office.
- There are three activities supported by the Development Account:
 1. Fund Program Related Investments
 2. Enhance the Value of Trust Land Assets
 3. Fund Real Estate Management Program

This account does not create a direct financial return for the Trust, instead it enhances the results of other Trust investments.

Real Estate Management Program

- These are investments intended to generate additional income for the Trust.
- The Trust has acquired approximately \$90 million in commercial properties using a combination of Trust funds and commercial borrowings.
- The tenants pay market rate for the use of the property and the rental income pays the costs, repays any mortgages, and provides a financial return for the Trust.
- These assets are managed by the Trust Land Office using the Real Estate Management Plan. A detailed presentation is coming up from Wyn Menefee