

**State of Alaska
FY2018 Governor's Operating Budget**

**Department of Revenue
APFC Investment Management Fees
Component Budget Summary**

Component: APFC Investment Management Fees

Contribution to Department's Mission

See Alaska Permanent Fund Corporation Component Narrative Report.

Core Services

- See Alaska Permanent Fund Corporation Component Narrative Report.

Major Component Accomplishments in 2016

See Alaska Permanent Fund Corporation Component Narrative Report.

Key Component Challenges

See Alaska Permanent Fund Corporation Component Narrative Report.

Significant Changes in Results to be Delivered in FY2018

See Alaska Permanent Fund Corporation Component Narrative Report.

Statutory and Regulatory Authority

AS 37.13 Alaska Permanent Fund and Corporation

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Component Detail All Funds
Department of Revenue

Component: APFC Investment Management Fees (2310)
RDU: Alaska Permanent Fund Corporation (45)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	148,191.0	148,191.0	148,191.0	138,769.2	-9,421.8	-6.4%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	0.0	148,191.0	148,191.0	148,191.0	138,769.2	-9,421.8	-6.4%
Fund Sources:							
1105PFund Rcpt (Other)	0.0	148,191.0	148,191.0	148,191.0	138,769.2	-9,421.8	-6.4%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	148,191.0	148,191.0	148,191.0	138,769.2	-9,421.8	-6.4%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Component Detail All Funds
Department of Revenue

Component: APFC Investment Management Fees (2310)
RDU: APFC Investment Management Fees (318)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
73000 Services	95,797.9	0.0	0.0	0.0	0.0	0.0 0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Totals	95,797.9	0.0	0.0	0.0	0.0	0.0 0.0%
Fund Sources:						
1105PFund Rcpt (Other)	95,797.9	0.0	0.0	0.0	0.0	0.0 0.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Other Funds	95,797.9	0.0	0.0	0.0	0.0	0.0 0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Positions:						
Permanent Full Time	0	0	0	0	0	0 0.0%
Permanent Part Time	0	0	0	0	0	0 0.0%
Non Permanent	0	0	0	0	0	0 0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Revenue

Component: APFC Investment Management Fees (2310)
RDU: Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	148,191.0	0.0	0.0	148,191.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		148,191.0										
Subtotal		148,191.0	0.0	0.0	148,191.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Manager Fees Reduction												
	Dec	-9,421.8	0.0	0.0	-9,421.8	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		-9,421.8										
Totals		138,769.2	0.0	0.0	138,769.2	0.0	0.0	0.0	0.0	0	0	0

This decrement of \$9.4 million is primarily attributed to the external manager fees, which are calculated as a percentage of assets under management. APFC has worked to bring more investments in-house, and market performance has been lower than the mid-case projections, leading to lower projected fees. This decrement brings the FY2018 budget amount down to better reflect anticipated costs.

Line Item Detail (1676)
Department of Revenue
Services

Component: APFC Investment Management Fees (2310)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		95,797.9	148,191.0	138,769.2
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			95,797.9	148,191.0	138,769.2
3001	Financial Services	Financial Services	93,164.7	142,640.0	131,822.1
3002	Legal and Judicial Services	Legal & Judicial Services	590.5	1,925.0	1,500.0
3003	Information Technology	Information Technology	2,042.7	3,626.0	5,447.1

Revenue Detail (1681)
Department of Revenue

Component: APFC Investment Management Fees (2310)

Revenue Type (OMB Fund Code)				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Revenue Source	Component	Comment				
5105 PFund Rcpt (1105 PFund Rcpt)				95,797.9	148,191.0	138,769.2
5414 Alaska Permanent Fund Corporation Receipts	Rev - APFC Operations (109)	AS 37.13.150 Corporation budget		95,797.9	148,191.0	138,769.2