

**Alabama Trust Fund
Balance Sheet (unaudited)
December 31, 2017**

	Quarter Ended		Change
	12/31/2017	9/30/2017	
Assets:			
Cash/Cash Equivalents	\$ 133,071,276	\$ 119,197,741	\$ 13,873,535
Fixed Income Securities	1,026,986,308	1,019,859,005	7,127,303
Equity Securities	1,634,061,753	1,628,700,639	5,361,114
Receivable-Pending Sale of Securities	22,750,513	60,414,097	(37,663,584)
Receivable-Investment Income	8,598,021	7,853,206	744,815
Due From CMT Fund	-	12,470,000	(12,470,000)
Land	233,645,779	233,127,200	518,579
Total Assets	<u>\$ 3,059,113,650</u>	<u>\$ 3,081,621,889</u>	<u>\$ (22,508,239)</u>
Liabilities:			
Payable - Pending Purchase of Securities	\$ 93,885,230	\$ 118,645,536	\$ (24,760,306)
Total Liabilities	<u>\$ 93,885,230</u>	<u>\$ 118,645,536</u>	<u>\$ (24,760,306)</u>
Capital:			
Trust Capital	\$ 913,383,756	\$ 906,631,463	\$ 6,752,293
Oil and Gas Capital Payments	3,016,811,949	3,021,312,175	(4,500,226)
Equity Gain Transfers	(770,229,803)	(770,229,803)	-
CMT Transfers (25% of Rainy Day Transfers)	(194,737,483)	(194,737,483)	-
Total Capital	<u>\$ 2,965,228,419</u>	<u>\$ 2,962,976,352</u>	<u>\$ 2,252,067</u>
Total Liabilities and Capital	<u>\$ 3,059,113,650</u>	<u>\$ 3,081,621,889</u>	<u>\$ (22,508,239)</u>

Alabama Trust Fund
Comparative Statement of Revenues, Expenditures, Changes in Fund Balance
Quarter Ended December 31, 2017

	Quarter Ended 12/31/2017	Fiscal Year 2018
Revenues:		
Investment Income	\$ 14,452,357	\$ 14,452,357
Realized Gains (Losses) on Sale of Securities	28,731,077	28,731,077
Gross Oil and Gas Capital Payments	12,151,206	12,151,206
Total Revenues:	\$ 55,334,640	\$ 55,334,640
 Expenditures:		
Professional Fees	\$ (3,078,731)	\$ (3,078,731)
1% Oil and Gas Capital Payment-Conservation	(121,512)	(121,512)
35% Oil & Gas Capital Payment	(16,529,920)	(16,529,920)
Distributions	(33,870,990)	(33,870,990)
Total Disbursements:	\$ (53,601,153)	\$ (53,601,153)
 Other Financing Sources(Uses):		
Land Purchase	\$ 518,579	\$ 518,579
Beginning Fund Balance	\$ 2,962,976,353	\$ 2,962,976,353
Ending Fund Balance	\$ 2,965,228,419	\$ 2,965,228,419

Alabama State Waters Gas Production, Sales, & Price

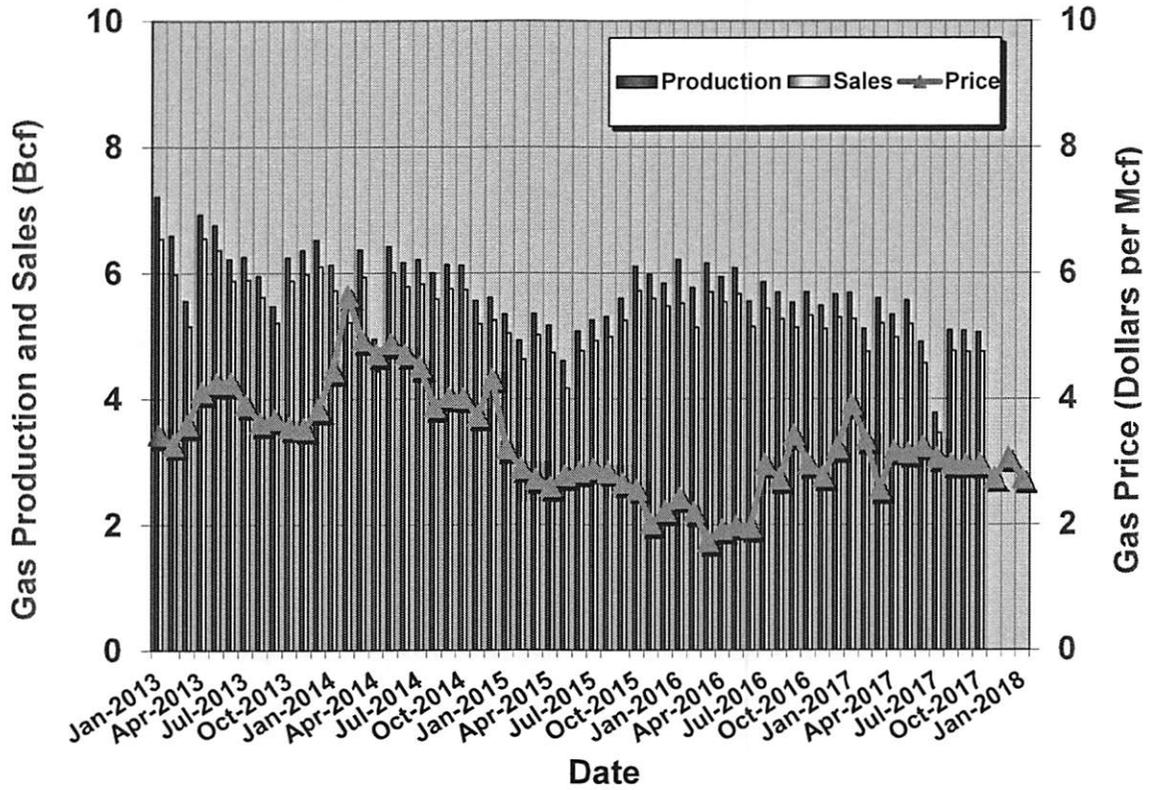


Chart provided by the Alabama Oil and Gas Board

	Current Fiscal Year		Prior Fiscal Year	
	Quarter	Year-to-Date	Quarter	Year-to-Date
Oil & Gas Capital Payments	\$ 12,151,206	\$ 12,151,206	\$ 10,996,175	\$ 10,996,175
Less: Transfer to Lands Division	(121,512)	(121,512)	(109,962)	(109,962)
Total	\$ 12,029,694	\$ 12,029,694	\$ 10,886,213	\$ 10,886,213

**Alabama Trust Fund
Securities Lending Income
Quarter Ended December 31, 2017**

<u>Bank of New York Mellon:</u>	<u>Quarter Ended 12/31/2017</u>	<u>Fiscal Year 2018</u>
Gross Revenues	\$ 739,395	\$ 739,395
Broker Rebates	(559,101)	(559,101)
Net Earnings	<u>180,295</u>	<u>180,295</u>
BNY Mellon Share	(36,042)	(36,042)
Paid To ATF	<u>\$ 144,252</u>	<u>\$ 144,252</u>
% of Net Income Paid To ATF	80%	80%
% of Broker Rebates Returned	76%	76%
<u>Retirement Systems of Alabama:</u>		
Gross Revenues	\$ 39,813	\$ 39,813
Broker Rebates	(21,771)	(21,771)
Net Earnings	<u>18,042</u>	<u>18,042</u>
RSA Share	(4,497)	(4,497)
Paid To ATF	<u>\$ 13,545</u>	<u>\$ 13,545</u>
% of Net Income Paid To ATF	75%	75%
% of Broker Rebates Returned	55%	55%
Total Securities Lending Income Paid to ATF	<u>\$ 157,797</u>	<u>\$ 157,797</u>

Downgrades

Security	PAR Amount	Rating Agency	Credit Rating	Date	Maturity Date	From	To
----------	------------	---------------	---------------	------	---------------	------	----

There were no downgrades this quarter.

**Forever Wild Land Trust Stewardship Account
Investment Report
December 31, 2017**

	<u>Market Value</u>
Cash and Equivalents:	
Cash/Cash Equivalents	\$ 4,973,182
Investments:	
U S Gov't & Agencies	23,033,648
Mortgage Backed Securities	4,948,438
Total Fund	\$ 32,955,267

Notes To The Report:

- 1) Short Term investments include Federated Government Obligations and Fidelity Government Money Market Funds Fixed income investments are invested in the Regions Government Enhanced Cash Fund
- 2) Amendment 543 states that The Alabama Trust Fund Board shall establish a separate account within the Alabama Trust Fund to be known as the Forever Wild Land Trust Stewardship Account(Stewardship Account). When the Forever Wild Land Trust acquires property or an interest in property pursuant to this Amendment, the Board of Trustees of the Forever Wild Land Trust shall set aside an amount from the Forever Wild Trust equal to fifteen percent (15%) of the appraised value of the land acquired, or the land affected if less than a fee interest was acquired.
- 3) The Alabama Trust Fund Board shall provide for the investment of the Stewardship Account.
- 4) The Board of Trustees of the Alabama FWLT may expend these funds.

Fund Performance

	<u>Fund</u>	<u>Barclays 1-3 Yr Gov't Index</u>	<u>Plus/Minus</u>
Last Quarter	-0.21%	-0.27%	0.06%
1 Year	0.60%	0.45%	0.15%
3 Years	0.68%	0.63%	0.05%
Since Inception	0.93%	0.90%	0.03%

Notes to the report:

- 1) The financial performance data was provided by Regions Investment Management.
- 2) Returns are time-weighted total returns, net of fees and returns longer than 1 year are annualized.
- 3) Portfolio inception date September 30, 2009

**Alabama Capital Improvement Trust Fund
Investment Report
December 31, 2017**

	<u>Market Value</u>
Cash and Equivalents:	
Cash/Cash Equivalents	\$ 89,783
Investments:	
U S Gov't & Agencies	1,450,752
Mortgage Backed Securities	78,859
Total Fund	\$ 1,619,393

Notes To The Report:

- 1) Short Term investments include Federated Government Obligations and Fidelity Government Money Market Funds. Fixed income investments are invested in the Regions Government Enhanced Cash Fund.
- 2) Funded by 28% of annual Oil and Gas Capital Payments received by the Alabama Trust Fund
- 3) "Funds in the Alabama Capital Improvement Trust Fund shall be invested by the Board of Trustees in such kinds of investments as are authorized for the investment of the Alabama Trust Fund."
- 4) All income deposited into the General Fund monthly.
- 5) Funds may be appropriated for capital improvements as defined by Amendment 666.

Fund Performance

	<u>Fund</u>	<u>Barclays 1-3 Yr Gov't Index</u>	<u>Plus/Minus</u>
Last Quarter	-0.21%	-0.27%	0.06%
1 Year	0.60%	0.45%	0.15%
3 Years	0.73%	0.63%	0.10%
Since Inception	1.02%	0.90%	0.12%

Notes to the report:

- 1) The financial performance data was provided by Regions Investment Management.
- 2) Returns are time-weighted total returns, net of fees and returns longer than 1 year are annualized.
- 3) Portfolio inception date September 30, 2009

Alabama Trust Fund Rainy Day Accounts

Education Trust Fund

FY2018

Prior Year Appropriated Amount:	\$ 6,448,023,601
Annual Available Fund Balance:	419,121,534

*Rainy Day account equals 6.5% of the prior year's appropriations.
Amounts supplied by Budget Office and are to be repaid within 6 years.

General Fund

FY2018

Prior Year Appropriated Amount:	\$ 1,903,015,942
Annual Available Fund Balance:	190,301,594

*Rainy Day account equals 10% of the prior year's appropriations.
Amounts supplied by Budget Office and are to be repaid within 10 years.