

FY2015 Budget Overview



Senate Finance Committee

January 23, 2014

Office of Management and Budget

Budget Vision

Governor Parnell's vision

Focusing on Alaska's Future



Budget Principles

Four principles to guide FY2015 budget

- Live within our means
- Focus on constitutional priorities
- Fix what we have
- Finish what we started



FY2014/FY2015 Budgets: Big Picture

The changing revenue picture reshaped FY2014

FY 2014	5/21/2013	12/12/2013
Unrestricted GF Revenue ^{1/}	\$6,162.7	\$4,964.9
Spending	\$6,830.6	\$6,914.4
Projected amount to/ from SBR	-\$667.9	-\$1,949.5
FY 2015		
Unrestricted GF Revenue	\$5,991.0	\$4,532.0
Proposed Spending (Gov. Dec 12)	n/a	\$5,640.0
Projected amount to/ from SBR	n/a	-\$1,108.0

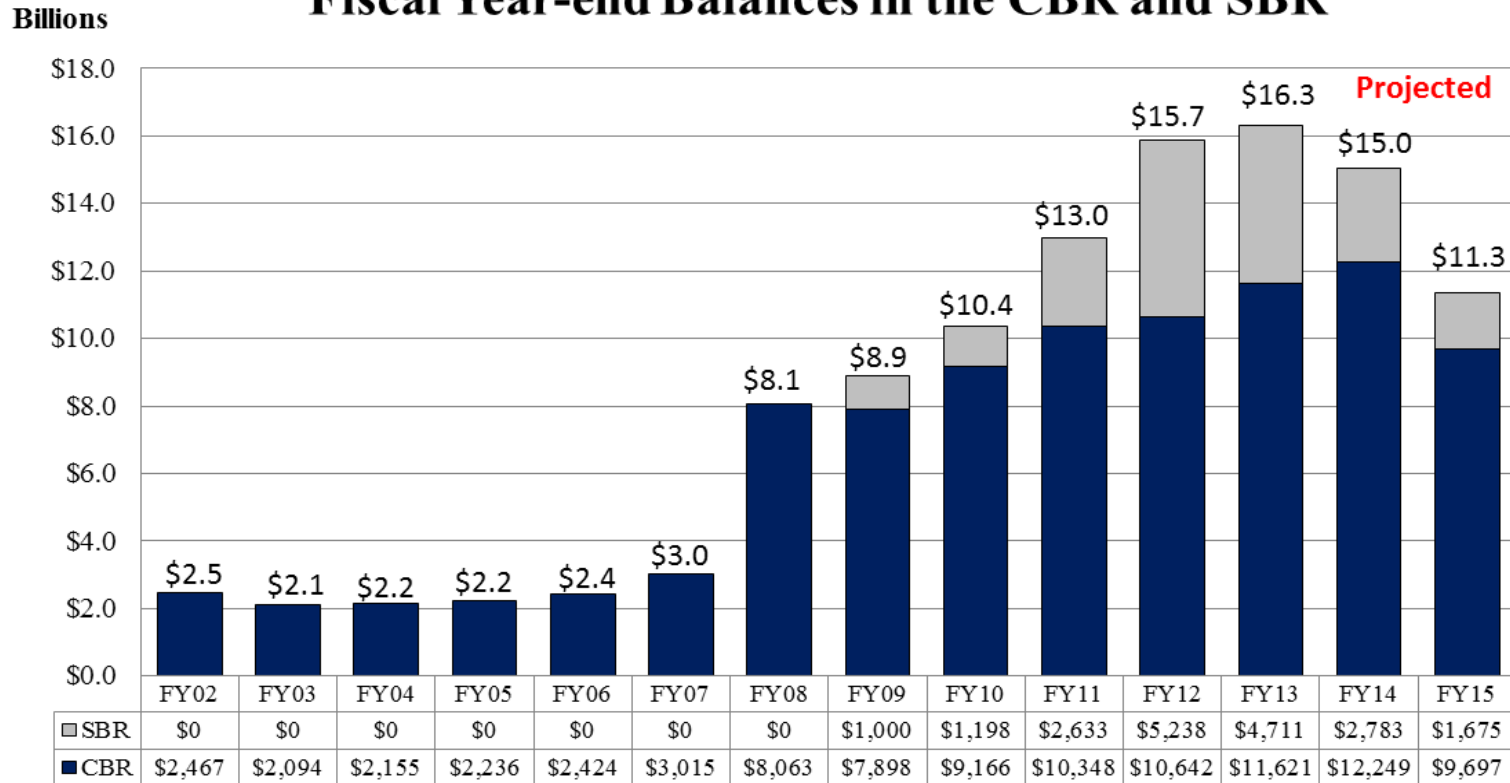
1. May 21, 2013 OMB fiscal summary accounted for -\$550 revenue adjustment due to MAPA. (SB 21 fiscal notes)
December 12, 2013 revenue includes \$4,930.0 forecast revenue plus \$34.9 reappropriations and carry forward.



Alaska's Reserve Accounts

Constitutional and Statutory Budget Reserve Funds are strong

Fiscal Year-end Balances in the CBR and SBR

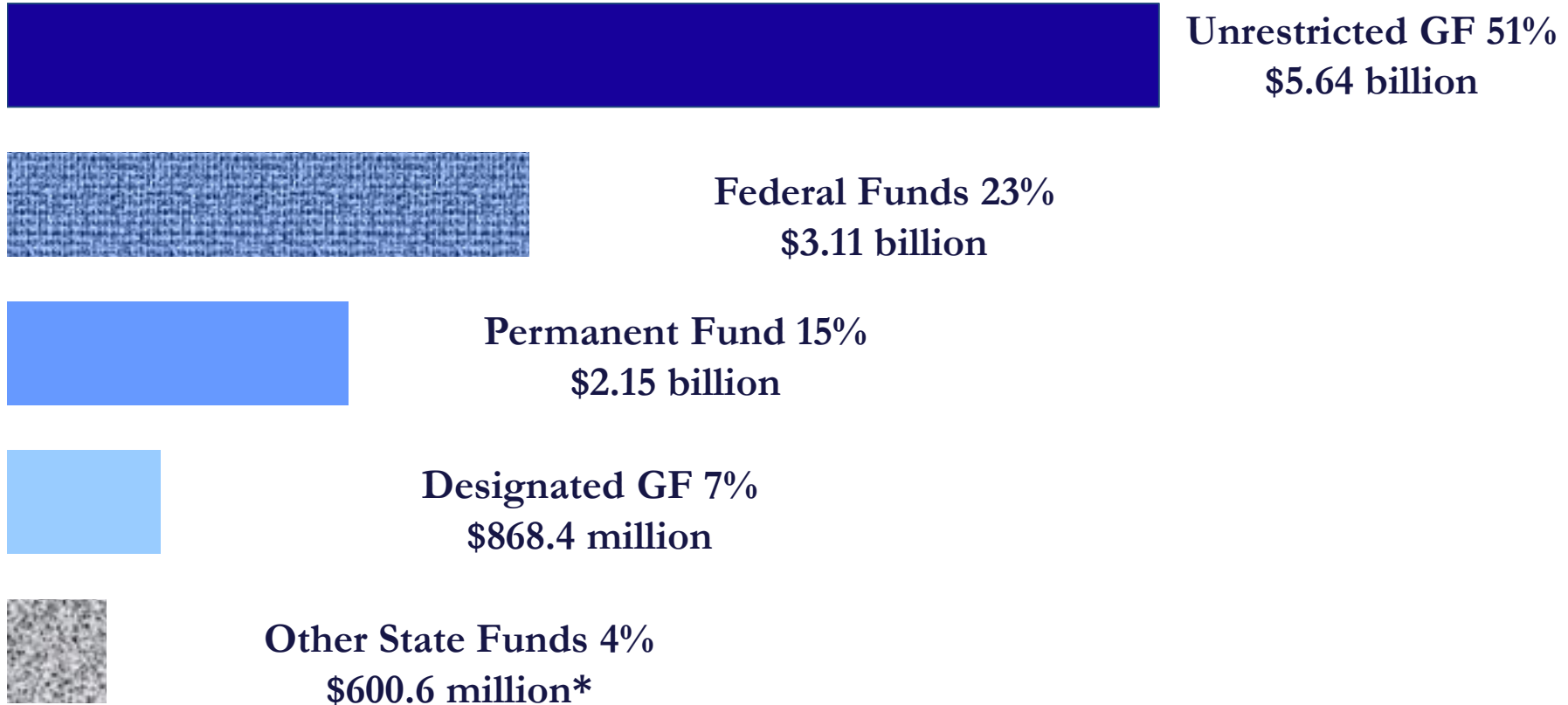


Sources: Alaska Department of Administration, Division of Finance. OMB/Department of Revenue (projections)



FY2015 Budget by Fund Source

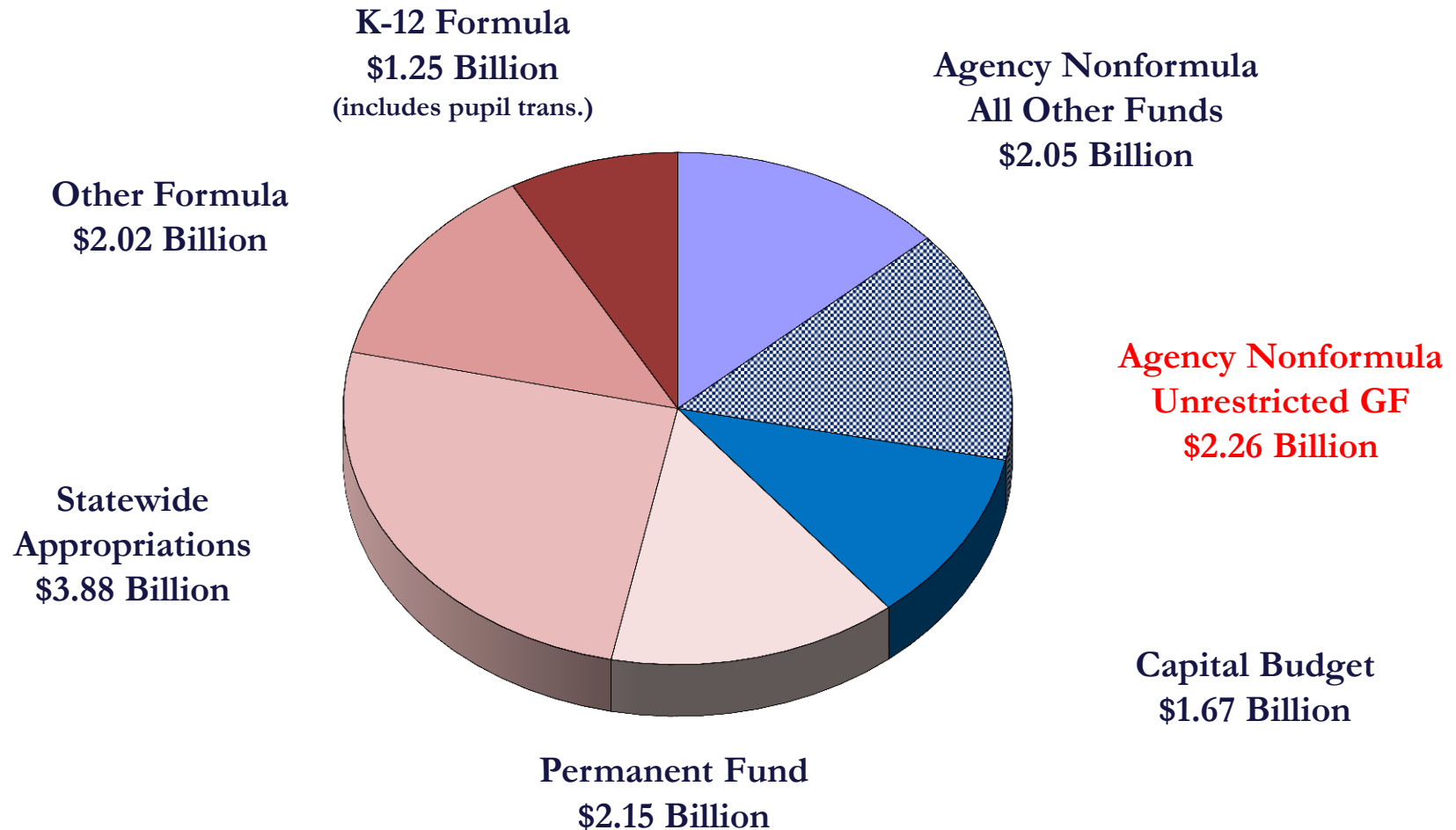
Total FY2015 Budget \$12.4 Billion



* Includes \$3.0 Billion CBR Transfer to Retirement Trust Funds



FY2015 Budget by Category

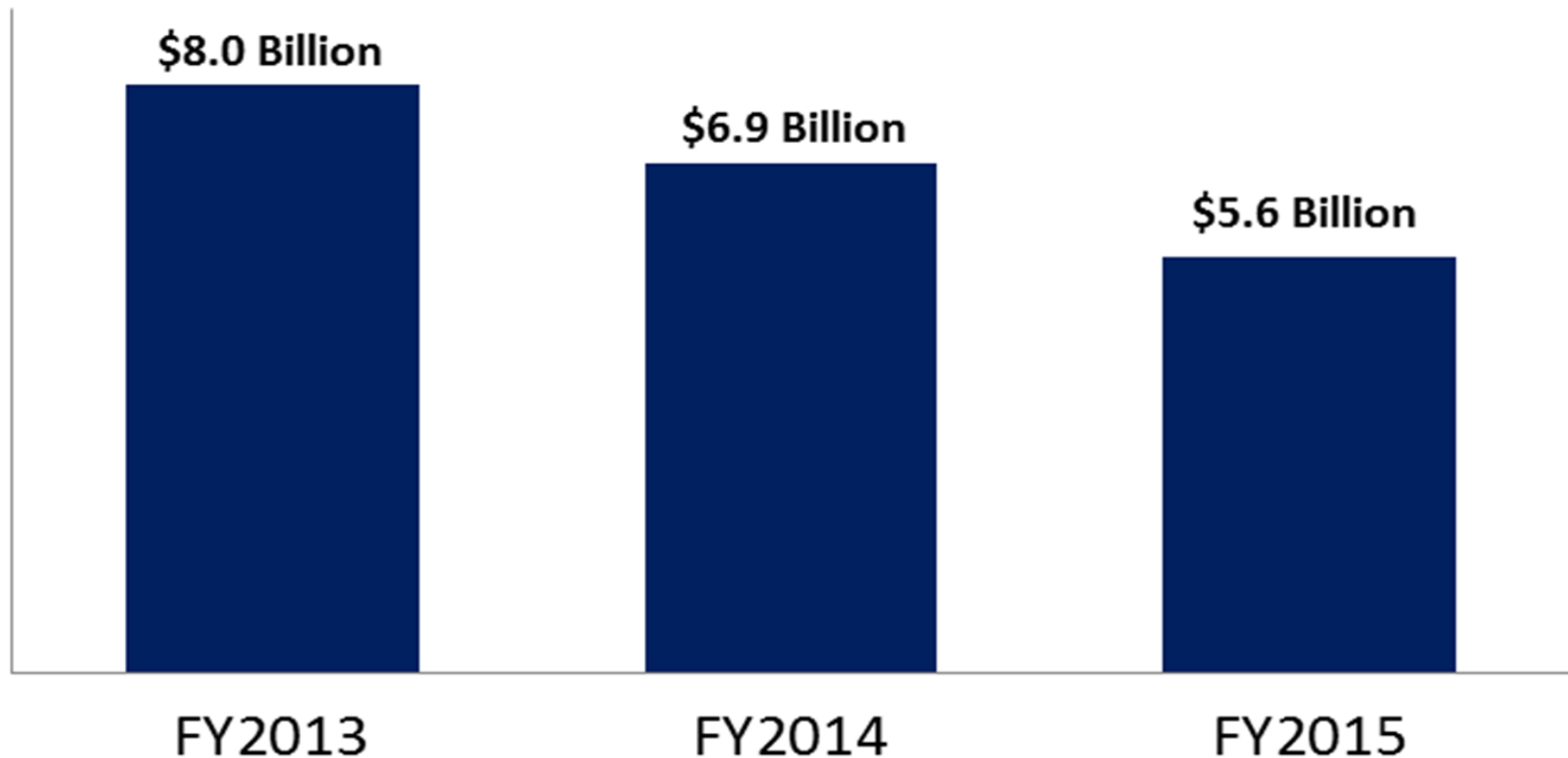


Total Funds = \$12.4 billion (includes -\$2.9 billion in Fund Transfers)



FY2015 UGF Spend: \$5.6 Billion

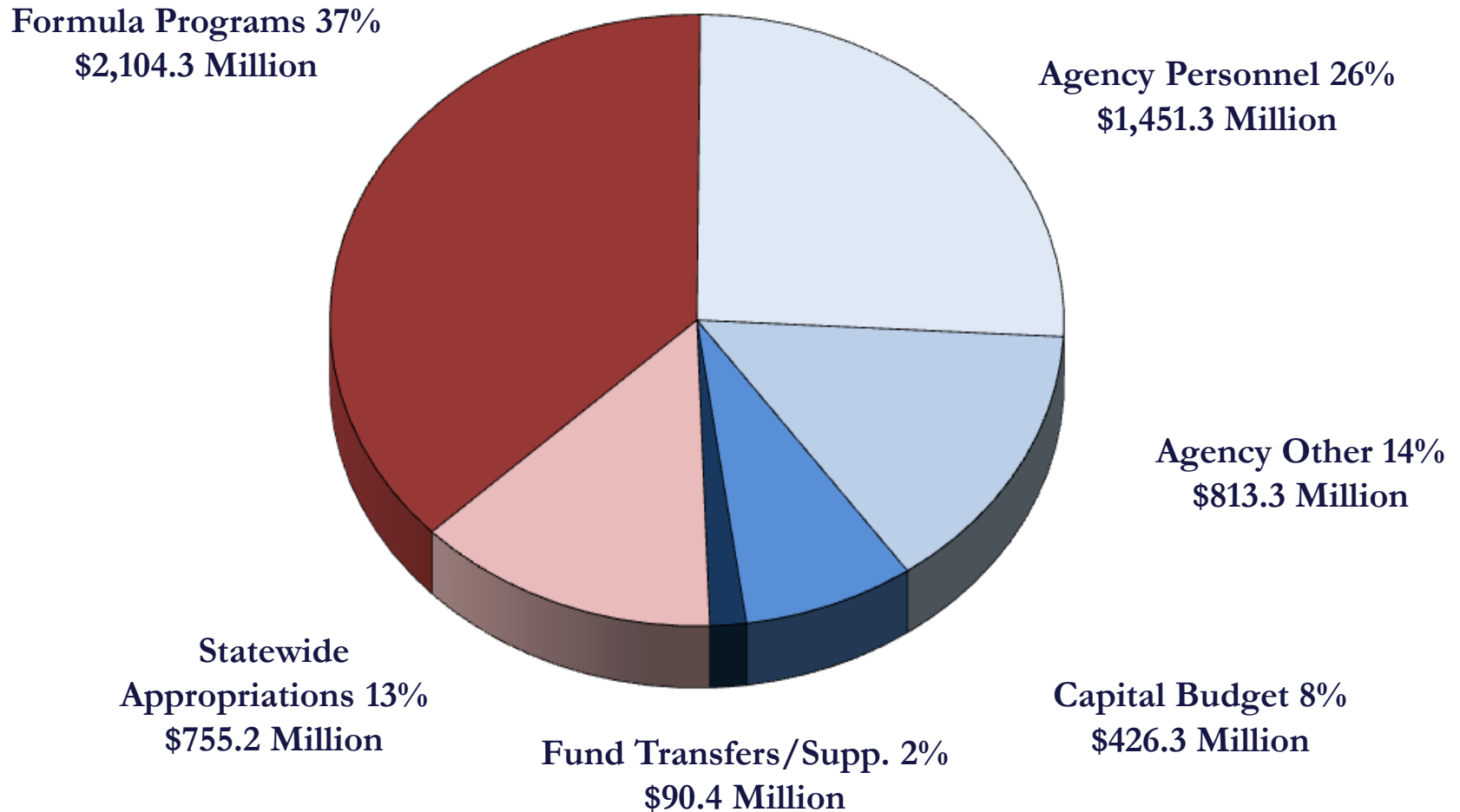
FY2015 Unrestricted General Fund spend is \$1.3 billion below FY14 spending level



Source: Office of Management and Budget



FY2015 General Fund Budget by Category

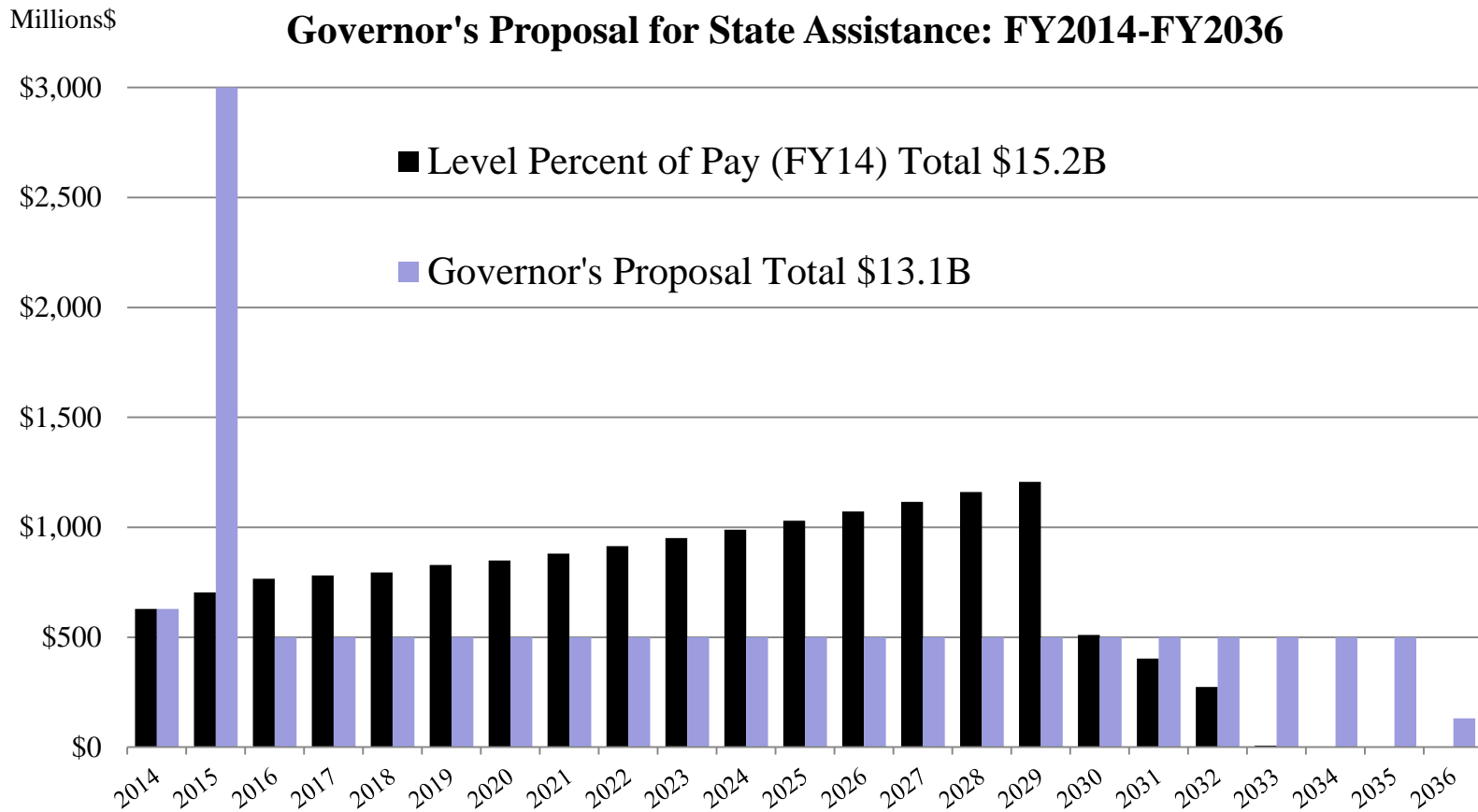


Unrestricted General Funds = \$5,640.8 million



State Assistance payments

Make a large payment in FY2015 to lower future payment obligations



Source: Buck Consultants



Spending Controls

Maximize efficiency/Rein in operating spending

- **Improve/Streamline Business Processes**
- **Regulations Review- AO 266**
- **Enhance technology**
- **Lower cost of purchasing**
- **Reduce footprint/cost of office space**
- **Deleted 150 vacant positions**



Budget Priorities

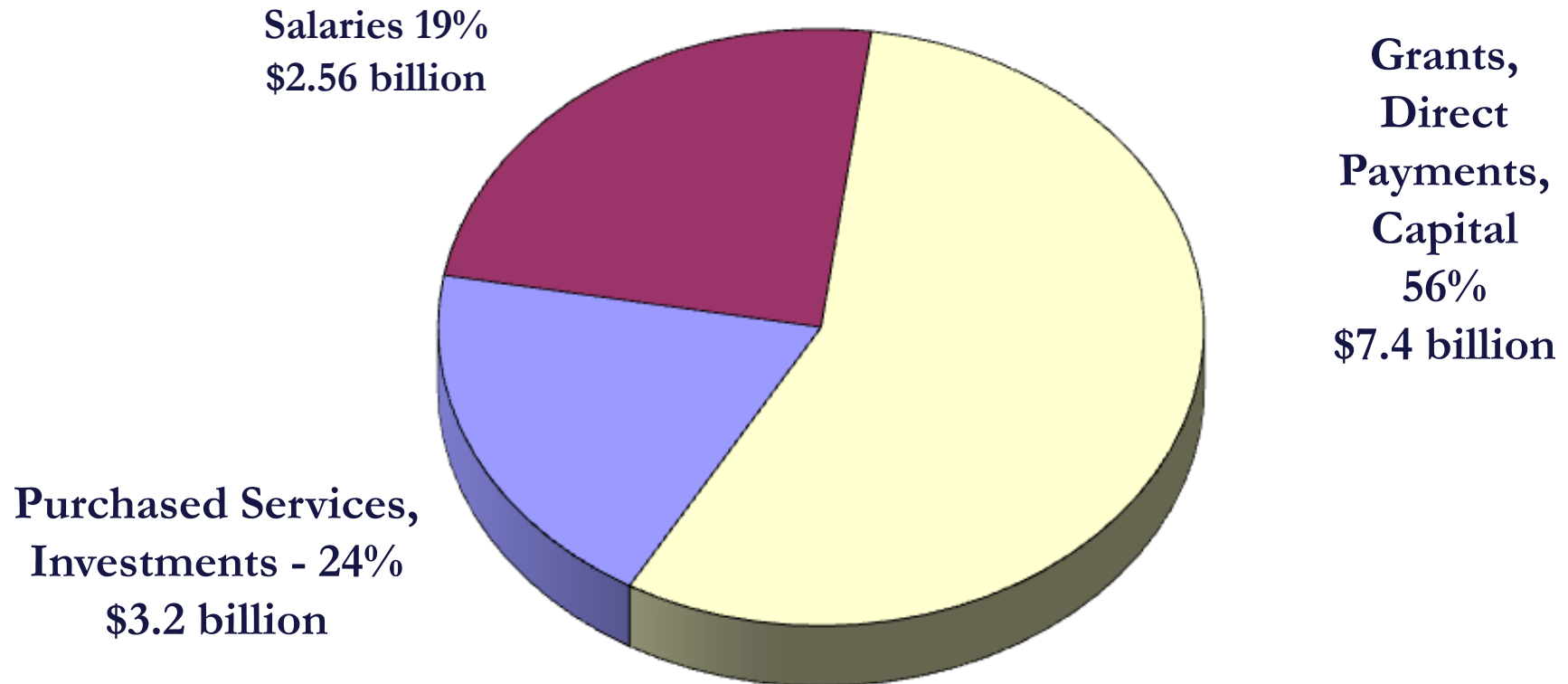
Focus on Administration's strategic investment priorities

- Education
- Resources and Energy
- Public Safety
- Transportation/Infrastructure
- Military Support



FY2015 Budget- Another Perspective

Nearly 60% of Alaska's budget benefits communities, organizations and individuals through grants, direct payments and capital project funding



Includes duplicate funds, savings, investments and the Permanent Fund

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For More Information on the Budget



ALASKA OFFICE OF
**MANAGEMENT
& BUDGET**
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Karen J. Rehfeld, Director

Office of Management and Budget

907-465-4660

Email: Karen.Rehfeld@alaska.gov



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