

# Governor Supplemental Request Overview

House Finance Committee  
February 13, 2020



*Legislative Finance Division*

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# Governor's Supplemental Requests

2

- Governor proposed \$270.5 million in FY20 UGF Supplemental requests
- UGF budget reduction from FY19 after Governor's proposed Supplemental items would be \$216 million
- FY20 est. deficit has increased from \$157 million when the budget was enacted (July 1, 2019) to \$610 million with revenue projection updates and Supplemental requests
- CBR est. balance after FY20 Supplemental and Governor's FY21 request is \$572 billion

# Governor's Supplemental Requests

3

- 52 items totaling \$504.1 million
  - \$270.5 UGF \$264.9 operating, \$5.7 capital
  - \$ 17.6 DGF \$10.7 operating, \$6.9 capital
  - \$ 0.2 Other \$0.2 operating
  - \$215.7 Federal \$173.2 operating, \$42.5 capital
  - 7 ratification totaling \$2.4 million

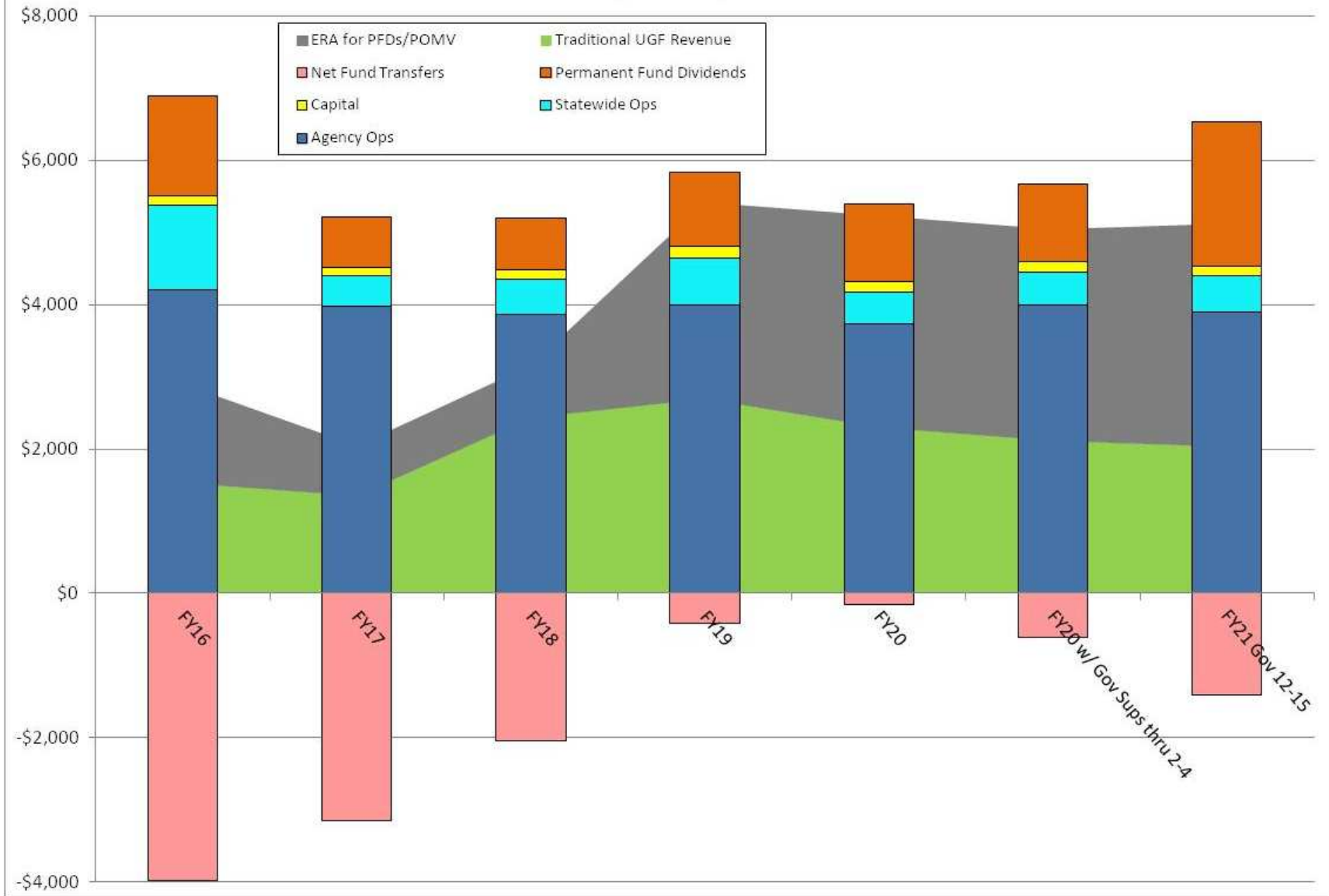
## Short Fiscal Summary - FY20 with Governor's Supplementals/ FY21 Governor's Budget

(\$ Millions) (Non-duplicated Funds)		FY20		FY21		Change in UGF		Change in All Funds	
		UGF	All Funds	UGF	All Funds				
1	<b>Revenue</b>	<b>5,163.3</b>	<b>10,974.7</b>	<b>5,059.0</b>	<b>10,778.0</b>	<b>(104.3)</b>	<b>-2%</b>	<b>(196.7)</b>	<b>-2%</b>
2	UGF Revenue (Fall 2019 forecast)	2,116.3	2,116.3	1,967.5	1,967.5	(148.8)	-7%	(148.8)	-7%
3	POMV Draw	2,933.1	2,933.1	3,091.5	3,091.5	158.4	5%	158.4	5%
4	Misc/Adjust/Non-UGF Revenue	113.9	5,925.3	-	5,719.0	(113.9)		(206.3)	-3%
5	<b>Appropriations</b>	<b>5,773.5</b>	<b>11,365.6</b>	<b>6,537.2</b>	<b>12,253.0</b>	<b>763.7</b>	<b>13%</b>	<b>887.4</b>	<b>8%</b>
6	<b>Operating Budget</b>	<b>4,483.4</b>	<b>9,103.7</b>	<b>4,396.5</b>	<b>8,864.4</b>	<b>(86.9)</b>	<b>-2%</b>	<b>(239.3)</b>	<b>-3%</b>
7	Agency Operations	3,739.1	7,874.5	3,897.5	8,141.5	158.5	4%	267.0	3%
8	Statewide Items	479.4	780.2	499.0	722.9	19.5	4%	(57.3)	-7%
9	Supplemental Appropriations	264.9	449.0	-	-				
10	<b>Capital Budget</b>	<b>149.9</b>	<b>1,193.0</b>	<b>135.6</b>	<b>1,315.6</b>	<b>(14.3)</b>	<b>-10%</b>	<b>122.6</b>	<b>10%</b>
11	Current Year Appropriations	144.3	1,137.9	135.6	1,315.6	(8.7)	-6%	177.8	16%
12	Supplemental Appropriations	5.7	55.1	-	-				
13	<b>Permanent Fund</b>	<b>1,140.2</b>	<b>1,068.9</b>	<b>2,005.1</b>	<b>2,073.0</b>	<b>864.9</b>	<b>76%</b>	<b>1,004.1</b>	<b>94%</b>
14	Permanent Fund Dividends	1,068.9	1,068.9	2,005.1	2,005.1	936.2	88%	936.2	88%
15	Inflation Proofing/Other Deposits	5,014.3	5,014.3	-	67.9				
16	<b>Pre-Transfer Surplus/(Deficit)</b>	<b>(610.2)</b>		<b>(1,478.2)</b>					
17	<b>Fund Transfers</b>	<b>(273.5)</b>	<b>(270.3)</b>	<b>69.2</b>	<b>72.4</b>				
18									
19	Post- Transfer Surplus/(Deficit)	(336.7)		(1,547.4)					

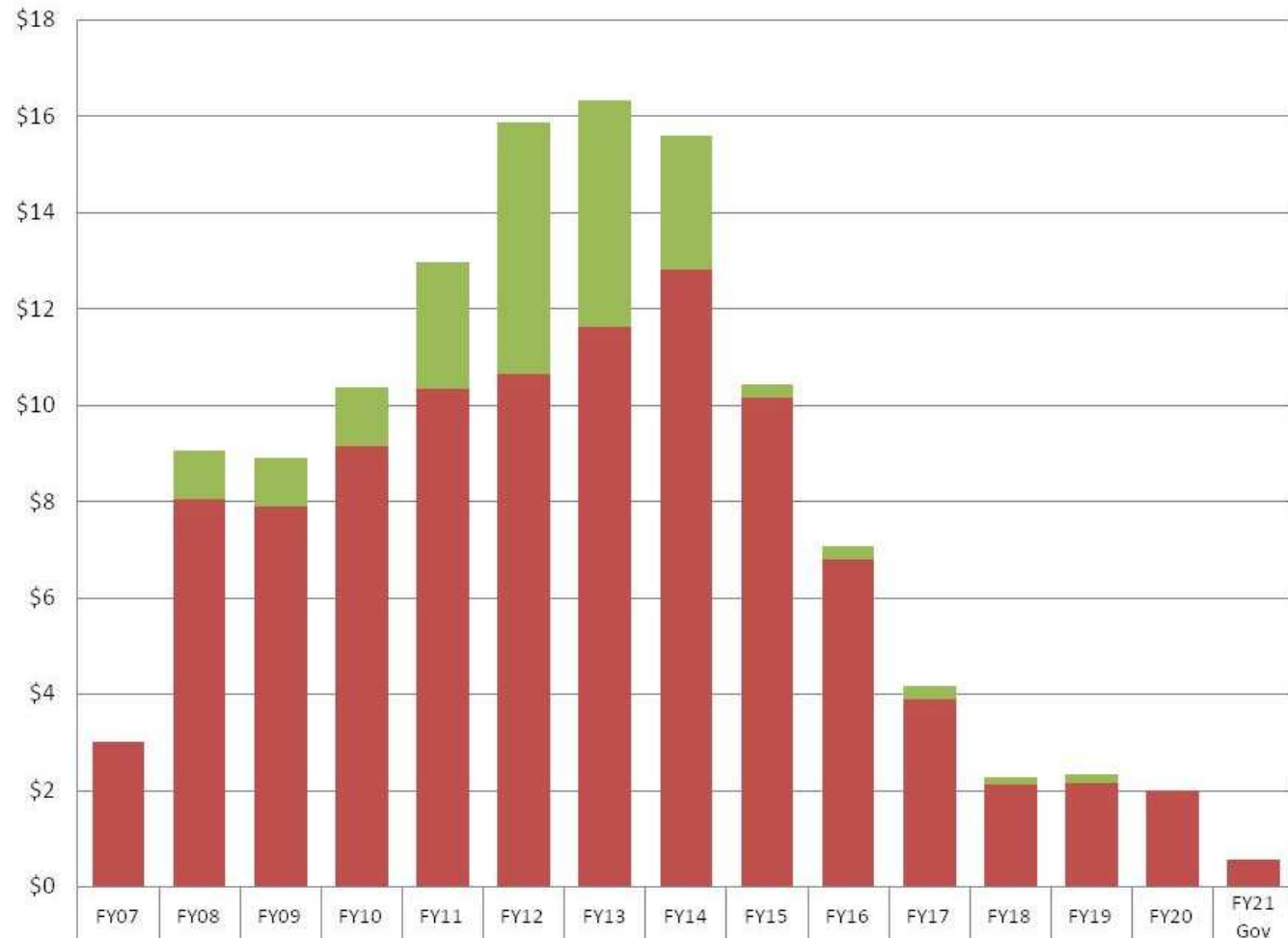
  

Reserve Balances (EOY)		
	FY20	FY21
SBR	-	-
CBR	2,012.5	572.5
ERA	14,040.2	15,533.7

# Unrestricted General Fund Revenue and Budget (\$ millions)



## End-of-Year Reserves Balances (\$billions)



Statutory Budget Reserve Fund (SBR)	-	1.00	1.00	1.20	2.63	5.24	4.71	2.79	0.29	0.29	0.27	0.17	0.17	-	-
Constitutional Budget Reserve Fund (CBR)	3.02	8.06	7.90	9.17	10.35	10.64	11.62	12.81	10.15	6.79	3.90	2.11	2.15	2.01	0.57

# CBR Access and Headroom

7

- Typically, CBR Access for balancing the budget has been limited to the bills passed that session
- However, restricting access to specific bills caused problems for any sort of Supplemental appropriations
- “CBR Headroom” is included to allow additional appropriations beyond the enacted acts up to a limit
  - E.g. – for FY20 the limit is \$250 million

# FY20 Supps and CBR Headroom

<b>CBR Headroom (\$250 million)</b>	<b>Gov Supp</b>
Medicaid	(128.3)
Other HSS Items	(15.6)
Fire Suppression	(110.5)
Other Operating Items	(10.5)
Capital Items	(5.7)
<b>Total Governor's Supplementals</b>	<b>\$ (270.5)</b>
<b>Exceeds Available Headroom by \$20.5 million</b>	
Assuming Supplementals:	
CBR Balance Ending FY20	<b>\$ 2,012.5</b>
CBR Balance Ending FY21 (Gov budget)	<b>\$ 572.5</b>



# Governor's Supplemental Requests

9

Noted by OMB as Urgent - \$241.9 million UGF

- Medicaid Services; Medicaid: \$128,273.6 UGF
- Fire Suppression: \$110,500.0 UGF
- DOTPF-Highway, Aviation and Facilities; Northern Highways  
Dalton Highway/Atigun Pass: \$158.1 UGF
- Knik-Goose Bay Road: \$2,000.0 Reappropriation/Scope Change
- Earthquake Relief – Federally Ineligible: \$3,000.0 UGF
- DMVA - Mass Notification System: \$900.0 Reappropriation

Full Supplemental list for Q&A

# QUESTIONS?

10

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