

Alaska's Fiscal Future

House Finance Committee

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What has changed since last year?

1. DOR updated the revenue forecast,
2. OMB updated its 10-year expenditure plan, and
3. The Permanent Fund revised its earnings projections.

Defining Success (Governor's Goals)

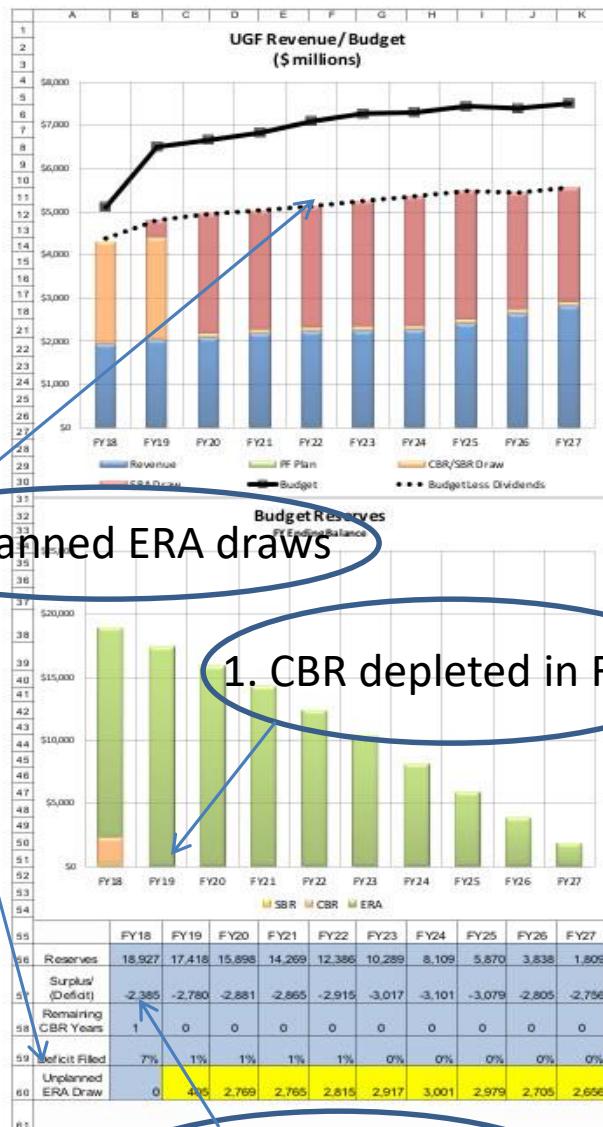
1. Deficits fade away before the projection period ends
2. No unplanned draws from the ERA (the CBR is not depleted)
3. PF balance keeps pace with inflation
4. PFDs of at least \$1,000

Fiscal Model Output

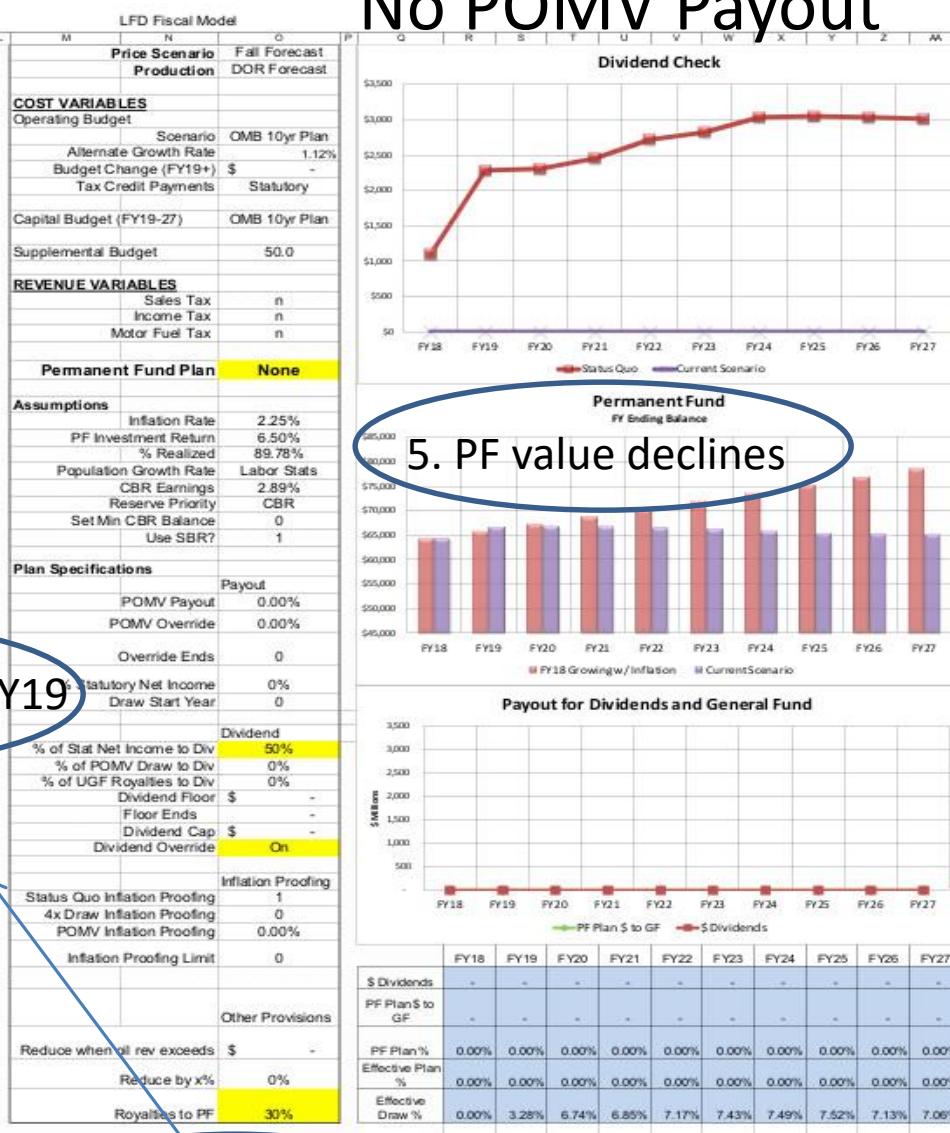
Comparing Revenue and Expenditures in FY18 and FY19 Versions

| Revenue | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|---------|
| | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY19-26 |
| Spring 4% Decline Forecast | 2,115 | 2,123 | 2,169 | 2,226 | 2,263 | 2,287 | 2,376 | 2,478 | |
| Fall Forecast | 2,019 | 2,070 | 2,165 | 2,215 | 2,231 | 2,252 | 2,400 | 2,631 | |
| Spring to Fall | (96) | (54) | (3) | (11) | (32) | (35) | 24 | 153 | (54) |
| Expenditures | | | | | | | | | |
| | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | |
| OMB FY18 Plan | 4,723 | 4,756 | 4,894 | 4,992 | 5,108 | 5,222 | 5,341 | 5,458 | |
| OMB FY19 Plan | 4,800 | 4,950 | 5,030 | 5,131 | 5,248 | 5,353 | 5,478 | 5,436 | |
| FY18 to FY19 | 77 | 194 | 137 | 139 | 140 | 131 | 138 | (22) | 934 |
| Impact on the Deficit--Spring to Fall | | | | | | | | | |
| | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | |
| | 173 | 247 | 140 | 150 | 172 | 166 | 114 | (175) | 988 |

No POMV Payout

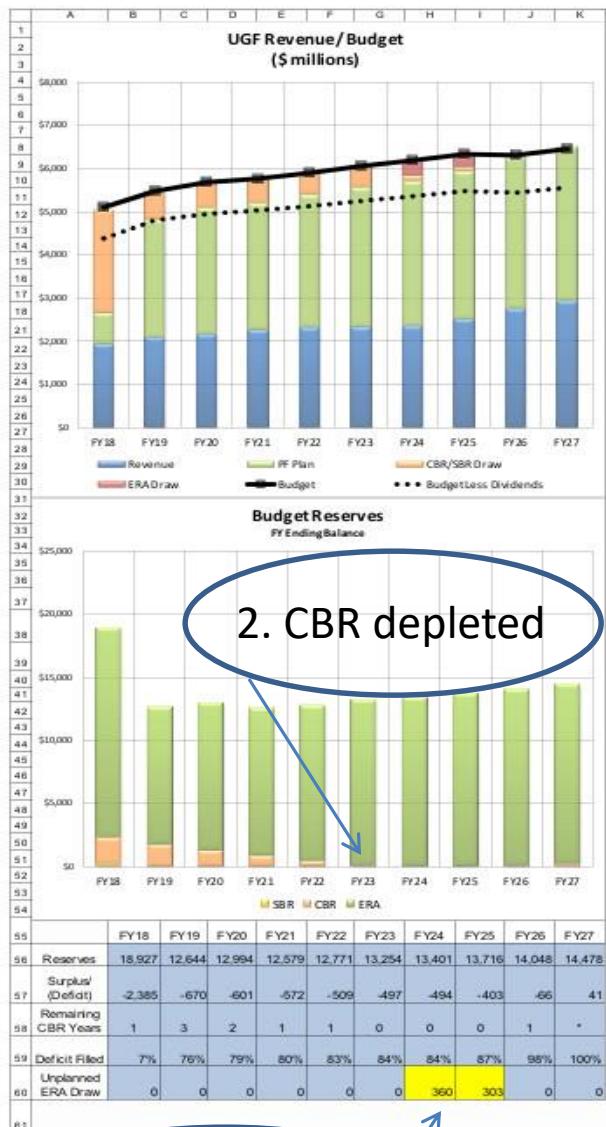


2. Continued deficits



4. ERA depletion

POMV Payout



3. Unplanned draws

1. Deficits filled

Output Varies by User Inputs

Legislative Finance Division

