FY2014 Budget Overview



January 22, 2013

Office of Management and Budget

Budget Vision

Governor Parnell's vision

Economic Growth and Strengthening Families

Budget Priorities

Focus on Administration's strategic investment priorities

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

Fall 2012 revenue forecast

Significant decrease from Spring 2012 forecast

FY2013	Spring forecast	Fall forecast	<u>Change</u>
Unrestricted GF Revenue	\$8,440.1	\$7,511.7	-\$928.4
FY2014			
Unrestricted GF Revenue	\$7,680.4	\$7,001.9	-\$678.5
Total for FY2013 & FY2014			
Unrestricted GF Revenue	\$16,120.5	\$14,513.6	-\$1,606.9



FY2013/FY2014 Budgets: Big Picture

The changing revenue picture reshaped FY2013

FY2013	5/14/12	12/15/12
Unrestricted GF Revenue ^{1/}	\$8,440.1	\$7,566.7
Spending*	\$7,926.0	\$7,977.5
Projected amount to/from SBR*	\$514.1	-\$410.8

FY2014

Unrestricted GF Revenue	\$7,680.4	\$7,001.9
Proposed Spending (Gov. Dec 15)	n/a	\$6,493.8
Projected amount to/from SBR	n/a	\$508.1

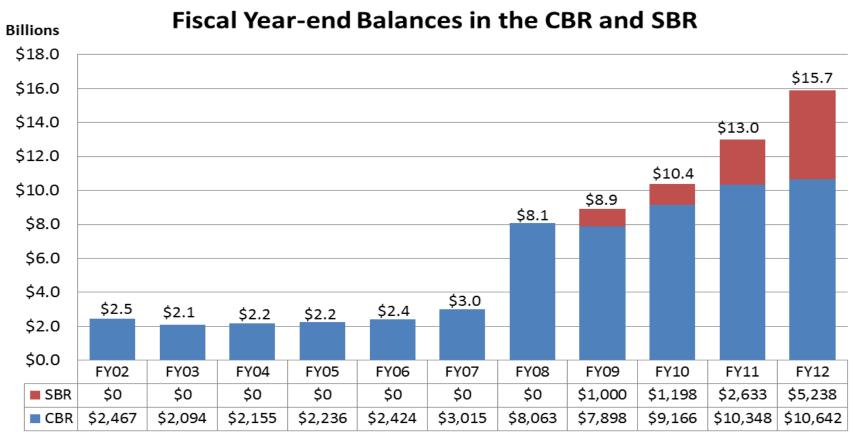
^{1.} December 15 revenue includes \$7,511.7 forecast revenue plus \$55.0 in reappropriations and carry forward.

^{*}Spending includes a \$250 million early deposit to the SBR. Total net projected draw from SBR would be -\$160.8.



Alaska's Reserve Accounts

Constitutional and Statutory Budget Reserve Funds are strong



Sources: Alaska Department of Administration, Division of Finance.

Spending Controls

Maximize efficiency/Rein in spending

- Improve/Streamline Business Processes
- Enhance technology
- Lower cost of purchasing
- Reduce footprint/cost of office space
- Share services

FY2014 Budget by Fund Source

Total FY2014 Budget \$12.8 Billion

Unrestricted GF 51% \$6.49 billion



Federal Funds 23% \$2.94 billion

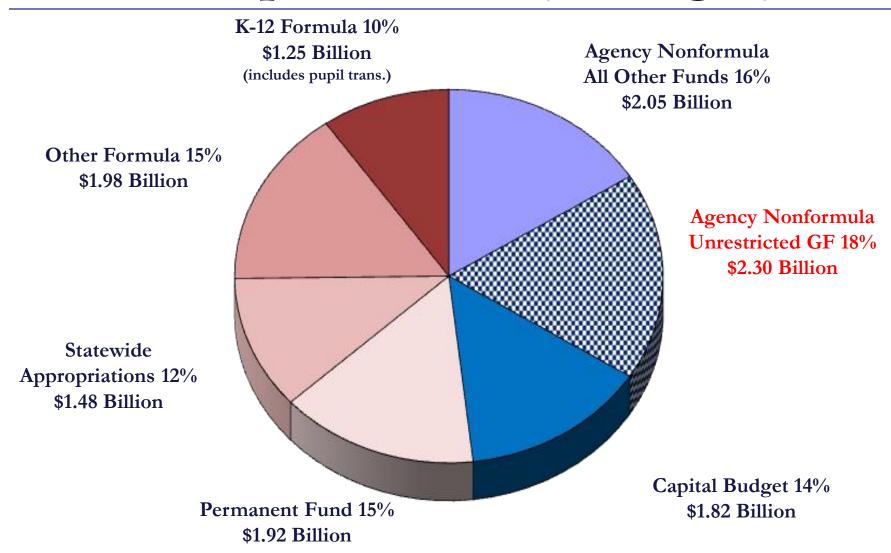


Designated GF 7% \$866.6 million

Other State Funds 4% \$559.3 million



FY2014 Expenditures by Category



Total Funds = \$12.8 billion

Safe Homes and Strong Families

Public Safety

Choose Respect- \$14.8 million

- Prevention and Intervention \$5.25 million
- Support for Survivors \$2.6 million
- Law Enforcement \$6.9 million

New Troopers

- Railbelt: 15 Troopers \$2.8 million
- Hooper Bay: 2 Troopers \$823.7 thousand

Comprehensive energy strategy

Energy

- Susitna-Watana Hydro \$95.0 million
- Weatherization/Home Energy \$51.5 million
- Sustainable Energy Fund \$125.0 million
- Energy Assistance \$67.2 million
- Renewable Energy Projects \$25.0 million

Preparing Alaska's Students for Success

Education

- -90% Graduation rate by 2020
- Jobs for Alaska's graduates
- Alaska Performance Scholarships
- Digital Learning Initiative
- K-3 Literacy Initiative

Build and Maintain Alaska's Infrastructure

• Transportation/Infrastructure

Over \$1 billion for Statewide infrastructure projects

- Highways and Aviation \$971.3 million
- -Village Safe Water \$56.5 million
- Municipal Water & Sewer \$34.0 million

Schools

- Construction \$46.2 million
- Major maintenance \$22.3 million

Deferred Maintenance \$100.0 million

Jobs for Alaskans

- Resources and Permitting
 - -Gasline development \$50.0 million
 - -Geologic Material Center \$15.0 million
 - Permitting and Statewide DigitalMapping \$7.3 million
 - -Roads to resources \$18.0 million
 - -Chinook Salmon Research \$10.0 million

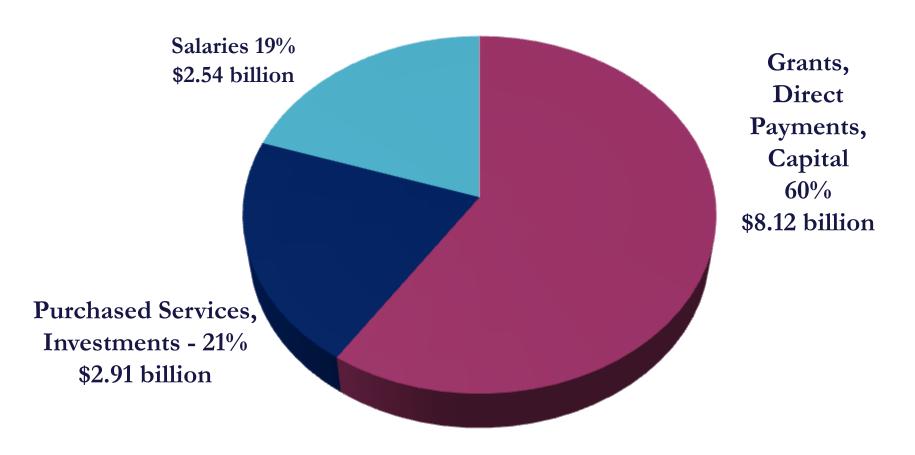
FY2014 Operating Budget Highlights

Restrain growth

- Fully fund K-12 Education and Pupil Transportation \$1.2 billion
- Retirement unfunded liability \$633.8 million
- Community Revenue Sharing \$60.0 million

FY2014 Budget- Another Perspective

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



For More Information on the Budget

http://www.omb.alaska.gov

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