

FY2016 Budget Overview

Senate Finance Committee

January 23, 2014

Office of Management and Budget



Budget Priorities:

- Opportunity for Alaskans
- Stable Economy
- Education
- Resource Development
- Affordable Energy
- Supporting Alaskan Families

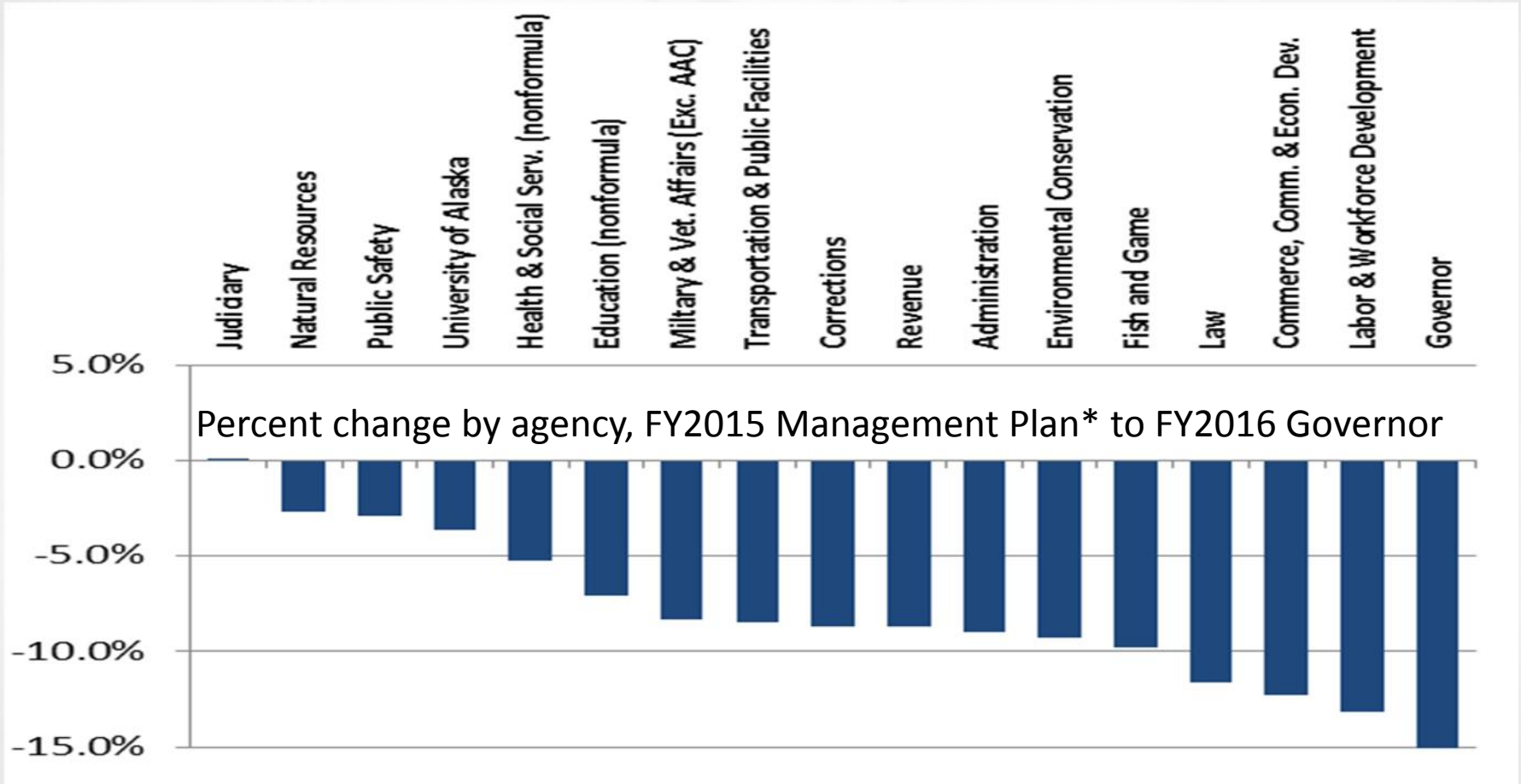


Budget Guidance: Limit Spending

- Multi-year approach
- All agencies and programs involved
- Maintain maximum service delivery
- Seek partnerships and opportunities to privatize
- Assess programs not specifically required by state law
- Involve Alaskans



All Agencies contributing



*FY2015 Management Plan reflects distribution of fuel allocation to agencies

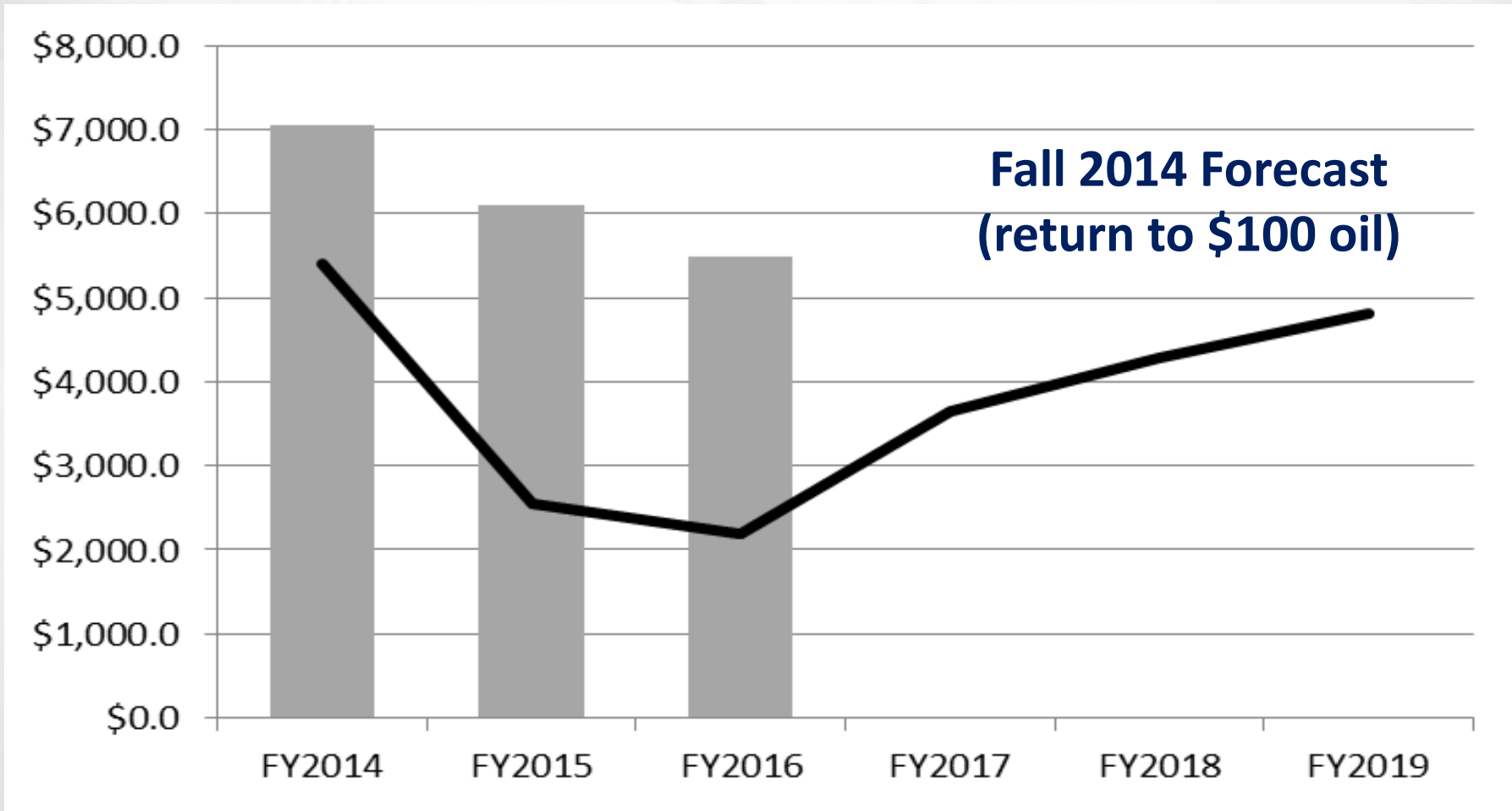
GOV -30%



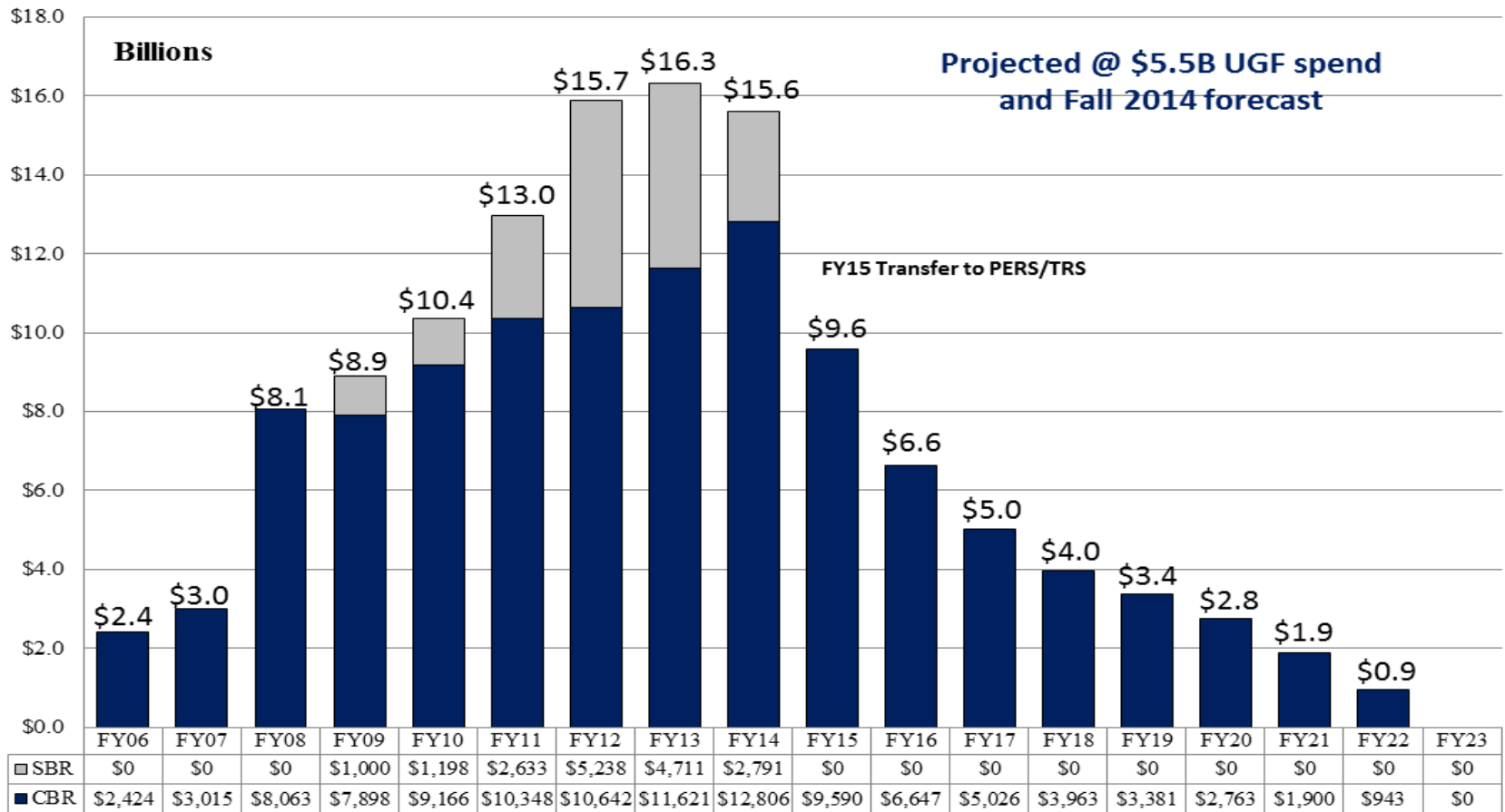
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UGF Revenue Scenarios: FY14 to FY19



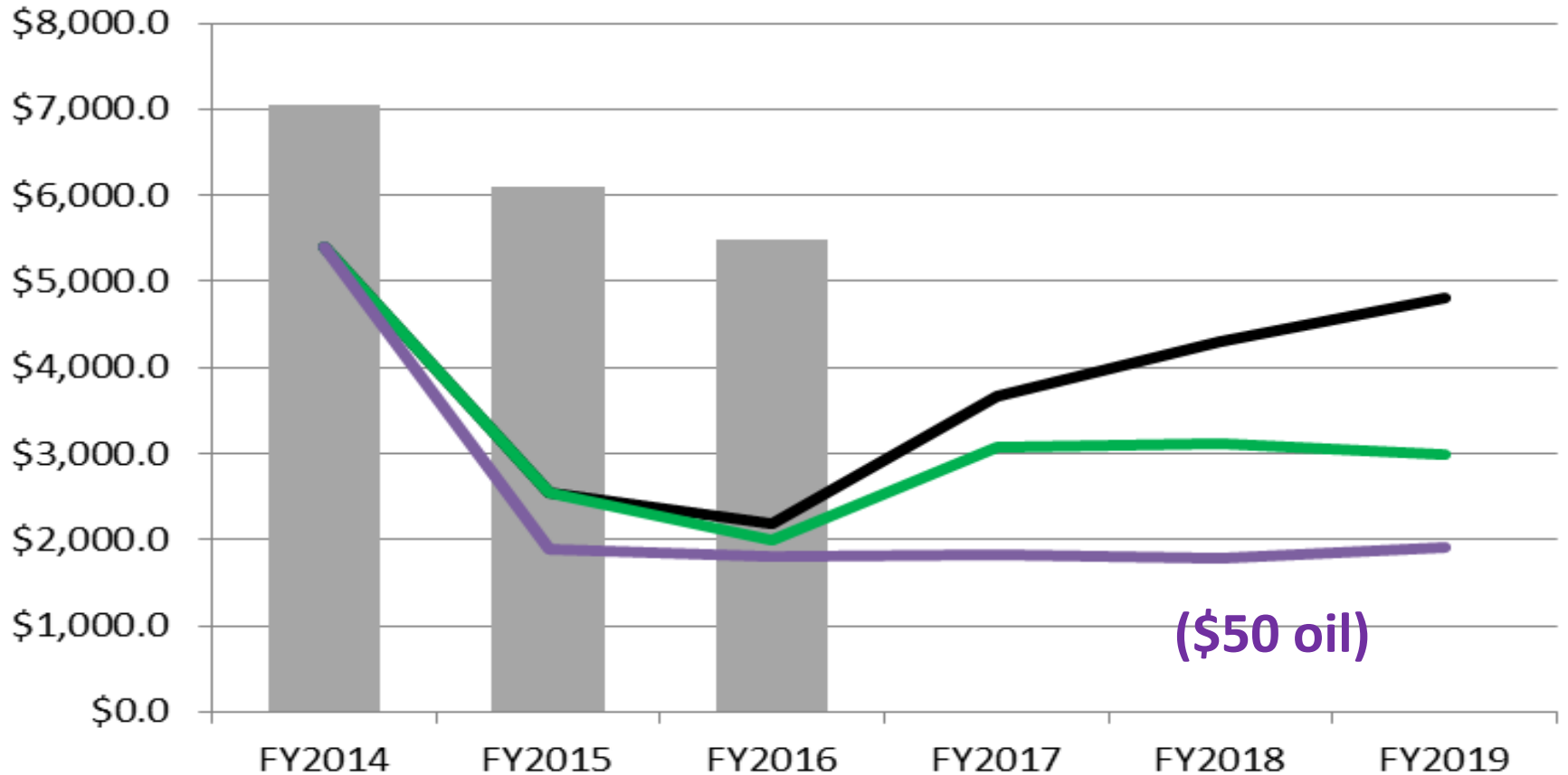
Reserves Projection at Forecast



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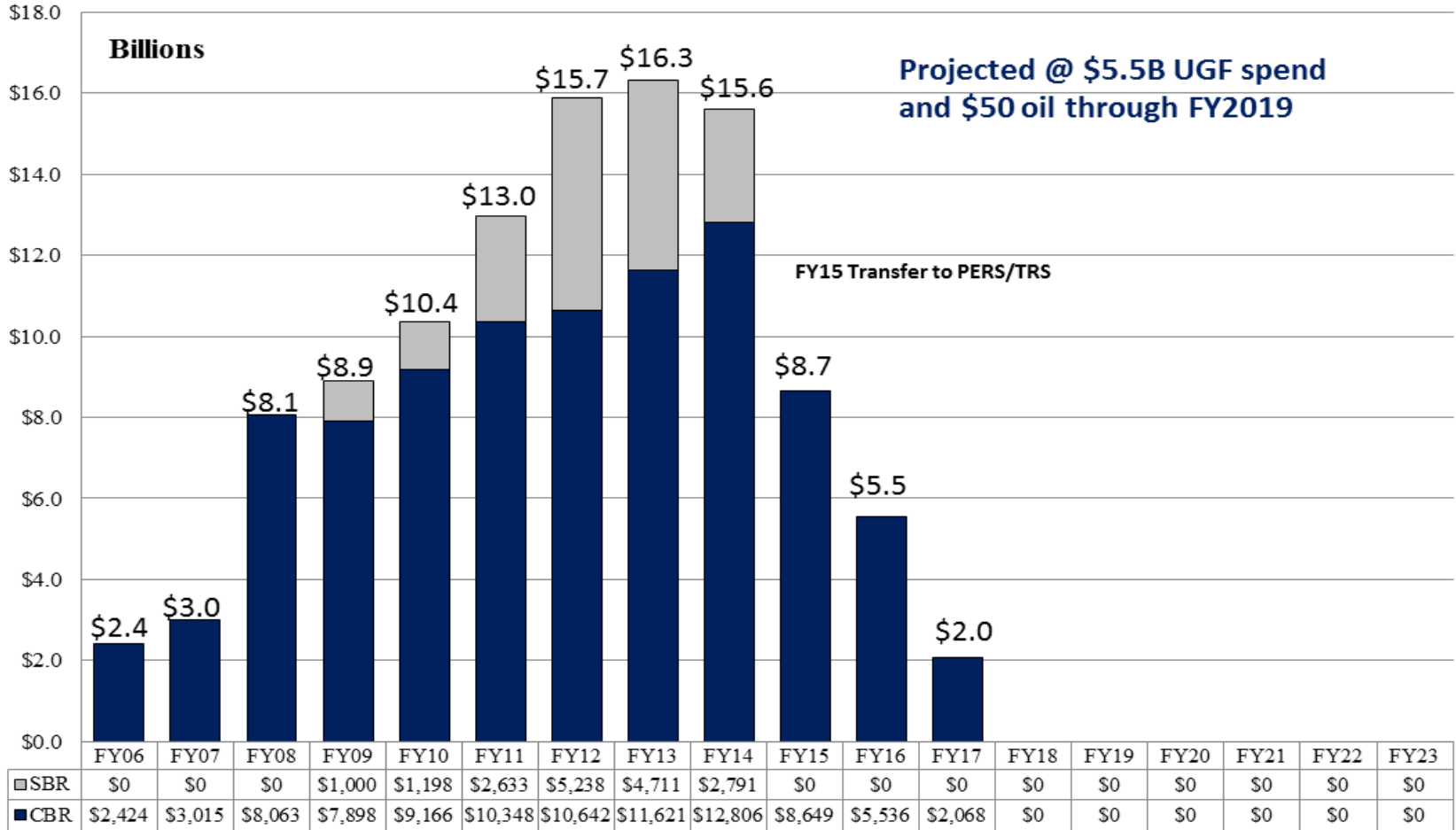
UGF Revenue Scenarios: FY14 to FY19



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Reserves Projection at \$50 oil

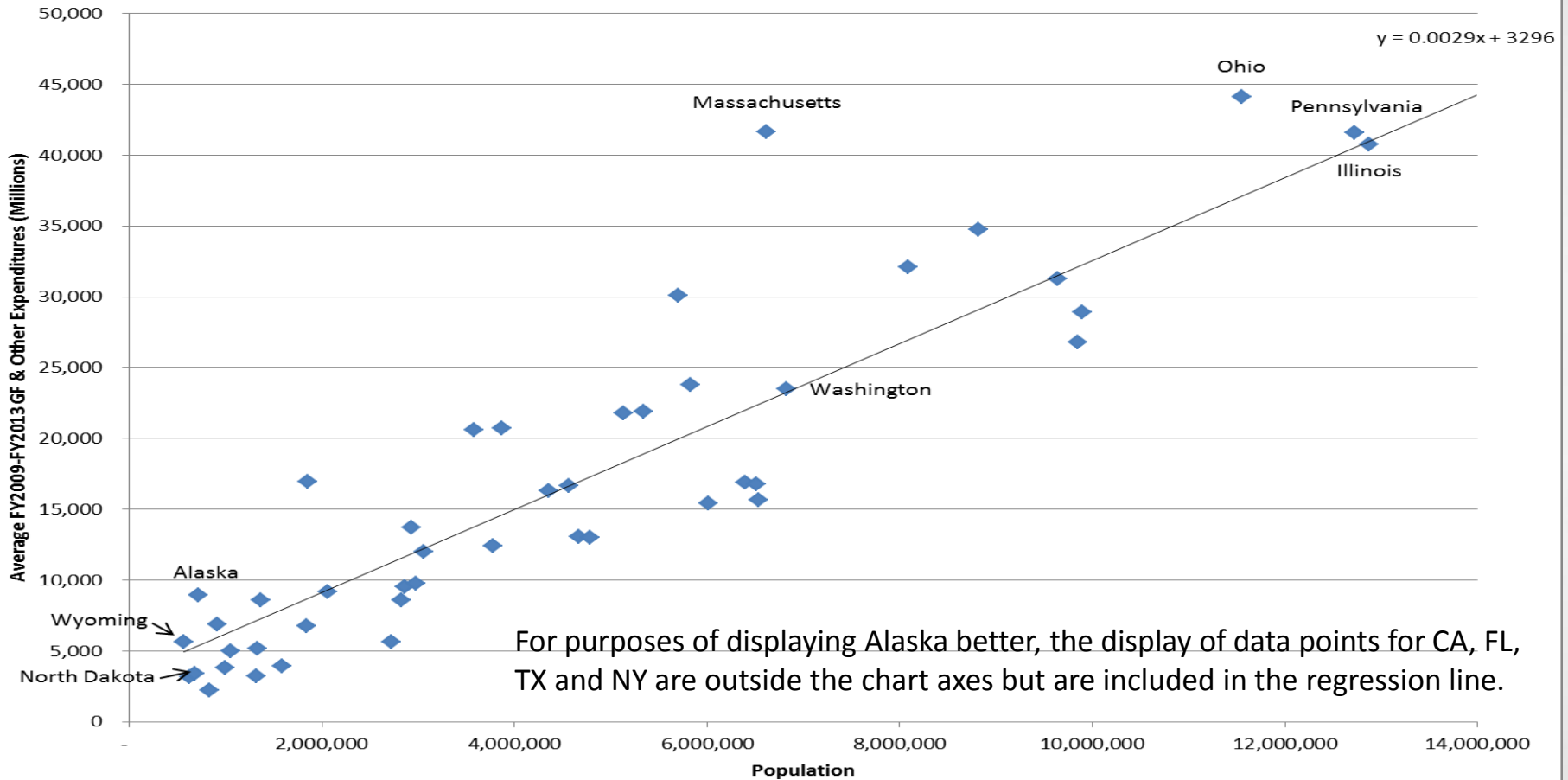


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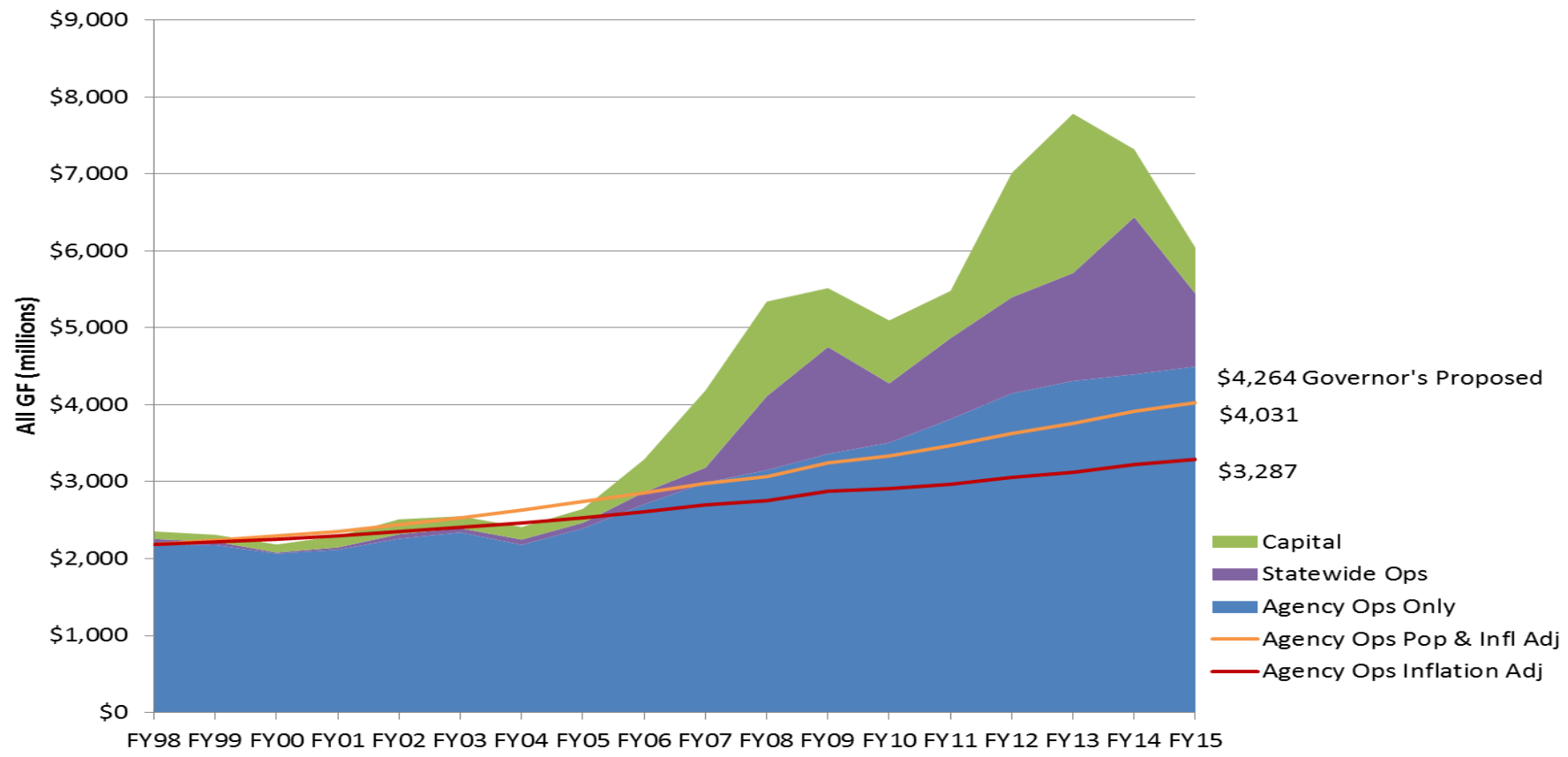
Average Total State Expenditures

Average FY2009-2013 Total State Expenditures by Population



Inflation and Population Adjustment Approach

FY1998 Agency Operations Adjusted by Inflation and by Inflation & Population



Examination of Core Agency Missions

- OMB analysis of state statutes and agency budget components
 - How do they align with the Legislature’s core agency missions?
 - Some Functions and Components Do Not Align with Core Agency Missions
 - Options:
 - Leave Status Quo in Place
 - Narrow the Function or Component
 - Transfer or Consolidate the Function or Component
 - Privatize or Outsource the Function or Component
 - Repeal the Function or Component
 - Examples
 - OMB has identified 50+ statutes that appear to be defunct
 - Consider repeal
 - Revolving Loan Funds
 - There are 32 revolving loan funds in 6 different agencies
 - Consider administration consolidation in one entity
 - Proprietary Entities (example: Alaska Aerospace Corp)
 - Consider privatizing, or forming public private entity



Administrative Initiatives

- **Cross Agency Initiatives**

May 13, 2015

IT Coordination/Restructure, Other items to evaluate procurement, travel, loan programs,

- **Programmatic Examples**

Criminal Justice and Pew Foundation



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Engaging Alaskan:

- **Initial Conversation (June)**
Reductions, Right Size, Priorities, Revenue Options
- **Engaging Alaskans across the state**
Public Trust, Respect, Persistence, Service, Teamwork.

