

# State of Alaska Office of Management and Budget

## **FY2020 Governor's Amended Budget**

Presentation to the Senate Finance Committee

February 14, 2019

Director Donna Arduin



THE STATE  
*of* **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

## Building the Budget: Core Programs

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- Public Safety
- Management of our natural resources
- Preserving maintenance of our transportation infrastructure

## Building the Budget: Guiding Principles

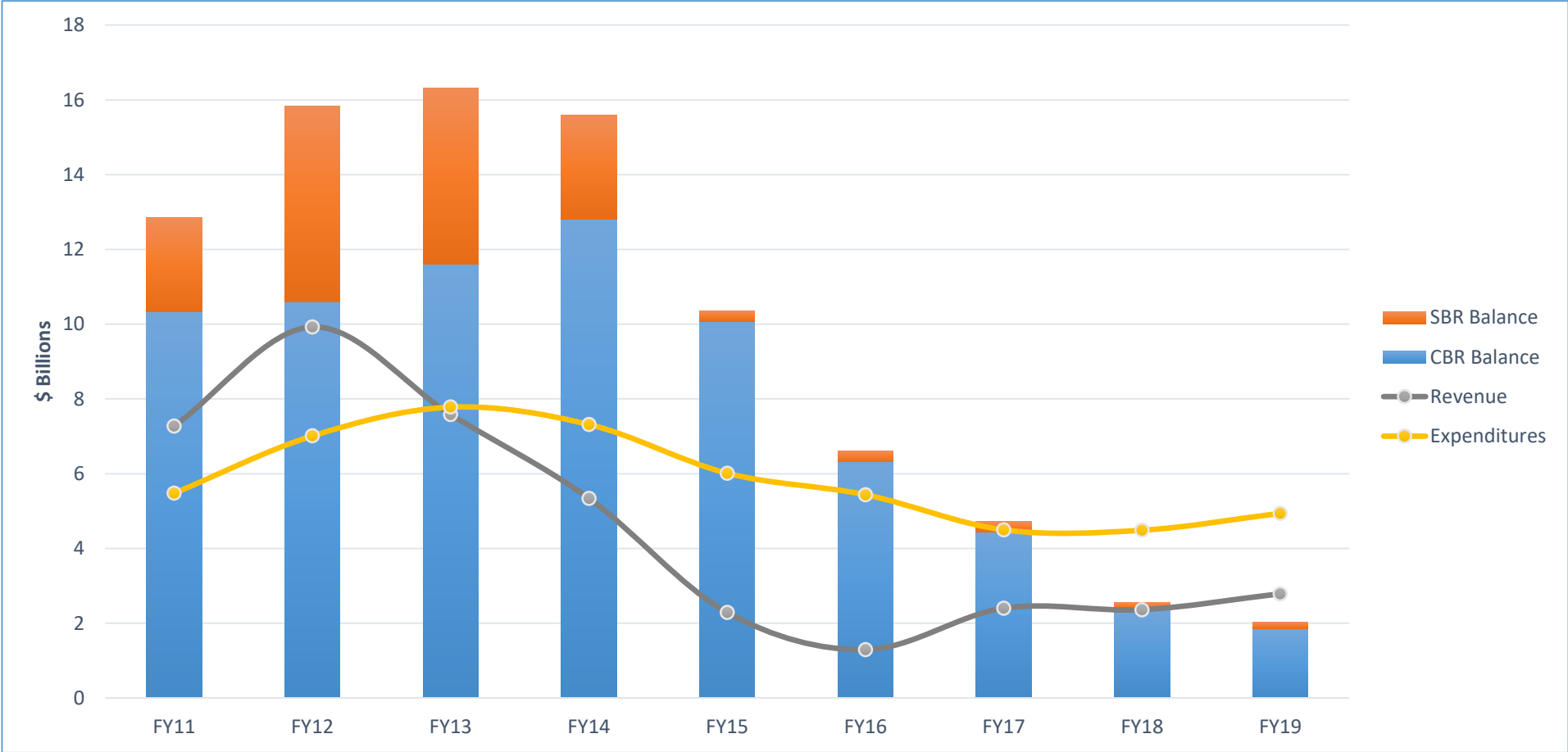
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- Expenditures cannot exceed existing revenues
- The budget is built on core functions
- Maintaining and protecting our reserves
- The budget does not take additional taxes from Alaskans through taxes or PFD
- It must be sustainable, predictable, affordable

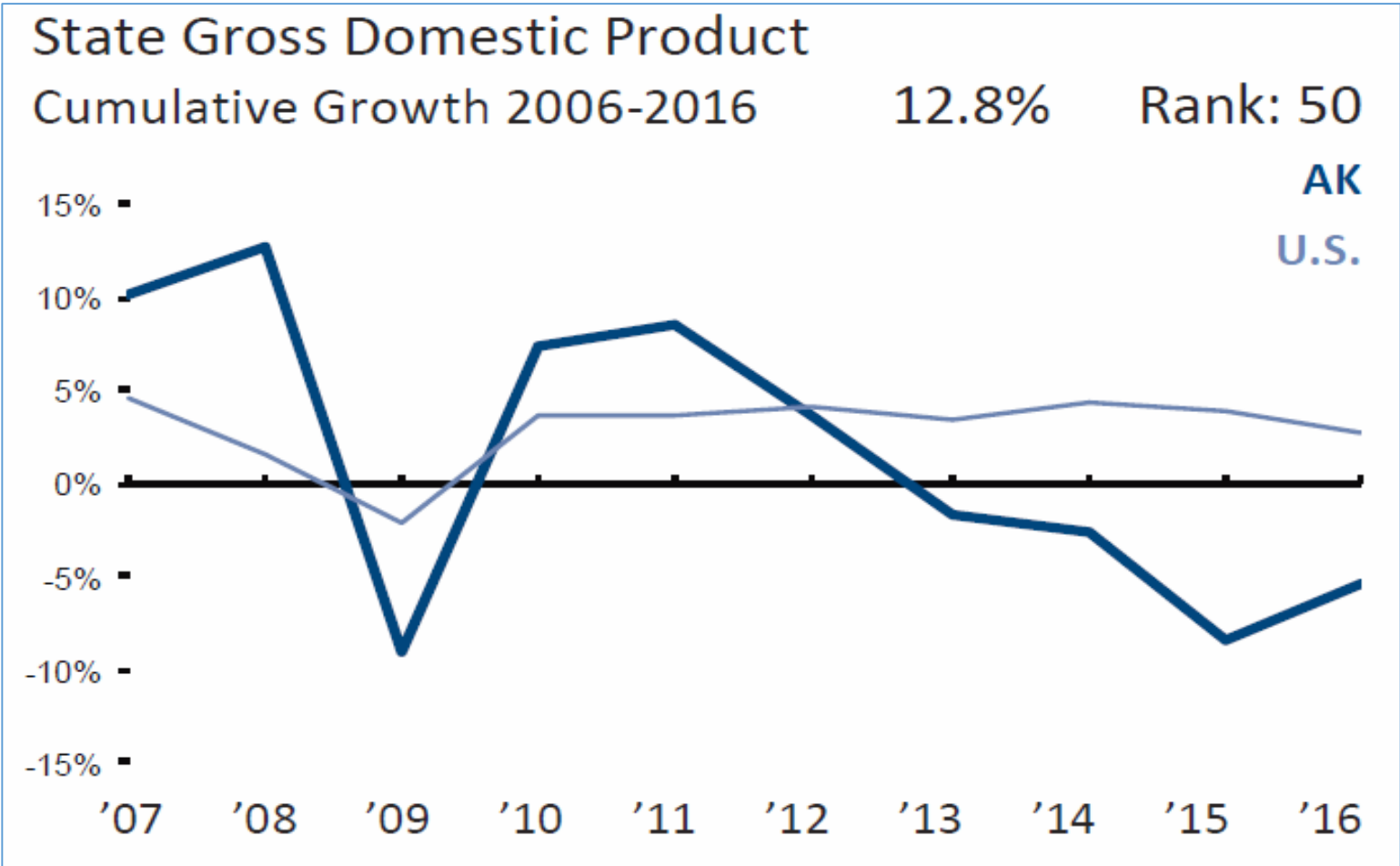
# Building the Budget: Historical Look-Back



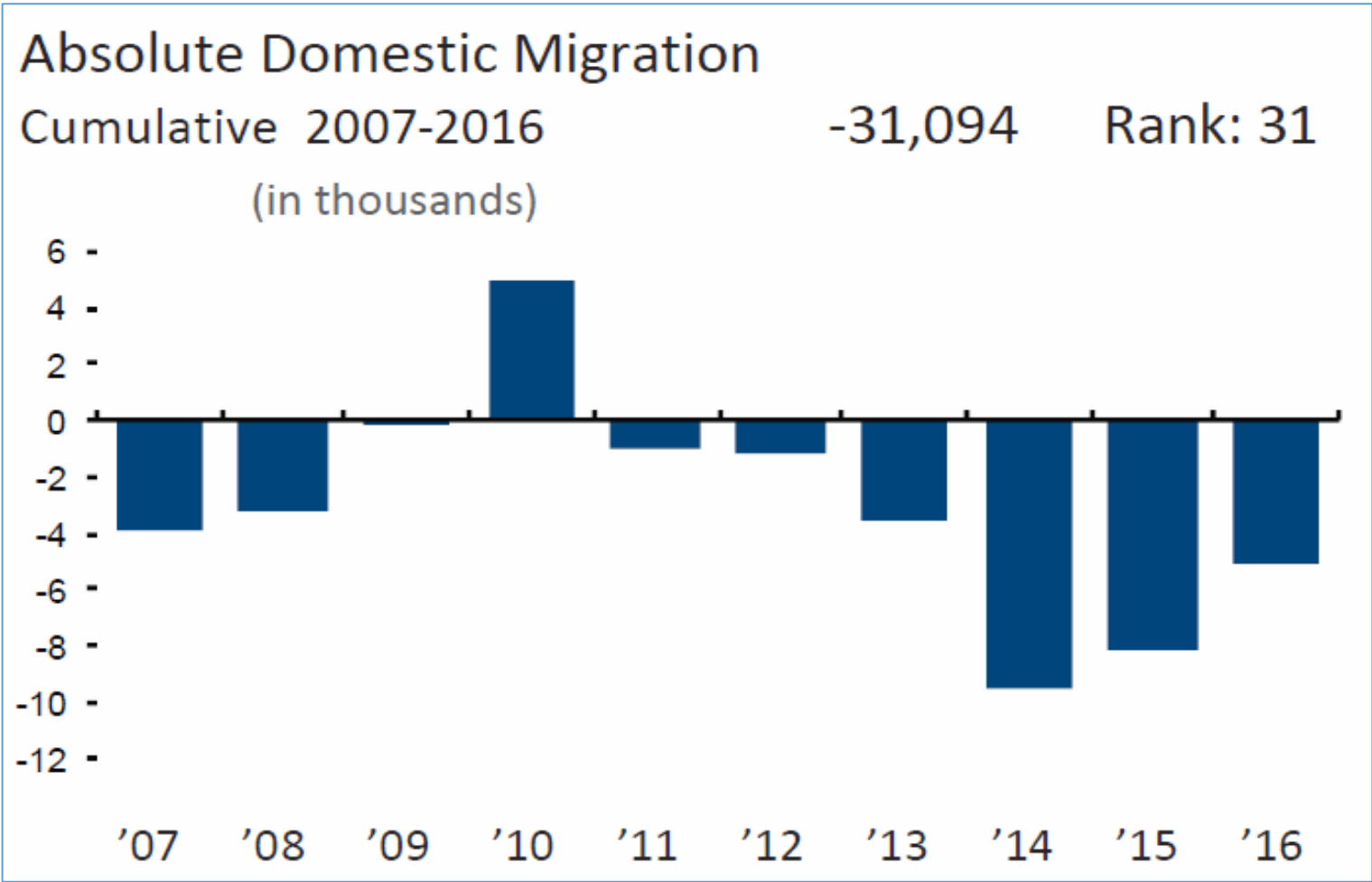
# Building the Budget: Historical Savings, Revenue & Expenditures



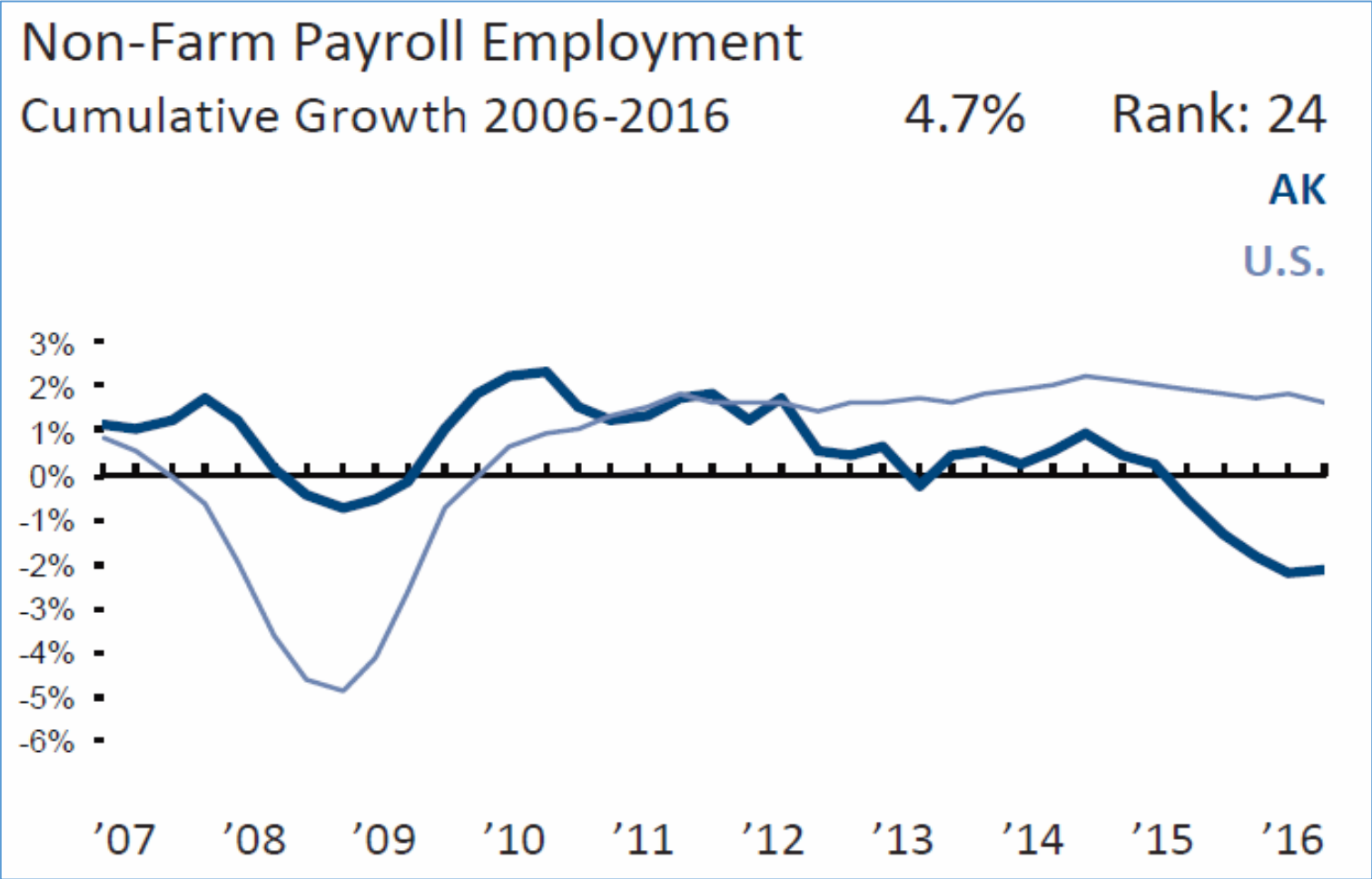
# Alaska Economic Trends: GDP



# Alaska Economic Trends: Population



# Alaska Economic Trends: Payroll





# Building the Budget: Defining the Problem

## FY2019 Management Plan plus Supplemental

## FY2020 Unendorsed Dec. 14 Budget

Revenues	General Fund	Other Restricted	Federal	FY2019 Total	General Fund	Other Restricted	Federal	FY2020 Total
General Fund Revenue	2,833.8	-	-	2,833.8	2,311.4	-	-	2,311.4
Fund Withdrawal	1,871.8			1,871.8	989.1			989.1
Restricted Revenue	1,102.3	844.5	4,002.1	5,948.8	931.7	743.5	3,783.2	5,458.4
Revenue from Fiscal Notes	-			-	-			-
<b>Total Revenue</b>	<b>5,807.8</b>	<b>844.5</b>	<b>4,002.1</b>	<b>10,654.4</b>	<b>4,232.1</b>	<b>743.5</b>	<b>3,783.2</b>	<b>8,758.8</b>

Appropriations	General Fund	Other Restricted	Federal	FY2019 Total	General Fund	Other Restricted	Federal	FY2020 Total
Agency Operations	4,952.2	613.1	2,719.9	8,285.2	4,863.0	632.4	2,683.2	8,178.6
Statewide Operations	807.2	154.8	64.9	1,026.9	749.4	68.0	36.5	853.9
<b>Total Operating</b>	<b>5,759.4</b>	<b>767.9</b>	<b>2,784.8</b>	<b>9,312.1</b>	<b>5,612.4</b>	<b>700.4</b>	<b>2,719.7</b>	<b>9,032.5</b>
Capital	331.0	76.6	1,217.2	1,624.8	246.5	43.2	1,063.5	1,353.1
Fiscal Notes	-	-	-	-	-	-	-	-
<b>Total Appropriations</b>	<b>6,090.4</b>	<b>844.5</b>	<b>4,002.1</b>	<b>10,936.9</b>	<b>5,858.9</b>	<b>743.5</b>	<b>3,783.2</b>	<b>10,385.6</b>

<b>Surplus/(Deficit)</b>	<b>(282.6)</b>	<b>-</b>	<b>-</b>	<b>(282.6)</b>	<b>(1,626.8)</b>	<b>-</b>	<b>-</b>	<b>(1,626.8)</b>
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# Balancing the Budget: Streamlined Fiscal Summary

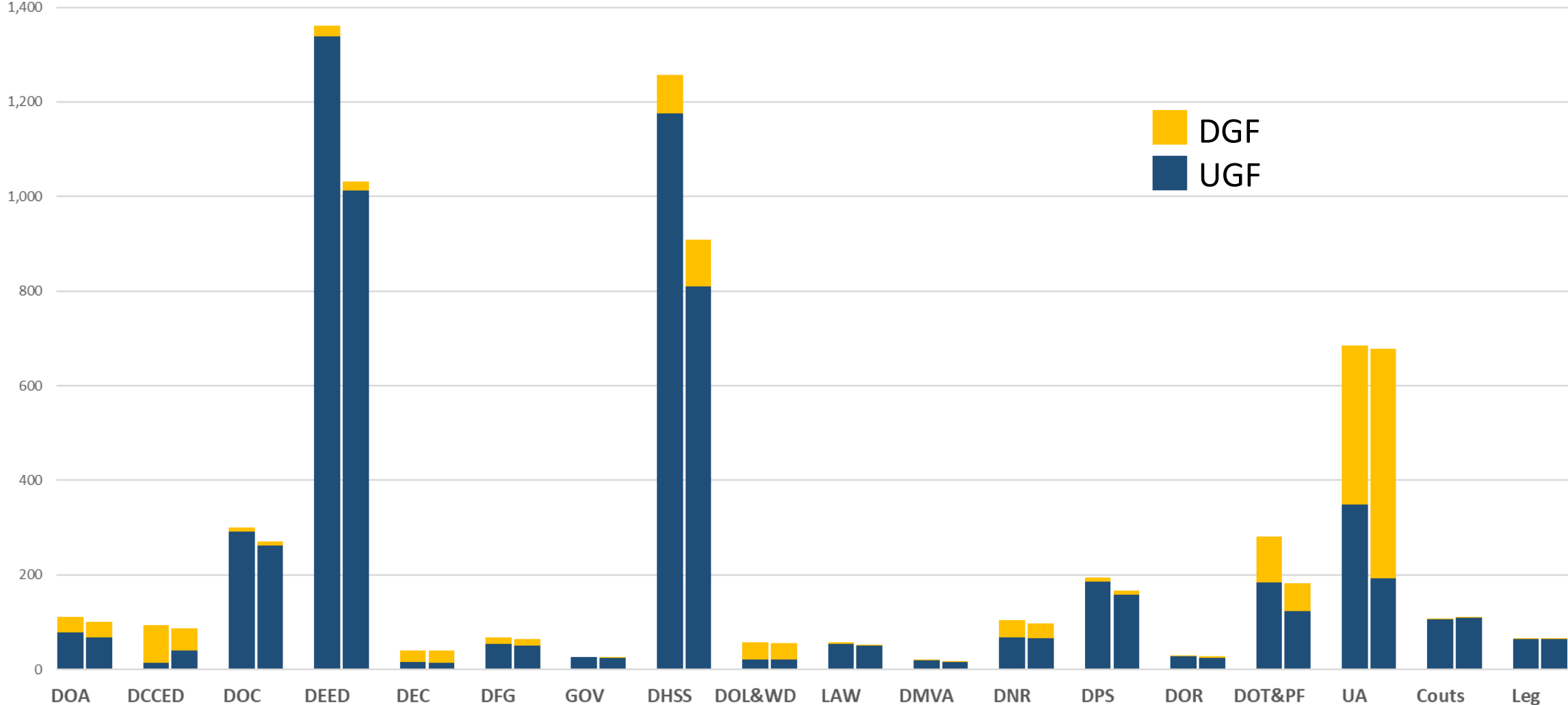
## FY2020 Governor's Amended Budget

Revenues	General Fund	Other Restricted	Federal	FY2020 Total
General Fund Revenue	2,311.4	-	-	2,311.4
Fund Withdrawal	989.1			989.1
Restricted Revenue	932.8	1,224.5	3,266.7	5,424.0
Revenue from Fiscal Notes	420.4			420.4
<b>Total Revenue</b>	<b>4,653.6</b>	<b>1,224.5</b>	<b>3,266.7</b>	<b>9,144.8</b>

Appropriations	General Fund	Other Restricted	Federal	FY2020 Total
Agency Operations	4,008.0	940.5	2,202.6	7,151.1
Statewide Operations	437.6	238.3	36.5	712.4
<b>Total Operating</b>	<b>4,445.6</b>	<b>1,178.9</b>	<b>2,239.1</b>	<b>7,863.5</b>
Capital	143.4	69.3	1,027.7	1,240.4
Fiscal Notes	44.2	(23.6)	-	20.5
<b>Total Appropriations</b>	<b>4,633.2</b>	<b>1,224.5</b>	<b>3,266.7</b>	<b>9,124.4</b>

<b>Surplus/(Deficit)</b>	<b>20.4</b>	<b>-</b>	<b>-</b>	<b>20.4</b>
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# UGF and DGF By Department - 12/14 Budget vs 2/13 Sponsor Substitute



## FY2020 Budget: Policy Groupings

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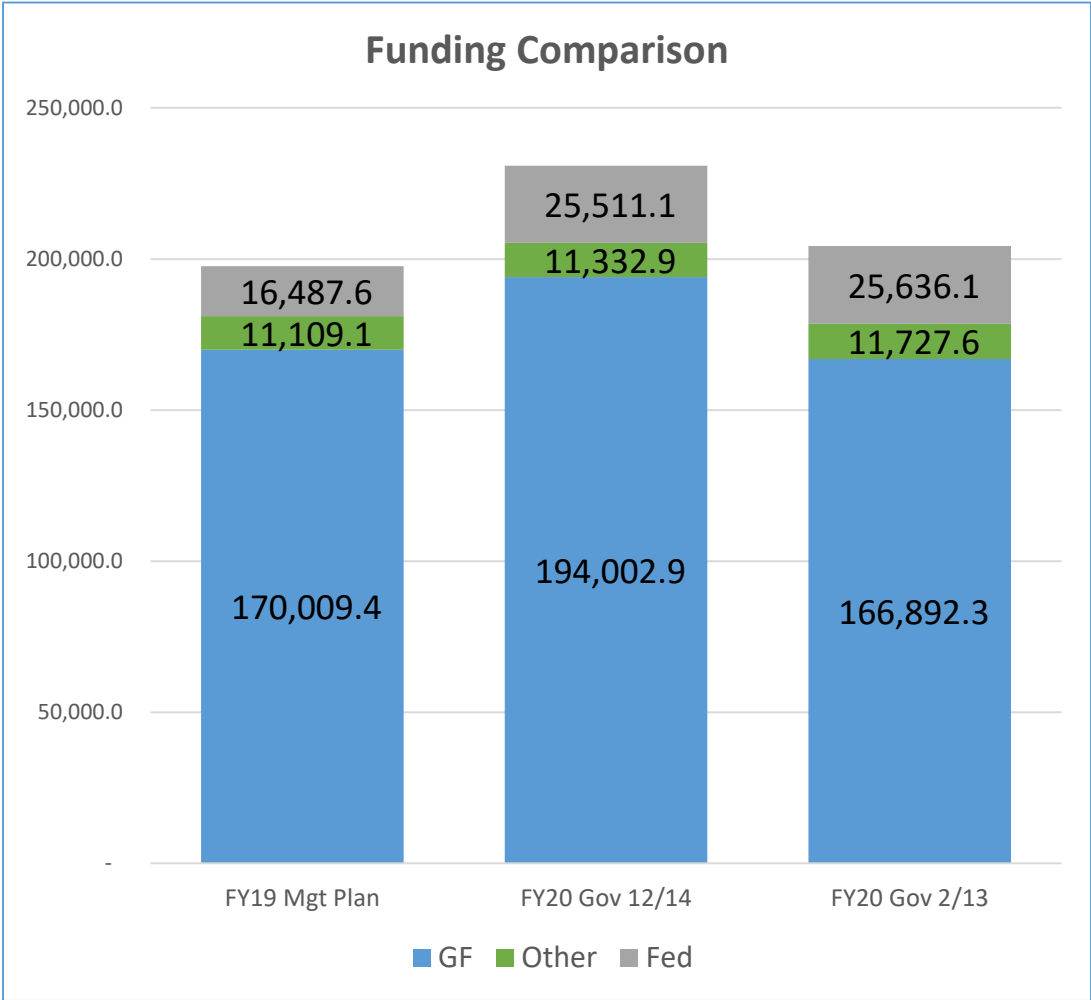
- Reducing dependence
- Business process realignment
- Unleashing entrepreneurialism
- Program reform
- Maximizing return on assets
- Outsourcing
- Reducing regulatory burden
- Eliminate duplication
- Non-essential programs
- User pay

# Department of Public Safety

Dan Spencer  
Administrative Services Director



# FY2020 Budget: Department of Public Safety



## FY2020 Budget: Department of Public Safety Snapshot

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- Training Academy - Interagency Receipt Authority for Anticipated Training Academy Revenues (+\$500.0 Other)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$103.8 GF)
- Align Village Public Safety Officer Funding (-\$3,000.0 GF)
- Reverse State Support for Civil Air Patrol (-\$302.3 GF)
- Federal Receipt Authority for the High Intensity Drug Trafficking Areas Program (+\$5,000.0 Fed)
- Council on Domestic Violence and Sexual Assault – Federal Receipt Authority for Victim of Crime Act Grant Award (+\$4,000.0 Fed)



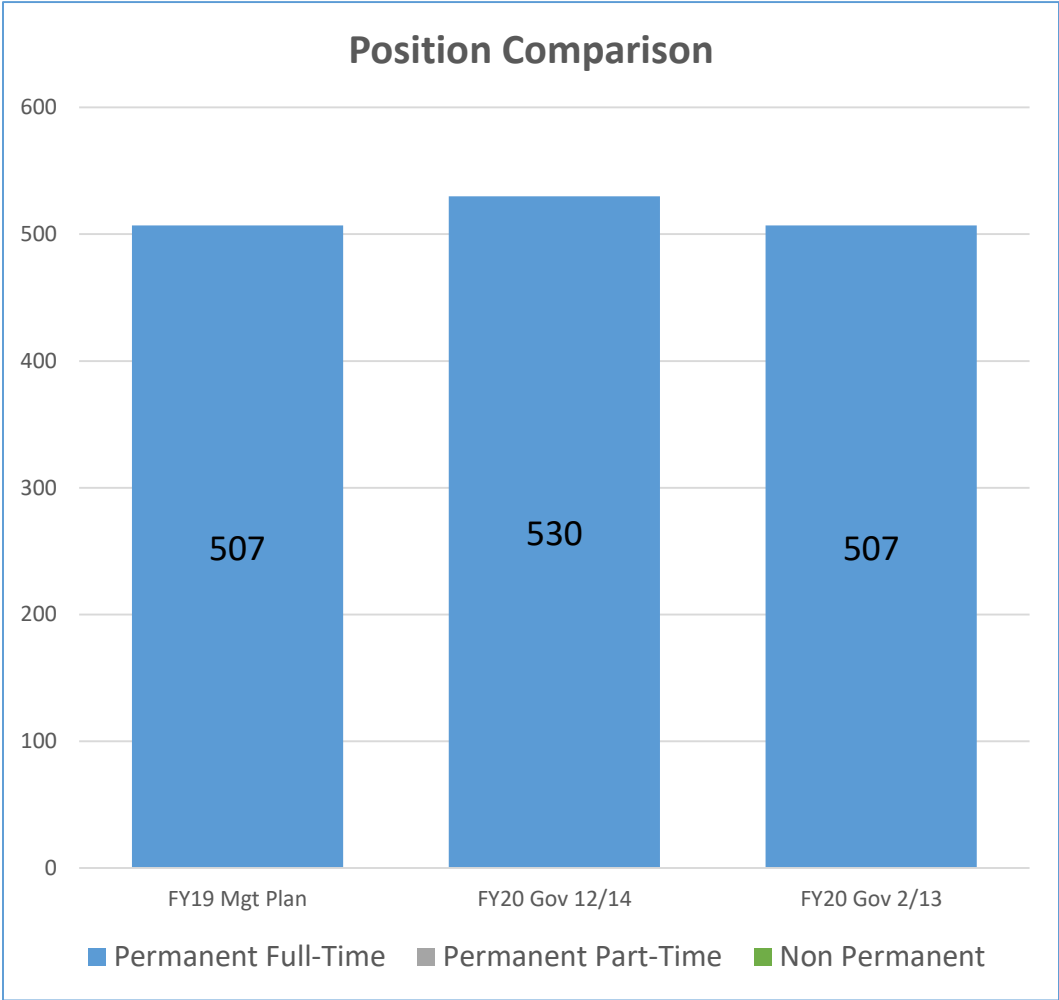
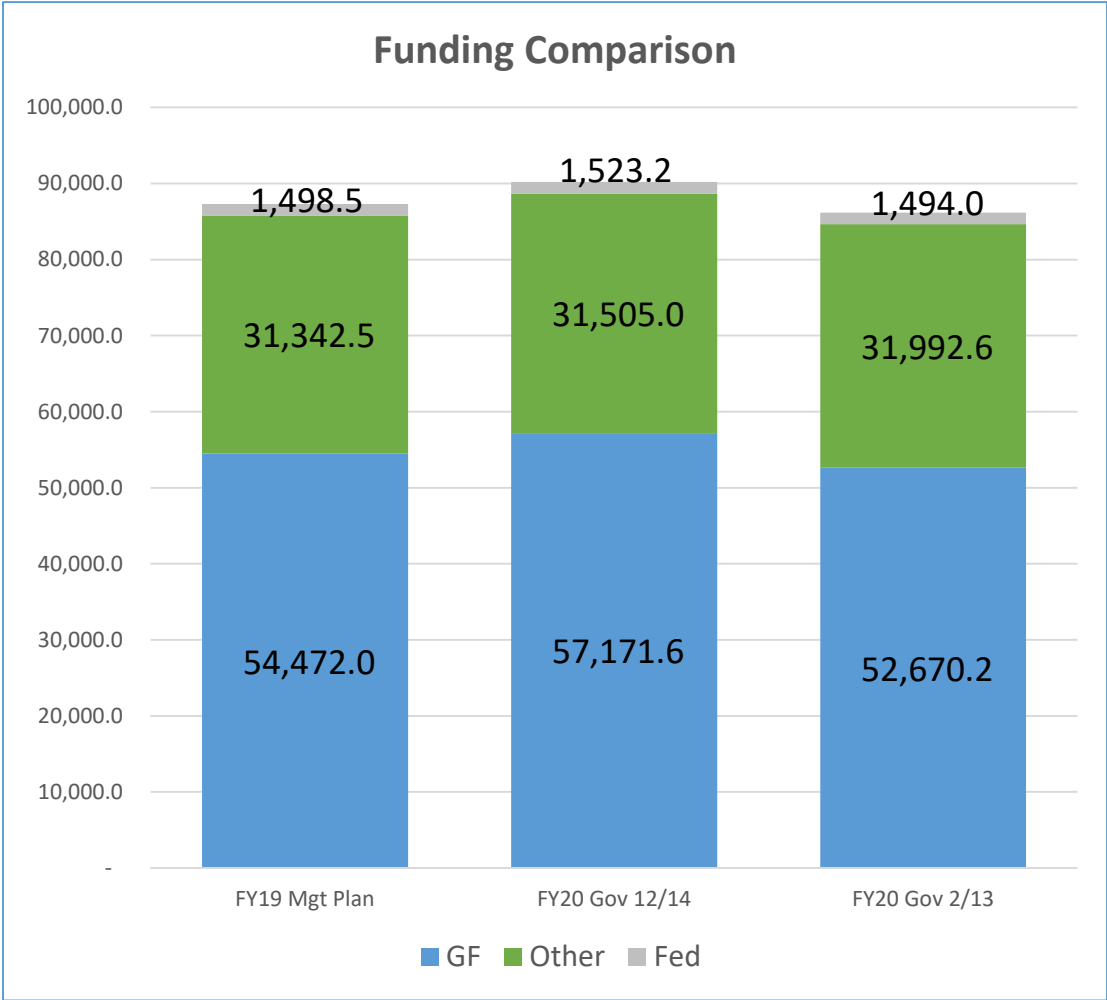
# Department of Law

Anna Kim  
Administrative Services Director





# FY2020 Budget: Department of Law



## FY2020 Budget: Department of Law Snapshot

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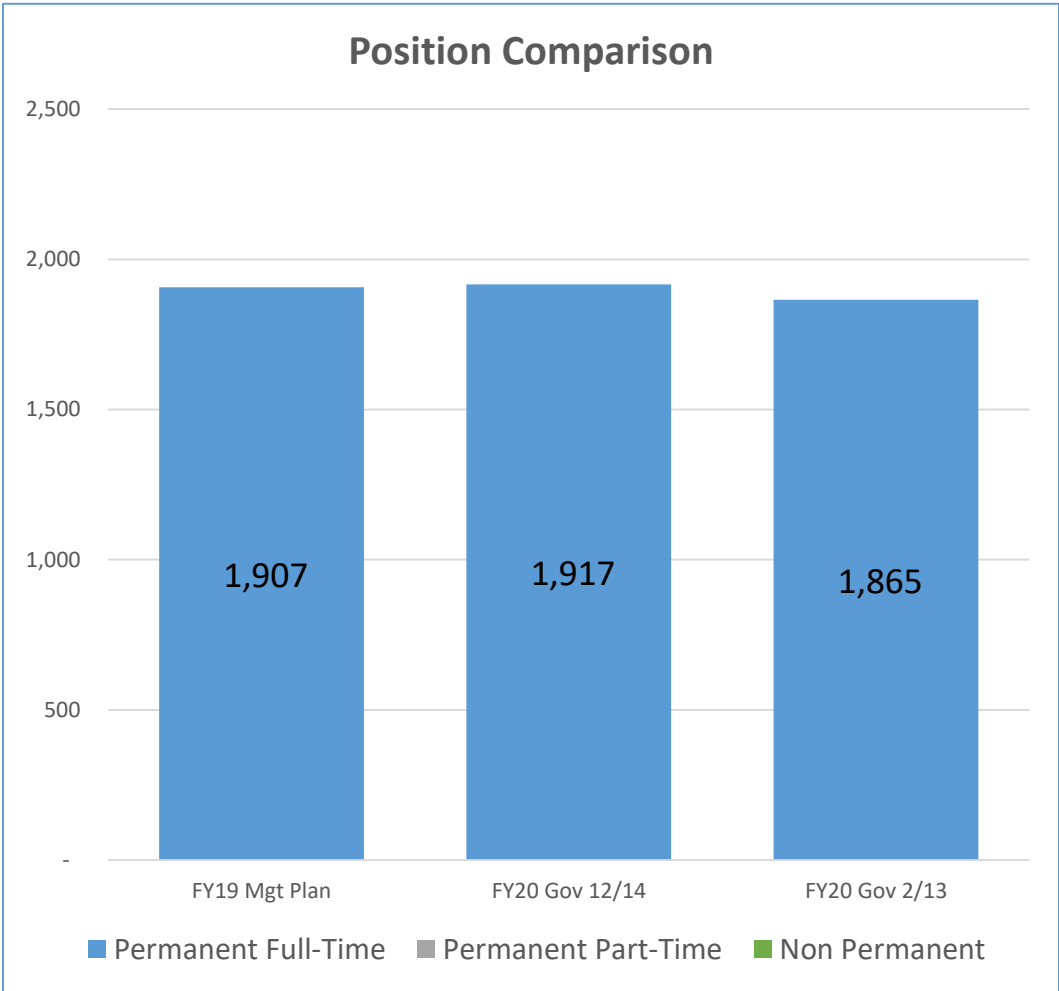
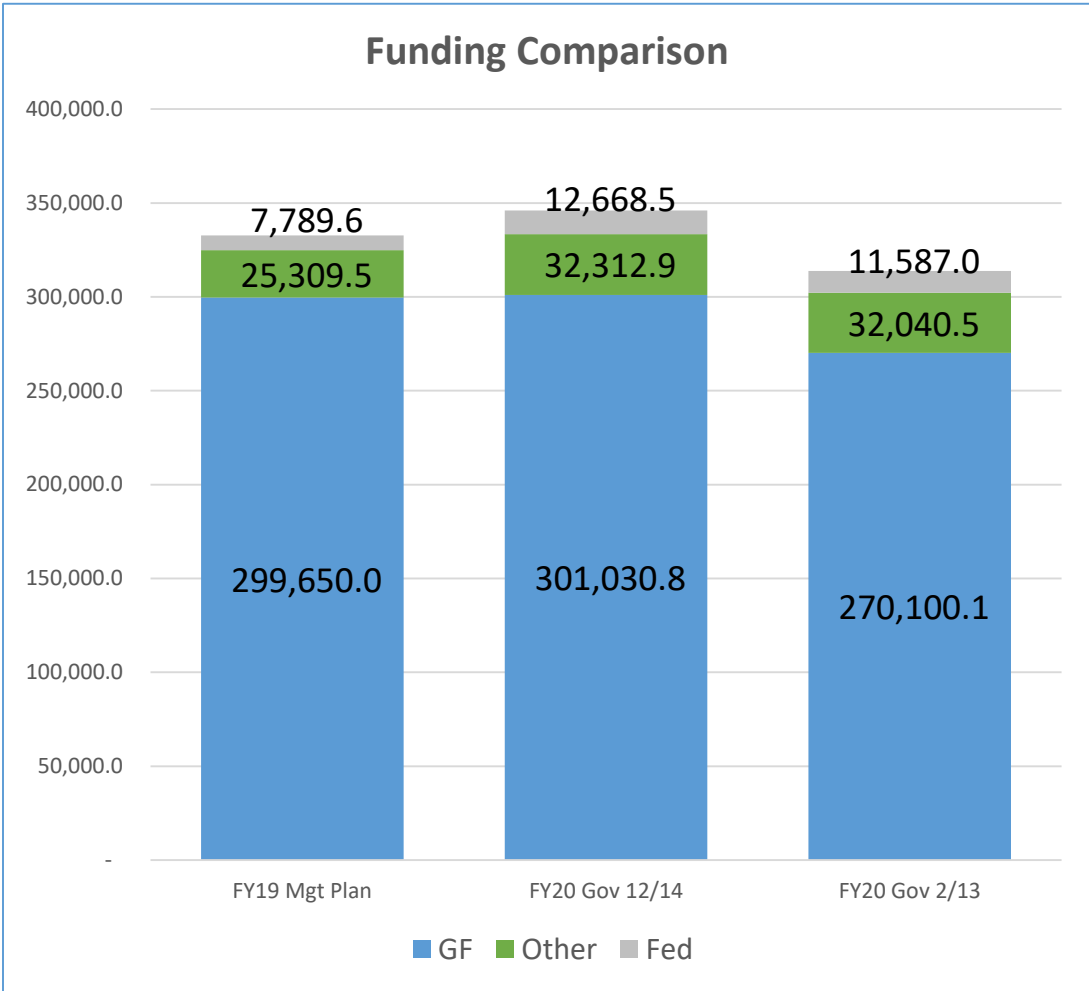
- Fully support Civil Division through billing of services (- \$750.0 GF//+\$750.0 I/A)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$190.1 GF)
- Criminal and Civil Divisions – Fully Funding Positions Added in SLA2018 (+\$307.6 GF)

# Department of Corrections

Sylvan Robb  
Administrative Services Director



# FY2020 Budget: Department of Corrections



## FY2020 Budget: Department of Corrections Snapshot

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- Funding for Video Court Hearing Institutional Staffing (+\$969.6 GF & +10 PFTs)
- Reduce Authority Due to the Elimination of the Professional Conduct Unit (-\$1,199.7 GF & -5 PFTs)
- Transition at least 500 inmates to out of state facilities (-\$12,802.5 GF)
- Close a Sentenced Wing of the Wildwood Correctional Center (-\$6,000.0 GF & -46 PFTs)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$71.2 GF)

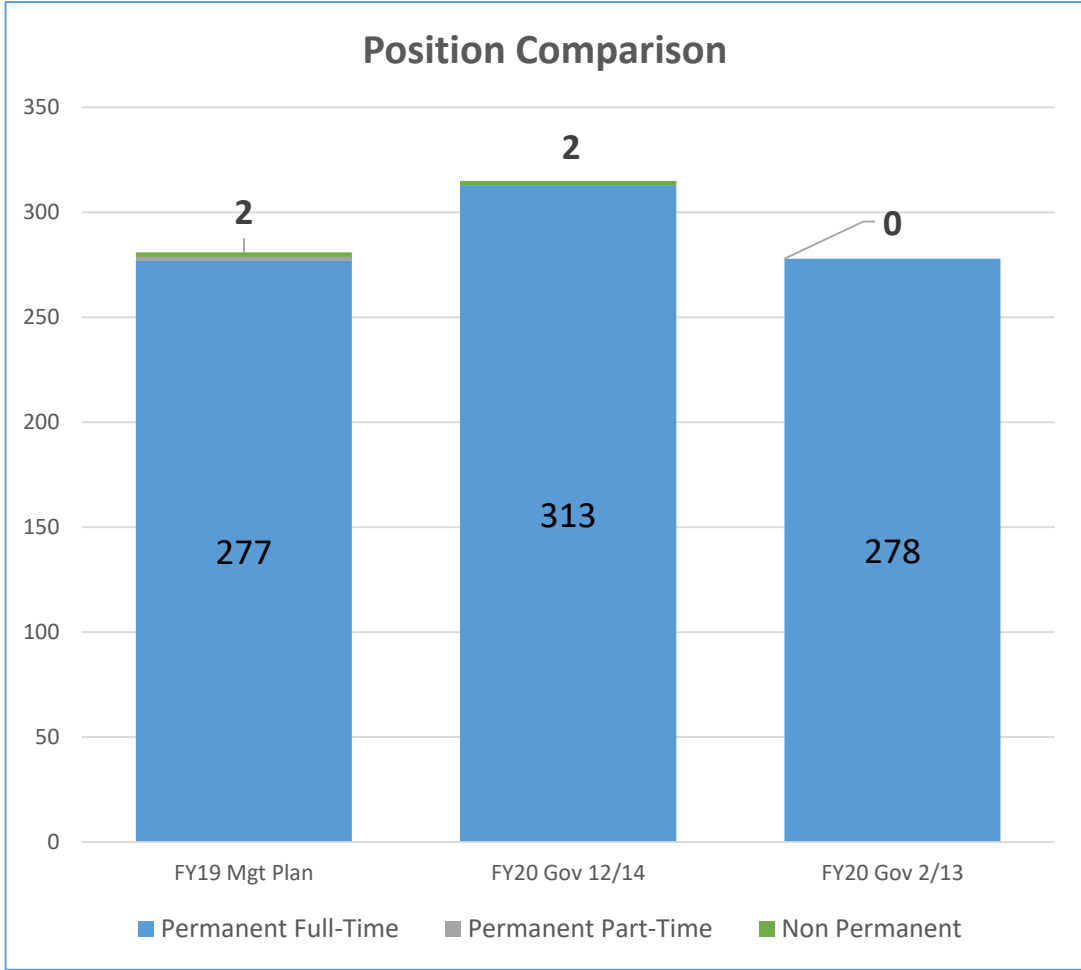
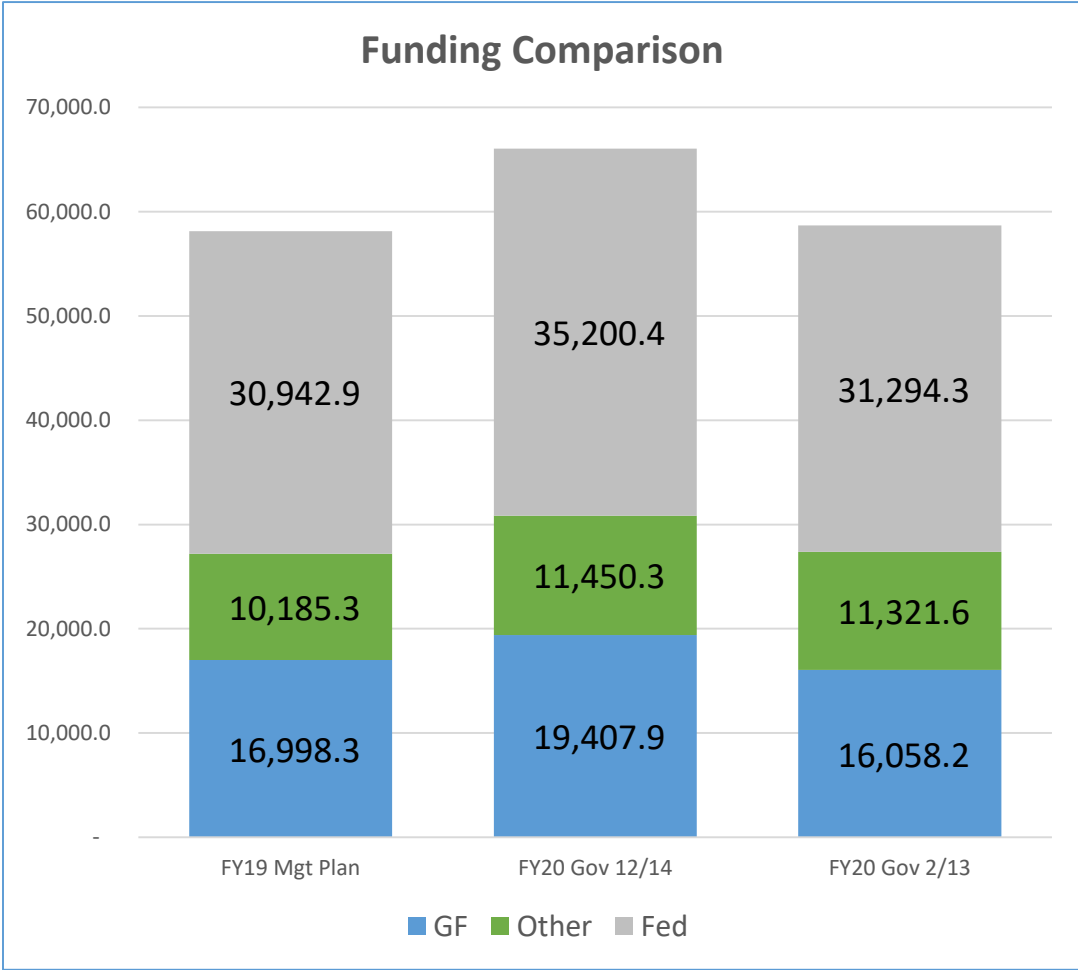
# Department of Military of Veterans' Affairs

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Keith Silver  
Administrative Services Director



# FY2020 Budget: Department of Military and Veterans' Affairs





## FY2020 Budget: Department of Military and Veterans' Affairs Snapshot

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- Additional funding for Funeral Honor Support for Alaska Veterans (+\$50.0 GF)
- Delete funding for non-statutory/volunteer programs
  - Local Emergency Planning Committee (-\$300.0 GF)
  - Alaska State Defense Force (-\$210.9 GF)
- Delete Special Assistant to the Commissioner (-\$161.2 GF & -1 PFT)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$103.3 UGF)



# Judiciary

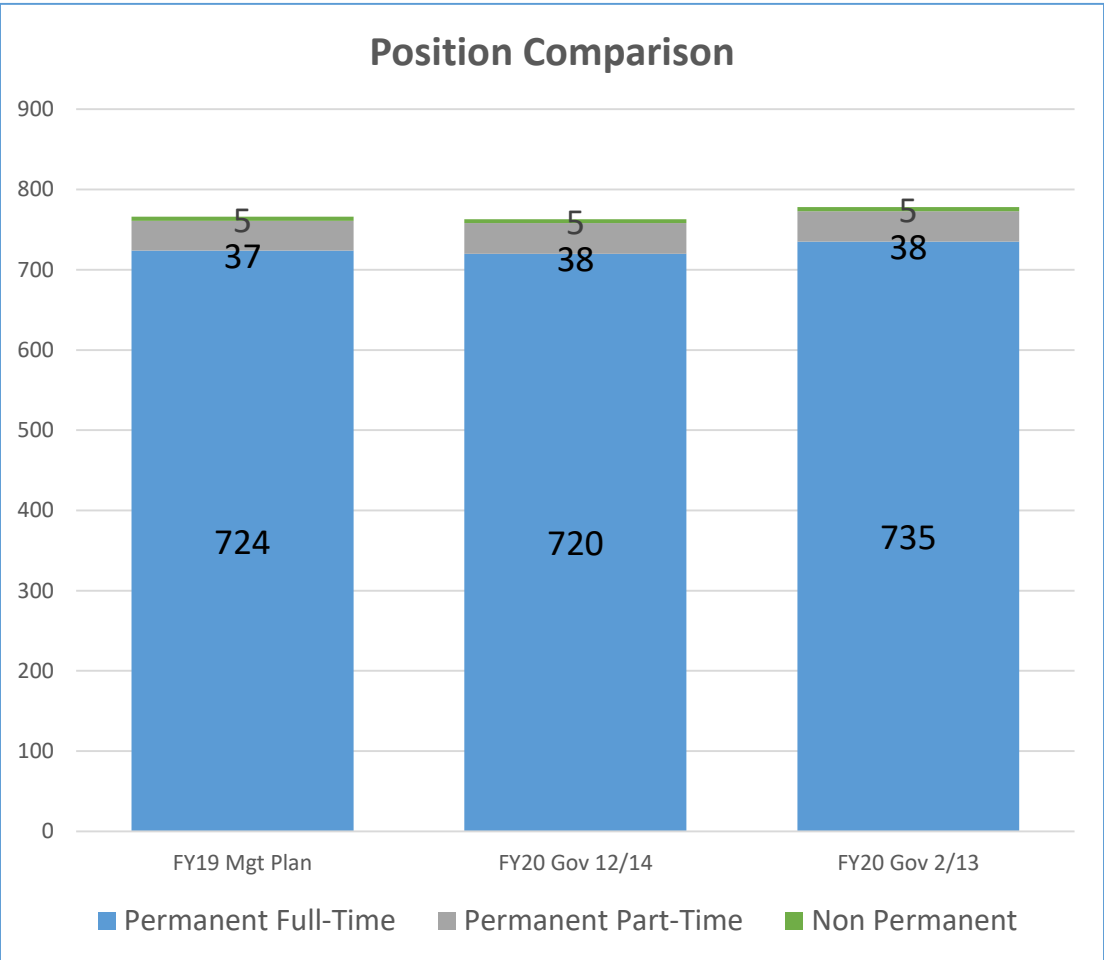
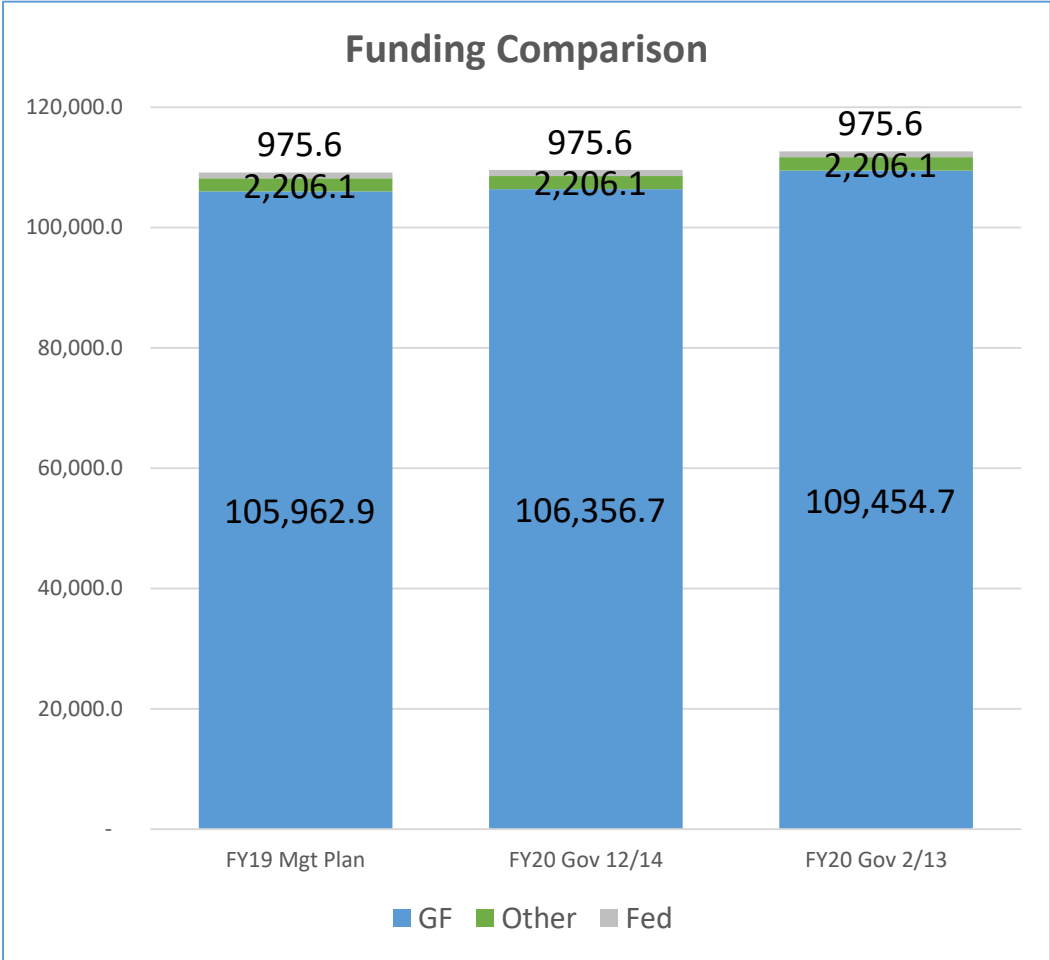
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Doug Wooliver  
Deputy Administrative Director



# FY2020 Budget: Judiciary

Budget requests from agencies of the Judicial Branch are transmitted as requested.



## FY2020 Budget: Judiciary Snapshot

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*Budget requests from agencies of the Judicial Branch are transmitted as requested.*

- Trial Courts - Re-Open Courts on Friday Afternoons (+\$3,098.0 GF & +15 PFT)

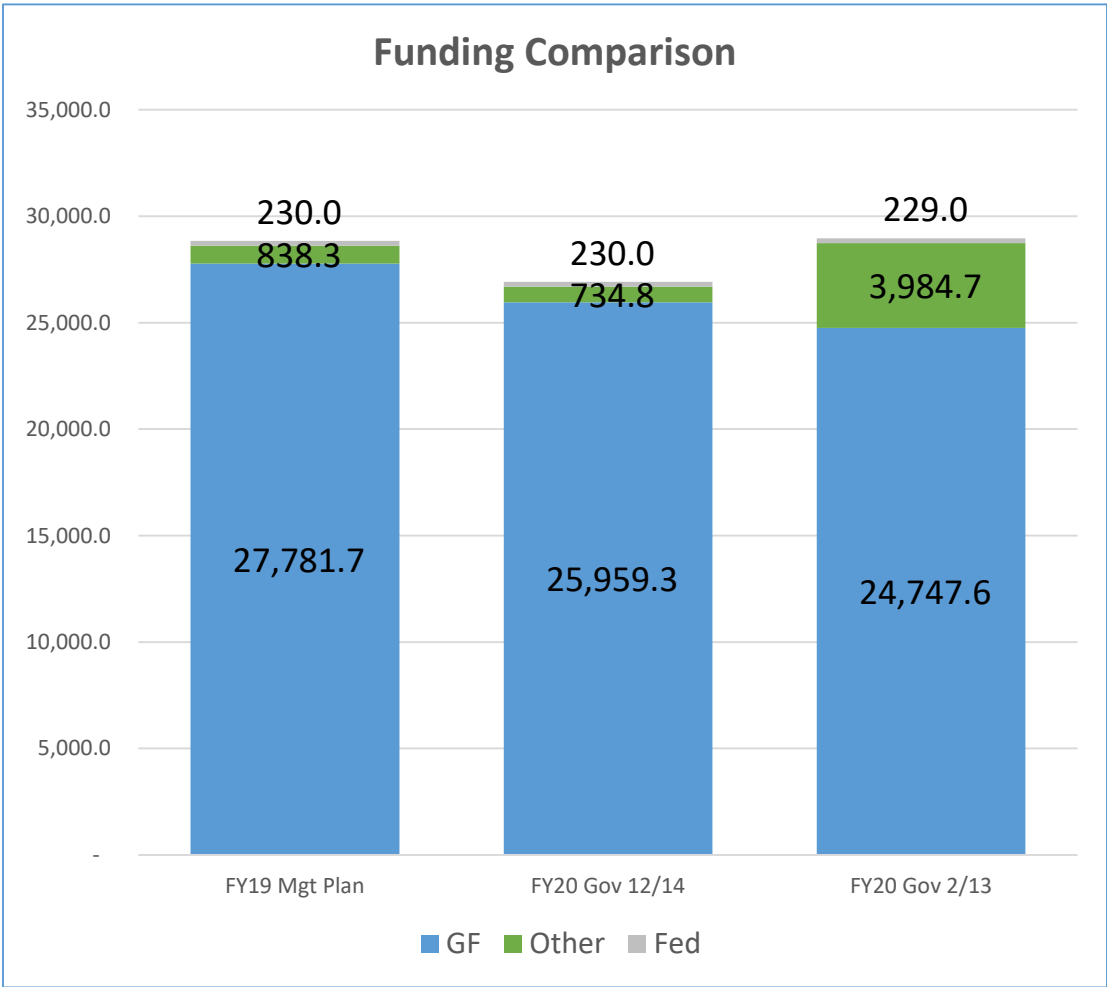
# Office of the Governor

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Shawn Henderson  
Administrative Services Director



# FY2020 Budget: Office of the Governor



## FY2020 Budget: Office of the Governor Snapshot

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- Reduce Contingency fund (-\$300.0 GF)
- Consolidate Administrative Services Directors (+2,706.3 I/A & 13 PFTs)
- Statewide Support – Executive Branch 50% Travel Reduction (-\$618.7 GF)

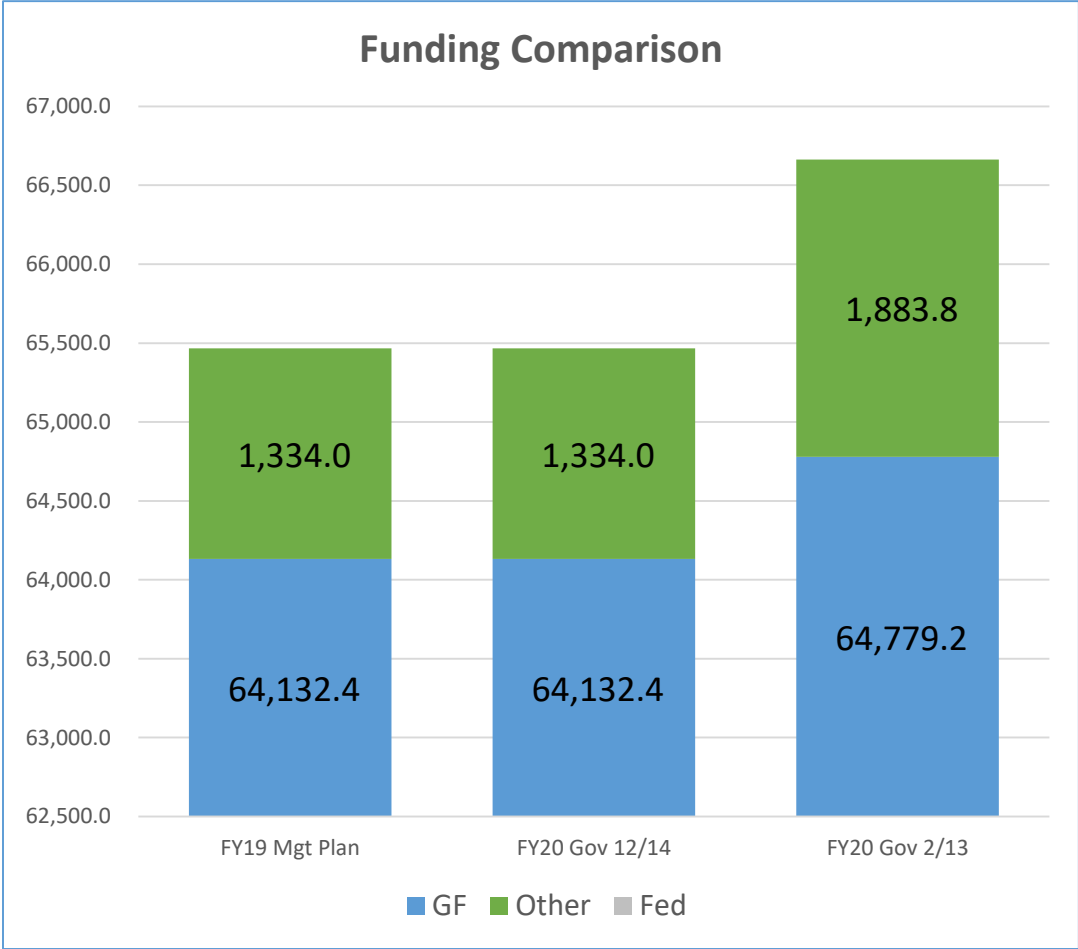


# Legislature

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# FY2020 Budget: Legislature

Budget requests from agencies of the Legislative Branch are transmitted as requested.





## FY2020 Budget: Legislature Snapshot

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*Budget requests from agencies of the Legislative Branch are transmitted as requested.*

- Increase personal services funding to meet projected costs (+\$600.0 UGF)
- Add two positions for expanded Senate Finance Committee (+390.9 UGF & +2 PFTs)
- Reduce vacancy factor (+85.9 UGF)

# Sustainable, Predictable, Affordable

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