Corrected: Budget Cost Drivers

- From FY2019 to FY2022 …
  - State assistance to retirement has increased $70.3 million
  - Employee salary adjustments for cost of living and health insurance have increased $50.0 million
  - Public protection services including law enforcement, prosecution, defense, courts, and corrections have required investment of $52.8 million
- $173.1 million in UGF reductions to maintain a flat budget

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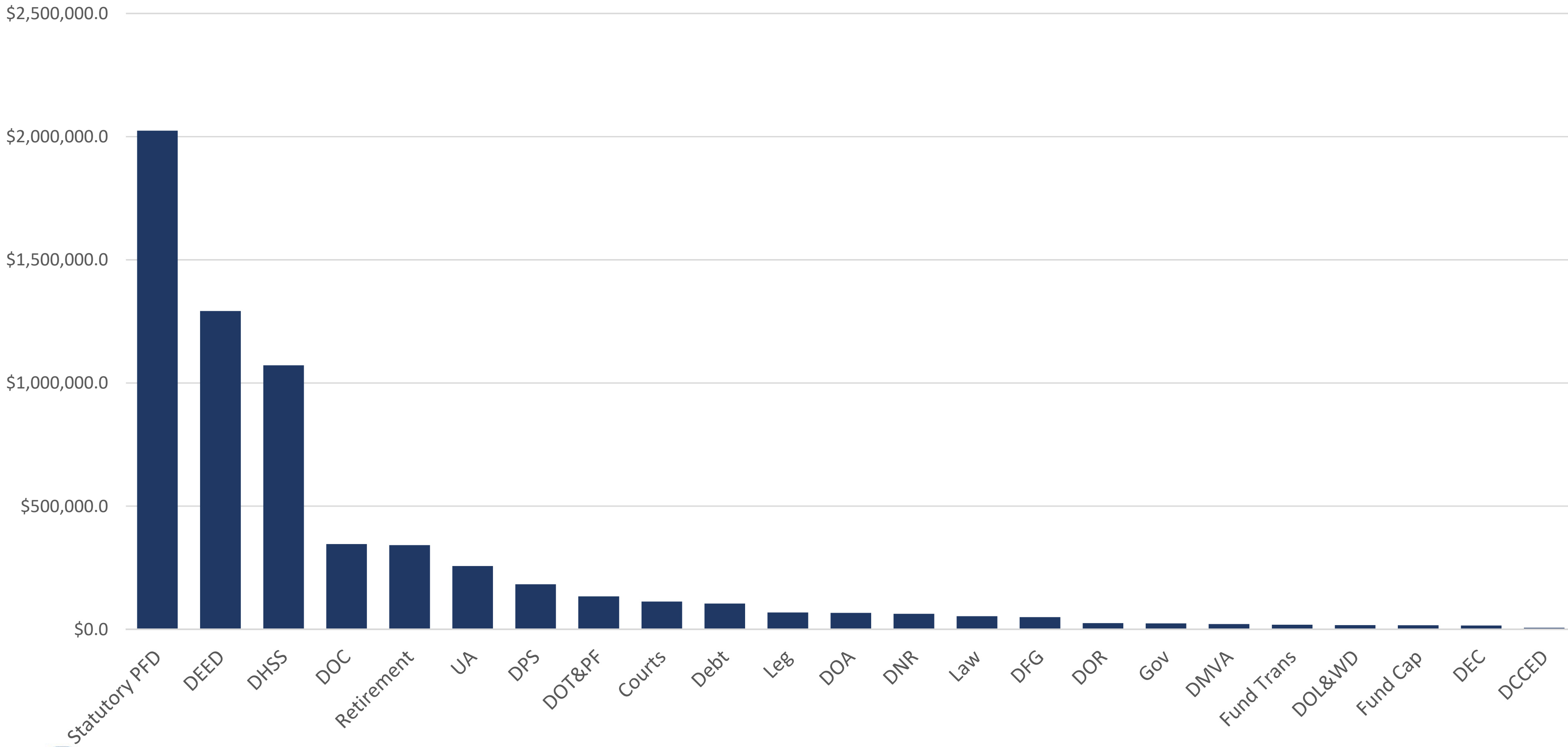
FY22 UGF Operating Budget Items



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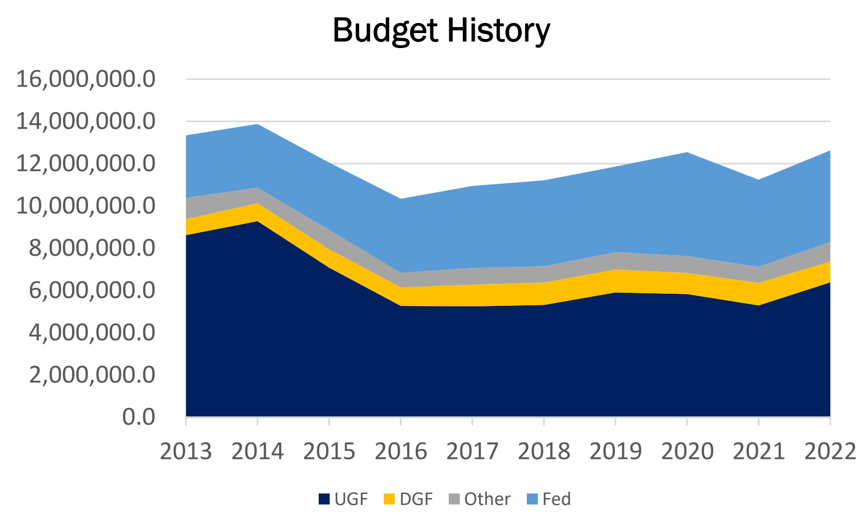
State of Alaska Total Budget



Budget Change Summary

	2019	2020	2021	2022	FY19 - 22 Change	%
UGF	5,898,171.2	5,825,172.8	5,291,267.3	6,378,923.1	480,751.9	8.2%
DGF	1,084,604.5	998,965.3	1,060,781.0	987,083.0	(97,521.5)	-9.0%
Other	820,592.4	798,346.6	760,844.7	923,516.0	102,923.6	12.5%
Fed	4,056,411.5	4,919,505.2	4,125,889.4	4,335,628.9	279,217.4	6.9%
Total	**11,859,779.6**	**12,541,989.9**	**11,238,782.4**	**12,625,151.0**	**765,371.4**	**6.5%**

Position Change Summary

PCN Count	2019	2020	2021	2022	FY19 - 22 Change	%
Full-Time	20,447	20,634	20,468	20,299	(148)	-0.7%
Part-Time	1,871	1,829	1,773	1,775	(96)	-5.1%
Non-Perm	424	459	458	460	36	8.5%
Total	**22,742**	**22,922**	**22,699**	**22,534**	**(208)**	**-0.9%**

FY2022 Total Budget:

- Agency operations
- Statewide items
- Permanent Fund Dividends
- Capital budget

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Amounts shown do not include duplicated funds, historical data is inclusive of supplemental appropriations

Dollars in Thousands 3

Fiscal scenario comparison

	Governor's Plan					Statutory Status Quo				
Unrestricted Revenues	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Traditional UGF Revenue	1,202.6	1,432.5	1,572.7	1,634.7	1,650.1	1,202.6	1,432.5	1,572.7	1,634.7	1,650.1
Permanent Fund 5% POMV	3,069.3	3,193.8	3,241.0	3,248.6	3,254.1	3,069.3	3,206.0	3,287.0	3,330.0	3,373.0
Total Revenue	**4,271.9**	**4,626.3**	**4,813.8**	**4,883.3**	**4,904.2**	**4,271.9**	**4,638.5**	**4,859.7**	**4,964.7**	**5,023.1**
Unrestricted General Fund Expenditures	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Agency Operations	3,813.2	3,712.7	3,612.7	3,666.9	3,721.9	3,923.8	3,923.8	3,923.8	3,923.8	3,923.8
Statewide Items	440.1	423.3	419.1	413.1	413.4	483.1	466.3	462.1	456.1	456.4
Operating Budget	**4,253.3**	**4,136.0**	**4,031.8**	**4,080.0**	**4,135.3**	**4,406.9**	**4,390.1**	**4,385.9**	**4,379.9**	**4,380.2**
Capital Budget	**58.5**	**126.9**	**128.8**	**130.7**	**132.7**	**125.0**	**126.9**	**128.8**	**130.7**	**132.7**
Permanent Fund Dividend	**2,023.6**	**1,596.9**	**1,620.5**	**1,624.3**	**1,627.1**	**2,023.6**	**2,105.9**	**1,870.3**	**1,960.2**	**2,079.9**
Per capita PFD	*$3,070*	*$2,382*	*$2,415*	*$2,408*	*$2,399*	*$3,070*	*$3,168*	*$2,788*	*$2,916*	*$3,081*
Total General Fund Appropriations	**6,335.4**	**5,859.7**	**5,781.0**	**5,835.0**	**5,895.1**	**6,555.5**	**6,622.9**	**6,384.9**	**6,470.9**	**6,592.9**
Savings draw: CBR	39.9									
Savings draw: ERA	2,023.6									
Remaining Surplus/(Deficit)	**0.0**	**(1,233.5)**	**(967.3)**	**(951.7)**	**(990.9)**	**(2,283.6)**	**(1,984.4)**	**(1,525.2)**	**(1,506.1)**	**(1,569.8)**

Scenario differences:

Governor's Plan:
- Use reserves for full PFD in FY21 & FY22
- $295m reductions in FY22
- $150m reduction target for FY24
- AHFC bond financing for FY22 capital
- 50-50 PFD in FY23+

Statutory Status Quo:
- No funding mechanism for full FY21/FY22 PFD
- Status quo agency operating budget
- No agency operating reductions
- Current statutory PFD
- No cost-saving legislation

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Dollars in Millions 4

PFD Scenarios

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Traditional Revenue	1,243.1	1,202.6	1,432.5	1,572.7	1,634.7	1,650.1
SB 26 POMV	3,091.5	3,069.3	3,206.0	3,286.6	3,329.6	3,372.6
Operating + Capital UGF Expenditure	4,613.2	4,311.9	4,262.5	4,160.1	4,210.3	4,267.6
Current Statute FY21-FY22, 50-50 FY23+						
POMV/ERA draw	4,317.0	5,092.9	3,193.8	3,241.0	3,248.6	3,254.1
PFD Appropriation	1,905.5	2,023.6	1,596.9	1,620.5	1,624.3	1,627.1
Per capita PFD	$2,887	$3,070	$2,382	$2,415	$2,408	$2,399
Remaining deficit	(862.8)	(40.0)	(1,233.1)	(966.9)	(951.3)	(990.5)
Current Statute FY21, 50-50 FY22+						
POMV/ERA draw	4,317.0	4,603.9	3,193.8	3,245.9	3,258.7	3,269.7
PFD Appropriation	1,905.5	1,534.6	1,596.9	1,623.0	1,629.4	1,634.9
Per capita PFD	$2,887	$2,311	$2,393	$2,419	$2,415	$2,411
Remaining deficit	(862.8)	(40.0)	(1,233.1)	(964.4)	(946.2)	(982.6)
Status Quo - $1,000 PFD						
POMV/ERA draw	3,091.5	3,069.3	3,206.0	3,286.6	3,329.6	3,372.6
PFD Appropriation	680.0	690.8	682.9	686.7	690.5	694.4
Per capita PFD	$992	$1,000	$1,000	$1,000	$1,000	$1,000
Remaining deficit	(862.8)	(730.9)	(306.8)	12.5	63.5	60.6

Dollars in Millions 5

Department PCN Summary

Department	FY2019	FY2020	FY2021	FY2022	FY19 - FY22 Change	%
DOA	1,245	1,264	1,225	1,253	8	0.6%
DCCED	543	545	525	519	(24)	(4.4%)
DOC	1,907	2,020	2,054	2,055	148	7.8%
DEED	289	289	277	265	(24)	(8.3%)
DEC	485	483	479	468	(17)	(3.5%)
ADFG	1,455	1,450	1,430	1,427	(28)	(1.9%)
GOV	159	173	172	174	15	9.4%
DHSS	3,610	3,627	3,520	3,378	(232)	(6.4%)
DOLWD	734	741	739	732	(2)	(0.3%)
LAW	507	524	533	552	45	8.9%
DMVA	281	264	285	281	0	0.0%
DNR	901	915	924	922	21	2.3%
DPS	836	849	914	909	73	8.7%
DOR	882	872	862	859	(23)	(2.6%)
DOTPF	3,388	3,380	3,349	3,355	(33)	(1.0%)
UA	4,182	4,183	4,061	4,031	(151)	(3.6%)
LEG	572	571	571	574	2	0.3%
COURTS	766	772	779	780	14	1.8%
TOTAL	22,742	22,922	22,699	22,534	(208)	(0.9%)

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